RMCG

JULY 2019

NSW Central West Food and Fibre Strategy

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Executive Summary

INTRODUCTION

Located in the heart of New South Wales (NSW), the Central West covers an area of 63,000 square kilometres and is home to 177,000 people within the 11 local government areas (LGAs) of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Lithgow, Oberon, Orange, Parkes and Weddin.

Mining and agribusiness (*agricultural production + food & fibre manufacturing*) underpin the region's economy and the health and retail sectors are the region's top employers.

The NSW Government is striving to grow a strong food and fibre sector in regional NSW, which supports the State's economic prosperity and resilience, and leverages off Australia's strong reputation as a producer of high quality fresh and ethical products borne out of a highly-regulated manufacturing and food safety environment.

In order to grow the sector, it is recognised that a strategy is needed for the Central West to identify how the region can take advantage of value-added processing and/or high value intensive agriculture.

AGRIBUSINESS IN THE CENTRAL WEST

Agribusiness in the Central West includes the agricultural production, food & fibre manufacturing and agricultural support services sectors. Together they produced approximately $1.2 billion of value-added product and employed 8,960 people in 2016. The top 5 subsectors of regional agribusiness are:

1. Extensive farming & grazing (sheep, grains, beef and dairy).
2. Other food product manufacturing (such as animal & bird feed manufacturing, honey blended & manufacturing and speciality foods).
3. Intensive farming (such as fruit & vegetable production and cotton production).
4. Agricultural support services.
5. Poultry & other livestock.

AGRICULTURAL PRODUCTION

Agricultural production in the region is diverse and includes cropping, livestock grazing and horticulture. The industry supports an extensive value chain including major livestock centres, food processing, transport, logistics and intermodal transport hubs, canneries, packing and processing. The region includes the Lachlan Valley irrigation area and the upper reaches of the Macquarie River catchment. The region's crops, meat, wool, fruit and vegetables comprise a significant share of the State's production of these commodities.

Wheat, beef, wool, lamb and barley were the top 5 individual commodities in 2016. These five industries together comprised nearly 70% of the region's Gross Value of Agricultural Production (GVAP). The Shires of Lachlan, Forbes, Cowra and Parkes produced the most GVAP in 2016. Most land is used for dryland broadacre agriculture. Irrigated agriculture, including dairy, hay, cotton, summer cereals and melons is concentrated in the Lachlan Valley. Perennial horticulture is mainly undertaken in the cooler, upland areas around Orange.

FOOD & FIBRE MANUFACTURING AND SUPPORT SERVICES

The region's strategic location means that food & fibre manufacturing within the region is not solely reliant on local agricultural produce, but utilises significant volumes of produce from other regions, whilst the agricultural support services provide valuable input both within and beyond the region.

Food & fibre manufacturing in the region is diverse with pet food manufacturing, confectionary manufacturing, honey blending & processing, and a range of small speciality snack food manufacturers making up most of the Other food product manufacturing subsector, which is the dominant player beyond the farm-gate in the region producing 44% of the region's post farm gate value-added and 24% of its employment in 2016.

Other important food & fibre manufacturing subsectors include Grain, cereal and bakery, Fruit & vegetables, Meat products, Beverages (incl. wine), Basic chemicals and Textile/leather product manufacturing.

Agricultural support services are an important component of the sector also, contributing 15% of the value-added and 18% of employment in 2016.

OPPORTUNITIES FOR GROWTH

Opportunities for growth in high-value intensive agriculture and post farm-gate value-added processing in the Central West will be influenced by:

- Future trends for food and fibre and the impact these will have on consumer attitudes and demands
- The operating requirements of high-value intensive agriculture and post farm-gate value-added processing
- The endowments, competitive advantages and ability of the region to meet these operating requirements and drive innovation.

The availability of these endowments and the dependence of the industry on them will influence success and profitability.

Intensive agriculture and food processing, by their very nature, share the need for three high priority resources in common. They are:

- Secure water
- Reliable energy
- Labour (both skilled and unskilled).

Access to markets, and the ability to transport product quickly and effectively to major ports and distribution centres, is also a high priority for most intensive agriculture and food processing.

The ability of the Central West to take advantage of its natural competitive advantages and meet these needs will determine its success in growing these industries.

VALUE ADDING

Value adding opportunities include:

- High value horticultural crops targeting the fresh markets of Asia, e.g. cherries and other stone fruits.
- High quality protein and animal feed for both human and animal consumption.
- Poultry meat and egg processing to meet growing domestic demand.
- The wine and speciality food industries are well placed to take advantage of the region's proximity to Sydney and the growing middle class in Asia.
- Biofuels and bioenergy generation from broad-acre cropping, forestry, dairy, horticulture, beef and intensive livestock.

LOCAL FOCUS

The specific physical endowments and competitive advantages of each local government area, and specific localities within that area, will dictate their suitability and capacity to support specific intensive agriculture and value added processing.

Local Government can provide a local focus for industry growth that matches their endowments through their land use planning instruments, economic development activities and advocacy to State Government.

The high value intensive agriculture and value-added processing opportunities in each local government area include, but are not limited to the following:

West – Lachlan, Parkes, Forbes & Weddin

- cotton ginning
- grain processing and milling
- cattle feedlots
- egg production
- freight and logistical support services

West-Central – Cowra & Cabonne

- vegetable production and processing
- viticulture and wine production
- fruit production and processing
- meat manufacturing
- piggeries
- chicken meat and egg production
- logistical support services and professional support

East-Central – Orange, Bathurst & Blayney

- viticulture and wine production
- protected cropping
- fruit production and processing
- vegetable processing
- speciality food manufacturing and agri-food tourism
- pet food manufacturing
- logistical support services and professional support

East – Lithgow & Oberon

- vegetable production and processing
- protected cropping
- fibre production
- speciality food manufacturing and agri-food tourism

Strategic themes and priority actions

STRATEGIES	PRIORITY ACTIONS
1. Develop our people and our markets *Work together to build our people's capacity to add-value to their businesses and grow our markets and our region*	
1.1 Collaborate for success	*1. State Government regional business advisors and local government economic development staff collaborate to identify the existing and potential collaborative groups in the food and fibre manufacturing sector within the region and seek support from the Food and Beverage Manufacturing Connect (FBMC) Program to establish and support these groups' activities.* *2. State Government regional business advisors investigate opportunities within the FBMC Program to broaden the learning opportunities to include facilitating networks like business discussion groups.* *3. Local government and industry advocate collaboratively to have the FBMC Program expanded to include those involved in high-value agricultural production, so as they may integrate with other businesses experiencing similar challenges in the food and fibre supply chain.*
1.2 Build the skilled workforce we need	*4. State Government to initiate a regional industry/training provider/schools roundtable to identify ways to better match the training provided locally with the needs of the regional food and fibre industry.* *5. As a first priority, this roundtable should commission a skills demand profile for the regional industry, building on that already undertaken by the Regional Development Australia – Central West (RDACW), to identify the priority areas of skill development it should initially focus on.* *6. Local Government should initiate programs to support recently arrived migrants and seasonal workers better settle into and participate in our local communities.* *7. Local Government incorporate appropriate planning policy amendments to increase the supply and quality of affordable housing and budget accommodation for new arrivals and seasonal workers.*
1.3 Become export-ready	*8. State Government increase the awareness of export advisers and export support services in the region.* *9. State Government, regional business advisors and local government economic development staff work together to review the available business support grants to ensure they are tailored to the scale and needs of regional food and fibre businesses.*
2. Create an investment-ready environment *Create an environment that encourages investment, whilst protecting that which is of importance to our community*	
2.1 Protect and actively manage land use	*10. The Department of Planning, Industry and Environment collaborate with and support each local government authority in the region to review and update their rural land use plans to be consistent with the principles and recommendations of the draft CWO Agricultural Development Strategy.*

STRATEGIES	PRIORITY ACTIONS
2.2 Facilitate appropriate development	*11. Local Government should seek to develop their own local activation precincts for food and fibre sector, as part of the review and update their rural land use plan, following the identification of the regional priorities.* *12. The concierge service provided by Treasury should be utilised to ensure access to facilitation services for regionally significant developments.* *13. Local Government and State Government collaborate to support the capacity and capability of economic development staff.*
2.3 Protect the health of our industries	*14. State Government investigate the opportunity for the Parkes freight hub to become an inland port, hosting quarantine and customs services, which could support the whole region.* *15. Industry and Local Government collaborate to advocate for the establishment of an irradiation facility in NSW to facilitate market access for the region's growing fresh fruit industry and biosecurity.*
3. Build enabling infrastructure *Co-operate and advocate at a regional level to ensure adequate infrastructure investment to facilitate industry growth*	
3.1 Improve access to our markets	*16. Local Government and industry advocate collaboratively to achieve State and Federal Government's investment in the road and rail infrastructure projects necessary to deliver a sub three hour journey for High Productivity Vehicles between Orange and Parramatta.* *17. Local, State and Federal Governments continue to collaborate to deliver the Inland Rail project and regional rail as a matter of national, state and regional priority.*
3.2 Provide reliable energy	*18. Local Government through Central NSW Joint Organisation (CNSWJO) to collaborate with Essential Energy to investigate the current energy network's capacity and capability to deliver energy to different parts of the region and use the findings of this audit to identify initiatives that would enhance the network and promote regional growth.* *19. Local Government utilise the findings of the energy network investigation to inform the development of local activation precincts, and their rural land use plans.* *20. State Government work with Industry to install/develop their own renewable energy solutions.*
3.3 Improve our water security	*21. Local Government seek to protect our catchments and irrigation areas from incompatible land uses, and direct the siting of high-water use industries to locations with water access and security via their rural land use plans and, where appropriate, through the use of strategic precincts.* *22. Industry, State and Local Government work collaboratively to develop and implement initiatives to increase water use efficiency and increase the use of recycled water.* *23. State and Local Government together with local industry to identify opportunities to increase the operating efficiency of the local water-supply and irrigation system to provide greater water security to all water users.*

PART A – SETTING THE SCENE

1 The Central West

INTRODUCTION

Located in the heart of New South Wales (NSW), the Central West covers an area of 63,000 square kilometres and is home to 177,000 people within the 11 local government areas (LGAs) of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Lithgow, Oberon, Orange, Parkes and Weddin (refer to Figure 1).

Mining and agribusiness (*agricultural production + food & fibre manufacturing*) underpin the region's economy and the health and retail sectors are the region's top employers.

The region produced 9% of the State's value of agricultural production and 5.5% of the State's value of food manufacturing in 2016. The agribusiness sector represented 11% of the regional economy and employed 12% of its workforce in 2016[1].

[1] REMPLAN Economy model – refer to Appendix 2.

FIGURE 1: LOCAL GOVERNMENT AREAS OF CENTRAL WEST

Share of NSW	Population	**2.4%**
	Agriculture Value	**9.0%**
	Food Manufacturing Value	**5.5%**
Value Added	Central West	**$10.7 billion**
	Agribusiness	**$1.2 billion (11%)**
Employment	Central West	**73,990**
	Agribusiness	**8,960 (12%)**

NEED FOR A STRATEGY

The NSW Government is striving to grow a strong food and fibre sector in regional NSW, which supports the State's economic prosperity and resilience, and leverages off Australia's strong reputation as a producer of high quality fresh and ethical products borne out of a highly-regulated manufacturing and food safety environment.

In order to grow the sector, it is recognised that a strategy is needed for the Central West to identify how the region can take advantage of value-added processing and/or high value intensive agriculture.

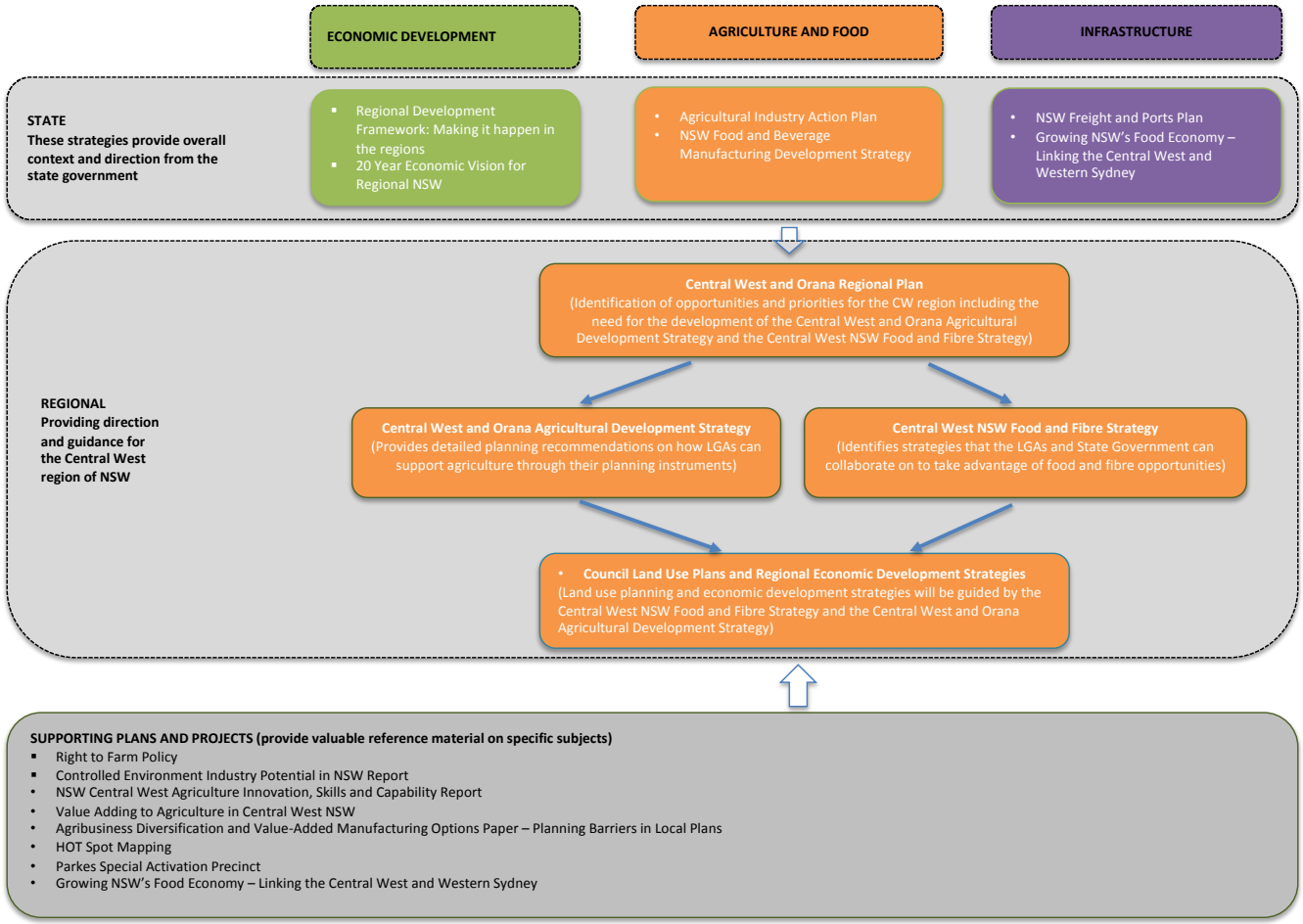
The project is a key action of the Central West and Orana Regional Plan 2036, which is focused on creating a diverse regional economy.

The Central West NSW Food and Fibre Strategy complements the Central West and Orana Agricultural Development Strategy by identifying strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

This Strategy will drive the development of land use planning and economic development strategies within individual LGAs and focus action on the needs of high-value intensive agriculture and post farm-gate value-added processing.

Information within this document does not necessarily represent the views of the Department of Planning, Industry and Environment.

Central West NSW Food and Fibre Strategy



2 Agribusiness in the Central West[2]

OVERVIEW

Agribusiness in the Central West includes the agricultural production, food & fibre manufacturing and agricultural support services sectors. Together they produced approximately $1.2 billion of value-added product and employed 8,960 people in 2016. The top 5 subsectors of regional agribusiness are:

1. Extensive farming & grazing (sheep, grains, beef and dairy).
2. Other food product manufacturing (such as animal & bird feed manufacturing, honey blended & manufacturing and speciality foods).
3. Intensive farming (such as fruit & vegetable production and cotton production).
4. Agricultural support services.
5. Poultry & other livestock.

The majority of the value of agricultural production and its employment is located to the west of Orange (refer to Figure 2 and Figure 3) and the majority of the value of food & fibre manufacturing and its employment are located in the centre of the region around Bathurst, Blayney, Cowra and Orange (refer to Figure 4 and Figure 5).

This geographic distribution reflects the primary needs of the sectors, including the fertile plains to the west for extensive farming and grazing, and access to labour, energy, water and markets for food & fibre manufacturing.

