



VICTORIAN FOOD AND FIBRE EXPORT PERFORMANCE

2021-22

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For further 2021-22 Victorian food and fibre export performance results visit <https://agriculture.vic.gov.au/victorias-export-performance>.

MINISTERIAL FOREWORD

Victoria is the premier state for food and fibre exports, which has once again been demonstrated in this latest data. In 2021-22 Victoria exported \$17.9 billion in food and fibre exports, up 29 per cent on the previous year. Victorian exports represent 26 per cent of the national total, continuing Victoria's lead as the nation's largest food and fibre exporter by value.

Exports increased across nearly all industry categories, up a total of \$4 billion in 2021-22. Dairy exports were up 23 per cent to nearly \$2.5 billion with strong growth into North Asia and Southeast Asia. Meat exports grew by 31 per cent to \$4.3 billion, with major increases coming from beef and sheep meat. Grain exports jumped 73 per cent to nearly \$4.4 billion, driven by international market upheavals. Excluding grain, Victorian exports still increased by over 19 per cent in value in 2021-22.

While exports benefited from recovering global demand, global supply chain issues continued to impact our food and fibre exporters. However, Victoria's strong export performance speaks to the quality of Victorian food and fibre exports and the ability of exporters to pursue new market opportunities.

The Victorian Government will continue to support our export sector to innovate, value-add to our quality produce, diversify into new products and markets, and to meet and exceed our \$20 billion target for food and fibre exports by 2030.

The Victorian Government's Made in Victoria Manufacturing Statement commits to building the capability of our already large and sophisticated food manufacturing sector. STRONG, INNOVATIVE, SUSTAINABLE: A new strategy for agriculture in Victoria, has identified clear areas for focus and investment by government to help the sector, including our exports, to remain strong, innovative and sustainable.

Global Victoria, the state's trade facilitation and promotion agency provides a range of programs and initiatives including trade missions to connect businesses to the world. Through its network of 23 international trade and investment offices, Victorian food and fibre exporters can receive specialist knowledge and networks to access new opportunities in global markets.

The hard work of our farmers, food manufacturing businesses and exporters has delivered an outstanding result for food and fibre exports in 2021-22. Supporting these groups to continue to excel will remain a priority across Victorian Government.



Gayle Tierney
The Hon. Gayle Tierney MP
Minister for Agriculture



Ben Carroll
The Hon. Ben Carroll MP
Minister for Industry and Innovation
Minister for Manufacturing Sovereignty

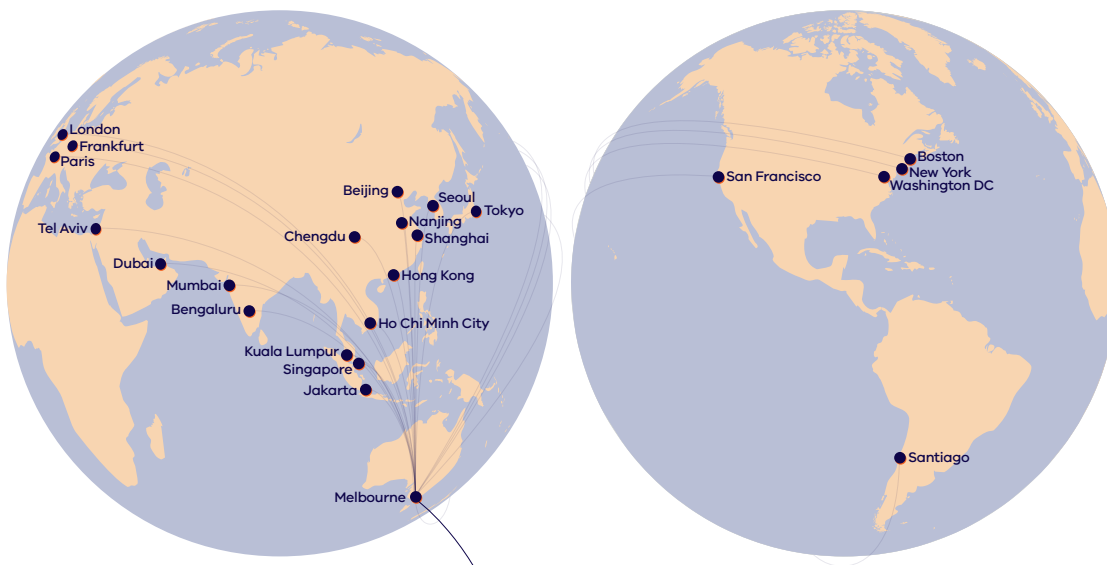


Tim Pallas
Mr Tim Pallas MP
Minister for Trade and Investment

Victoria's global reach

The Victorian Government has a network of global and local trade and investment offices, making it easier for businesses to access the support they need to invest, grow and enter new markets.

