



Australian Government

Department of Agriculture, Water and the Environment

ABARES

Outlook for Australian Agriculture

Peter Gooday

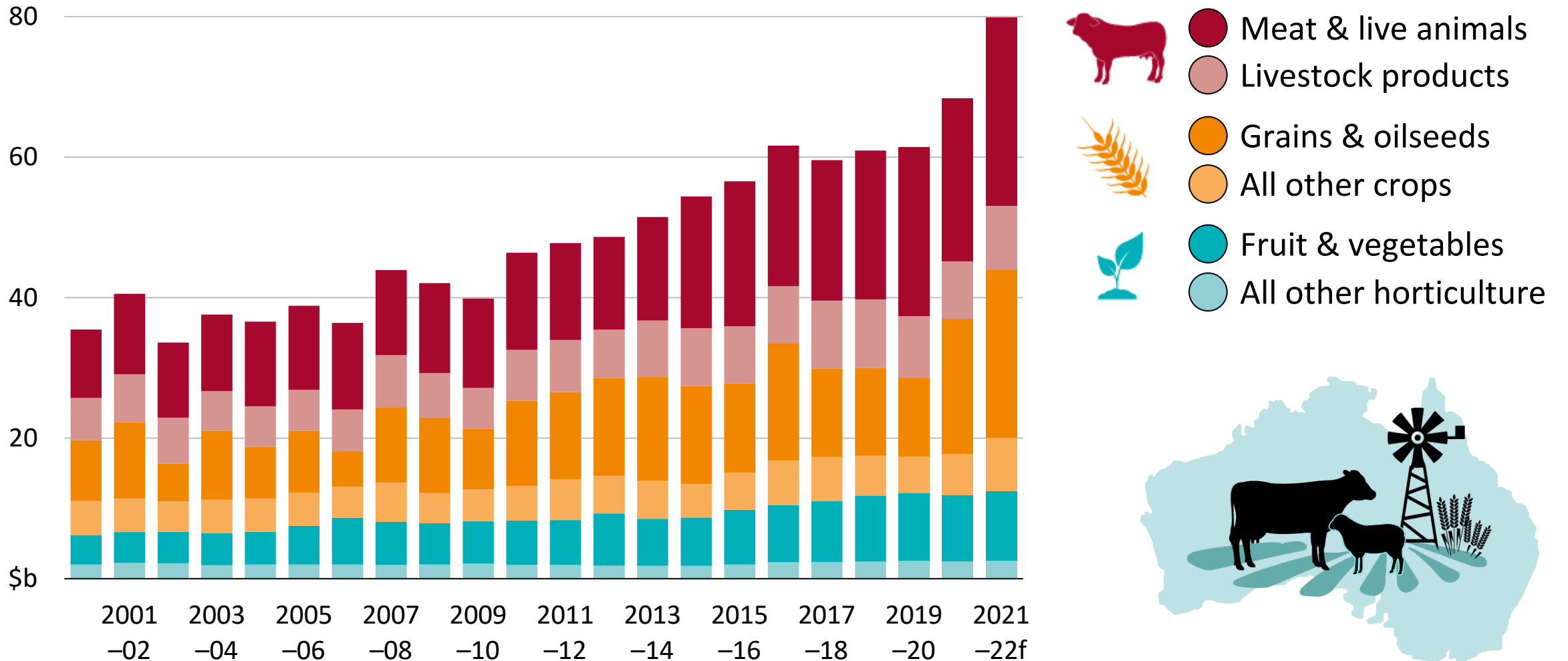
**ABARES: the Australian Bureau of Agricultural
and Resource Economics and Sciences**