	Value-Added	*Jobs*
Agricultural production	**$701 million**	**6,160**
Food & fibre manufacturing	**$411 million**	**2,300**
Agricultural support services	**$71 million**	**500**
TOTAL AGRIBUSINESS	***$1.2 billion***	***8,960***

TOP 5 subsectors	**Extensive farming & grazing[3]**	**Other food product manuf.[4]**	**Intensive farming[5]**	**Agric. support services**	**Poultry & other livestock**
Value-Added	**$541M**	**$203M**	**$94M**	**$71M**	**$64M**
Employment	**5,350**	**680**	**520**	**500**	**280**

[2] Unless otherwise stated,all data presented in this section has been sourced from the ABS Agricultural Census and/or REMPLAN Economy. Refer to Appendix 2 for a more detailed explanation of these sources.
[3] Extensive farming & grazing is known as "Sheep, grains, beef and dairy cattle" in the ABS statistics. The term is used here for convenience and to differentiate from Intensive farming.
[4] Other food product manufacturing includes a large number of small subsectors of which the most relevance to this region are Animal & bird feed manufacturing, Honey blended & manufacturing and large range of speciality foods.
[5] Intensive farming is known as "*Other Agriculture*" in the ABS statistics, but of most relevance to this region, it includes fruit & vegetable production and cotton production.

FIGURE 2: EMPLOYMENT IN AGRICULTURE PRODUCTION AS A PERCENTAGE OF TOTAL LGA EMPLOYMENT, 2016

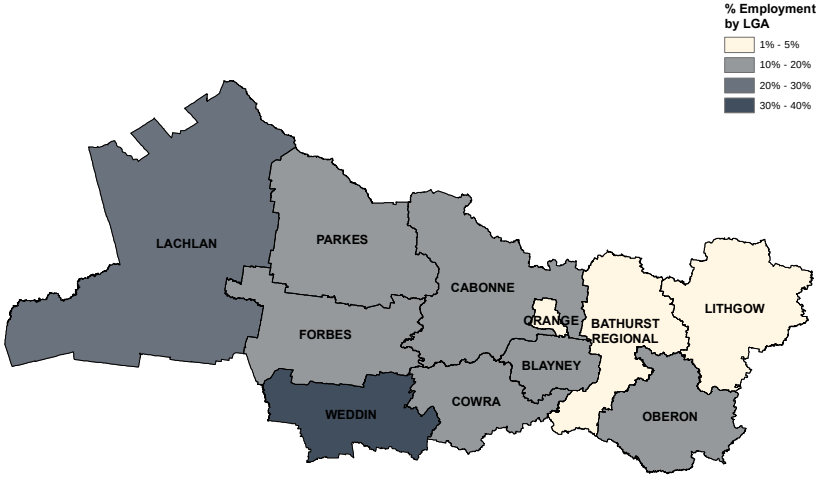


FIGURE 3: GROSS VALUE OF AGRICULTURE BY SA2, CENTRAL WEST 2016

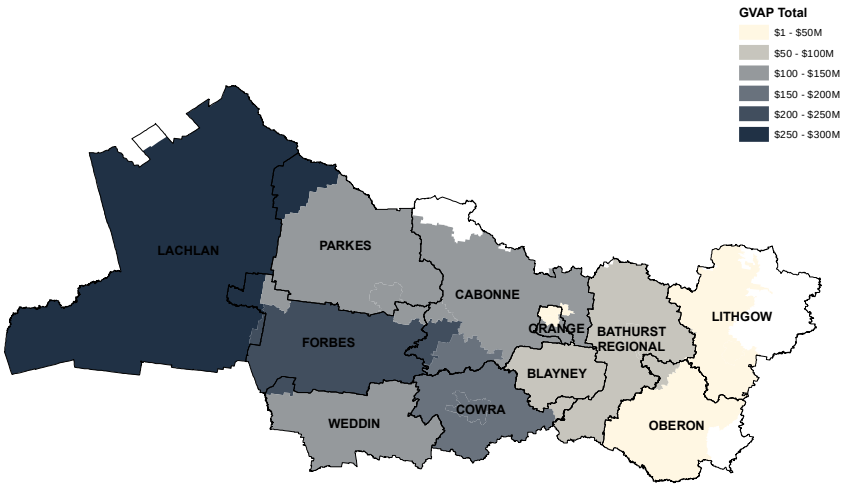


FIGURE 4: NUMBER OF EMPLOYEES IN FOOD & FIBRE MANUFACTURING BY LGA, 2016

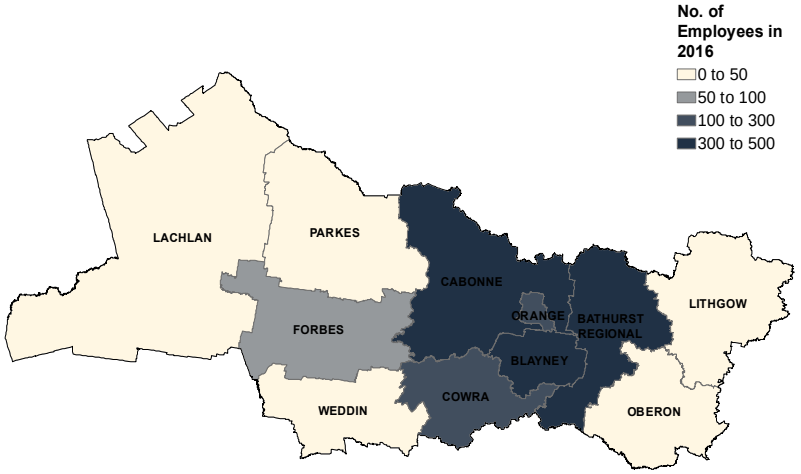
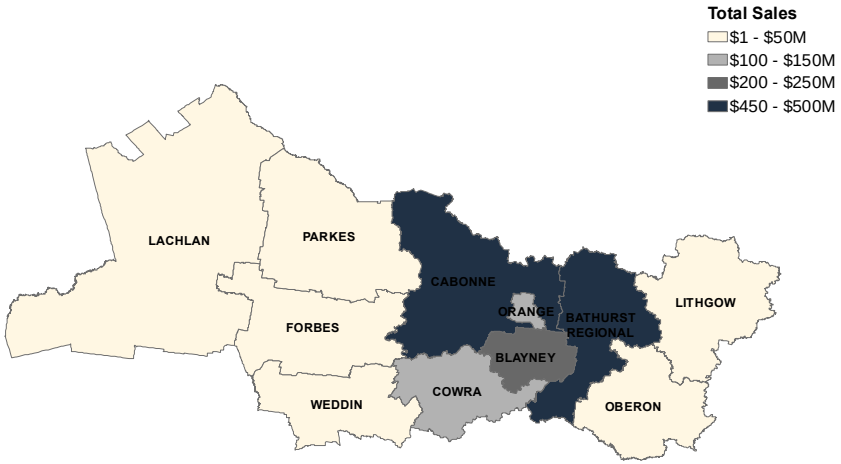


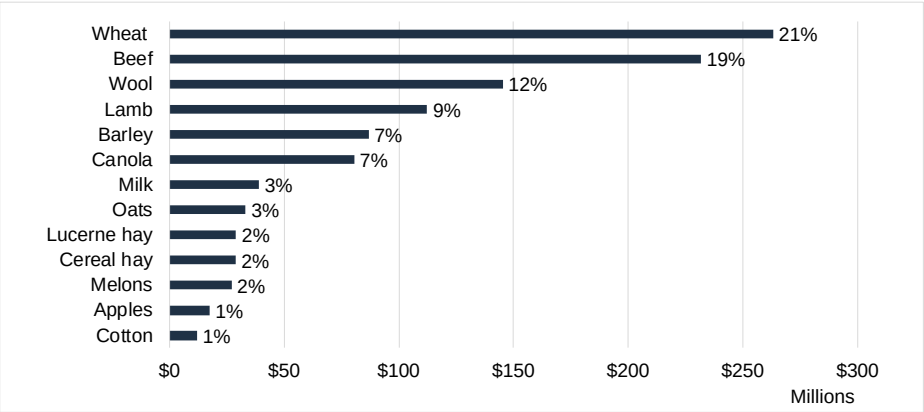
FIGURE 5: OUTPUT OF FOOD & FIBRE MANUFACTURING BY LGA, 2016



AGRICULTURAL PRODUCTION

Agricultural production in the region is diverse and includes cropping, livestock grazing and horticulture. The industry supports an extensive value chain including major livestock centres, food processing, transport, logistics and intermodal transport hubs, canneries, packing and processing. The region includes the Lachlan Valley irrigation area and the upper reaches of the Macquarie River catchment. The region's crops, meat, wool, fruit and vegetables comprise a significant share of the State's production of these commodities.

Wheat, beef, wool, lamb and barley were the top 5 individual commodities in 2016 (Figure 6). These five industries together comprised nearly 70% of the region's Gross Value of Agricultural Production (GVAP). The Shires of Lachlan, Forbes, Cowra and Parkes produced the most GVAP in 2016 (**Error! Reference source not found.**). The regional distribution of the gross value of major commodities by SA2 is shown in the following sections.



Most land is used for dryland broadacre agriculture (Figure 10). Irrigated agriculture, including dairy, hay, cotton, summer cereals and melons is concentrated in the Lachlan Valley. Perennial horticulture is mainly undertaken in the cooler, upland areas around Orange.

GRAINS

Grain production, including cereals, oilseeds and legumes, is undertaken mainly in the western parts of the region (Figure 7). The region produced $263 million or 25% of the NSW value of cereals, $22% of oilseeds (mainly canola) and 18% of legumes (mainly chickpeas) (Figure 8).

Wheat is grown under dryland and irrigated conditions. The area sown to wheat has been relatively consistent, however production has varied substantially due to variation in seasonal rainfall and the availability of general security irrigation water. By comparison, the area and production of canola has grown steadily over the past 10 years (Figure 9).

FIGURE 7: GVAP OF GRAINS BY SA2, 2016

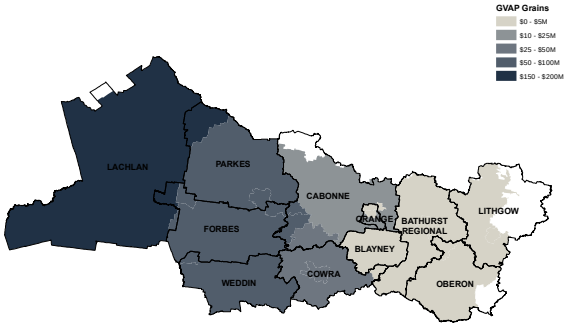


FIGURE 8: GVAP OF GRAINS BY TYPE, 2016

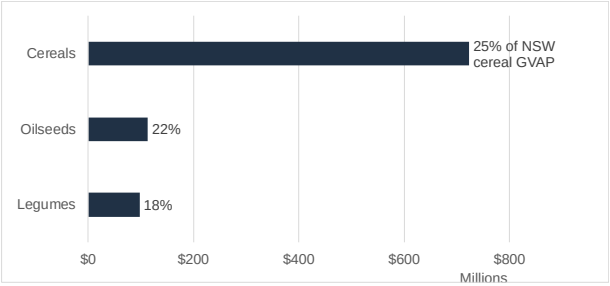


FIGURE 9: TREND IN WHEAT AND CANOLA AREA AND PRODUCTION IN THE CENTRAL WEST

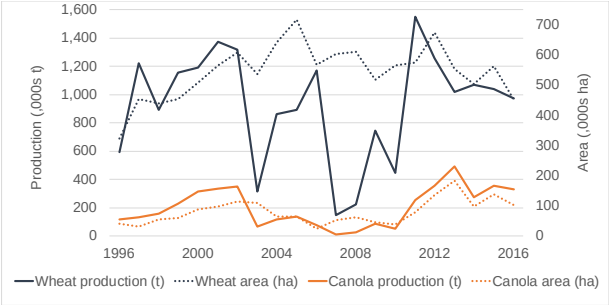
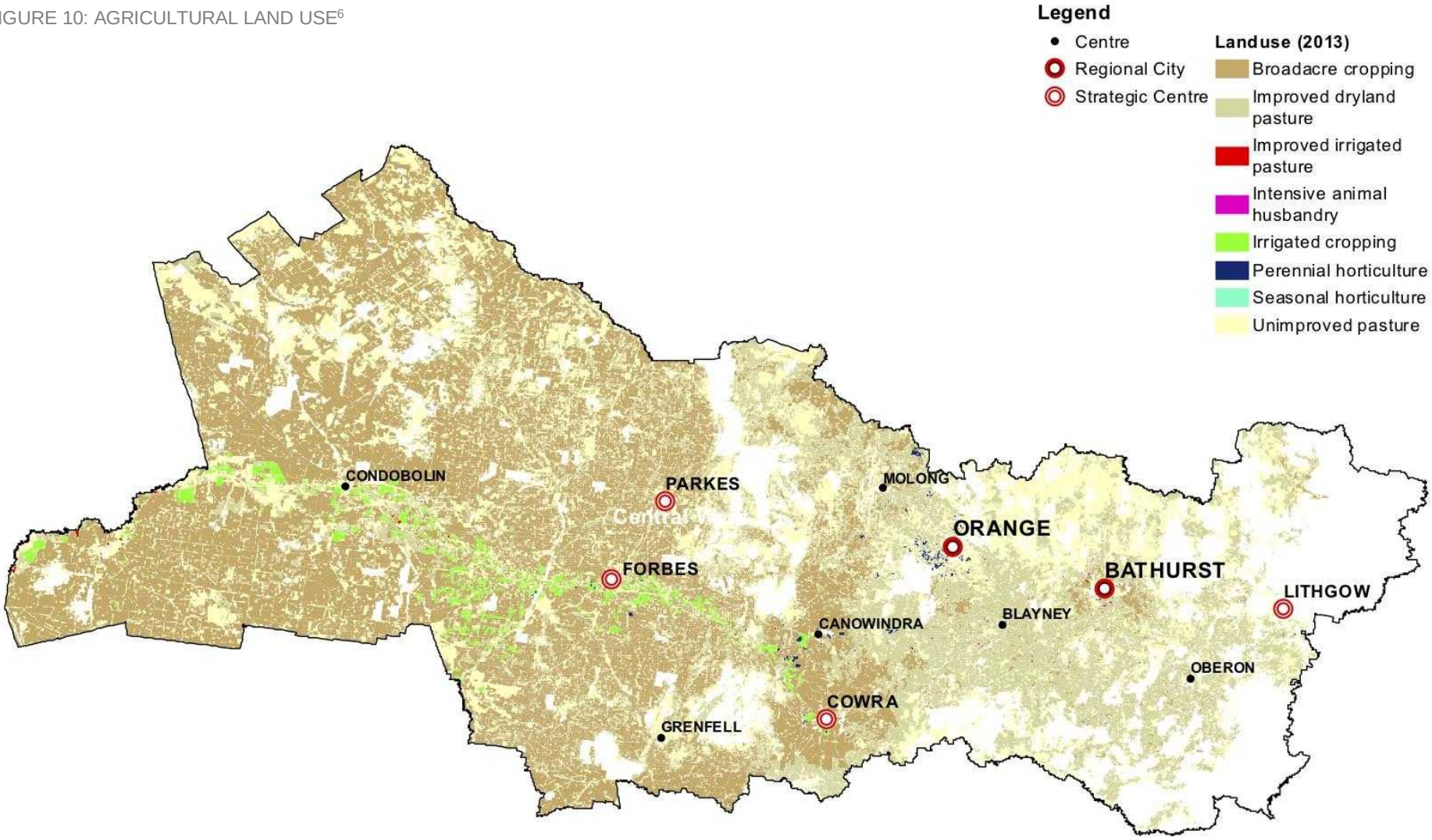


FIGURE 10: AGRICULTURAL LAND USE[6]



[6] DPE (2018) Draft Central West Orana Agricultural Development Strategy

BEEF

Beef production is spread across the region (Figure 11) and contributed $232 million or 9% of the NSW value of beef in 2016. While the population of beef cattle has reduced over the last 20 years, the value of production has climbed steadily (Figure 12). The recent peak in GVAP reflects a period of buoyant meat prices.

FIGURE 11: GVAP OF BEEF BY SA2, 2016

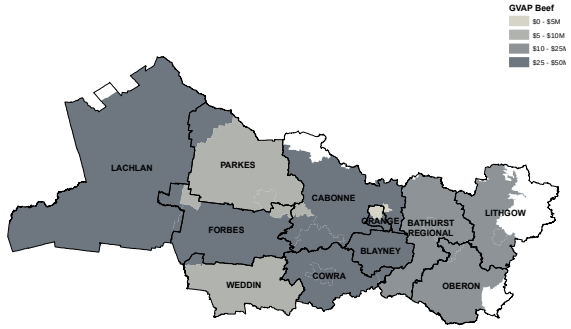
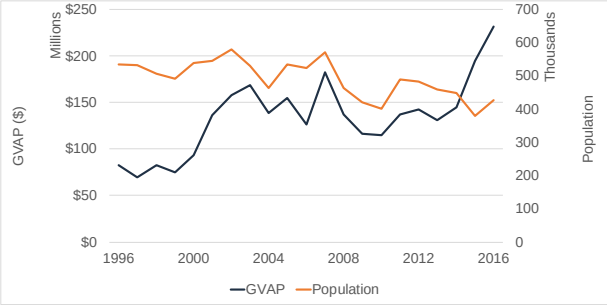


FIGURE 12: TREND IN GVAP AND POPULATION OF BEEF CATTLE IN THE CENTRAL WEST



WOOL AND SHEEP MEAT

Wool and sheep meat production is also spread relatively evenly across the region (Figure 13 and Figure 14) with wool contributing $145 million to GVAP and sheep meat contributing $112 million to GVAP in 2016. This represents 15% of the NSW state value for both commodities. The population of sheep in the region has remained relatively steady over the last 20 years, however production has shifted away from wool to a stronger focus on sheep meat production (Figure 15).

