

## Regional Exports 2013-14

EconSearch export data provide information about the value of regional exports on an industry, industry sector and LGA basis. The data apply to exports to interstate and overseas markets, and other parts of South Australia. However, the proportion and value of exports to intrastate, interstate and overseas markets is not identified.

The regional contribution to total South Australian exports also cannot be identified. This is because these data include intrastate exports, whereas the data for South Australia only applies to exports out of the State. A comparison of regional export data with State data would consequently overstate the regional contribution to South Australian export.

In 2013-14, exports from the RDAWEP region were valued at \$4.144 billion. The region's major export industries were:

- Mining – which provided 30.5% of exports, valued at \$1.263 billion,
- Agriculture – providing 21.4% of regional exports, valued at \$882 million, and
- Manufacturing – 19.1% of exports, valued at \$792 million – see **Table 1**.

These three industries contributed over two-thirds (71%) of total exports from the region, valued at \$2.937 billion. The key exporting sectors within these industries were:

- **Mining:** iron and non-ferrous ore, which provided 27.2% of exports, valued at \$1.126 billion; and exploration and mining support services, 1.8% of exports valued at \$74.1 million,
- **Agriculture:** grains, 16.1% of exports valued at \$668 million; and sheep, 3.7% valued at \$151 million, and
- **Manufacturing:** iron and steel production, providing 15.5% of regional exports, valued at \$641 million; and processed seafood products, 2.1% of exports, valued at \$88 million.

Other regional exporting industries included:

- Construction – 6.3% of exports, valued at \$260 million,
- Transport, Postal and Warehousing – 3.2%, at \$136 million,
- Aquaculture – 3.1%, at \$129 million,
- Retail Trade – 2.6%, at \$107 million,
- Accommodation and Food Services – 2.4%, at \$97 million,
- Financial and Insurance Services – 2.1%, at \$88 million, and
- Fishing, Hunting and Trapping – 1.1% of regional exports, valued at \$46 million – see **Table 1**.

These seven industries contributed 21% of total exports from the region, valued at \$863 million – see **Table 1**.

Collectively, the top ten exporting industries contributed to approximately 92% of the region's exports, valued at \$3.8 billion.

INDUSTRY	INDUSTRY SECTOR	TOTAL EXPORTS	
		(\$m)	(%)
<b>Agriculture</b>	Sheep	151.3	3.7
	Grains	667.5	16.1
	Beef Cattle	51.7	1.2
	Poultry	1.0	0.0
	Pigs	3.3	0.1
	Wine grapes	0.5	0.0
	Vegetables	3.3	0.1
	Fruit and Nuts	0.6	0.0
	Other Agriculture	0.3	0.0
	Forestry and Logging	2.7	0.1
	Ag, Forestry and Fishing Services	3.1	0.1
	<b>Agriculture Sub-total</b>	<b>881.5</b>	<b>21.4</b>
<b>Aquaculture</b>	Aquaculture	129.0	3.1
<b>Fishing</b>	Fishing, Hunting and Trapping	45.8	1.1
<b>Mining</b>	Coal Mining	0.4	0.0
	Oil and Gas Extraction	54.4	1.3
	Iron and Non-ferrous Ore Mining	1,125.7	27.2
	Non-metallic Mineral Mining	8.3	0.2
	Exploration and Mining Services	74.1	1.8
	<b>Mining Sub-total</b>	<b>1,262.9</b>	<b>30.5</b>
<b>Manufacturing</b>	Meat and Meat Products	1.5	0.0
	Processed Seafood Products	87.6	2.1
	Fruit and Vegetable Products	7.4	0.2
	Oils and Fats Manufacturing	2.5	0.1
	Grain Mill and Cereal Products	2.6	0.1
	Other Food Products	8.6	0.2
	Wine and Spirits	1.0	0.0
	Textiles, Clothing and Footwear	0.1	0.0
	Other Wood Products	0.7	0.0
	Paper Products	0.8	0.0
	Printing (including Recordings)	1.0	0.0
	Petroleum and Coal Products	1.2	0.0
	Pharma and Other Chemical Products	8.1	0.2
	Non-met Mineral Products	1.2	0.0
	Iron and Steel	641.0	15.5
	Basic Non-ferrous Metals	12.7	0.3
	Metal Products	4.0	0.1
	Motor Vehicles and Parts	1.5	0.0
	Other Machinery and Equipment	8.0	0.2
	Furniture Manufacturing	0.2	0.0
	Other Manufactured Products	0.3	0.0
	<b>Manufacturing Sub-total</b>	<b>792.0</b>	<b>19.1</b>

