

## Briefing Note

### Australian Food Statistics 2010/11

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**Introduction**

This Briefing Note is a summary of the Australian Department of Agriculture, Fisheries and Forestry (ABARES) "Australian Food Statistics 2010-11". It provides an overview of those sections directly relevant to irrigated agriculture.

This Briefing Note does not seek to independently verify the data contained within it. All data presented is reproduced from the ABARES publication. This Briefing Note does not in any way constitute advice, it is provided solely as a service.

The full report is available under the following link:

[http://www.daff.gov.au/\\_data/assets/pdf\\_file/0015/2144103/afs2010-11-final-revised.pdf](http://www.daff.gov.au/_data/assets/pdf_file/0015/2144103/afs2010-11-final-revised.pdf)

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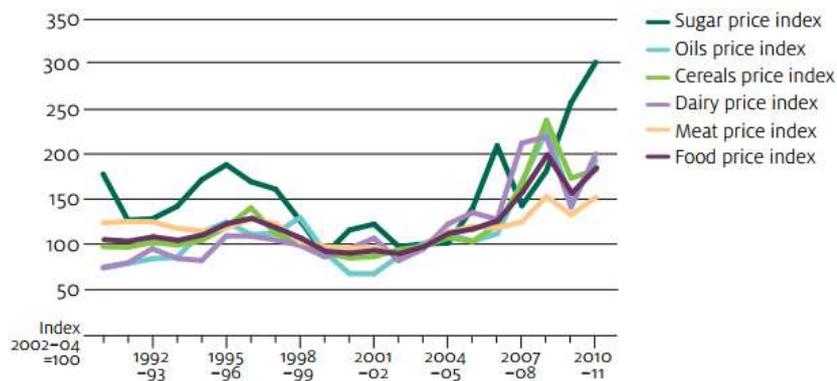
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## Food Price Index in 2010/11

The food price index<sup>1</sup> increased by 18% in 2010/11 following a decline of 21% in 2009/10. Food prices increased in 2010/11 in response to recovery in global incomes, particularly in developing countries, following the adverse impacts of the global financial crisis in 2008/09.

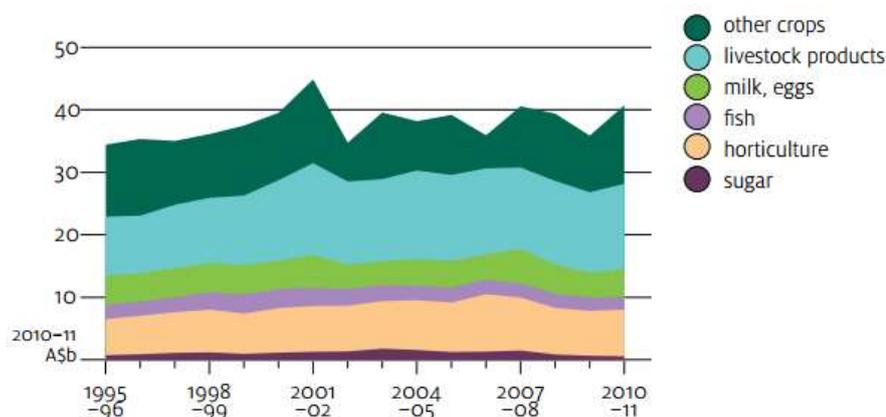
FIGURE 4 FAO food price indexes



## Value of Farm (and Fisheries) Food Products

The total value of Australian farm and fisheries food production increased by 17% in 2010/11, to \$40.7 billion. Production was stimulated by general favorable seasonal conditions, despite the floods in south-eastern Australia and a destructive cyclone in north Queensland. The value of broad acre food crop production increased by nearly 51% in 2010/11, horticulture by 7% and livestock products by 11%. The value of sugar cane production in 2010/11 was down 25% because of excessive rainfall in the harvest period from June to December.