FIGURE 13: GVAP OF WOOL BY SA2, 2016

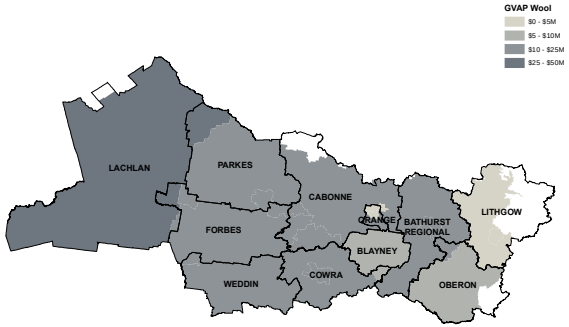
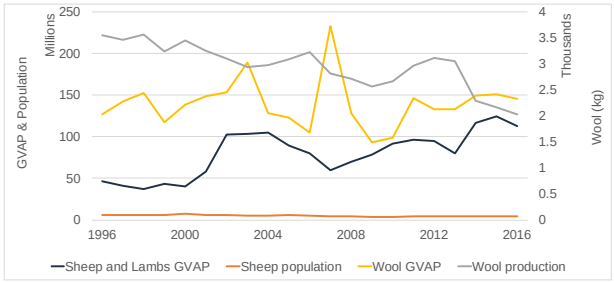


FIGURE 14: GVAP OF SHEEP MEAT BY SA2, 2016

FIGURE 15: TREND IN SHEEP MEAT AND WOOL PRODUCTION AND GVAP IN THE CENTRAL WEST



FRUIT AND NUTS

Fruit and nut production are concentrated in Cabonne and around Orange (Figure 16), which has the right mix of climate, soil and high security irrigation water for the production of pears, cherries, apples and peaches. The region produced 47%, 40%, 35% and 18% of the state value of these crops respectively in 2016.

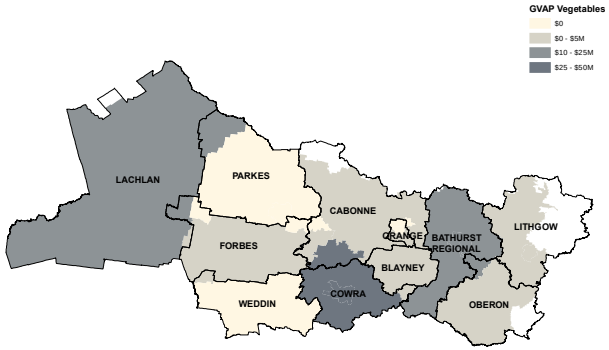
FIGURE 16: GVAP OF FRUIT AND NUTS BY SA2, 2016

VEGETABLES

Vegetable production is undertaken in a number of areas in the region with secure water and the appropriate soil types and seasonal conditions (Figure 17).

Brussel sprouts, cabbages, broccoli, lettuce and sweet corn are grown around Bathurst and melons, pumpkins and potatoes around Cowra and Lachlan. The region produced 91% of the state value of brussel sprouts, 69% of cauliflower, 46% of melons, 41% of sweet corn, 31% of cabbages and 28% of broccoli in 2016.

FIGURE 17: GVAP OF VEGETABLES BY SA2, 2016

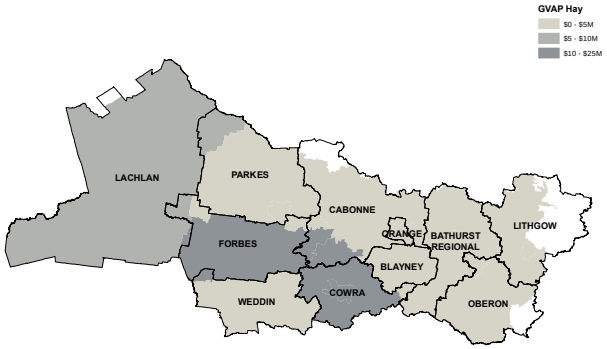


HAY PRODUCTION

Hay production is focused in the central west of the region, particularly around Forbes (Figure 18), where lucerne is grown for the Sydney and export markets.

The region produced 20% of NSW's value of hay, including 25% of the state value of lucerne and 19% of the state value of cereal hay in 2016.

FIGURE 18: GVAP OF HAY BY SA2, 2016



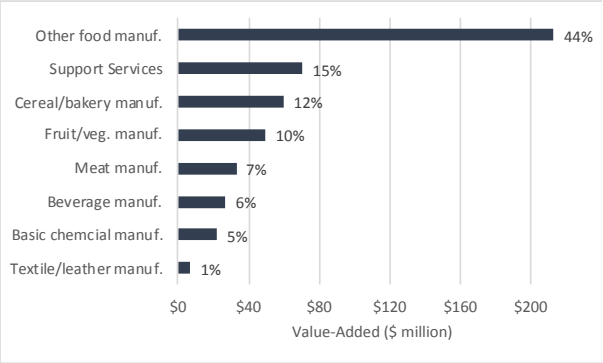
FOOD & FIBRE MANUFACTURING AND SUPPORT SERVICES

Agribusiness, beyond the farm-gate, is comprised of food & fibre manufacturing and agricultural support services.

The region's strategic location means that food & fibre manufacturing within the region is not solely reliant on local agricultural produce, but utilises significant volumes of produce from other regions, whilst the agricultural support services provide valuable input both within and beyond the region.

Food & fibre manufacturing in the region is diverse with pet food manufacturing, confectionary manufacturing, honey blending & processing, and a range of small speciality snack food manufacturers making up most of the Other food product manufacturing subsector, which is the dominant player beyond the farm-gate in the region producing 44% of the region's post farm gate value-added (Figure 19) and 24% of its employment (Figure 20) in 2016.

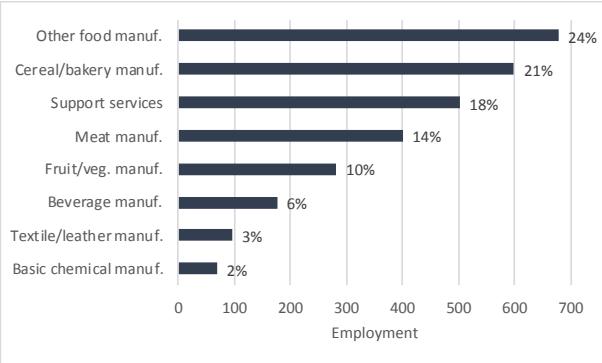
FIGURE 19: VALUE-ADDED BY SUBSECTOR, 2016



Other important food & fibre manufacturing subsectors include Grain, cereal and bakery product manufacturing, Fruit & vegetable product manufacturing, Meat product manufacturing, Beverage manufacturing (incl. wine), Basic chemical product manufacturing and Textile/leather product manufacturing.

Agricultural support services are an important component of the sector also. They contributed 15% of the value-added (second only to Other food product manufacturing) and 18% of employment (third highest) in 2016.

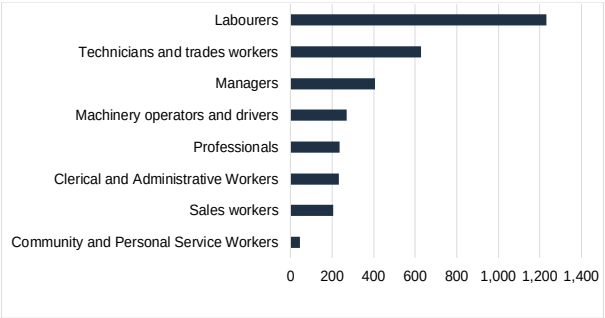
FIGURE 20: EMPLOYMENT BY SUBSECTOR, 2016



Whilst the economic value of the sector is dominated by Other food product manufacturing, employment is more evenly spread across the subsectors, with five subsectors employing 10% of greater of the food & fibre manufacturing workforce (Figure 20).

The main occupations within the food & fibre manufacturing sector are labourers, technicians and trade workers (Figure 21), which reflects the nature of processing work and the rationale as why most food & fibre manufacturers, especially those with large workforces choose to locate near regional centres.

FIGURE 21: EMPLOYEES BY OCCUPATION, 2016



The agricultural support services are dominated by professionals, para-professionals and technicians and include financial and technical advisory services, and specialist input sales and service businesses.

Table 1 sets out the number of business and wages for the top 3 food and fibre processing and manufacturing industries in each local government area within the Central West region. Wages are an indicator of the contribution these subsectors make to the local economy in terms of the flow-on effect through expenditure on good and services by their employees. Business number is a relative (not absolute) measure, which shows where most of the businesses are located. It is a relative measure, as individual operations often have multiple registered business numbers within their business structure.

TABLE 1: EMPLOYEES AND WAGES FOR TOP 3 FOOD AND FIBRE PROCESSING AND MANUFACTURING INDUSTRIES IN EACH CENTRAL WEST LGA[7]

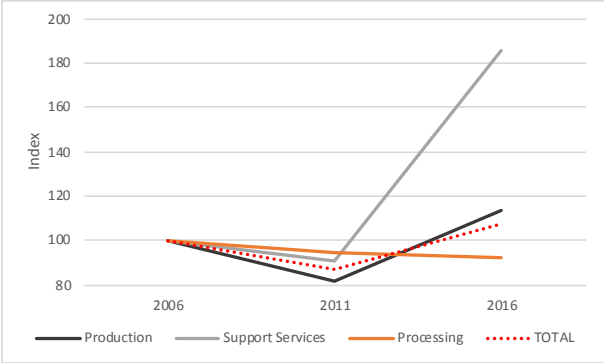
		Fruit and vegetable processing	Meat processing	Pet food manufacturing
BATHURST	Employees	204	198	190
	Wages	$19.6m	$12.4m	$17.1m
		Other Food Product Manufacturing	Pet food manufacturing	Bread Manufacturing (Factory based)
BLAYNEY	Employees	209	65	12
	Wages	$17.4m	$5.8m	$0.3m
		Grain mill product manufacturing	Wine and other alcoholic beverage manufacturing	Oil and fat manufacturing
CABONNE	Employees	200	57	24
	Wages	$22.6m	$4.4m	$3.8m
		Meat processing	Agricultural machinery and equipment manufacture	Bread manufacturing (factory based)
COWRA	Employees	118	63	28
	Wages	$7.4m	$10.0m	$0.8m
		Leather tanning and leather product manufacturing	Bakery product manufacturing (non-factory based)	Other Food Product Manufacturing
FORBES	Employees	24	11	10
	Wages	$1.2m	$0.7m	$0.8m
		Agricultural machinery and equipment manufacture	Bread manufacturing (factory based)	-
LACHLAN	Employees	5	3	-
	Wages	$0.8m	$0.1m	-
		Bread manufacturing (factory based)	Confectionary manufacturing	Soft drink, cordial and syrup manufacturing
LITHGOW	Employees	16	9	7
	Wages	$0.4m	$1.5m	$0.5m
		Bakery product manufacturing (non-factory based)	Soft drink, cordial and syrup manufacturing	Bread manufacturing (factory based)
OBERON	Employees	5	4	4
	Wages	$0.3m	$0.3m	$0.1m
		Wine and other alcoholic beverage manufacturing	Bread manufacturing (factory based)	Agricultural machinery and equipment manufacture
ORANGE	Employees	33	31	30
	Wages	$2.5m	$0.8m	$4.8m
		Agricultural machinery and equipment manufacture	Bread manufacturing (factory based)	Fertiliser manufacturing
PARKES	Employees	13	7	4
	Wages	$2.1m	$0.2m	$0.5m
		Pet food manufacturing	Agricultural machinery and equipment manufacture	-
WEDDIN	Employees	7	6	
	Wages	$0.6m	$1.0m	-

[7] Source: ABS Census of Population and Housing, 2016 – NB wages do not include payments to contractors, thus the figures may under-estimate the total value paid to the workforce in specific instances.

RECENT TRENDS[8]

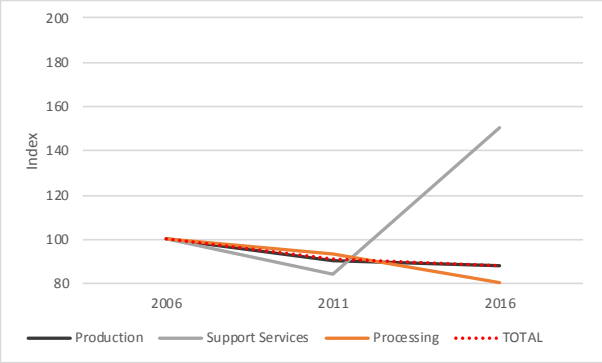
The value-added or economic contribution of agribusiness to the regional economy of the Central West has grown by a total of 8% over the past decade. This increase has been largely driven by exceptional growth (86%) in the agricultural support services and strong growth in agricultural production (14%), as the sector has diversified and intensified. However, food & fibre manufacturing (processing) has declined by a total of 8% over the same period (Figure 22).

FIGURE 22: VALUE-ADDED BY SECTOR OVER TIME



Despite this growth in value-added, employment in the sector has declined by 12% over the same period. This has been driven by the production sector, which has experienced a decline in employment of 12%, despite growth in value-added of 14%, and the processing sector, which has experienced a decline in employment of 19%. These declines have been partially offset by extraordinary growth in agricultural support services, which has experienced employment growth of 50% over the last decade.

FIGURE 23: EMPLOYMENT BY SECTOR OVER TIME



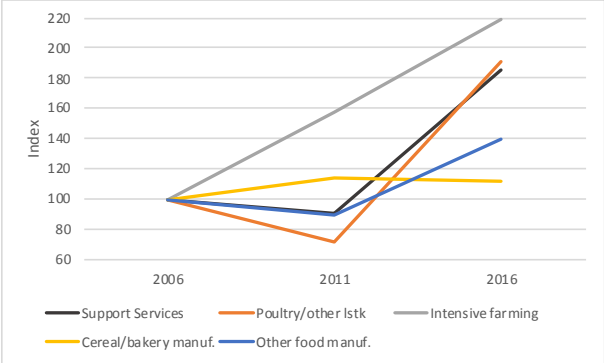
Agricultural production and food & fibre manufacturing are key drivers of the regional economy, but they are increasingly small direct employers relative to their economic contribution.

The increasing scale and intensification of production is driven by market demand with technological innovation and automation replacing labour. Similarly, food & fibre manufacturers are investing in innovation to compete with businesses overseas that have lower labour costs.

Thus, growth in agribusiness will help drive the regional economy, but the resultant growth in employment will occur more in those sectors of the economy that provide support services to the industry.

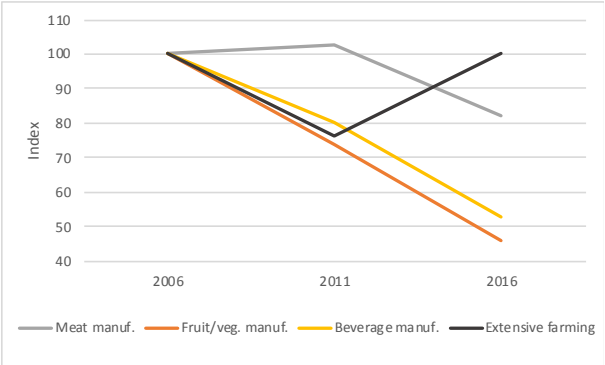
Trends in value-added or economic contribution over the last decade show that Intensive farming (fruit, vegetables and cotton) (118%), Poultry & other livestock (91%), Agricultural support services (86%), Other food product manufacturing (40%), and Grain, cereal and bakery product manufacturing (12%) have been the growing subsectors in the region (Figure 24).

FIGURE 24: GROWING SUBSECTORS



At the same time, Fruit & vegetable product manufacturing (54%), Beverage manufacturing (47%) and Meat & meat product manufacturing (18%) have experienced a decline in their economic contribution to the region, whilst Extensive farming (Grain, sheep, beef and dairy cattle production) has fluctuated wildly with season, but remains about the same (Figure 25).

FIGURE 25: DECLINING SUBSECTORS



[8] Recent trends are charted as indices with the value in 2006 set at 100, so the relative growth and decline of different sectors and subsectors can be compared.

3 Opportunities for growth

INFLUENCES OF GROWTH

Opportunities for growth in high-value intensive agriculture and post farm-gate value-added processing in the Central West will be influenced by:

- Future trends for food and fibre and the impact these will have on consumer attitudes and demands
- The operating requirements of high-value intensive agriculture and post farm-gate value-added processing
- The endowments, competitive advantages and ability of the region to meet these operating requirements and drive innovation.

FUTURE FOOD AND FIBRE TRENDS

Macro trends in the food and fibre industries are in three, often complimentary and overlapping, directions - our outward focus, our inward focus and our interaction with the world.

OUR OUTWARD FOCUS

Broadly this has been seen in the past as being environmentally or socially conscious. It has gained enormous momentum recently and is likely to increase in the future. This outward focus of how we impact our world with our purchasing decisions falls into roughly three areas – production, packaging and communication or messaging.

Production

The demand for food and fibre producers to show a holistic approach to lessening the effects of their product and its lifecycle on people and the environment will continue to grow.

Increasingly consumers are demanding ethical, as well as environmental credentials and/or messaging, with examples being whole of supply chain accountability (ethical/social, environmental), local sourcing (low carbon miles) and reduced resource use. An 'ethical' approach can also include production techniques that are organic, antibiotic-free, grass-fed, free-range, pesticide-free.