Table 1: RDAWEP Regional Exports by Industry and Sector 2013-14 (Cont'd over page).

INDUSTRY	INDUSTRY SECTOR	TOTAL EXPORTS	
		(\$m)	(%)
<b>Electricity, Gas, Water and Waste Services</b>	Electricity Supply	4.4	0.1
	Gas Supply	0.9	0.0
	Water Supply, Sewerage and Drainage	2.7	0.1
	Waste Management Services	0.4	0.0
	<b>Utilities Sub-total</b>	<b>8.4</b>	<b>0.2</b>
<b>Construction</b>	Residential Building Construction	194.9	4.7
	Other Construction	45.8	1.1
	Construction Services	19.7	0.5
	<b>Construction Sub-total</b>	<b>260.4</b>	<b>6.3</b>
<b>Wholesale Trade</b>	Wholesale Trade	45.8	1.1
<b>Retail Trade</b>	Retail Trade	107.0	2.6
<b>Accommodation and Food Services</b>	Accommodation	65.5	1.6
	Food and Beverage Services	31.6	0.8
	<b>Accommodation and Food Sub-total</b>	<b>97.1</b>	<b>2.4</b>
<b>Transport, Postal and Warehousing</b>	Road Transport	88.3	2.1
	Rail Transport	22.3	0.5
	Water, Pipeline and Other Transport	8.8	0.2
	Air and Space Transport	4.5	0.1
	Transport Support and Storage	12.5	0.3
	<b>Transport and Warehousing Sub-total</b>	<b>136.4</b>	<b>3.2</b>
<b>Information, Media and Telecommunications</b>	Publishing (excluding Web and Music)	2.9	0.1
	Communication Services	6.5	0.2
	<b>Information and Telecommunications Sub-total</b>	<b>9.4</b>	<b>0.3</b>
<b>Finance and Insurance</b>	Finance	69.7	1.7
	Insurance and Other Financial Services	18.3	0.4
	<b>Finance and Insurance Sub-total</b>	<b>88.0</b>	<b>2.1</b>
<b>Rental Hiring and Real Estate Services</b>	Rental, Hiring and Real Estate	15.2	0.4
<b>Ownership of Dwellings</b>	Ownership of Dwellings	17.8	0.4
<b>Professional, Scientific</b>	Professional, Scientific and Technical Services	26.3	0.6
<b>Administrative and Support</b>	Administrative and support services	6.9	0.2
<b>Public Administration and Safety</b>	Public Administration and Regulatory Services	0.4	0.0
	Public Order and Safety	0.1	0.0
	<b>Public Administration Sub-total</b>	<b>0.5</b>	<b>0.0</b>
<b>Education and Training</b>	Education and Training	36.3	0.9
<b>Health Care and Social Ass.</b>	Health and Community Services	23.0	0.6
<b>Cultural and Recreational</b>	Cultural and Recreational Services	8.3	0.2
<b>Personal and Other Services</b>	Personal and Other Services	6.7	0.2
<b>INTERMEDIATE TOTAL</b>		<b>4,007.9</b>	<b>96.7</b>
	Taxes Less Subsidies <sup>1</sup>	25.5	0.6
	Imports <sup>2</sup>	110.7	2.7
<b>PRIMARY INPUTS TOTAL</b>		<b>136.1</b>	<b>3.3</b>
<b>GRAND TOTAL</b>		<b>4,144.0</b>	<b>100.00</b>

Table 1: RDAWEP Regional Exports by Industry and Sector 2013-14 (Cont'd).

