

CUMMINGS ECONOMICS

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Research Note

Economic Importance of the Cattle Industry in Northern Australia⁽¹⁾

1. The cattle industry is the largest primary industry in northern Australia

ABS Gross Value of Production figures for 2009/10 (latest available) indicates the cattle industry:

- Has a farm gate value of \$3 billion
- Accounts for 57% of all agricultural production in northern Australia
- In that year had four times the farm gate value of sugarcane production
- In that year, was three times the value of all agricultural production in the state of Tasmania two thirds that of South Australia and 36% of New South Wales.

2. The cattle industry is the largest source of non-government income over more than 80% of the area of northern Australia (see map).

3. The cattle industry has important “Post farm gate” employment and “Flow on” impacts on suppliers throughout the North's regional economies.

A study of the Contribution of the Primary Industries to the Northern Queensland Regional Economies of Far North, North and North West in 2009/10⁽²⁾ indicates:

- Direct employment in cattle production of about 3800 in that area
- Post farm gate activity in terms of transport and processing added an extra third more jobs to take the total to approximately 5000 jobs in that area
- “Flow on” effects through jobs provided by suppliers of inputs, added a further estimated 3300 jobs to take the total to 8300 job in that area.
- If these figures for three statistical divisions in northern Queensland are extrapolated across the North, estimated employment created by the industry across the North is of the order of **20,000** jobs.

Notes:

⁽¹⁾ Northern Australia includes statistical divisions based on Rockhampton Longreach, Alice Springs and Pilbara and further north.

⁽²⁾ Cummings Economics: September 2010, www.cummings.net.au
<http://www.cummings.net.au/pdf/recent/J2315CEAginvestreport.pdf>

APPROXIMATE AREAS OF NORTHERN AUSTRALIA WHERE THE CATTLE INDUSTRY IS LEADING SOURCE OF NON GOVERNMENT INCOME