Small/niche brands are seen to encapsulate these attributes and there is a continuing move towards them with their implicit suggestions of local, sustainable, socially conscious buying (helping and supporting a small business), innovative resource use or re-use and the consumer being connected with the producer.

While large-scale production will continue to play an important and needed role in providing food and fibre for both Australian and international markets, there is also an opportunity for producers and processors in the Central West to specialise in high-value niche products.

Identifying markets that value attributes, such as those described above, or a specific point of difference will provide commercial advantage to those that may not have the economy of scale to produce low cost commodities for the world market.

Packaging and waste minimisation

While our fresh produce has become increasingly more packaged, there is a growing backlash from consumers as to how much plastic is being used. How products are presented to consumers will continue to influence purchases with eco-packaging and reduced packaging being increasingly important. Metal straws and 'keep cups' are examples of this philosophy.

There is also increasing interest in reducing and minimising food waste. Re-use of food waste streams into 'functional food' products (such as broccoli powder) provide an opportunity to the region, to utilise the waste streams coming from a range of fruit and vegetable crops and other food processing industries

Communication/messaging

Similarly, demonstrating to the consumer that the brand is environmentally and socially aware (e.g. charitable donations) and actively engaging with the consumer will continue to influence decision-making around which products to buy.

An example of a business successfully targeting a specific export market by focussing on the local environment is the Bite Riot branding of cherries packaged in Orange.

OUR INWARD FOCUS

Much of the inward focus is around perceptions of what is healthy and what we should be eating. While there have been decades of debate about what exactly constitutes an appropriate diet, the trends are towards

foods that are seen to benefit our health and provide 'mindful' choices. The major trends include:

- Less protein (particularly meat) with a trend towards greater plant or insect based protein
- More plants
- More fresh food.

Overall, there are trends towards greater recognition and awareness of certain diets or lifestyles such as vegan, vegetarian, paleo, keto, dairy-free and low sugar. These then influence the demand for products such as nut-based or dairy-free cheese.

With a greater focus on health, there are trends towards particular ingredients in food that are perceived to provide health benefits (such as hemp (for cannabidiol), algae/seaweed, probiotics 'functional foods' or 'nutraceuticals').

The USA is home to the largest number of functional food and drinks consumers. Emerging hubs such as China, India and Brazil are also likely to exert significant influence over the functional food and drinks market in the future.

There will also be a continuing emphasis on products thought to promote healthy aging, such as those promoting bone health, optimising brain health, boosting the immune system or with anti-inflammatory properties.

The agricultural sectors in Central West NSW with significant "functional foods" potential include grain and oil seeds, horticulture and dairy.

OUR INTERACTION WITH THE WORLD

How do we want our food?

We want it to be convenient, with restaurant and supermarket delivery, vegetable and fruit boxes, meal packages and all available through e-commerce. We will expect 'curated' choices.

Where we buy items has changed and will continue to. There has been a paradigm shift in retailing with the growth of e-commerce giants such as Amazon, and also the discounters such as ALDI. This has seen the supermarkets heading towards fewer lines, smaller brands and increased private labels. The retail area continues to evolve.

The customer building a bond with the product by engaging in evolving ways on social media will be increasingly important. Sharing, connection, stories and personalisation are key to their experience. Millennials in particular are seeking small brands and sharing their emotional engagement online.

There is also the influence of other cultures on our tastes and preferences. Australia is seen as having a strong Asian influence in its food preferences and flavourings.

Asia is a rapidly growing market for Australian food and fibre products. The implementation of Free Trade Agreements presents opportunities for the region to increase its share of these markets, particularly the region's horticultural products. Ensuring a secure supply of quality primary produce will be important to leverage existing strengths in value adding and food processing and attract new investment.

Finally, access to data will prove to be of increasing competitive advantage.

These macro trends are important considerations in determining the type of activities that will add value to traditional agricultural products and the potential new products of the future.

OPERATING REQUIREMENTS

The relative need of high-value intensive agriculture and post farm-gate value-added processing for a range of endowments are outlined in Table 2.

The availability of these endowments and the dependence of the industry on them will influence success and profitability. Analysis of the table can provide a useful indication of a localities suitability for production and/or processing of these products.

Intensive agriculture and food processing, by their very nature, share the need for three high priority resources in common. They are:

- Secure water
- Reliable energy
- Labour (both skilled and unskilled).

Access to markets, and the ability to transport product quickly and effectively to major ports and distribution centres, is also a high priority for most intensive agriculture and food processing.

The ability of the Central West to take advantage of its natural competitive advantages and meet these needs will determine its success in growing these industries.

TABLE 2: RELATIVE IMPORTANCE AND NEED OF ENDOWMENTS FOR INTENSIVE AGRICULTURE AND FOOD PROCESSING

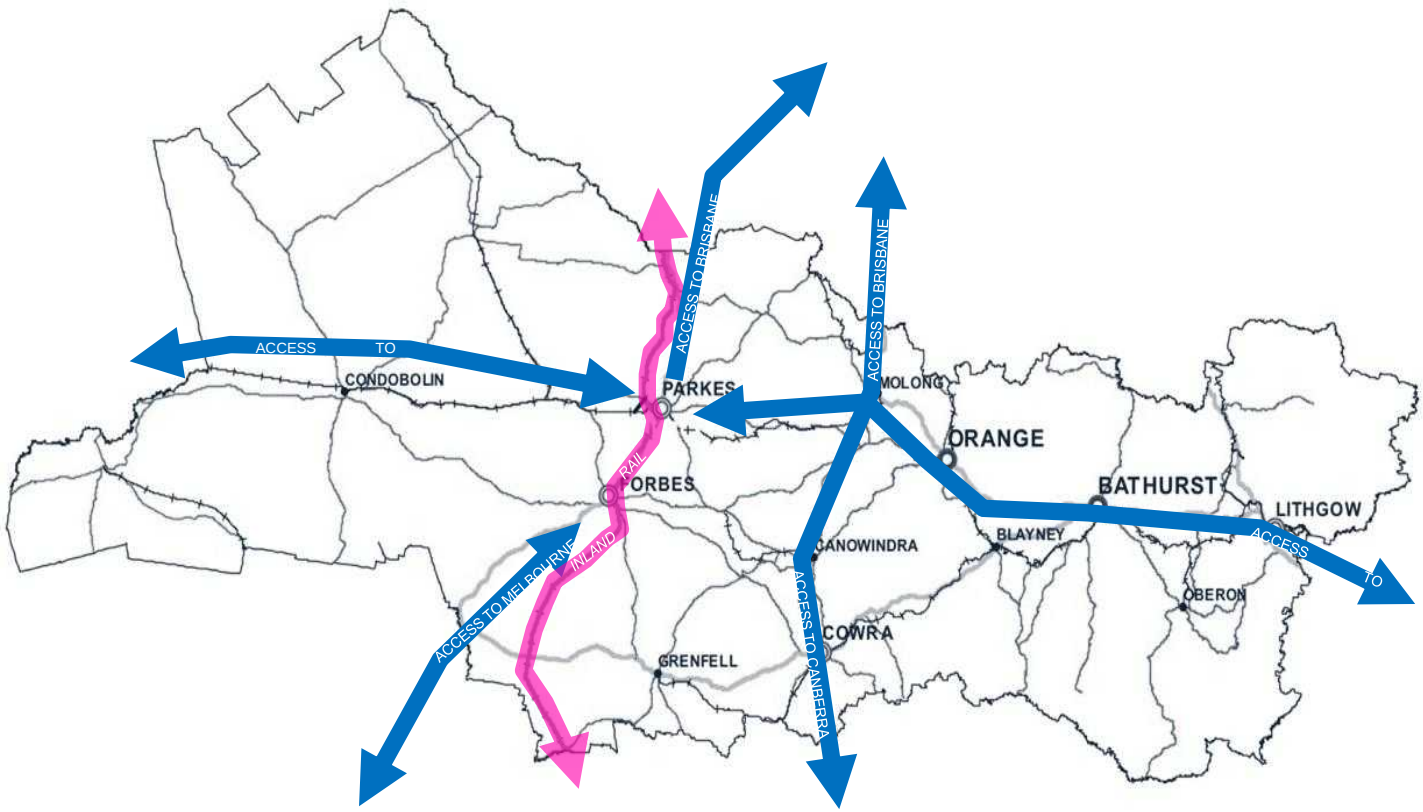
	Infrastructure			Land				Climate				Labour resources			Supply Chain			
Industry	**Water**	**Power**	**Road/ Rail**	**Planning Zones and Overlays**	**Lot size**	**Topography**	**Soil**	**Temperature**	**Rainfall**	**Wind**	**Frost**	**Skilled**	**Unskilled**	**Accomodation**	**Inputs**	**Logistics**	**Port/ airport/ market**	**Waste removal**
Production																		
Cattle feedlots	High	High	High	High	High	Med	Med	Low	High	Low	Low	High	Med	Med	High	Low	Med	High
Chicken meat	High	High	High	High	High	Med	Low	Low	Low	Low	Low	High	Med	Med	High	Low	Low	High
Eggs	High	High	High	High	High	Med	Low	Low	Low	Low	Low	High	Med	Med	High	Low	Med	High
Fruit	High	High	High	Low	Low	Low	High	High	Med	High	High	High	High	High	Med	High	Med	Low
Glasshouses	High	High	High	Med	Med	High	Low	Low	Low	High	Low	High	High	High	Med	High	High	Low
Piggeries	High	High	High	High	High	Med	Low	Low	Low	Low	Low	High	Med	Med	High	Low	Low	High
Vegetables	High	High	High	Low	Low	Med	High	High	Med	High	High	High	High	High	Med	High	Med	Low
Viticulture	Med	Low	High	Low	Low	Low	High	High	Med	Med	High	High	Med	Med	Med	Low	High	Low
Processing	High	High	High	High	Med	Low	Low	Low	Low	Low	Low	High	Med	Med	High	Med	Med	High

High	Endowment has high priority or impact on industry
Med	Endowment has medium priority or impact on industry
Low	Endowment has low priority or impact on industry

COMPETITIVE ADVANTAGE

The region's agribusiness competitive advantage is underpinned by its location in central NSW with connections to all corners of the State and beyond; its varied landscapes, soils and climate, irrigation systems and established agricultural value adding and food processing.

FIGURE 26: TRANSPORT CONNECTIONS



TRANSPORT AND FREIGHT

The Central West connects along interstate transport links between Sydney, Adelaide, Melbourne and Brisbane, and has the only double-stacked containerised freight connection with Western Australia. Airports in Bathurst, Orange and Parkes, provide daily air services to and from Sydney. Asian markets can be accessed by air from Canberra into Singapore, and eleven Chinese cities connected through Singapore.

Intermodal terminals operate out of Parkes, Bathurst, and Blayney. These major freight hubs act as an aggregation point for selling, processing, manufacturing and transporting livestock and agricultural produce to markets and ports across Australia.

Links through the Blue Mountains to Sydney will enable the region to capitalise on Western Sydney's rapid growth and the opportunities from the planned Western Sydney Airport.

A major constraint for increased rail freight between the Central West and Sydney is the significant growth in passenger trains within the Sydney metropolitan network, which reduces the availability of freight paths from the Central West into Sydney. The Main West line also has considerable limitations. The newly constructed Southern Sydney Freight line enables regional produce from the south west to access south Sydney and Port Botany via Cootamundra.

Implementation of Future Transport Freight Initiatives such as the Main West Upgrade, Inland Rail, Bridges for the Bush and investment in regional roads and regional rail will address some of these issues and further improve transport efficiency and regional accessibility[9]. Connectivity to market is a key challenge for Central West NSW agricultural SMEs.

Future investment in regional NSW will provide manufacturers and producers with the opportunity to increase transport efficiency with the use of High Productivity Vehicles (HPV) and increase participation in the global economy by connecting local networks to domestic and international consumer markets[10].

[9] NSW Government (2018) Draft Freight and Ports Plan

[10] NSW Government (2018) Future Transport Strategy

IRRIGATION

Irrigated agriculture is an important component of the agricultural industry in the Central West, providing opportunities for production of high-value commodities such as cotton, fruit and vegetables, and continuity of production in low rainfall seasons. Water for irrigation is accessed via direct diversion from rivers, privately owned irrigation companies and groundwater pumping.

DIVERSE LANDSCAPES

The variety of landscapes and climates within the region means a diverse range of quality produce can be grown. Broadacre cropping, cattle and sheep and wool production are the major industries on the plains, with irrigated cotton and summer cropping along the Lachlan Rivers. Perennial horticulture, cattle, sheep and wool production is dominant on the slopes and wool production and horticulture on the highlands.

The climate of Central West ranges from areas with high rainfall, mild summers and cold winters in the east to lower rainfall, hotter and drier areas located further to the west. These conditions enable the production of a diverse range of agricultural commodities.

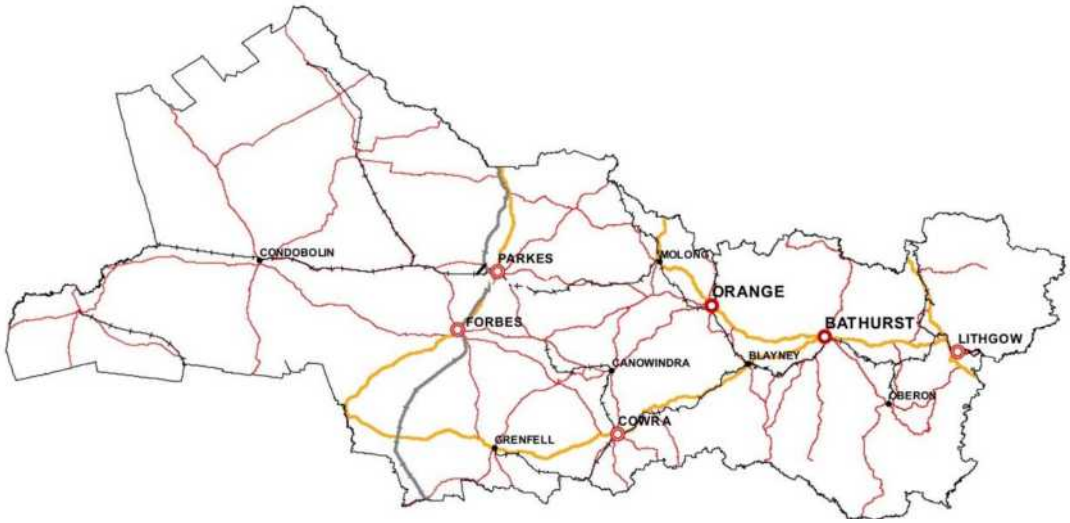
VALUE ADDING AND FOOD PROCESSING

Value adding to agricultural products and food processing is well established in regional centres such as Bathurst, Manildra and Blayney. Industries include grain milling; animal product and fibre processing; pet food manufacturing; packaging of raw fruits, vegetables and meats; and the processing of foods such as dairy products.

Value adding opportunities include:

- High value horticultural crops targeting the fresh markets of Asia, e.g. cherries and other stone fruits.
- High quality protein and animal feed for both human and animal consumption.
- Poultry meat and egg processing to meet growing domestic demand.
- The wine and speciality food industries are well placed to take advantage of the region's proximity to Sydney and the growing middle class in Asia.
- Biofuels and bioenergy generation from broad-acre cropping, forestry, dairy, horticulture, beef and intensive livestock.

FIGURE 27: VALUE-ADDING



FORBES	PARKES	COWRA	ORANGE	BLAYNEY	BATHURST	LITHGOW
Livestock exchange	Intermodal hub Freight and logistics	Abattoir Food manufacturing	Freight and logistics Food & beverage manufacturing	Food manufacturing Livestock exchange	Food manufacturing	Freight and logistics Food & beverage manufacturing

LOCAL FOCUS

The specific physical endowments and competitive advantages of each local government area, and specific localities within that area, will dictate their suitability and capacity to support specific intensive agriculture and value added processing.

Local Government can provide a local focus for industry growth that matches their endowments through their land use planning instruments, economic development activities and advocacy to State Government.

WESTERN AREA

The western areas of the region (Lachlan, Parkes, Forbes, Weddin) are characterised by open plains, warm to hot semi-arid climate and relatively lower rainfall compared to the eastern parts of the region.

These areas are well positioned to focus on broad acre enterprises with some livestock production. Where water is available (along river systems) there is also the potential to produce horticulture crops and cotton.

Options for value adding and intensive agriculture in this area include:

- Cotton ginning
- Grain processing and milling
- Cattle feedlots
- Freight and logistical support services

WEST TO CENTRAL AREA

Areas to the west and centre of the region, which have access to sufficient water and power, have the opportunity to invest in intensive animal production such as beef, chicken (poultry and eggs) and pigs.

These areas (such as Cabonne, Cowra and those further to the west) are unlikely to experience the potential for land use conflict that can arise in more densely populated areas due to buffer zones for biosecurity and pollution reasons.

Examples of businesses value adding to meat production include:

- Breakout River Meats “Watervale Beef” brand, which supplies to over 300 restaurants and butchers, making it one of the largest domestic meat wholesalers in the State
- Trunkey Creek Bacon & Pork, who are regulars at various regional farmers’ markets and have a retail outlet in Orange
- Fresh Pastures Pork from Stuart Town who raise free range pigs and value added products include vacuum sealed pork bellies, wood smoked middle bacon, apple and rosemary sausages (preservative free) and American Ribs.

