

2016-17 Industry snapshot: Farm and industrial machinery wholesaling in Australia

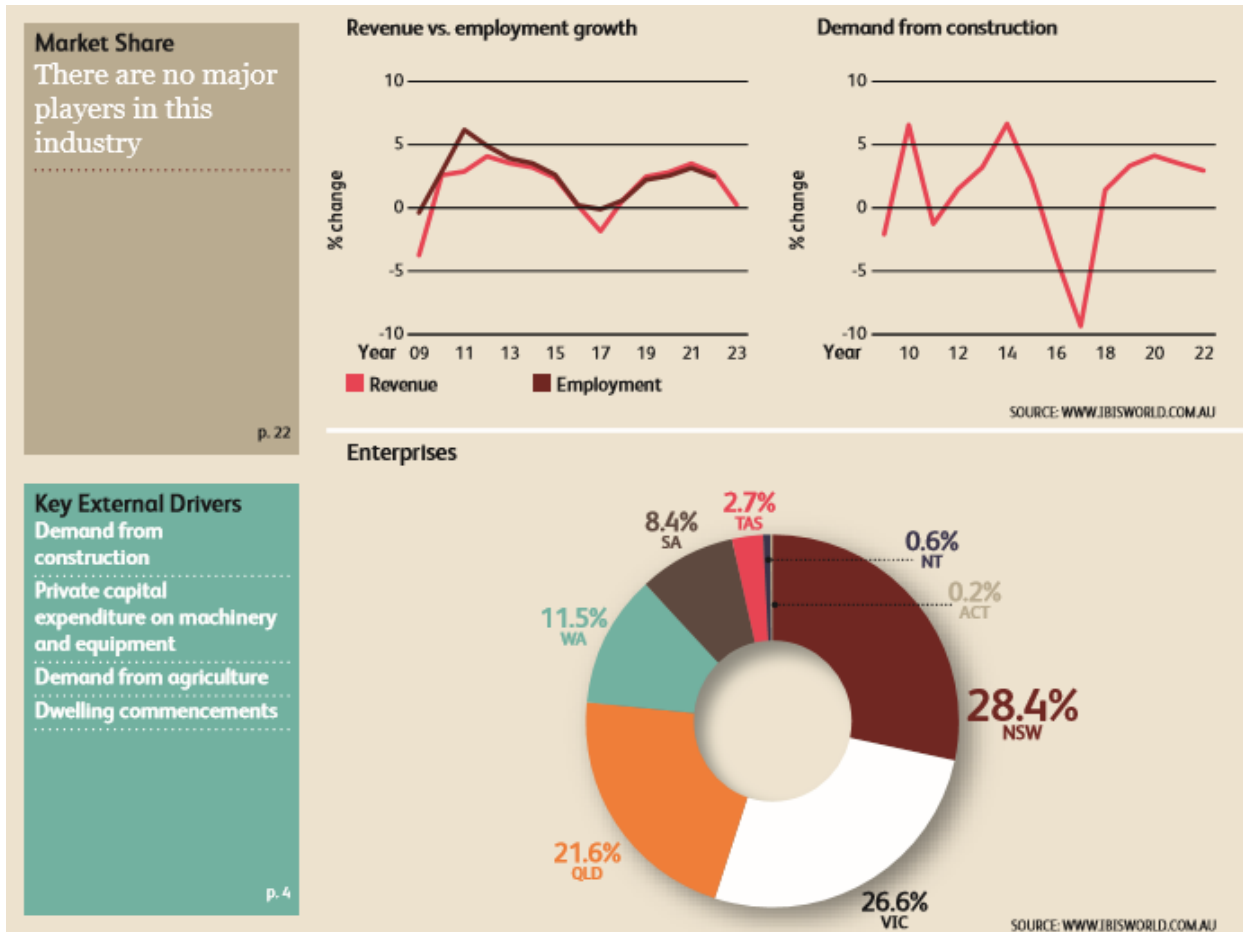
Industry definition

Industry operators wholesale agricultural machinery, agricultural implements, earth moving machinery and other construction machinery and equipment. They also wholesale parts for this equipment.

(Source: Johnson, S. IBISworld. Oct 2016)

Revenue: \$22.2bn	Annual growth: 2012-17: 1.5%	Predicted annual growth 2017-22: 2.4%
Profit: \$1.4bn	Wages: \$2.0bn	Businesses: 1,652

(Source: Johnson, S. IBISworld. Oct 2016)



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Industry summary

- The farm and construction machinery wholesale industry in Australia is heavily influenced by both economic (in Australia and abroad) and climatic factors (Source: Johnson, S. IBISworld. Oct 2016).

- Stable rainfall and climatic conditions in 2013-17 and increased growth in the engineering and construction industry in 2013-17 allowed for growth in the farm and construction machinery wholesale industry. This increase is regardless of a decline in mining investment in 2017 due to decreasing demand for mining exports and a reduction in commodity prices (Source: Johnson, S. IBISworld. Oct 2016).
- Industry revenue is forecast to reach \$25.0 billion as a result of a projected annual growth rate of 2.4%, until 2021-22, to reach \$25.0 billion (Source: Johnson, S. IBISworld. Oct 2016).
- Also projected is an increase in demand over the next five years for construction equipment due increased activity in the gas sector, for infrastructure projects (particularly public funded), increased agriculture production (dependent on rainfall) and a gradual growth in the residential and commercial property construction (Source: Johnson, S. IBISworld. Oct 2016).
- The agriculture machinery and retailing sector accounts for 2% of the automotive business population (Source: VACC, 2017).

Sources:

Johnson, S (October 2016). IBISWorld industry report F3411: Farm and construction machinery wholesaling in Australia.

Victorian Automobile Chamber of Commerce (VACC) (2017). Directions in Australia's automotive industry: An industry report 2007.