



1997–98

7501.0

VALUE OF

**PRINCIPAL AGRICULTURAL
COMMODITIES PRODUCED**

AUSTRALIA

PRELIMINARY

EMBARGO: 11:30AM (CANBERRA TIME) MON 2 NOV 1998

C O N T E N T S

	<i>page</i>
Notes	2
Summary of findings	3

TABLES

1 Gross value, States, 1997–98p	6
2 Gross value, Australia	7

ADDITIONAL INFORMATION

Explanatory notes	8
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- For further information about these and related statistics, contact Neil Gardner on Hobart 03 6222 5992, or any ABS office shown on the back cover of this publication.

NOTES

ABOUT THIS PUBLICATION

This publication contains preliminary information on the Value of Agricultural Commodities Produced (VACP) compiled annually for all States, Territories and Australia. It contains preliminary gross values of production for principal agricultural commodities.

ABOUT THE DATA

The figures shown in this publication have been revised where necessary and as a consequence may not agree with similar data shown in previous publications. Where figures for individual States or Territories have been suppressed for reasons of confidentiality, the resultant totals have been appropriately footnoted in tables displaying State details.

CHANGES IN THIS ISSUE

The quantity data for crops, eggs, honey and beeswax used to derive VACP estimates have, for the first time, been obtained from the Agricultural Commodity Survey (ACS). Previously, these data were collected in the annual Agricultural Census. As the results of the ACS are subject to sampling variability, the same standard errors (SEs) which were applicable to quantity estimates have been assigned to the corresponding value estimates.

SYMBOLS AND OTHER USAGES

ABS	Australian Bureau of Statistics
ACS	Agricultural Commodity Survey
ANZSIC	Australian and New Zealand Standard Industrial Classification
EVAO	Estimated Value of Agricultural Operations
n.p.	not available for publication but included in totals where applicable
p	preliminary data
SE	standard error
VACP	Value of Agricultural Commodities Produced
\$b	billion (thousand million) dollars
\$m	million dollars
..	not applicable
—	nil or rounded to zero

Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

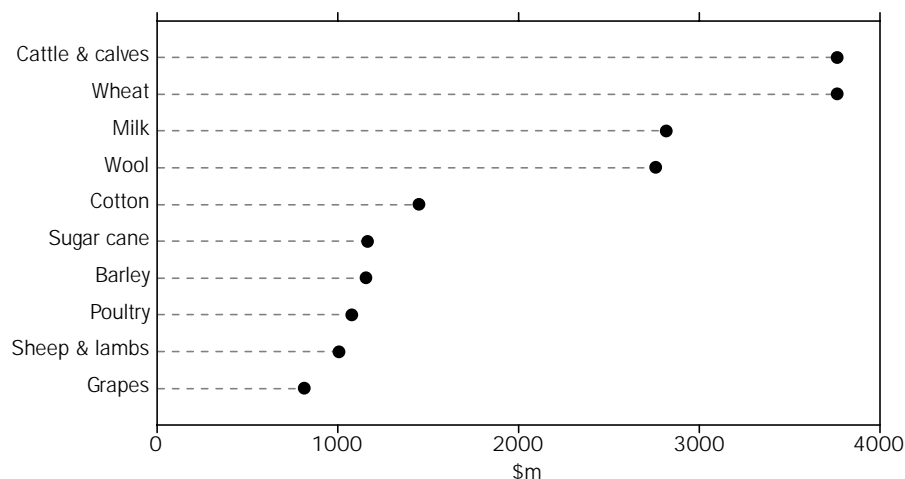
W. McLennan
Australian Statistician

SUMMARY OF FINDINGS

NATIONAL ESTIMATES

The preliminary estimate of gross value of agricultural commodities produced for 1997–98 was \$27.4b, a small decrease on the 1996–97 value of \$28.1b. A decrease in the value of crops was only partially offset by increases in the value of livestock slaughterings and other disposals and of livestock products.

GROSS VALUE OF SELECTED AGRICULTURAL COMMODITIES PRODUCED—1997–98p



Crops

The preliminary estimate of gross value of crops for 1997–98 fell by 7% to \$15.0b. This was led by a fall in average wheat prices and production, resulting in a 23% decrease in the gross value of wheat to \$3.8b. A 12% decrease in the gross value of barley to \$1.2b also reflected falls in both average prices and production.

