

CENTRAL COAST AGRI-INDUSTRY PRODUCTION AND PROCESSING PRECINCTS

STAGE 1: PRECINCT IDENTIFICATION



PROJECT PARTNERS

Lead	Shire of Gingin & Wheatbelt Development Commission
Partners	Department of Primary Industries and Regional Development & LandCorp

Agri-Industry Processing Precincts

“Stage 1 Objective: To identify suitable parcels of land in the high-growth area north of Perth to facilitate globally competitive intensive agricultural production and associated processing, value adding and support industries. The end goal is to deliver economic diversification and jobs growth.”

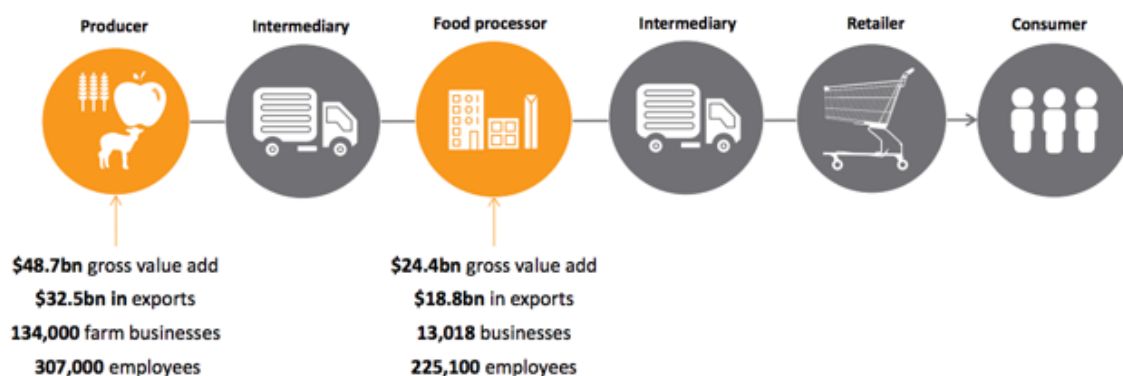
Wheatbelt Development Commission

EXECUTIVE SUMMARY

Worldwide demand for food products is expected to increase by 70% between 2005 and 2070 due to a growing global population, rising incomes, and increasing urbanisation¹. This increase in demand will occur particularly within Asia and the Middle East with demand in Asia alone accounting for 60% of this increase. Western Australia's proximity to Asian markets, government support, strong innovation and investment, and a firm market presence mean the State is well positioned to expand its agrifood production.

'Agrifood' is defined as the 'beyond gate, manufacturing and value-adding of edible products' and includes all industries involved in the food supply chain from raw materials to packaged, saleable edible products². The agrifood value chain plays a significant role in the Australian economy, contributing \$24.4 billion gross value-add^{3,4} (refer to

Figure 1)⁵. However, Western Australia's agrifood export growth is not as strong as other exporting countries⁶. In order to gain a share in this agrifood growth, investment is needed to match Western Australia's supply capacities with higher demand and higher-value markets. Alongside this, it is necessary to explore value adding opportunities and the production of higher value and intensively produced products⁵. The State Government remains committed to maximising opportunities and increasing Western Australia's international competitiveness through supply chain development



and aligning products with changing market trends and growth opportunities⁷.

Figure 1. Components of Australia's Agrifood Chain

¹ Business Council of Australia 2015, *Building Australia's Comparative Advantages: A 21st Century Agrifood Sector*

² Department of Agriculture and Food Western Australia 2010, *Report for Agri-Food Precincts Study – Rural Site Selection and Planning Report* [Confidential – Not for publication]

³ Industry value added is the primary component of Gross Regional Product, excluding only the Ownership of Dwellings, Taxes and Subsidies, and Statistical Discrepancies. It represents the component of GRP associated with production and value added by businesses and industries within the economy, excluding inputs to product imported from other regions.

⁴ National Farmers Federation 2012, *Farm Facts 2012*, NFF, Canberra.

⁵ AgriFood Skills Australia 2015, *Contemporary business strategies and learning models in the agrifood industry*

⁶ Department of Industry 2013, *Key facts: Australian Food and Beverage Products Manufacturing*, Department of Industry, Canberra

⁷ Department of Primary Industries and Regional Development 2018, *Strategic Intent 2018-21*

Image source: Agrifood Skills Australia 2015

This report has resulted in four major accomplishments:

1. The preliminary identification of the viability of agri-industry processing precincts in the Central Midlands and Central Coast Sub-regions of the Wheatbelt;
2. The development of an excellent practice (agency and industry collaboration) and cost-effective tool for State Government decision making for the location of intensive agriculture;
3. Contribution to the State Government's commitment to double the value of sales from WA's agrifood sector by 2025⁸;
4. Strong understanding and broader application of the methodology to deliver sub-regional precinct planning for a range of industry sectors in this high-growth area north of Perth.

Sites for Agri-Industry and Processing Precincts

This report identifies suitable sites within the Central Midlands and Central Coast Sub-regions of the Wheatbelt for the development of agri-industry processing precincts. These precincts will promote the clustering of agricultural processing industries and attract new enterprises and investment into the region. Existing agricultural production in the area was assessed and opportunities for increased production of higher value and more intensive agricultural production have been identified. This has resulted in the identification of a range of sites suitable for industries including horticulture, aquaculture, and intensive livestock production. Numerous sites in the study area were found suitable for such activities and based on the future production in the study area, value adding agri-precinct sites were also identified.

The following intensive production and processing sectors were identified as the most probable future industries requiring site identification:

- Food processing
- Food packaging
- Poultry
- Piggeries
- Dairy
- Abattoirs
- Aquaculture
- Horticulture

For each precinct type above, sites were identified by assumed industry specific requirements for energy, water, transport and workforce availability. Sensitive land uses, environmental and social, were also considered in site identification. Each site was assessed against defined criteria for the suitability of each activity. Buffer zones, water availability, transport links, access to energy, soil type and proximity to sensitive land uses and conservation areas were assessed as part of the criteria. The maps in

⁸ Department of Agriculture and Food Western Australia 2016, *Western Australian agriculture and food: A global opportunity*, DAFWA, South Perth.

section 5.0 of this report identify various sites suitable for the industries and products identified. The products that this report focuses on are ones that have been identified as key export market opportunities for WA, due to projected demand in Asia and the Middle East. WA already has a strong market presence in these regions and has significant opportunities to increase the volume and value of exports to those markets.

Best Practice Tool for Intensive Agriculture Land Identification

As an outcome of this Report, the best practice tool was developed as a cost-effective method to identify suitable locations for intensive agriculture. The selection criteria for precinct identification can be adjusted depending on the circumstance and readily applied to a range of other industry uses. It provides an economic overlay to inform local and state statutory planning and is an affordable method for private investors and industries to identify sites that align with their specific needs.

For further information please contact Daniel Waterhouse on 0429 419 620 or Daniel.waterhouse@wheatbelt.wa.gov.au