It makes commercial sense to locate intensive animal production closer to the feed source than the market, as it is cheaper to transport animals longer distances than the amount of feed required to grow these animals. Poultry is exception to this due to the limited time live poultry can be transported.

CENTRAL TO EAST AREA

Areas to the east and centre of the region, such as Bathurst, Orange and Blayney are characterised by a cool temperate climate and gently undulating to hilly geography. These conditions, coupled with a higher rainfall and access to high security water, facilitate the production of a range of horticultural crops, such as cherries and apples and a number of vegetable crops.

Cowra and Cabonne have a warmer temperate climate and large tracts of land suitable for vegetable production (where there is access to high security water) and viticulture..

Niche horticulture opportunities for Cowra, Cabonne, Bathurst, Orange and Blayney include:

- Asparagus
- Bee pollen
- Honey
- Berries
- Olives
- Figs
- Hazelnuts, chestnuts, walnuts
- Truffles
- Saffron
- Lavender
- Heritage and cider apples
- Roses.

Regional centres in Cowra, Bathurst and Orange also provide an opportunity to attract the labour (both skilled and un-skilled) required for value adding to horticultural product and to develop associated agri-tourism opportunities.

Examples of include:

- Improving the shelf life of fresh produce through new packaging technologies such as high pressure processing
- Developing high nutrient juices from second grade fruits such as cherries and apples
- Cider and wine making, bottling, branding and selling, from paddock to glass

- Regional branding for domestic and export markets such as BiteRiot! - cherries
- Development of functional food ingredients from horticultural seconds and waste
- Growth of agri-food tourism retail enterprises such as The Agrestic Grocer in Orange, and farmers' markets, providing sales platforms & collaborative marketing for producers.

EASTERN AREA

Lithgow and Oberon are the most elevated LGA's in the Central West and also have the most varied landforms. As a consequence, they also have the greatest diversity in terms of potential agricultural production.

These areas have the advantage of closer proximity to Sydney and therefore export options and access to labour, as well as the closest access for visitors from Sydney. Opportunities include some vegetable production, protected cropping (glasshouses), fibre production, speciality food manufacturing and agri-food tourism

The food and fibre opportunities for each LGA are detailed in Table 3.

TABLE 3: OPPORTUNITIES & FOCUS FOR EACH LGA

AREA	LGA	OPPORTUNITIES & FOCUS
Western	Lachlan, Parkes, Forbes, Weddin	▪ cotton ginning ▪ grain processing and milling ▪ cattle feedlots ▪ egg production ▪ freight and logistical support services
West to Central	Cowra, Cabonne	▪ vegetable production and processing ▪ viticulture and wine production ▪ fruit production and processing ▪ meat manufacturing ▪ piggeries ▪ chicken meat and egg production ▪ logistical support services and professional support
Central to East	Orange, Bathurst, Blayney	▪ viticulture and wine production ▪ protected cropping ▪ fruit production and processing ▪ vegetable processing ▪ speciality food manufacturing and agri-food tourism ▪ pet food manufacturing ▪ logistical support services and professional support
Eastern	Lithgow, Oberon	▪ vegetable production and processing ▪ protected cropping ▪ fibre production ▪ speciality food manufacturing and agri-food tourism

PART B – STRATEGIC RESPONSE

4 Strategic themes

FOCUS

This Strategy focuses on the potential for high-value intensive agriculture and post farm-gate value-added processing opportunities in the Central West.

It recognises that the opportunities and challenges facing the region's food and fibre industry requires a strategic response that builds on our existing knowledge and focuses on providing a framework that will guide decision-making and facilitate the growth and development of the sector.

It focusses on those issues and actions that are within the control and influence of the key stakeholders that have collaborated to prepare this strategy.

It does not cover everything, but it does seek to focus on those things of value to us all, where our priorities overlap and there is advantage to be gained from everybody contributing and collaborating to achieve our objectives.

LISTENING TO BUSINESS

Local food and fibre industry businesses were consulted on what they consider to be the key challenges and opportunities facing their business and the industry in general.

This information, in combination with industry data analysis and assessment of other regional and state strategies, was used to develop this Strategy.

THEMES

The Strategy focuses on three strategic themes identified by business and local government as critical to the future success of the industry. Each theme has a goal and three broad strategies.

1. Develop our people and our markets

Work together to build our people's capacity to add-value to their businesses and grow our markets and our region

1.1 Collaborate for success

1.2 Build the skilled workforce we need

1.3 Become export-ready

2. Create an investment-ready environment

Create an environment that encourages investment, whilst protecting that which is of importance to our community

2.1 Protect and actively manage land use

2.2 Facilitate appropriate development

2.3 Protect the health of our industries

3. Build enabling infrastructure

Co-operate and advocate at a regional level to ensure adequate infrastructure investment to facilitate industry growth

3.1 Improve access to our markets

3.2 Provide reliable energy

3.3 Improve our water security

5 Develop our people and our markets

Work together to build our people's capacity to add-value to their businesses and grow our markets and our region

COLLABORATE FOR SUCCESS

ISSUES FOR BUSINESS

Local food and fibre businesses identified the opportunity to build their capacity and that of the regional industry by collaborating and sharing information with each other. They saw opportunities to share resources and learn from each other to meet future challenges and take advantage of opportunities to grow their businesses.

Examples of sharing resources included the use of a shared bottling facility by a cider producer and a wine producer. A number of businesses identified that some processing equipment that would help their business grow and diversify their product mix was expensive and beyond the scale of any one small food and fibre producer. Thus, there were opportunities to collaborate on investment in this equipment, or to create other innovative business models that could facilitate access to this equipment.

Knowledge sharing was just as important to these businesses as resource sharing. Many small to medium enterprises lack the time, networks and individual financial resources to invest in developing the necessary expertise to grow their business beyond its initial small scale. However, they could see the opportunity to learn from others who had already done it. Industry research supports the notion that many food and fibre business operators learn best from their peers.

COMPLEMENTARY STRATEGIES

This opportunity was also identified in the regional economic development strategies. They identified that networking and collaboration between regional food and fibre businesses was poor. They nominated activities, such as the establishment of a working breakfast series between manufacturing and professional, scientific and technical services industries to facilitate networking.

The NSW Food and Beverage Manufacturing Industry Development Strategy (2019) will develop the **Food and Beverage Manufacturing Connect (FBMC) program** as one of its flagship initiatives to deliver workshops, networking and educational opportunities for NSW food and beverage manufacturers.

STRATEGIC RESPONSE

The insights gained from local businesses would suggest that the FBMC program is very much needed and desired, however it needs to move beyond just workshops and provide opportunities for initiating and establishing networks and facilitating these networks like business discussion groups, where businesses can learn from each other.

It also needs to expand beyond just food and beverage manufacturers and include those involved in high-value production. Small to medium enterprises in high-value agricultural production and post farm-gate value-added processing are often highly integrated across the supply chain and face many similar challenges and opportunities. Thus, there are significant benefits to be gained from collaboration across the supply chain.

PRIORITY ACTIONS

1. ***State Government regional business advisors and local government economic development staff collaborate to identify the existing and potential collaborative groups in the food and fibre manufacturing sector within the region and seek support from the Food and Beverage Manufacturing Connect (FBMC) Program to establish and support these groups' activities.***
2. ***State Government regional business advisors investigate opportunities within the FBMC Program to broaden the learning opportunities to include facilitating networks like business discussion groups.***
3. ***Local government and industry advocate collaboratively to have the FBMC Program expanded to include those involved in high-value agricultural production, so as they may integrate with other businesses experiencing similar challenges in the food and fibre supply chain.***

BUILD THE SKILLED WORKFORCE WE NEED

ISSUES FOR BUSINESS

Food & fibre businesses viewed access to labour as both a strength and weakness for the Central West. For pet-food manufacturers, such as Mars and Purina, the Central West provides an available, stable workforce and was one of the key reasons for them being located regionally, however for other businesses attracting and retaining labour is a key challenge.

This is particularly evident in horticultural businesses that require large volumes of seasonal workers to harvest product at certain times of the year. This type of labour typically needs to be sourced from outside of the region and therefore, requires provision of housing and other services. For businesses like Caernarvon Cherries, a lack of seasonal labour is creating a bottle-neck, which hampers expansion and the realisation of value-adding opportunities.

Sourcing of skilled and/or professional labour was also viewed to be a challenge for businesses across all sectors. This is exacerbated in regional areas that find it difficult to attract highly skilled labour from metropolitan areas, and for the agriculture industry which struggles to compete with other industries, such as mining, which can offer higher salaries. Some businesses also found it difficult to up-skill staff with a lack of targeted and specific training courses available locally.

COMPLEMENTARY STRATEGIES

Regional Development Australia Central West (RDACW, 2016) undertook a Skills Needs Analysis of the region's beef, lamb/sheep and horticulture sectors in 2016. The analysis made ten recommendations to enhance farmers' capacity to innovate, including improving links between industry and training providers to better match training to industry needs.

The NSW Food and Beverage Manufacturing Strategy (2019) also identified the need to enhance collaboration between industry and training providers, as well as implement a workforce development agenda, promote career opportunities in the industry and facilitate worker attraction and retention.

These approaches were also supported in various ways in each of the Regional Economic Development Strategies (REDS), which supported the recommendations of the RDACW analysis and proposed similar strategies to those presented in the State Strategy.

The NSW State Government also has a Regional Skills Relocation Grant available to assist industry attract skilled workers.

STRATEGIC RESPONSE

There is strong strategic alignment between the goals and strategies at a State, regional and local level. Action is now required to implement these strategies.

This Strategy fully supports the recommendations of the RDACW Skills Needs Analysis, however it is necessary to expand this work beyond the production agriculture industries it focussed on and the needs analysis to include a demand profile (i.e. projected jobs growth and skill needs) for the other high-value intensive agriculture and post farm-gate value-added processing industries in the region.

Other regions elsewhere in Australia have successfully changed the relationship between industry, training providers and schools by establishing ongoing industry roundtables with a regional industry focus.

Skill development alone will not meet all of our industries' labour needs. Our horticulture industry will continue to need access to a flexible and mobile seasonal workforce. Thus, we need to better integrate seasonal workers into our local communities, especially those from different ethnic or cultural backgrounds.

PRIORITY ACTIONS

4. ***State Government to initiate a regional industry/training provider/schools roundtable to identify ways to better match the training provided locally with the needs of the regional food and fibre industry.***
5. ***As a first priority, this roundtable should commission a skills demand profile for the regional industry, building on that already undertaken by the Regional Development Australia – Central West (RDACW), to identify the priority areas of skill development it should initially focus on.***
6. ***Local Government should initiate programs to support recently arrived migrants and seasonal workers better settle into and participate in our local communities.***
7. ***Local Government incorporate appropriate planning policy amendments to increase the supply and quality of affordable housing and budget accommodation for new arrivals and seasonal workers.***

BECOME EXPORT-READY

ISSUES FOR BUSINESS

A number of businesses within the region currently export their food and fibre product and are looking to expand their market presence in overseas countries.

Some businesses have done this by creating a brand for their product (i.e. BiteRiot! – cherries), which adds value when done well. Quality and consistency are key to achieving this. Branding of agricultural product can be successful when targeted at a sophisticated customer who cares about where their product comes from (such as Chinese buyers of cherries).

Export market presence has been built by visiting overseas markets and partners regularly to support and promote products and services. Advertising, attending and exhibiting at international tradeshows, and participating in State and Federal government trade missions and promotions also builds market presence.

There were varying responses from businesses as to the effectiveness of current assistance from government to export. Some showed a distinct lack of awareness of what was already available, whilst those who were aware of the programs on offer believed that one-on-one mentoring and partnering with businesses to help them build export relationships was required. At a national level, increasing access to new markets such as Japan and USA through Free Trade Agreements (FTAs) would be beneficial.

While a number of food & fibre businesses were appreciative of the financial grants available from Government, for both export and general business development, it was perceived that they tend to be quite restrictive or narrow in their criteria, often linked to increases in employment that were beyond the scale of many small businesses or start-ups (i.e. they are too small to qualify). Processing time was also perceived as being far too long to take advantage of opportunities as they arose.

COMPLEMENTARY STRATEGIES

One of the five strategic themes of the NSW Food and Beverage Manufacturing Strategy (2019) is to *help attract investment and boost access to international markets*.

The strategy recognises that food and beverage manufacturers face challenges accessing capital and entering global markets, particularly SMEs. In addition, it recognises that international investors may not be aware of the local sector, and businesses often lack access to market intelligence and skills to be export-ready.

As a result, it includes the following initiatives:

- Build export readiness of NSW businesses
- Promote NSW industry capabilities to international markets
- Attract foreign direct investment

STRATEGIC RESPONSE

The challenges and opportunities identified by local businesses within the Central West are similar to those faced by similar businesses elsewhere. The State Strategy recognises that and proposes initiatives similar to that which regional businesses are seeking.

However, regional businesses have identified that they need one-on-one mentoring, the opportunity to build partnerships and access to financial support that is better tailored to their scale and needs.

PRIORITY ACTIONS

8. ***State Government increase the awareness of export advisers and export support services in the region.***
9. ***State Government, regional business advisors and local government economic development staff work together to review the available business support grants to ensure they are tailored to the scale and needs of regional food and fibre businesses.***

6 Create an investment-ready environment

Create an environment that encourages investment, whilst protecting that which is of importance to our community

PROTECT AND ACTIVELY MANAGE LAND-USE

ISSUES FOR BUSINESS

The availability and cost of land for production and processing of food and fibre in the Central West is a competitive strength of the region. However, that strength is being challenged and we need to protect it so as we can leverage it to grow the industry.

In the east of the region, there is growing potential for land use conflict between lifestyle needs and speciality horticulture and/or industrial uses. The potential for growth of these businesses could be restricted by reduced access to appropriate land adjacent to their existing operations, or by residential encroachment reducing the necessary buffer zones.

There also needs to be careful consideration of the needs of different types of users and how these can be best protected. Some producers have made significant investments to relocate to the region, establish new enterprises or expand existing ones, only to see important biosecurity and impact buffers threatened by inappropriate siting of other developments, which did not require the same development approval process.

These buffers need to be protected to ensure continued business operations, protect community values and demonstrate that the Central West is open for investment.

COMPLEMENTARY STRATEGIES

The Department of Planning, Industry and Environment is currently developing the Central West and Orana (CWO) Agricultural Development Strategy. It will identify and map the region's important agricultural land, identify emerging opportunities for agriculture and guide and direct local government rural land planning in the region.

The Strategy identifies that most of the local government rural land use plans were prepared over 10 years ago and would benefit from a review and update.

Such a review and update would:

- Support Councils to strategically identify land to be used for agriculture in the long term and develop policies to support that outcome
- Support Councils to strategically identify rural land not suitable or required for agriculture in the long term, identify preferred land uses and develop policies to support that outcome
- Provide a strong strategic basis for consistent assessment of Development Applications
- Enable Councils to test whether planning proposals are of '*minor significance*.'

STRATEGIC RESPONSE

The preparation of strategic land use plans that consider rural land issues and opportunities provides a robust and transparent process for identifying locations where various rural uses such as agriculture, rural tourism and rural living will be provided and articulating the policies to support these outcomes.

A well prepared strategic land use plan provides certainty and investment confidence for current and future land uses. Communities benefiting from a good strategic plan have a competitive marketing advantage.

PRIORITY ACTION

10. ***The Department of Planning, Industry and Environment collaborate with and support each local government authority in the region to review and update their rural land use plans to be consistent with the principles and recommendations of the draft CWO Agricultural Development Strategy.***

FACILITATE APPROPRIATE DEVELOPMENT

ISSUES FOR BUSINESS

Business operators face significant stress when relocating, establishing or expanding a business. This includes financial, workload and psychological stresses.

As community members who value the amenity of their local area and region, they appreciate the need for an appropriate development process, but the last thing they need is the added burden of cumbersome and, at times, bureaucratic development processes.

Many businesses gave examples of where they were given the wrong form or information, or felt those responsible were “unhelpful”. They also reported on the multiple and, at times, contradictory and complex development approval processes for land, waste, energy, water and other utilities. These multiple and complex processes can delay development, which adds cost, further stress and could discourage businesses from expanding or relocating to the region.

Governments, communities and businesses want to see appropriate development, not development at any cost. Therefore, they must do better at facilitating the development process and make it easier for businesses to do the right thing in an efficient way.

COMPLEMENTARY STRATEGIES

The NSW State Government has created Special Activation Precincts (SAP), which bring together planning and investment to focus on growing jobs and economic activity in an area.

SAP enjoy faster and simplified planning and approval processes, because much of the strategic and statutory work has been done in advance. Thus, businesses can set-up and start trading sooner.

Parkes is the first official SAP, which has been designed to take advantage of location, business development opportunities and employment growth offered by the east-west rail line and the Inland Rail project.

STRATEGIC RESPONSE

The concept of SAPs has appeal to both local government and business, as it presents an opportunity to plan and facilitate development that it is acceptable to business and the community, whilst taking advantage of the strategic opportunities presented.

The concept also has wider appeal for use elsewhere in the region and within each local government area. There is the potential for local government to work together to identify precincts of regional significance and avoid the costly and inefficient duplication of competing for the same developments.

Furthermore, local precincts could also be developed, once the regional priorities were set. Thus, ensuring opportunity for facilitated development across the region.