FIGURE 6 Value of Australian farm and fisheries production

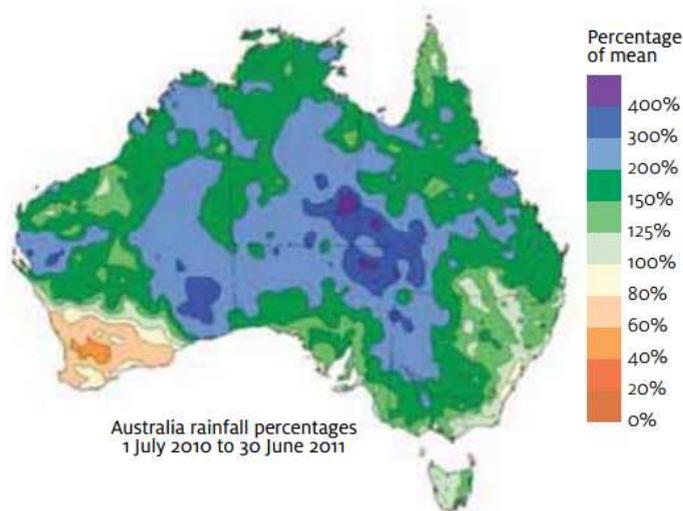


<sup>1</sup> released by the Food and Agriculture Organization of the United Nations

## Rainfall in 2010/11

Rainfall was well above average in most agricultural regions in Australia in 2010/11, with the exception of the wheat belt of Western Australia (severe drought). Floods caused significant crop and livestock losses in eastern Australia. Tropical cyclone Yasi in February 2011 severely damaged sugar cane and fruit crops in northern Queensland.

**FIGURE 7** Rainfall, percentage of mean, Australia, 2010–11



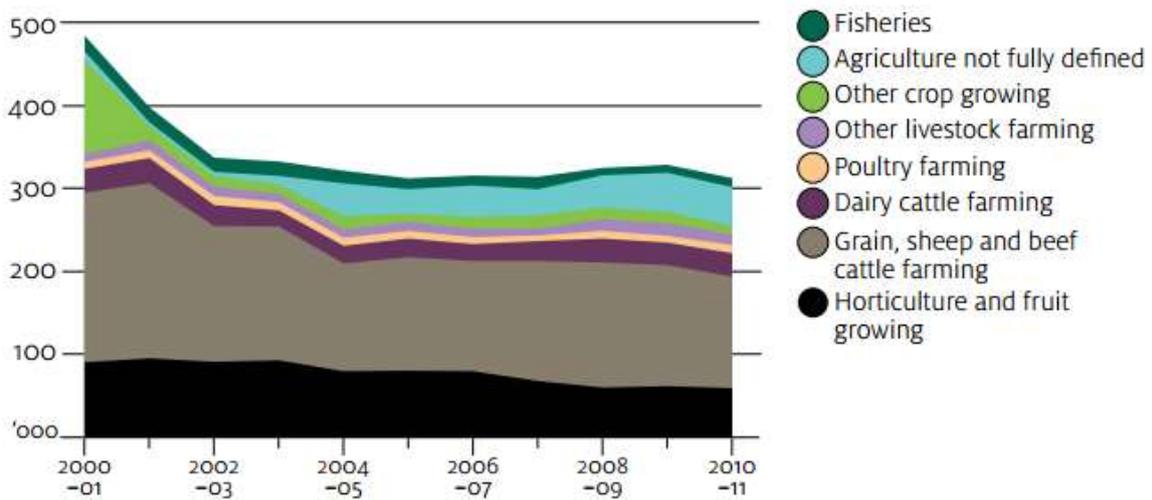
Source: Bureau of Meteorology

The heavy rainfall in eastern Australia enabled large increases in stored water for irrigation purposes. Water storage in the Murray-Darling Basin was at 83% of capacity at 30 June 2011, compared with around 33% and 19% at the same time in 2010 and 2009, respectively. In gross value terms, the Murray-Darling Basin accounted for 37% of Australian fruit and nut production (excluding grapes) in 2009/10, 65% of grape production and 18% of vegetable production.

