



## CAFE SOCIETY

IDEAS OVER A CUPPA  
WITH AMANDA DUCKER

# The good oil grows here

Why Tassie is primed to snare a healthy slice of an \$8b global market

**Y**OU may have seen or smelled them at your local yoga studio or in your teenage daughter's bedroom, but did you know those little electric aromatherapy diffusers are driving a surge in the global essential oil market?

And Tasmania is well placed to make the most of the boom — providing we play our cards right.

Worldwide, the essential oils industry is worth more than \$8 billion annually.

Essential Oils of Tasmania chief executive Simon Wells says 10 per cent annual year-on-year growth is projected into the foreseeable future.

And while the industry had been a bit of a sleeper here, that's no longer the case.

"After some difficult years our business is now growing, and oil production has increased by 35 per cent since 2015," says Simon.

Tasmania's brand strength, clean environment and agricultural nous provided tremendous advantages for specialised agriculture.

And with its expansion plans through an existing network of farmers, Simon says Essential Oils of Tasmania plans to make the most of it.

To do that, the business needs a fresh round of infrastructure investment, specifically more oil distillation facilities on farms to process often volatile ingredients on-site.

"In the lead-up to this election, we have been engaging with both sides of



Picture: RICHARD JUPE

politics seeking support for the industry," says Simon.

"Interest in Tasmania as a producer of essential oils is increasing, but we need to be able to respond to that demand."

The company has been operating for 30 years, with about 12 farmers around the state growing strong strains of key crops, including lavender, peppermint, rosemary, fennel and boronia.

Native plant extracts including kunzea and rosalina are wild-harvested and in crop development in places including Flinders Island.

"These Tasmanian oils are really capturing the interest of the global aromatherapy sector," says Simon, attributing our scents' popularity not just to uniqueness but the quality delivered through ideal growing conditions in a temperate climate.

Visions of long summer days sweetening the harvest

## Fika by the beach

Fika cafe opened last May and what a pleasure it is to discover its calm, blond timber interior and uncluttered atmosphere. Scando-savvy acoustics make it a great choice for conversation. The breakfast/lunch menu looks tempting, including the mushrooms with wilted spinach, fetta, pepitas, cracked pepper, nutmeg, hummus and sourdough, \$14.90.

■ Address: 1 Beach Rd, Kingston

■ Open: Open seven days, 6.30am to 4pm

■ Sweet treat: Caramel and macadamia tart, \$8



look rather romantic to this fragrance lover when we meet at Fika cafe at Kingston Beach, a few minutes' drive from the company's Margate headquarters and 10-hectare lavender farm.

Simon says it's an exciting but demanding industry to be in. Product traceability is key, all the way from the consumer back to the individual farm.

And the premium marketplace expects absolute transparency on all chemical compositions, making consistency and expert handling essential.

Recently Essential Oils of Tasmania forged a partnership with the University of Tasmania to sharpen the business's edge in plant science and crop management.

While the future looked bright, it was no time to sit on our freshly picked laurels.

Simon says one risk facing niche agriculture, despite the passion of growers, is complacency borne of favourable trading conditions.

"The current terms of trade are assisting Tasmanian producers and exporters, but as we saw during the GFC macro-economic factors can change rapidly and we need the capacity and profitability to withstand those cyclical challenges," he says.

Governments needed to ensure we continue to protect our predominantly disease-free status with stringent biosecurity. And they needed to avoid policy flip-flopping.

"It's clear when Tasmania achieves sustained bi-partisan support for investment in strategic infrastructure, we can create significant new opportunities," he says.

The support evident for major irrigation scheme

development was an example of constructive bi-partisanship.

It not only opened up new areas for new crops and investment, it stabilised supply. And being able to demonstrate reliable growing conditions was important in sealing export deals.

With 90 per cent of Essential Oils of Tasmania's product exported, mostly to the US and Europe, Tasmania has an opposite season advantage as a Southern Hemisphere grower. This is just one of many geographical benefits of Tassie as a premium producer, says Simon.

Despite the challenges, our remoteness, uniqueness and isolation were among our strategic points of difference.

"Being an island at the bottom of the world has enabled our business to mature a unique suite of high-value natural products in a pristine environment."

Tasmania's blanket ban on genetically modified organisms was another advantage. A moratorium established in 2001 is due to expire in November, with the State Government heading into review mode.

"We are encouraging policy makers to treat very carefully in this space," says Simon.

He says the merits of our low-carbon energy system in Tasmania are worth promoting, too.

He thinks the No Dams conflict of the 1980s was such a watershed for so many Tasmanians that hydro-energy remains under-appreciated here to this day.

"Tasmania's economy is almost entirely powered by clean hydro-electricity, but sometimes we take for granted the incredible advantage this provides us.

"Our low-carbon energy system is front and centre to every interaction we have with new customers."