South Australian Centre for Economic Studies

Survey of Kangaroo Island Food Produce Demand

Report commissioned by:

Office of the Commissioner for Kangaroo Island
Department of Planning, Transport and Infrastructure
SA Government

Report prepared by:

The South Australian Centre for Economic Studies
University of Adelaide

September 2017

Authors: Anthony Kosturjak, Senior Research Economist, SA Centre for Economic Studies

Published by: South Australian Centre for Economic Studies
University of Adelaide
SA 5005
AUSTRALIA
Telephone: (61+8) 8313 5555
Facsimile: (61+8) 8313 4916
Internet: http://www.adelaide.edu.au/saces
Email: saces@adelaide.edu.au

Contents

1. Introduction

The following report summarises the results of an effort to survey food services businesses – i.e. hotels and restaurants – on Kangaroo Island in order to estimate current agricultural food produce demand. The goal of the survey was to identify opportunities for establishing or increasing local food production in order to meet existing demands on Kangaroo Island. The work was commissioned by the Commissioner for Kangaroo Island in partnership with Agriculture Kangaroo Island.

Unfortunately a lack of participation and response was received from food services businesses, preventing estimation of food produce demand for Kangaroo Island. Nonetheless, some useful information was obtained from the handful of responses received, and is summarised in this report.

The remainder of the report is organised as follows. Section 2 summarises the approach of the study and the response achieved, including challenges encountered. Section 3 summarises the results of the survey, including the relative size of food produce categories, extent of purchases from local producers, and potential barriers faced by local food services businesses in terms of increasing their purchases from local producers. Section 4 provides summary information on agricultural production for Kangaroo Island based on the results of the latest Agricultural Census and related data sources.

2. Approach and Response

In order to ascertain current food produce demand for local food services businesses a survey was designed and distributed in an Excel format. The survey was devised to collect information on organisation and contact person details, the quantity of food produce purchased in 2016/17 for a select range of food produce categories, including the amount purchased from producers on Kangaroo Island, and potential barriers to increasing purchases from local suppliers. A copy of the survey instrument is presented in Appendix A.

A total of 60 food produce categories were identified as potentially being in scope of the survey. Asking potential respondents to provide data for such a broad range of categories would place a heavy survey burden on them and likely discourage participation in the survey. As a consequence an effort was made to reduce the number of food produce categories. This process involved examining Australian Bureau of Statistics (ABS) Agricultural Census data to identify major food produce categories, and consulting with the Chairperson of Agriculture Kangaroo Island and the Office of the Commissioner for Kangaroo Island to identify key and irrelevant produce categories. A guiding principle here was to exclude forms of produce that could not or were unlikely to be grown on Kangaroo Island due to unfavourable weather conditions and other critical constraints, or were unlikely to be sold directly to local food businesses. Following this process the number of food produce categories included in the survey was reduced to 28.

Hotels and restaurants were considered to be the target population for the survey. It was originally envisioned that up to 12 key organisations would be surveyed. The Office of the Commissioner for Kangaroo Island consulted with the potential participants but unfortunately only 5 indicated a willingness to participate in the survey.

The lack of potential participants is a disappointing result given that one ultimately requires a very high level of participation to obtain accurate results when conducting surveys in respect of small populations. For example, to derive reliable estimates for a population of 20 according to conventional levels of statistical accuracy (i.e. confidence level of 95 per cent and margin of error of 5 per cent), a sample size of 19 respondents is required. Obtaining a high level of participation is particularly important when surveying businesses given that large variations in business size do exist, which means that the exclusion of a single large business can significantly skew the survey results. Nonetheless, obtaining data for the 5 potential survey participants would provide insight into relative food produce volumes, while the results could be scaled up to derive ballpark estimates.

The survey was subsequently administered to the potential participants by email on 11 July. After a four week collection period which included efforts to follow-up with non-respondents, 3 completed responses and 1 partially completed response were received. Unfortunately the organisation which provided a partial response was unable to provide data on their food produce purchases as they did not have access to this level of detail. The other potential participant also advised that they would not be able to participate in the survey as their accounting system did not record the level of detail sought in regards to food produce usage.