Global Victoria International Trade and Investment Office network

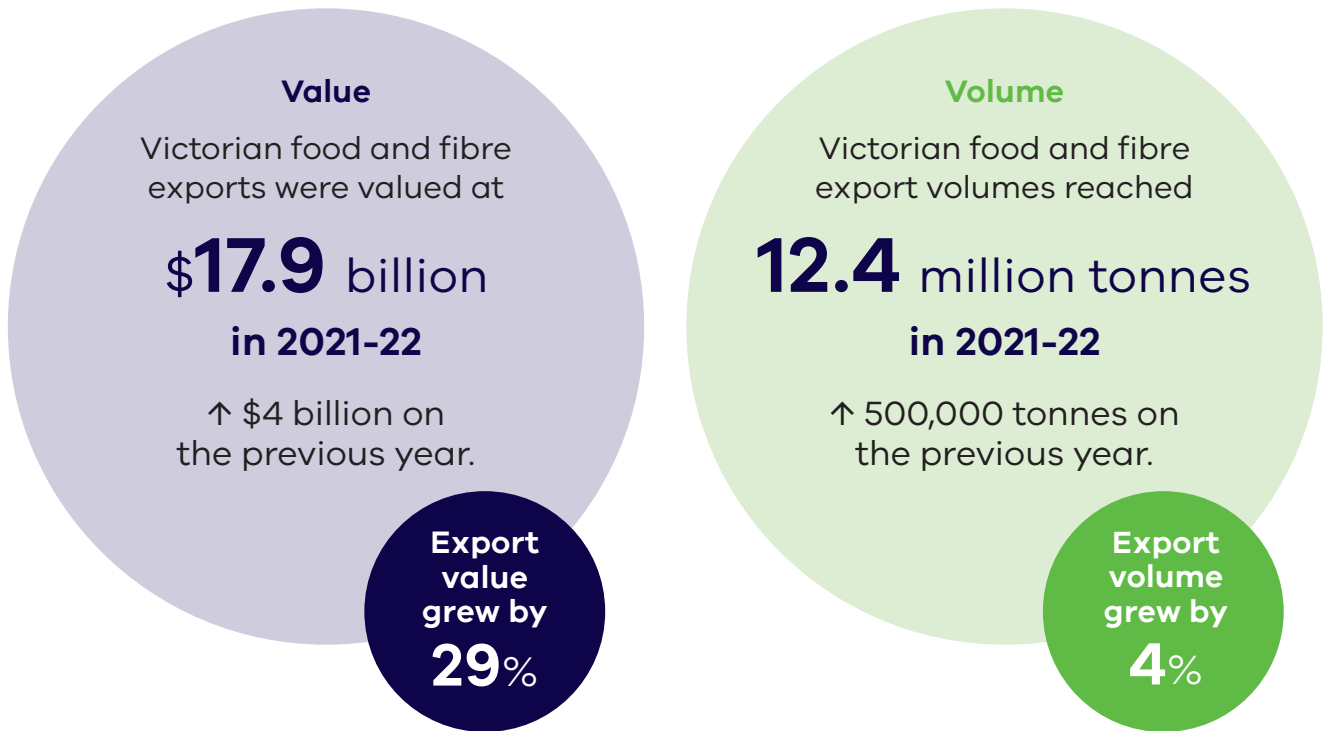


Victoria Government network

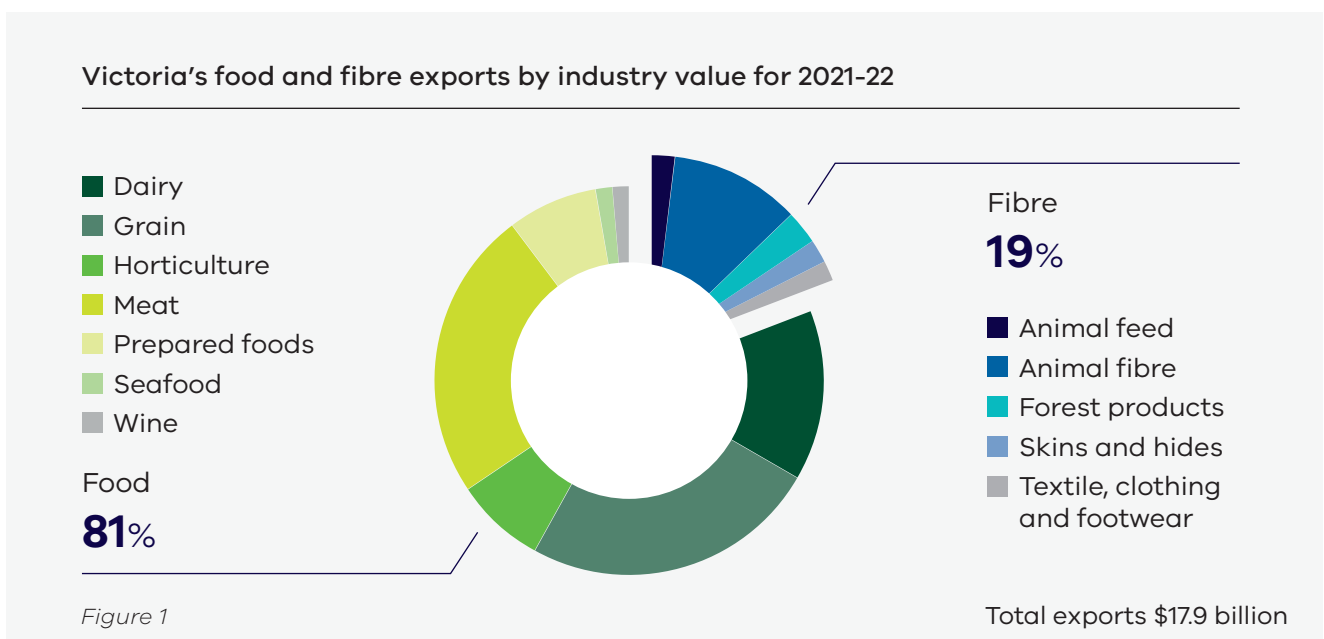


VICTORIAN FOOD AND FIBRE EXPORT PERFORMANCE SUMMARY 2021-22

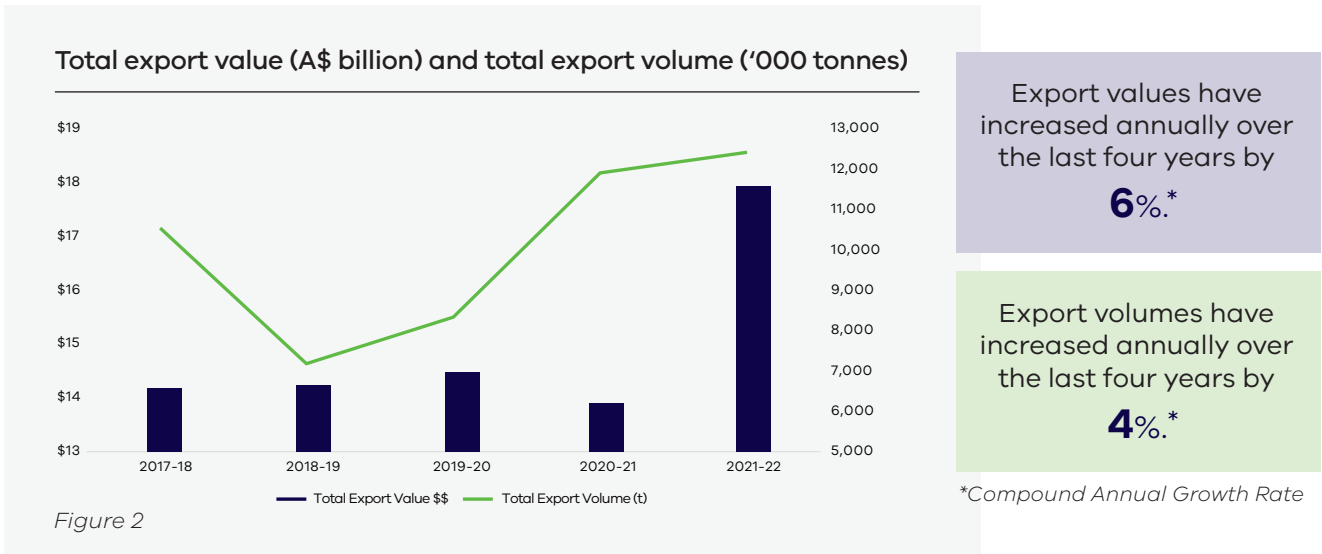
Victorian exports performed strongly in 2021-22.



In 2021-22 Victoria cemented its position as Australia's largest food and fibre exporter by value, accounting for 26 per cent of the national total.



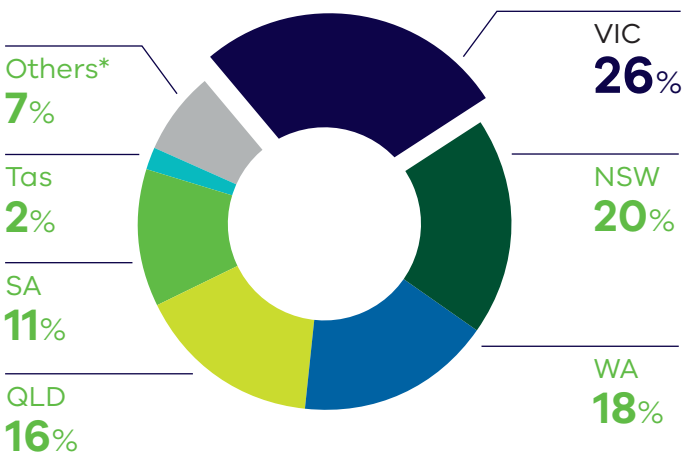
In 2021-22 the value of Victorian food and fibre exports returned to an upward trend.



Victoria is on track to meet and exceed the Victorian Government target of growing the states food and fibre exports to \$20 billion by 2030.

In 2021-22 Victorian exports commenced a rebound from global supply chain disruptions.

Australia's food and fibre exports by state value (%)



Victoria is Australia's leading food and fibre exporter. Victoria exported **26%** of the national total by value in 2021-22.