15 June 2022



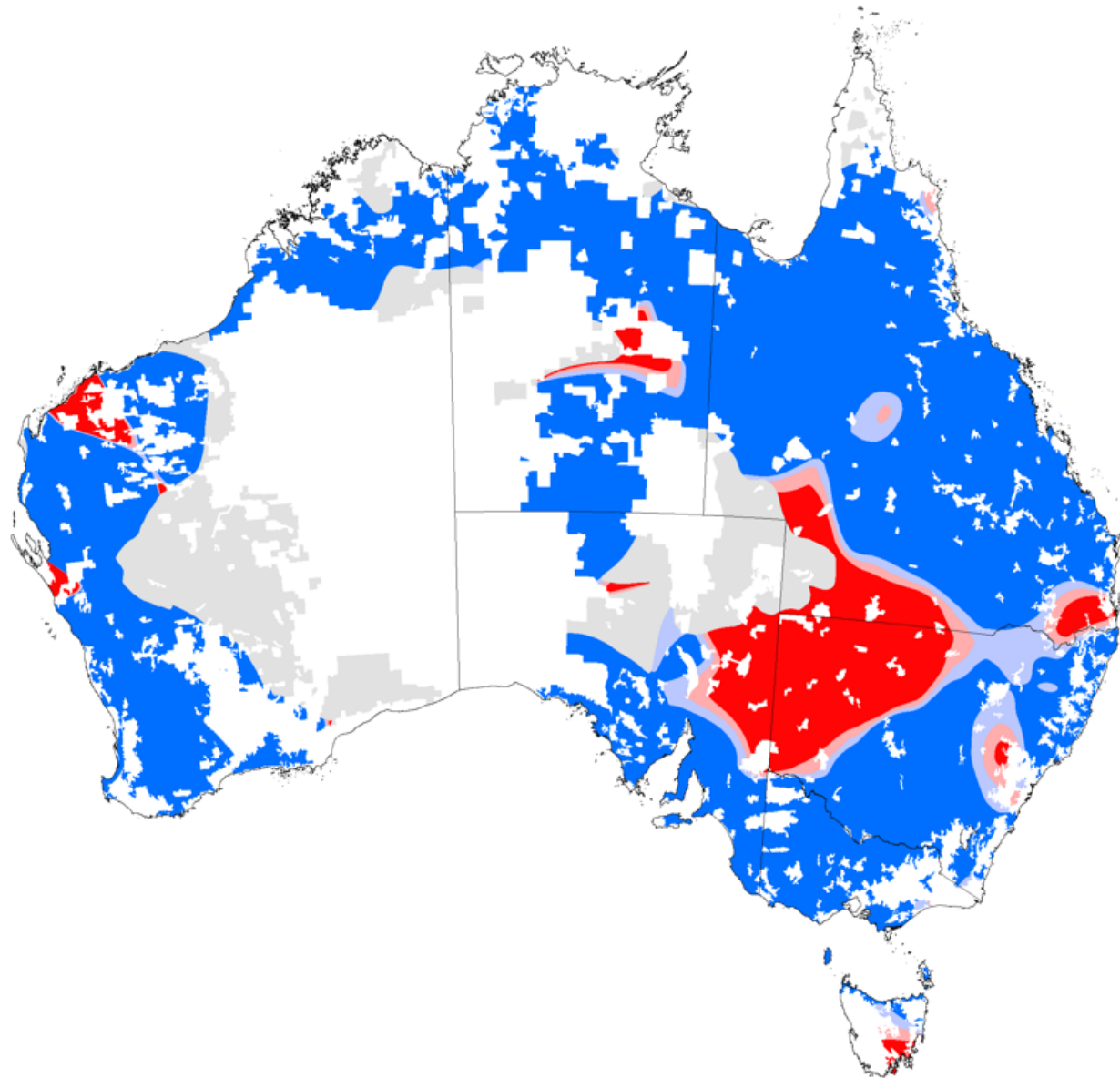
Research by the
Australian Bureau of Agricultural and Resource Economics and Sciences

Australian agriculture's remarkable year









Gross value of Australian agricultural production. f Forecast.

On the rebound: 2021-22 farm cash incomes



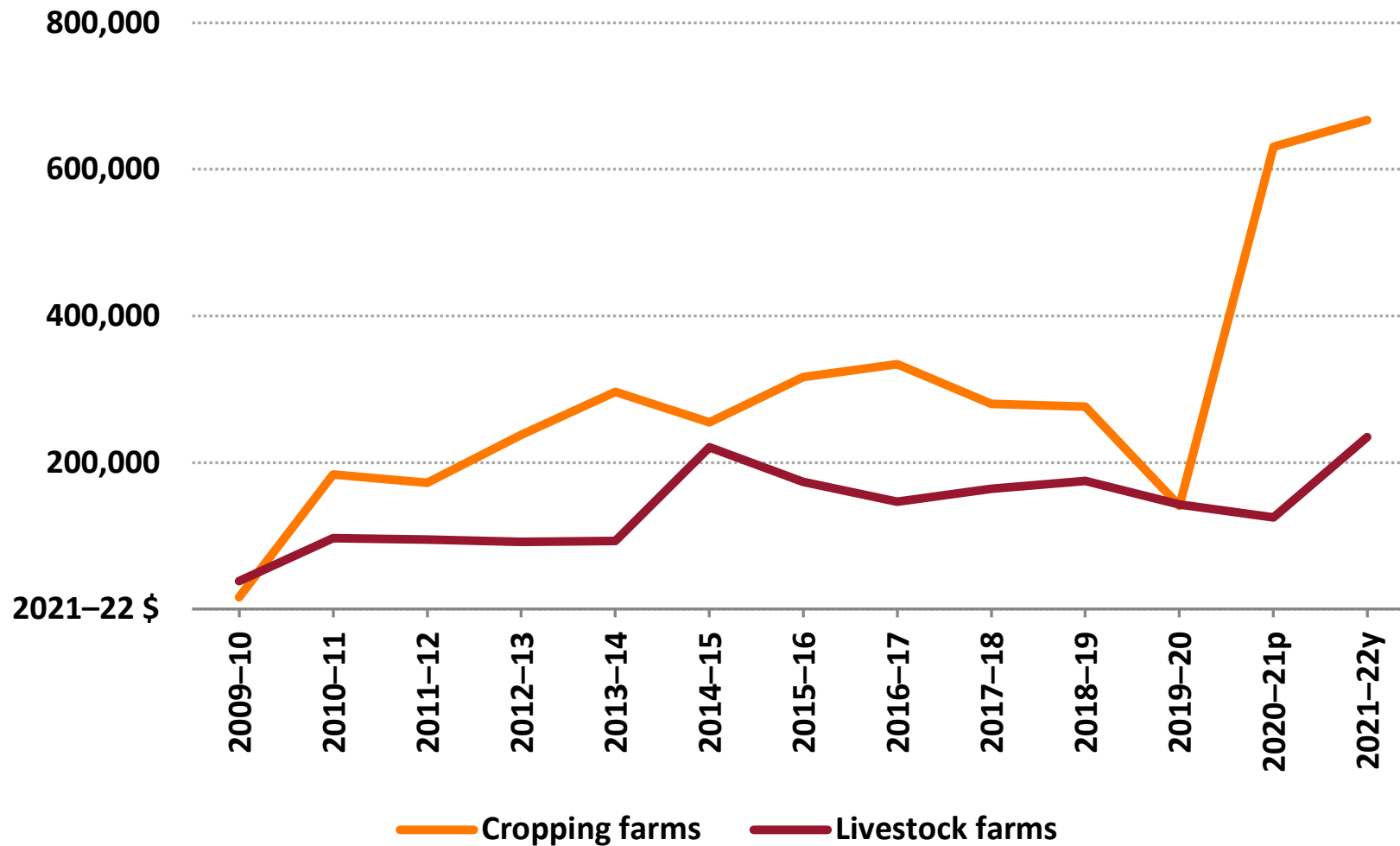
Current broadacre farm cash income compared to the 10-year average from 2011–12 to 2020–21