The lack of initial participation and subsequent incomplete response to the survey illustrates the difficulties faced by food services businesses in providing the kind of information being sought for this type of study. Some businesses do not currently have the purchasing or records management systems in place to record the level of detail we require to estimate demand for particular types of food produce purchases. These organisations may acquire the same form of produce from different suppliers, which makes it difficult to reconcile total demand for a particular produce. Moreover, information may only be recorded on the costs of particular purchases rather than the quantity supplied, and may only be recorded at a highly aggregated level (e.g. total costs of food purchases, or total cost of purchases from particular suppliers). For many of these organisations their key metrics will relate to operating revenue, labour costs, total operating costs, marketing, visitation and guest demographics etc., rather than particular quantities of food produce purchased.

With only 3 completed survey responses we ultimately had insufficient data to produce even ballpark estimates of food produce usage for Kangaroo Island. At best we can provide some limited information for the three respondents on the relative size of the various forms of food produce, the extent of purchases from local suppliers, and barriers faced in terms of switching to Kangaroo Island local suppliers. This information is presented in the following section.

3. Survey Data Analysis

3.1 Patterns of food produce usage

Due to the poor response rate it is not possible to derive population estimates of food production usage for Kangaroo Island. It also means that the aggregate consumption data for the respondents cannot be made publicly available due to confidentiality concerns (as a consequence this information has been supplied separately as a confidential appendix).

Nonetheless, it is possible to show the relative size of the various forms of food produce purchases for the respondents based on weight, and the extent to which these purchases are derived from Kangaroo Island based suppliers. The former is interesting to the extent that it provides insight into those food produce categories that are mostly highly demanded by food services businesses.

Figure 3.1 shows the relative size of the various forms of food produce purchases. These relative shares were calculated based on weight measured in kilograms. Data for those forms of food produce that were not originally sought in terms of kilograms (i.e. eggs, olive oil and canola oil) were converted to kilograms using appropriate conversion factors. It is important to remember that the relative shares are based on total purchases for those categories within the scope of the survey, and that food services business would have other food produce purchases that were not in scope of the survey (e.g. almonds, apples, herbs, flour etc.).

Turning to the results, meat accounted for a significant proportion of food produce purchases for the three respondents (41 per cent of total food purchases by weight). The most significant category was lamb and mutton (almost 13 per cent), followed by chicken (12 per cent), beef and veal (8.5 per cent) and bacon and ham (7.9 per cent), which includes purchases of pork. Consumption of other forms of poultry such as geese and ducks was very low (0.2 per cent).

Potatoes were the single largest food produce purchased by the respondents, accounting for 13 per cent of total food purchased. Other vegetable and fruit categories that accounted for a relatively high share of food purchases included melons (5.9 per cent), followed by carrots (4.7 per cent), lemons (4.4 per cent), tomatoes (4.0 per cent) and onions (3.2 per cent).

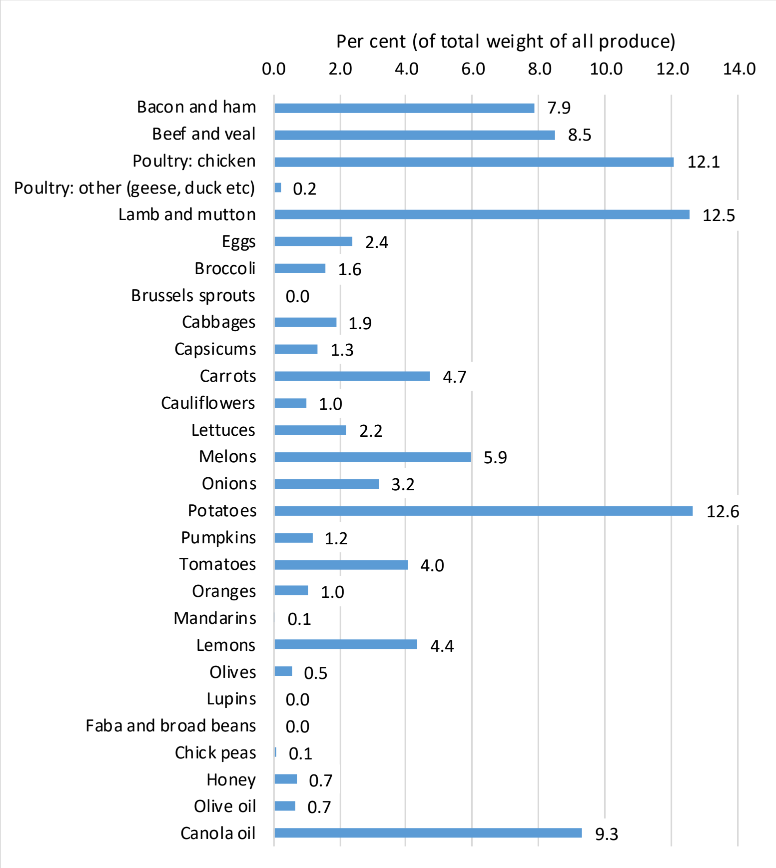
Canola oil was the other main food produce category that was purchased in significant quantities, accounting for 9.3 per cent of food produce purchased in 2016/17.