Figure 3

*others refer to ACT, NT, re-exports and exports for which no state details are released for confidentiality reasons

Victoria is the nation's largest or second largest exporter by value across a range of key industries.

#1 Dairy	#2 Meat
#1 Horticulture	#2 Animal feed
#1 Prepared foods	#2 Seafood
#1 Animal fibre	

VICTORIAN EXPORTS BY INDUSTRY

Victoria has a diverse range of food and fibre exports with a reputation for quality and safety.

Top six Victorian exports







	Value (A\$ million)			Volume ('000 tonnes)		
	2020-21	2021-22	% change	2020-21	2021-22	% change
 Grain	\$2,550	\$4,421	73% ↑	5,861	8,011	37% ↑
 Meat	\$3,317	\$4,333	31% ↑	506	529	4% ↑
 Dairy	\$2,039	\$2,506	23% ↑	617	656	6% ↑
 Animal fibre	\$1,430	\$1,939	36% ↑	262	303	16% ↑
 Horticulture	\$1,354	\$1,368	1% ↑	416	399	-4% ↓
 Prepared foods	\$1,178	\$1,312	11% ↑	261	270	4% ↑

Figure 4

Victorian food and fibre exports grew in value by

29%

in 2021-22.

Excluding grain, Victorian food and fibre exports still grew in value by

19%

in 2021-22.

Victoria exports its food and fibre products across the world.

Top markets for select Victorian food and fibre products 2021-22

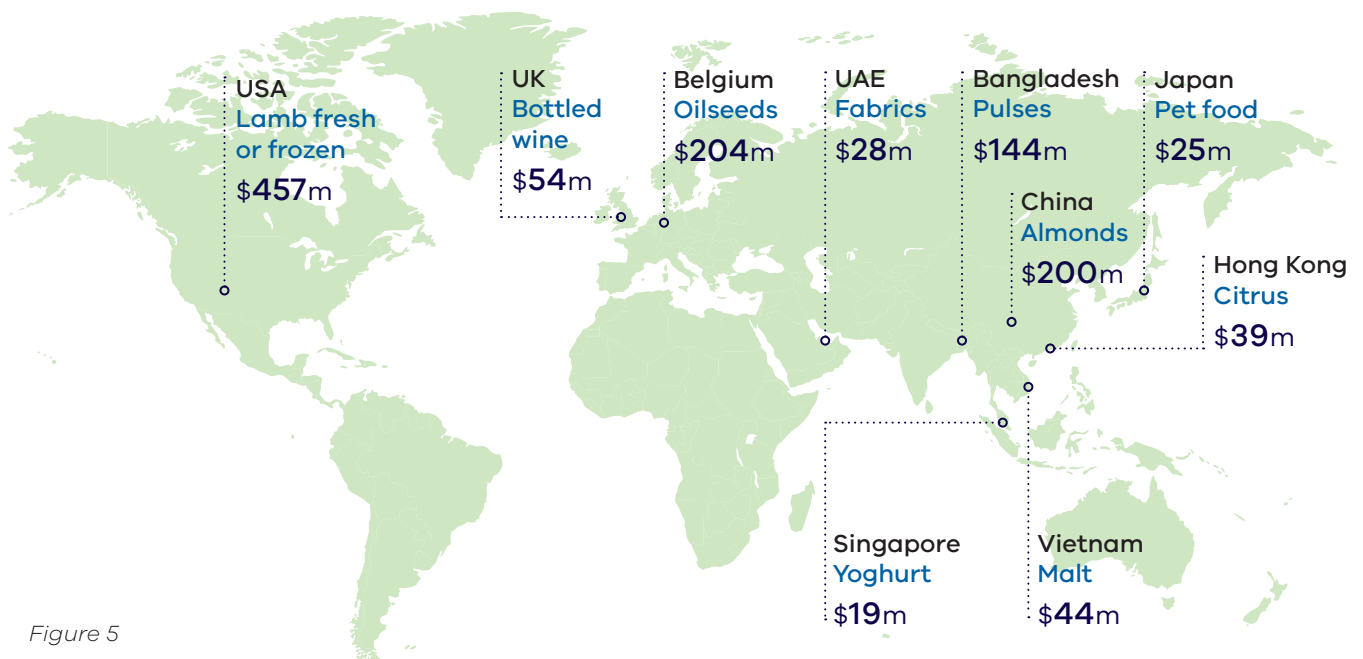


Figure 5

Victoria is Australia's largest exporter for significant industries, including dairy, horticulture and prepared foods.