The most significant increases in gross values of crops occurred in pastures and grasses, up 23% to \$590m; canola, up 22% to \$290m; and rice, up 13% to \$350m. The increase in the gross value of pastures and grasses was due to an increase in production and prices primarily in Victoria.

Livestock slaughterings and other disposals

The preliminary estimate of gross value of livestock slaughterings and other disposals increased by 5% to \$6.5b. Increases were recorded in cattle and calves, up 11% to \$3.8b; and poultry, up 3% to \$1.1b. These increases were partially offset by decreases in sheep and lambs, down 3% to \$1.0b, and pigs, down 6% to \$630m.

The increase in the gross value of cattle and calves slaughterings and other disposals was due to an increase in average prices for cattle and an increase in the number of cows and heifers slaughtered. Although average prices for poultry fell by 4%, a 6% increase in poultry slaughterings resulted in the overall increase in gross value.

The decrease in the gross value of sheep and lambs slaughterings and other disposals was driven by a decrease in average prices for lambs. While there was a 4% increase in the number of pigs slaughtered, a 9% fall in average prices resulted in the overall decrease in gross value for pig slaughterings and other disposals.

SUMMARY OF FINDINGS *continued*

Livestock products

The preliminary estimate of gross value of livestock products increased by 3% to \$5.9b. All the commodities in this group recorded increases except for honey and beeswax. Average wool prices to December 1997 were sufficiently high to produce a 5% increase to \$2.8b in the preliminary estimate of gross value of wool, over the year, despite falling prices and production from January 1998.

STATE COMPARISONS

New South Wales

The preliminary estimate of gross value of agricultural production in 1997–98 fell by 6% to \$7.8b. Despite the fall, New South Wales accounted for 28% of the value of Australian agricultural production and was the highest contributor among all States. The gross value of crops fell by 11% to \$4.4b, with wheat (down 38% to \$1.1b) and barley (down 14% to \$290m) the major contributors. Increases in the gross values of the cotton crop, up 13% to \$1.1b, and rice crop, up 14% to \$350m, were not sufficient to counteract those falls.

Although the preliminary estimate of gross value of livestock slaughterings and other disposals remained relatively steady, there was a 9% increase in the gross value of cattle and calves slaughterings and other disposals to \$840m. Equally as significant was the fall in the gross value of pig slaughterings and other disposals, down 15% to \$180m; and sheep and lambs slaughterings and other disposals, down 13% to \$220m. The preliminary estimate of gross value of livestock products increased by 1% to \$1.7b, reflecting an increase of 3% in the value of wool to \$1.0b.

Victoria

The preliminary estimate of gross value of agricultural production decreased by 3% to \$5.9b in 1997–98. The gross value of crops continued to decline, down 11% to \$2.2b. In line with other States, significant decreases were recorded for wheat and barley, down 39% and 29% respectively.

The preliminary estimate of gross value of livestock slaughterings and other disposals increased by 7% to \$1.5b. Victoria was the only State to register an increase in the gross value of pig slaughterings and other disposals, with increased slaughterings outweighing a decrease in average prices. Cattle and calves and poultry also increased to offset the drop in sheep and lambs.

The preliminary estimate of gross value of livestock products was virtually unchanged at \$2.1b. Wool increased by 2% to \$520m, while eggs fell by 3% to \$56m and milk fell by 1% to \$1.5b.

Queensland

The preliminary estimate of gross value of agricultural production in 1997–98 was virtually unchanged from the previous year's figure at \$5.7b. The preliminary estimate of gross value of crops in 1997–98 of \$3.2b was down 8% from the 1996–97 value. Significant decreases were recorded in the gross value of barley, down 39% to \$41m; wheat, down 34% to \$280m; and grain sorghum, down 15% to \$150m.

SUMMARY OF FINDINGS *continued*

Queensland *continued*

The preliminary estimate of gross value of livestock slaughterings and other disposals increased by 16% to \$1.9b. A 22% increase in cattle and calves slaughterings and other disposals to \$1.5b more than offset the decreases in sheep and lambs, down 15% to \$45m; and pigs, down 11% to \$140m.

The preliminary estimate of gross value of livestock products increased by 9% to \$600m and was largely attributable to the 15% increase in the gross value of wool to \$210m.

South Australia

The preliminary estimate of gross value of agricultural production in 1997–98 was similar to the 1996–97 figure, at \$2.9b.