-  >25% below average
-  0-25% below average
-  0-25% above average
-  >25% above average
-  Insufficient data
-  Non-agricultural land

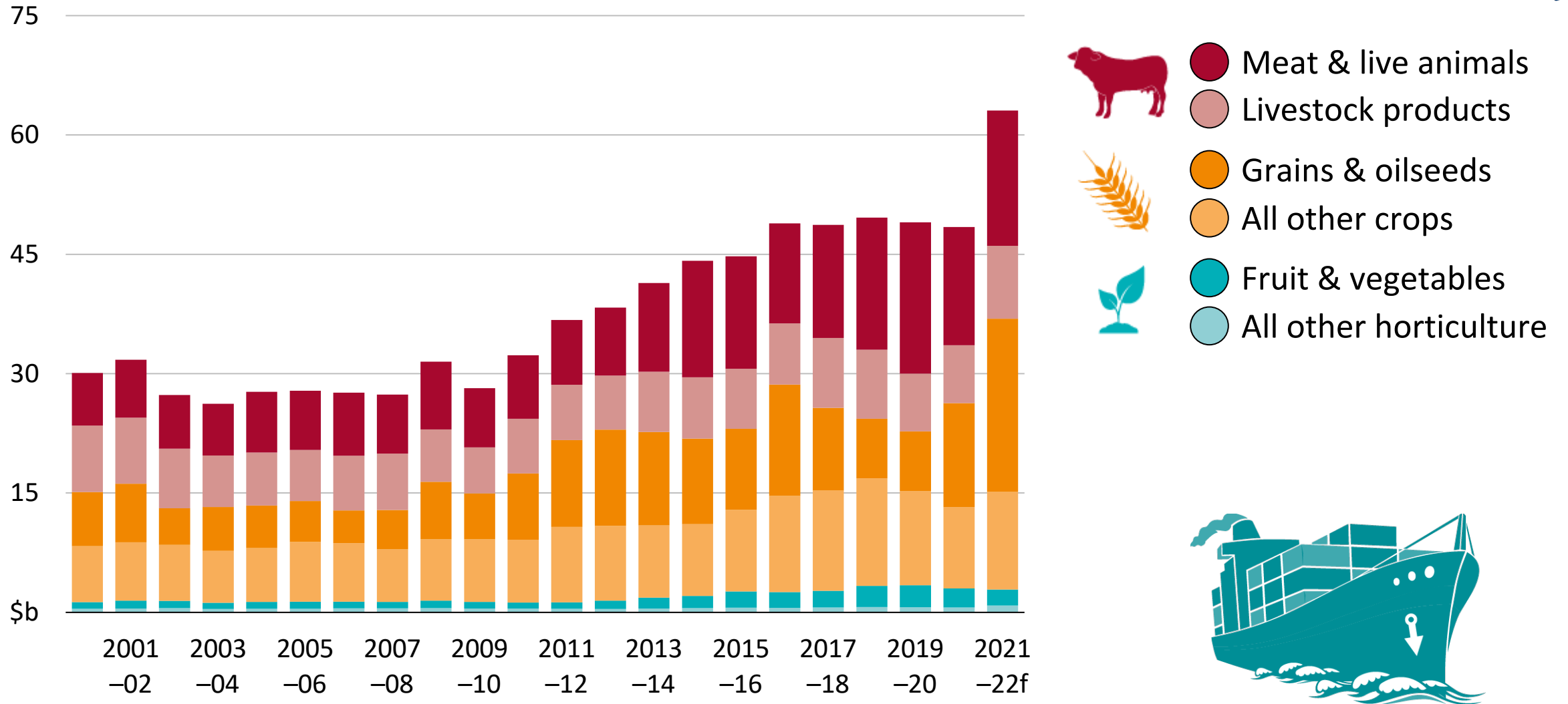
Riverina riding high



Farm cash income, 2009–10 to 2021–22

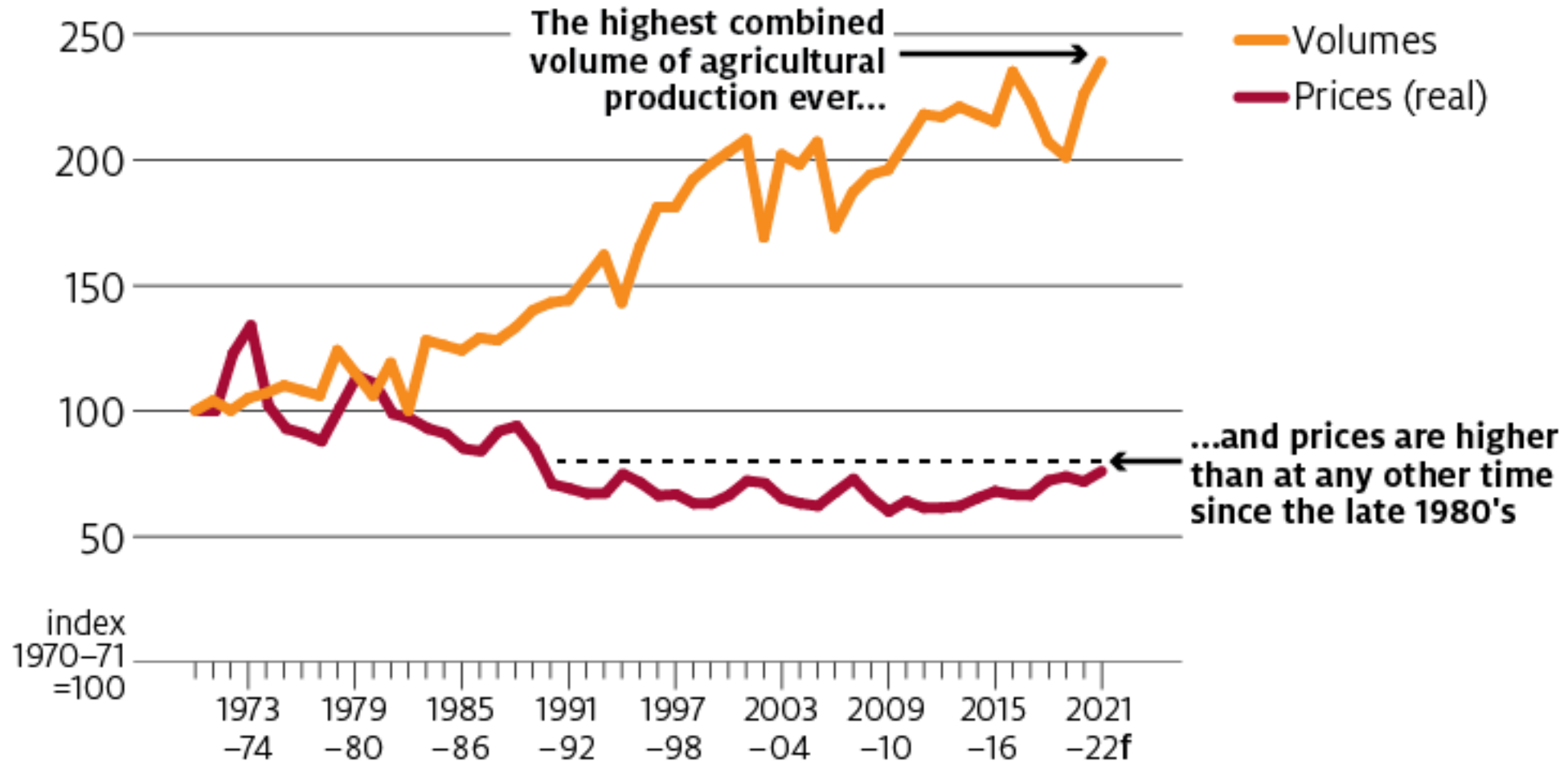


Agricultural trade also at record levels



Value of Australian agricultural exports. f Forecast.

The high country: prices, volume tell the story



High prices and uncertainty to feature in 2022-23



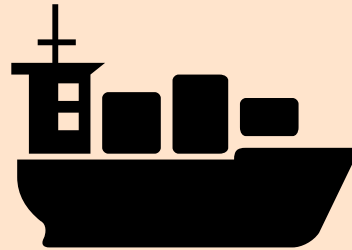
War in Ukraine



Impacts on Ukraine supply, uncertainty over nature of Russian exports

Implications for global growth

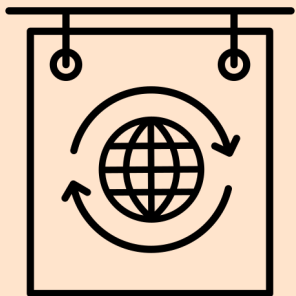
Freight & logistics



Costs have increased worldwide for bulk & container shipping

Record harvests pose logistics challenge

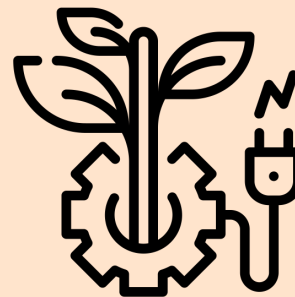
Trade relations



Responses to global conditions and risks of export restrictions.

