

Embargoed until Monday 13th December 2010

Agriculture, mining and the economy: much more than a GDP figure

Agriculture's role in the economy has been prominent in recent media discussion as a result of the ABS September quarter National Accounts, which reported, 'In seasonally adjusted terms, GDP increased by 0.2% in the September quarter and Non-farm GDP fell 0.2%.' (ABS) The positive national GDP growth figure was largely a result of a projected 18.5% increase in agricultural output for the quarter, and without agriculture's expanded contribution national GDP actually contracted during the quarter.

This result, and many other instances in recent years when the contribution of the mining sector that has resulted in positive GDP growth figures, has highlighted once again the significant role that primary industries have in the national economy, despite collectively making up less than 10% of calculated national GDP.

The November edition of the *Farm Policy Journal* contains a series of papers examining the role that primary industries play in the Australian economy. While raw economic data paints a picture of an economy dominated by the service sector, it is apparent that primary industries have an influence on national economic performance that is much greater than the raw data suggests. In particular, they provide economic diversity and resilience, and generate important export revenue.

'The economic performance of the primary industries sectors has been a very important buffer for the economy that in recent times has reduced the size of downturns in national economic output.' says Mick Keogh, Executive Director of the Australian Farm Institute.

Papers in the Journal include the best entries in the recent John Ralph Essay Competition, which was instigated to recognise the substantial contribution that John Ralph made to the Australian Farm Institute in his role of Board Chairman from the inception of the Institute in 2003 until 2010.

- *Primary Industries in the Australian Economy* by Mick Keogh and Gaétane Potard
- **Winning entry:** *Australia's Primary Industries: A bulwark against external shocks?* by Daniel Gibbons.
- *Rethinking the Value of Australia's Primary Industry Sector – A Strategy in Buffering the Australian Economy from External Economic Shocks* by David Shearer
- *The Role of Australia's Primary Industries in Buffering the Australian Economy from External Economic Shocks* by Madeline Shearer
- *Agricultural Diversity for Economic Confidence* by Carl Sudholz.

The November 2010 quarter *Farm Policy Journal* is available [here](#).

Ends

Media contact: Mick Keogh – (02) 9690 1388 or 0418 256 066