The development of precincts of regional and local significance will meet the needs of some businesses and communities, but there will continue to be a need to facilitate appropriate development outside of these precincts.

The NSW Treasury has a concierge service that can assist businesses through the development process. Local business operators have spoken highly of this service, but fear that it is inadequately resourced to meet the needs of growing the industry.

PRIORITY ACTIONS

11. ***Local Government should seek to develop their own local activation precincts for food and fibre sector, as part of the review and update their rural land use plan, following the identification of the regional priorities.***
12. ***The concierge service provided by Treasury should be utilised to ensure access to facilitation services for regionally significant developments.***
13. ***Local Government and State Government collaborate to support the capacity and capability of economic development staff.***

PROTECT THE HEALTH OF OUR INDUSTRIES

ISSUES FOR BUSINESS

Food and fibre businesses in the region both import to and export from the region. All businesses, regardless of whether they are focussed on the domestic or export market want to protect Australia's clean green image and their own industries health status. Thus, strong and effective biosecurity is essential.

Certain areas of the Central West have successfully promoted themselves as a food and wine destination and this has been possible in part due to the ability of the area to support wine production and small-scale/speciality horticulture. This is a key strength of the area and provides lifestyle and tourism benefits. However, care needs to be taken to protect these industries and current export markets through stringent biosecurity management.

Similarly, businesses exporting from the region need to meet stringent export protocols to ensure access to their export markets. The services provided by the Australian Quarantine Inspection Service (AQIS) and Border Protection (Customs) are located at the export ports, e.g. Sydney, and are difficult and expensive for regional exporters to access.

One of the export opportunities available to the region is the increased export of fresh fruit to Asia. Market access depends on the fruit being irradiated to remove the threat of insect pest. Melbourne and Brisbane have irradiation facilities, but there is nothing available in Sydney, or NSW for that matter.

A constant threat to the viability of a number of horticultural industries is the introduction of exotic pests brought into Australia from other countries.

COMPLEMENTARY STRATEGIES

Biosecurity and border protection is a Commonwealth Government responsibility. However, the Central West and Orana Regional Plan included the need to undertake biosecurity risk assessments as part of its strategic direction to protect the region's diverse and productive agriculture.

The horticulture industry have a range of national biosecurity programs to assist the monitoring and management of key pests. Whilst its NSW state industry body has also identified the need for irradiation facilities in Sydney.

STRATEGIC RESPONSE

Protecting the health our industries and maintaining access to our export markets is a key industry priority. Government and industry need to collaborate to achieve this outcome in the most effective and efficient way possible.

PRIORITY ACTIONS

14. ***State Government investigate the opportunity for the Parkes freight hub to become an inland port, hosting quarantine and customs services, which could support the whole region.***
15. ***Industry and Local Government collaborate to advocate for the establishment of an irradiation facility in NSW to facilitate market access for the region's growing fresh fruit industry and biosecurity.***

7 Build enabling infrastructure

Co-operate and advocate at a regional level to ensure adequate infrastructure investment to facilitate industry growth

IMPROVE ACCESS TO OUR MARKETS

ISSUES FOR BUSINESS

The Central West is strategically located approximately half-way between Melbourne and Brisbane, and on the main east-west rail line between Sydney and Perth. This enables local businesses to access and transport product to major domestic markets across Australia and export markets via ship and plane from Sydney.

However, businesses are currently facing a number of challenges with these transport routes, which are likely to increase in the future. These include:

- Increased congestion on road and rail lines due to increased population density around Sydney and the limited capacity of rail-lines.
- The physical barrier of the Blue Mountains which requires extra packaging for some freight (such as eggs) and reduces transport capacity due to no B-double or Higher Productivity Vehicles access (except via Goulburn).

These challenges reduce the volume of product that can be transported, slows delivery times and increases freight costs.

COMPLEMENTARY STRATEGIES

Regional Development Australia Central West (RDACW) undertook a freight study in 2014 to investigate the existing freight network in the region, its capacity to support current freight movements and the initiatives that would reduce freight costs and promote regional growth. Its findings support the capacity and access issues identified by business.

Similarly, the NSW Farmers' discussion paper, *Growing NSW's Food Economy – Linking the Central West & Western Sydney* (2017) also identified physical connectivity between the region and Sydney as a significant barrier to establishing a food economy.

It identified three transport modes (the Bells Line of Roads, the Greater Western Highway and associated rail connectivity) and an aspiration for a sub three hour journey between Orange and Parramatta.

The NSW Freight and Ports Pan, 2018-2023 sets the NSW State Government's priorities for the sector for the next five years. It identified the following priorities relevant to the Central West's food and fibre industries:

- Maintaining the train paths needed by freight within Greater Sydney's rail network
- Support for the Inland Rail project
- Upgrade the Main West Line between Orange and the Blue Mountains
- Enhance the capacity of the Western Highway through the Blue Mountains

STRATEGIC RESPONSE

There is strong strategic alignment between the goals and strategies at a State, regional and local level. Action is now required to implement these strategies.

This Strategy fully supports the recommendations of the RDACW Freight Study and the NSW Farmers' discussion paper.

Strong co-ordinated advocacy is required to ensure a sub three hour journey between Orange and Parramatta becomes a high priority for State and Federal Government investment.

The opportunities for the region presented by the Inland Rail project are equally significant and require an equal effort to ensure they are fully captured by the region.

PRIORITY ACTIONS

16. ***Local Government and industry advocate collaboratively to achieve State and Federal Government's investment in the road and rail infrastructure projects necessary to deliver a sub three hour journey for High Productivity Vehicles between Orange and Parramatta.***
17. ***Local, State and Federal Governments continue to collaborate to deliver the Inland Rail project and regional rail as a matter of national, state and regional priority.***

PROVIDE RELIABLE ENERGY

ISSUES FOR BUSINESS

The ability to source reliable energy will be a major consideration and determinant of investment in high-value intensive agriculture enterprises.

High-value intensive agriculture and post farm-gate value-added processing needs reliable low-cost energy, because of its intrinsic “intensive” nature. It needs it to power processing lines, refrigerate and/or heat product. As a result, investment opportunities in this sector will be lost without it.

The very intensive nature of these businesses also means that energy is a significant component of their cost of production. Thus, they are vulnerable to significant increases in energy prices.

To off-set these costs some businesses, particularly the larger food manufacturers, are looking into alternative energy generation, such as solar or steam generation. However, for some businesses alternative energy options are not viable, due to the need for reliability of supply.

Value-adding can significantly increase the energy requirements and costs of a business. Some businesses interviewed for this strategy did identify value-adding opportunities that they had investigated , but they had found them to be financially unviable due to the cost of energy.

COMPLEMENTARY STRATEGIES

The Central West and Orana Regional Plan (DPE, 2017) identified *increasing renewable energy generation* in the region as one of its key 29 directions.

The region has significant potential for renewable energy industries with vast open spaces and higher-altitude tablelands with potential for wind power generation, large-scale solar energy and bioenergy generation.

It identified three key actions to increase renewable energy generation in the region. They were:

- Identify locations with renewable energy generation potential and access to the electricity network
- Facilitate small-scale renewable energy projects, using bioenergy, solar, wind, small-scale hydro, geothermal or other innovative storage technologies through local environment plans
- Promote best practice community engagement and maximise community benefits from all utility-scale renewable energy projects.

STRATEGIC RESPONSE

Increasing renewable energy generation in the region will most definitely aid the provision of reliable energy in the region. However, it will not completely meet the challenge on its own.

The region has already experienced the loss of one major intensive horticulture development opportunity because the investor could not see an energy solution that would meet their needs.

More needs to be done to examine the existing network and understand the capacity and capability of the network to deliver energy to different parts of the region.

PRIORITY ACTIONS

18. ***Local Government through Central NSW Joint Organisation (CNSWJO) to collaborate with Essential Energy to investigate the current energy network’s capacity and capability to deliver energy to different parts of the region and use the findings of this audit to identify initiatives that would enhance the network and promote regional growth (much as it did in the Freight Study).***
19. ***Local Government utilise the findings of the energy network investigation to inform the development of local activation precincts, and their rural land use plans.***
20. ***State Government work with Industry to install/develop their own renewable energy solutions.***

IMPROVED WATER SECURITY

ISSUES FOR BUSINESS

Parts of the Central West are blessed with the right resources for horticultural production. These include suitable soil types, climatic conditions (cool nights, sunny days) and available water. While soil types vary, and water availability reduces as you head west, these areas are also well suited to a range of food and fibre production, including sheep, beef, cotton and grain.

Irrigation water that is available from both groundwater and surface water provides the region with a diversity of water sources. This positions the Central West as a premier producer of food and fibre product.

However, while these resources are a strength of the region they can also present a challenge to food and fibre production. High-value intensive agriculture and post farm-gate value-added processing need secure supplies of water and climate change predictions indicate a drier future for the region with potentially less reliable or secure water supplies.

Producers are adapting to, and mitigating, climate change risk through, increased water storage and implementing more sustainable management practices.

These initiatives are supported by industry and government; however, the region needs improved water security to growth its high-value intensive agriculture and post farm-gate value-added processing industry.

COMPLEMENTARY STRATEGIES

The Central West and Orana Regional Plan (DPE, 2017) identified *sustainably manage water resources for economic opportunities* as one of its key directions.

It identified five key actions:

- Implement the Murray–Darling Basin Plan to ensure a balance of social, economic and environmental outcomes
- Finalise water resource plans and long-term watering plans for surface water and groundwater systems in accordance with the Murray–Darling Basin Plan
- Plan for high-water use industries in locations with water access and security
- Enhance the productive capacity of land in the Namoi, Macquarie and Lachlan irrigation areas by limiting encroachment of inappropriate and incompatible land uses
- Provide guidance for development in areas of groundwater vulnerability.

The region has water sharing plans in place for the Belabula and the Lachlan River, which set rules for water trading and annual water allocations.

The purpose of the water sharing plans is to:

- provide water users with a clear picture of when and how water will be available for extraction
- protect the fundamental environmental health of the water source
- ensure the water source is sustainable in the long-term.

STRATEGIC RESPONSE

Water is a limited resource and our annual rainfall is highly variable. This is a reality we have always had to manage. However, the limitations of the resource and its variability are only becoming more prominent due to climate change and the growth of our community and its industry.

We cannot create more water, but we can use what we have better. Improved water security is about:

- How we operate our water system
- How we allocate the water to users
- How the users use it.

Therefore, we need to focus on achieving efficiencies in all three of these areas to ensure that our limited and variable resource is used to maximise the returns to industry and the community from its use.

PRIORITY ACTIONS

21. ***Local Government seek to protect our catchments and irrigation areas from incompatible land uses, and direct the siting of high-water use industries to locations with water access and security via their rural land use plans and, where appropriate, through the use of strategic precincts.***
22. ***Industry, State and Local Government work collaboratively to develop and implement initiatives to increase water use efficiency and increase the use of recycled water.***
23. ***State and Local Governments to work with local industry to identify opportunities to increase the operating efficiency of the local water-supply and irrigation system to provide greater water security to all water users.***

Appendix 1: References

- City of Lithgow (2018) Lithgow regional economic development strategy, 2018-2022.
- Cowra Shire Council (2018) Regional economic development strategy, 2018-2022.
- Department of Infrastructure and Regional Development (2017) Future of intermodal terminals.
- Department of Planning & Environment (2017) Central West and Orana Regional Plan.
- Department of Planning & Environment (2019) Central West and Orana Agricultural Development Strategy.
- Department of Primary Industries (2018) Performance, data and insights 2017
- Dubbo Regional Council and Narromine Shire Council (2018) Regional economic development strategy, 2018-2022.
- NSW Farmers (2015) Growing NSW's food economy: linking Western Sydney and the Central West.
- Orange City Council, Blayney Shire Council and Cabonne Shire Council (2018) Orange, Blayney and Cabonne Regional economic development strategy, 2018-2022.
- Regional Development Australia Central West (2014) NSW Central West freight study.
- Regional Development Australia Central West (2015) NSW Central West regional economic profile.
- Regional Development Australia Central West (2016) NSW Central West agriculture – innovation skills and capability analysis report.
- Regional Development Australia Central West (2016) Value-adding to agriculture in Central West NSW.
- State Government of NSW (2015) Agricultural Industry Action Plan.
- State Government of NSW (2018) Agribusiness diversification and value-added manufacturing Options Paper.
- State Government of NSW (2018) NSW freight and ports plan, 2018-2023.
- State Government of NSW (2019) NSW food and beverage manufacturing industry development strategy.

Appendix 2: Statistics

SOURCES

All statistics presented in this report were sourced from the Australian Bureau of Statistics (ABS). The regional economic modelling software '*REMPLAN Economy'* was also used to generate industrial economic data estimates from these statistics.

Data sources used for 2016, 2011 and 2006 include:

- ABS Agricultural Census
- ABS Census Place of Work Employment (scaled)
- ABS National Input Output Tables
- ABS Gross State Product
- ABS Census of Population and Housing (scaled).

GEOGRAPHY

The ABS changed the geographical structure used to collect and report statistical data in 2011. Statistics that were previously reported by Statistical Local Area or Local Government Area are now reported by Statistical Area 2. The SA2 relevant to Central West are shown in Figure 28. In some circumstances, the SA2 geographical area does not align with the boundaries of an LGA.

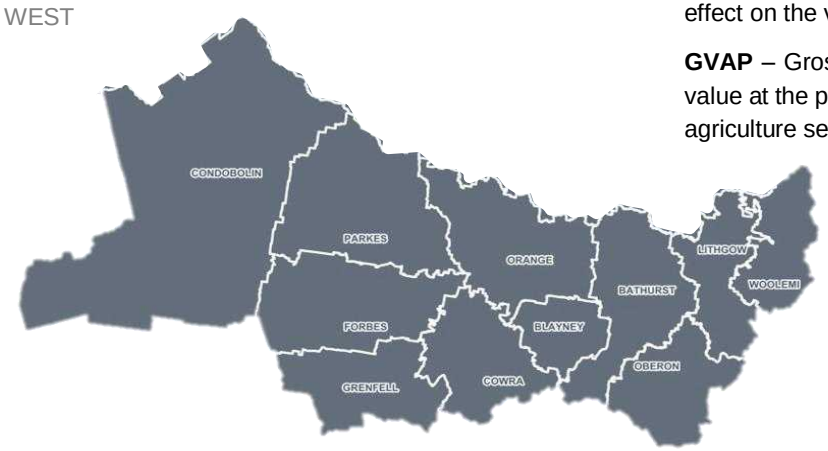
Allocating data to report by LGA entails apportioning data by LGA land area within an SA2, which may not be an accurate reflection of where the value is generated. All data in this report has been analysed and reported by SA2, as the ABS intends to continue to collect data by SA2 and to accurately represent the geographical collection of the underlying data. This will enable ready and accurate comparison with future census data.

DEFINITIONS

Value-Added data represents the marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the Wages & Salaries paid to local employees, the gross operating surplus and taxes on products and production. Value-Added by industry sector is the major element in the calculation of Gross Regional Product, Gross State Product and Gross Domestic Product.

Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

FIGURE 28: STATISTICAL AREA 2 IN CENTRAL WEST



Employment data represents the number of people employed by businesses / organisations in each of the industry sectors in a defined region. Employment data presented by '*REMPLAN Economy*' is destination of work data. That is, no inference is made as to where people in a defined region reside. This employment represents total numbers of employees without any conversions to full-time equivalence.

EVAO – Estimated Value of Agricultural Operations is an estimate of the relative size of agricultural activity undertaken by a business. Three-year average weighted prices are applied to on-farm production. It is not an indicator of the value of receipts of individual farms (turnover), but rather an indicator of the size or extent of agricultural activity.

The ABS increased the minimum value of the EVAO in 2016 from $5,000 to $40,000. Thus, very small farms were excluded from the data, which has a negligible effect on the volume and value of production.

GVAP – Gross Value of Agricultural Production is the value at the point of sale, i.e. where it passes out of the agriculture sector of the economy.

Appendix 3: Acknowledgements

The Department of Premier & Cabinet and the Central NSW Joint Organisation, CNSWJO, would like to acknowledge and thank the following key partners from across State and local government, agricultural producers and food processors, who gave valuable insights and feedback to enable the development of this Strategy. These organisations have not necessarily endorsed this Strategy.