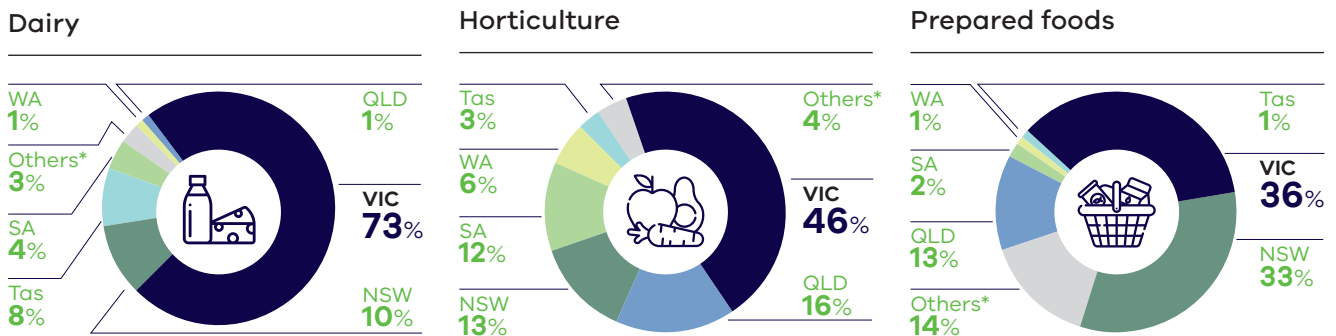


Figure 6

*others refer to ACT, NT, re-exports and exports for which no state details are released for confidentiality reasons

In 2021-22 Victoria's food and fibre exports continued their record of success.



Dairy achieved record exports in 2021-22 valued at \$2.5 billion with cheese, powdered milk and powdered cream accounting for 71% of Victorian dairy exports.



Meat was Victoria's second largest export industry with sheep meat the second largest product by value and up 44% on the previous year.



Prepared food exports reached \$1.3 billion, with non-alcoholic beverage exports up 29% to \$87 million.



Animal fibre exports increased in value by 36% to \$1.9 billion underpinned by increased demand for higher value fine wool.



Seafood exports grew strongly with live and fresh fish the largest and fastest growing product valued at \$139 million, up 37% on the previous year.



Grain exports jumped due to high prices and favourable growing conditions, with the two largest products by value being wheat and oilseeds both growing by over 80% on the previous year.



Horticulture exports grew modestly to reach \$1.4 billion in 2021-22 underpinned by a significant increase in almond exports.

Victoria is Australia's largest **manufactured food and beverage** exporter, including exports of premium processed dairy and meat products.

VICTORIAN EXPORTS BY MARKET

Victoria's food and fibre products are exported to major and key growth markets, with a focus on Asia.

2021-22 major export markets for Victoria by value

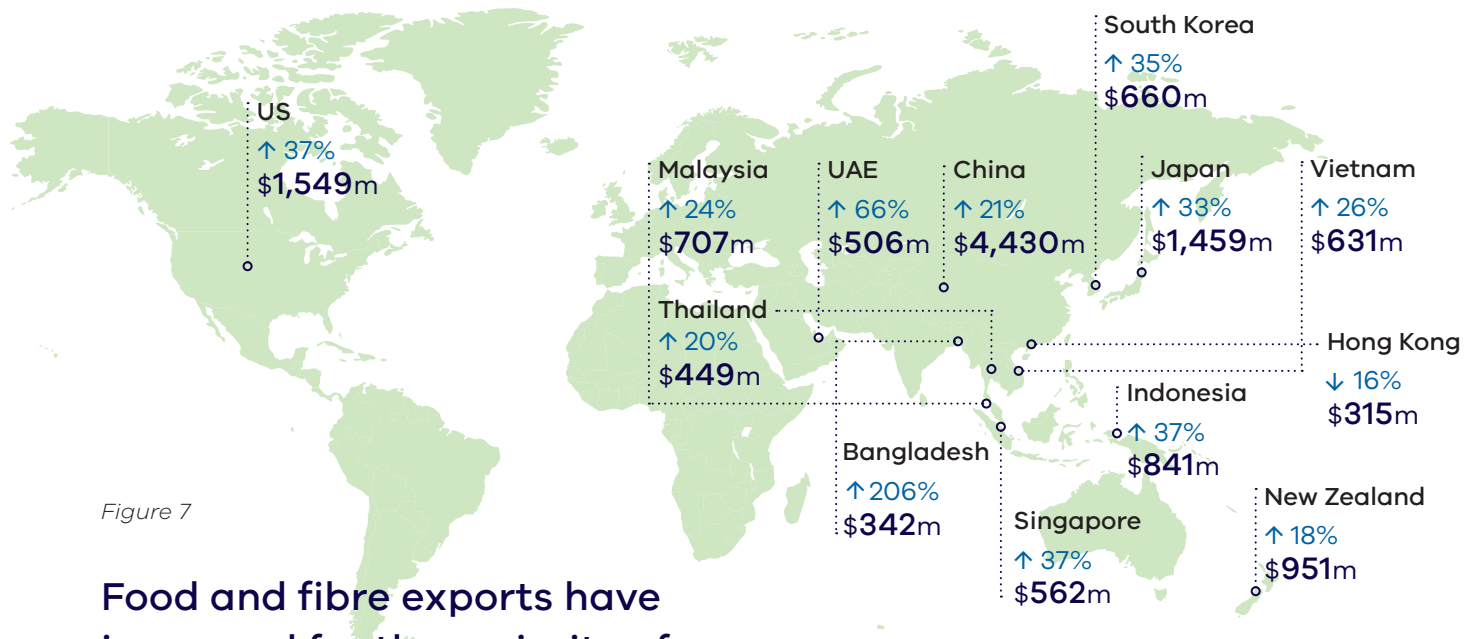


Figure 7

Food and fibre exports have increased for the majority of Victoria's markets.

