



# Climate adjusted productivity on cropping farms: the slowdown and the rebound

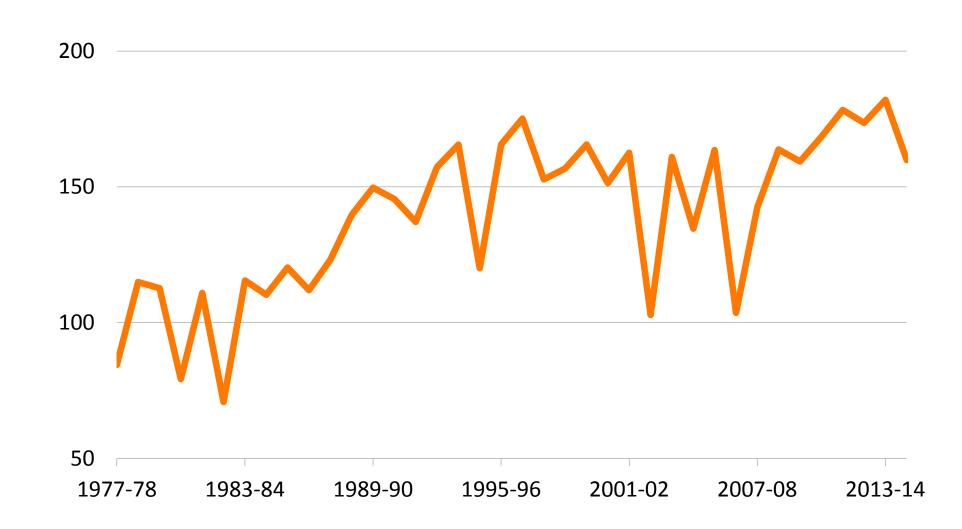
**Neal Hughes Water and Climate section** 