<sup>1</sup> Taxes less subsidies is included to factor in instances where exported goods incur taxation – e.g. GST can be payable on some intra and interstate exports.

<sup>2</sup> Imports are included to factor in re-exported goods which are passing through the region.

### ***Exports by Key Industry Sector and Council Area***

Whyalla was the main exporting Council, with total exports in 2013-14 valued at \$2.14 billion. This was largely due to high export levels in mining (\$1.026 billion) and manufacturing (\$649 million); with their combined exports valued at \$1.675 billion – see **Table 2**.

Port Lincoln was the second main exporting Council with the value of exports totalling \$600 million. The main export industries in Port Lincoln were manufacturing (\$152 million); construction (\$111 million); and transport, postal and warehousing, and aquaculture (\$40 million each) – **Table 2**. The main contributing sector in the manufacturing industry was the processing of seafood products, with exports valued at \$89 million.

Tumby Bay had exports valued at \$381 million, due to export from mining activity (\$182 million) and agriculture (\$133 million). Ceduna had exports totalling \$274 million, with the main export industries being mining (\$107 million) and agriculture (\$46 million).

The District Council of Lower Eyre Peninsula was the largest agriculture exporting Council with exports valued at \$148 million. Other key agriculture exporting Councils were Tumby Bay (\$133 million); Elliston (\$127 million); Cleve (\$110 million), and Kimba and Wudinna (\$90 million each) – **Table 2**.

### ***Council and Region Export Value Difference***

The total value of exports generated by the region's 11 EPLGA Councils in 2013-14 was \$4.557 billion. This is \$413 million higher than the total value of regional exports estimated at \$4.144 billion.

The cause of this difference is that these collective Council data include the value of product and services traded between the 11 Council areas, but *within* the RDAWEP region; whereas the regional data only include the value of goods and services exported *from* the region to other areas – i.e. to other parts of South Australia, interstate and overseas.

These data indicate that the region experienced a high level of internal trade activity between the 11 EPLGA Councils, valued at \$413 million. The largest differences occurred in the mining industry (\$133 million); construction (\$79 million), and transport, postal and warehousing (\$42 million) – see **Table 2**.

LOCAL GOVERNMENT AREA	TOP TEN EXPORTING INDUSTRIES IN REGION 2013-14										Total (All Exports) (\$m)
	Mining (\$m)	Agriculture (\$m)	Manufacturing (\$m)	Construction (\$m)	Transport, Postal and Warehousing (\$m)	Aquaculture (\$m)	Retail Trade (\$m)	Accommodation and Food Services (\$m)	Finance and Insurance Services (\$m)	Fishing, Hunting and Trapping (\$m)	
Whyalla	1,026	1	649	126	71	0	47	31	36	1	2,140
Port Lincoln	4	14	152	111	40	40	30	21	19	25	600
Ceduna	107	46	1	18	22	15	7	18	0	2	274
Cleve	0	110	0	11	13	11	5	2	5	0	177
Elliston	0	127	0	0	1	2	2	7	0	4	152
Franklin Harbour	70	44	0	6	0	18	2	3	2	1	158
Kimba	0	90	1	14	1	0	2	2	3	0	120
Lower Eyre Pen.	0	148	4	14	19	41	3	3	7	1	275
Streaky Bay	0	88	1	12	5	3	4	4	4	6	145
Tumby Bay	182	133	7	22	4	0	3	6	5	0	381
Wudinna	7	90	0	5	2	0	2	2	4	0	135
<b>LGA Totals</b>	<b>1,396</b>	<b>891</b>	<b>815</b>	<b>339</b>	<b>178</b>	<b>130</b>	<b>107</b>	<b>99</b>	<b>85</b>	<b>40</b>	<b>4,557</b>
<b>REGION TOTALS</b>	<b>1,263</b>	<b>882</b>	<b>792</b>	<b>260</b>	<b>136</b>	<b>129</b>	<b>107</b>	<b>97</b>	<b>88</b>	<b>46</b>	<b>4,144</b>