Tense trading environment

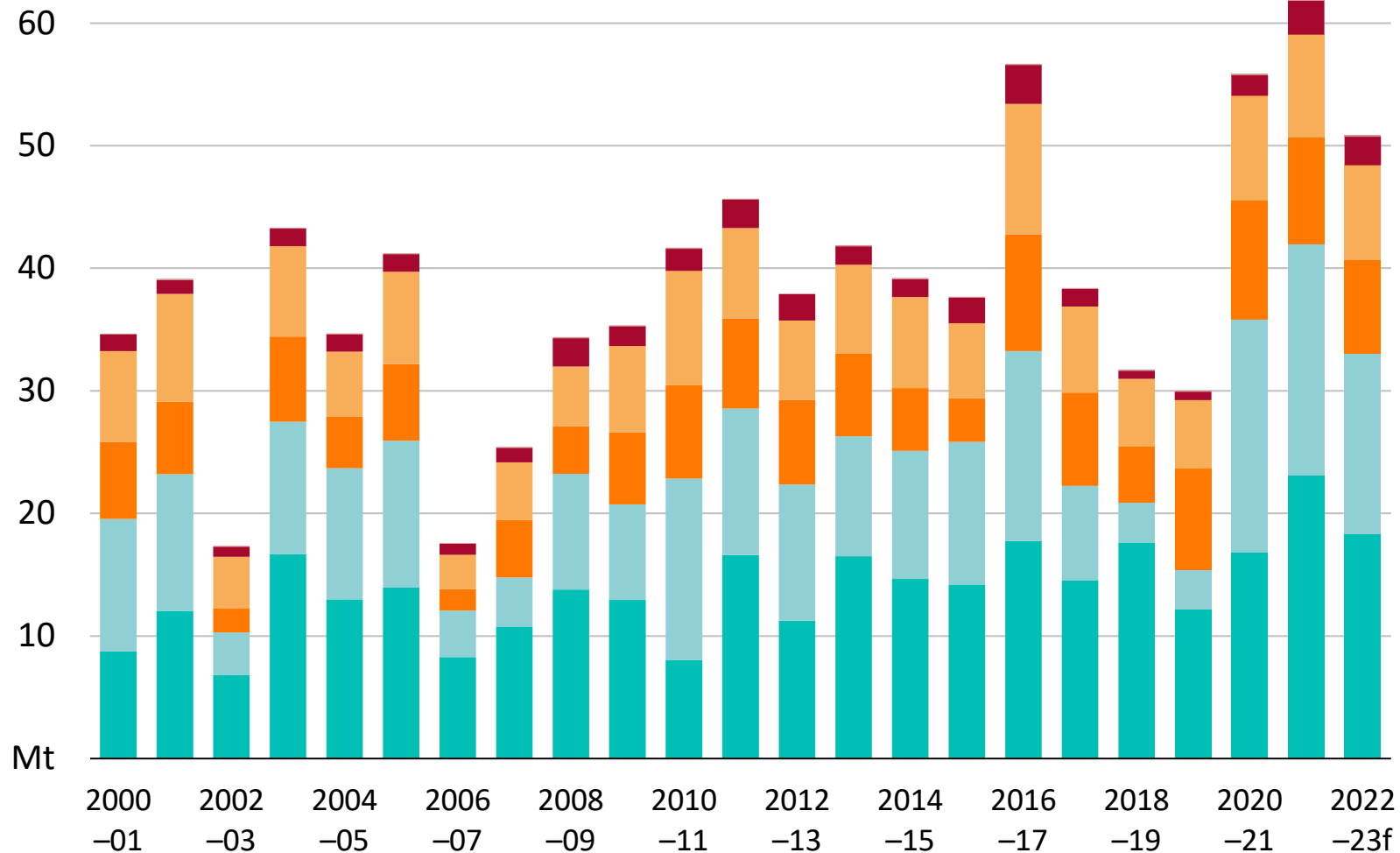
Climate conditions



Seasonal outlooks across the world suggesting slow global production growth



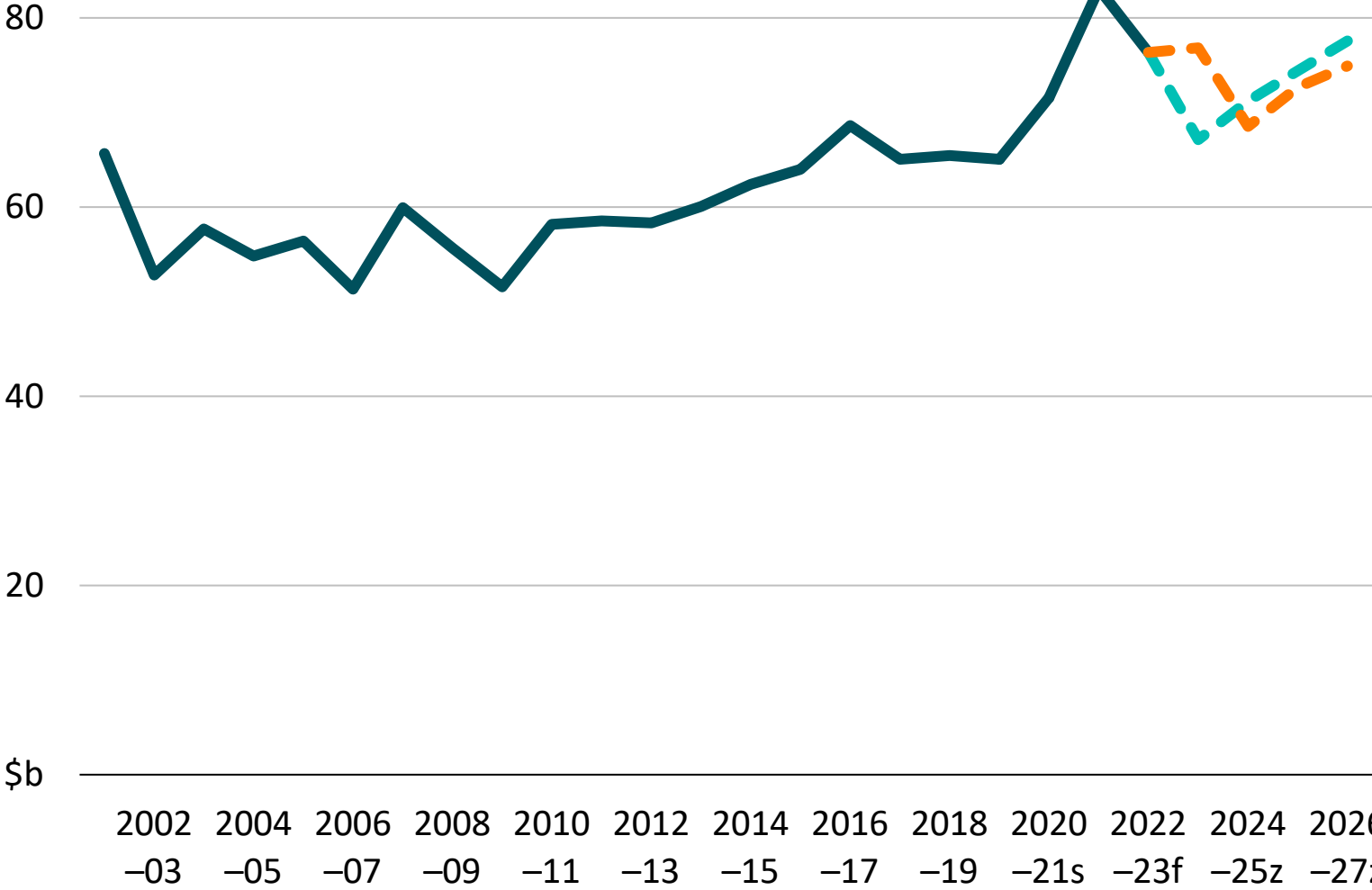
Cropping sector expected to weather global events



- Tasmania
- Queensland
- South Australia
- Victoria
- New South Wales
- Western Australia



More time in the high country, but for how long?



- Gross value
- Faster recovery, earlier drought
- Slower recovery, later drought