Australian Bureau of Agricultural and Resource Economics and Sciences



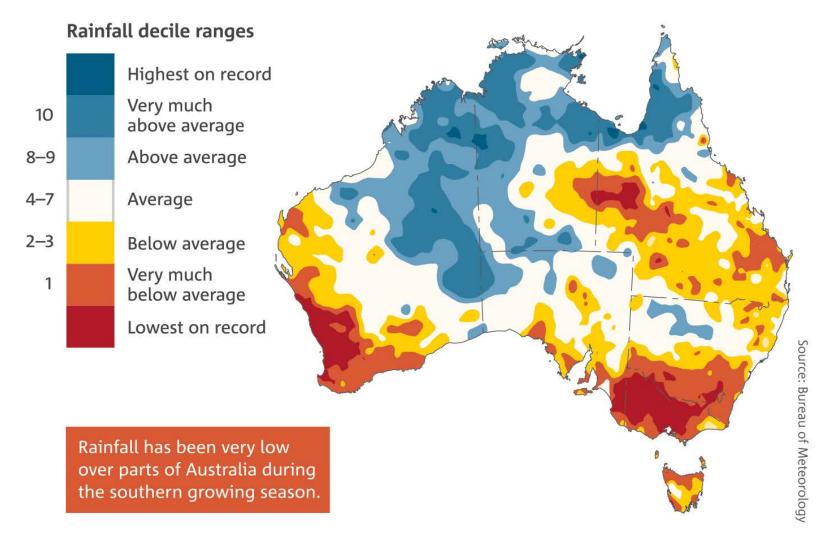
# **Total Factor Productivity (TFP)**





# Climate change

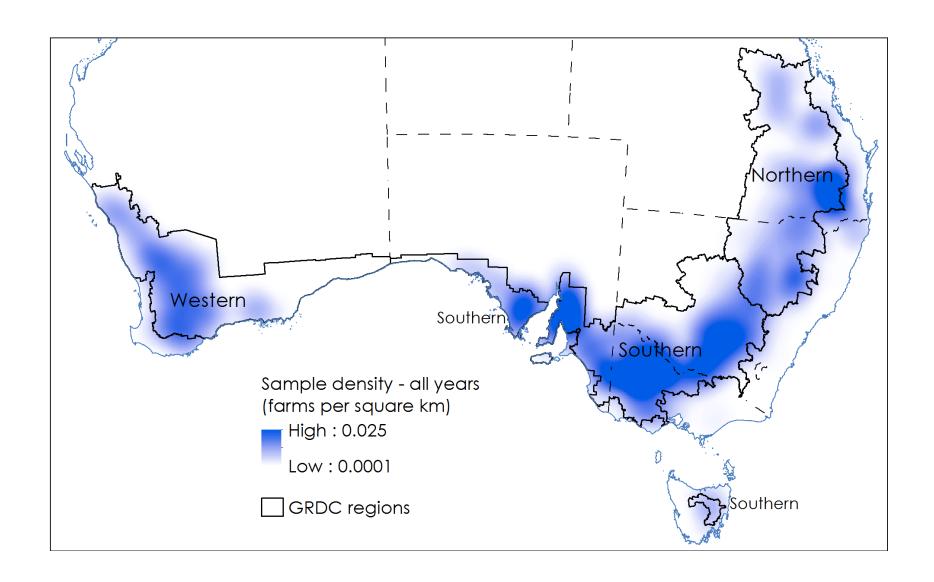




Southern growing season (April–October) rainfall deciles for the last 20 years (1996–2015). A decile map shows where rainfall is above average, average or below average for the recent period, in comparison with the entire rainfall record from 1900.