2021-22 Victoria's top ten export markets by value

	\$A million
China	4,430
United States	1,549
Japan	1,459
New Zealand	951
Indonesia	841
Malaysia	707
South Korea	660
Vietnam	631
Singapore	562
United Arab Emirates	506

Figure 8

2021-22 Victoria's regional market share by value

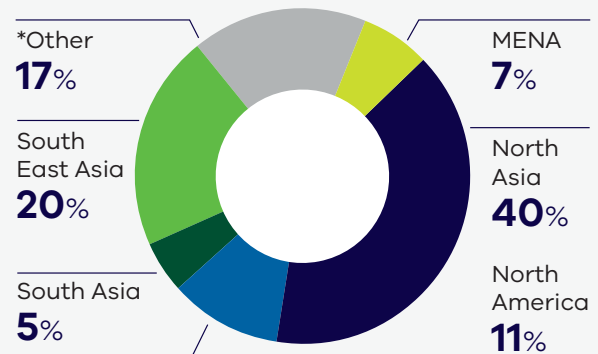


Figure 9

Total food and fibre export figures in 2021-22 was **\$17.9 billion**.

*Other countries, including New Zealand and the United Kingdom.

EXPORT DIVERSIFICATION

Diversification of both products and international markets is an increasingly important factor shaping the resilience and profitability of Victoria's food and fibre exports.

Market share of top five markets 2018-19

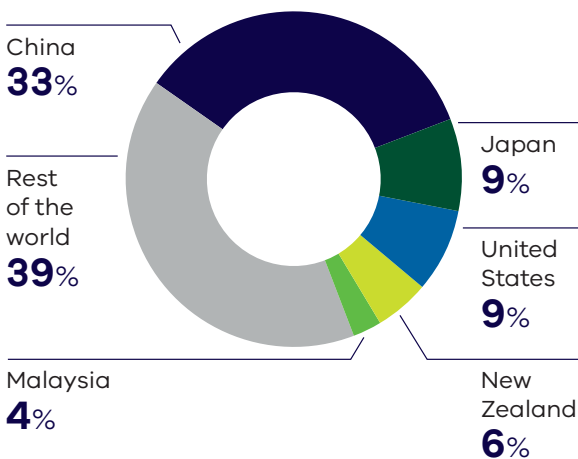


Figure 10

Market share of top five markets 2021-22

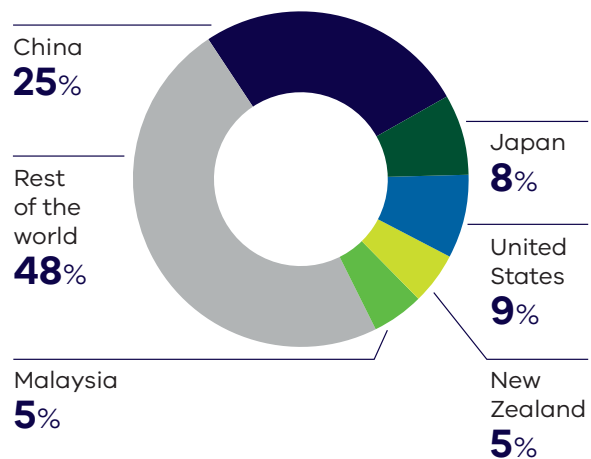


Figure 11

2018-19 total food and fibre exports by value:

\$14.2 billion

2021-22 total food and fibre exports by value:

\$17.9 billion

Comparing 2018-19 to 2021-22, the value of Victorian food and fibre exports into markets outside of the top five has grown from 39% to 48%.

Asian markets are the destination for two-thirds of Victoria's exports by value.

North Asia, which includes China and Japan, is Victoria's largest regional export market with South Korea the fastest growing major market for Victorian exports over recent years.

Within the **South Asia** region, India was supplanted by Bangladesh as the largest Victorian export market in 2021-22 with a jump in grain exports but also an increase in horticulture exports.

See page 12 for regional classification

South East Asia, which includes Indonesia, Malaysia, Singapore and Thailand is a rapidly growing region for Victorian exports. In 2021-22 countries across this region imported record levels of Victorian dairy.

North America is a large importer of Victorian meat, making up 69% by value of all Victorian exports into the region in 2021-22.

Within **MENA** the United Arab Emirates is Victoria's largest market with a jump in exports in 2021-22 due mainly to higher grain exports.