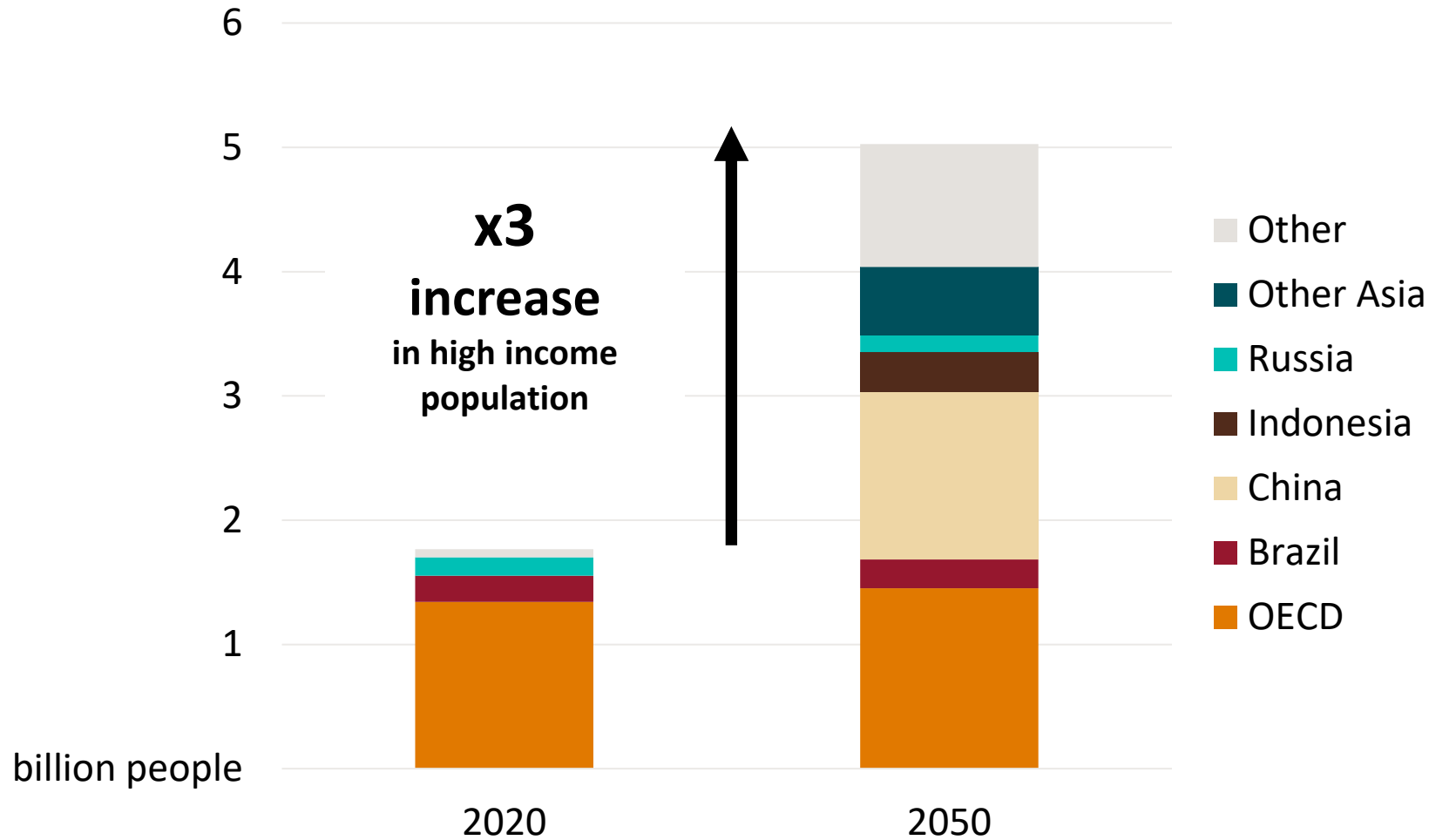


Gross value of Australian agricultural production. **s** estimate. **f** Forecast. **z** Projection.

3 billion more good reasons



Population in countries exceeding high income threshold, 2020 and 2050



Notes: Figure shows modelled real GDP per capita by countries and regions, for 2020 and 2050, in 2015 dollars (excluding the effect of inflation). The