The preliminary estimate of gross value of crops dropped slightly compared with 1996–97. The preliminary estimates of gross values of wheat and barley continued to fall, with wheat decreasing 10% to \$540m and barley decreasing by 5% to \$340m. These decreases were offset by an increase of 26% in the value of grapes to \$370m.

The preliminary estimate of gross value of livestock slaughterings and other disposals increased 10% to \$460m. Sheep and lambs slaughterings and other disposals increased 28% to \$170m and those for cattle and calves increased 9% to \$150m. South Australia was one of only two States (Tasmania being the other) to record an increase in the value of sheep and lambs. This was due to an increase in the number slaughtered.

The preliminary estimate of gross value of livestock products increased 7% to \$510m reflecting an increase in the gross value of wool of 11% to \$310m.

Western Australia

The preliminary estimate of gross value of agricultural production was virtually unchanged from the previous year at \$4.2b, as was the preliminary estimate of gross value of crops at \$2.8b.

There was a slight decline in the preliminary estimate of gross value of livestock slaughterings and other disposals. This was due primarily to sheep and lambs slaughterings and other disposals falling by 9% to \$220m, which was only partially offset by the increase in those for cattle and calves, up 7% to \$300m.

The preliminary estimate of gross value of livestock products increased by 5% to \$790m, reflecting increases in wool, up 5% to \$600m; and milk, up 7% to \$150m.

Tasmania

There was no significant movement between the preliminary estimate of gross value of agricultural production for 1997–98 and the final 1996–97 value. The preliminary estimate of gross value of livestock products rose by 5% to \$240m due mainly to an increase in wool, up 13% to \$90m.

	NSW.....		VIC.....		QLD.....		SA.....		WA		TAS	
	Value	SE	Value	SE	Value	SE	Value	SE	Value	SE	Value	SE
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Crops												
Cereals for grain												
Barley	286.9	3	171.7	3	41.0	3	341.4	2	309.8	3	4.7	7
Grain sorghum	87.5	3	1.5	58	152.1	2	—	..	—	..	—	..
Oats	73.5	3	50.4	5	2.4	10	17.9	6	76.1	4	2.1	9
Rice	351.1	3	0.1	..	—	..	—	..	—	..	—	..
Wheat	1 090.5	2	293.7	3	280.1	2	539.6	1	1 556.2	1	1.5	12
Other	97.0	3	28.9	2	36.6	17	25.3	17	7.6	22	1.1	17
Apples	70.0	..	151.7	..	21.3	..	41.7	..	36.3	..	43.2	..
Grapes	157.4	..	228.4	..	14.5	..	374.9	..	26.6	..	6.5	..
Other fruit and nuts	335.9	6	215.8	10	434.2	10	171.4	2	70.3	2	3.8	20
Cotton	1 054.4	6	—	..	396.3	2	—	..	1.2	71	—	..
Crops for hay	32.6	4	46.1	6	14.3	5	2.1	12	53.8	5	1.5	13
Legumes mainly for grain												
Field peas	4.6	9	29.1	7	0.1	26	39.8	4	7.2	13	0.2	29
Other	48.1	10	63.0	8	22.8	30	47.1	4	238.5	3	0.9	15
Oilseeds												
Canola	124.4	4	43.6	6	—	..	28.8	5	93.4	5	—	..
Other	27.1	9	1.8	16	33.2	32	0.8	16	0.2	13	—	..
Pastures and grasses	110.4	21	283.1	3	43.6	4	75.3	4	40.5	6	30.8	3
Potatoes	53.5	..	127.5	..	48.7	..	115.1	..	32.8	..	69.2	..
Tomatoes	51.6	67	44.6	48	66.0	11	5.0	18	14.0	31	1.7	39
Other vegetables	114.6	6	245.0	18	258.5	3	100.0	6	128.3	6	148.5	43
Sugar cane cut for crushing	60.8	6	—	..	1 101.5	1	—	..	1.5	32	—	..
Tobacco (dried leaf)	—	..	24.8	43	26.9	7	—	..	—	..	—	..
All other crops	152.8	9	188.3	11	221.7	3	45.1	8	83.0	13	46.7	10
Total crops	4 384.9	13	2 239.3	3	3 215.8	7	1 971.3	3	2 777.3	1	361.6	19
Livestock slaughterings(a)												
Cattle and calves	844.7	..	732.1	..	1 507.0	..	145.6	..	302.8	..	77.6	..
Sheep and lambs(b)	215.0	..	334.7	..	45.4	..	171.8	..	217.0	..	22.0	..
Pigs	182.3	..	176.8	..	142.0	..	n.p.	..	n.p.	..	n.p.	..
Poultry	(c)471.3	..	274.5	..	167.0	..	n.p.	..	n.p.	..	n.p.	..
Total livestock slaughterings(d)	1 722.8	..	1 518.1	..	1 867.2	..	459.6	..	680.4	..	117.7	..
Livestock products(e)												
Wool	1 020.3	..	523.1	..	207.8	..	309.5	..	603.7	..	92.9	..
Milk	496.8	..	1 517.2	..	336.9	..	177.5	..	152.7	..	133.7	..
Eggs	110.8	3	56.2	4	51.7	5	14.3	5	29.2	4	9.1	5
Honey and Beeswax	22.2	..	7.7	..	7.2	..	5.4	..	2.7	..	2.1	..
Total livestock products	1 650.1	—	2 104.2	—	603.6	1	506.7	—	788.3	—	237.8	—
Total agriculture	7 757.8	7	5 861.9	1	5 686.6	4	2 937.5	2	4 246.0	1	717.1	10

