

VICTORIAN AGRICULTURE INDUSTRY OVERVIEW

AGRICULTURE VICTORIA

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21,700  **-0.8%**

Farm businesses
(2019–20)

74,800  **-1.5%**

Jobs in agriculture
(2020–21)

\$17.8B  **12.3%**

Value of agricultural
production (2019–20)

\$14.5B  **2.1%**

Total food and fibre
exports (2019–20)

\$7.0B  **-3.7%**

Agriculture's
contribution to
Victoria's economy
(2019–20)

Victoria is a leading agricultural producer ...

#1 milk producer

(5.6 billion litres, or 64% of national production)

#1 in fruit and nuts production

contributing 35% of national production

#1 in sheep meat production

Victoria contributes 46% of national production

#1 in table and dried grape production

accounting for 70% of national production

#1 vegetable producer

contributing 25% of Australia's vegetable production

... and a food and fibre exports leader in Australia

#1 in dairy exports

(\$2.1 billion, or 77% of Australia's dairy exports)

#1 in horticulture exports

contributing 50% of national exports

#1 in sheep meat exports

Victoria contributes 42% of national exports

#1 in poultry meat exports

contributing 31% of national exports

#1 in wool exports

contributing 53% of national exports

#1 in food and fibre exports

contributing 28% of national exports



Overview of Victorian farms

- There were 21,700 farm businesses in Victoria in 2019–20, accounting for 25 per cent of all farm businesses in Australia.
- Majority of Victoria's farm businesses produce beef (10,000 farms), followed by sheep meat/wool (8,600), grains (5,900), dairy (3,500) and horticulture for human consumption (2,850). Some farms produce multiple commodities.
- The area of land in Victoria used for agricultural production was 11.3 million hectares in 2019–20, or 50 per cent of the state's total land. Of the total agricultural land, 42 per cent was used for cropping and 52 per cent for grazing.



How much is produced?

- **Dairy:** Victoria is Australia's largest dairying state, producing nearly two-thirds (5.6 billion litres of milk) of Australia's milk in 2019–20.
- **Beef:** In 2019–20, Victoria produced 495,000 tonnes of beef and veal, processed from 1.8 million adult cattle and 0.3 million calves. Victoria produced 21 per cent of the 2.4 million tonnes of beef and veal produced in Australia, behind Queensland and NSW.
- **Sheep meat:** In 2019–20, Victoria produced 315,000 tonnes of sheep meat, processed from 3.1 million adult sheep and 10.4 million lambs. Victoria is the largest sheep meat producing state, contributing 46 per cent to the national production of 684,000 tonnes.
- **Grains:** Victoria produced 8.4 million tonnes grains in 2019–20, comprising cereals (85%), oilseeds (9%) and pulses (6%). Victoria contributed 27 per cent to the national grain production of 30.9 million tonnes. Major commodities produced included wheat (3.7 million tonnes), barley (3.1 million tonnes), canola (731,000 tonnes), and pulses (550,000 tonnes).

- **Horticulture:** In 2019–20, Victoria produced around 1.4 million tonnes of horticultural produce including 480,000 tonnes of fruit and nuts, 100,000 tonnes of table and dried grapes, 200,000 tonnes of wine grapes and 700,000 tonnes of vegetables. Victoria is the largest horticulture producer in Australia, accounting for 26 per cent of Australia's 5.6 million tonnes of horticulture produce. Victoria is Australia's largest fruit and nuts producer (35% of the national production), number one producer of table and dried grapes (70%), the largest vegetables producer (25%), and the third largest producer (after SA and NSW) of wine grapes (14%).



Jobs in the agri-food sector

- In the year to May 2021, there were around 187,900 people employed in Victoria's food and fibre production and manufacturing sectors – 81,300 in primary production and 106,600 in processing.
- Of all states, Victoria had the third largest number of people employed in food and fibre production, employing 81,300 people, or 24 per cent of food and fibre production employment in Australia. Of the 81,300 jobs: 74,800 (92 per cent) were in agriculture, 1,400 in forestry, and 5,100 in agriculture, forestry and fishing support services.
- The largest number of persons are employed in beef cattle (18,800), followed by horticulture for human consumption (15,400), sheep (12,900), grains (9,600) and dairy cattle (8,100).
- Around 63,000 (or 78%) of Agriculture, Forestry and Fishing jobs were in regional Victoria, underscoring the role agriculture plays in supporting employment in regional Victoria.



- Food and fibre exports from Victoria represent almost half (47 per cent) of all Victoria's goods exports in 2019-20.
- Victoria's top five valuable food exports are meat (\$4.7 billion), dairy (\$2.1 billion), horticulture (\$1.6 billion), prepared foods (\$1.3 billion) and grains (\$1.1 billion).
- China (\$4.8 billion), the USA (\$1.3 billion), Japan (\$1.3 billion), New Zealand (\$803 million) and Indonesia (\$562 million) were the most valuable markets for Victorian food and fibre exports in 2019-20, accounting for 61 per cent of Victoria's food and fibre exports.
- Compared to any other state in Australia, Victoria is the largest exporter of dairy (77 per cent), animal fibre (52 per cent), skins and hides (50 per cent) and horticulture (50 per cent), and is the second largest exporter of meat (25 per cent), prepared foods (31 per cent) and animal feed (26 per cent).



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Major commodity prices

- Some commodity prices have been affected by the ongoing volatility, partly related to the impact of COVID-19 and tariffs levied by China on imports of Australian barley.



- Victoria's food and fibre exports were valued at \$14.5 billion (comprising \$11.4 billion of food exports and \$3.1 billion of fibre exports) in 2019-20, an increase of \$299 million (up 2%) on 2018-19.
- Victoria is Australia's largest food and fibre exporter, accounting for 28 per cent of the Australia's food and fibre exports.

* Estimated from export data. ** From DataFresh.