- Adagio Mills
- Appledale Processors
- Bathurst Regional Council
- Bio-Oz Enterprises
- Blayney Shire Council
- Cabonne Council
- Caernarvon Cherries
- Central West Farming Systems
- Central West Lift Trucks
- City of Lithgow
- City of Orange
- Cowra Shire Council
- NSW Department of Industry
- NSW Department of Planning & Environment
- NSW Department of Primary Industries
- Export Trade Advisor, NSW Department of Industry
- Fletchers
- Forbes Shire Council
- Fresh Fodder
- Grainforce
- Jones Brothers Family Farms
- Kurrawong Organics
- Lachlan Commodities
- Lachlan Shire Council
- Lachlan Valley Water
- Mars Petcare
- MSM Milling
- Mulyan Farms
- Nectar Farms
- Nestle Purina
- NSW Farmers Federation
- Oberon Council
- Parkes Shire Council
- Regional Development Australia Central West
- Superbee
- Orange Region Vignerons Association
- Weddin Shire Council
- Woolerina

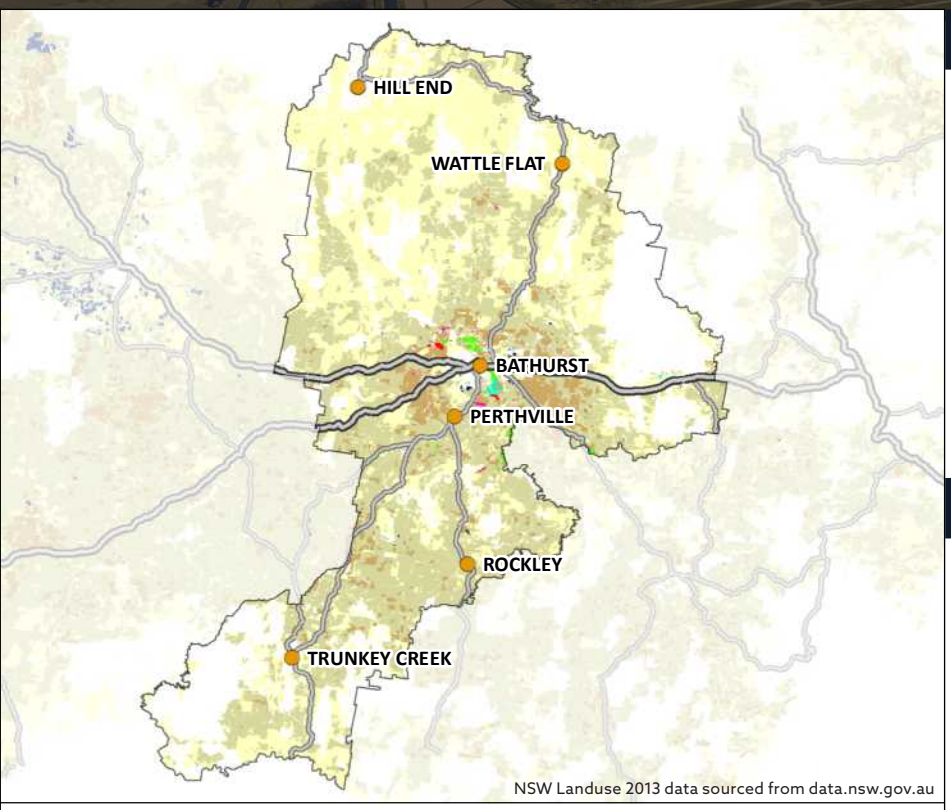
Appendix 4: Local Government Area Summaries

Central West Food and Fibre Strategy

Bathurst Regional

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Bathurst Regional

1. **$20 million** Beef
2. **$14 million** Wool
3. **$11 million** Vegetables

Top 3 Processing Industries Bathurst Regional

1. **$141 million** Prepared Animal and Bird Feed Manufacturing
2. **$137 million** Fruit and Vegetable Processing
3. **$123 million** Meat Processing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

BATHURST REGIONAL STATISTICS

690 People employed in agriculture (4% of total LGA employment)

790 Employees in processing (5% of total LGA employment)

$62M Gross value of agricultural production (5% of region)

$472M Output of processing (32% of region)

Opportunities for Growth

Bathurst Regional

TRENDS

Taking advantage of food and fibre opportunities will require Bathurst to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Opportunities for Bathurst exist in the following high-value industries, where access to sufficient water and power can be provided:

- Viticulture and wine production
- Protected cropping
- Fruit production and processing
- Vegetable processing
- Speciality food manufacturing and agri-food tourism
- Pet food manufacturing
- Logistical support services and professional support

LOCAL ACTION

Bathurst Regional Council can take the following actions to promote food and fibre activity:

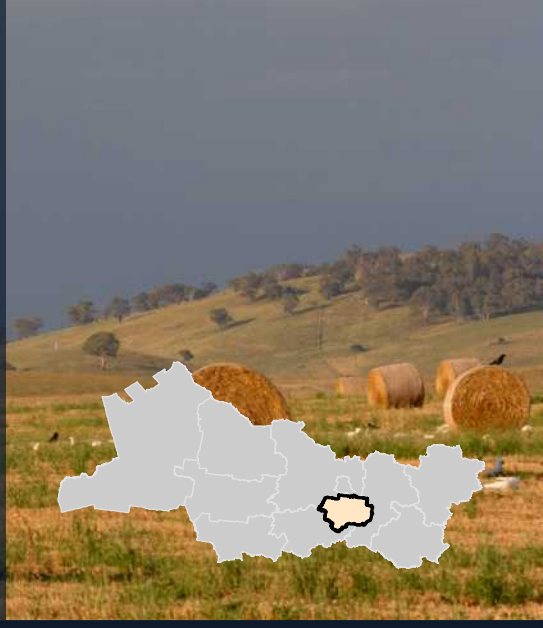
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

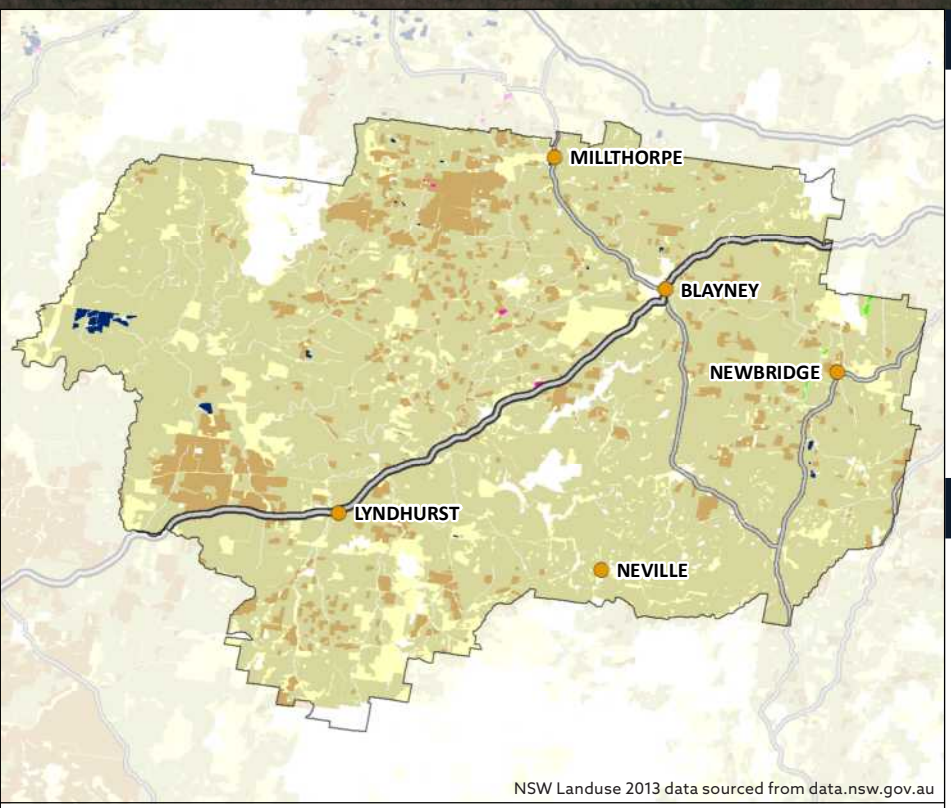
Central West Food and Fibre Strategy

Blayney Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.





Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Blayney

1. **$28 million** Beef
2. **$7 million** Wool
3. **$6 million** Lamb and Mutton

Top 3 Processing Industries Blayney

1. **$133 million** Other Food Product Manufacturing
2. **$48 million** Prepared Animal and Bird Feed Manufacturing
3. **$11 million** Pet Food Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

BLAYNEY STATISTICS

410 People employed in agriculture (13% of total LGA employment)

310 Employees in processing (10% of total LGA employment)

$51M Gross value of agricultural production (4% of region)

$200M Output of processing (14% of region)

Opportunities for Growth

Blayney Shire

TRENDS

Taking advantage of food and fibre opportunities will require Blayney to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Opportunities for Blayney exist in the following high-value industries, where access to sufficient water and power can be provided:

- Viticulture and wine production
- Protected cropping
- Fruit production and processing
- Vegetable processing
- Speciality food manufacturing and agri-food tourism
- Pet food manufacturing
- Logistical support services and professional support

LOCAL ACTION

Blayney Shire Council can take the following actions to promote food and fibre activity:

1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Cabonne

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Cabonne

1. **$36 million** Beef
2. **$26 million** Fruit and Nuts
3. **$21 million** Wool

Top 3 Processing Industries Cabonne

1. **$319 million** Grain Mill Product Manufacturing
2. **$60 million** Oil and Fat Manufacturing
3. **$33 million** Wine and Other Alcoholic Beverage Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

CABONNE STATISTICS

1,090 People employed in agriculture (18% of total LGA employment)

340 Employees in processing (6% of total LGA employment)

$134M Gross value of agricultural production (11% of region)

$453M Output of processing (31% of region)

Opportunities for Growth

Cabonne

TRENDS

Taking advantage of food and fibre opportunities will require Cabonne to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Opportunities for Cabonne exist in the following high-value industries, where access to sufficient water and power can be provided:

- Vegetable production and processing
- Viticulture and wine production
- Fruit production and processing
- Meat manufacturing
- Intensive Livestock Keeping
- Chicken meat and egg production
- Logistical support services and professional support

LOCAL ACTION

Cabonne Council can take the following actions to promote food and fibre activity:

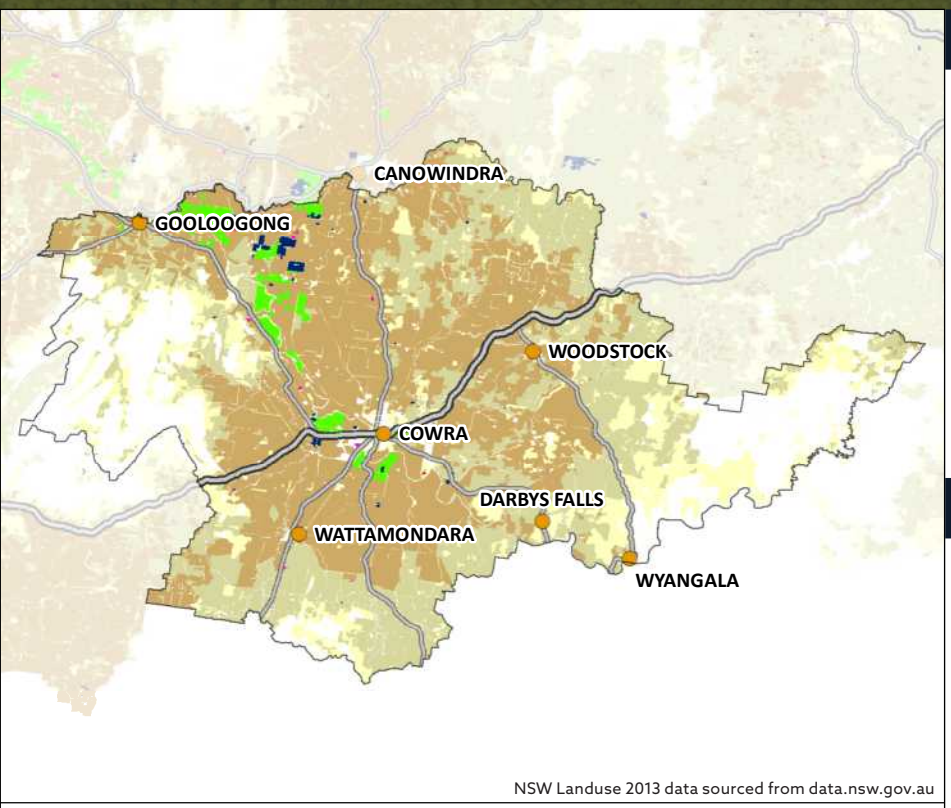
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Cowra Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Cowra

1. **$48 million** Vegetables
2. **$38 million** Grains
3. **$27 million** Beef

Top 3 Processing Industries Cowra

1. **$74 million** Meat Processing
2. **$56 million** Agricultural Machinery and Equipment Manufacturing
3. **$5 million** Wine and Other Alcoholic Beverage Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

CORWA STATISTICS

820 People employed in agriculture (17% of total LGA employment)

230 Employees in processing (5% of total LGA employment)

$176M Gross value of agricultural production (14% of region)

$146M Output of processing (10% of region)

Opportunities for Growth

Cowra Shire

TRENDS

Taking advantage of food and fibre opportunities will require Cowra to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Opportunities for Cowra exist in the following high-value industries, where access to sufficient water and power can be provided:

- Vegetable production and processing
- Viticulture and wine production
- Fruit production and processing
- Meat manufacturing
- Piggeries
- Chicken meat and egg production
- Logistical support services and professional support

LOCAL ACTION

Cowra Shire Council can take the following actions to promote food and fibre activity:

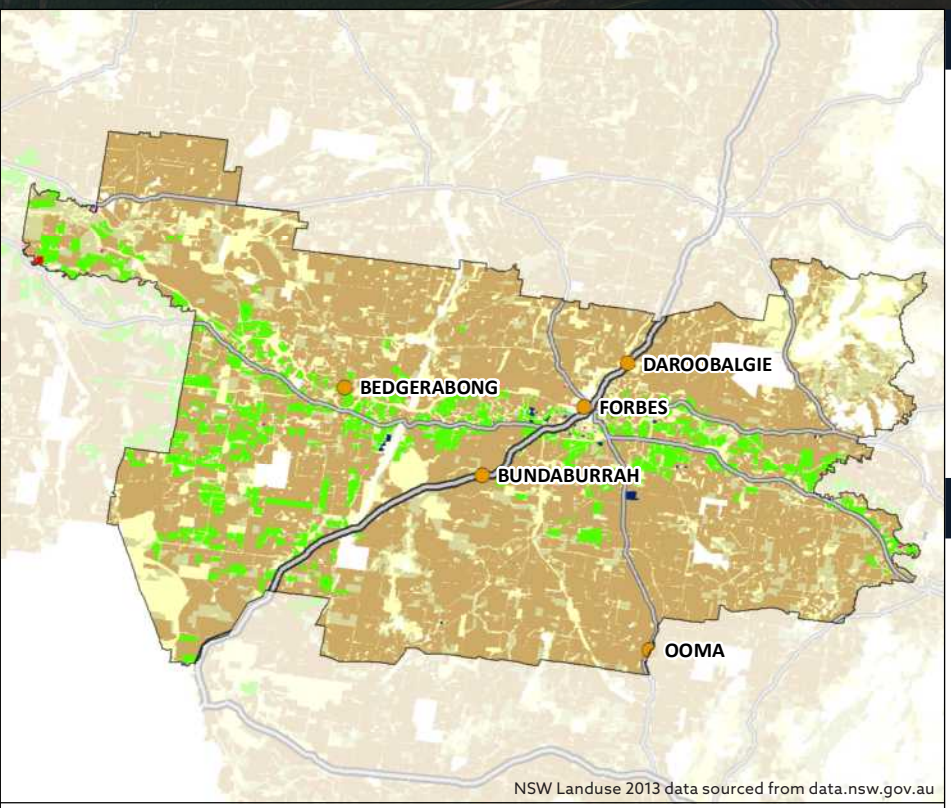
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Forbes Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Forbes

1. **$86 million** Grains
2. **$37 million** Beef
3. **$19 million** Hay

Top 3 Processing Industries Forbes

1. **$10 million** Leather Tanning, Fur Dressing and Leather Product Manufacturing
2. **$6 million** Other Food Product Manufacturing
3. **$5 million** Agricultural Machinery and Equipment Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

FORBES STATISTICS

715 People employed in agriculture (18% of total LGA employment)

65 Employees in processing (2% of total LGA employment)

$207M Gross value of agricultural production (17% of region)

$28M Output of processing (2% of region)

Opportunities for Growth

Forbes Shire

TRENDS

Taking advantage of food and fibre opportunities will require Forbes to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

The potential of the Inland Rail Project and proximity to the Parkes Intermodal hub and Special Activation Precinct creates opportunities for Forbes in the following high-value industries, where access to sufficient water and power can be provided:

- Cotton ginning
- Grain processing and milling
- Cattle feedlots
- Egg production
- Freight and logistical support services

LOCAL ACTION

Forbes Shire Council can take the following actions to promote food and fibre activity:

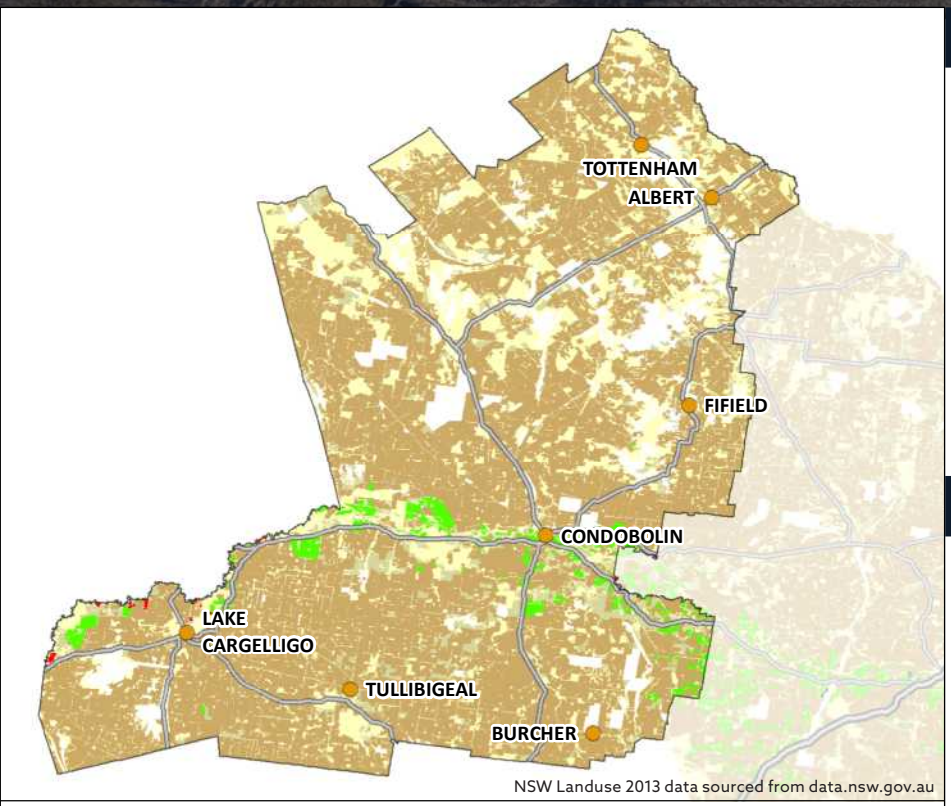
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Lachlan Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Lachlan