Table 2: Top Ten Exports and Total Exports by Industry and LGA 2013-14

## Changes to Exports Between 2012-13 to 2013-14

In 2012-13, the value of the region's exports was estimated at \$3.14 billion. The value of regional exports grew by approximately \$1 billion to an estimated \$4.144 billion in 2013-14.

The growth of the mining industry was the main reason for this difference, with the value of mining exports increasing by approximately \$744 million; from \$519 million in 2012-13 to \$1.263 billion in 2013-14 – see Table 3. This increase can be attributed to a combination of factors:

- **Increased iron ore exports by Arrium:** In July 2013, Arrium formally opened a \$200 million upgrade of the Whyalla Port. This upgrade was undertaken to enhance port export capacity to 12 million tonnes per annum. The loading of Cape-class vessels commenced prior to the port opening in February 2013, and grew to a record 195,000 tonnes of iron ore being loaded on the *Cape Kallia* in November that year. In August 2013, Arrium also announced the reinvestment of \$165 million to mine additional iron ore reserves that had been identified at Iron Knob.
- **The relatively high commodity price of iron ore:** In November 2012, the iron ore price per dry metric tonne was approximately \$US119.00 and rose to \$US152.76 in February 2013. The commodity price then slumped to \$US123.94 per tonne in May 2013. (*Iron Ore Monthly Commodity Prices*, [www.indexmundi.com](http://www.indexmundi.com)). In April 2014, iron ore was trading at \$US113.20 per tonne, up from a low of \$US105 per tonne in March 2014. Predictions indicated that the price would reach \$US120 per tonne, however the price declined to \$US98.50 per tonne in May 2014, a fall of 26% from January. (*The Advertiser*, Iron ore plunges below \$US100, May 20, 2014).

Even though the commodity price of iron ore declined between 2012-13 and 2013-14, the fluctuations were largely offset by increased export tonnages. Commodity prices in 2013-14 were also substantially higher than those experienced during 2014-15, which fell to less than \$US40.00 per tonne.

- **High levels of mining exploration activity across the Eyre Peninsula:** In 2013-14, there was also a peak in mining exploration by companies such as Centrex Metals/Eyre Iron (for the Fusion Joint Venture); Iron Road Limited (for the Central Eyre Iron Project); and graphite exploration by Valence Industries, Lincoln Minerals and Archer Exploration Limited. This activity led to higher levels of mining contribution to GRP in this period.

INDUSTRY RANKING	2012-13	Export (\$m)	2013-14	Export (\$m)
1	Agriculture	879	Mining	1,263
2	Manufacturing	715	Agriculture	882
3	Mining	519	Manufacturing	792
4	Construction	184	Construction	260
5	Aquaculture	99	Transport, Postal and Warehousing	136
6	Retail Trade	81	Aquaculture	129
7	Accommodation and Food Services	76	Retail Trade	107
8	Health Care and Social Assistance	65	Accommodation and Food Services	97
9	Transport, Postal and Warehousing	62	Financial and Insurance Services	88
10	Fishing, Hunting and Trapping	46	Fishing, Hunting and Trapping	46

Table 3: Comparative RDAWP Region Industry Rankings by Export, 2012-13 and 2013-14.

These data also show increases in the value of exports by the manufacturing industry (\$77 million); construction (\$76 million); transport, postal and warehousing (\$74 million); aquaculture (\$30 million); retail trade (\$26 million); and accommodation and food services (\$21 million). Financial and insurance services also became one of the top ten exporting industries in 2013-14, displacing health care from the listing.