

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2010

**Agriculture, Fisheries and Forestry**

**Question:** ABARE 01

**Division/Agency:** Australian Bureau of Agricultural and Resource Economics

**Topic:** Agricultural production during drought

**Hansard Page:** 101 (08/02/2010)

**Senator WILLIAMS asked:**

On overall production of agricultural products in Australia—lamb, mutton, beef, cereal grains—say since early 2002, have we dropped off much due to the drought or have we maintained a reasonable level of production throughout our cereal crops and our livestock industries? Have you any idea, or would that be more an ABARE statistic?

**Answer:**

Widespread drought conditions have been experienced across many parts of Australia since 2002. Since early 2002 dry seasonal conditions have also adversely affected agriculture production in certain states and regions.

Overall, production for most crops was significantly lower in the widespread drought years (see table below). An exception was sorghum, which had a record crop in 2007-08, because there was a large area available for planting following low winter crop plantings and the sorghum crop received adequate rain throughout the growing season. In addition, even though 2003-04 was a below average year in seasonal terms, the wheat crop received rain at critical times throughout the growing season and Australia wheat production was a record 25.7 million tonnes.

As a general rule, livestock producers normally reduce stock numbers in drought years and after the drought ends it takes a while to rebuild herds and flocks. As a result, livestock production tends to increase in drought years and then takes a while to recover to pre-drought levels. This pattern is evident for mutton and beef production (see table below).

In contrast, despite a number of years of widespread drought, lamb production has remained high and has increased since 2002 as a result of high prices for fat lambs. Nevertheless, lambing rates will have been lower in the drought years and when combined with the increasing lamb production and a switch away from wool to cropping over this period. Sheep flock numbers have declined over the past 8 years

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from 111 million sheep at 30 June 2001 to 72 million at 30 June 2009 (down 35 per cent).

**Production trends (thousand of tonnes)**

Commodity	2001	2002	2003	2004	2005	2006	2007	2008
	-02	-03	-04	-05	-06	-07	-08	-09
Lamb	348	329	341	354	382	413	435	423
Mutton	296	268	220	237	244	271	258	235
Beef	2028	2073	2033	2162	2077	2226	2155	2148
Wheat	24299	10132	25700	21905	25150	10822	13569	20938
Barley	8280	3865	8728	7740	9482	4257	7159	7669
Sorghum	2021	1465	1851	2011	1929	1283	3790	2671
Canola	1756	871	1622	1542	1419	573	1214	1861
Rice	1192	438	553	339	1003	163	18	63