

Farm and Construction Machinery Wholesaling in Australia

Key Statistics 2014-15 (IBISWorld 2015)

Revenue: \$26,090.4million

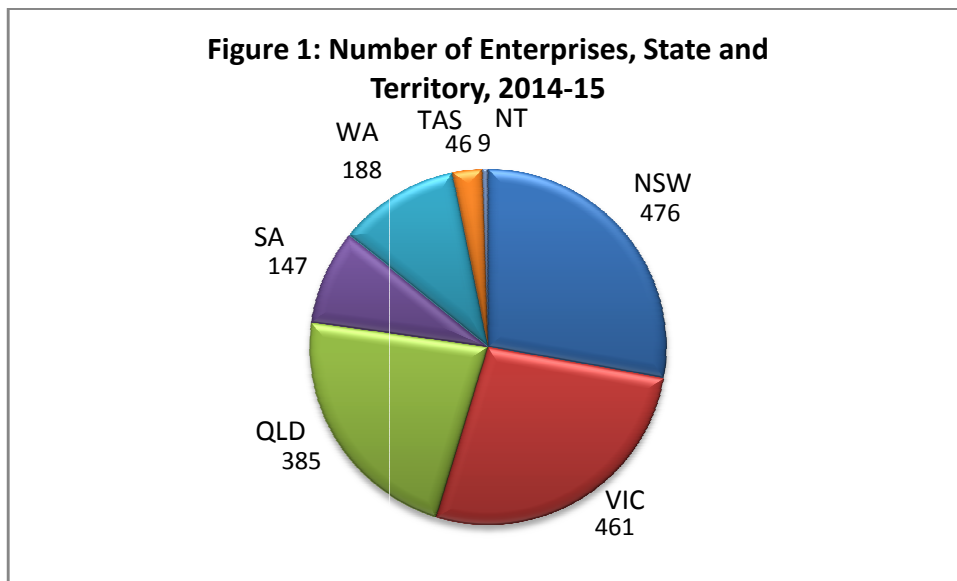
Establishments: 1,913

Businesses: 1,712

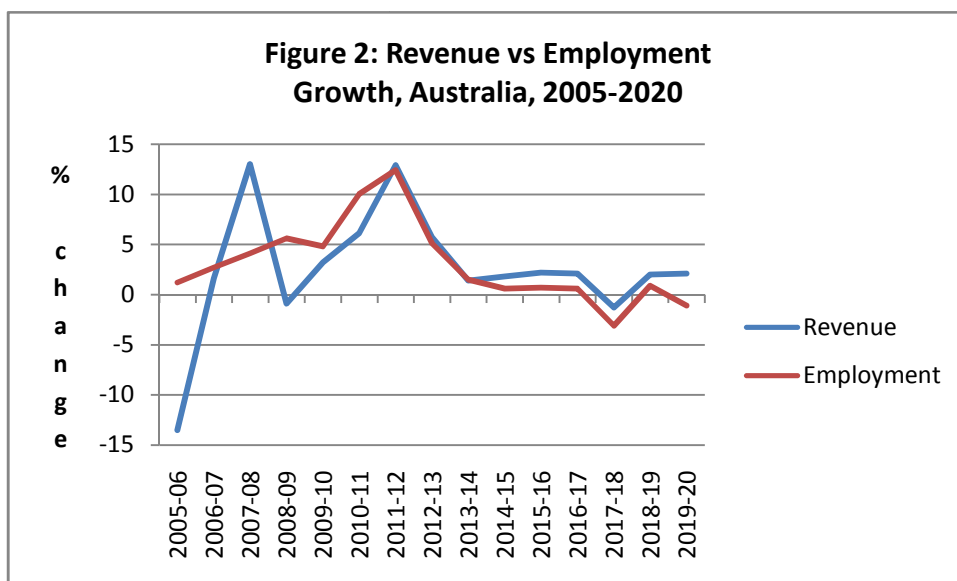
Employment: 25,985

Avg. Employees per Establishment: 13.6

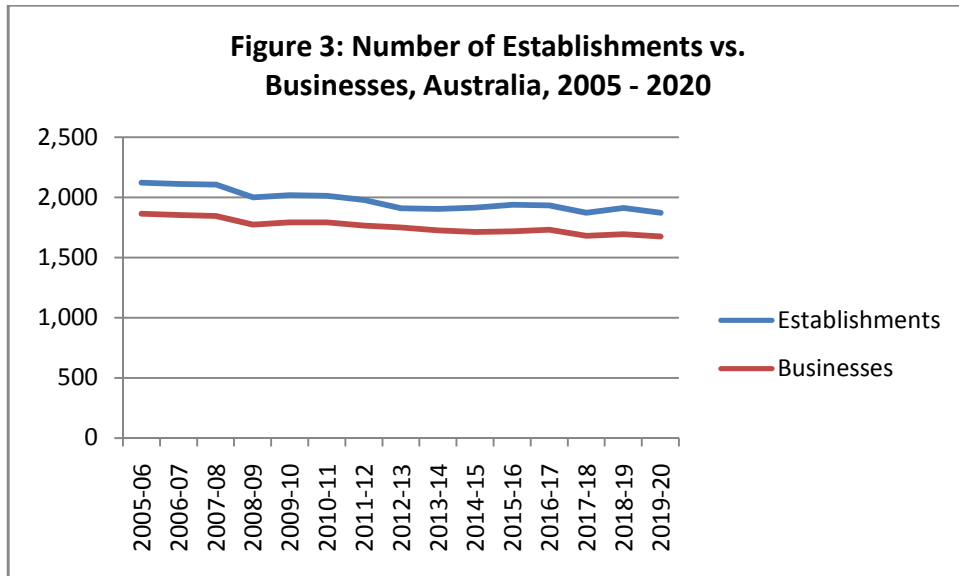
Avg. Wage: \$95,886.10



Source: IBISWorld, F3411 Farm and Construction Machinery Wholesaling in Australia, Tonkin, B., May 2015.



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Summary

The Farm and Construction machinery wholesale industry in Australia is heavily influenced by both economic and climatic factors. In figure 2, we can see growth in the industry was in decline in 2005 in the midst of a severe drought that affected many parts of the country. Growth then returned to positive as climatic conditions improved and farmers invested in equipment they had put off purchasing previously. This period of growth was then followed by the Global Financial Crisis that hit more or less the whole country, and it was only sales to the mining sector that kept revenue and employment growth in the positive.

The industry is somewhat stable for the moment but is often vulnerable to external factors such as droughts and other natural disasters. These events are often localised affecting some communities in Australia rather than others.

An interesting aspect about the Farm and Construction Machinery Wholesale industry in Australia is that there are no significant major players that dominate the industry. Looking at figure 3, it is evident that the number of businesses is very close to the number of enterprises, meaning that most businesses run single establishments and there are fewer businesses that operate more than one establishment.