There were no recorded purchases of brussels sprouts, lupins, or faba and broad beans, while there were insignificant purchases of chick peas (0.1 per cent) and mandarins (0.1 per cent).

The proportion of each food produce purchased from Kangaroo Island based suppliers is illustrated in Figure 3.2. Of the 25 food produce categories that had some quantity of recorded purchases in 2016/17, 9 (36 per cent) involved some degree of purchases from Kangaroo Island based suppliers.

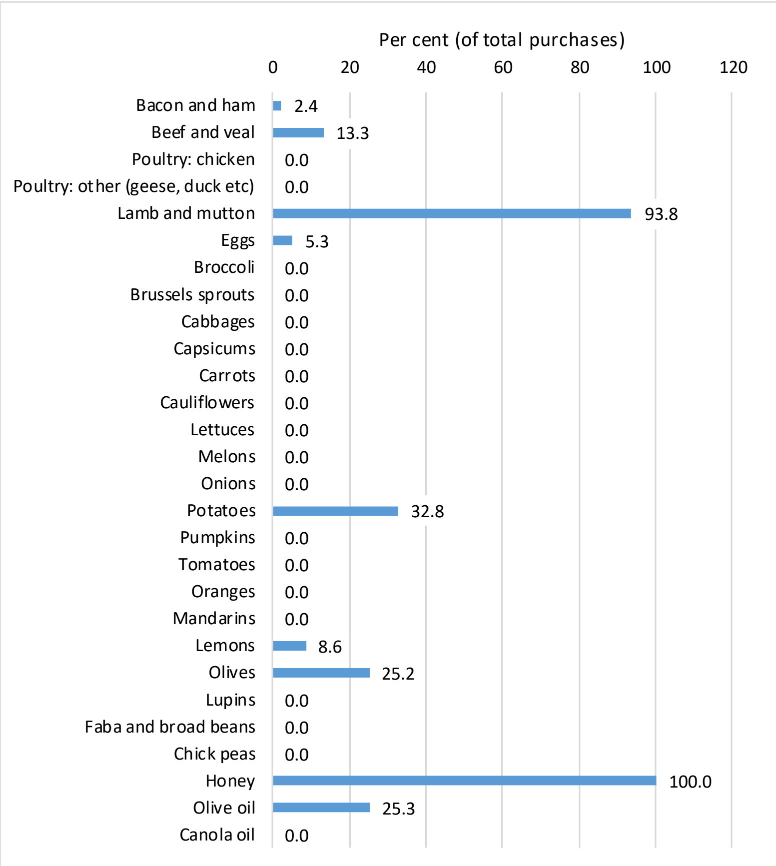
All honey purchases were derived from Kangaroo Island based suppliers, while the vast majority of lamb and mutton purchases (94 per cent) were derived from local producers. One respondent observed that while lamb and mutton was produced locally, it had to be sent to Adelaide to be slaughtered, so in a sense was purchased from Adelaide.

Figure 3.1 Food produce share of total food produce purchases (based on weight), 2016/17[(a)]



Note: (a) Total food produce refers to those food produce categories in scope of the survey.

Figure 3.2 Proportion of food produce purchased from Kangaroo Island based suppliers (based on weight), 2016/17[(a)]



Note: (a) There were no recorded purchases of brussels sprouts, lupins, and faba and broad beans.

Other forms of food produce that involved a significant degree of purchases from local suppliers included, in descending order of importance, potatoes (33 per cent secured from local suppliers), olive oil (25 per cent) and olives (25 per cent).

A small proportion of food produce needs was also obtained from local suppliers in respect of beef and veal (13 per cent), lemons (8.6 per cent), eggs (5.3 per cent), and bacon and ham (2.4 per cent). The low share of purchases of eggs from local suppliers is surprising given that there is significant egg production on Kangaroo Island – refer section 4 which considers existing agricultural production on Kangaroo Island. It could simply reflect sampling error given the small number of respondents, but also other factors such as lock in of existing contract arrangements, price considerations and the market preferences of suppliers.