high income threshold is US \$12,000 GDP per capita, based on World Bank (2014). OECD Includes Asian OECD nations Japan and South Korea, and non-OECD countries Bulgaria, Croatia, Lithuania and Romania.
Data Source: unpublished data for Existing Trends scenario, IRP (2019)

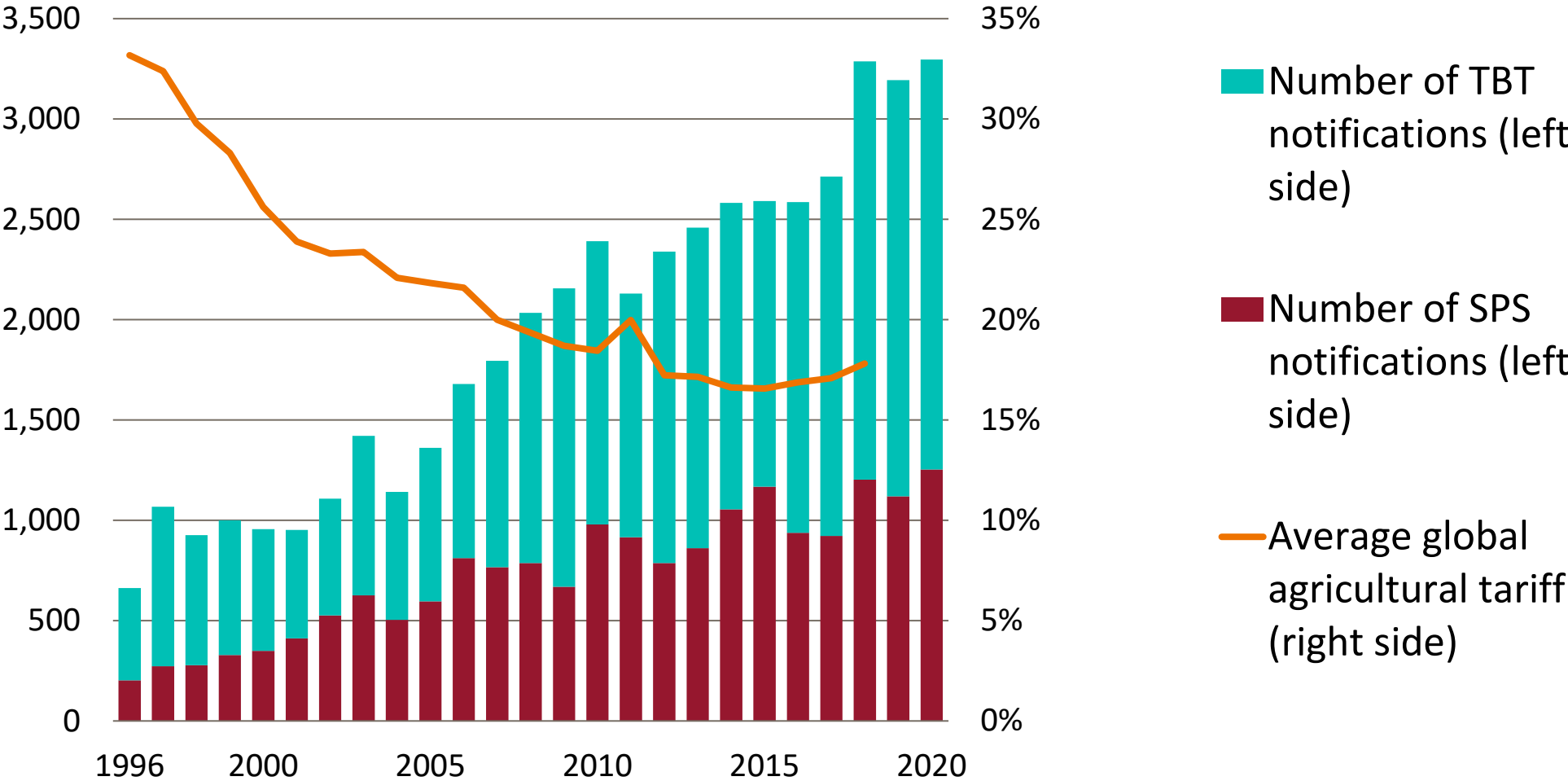
**Navigating
the future
will require
investments
that improve
resilience**