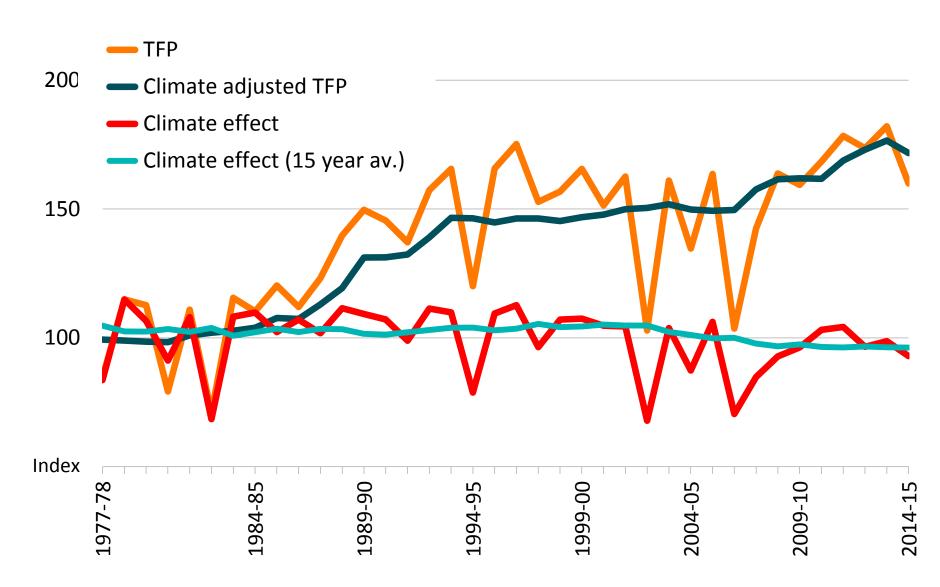
# A 'data-driven' approach





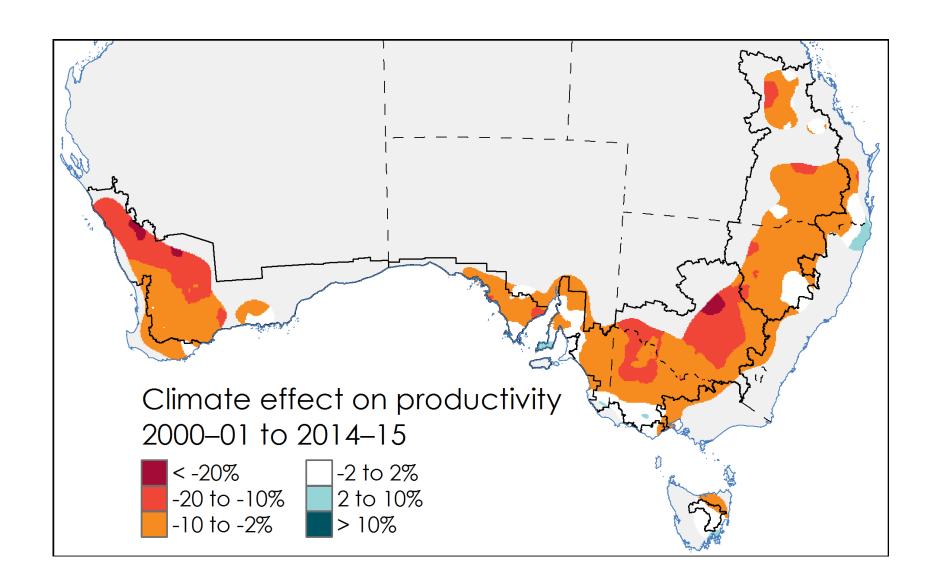
#### **Climate adjusted productivity**





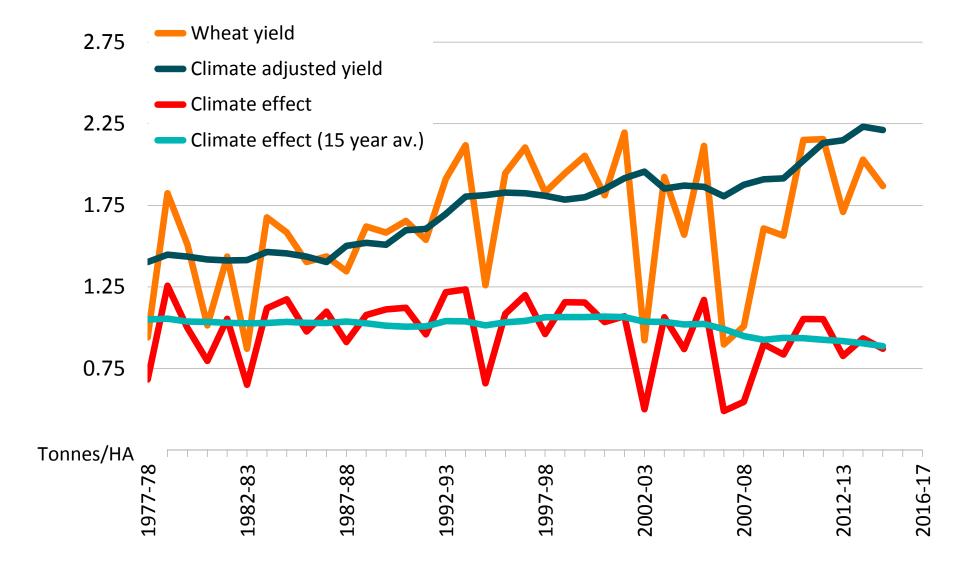
# **Effect of climate on productivity since 2000-01**