With the exception of potatoes, there was effectively no purchases of vegetables from local suppliers. This outcome matches the pattern of agricultural production on Kangaroo Island, whereby potatoes are the main form of vegetables produced – refer section 4.

3.2 Contracting arrangements and scope for local purchases

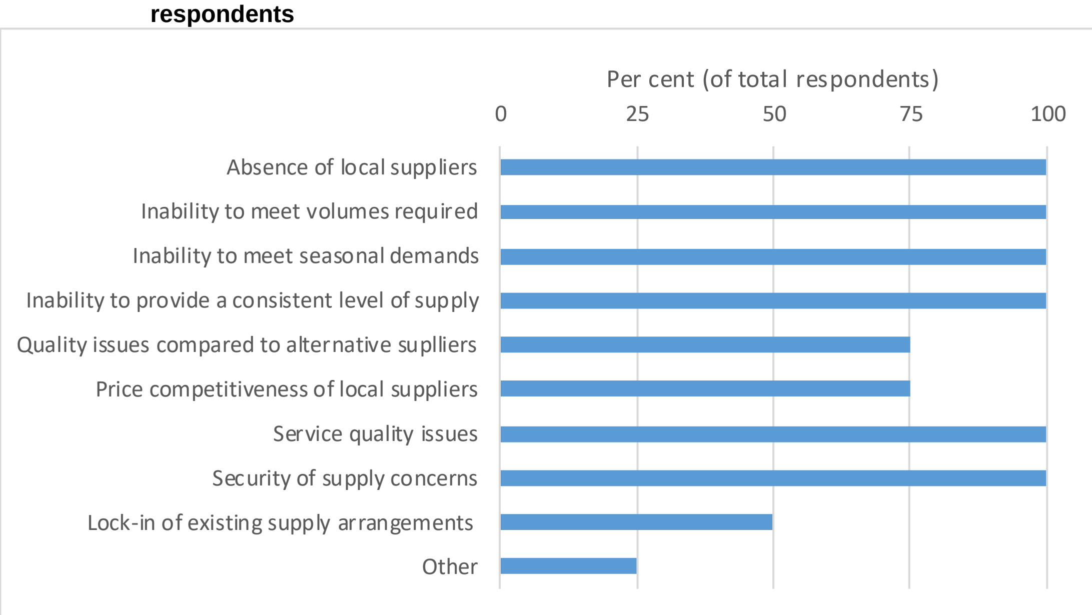
Feedback was sought from businesses regarding their ability to switch to Kangaroo Island based suppliers, including potential barriers that may prevent them from doing so.

All of the four respondents indicated that their organisation had the flexibility to switch to suppliers located on Kangaroo Island to the extent there were no existing barriers. They also indicated that they could switch to local suppliers fairly rapidly, with all four indicating that they could make the switch to local suppliers within a year.

Figure 3.3 shows the proportion of respondents that identified certain factors as presenting a significant barrier to increasing their purchases of food produce from local suppliers. Effectively all of the nominated potential factors were identified by a majority of respondents as presenting a barrier to increased adoption of local produce. The specific barriers that apply vary depending on the type of food produce concerned. However, no attempt was made to identify those factors that present barriers for each specific form of food produce as this would have significantly increased the complexity of the questionnaire.

Factors that were identified by all respondents as presenting a barrier to adoption or increased usage of local supply included an absence of local suppliers, inability of local suppliers to meet volumes required, inability to meet seasonal demands, inability to provide a consistent level of supply through the year, service quality issues (e.g. communication, responsiveness and flexibility), and security of supply concerns.

Figure 3.3 Factors identified as a significant barrier to increasing purchases from local suppliers, per cent of respondents



Three quarters of respondents indicated that quality issues compared to alternative suppliers and the price competitiveness of local suppliers were also significant barriers to increasing purchases from local suppliers. On this last point one respondent observed that, somewhat paradoxically, delivery costs for local suppliers can actually be quite high and therefore a barrier to local adoption. Where local suppliers do not offer a delivery service the use of couriers to transport produce leads to relatively high transport costs. The alternative for many businesses that provide food and beverages services is to engage a food wholesaler who provides a one-stop shop for obtaining most food produce needs. The economies of scale associated with this approach helps to mitigate transport costs even though the produce is ultimately being transported from outside Kangaroo Island. The respondent had overcome the barrier of high delivery costs for local suppliers, in part, by picking up some food produce from local suppliers themselves.

