

THE BEATING HEART OF AUSTRALIA'S FRESH PRODUCE TRADE

WHY CENTRAL MARKETS MATTER MORE THAN EVER



A LIVE TRADING ENVIRONMENT

Activity in central markets begins long before dawn. In many markets, trucks start arriving from around 10:30pm the night before, and work continues through to mid-morning the next day. Trucks arrive overnight from growing regions in every state. Forklift drivers move stock across the floor, unloaders break down pallets, sales staff negotiate orders, and buyers move from stand to stand securing supply.

Produce moves through the cool chain, with quality checks and handling that match buyer specifications. Buyers walk the floor, conversations are had, orders are struck and prices adjust according to quality, supply and demand.

Throughout the trading window, new produce continues to arrive, orders are consolidated for retailer warehouses,

and vehicles move in and out of the site. Central markets are dynamic by design, with continuous receivals, order picking and dispatch as supply and demand shift.

By early morning, that produce is already moving again, delivered to independent supermarkets and greengrocers, providores, cafes and restaurants, hospitals, schools and food manufacturers.

A central market is not a static warehouse or a single distribution centre. It is an open, competitive trading floor operating at speed. It is Australia's primary open market point of sale where prices form through open competition across a diverse buyer base.



A WORKING BUSINESS ECOSYSTEM

Central markets function as coordinated ecosystems. They bring together growers, wholesalers, transport operators, cool-chain providers, market authorities and food service buyers in one physical environment where trade occurs face to face.



Across the central markets network, around 300 primary wholesalers trade from stands on the market floor. Many also operate associated warehousing and value add services including cool chain handling, ripening, grading, packing and repacking, and logistics coordination.

Several major central markets also include dedicated grower

selling areas, set aside zones where growers and other sellers can trade directly from the market floor.

Nationally, fruit and vegetable wholesaling comprises around 1,500 businesses employing approximately 15,000 people, with revenue volatility classified as high (IBISWorld, 2025). Central market traders range from small family businesses through to medium-sized operators and large enterprises, all working within the same open trading environment, all operating on tight margins. In a perishable environment, conditions can change within days or even hours, with weather events, freight disruptions or sudden shifts in demand materially affecting returns.

Despite that volatility, markets continue to reset and trade begins again the next day.

VALUE ADD SERVICES THAT KEEP PRODUCT MOVING

Central markets do more than host transactions. They provide the service layer that keeps perishable product moving safely and efficiently. Produce is received into cool chain settings, quality checked, graded and matched to buyer specifications. Orders are picked and assembled, including mixed pallets and tailored pack formats. Product may be repacked, labelled or prepacked to meet retailer and food service needs, and some categories are managed through ripening programs. Warehousing, cross docking and logistics coordination support rapid dispatch so product can move from stand to store, kitchen or institution within hours.



ECONOMIC SCALE AND SUPPLY CHAIN BACKBONE

Central markets sit at the interface between the production base and fresh demand. They perform a system function: clearing daily supply, supporting price discovery in an open trading environment and redistributing product across a diverse buyer base.

Hort Innovation reports a wholesale market level value of \$16.93 billion for Australia's fresh supply in 2023/24. Based on industry estimates, central markets account for around \$8 billion of that value at wholesale market prices each year.

IBISWorld estimates the fruit and vegetable wholesaling industry, across all channels including central markets, generates around \$12.6 billion in annual revenue (IBISWorld, 2025). Industry feedback suggests many central market wholesalers operate on a net profit after tax (NPAT) of around 1 per cent, highlighting how tightly these businesses run.



SUPPORTING INDEPENDENT RETAIL AND FOOD SERVICE

Central markets underpin a broad and competitive fresh food network. They service independent supermarkets and greengrocers food service buyers, and institutional customers such as hospitals, aged care facilities and schools.

IBISWorld identifies demand from cafes, restaurants and takeaway food services as a positive external driver for fruit and vegetable wholesaling, with growth of around 4.4 per cent per year over 2020 to 2025. This reinforces the value of flexible supply arrangements that can adapt quickly to seasonality, menu shifts and changing order sizes. Markets are structured to support mixed pallets and order sizes ranging from small through to medium and large. Multiple buyers can access product through an open trading environment rather

than through precommitted allocation supporting diversity in the retail landscape, enabling smaller operators to compete and preserving multiple routes to market for growers.

As supply chains become more vertically integrated or concentrated, purchasing pathways can narrow and flexibility can reduce. Central markets operate differently, redistributing supply across many buyers and maintaining competitive tension when conditions change.

They remain a critical mechanism for competition, resilience and choice within Australia's fresh food supply chain, helping independent operators compete in an increasingly concentrated retail environment.