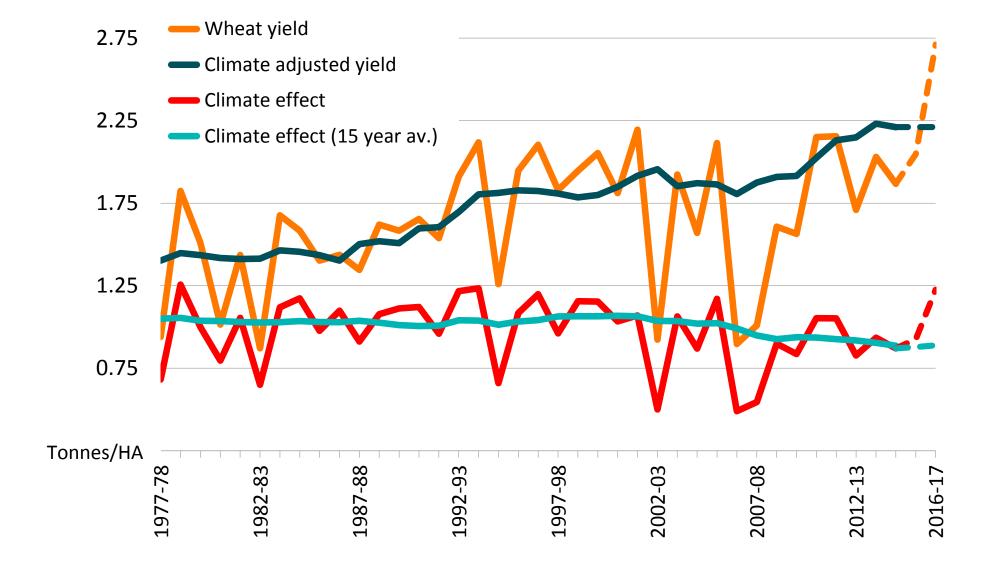
#### Climate adjusted wheat yields





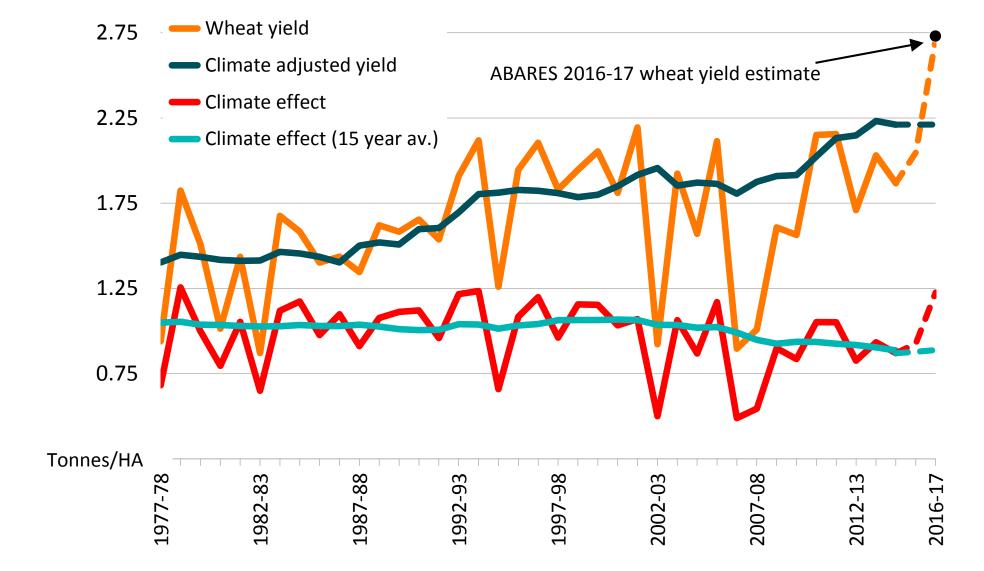
#### Climate adjusted wheat yields





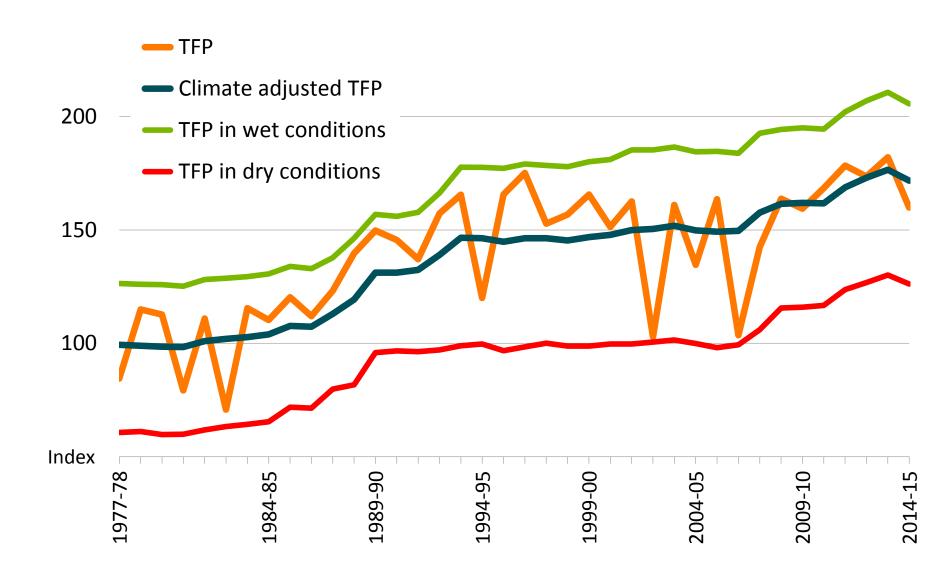
#### Climate adjusted wheat yields





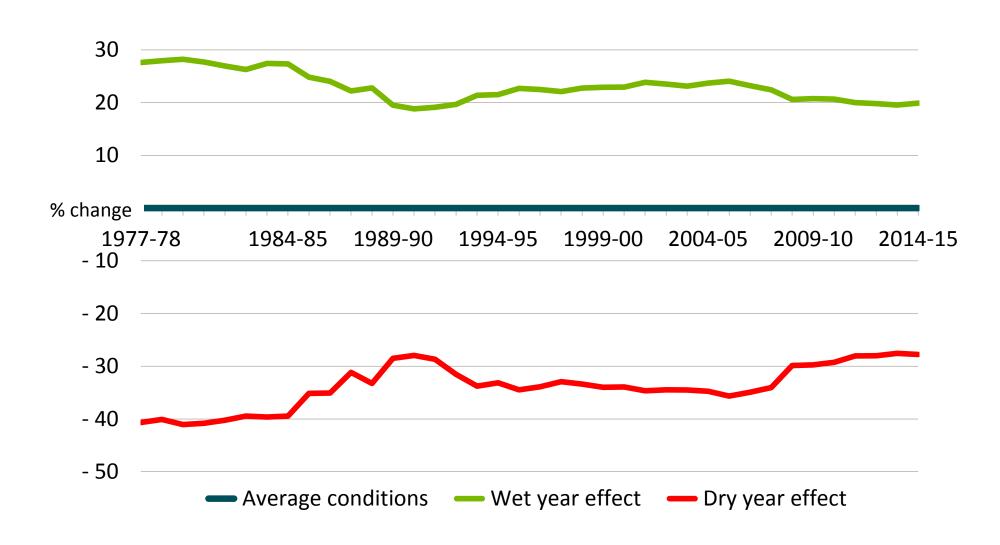
# Farm sensitivity to climate





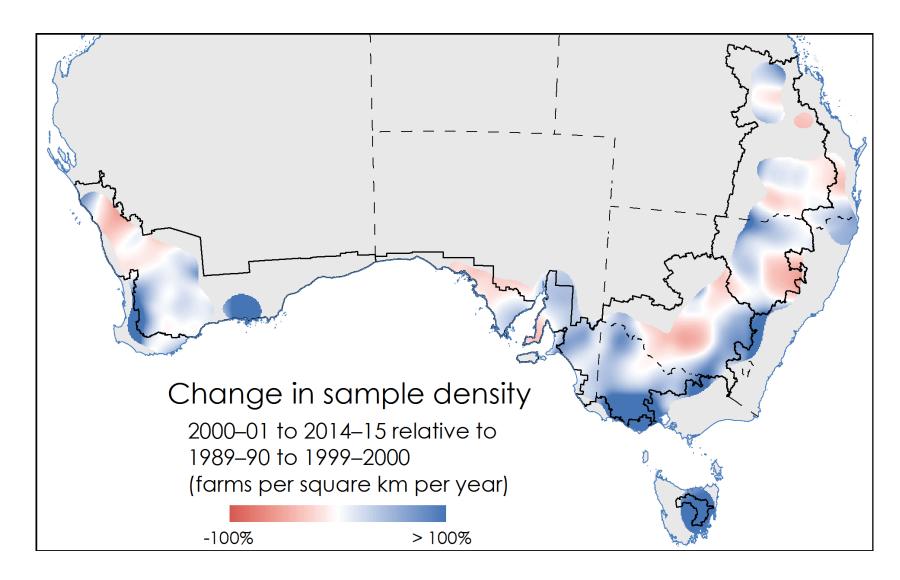
# Farm sensitivity to climate





# Change in ABARES farm sample, 2000s vs 1990s





#### **Key points**



- Cropping farm productivity ground to a halt in the mid 1990s
- Productivity has rebounded strongly over the last 10 years

- Climate change is affecting cropping farm productivity
- Farmers are adapting





agriculture.gov.au/abares