While the lock-in of existing contracts was a less significant barrier compared to those other factors nominated, it remained an obstacle for half of the respondents. This barrier would in part reflect the nature of organisation within the industry. For example, some hotels, accommodation facilities and restaurants are owned and operated as part of a corporate group of businesses. As a consequence food purchasing arrangements may be determined as part of national or state level negotiated deals, potentially limiting the flexibility of individual businesses to engage with alternative suppliers. Although one of the respondents was in this situation, they noted they had some flexibility to purchase from local suppliers.

4. Existing Agricultural Production

The Australian Bureau of Statistics (ABS) recently published regional level estimates of agricultural production, including production volumes and value of production. These estimates are based on data collected as part of the 2015/16 Agricultural Census, supplemented by other data sources in the case of value of production estimates. As these data are one of the few sources on the scale and pattern of agricultural production activity at the regional level, it is interesting to review these estimates to gain insight into the current supply capacity of the agriculture sector on Kangaroo Island.

Before proceeding it is worth noting that ABS estimates of agricultural production are not completely comprehensive to the extent that smaller agricultural businesses are excluded from the latest Agricultural Census data. Only agricultural businesses with an Estimated Value of Agricultural Operations (EVAO) of $40,000 or more were in scope of the 2015/16 Agricultural Census, whereas previously an EVAO of $5,000 or more was used. While this change will exclude any micro businesses on Kangaroo Island, the vast majority of agricultural production activity should still be captured.

Table 4.1 shows the gross and local value of agricultural production for the Kangaroo Island Natural Resource Management region, based on final estimates from the Value of Agricultural Commodities (VACP) collection. Gross value refers to the value of production at which ownership of the commodity is transferred (e.g. sold to factory for processing, sold into fresh fruit market), while local value is the gross value less transport and marketing costs (ABS 2017). Hence local value in effect represents a measure of the value of production at the place of production.

The gross value of agricultural production on Kangaroo Island in 2015/16 is estimated to be $87.5 million. In 'local value' terms agricultural production is estimated to be $81.4 million, which is equivalent to 93 per cent of gross value.

The gross value of agricultural production for Kangaroo Island in 2015/16 was equivalent to just 0.3 per cent of the gross value of South Australian agricultural production ($6,229 million).

Agricultural production on Kangaroo Island is heavily geared toward livestock rather than crops. Livestock slaughtered and other disposals accounted for 50 per cent of gross value of agricultural production in 2015/16, with livestock products (e.g. wool, milk, eggs) accounting for a further 30 per cent, and crops 20 per cent. In comparison, South Australian agricultural production is more heavily skewed towards crops, which accounted for 58 per cent of gross production value in 2015/16, followed by livestock slaughtered and other disposals at 31 per cent, and livestock products at 11 per cent.

Table 4.1 Value of Agricultural Commodities Produced
Kangaroo Island Natural Resource Management Region – 2015/16

Value of Agricultural commodities produced	Gross value ($)	Local value ($)[(a)]
Crops	17,846,610	17,037,325
Livestock products	26,323,904	24,938,188
Livestock slaughtered and other disposals	43,339,534	39,449,823
Total	87,510,049	81,425,336

Note: (a) Local value is equal to gross value less transport and marketing costs.
Source: ABS, *Value of Agricultural Commodities Produced*, *Australia*, 2015/16, Cat. No. 7503.0

Table 4.2 shows a more detailed breakdown of the value of agricultural production for Kangaroo Island by commodity. It is important to note that some estimates have high relative standard errors and should therefore be treated with caution, which in practical terms means they should be considered indicative estimates only. The presence of high relative standards errors may reflect that the sample size was insufficient to derive reliable estimates at such a fine level of detail (in terms of commodity and region level), or that there were insufficient responses from farmers.

The large value of livestock slaughtered and other disposals for Kangaroo Island in 2015/16 is largely accounted for by production of sheep and lamb ($29.4 million), while production of cattle and calves are also significant ($11.3 million). There is also minor production of poultry ($1.9 million), pigs ($0.6 million), and negligible production of goats.

