

Question 22 (9 marks)

- (a) Explain how interest rate trends over time can affect decision making for a farm. 3

Interest rates trend over time has
a massive affect on farmers
towards their decision making. As
the farmer gains a profit he has
to pay off his interest rate in
which leaves him with less a profit.

Therefore the farmer has to decide on
a bigger more quicker income so

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that he can keep the interest rates
down.

Question 22 (continued)

- (b) Analyse the structure of the Australian agribusiness sector, including a comparison of the importance of the family farm with other components of this sector.

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A family farm needs an Agronomist in which is part of the Agribusiness sector. An agronomist assists the farmer by helping the farmer at a rate to help boost their crops or what to spray. An agronomist needs to know his needs and soil structure. Farmers gain help from him knowing when needs to spray or what elements the soil needs to boost the crop. The agribusiness sector relies on the agronomy. For helping boost the crop to gain the best yield so that helps pay banks which is also in the agribusiness sector.

End of Question 22