(a) Includes net exports of livestock. Adjustments between States have been made for the

Northern Territory border crossings only.

(b) Excludes value of wool on skins.

(c) Includes the Australian Capital Territory.

(d) Includes goats and buffaloes.

(e) Excludes goat products.

	1995-96	1996-97	1997-98p	SE	Change 1997-98p on 1996-97
	\$m	\$m	\$m	%	%
Crops					
Cereals for grain					
Barley	1 276.4	1 306.1	1 155.5	1	-11.5
Grain sorghum	320.4	257.2	241.1	2	-6.3
Oats	289.4	226.7	222.4	2	-1.9
Rice	226.0	310.3	351.3	3	13.2
Wheat	4 304.7	4 878.0	3 761.6	1	-22.9
Other	186.5	197.3	196.5	2	-0.4
Apples	305.3	393.4	364.3	..	-7.4
Grapes	714.4	721.5	813.3	..	12.7
Other fruit and nuts	1 193.5	1 307.8	1 243.1	5	-4.9
Cotton	1 002.8	1 342.4	1 451.9	4	8.2
Crops for hay	237.1	154.9	150.4	3	-2.9
Legumes mainly for grain					
Field peas	131.5	111.0	81.1	3	-26.9
Other	443.3	418.0	419.7	2	0.4
Oilseeds					
Canola	207.9	238.6	290.2	3	21.6
Other	53.4	86.9	63.1	17	-27.4
Pastures and grasses	727.4	478.4	587.4	4	22.8
Potatoes	414.1	448.5	446.9	..	-0.4
Tomatoes	176.2	176.9	183.0	23	3.4
Other vegetables	1 025.8	1 037.6	998.8	7	-3.7
Sugar cane cut for crushing	1 168.7	1 186.4	1 163.8	1	-1.9
Tobacco (dried leaf)	45.5	53.7	51.8	21	-3.5
All other crops	880.2	806.0	742.8	4	-7.8
Total crops	15 330.5	16 137.6	14 980.1	4	-7.2
Livestock slaughterings(a)					
Cattle and calves	3 575.9	3 390.1	3 762.3	..	11.0
Sheep and lambs(b)	1 035.7	1 038.9	1 005.8	..	-3.2
Pigs(c)	597.8	671.1	631.8	..	-5.9
Poultry(c)	948.1	1 053.3	1 079.8	..	2.5
Total livestock slaughterings(d)(e)(f)	6 192.7	6 190.1	6 521.5	..	5.4
Livestock products(g)					
Wool	2 559.7	2 621.2	2 758.2	..	5.2
Milk(h)	2 848.3	2 808.9	2 815.2	..	0.2
Eggs(h)	256.9	274.9	279.3	2	1.6
Honey and Beeswax(h)	42.2	48.6	47.2	..	-2.9
Total livestock products(h)	5 707.3	5 753.6	5 900.0	—	2.5
Total agriculture(i)	27 242.0	28 089.7	27 406.8	2	-2.4

(a) Includes net exports of livestock.

(b) Excludes value of wool on skins.

(c) Excludes Tasmania and the Northern Territory.

(d) Includes goats and buffaloes.

(e) Includes pigs, poultry and goats in Tasmania.

(f) Excludes pigs and poultry in the Northern Territory.

(g) Excludes goat products.