Table 4.2 Gross Value of Agricultural Commodities Produced by Commodity Kangaroo Island Natural Resource Management Region – 2015/16

	$	% total
Crops		
Broadacre crops		
Wheat for grain	3,303,553	3.8
Oats for grain	1,300,962	1.5
Barley for grain	786,877	0.9
Triticale for grain	178,955^	0.2^
Lupins	221,117^	0.3^
Mung beans	933*	0.0*
Faba beans	1,955,502	2.2
Other pulses	35,243^	0.0^
Oilseeds - Canola	2,147,531	2.5
Total broadacre crops	*9,930,672*	*11.3*
Hay	4,741,387	5.4
Fruit and nuts - grapes - wine production	235,876^	0.3^
Vegetables for human consumption - potatoes	2,938,675^	3.4^
Total crops	***17,846,610***	***20.4***
Livestock products		
Wool	24,875,809	28.4
Milk	6,988*	0.0*
Eggs	1,441,107	1.6
Total livestock products	***26,323,904***	***30.1***
Livestock slaughtered and other disposals		
Sheep and lambs	29,421,006	33.6
Cattle and calves	11,326,994	12.9
Goats	14,462^	0.0^
Pigs	648,468	0.7
Poultry	1,928,604	2.2
Other	0	0.0
Total livestock slaughtered and other disposals	***43,339,534***	***49.5***
Total agriculture	87,510,049	100.0

Note: * Estimate has a relative standard error of between 25 and 50 per cent and should be used with caution.
^ Estimate has a relative standard error of 10 to less than 25 per cent and should be used with caution.
Source: ABS, *Value of Agricultural Commodities Produced*, *Australia*, 2015/16, Cat. No. 7503.0

Wool is by far the most significant livestock product produced on Kangaroo Island, accounting for $24.9 million of the $26.3 million in gross value of livestock products produced in 2015/16. The other main livestock product produced was eggs ($1.4 million), while a very small amount of milk was also apparently produced (less than $10,000).

Crop production for Kangaroo Island is largely accounted for by broadacre crops ($9.9 million) and hay ($4.7 million). The most significant broadacre crops in 2015/16 in terms of gross value of production were wheat for grain ($3.3 million), oilseeds – canola ($2.1 million), faba beans ($2.0 million), and oats for grain ($1.3 million). A range of other broadacre crops are also produced, indicating a high degree of variety.

The only fruit and nut production data published for Kangaroo Island in 2015/16 was in respect of grapes for wine production, with a gross value of $0.2 million. Vegetable production was also narrowly based, with potatoes for human consumption being the only recorded vegetable production activity. The gross value of potatoes production was estimated to be $2.9 million. It is possible that some forms of fruit and vegetable production have not been captured either because these producers did not respond to the survey or are very small producers who were outside the scope of the Agricultural Census (i.e. EVAO below $40,000). Past results have indicated other forms of vegetable production. For example, there was $2.7 million in other vegetables not elsewhere classified recorded as being produced on Kangaroo Island in 2014/15. It is also possible that these producers have since switched to producing potatoes.

Agricultural Census data on production volumes, area of plantings and number of agricultural businesses in respect of crops for Kangaroo Island are presented in Table 4.3. Meanwhile, data on the number of livestock holdings and associated number of agricultural businesses are presented in Table 4.4.

Table 4.3 Crop production volumes, area and number of agricultural businesses Kangaroo Island Natural Resource Management Region – 2015/16

	Production (t)	Area (ha)	Number of businesses
Broadacre crops			
Cereal crops			
Wheat for grain	13,109	4,550	19
Oats for grain	4,130	1,500	42
Barley for grain	3,701	1,378	26
Triticale for grain	760^	213^	7^
Non-cereal crops			
Oilseeds - Canola	4,201	2,174	7
Lupins	646^	598^	10
Mung beans	1*	1*	1*
Faba beans	3,932	2,619	14
Other pulses	71^	73^	5^
Total broadacre crops	-	13,106	70
Hay and Silage - Pasture, cereal and other crops cut for hay(a)			
Lucerne cut for hay	55	40	2
Other pasture cut for hay	8,047	2,381	58
Cereal cut for hay	9,832	1,473	50
Other crops cut for hay	3,525	840	25
Total pasture, cereal and other crops cut for hay	21,460	4,734	114
Hay and Silage - Pasture, cereal and other crops cut for silage(a)	2,125*	872^	10^
Fruit and nuts - grapes - wine production	372^	78^	7^
Vegetables for human consumption - potatoes	5,777^	172	3^