VICTORIAN EXPORT TABLES BY INDUSTRY AND PRODUCT

Exports Value (\$)		Financial Year		%	
Industry	Product	2020-21	2021-22		
Animal feed	Pet food	\$62,318,115	\$79,999,159	28%	↑
	Stock feed	\$257,998,500	\$290,771,252	13%	↑
TOTAL		\$320,316,615	\$370,770,411	16%	↑
Animal fibre	Other animal fibres	\$3,512,074	\$5,191,318	48%	↑
	Wool	\$1,318,153,578	\$1,676,177,733	27%	↑
	Wool grease and wastes	\$107,740,397	\$257,324,580	139%	↑
	Yarn products	\$622,212	\$709,881	14%	↑
TOTAL		\$1,430,028,261	\$1,939,403,512	36%	↑
Dairy	Butters, fats and oils	\$127,465,892	\$130,701,872	3%	↑
	Cheese and whey products	\$787,921,486	\$872,702,854	11%	↑
	Milk and cream	\$1,031,091,479	\$1,311,909,738	27%	↑
	Milk extracts	\$41,440,022	\$141,408,478	241%	↑
	Yoghurt and fermented milk products	\$51,161,048	\$49,363,618	-4%	↓
TOTAL		\$2,039,079,927	\$2,506,086,560	23%	↑
Forest products	Other forest products	\$1,193,310	\$1,410,240	18%	↑
	Paper and paperboard	\$292,183,214	\$350,143,837	20%	↑
	Pulp	\$41,764	\$125,923	202%	↑
	Roundwood	\$159,652,488	\$37,755,678	-76%	↓
	Sawnwood	\$11,616,669	\$10,427,061	-10%	↓
	Wastepaper	\$62,595,331	\$90,488,311	45%	↑
	Wood-based panels	\$7,308,843	\$9,201,505	26%	↑
	Woodchips	\$64,803,292	\$0	-100%	↓
TOTAL		\$599,394,911	\$499,552,555	-17%	↓
Grain	Cereals	\$1,353,709,142	\$2,474,454,109	83%	↑
	Oilseeds	\$653,199,343	\$1,184,435,618	81%	↑
	Processed Grain	\$157,666,533	\$214,668,640	36%	↑
	Pulses	\$385,581,447	\$547,703,568	42%	↑
TOTAL		\$2,550,156,465	\$4,421,261,935	73%	↑
Horticulture	Coffee, tea, herbs and spices	\$39,507,368	\$39,713,105	1%	↑
	Extracts and oils	\$924,793	\$2,275,164	146%	↑
	Fruit (fresh or dried)	\$723,751,822	\$678,646,107	-6%	↓
	Nuts (fresh or dried)	\$394,941,149	\$438,686,745	11%	↑
	Oils and extracts	\$78,140,371	\$90,310,842	16%	↑
	Processed	\$67,381,740	\$77,403,205	15%	↑
	Vegetables (fresh or dried)	\$49,238,350	\$41,233,601	-16%	↓
TOTAL		\$1,353,885,593	\$1,368,268,769	1%	↑

Exports Value (\$)		Financial Year		%	
Industry	Product	2020-21	2021-22		
Meat	Alternative meat	\$88,367,898	\$155,583,648	76%	↑
	Animal fats	\$80,241,443	\$105,984,000	32%	↑
	Beef	\$1,371,891,405	\$1,702,587,367	24%	↑
	Offal	\$228,505,432	\$280,579,318	23%	↑
	Other prepared meat products	\$91,035,520	\$133,202,092	46%	↑
	Pig meat	\$38,428,325	\$31,096,544	-19%	↓
	Poultry	\$16,227,723	\$35,620,540	120%	↑
	Sheep meat	\$1,402,012,854	\$1,888,772,981	35%	↑
TOTAL		\$3,316,710,600	\$4,333,426,490	31%	↑
Prepared foods	Beverages	\$101,358,695	\$137,478,525	36%	↑
	Cereal based	\$413,008,265	\$424,821,161	3%	↑
	Condiments	\$105,643,732	\$99,224,731	-6%	↓
	Confectionery	\$236,118,804	\$281,229,683	19%	↑
	Other food preparations	\$277,992,668	\$324,756,959	17%	↑
	Sugars	\$44,000,698	\$44,248,463	1%	↑
TOTAL		\$1,178,122,862	\$1,311,759,522	11%	↑
Seafood	Crustaceans	\$56,472,792	\$63,643,809	13%	↑
	Fish	\$104,853,124	\$145,918,676	39%	↑
	Molluscs	\$56,040,551	\$66,842,218	19%	↑
	Seafood extracts and oils	\$7,075,052	\$5,300,762	-25%	↓
	Seaweed	\$819,418	\$638,165	-22%	↓
TOTAL		\$225,260,937	\$282,343,630	25%	↑
Skins and hides	Cattle	\$105,236,678	\$117,368,514	12%	↑
	Other skins and hides	\$3,592,971	\$3,000,772	-16%	↓
	Sheep	\$167,747,607	\$223,132,080	33%	↑
TOTAL		\$276,577,256	\$343,501,366	24%	↑
Textile, clothing and footwear	Clothing	\$56,935,136	\$78,327,890	38%	↑
	Footwear	\$22,050,303	\$17,882,092	-19%	↓
	Leather articles	\$12,807,401	\$16,610,134	30%	↑
	Textiles	\$199,470,845	\$205,251,217	3%	↑
	Woven fabrics	\$118,093	\$261,996	122%	↑
TOTAL		\$291,381,778	\$318,333,329	9%	↑
Wine	Fortified	\$3,606,476	\$2,211,788	-39%	↓
	Other	\$3,017,608	\$622,178	-79%	↓
	Red	\$233,416,712	\$135,384,492	-42%	↓
	Sparkling	\$12,883,975	\$14,547,854	13%	↑
	White	\$57,445,781	\$53,304,807	-7%	↓
TOTAL		\$310,370,552	\$206,071,119	-34%	↓
Grand Total		\$13,891,285,757	\$17,900,779,198	29%	↑