(h) Excludes the Northern Territory.

(i) Includes pigs, poultry, milk and eggs in the Northern Territory.

EXPLANATORY NOTES

INTRODUCTION

1 The preliminary estimates in this publication are derived by multiplying quantity data by price (or unit value) data. Quantity data for crops, eggs, honey and beeswax have, for the first time, been collected in the 1997–98 Agricultural Commodity Survey (ACS). In previous years this information was collected in the annual Agricultural Census. Other commodity data is obtained from other Australian Bureau of Statistics (ABS) collections with some information from external sources. All crop price information is obtained from non-ABS sources. Price information for livestock slaughterings and wool is obtained from ABS collections. Estimates of VACP are on the same basis as previous years for livestock slaughterings and livestock products. In the case of crops, estimates are based on production from farms having a minimum Estimated Value of Agricultural Operations (EVAO) of \$5,000.

2 To calculate EVAO for a farm, three-year average weighted prices are applied to livestock turnoff and livestock numbers on the farm, and to area and production data for crops. The resultant aggregation of these commodity values is the EVAO. It is not an indicator of the value of receipts of individual farms but simply an indicator of the extent of agricultural activity.

3 Gross value of commodities produced is the value placed on recorded production at the wholesale prices realised in the market place. Market place, in general, is the metropolitan market in each State. In cases where commodities are consumed locally, or where they become raw material for a secondary industry, these points are presumed to be the market places.

PERIOD COVERED

4 Production of crops relates, in the main, to crops sown during the year ended 31 March, and for the other commodities, refers to the year ended 30 June. Statistics of perennial crops relate to the position as at 31 March and production during the year ended on that date.

5 The method of collection of relevant prices for, and the costs of marketing of, agricultural commodities varies considerably between States and between commodities. Where a statutory authority handles marketing of the whole or a portion of a product (e.g. Australian Wheat Board, Australian Barley Board), data are usually obtained from this source. Information is also obtained from marketing reports, wholesalers, brokers and auctioneers. For all commodities, values are in respect of production during the year (or season) irrespective of whether or when payments are made. For that portion of production not marketed (e.g. hay grown on farm for own use, milk used in farm household, etc.), estimates are made from the best available information and, in general, are valued on a local value basis.

EXPLANATORY NOTES *continued*

DEFINITIONS OF TERMS USED

6 The following are brief definitions of the terms used:

- *Gross value of commodities produced* is the value placed on recorded production at the wholesale prices realised in the market place.
- *Local value of commodities produced* is the value placed on commodities at the place of production (i.e. farm gate) and is ascertained by deducting marketing costs from the gross value of commodities produced.
- *Livestock slaughterings and other disposals* values are published as one figure but include two distinct components:
 - ◆ value of livestock slaughtered; and
 - ◆ value of net exports, i.e. the total value of livestock intended for slaughter in adjacent State(s) where available (at present these can only be identified between the Northern Territory and adjacent States) and livestock exported overseas whether for slaughter or breeding, minus the value of imports of livestock.

RELIABILITY OF ESTIMATES

7 Since the preliminary estimates for 1997–98 are based on quantity data obtained from a sample drawn from the total farm population, the estimates are subject to sampling variability; that is, they may differ from the figures that would have been produced if all farm businesses had been included in the survey. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of farms were included. There are about two chances in three that a sample estimate will differ by less than one SE from the figure that would have been obtained if all farms had been included, and about nineteen chances in twenty that the difference will be less than two SEs.

8 In this publication, sampling variability is measured by the percentage SE which is obtained by expressing the SE as a percentage of the estimate to which it refers. This is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling, and thus avoids the need to refer also to the size of the estimate.

9 Some of the percentage SEs associated with estimates contained in this publication are relatively high. It is important for users to check that the estimates are reliable enough for the particular purpose for which they require the statistics. It is left to the user to exercise the necessary caution in using the estimates in this publication.

RELATED PUBLICATIONS

10 Users may also wish to refer to the following publications which are available on request:

Agriculture, Australia (Cat. no. 7113.0).

Agricultural Industries, Financial Statistics, Australia (Cat. no. 7507.0).

Value of Agricultural Commodities Produced, Australia (Cat. no. 7503.0).

11 In addition to unpublished data, the ABS has more detailed agricultural statistics on CD-ROM. The ABS package, AgStats, offers a wider range of commodity data and VACP data available at sub-State levels.

12 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

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