Note: (a) Includes lucerne.
* Estimate has a relative standard error of between 25 and 50 per cent and should be used with caution.
^ Estimate has a relative standard error of 10 to less than 25 per cent and should be used with caution.
Source: ABS, *Agricultural Commodities*, *Australia*, 2015/16, Cat. No. 7121.0

Table 4.4 Livestock holdings and number of agricultural businesses Kangaroo Island Natural Resource Management Region – 2015/16

	Number of livestock (unless otherwise stated)	Number of businesses
Sheep and lambs		
Lambs under 1 year – Total	158,554	128
Breeding ewes 1 year and over (merino and all other)	318,800	183
All other	119,841	179
Total sheep and lambs	597,194	186
Cattle		
Dairy cattle	3*	1*
Meat cattle - Total (no.)	17,167	86
Total cattle	17,170	86
Pigs	811	7
Poultry and eggs – live poultry		
Total layers (excluding pullets)	53,844	7^
Pullets for egg production (including replacement stock)	11,247	2^
All other poultry	117*	3*
Hen egg production for human consumption - Total (dozens)	650,137	7^
All other livestock		
Goats (excluding unmanaged feral goats)	13^	2^
Other livestock not elsewhere classified	54	11

Note: * Estimate has a relative standard error of between 25 and 50 per cent and should be used with caution.
^ Estimate has a relative standard error of 10 to less than 25 per cent and should be used with caution.
Source: ABS, *Agricultural Commodities*, *Australia*, 2015/16, Cat. No. 7121.0

5. Suggestions for Further Research

While it may be tempting to try and estimate food produce demand by replicating this study in future by seeking more comprehensive participation from food services businesses, we would caution against doing so. Estimating food demand for such a small population requires a high level of participation and the significant resistance encountered during the current study suggests that such an approach would have a low probability of success. Not only does the type of information sought place a significant survey burden on potential respondents (which discourages participation), some food services businesses simply do not have the records managements systems in place to provide such information. Should there be a strong desire to repeat the study, one viable approach may be to conduct the study over a longer time period whereby respondents are asked to record their food produce usage at regular intervals using a data collection template. Such an approach would still be dependent on obtaining a high degree of initial participation and be resource intensive.

The feedback received through the survey and limited verbal discussions indicates a large number of potential barriers to increasing purchases of food produce from local suppliers. As the survey only collected limited information regarding the nature of these barriers, there may be some value in conducting a qualitative study involving face to face discussions with food services businesses in order to develop a deeper understanding of the nature of these barriers. Such an understanding may include the relative importance of particular barriers, the existence of generic versus produce specific barriers, price versus non-price barriers, and any differences across the types of food services businesses (e.g. small versus large, independent versus those that are part of a group of businesses).

It is also recommended that such a study include consultations with suppliers as barriers to increased local adoption may also emanate from the supply side, not just the demand side. Such barriers may not only comprise physical barriers to increasing local production (i.e. water and climate limitations), but also availability of suitable labour, preferences for supplying alternative markets (e.g. larger export markets versus smaller local businesses) etc. Interviewing suppliers would also provide a different perspective on those barriers identified by food services businesses, helping to develop a more nuanced understanding of existing barriers.

The survey also revealed that complex supply chain arrangements exist in some circumstances – e.g. lamb being sent off Kangaroo Island to be slaughtered before returning – which makes it difficult to track the source and destination of certain produce. Talking to food produce suppliers should provide greater insight into the nature of existing supply chains, enabling a better understanding of where locally produced food commodities are ultimately going. Developing a more thorough understanding of existing supply chains may provide greater insight into potential barriers to increasing local purchases from local suppliers, but also barriers to expanding local food production more broadly.

Bibliography

Australian Bureau of Statistics (ABS) (2017), *Value of Agricultural Commodities Produced, Australia, 2015-16*. Available: http://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/58529ACD49B5ECE0CA2577A000154456?opendocument

Appendix A

Survey Instrument

SOUTH AUSTRALIAN CENTRE FOR ECONOMIC STUDIES | THE UNIVERSITY of ADELAIDE

Introduction

Purpose

This data request seeks information regarding your organisation's use of fresh produce. This information is being sought to better understand existing fresh produce demand on Kagaroo Island as part of a broader effort to identify potential growth opportunities for local agricultural producers.

Confidentiality

The information you provide will be treated as confidential. The data will be aggregated across all survey respondents and reported on this aggregated basis so that no information can be attributed to an individual organisation. We will only indicate in our report that your organisation was consulted if you give us explicit permission to do so.