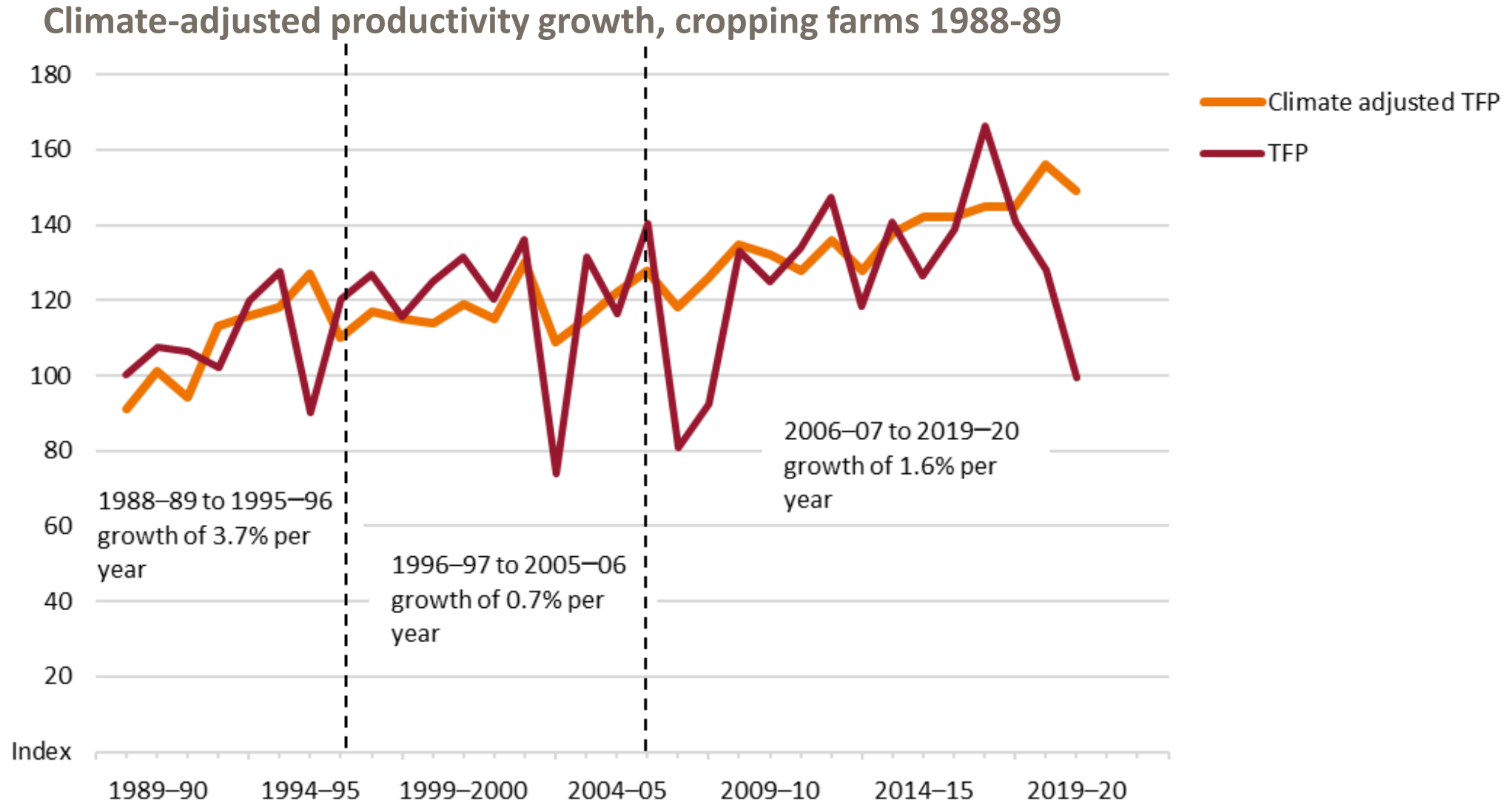
We know market access will be key



More work needed to address global tariffs and rising NTMs



Ongoing productivity growth to weather the future



**Being
competitive
on the
sustainability
axis critical**





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