



FACT SHEET #2

Research and Analysis

Expo-Trade has compiled detailed analytical and statistical comparisons of the Australian and Russian agri-economies with a particular focus in the area of animal husbandry. Highlights of this extensive research are detailed here:

Russia and Australia each have huge territorial and land resources which lay in diverse climatic zones ranging from the favourable to the extreme. This means each country has vast swathes of unusable land characterised by infertile soil, inaccessible terrain, extreme temperature differences, and subject to droughts, floods, cyclones, and fires.

There are surprising similarities in demography and population density between the two countries. Australia has a very low population density in its remote regions and relatively high population density in its coastal areas. The pattern is similar in Russia. There are high population concentrations in the European part, including the major cities such as Moscow and St. Petersburg, contrasted with the vast uninhabited territories across some regions of central and western Siberia and the Pacific region. Australia's population density coefficient is one of the lowest in the world at 2.8 persons per square kilometre; in Russia it is 9 persons per square kilometre. Australia, despite its less favourable demography, has achieved very high economic productivity in agriculture by developing highly effective technologies. Expo-Trade believes this vital experience offers a good model for the reconstruction of cattle-breeding and animal husbandry in Russia.

Russian production of meat and meat products, especially beef, is at an unacceptably low level. During the last 10 years, numbers of beef cattle have been decreasing by ten percent annually with virtually no meat livestock breeding.

Between 1990 and 1999 the total cattle population in Russia dropped from 65 million heads to 22 million heads. As a result, Russia is almost entirely dependent on imports to meet local demand.

There is also a clear synergy between Russia and Australia in natural resources and mineral resources. In Australia these are mature industries, but in Russia they are yet to be fully developed. Russia is keen to develop these industries using the leading technologies and systems.

For the last few years, Australia has been actively investing in Russia with an emphasis on sharing knowledge, intellectual property, and technology. A good example is the joint ventures on the island of Sakhalin in the Pacific region.

Economic cooperation with Russia is in Australia's best long-term interests. Russia is a vast and fast-growing market offering enormous opportunities for Australian businesses and investors.

Russia has also shown its interest in the Australian resources sector. The Russian company "Russkij Aluminij" has taken a 27% stake in a mineral company in Queensland and "MetallInvest" has purchased shares in one of Australia's leading coal mining companies.