Structure of the data collection instrument

This questionnaire has three parts.
Part 'A. Contact Details' collects general information about your organisation including contact person details.
Part 'B. Produce Usage' seeks information on your use of various forms of agricultural produce.
Part 'C. Contracting Arranagements' seeks information regarding your existing contracting arranagameents and the scope to increase purchases from local providers on Kangaroo Island.

Submission and Assistance

If you have any queries about the questionnaire, please contact Anthony Kosturjak by phone at (08) 8313 4547 or via email at anthony.kosturjak@adelaide.edu.au

A. Organisation and Contact Detail

1. What is the name of your organisation?

2. What type of organisation are you?
   - ☐ Café / Restaurant
   - ☐ Retail (e.g. supermarket)
   - ☐ Accommodation / resort (may include restaurant facilities)
   - ☐ Other

3. If your organisation provides accommodation services, what is your room capacity?
   rooms

4. If your organisation provides restaurant and cafe services, what is your seating capacity?
   seats

5. Please provide contact person details should we have any queries regarding your response.
   Name:
   Phone number:
   Email:

6. Are you happy for us to list your organisation as having participated in the survey?
   (all data will be aggregated and not attributed to any specific organisation)
   - ◯ Yes
   - ◯ No

B. Agricultural Produce Demand

Please complete Part 1 and Part 2.

Part 1 - Demand

What were your purchases of each of the following types of produce in the 2016/17 financial year? (2016 calendar year basis also acceptable)

Provide on a volume **OR** value basis (whichever is easiest). If you answer on a value basis, provide an estimate of the average value so we can estimate demand in volume terms.

Part 2 - Local Purchases

What proportion of your consumption was derived from Kangaroo Island producers? Please make a rough estimate if you are uncertain.

	Volume	**OR**	Value ($)	Average value	
Meat					
- Bacon and ham	kg			$ per kilo	%
- Beef and veal	kg			$ per kilo	%
- Poultry: chicken	kg			$ per kilo	%
- Poultry: other (geese, duck etc)	kg			$ per kilo	%
- Lamb and mutton	kg			$ per kilo	%
Eggs	no. of eggs			$ per dozen	%
Vegetables					
Broccoli	kg			$ per kilo	%
Brussels sprouts	kg			$ per kilo	%
Cabbages	kg			$ per kilo	%
Capsicums	kg			$ per kilo	%
Carrots	kg			$ per kilo	%
Cauliflowers	kg			$ per kilo	%
Lettuces	kg			$ per kilo	%
Melons	kg			$ per kilo	%
Onions	kg			$ per kilo	%
Potatoes	kg			$ per kilo	%
Pumpkins	kg			$ per kilo	%
Tomatoes	kg			$ per kilo	%
Fruit (citrus)					
Oranges	kg			$ per kilo	%
Mandarins	kg			$ per kilo	%
Lemons	kg			$ per kilo	%
Other					
Olives	kg			$ per kilo	%
Lupins	kg			$ per kilo	%
Faba and broad beans	kg			$ per kilo	%
Chick peas	kg			$ per kilo	%
Honey	kg			$ per kilo	%
Olive oil	litres			$ per litre	%
Canola oil	litres			$ per litre	%

C. Contracting Arrangements and Scope for Local Purchases

1. Assuming there were no barriers and local suppliers on Kangaroo Island could meet your needs, does your organisation have the flexibility to switch to local suppliers?
   - ◯ Yes
   - ◯ No
   - ◯ Unsure

   If Yes, how quickly could you switch to local suppliers?
   - ☐ less than 1 year
   - ☐ 1 to 2 years
   - ☐ 2 to 5 years
   - ☐ more than 5 years

2. Which of the following factors may be <u>significant</u> barriers to increasing your purchases from local suppliers?
   please tick all that apply
   - ☐ Absence of local suppliers
   - ☐ Inability to meet volumes required
   - ☐ Inability to meet seasonal demands
   - ☐ Inability to provide a consistent level of supply (e.g. through the year)
   - ☐ Quality issues compared to alternative suppliers
   - ☐ Price competitiveness of local suppliers
   - ☐ Service quality issues (i.e. communication, responsiveness, flexibility)
   - ☐ Security of supply concerns
   - ☐ Lock-in of existing supply arrangements (e.g. centralised procurement, existing long-term contracts)
   - ☐ Other

   If other, please specify: ______________________

Appendix B

Aggregate Produce Demand
(Confidential – supplied separately)