

Mechanical harvester makes North Qld project viable

# Brothers show how Australia can be major coffee producer

By MALCOLM McCOSKER

The investment potential of an imaginative North Queensland coffee project is based on the stark reality of more than 39,000 tonnes of non-roasted beans imported by Australia in 1982/3. Not a bean of coffee for domestic consumption is grown in the country, at least not until recently.

To replace these imports, which cost Australia a hefty whack of overseas exchange, would require about 10,000ha of coffee, based on an industry average of 3.9tonnes a ha.

Latest project offering a chance to invest in the crop is North Queensland Coffee Plantation Pty Ltd., launched by the Jaques brothers Richard and Nat, and another former East African, Jim Watson. The brothers already have made an impressive start with coffee in another northern project, Mareeba Coffee Estate Pty Ltd, set up three years ago. It now has 226,000 coffee trees planted near Mareeba on the Western fringe of the Atherton Tableland.

## From East Africa

Manager and director of the North Queensland Coffee Plantation Pty Ltd is Jim Watson, a qualified accountant from East Africa who has been in Australia for 15 years. Watson has been in the fast food business and for the past 13 years held a senior financial management position. North Queensland Coffee Plantation is issuing 200 shares worth \$6,500 a share.

The Jaques brothers will receive 40 shares in recompense for their consulting services through the five years of development and all subsequent years of operation of the project. A further 20 shares will go to Jim Watson as part of his management package, with 12 more shares bought by Watson over a five-year period.

The remaining 128 shares are available for purchase by interested parties. Each of the 200 shares represents a half per cent of the

equity and entitles its owner to that percentage of losses or profits. When the project is in full production the net return before tax is estimated to be \$468,100.

## \$2340 return

This indicates a yearly return per share of \$2340. On a percentage basis this indicates a 37.50pc prospective return on investment a year. On net present value calculations the figures indicate a return per share of \$1299 or a prospective 2.16pc return on investment per annum.

Both the Jaques Mareeba Coffee Estate and the new North Queensland Coffee Plantation are based on Arabica variety coffee which comprises about 50pc of total coffee imports. Average price for Arabica coffee at present is from \$3 to \$4kg for green beans. Estimated all-up cost of production is put at about \$1.50kg.

Queensland had a significant coffee industry back at the turn of the century. Coffee was grown on the Atherton Tableland from about 1900 to 1930 with up to 150ha established at one stage. An article in the Queensland Agricultural Journal in 1898 said that in the preceding year it was grown on an intensive scale in Mackay district and seemed likely to rival canegrowing.

**Below: The imported berry machine which has raised hopes about a coffee industry.**



## Plots neglected

At about the same time 40,000 plants were introduced and distributed in the Buderim region near Nambour but the nursery and cultivation plots were neglected. One popular theory at the time was that boys and girls on holiday would pick the coffee. This scheme, which never got off the ground, tended to pinpoint the main problem facing coffee in Australia — the high labor cost to handpick the beans.

Most efforts to get the crop going collapsed when cheap Kanaka labor was abolished from the canefields and elsewhere in the early 1900's. Labor costs and some frost damage and lack of experience put paid to coffee growing in North Queensland, leaving Australia to import all its coffee for the next 75 years.

The big breakthrough for successful coffee production in Queensland will come through mechanical harvesting. The Jaques brothers have solved the problem in one fell swoop by importing a \$70,000 New Zealand machine designed to harvest delicate redcurrants, raspberries and blueberries. The harvester is a 44kW hydraulically driven straddle tractor with shaker of four agitators, a conveyor and a trash removal system.

## Different rates

The shaker is the heart of the machine and has different rates of shake for variable speeds. The Jaques found the machine ideal for coffee and are confident of harvesting up to five tonnes a ha when the coffee trees reach full bearing. This will enable them to operate a 40-ha coffee plantation on their own.

North Queensland Coffee Plantation will buy another of the machines to harvest its crops. With projects like this in the pipeline, backed by the experience of top coffee technology, the crop seems destined for slow but steady growth in Australia, with the possibility of self-sufficiency in 25 years. □