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# Agribusiness – Industry Commentary, Debate, Analysis and Research

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## Publishing Update

Three papers have recently been published, 2 in Agribusiness Perspectives and one in the Agribusiness Review.

**Agribusiness Perspectives - Chickpea Marketing in India: Challenges and Opportunities** by Frank Agbola, Timothy Kelley, Martin Bent and P Parthasarathy Rao is a truly international effort, with contributing authors based in South Africa, Italy, India and Australia.

**Abstract** - India's food economy has undergone fundamental changes in the 1990s. As part of these reforms the chickpea industry is being transformed into a market-oriented sector through the process of liberalisation. Despite these reforms, the state governments in India government still levies whole chickpea export and the Government of India continues to set minimum price for chickpea and limit the volume of chickpea exports. These policy reforms are likely to impact on world chickpea trade. This study provides an overview of chickpea marketing in order to assess the potential problems and opportunities for increasing chickpea exports to India. The survey results suggest possible opportunities for expanding chickpea exports to India. It was found that the factors reshaping chickpea trade are the quality characteristics and purity standards of chickpea, government macroeconomic policy and chickpea supply and demand dynamics. The policy implications of the findings for Australia are discussed.

The pulse industry in Australia has been the focus of a great deal of innovation, in agronomic as well as marketing terms, but the growth of the industry in Australia is being hampered by poor information systems. Pulse Australia is working to correct some of these problems, with the development of accurate market intelligence at the top of their list. The best agronomics and logistics in the world count for little if they are not backed up with accurate production and export data, information on the activities of competitors and, most importantly, market intelligence.

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## Agribusiness Perspectives – The Agri-food sector in Australia; Where is it going? Some thoughts on the future of the sector

 by David Ginns.

This paper (written by the author of this update) is a discussion of three critical factors – finance, natural resource management and agri-biotechnology – that will have a large influence on the way the agri-food sector in Australia develops over the medium to long term. The paper was written, not as a political manifesto and doesn't set out to provide 'answers' (the author is not that presumptuous) but is an attempt to promote discussion and critical thinking and to encourage others in the industry to voice their opinions about the future direction of their industry.

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## Agribusiness Review

**The US Cattle Cycle and its Influence on the Australian Beef Industry** by Garry Griffith and Andrew Alford

**Abstract** – Although there is some disagreement about the fine detail, the signposts for the Australian beef industry appear to be pointing mainly in the "positive" direction in the short term. How long will this situation last and what can cattle producers, feedlot operators and meat processors do to protect themselves against the inevitable turnaround towards the "negative" direction?

In this paper, one of the critical factors influencing the longer-term future of the beef market, the United States (US) cattle cycle, is described and its impacts on Australia are evaluated.

While Australia is the largest beef exporter contributing some 25% of total beef traded in 2001, its pricing power is limited. Several factors create this situation. Firstly, Australia had only 2.6% of the world's cattle population and current beef exports represented only 2.7% of total world beef production in 2001.

In contrast, the US had 9.4% of the world's cattle inventory and produced around 12,000 Kt of beef (carcase weight equivalent) in 2001, or over 6 times as much as Australia. As a result small percentage changes in the US beef industry are comparatively large in the context of the Australian industry.

Secondly, Australia's beef exports are centred on two major markets, Japan and the US, representing 34% and 42% of total export volumes respectively in 2001.

This is a very interesting paper for those who are interested in the Australian beef industry and it points to some of the important external forces that impact upon the Australian agri-food industry.

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Please feel free to forward any comments on any of these papers either directly to the authors or via the Association.

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**Facts and Figures – Australian Agribusiness Congress and Forum  
Sydney - November 12 and 13 2002**