## Employment in 2010/11

Drought, and its impact on food production was a major contributing factor to declining employment in agricultural production of 6%. Employment in 2010/11, was around two-thirds of the level in 2000/01. In horticulture in particular, the shortage of irrigation water was also a factor for declines in employment.

**FIGURE 8** Employment in farm and fisheries production in Australia



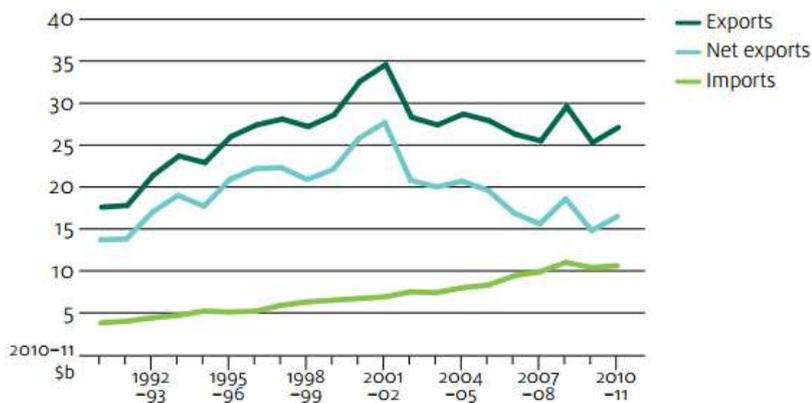
## Australian Food Trade in 2010/11

Australian food export increased to \$27.1 billion in 2010/11, \$2.6 billion higher than the previous year. The main contributors to the rise were unprocessed grains, meat and unprocessed oilseed. The long run trend in Australian food exports (since 2000/01) shows increasing shares<sup>2</sup> for meat, wine and oilseed and grain products and declining shares for dairy, fruit and vegetables.

The value of Australian food imports also increased in 2010/11 to \$10.6 billion, \$0.5 billion higher than in 2009/10. The main contributors to the increased Australian food imports between 2009/10 and 2010/11 were processed fruit and vegetables, dairy, and bakery products. Offsetting these increases was a \$71 million decline in flour mill and cereal products.

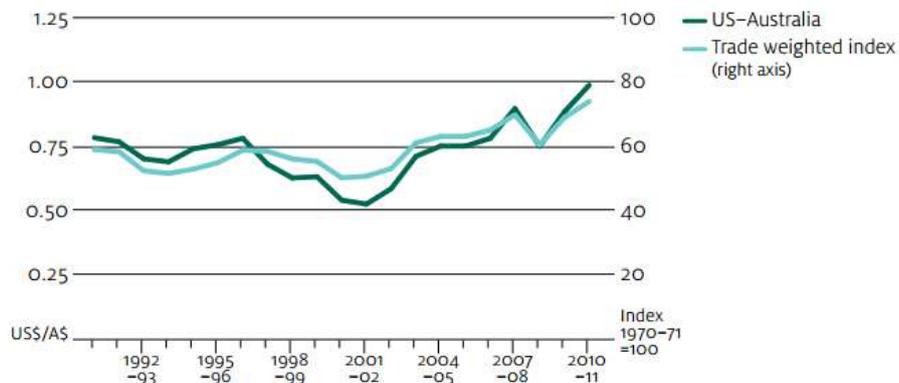
Australia's net food export (trade surplus) in 2010/11, increased to \$16.5 billion, after decreasing to \$14.4 billion in 2009/10.

**FIGURE 18** Australian food trade



The value of Australian food exports in 2010/11 was adversely affected by a sharp appreciation in the Australian dollar against the currencies of most of Australia's trading partners, which also made food imports more attractive.

**FIGURE 19** Australian exchange rate



<sup>2</sup> in value terms