DEFINITIONS AND DATA

DEFINITIONS

This report refers to 'food exports' as those products considered suitable for consumption by humans. This classification is made by the Department of Energy, Environment and Climate Action (DEECA) based on the Australian Harmonized Export Commodity Classification (AHECC) code descriptions.

DEECA refers to 'fibre exports' as those of wool and other animal fibre products, including skins and hides, forestry products and textile, clothing, and footwear (TCF).

The DEECA classification excludes items such as:

- live animals for breeding purposes
- grains and horticultural products for cultivation
- live ornamental plants, and
- bovine semen.

The DEECA classification includes items such as:

- live animals for purposes other than breeding
- fresh, chilled, frozen and preserved meats and seafood
- dairy and horticultural items for human consumption
- unprocessed grains and pulses
- edible animal by-products
- wine and related products
- wool and other fibres in various forms
- skins and hides from agricultural livestock, and
- prepared foods derived from agricultural commodities.

State of Origin defines the Australian state in which the final stage of production or manufacture occurs (ABS 5489.0

- International Merchandise Trade, Australia, Concepts, Sources and Methods).

State of Loading is the Australian state in which the goods are loaded onto an international carrier for export. Subject to any confidentiality restrictions, this can be further disaggregated to provide information about particular air or seaports in the relevant state (i.e., Port of Loading).

Classification of forest products is based on those used by ABARES in the Australian Forest and Wood Products Statistics publication.

Classification of wool products is based on the AWEX Sheep Breed Compendium, 2010.

The regional classification of North Asia comprises China, Hong Kong, Japan, Macau, Mongolia, South Korea and Taiwan.

The regional classification of South East Asia comprises Brunei Darussalam, Cambodia, East Timor, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

The regional classification of MENA comprises Algeria, Bahrain, Egypt, Iraq, Iran, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, South Sudan, Sudan, Syria, Tunisia, Turkey, UAE and Yemen.

The regional classification of North America comprises the United States, Canada and Mexico.

The regional classification of South Asia comprises Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

DATA

The information in this document is based on statistics compiled by the Australian Bureau of Statistics (ABS) from information submitted by exporters and their agents to the Department of Home Affairs (Home Affairs). The data has been sourced from IHS Markit, Global Trade Information Services (GTIS), which compiled the information for DJSIR and DEECA.

Valuation of exports is based on the free on-board transaction value of the goods, expressed in Australian dollars. Values within this publication have been aggregated on a financial year basis. State aggregations are by State of Origin rather than by State of Loading.

Gross weight refers to the shipping weight of goods (measured in tonnes) in the packaged state, excluding the weight of containers. For exports, details of gross weight are available for each commodity.

Restrictions are placed on the release of statistics for some products for reasons of confidentiality. These restrictions may impact on the total aggregated value of exports from Victoria. Alternatively, they may only affect country and commodity details for that export category. Of relevance to Victoria's food and fibre exports are confidentiality restrictions on specific grain, forestry, textile, clothing, and footwear (TCF) and animal feed product exports including some barley, oats, lupins, canola, beer, pasta and woodchips, products for which no state of origin or export destination details are available.

DEECA uses the AHECC codes for export and import analysis (www.abs.gov.au, Classification 1233.0). These codes concur with international commodity codes, allowing direct import and competitor analysis. Commodity classification also provides greater detail and allows analysis of products from different sectors of the supply chain. These codes enable DEECA to focus on specific fresh and processed export products within industry sectors.

The ABS Australia's international merchandise trade statistics are subject to revision after they are initially published. Although the revisions made are typically quite small as a proportion of the monthly international merchandise trade results.

Revisions may arise because:

- an amending entry is supplied to the Department of Home Affairs
- errors are identified and corrected by the ABS after initial processing errors are identified through queries from statistical users about the published data
- time series are recompiled because of major changes to classifications, concepts, sources or methods (www.abs.gov.au, Classification 5489.0).

The Consumer Price Index rose 6.1% over the 12 months to the June 2022 quarter - the fastest annual increase in 21 years driven primarily by the increasing cost of food and fuel. In the June 2022 quarter, food prices increased 5.9% compared with the June quarter 2021.

The Australian dollar weakened relative to the US dollar in 2021-22. This was likely to have assisted the competitiveness of Australian exports in the international market.