1. **$152 million** Grains
2. **$32 million** Beef
3. **$27 million** Wool

Top Processing Industries Lachlan

1. **$5 million** Agricultural Machinery and Equipment Manufacturing
2. **$0.3 million** Bread Manufacturing (Factory based)

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

LACHLAN STATISTICS

695 People employed in agriculture (28% of total LGA employment)

10 Employees in processing (<1% of total LGA employment)

$267M Gross value of agricultural production (22% of region)

$5M Output of processing (<1% of region)

Opportunities for Growth

Lachlan Shire

TRENDS

Taking advantage of food and fibre opportunities will require Lachlan to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

The potential of the Inland Rail Project and proximity to the Parkes Intermodal hub and Special Activation Precinct creates opportunities for Lachlan in the following high-value industries, where access to sufficient water and power can be provided:

- Cotton ginning
- Grain processing and milling
- Cattle feedlots
- Egg production
- Freight and logistical support services

LOCAL ACTION

Lachlan Shire Council can take the following actions to promote food and fibre activity:

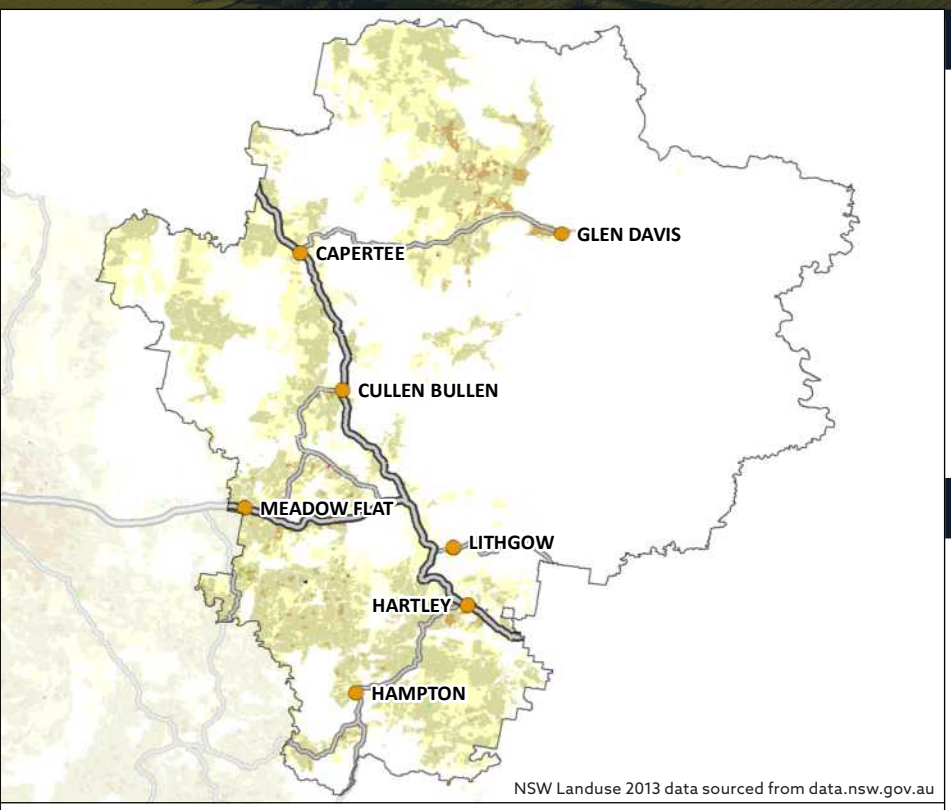
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Lithgow

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Lithgow

1. **$14 million** Beef
2. **$1 million** Wool
3. **$0.7 million** Lamb and Mutton

Top 3 Processing Industries Lithgow

1. **$9 million** Confectionery Manufacturing
2. **$4 million** Soft Drink, Cordial and Syrup Manufacturing
3. **$2 million** Food Product Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

LITHGOW STATISTICS

225 People employed in agriculture (3% of total LGA employment)

45 Employees in processing (1% of total LGA employment)

$20M Gross value of agricultural production (2% of region)

$20M Output of processing (1% of region)

Opportunities for Growth

Lithgow

TRENDS

Taking advantage of food and fibre opportunities will require Lithgow to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Lithgow's geography and proximity to Sydney creates opportunities in the following high-value industries, where access to sufficient water and power can be provided:

- Vegetable production and processing
- Protected cropping
- Fibre production
- Speciality food manufacturing and agri-food tourism

LOCAL ACTION

Lithgow City Council can take the following actions to promote food and fibre activity:

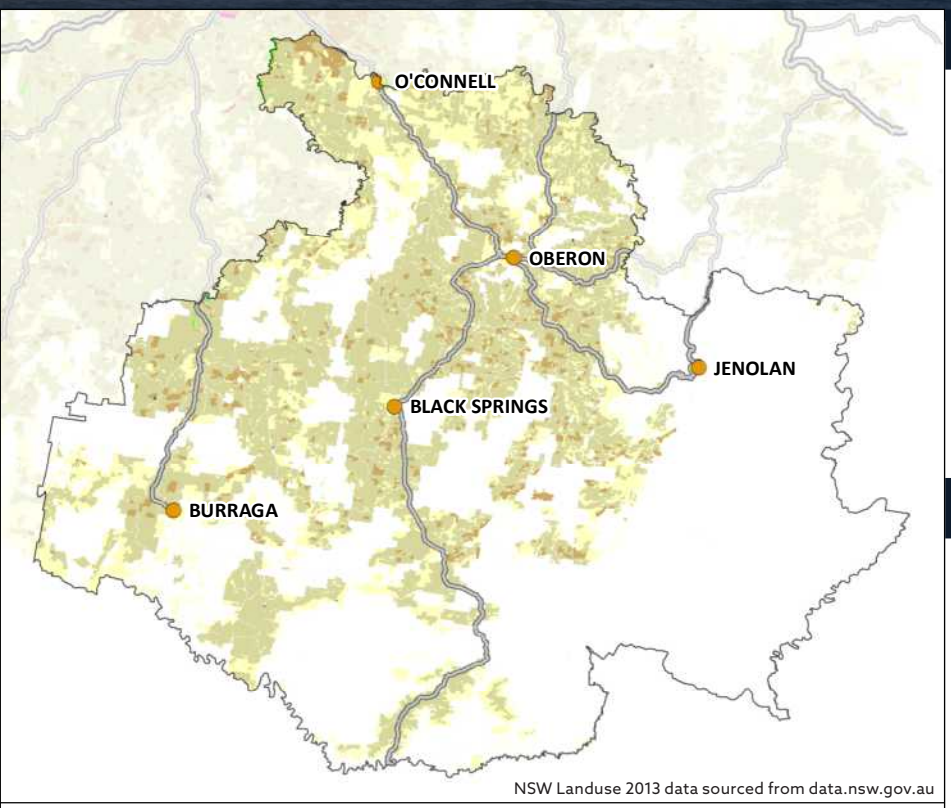
1. **Develop our people and our markets**
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update its rural land use plan
   - Develop local activation precincts
   - Provide a concierge service for locally significant developments
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road and rail connections to Sydney and ports
     - Undertake an audit of the current energy network's capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Oberon

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Oberon

1. **$18 million** Beef
2. **$6 million** Wool
3. **$5 million** Lamb and Mutton

Top 3 Processing Industries Oberon

1. **$2 million** Soft Drink, Cordial and Syrup Manufacturing
2. **$2 million** Cake and Pastry Manufacturing (Factory based)
3. **$1 million** Bakery Product Manufacturing (Non-factory based)

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

OBERON STATISTICS

370 People employed in agriculture (17% of total LGA employment)

20 Employees in processing (1% of total LGA employment)

$31M Gross value of agricultural production (3% of region)

$6M Output of processing (<1% of region)

Opportunities for Growth

Oberon

TRENDS

Taking advantage of food and fibre opportunities will require Oberon to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Oberon's geography and proximity to Sydney creates opportunities in the following high-value industries, where access to sufficient water and power can be provided:

- Vegetable production and processing
- Protected cropping
- Fibre production
- Speciality food manufacturing and agri-food tourism

LOCAL ACTION

Oberon Council can take the following actions to promote food and fibre activity:

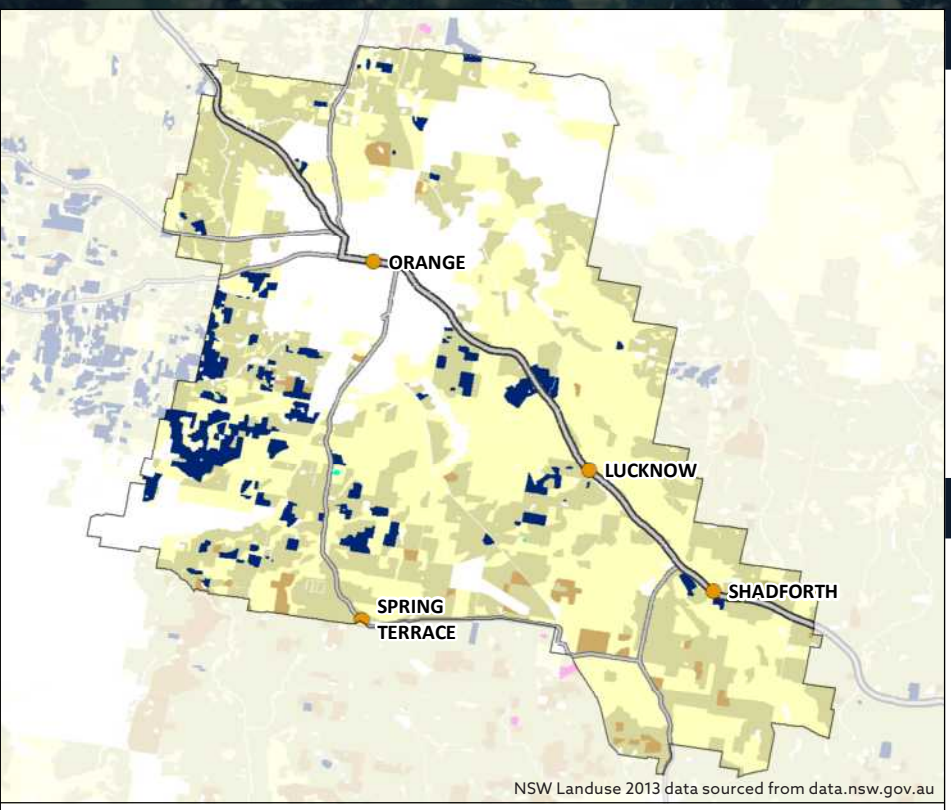
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

City of Orange

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Orange

1. **$5 million** Fruit and Nuts
2. **$4 million** Beef
3. **$0.5 million** Wool

Top 3 Processing Industries Orange

1. **$27 million** Agricultural Machinery and Equipment Manufacturing
2. **$19 million** Wine and Other Alcoholic Beverage Manufacturing
3. **$13 million** Fruit and Vegetable Processing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

ORANGE STATISTICS

390 People employed in agriculture (2% of total LGA employment)

200 Employees in processing (1% of total LGA employment)

$10M Gross value of agricultural production (1% of region)

$109M Output of processing (7% of region)

Opportunities for Growth

City of Orange

TRENDS

Taking advantage of food and fibre opportunities will require Orange to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

Opportunities for Orange exist in the following high-value industries, where access to sufficient water and power can be provided:

- Viticulture and wine production
- Protected cropping
- Fruit production and processing
- Vegetable processing
- Speciality food manufacturing and agri-food tourism
- Pet food manufacturing
- Logistical support services and professional support

LOCAL ACTION

The City of Orange can take the following actions to promote food and fibre activity:

1. **Develop our people and our markets**
   - Continue to develop programs to help settle seasonal workers and migrants
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Parkes Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.

NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
- Improved irrigated pasture
- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Parkes

1. **$99 million** Grains
2. **$19 million** Wool
3. **$16 million** Lamb and Mutton

Top 3 Processing Industries Parkes

1. **$12 million** Agricultural Machinery and Equipment Manufacturing
2. **$5 million** Fertiliser Manufacturing
3. **$1 million** Bread Manufacturing (Factory based)

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

PARKES STATISTICS

700 People employed in agriculture (12% of total LGA employment)

30 Employees in processing (<1% of total LGA employment)

$149M Gross value of agricultural production (12% of region)

$18M Output of processing (1% of region)

Opportunities for Growth

Parkes Shire

TRENDS

Taking advantage of food and fibre opportunities will require Parkes to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

The potential of the Inland Rail Project, the Intermodal hub and the Special Activation Precinct creates opportunities for Parkes in the following high-value industries, where access to sufficient water and power can be provided:

- Cotton ginning
- Grain processing and milling
- Cattle feedlots
- Egg production
- Freight and logistical support services

LOCAL ACTION

Parkes Shire Council can take the following actions to promote food and fibre activity:

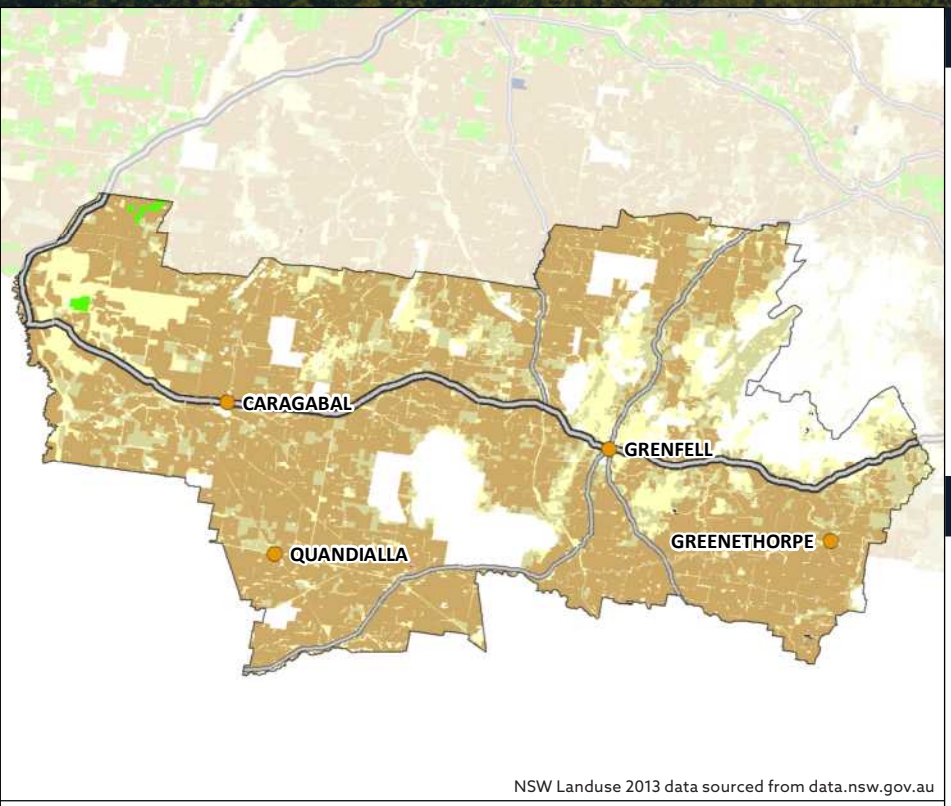
1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
2. **Create an investment-ready environment**
   - Review and update relevant rural land use plans
   - Consider agriculture in the development of local activation precincts
   - Provide a concierge service for locally significant development
   - Align with Local Strategic Planning Statements
3. **Build enabling infrastructure**
   - Collaborate regionally to:
     - Advocate for better road rail and air connections to Sydney Canberra and ports
     - Support and leverage Inland Rail
     - Undertake an audit of the current energy networks capacity to deliver
     - Advocate for improved digital connectivity
     - Advocate for water and energy security

Central West Food and Fibre Strategy

Weddin Shire

The Central West NSW Food and Fibre Strategy identifies strategies that Local Government Areas (LGAs) and the State Government can collaborate on to guide and take advantage of value adding and intensive agricultural opportunities for the region.

Current food and fibre activity and the actions required to promote further activity in this area has been summarised by LGA. Further detail is provided in the Strategy.



NSW Landuse 2013 data sourced from data.nsw.gov.au

Landuse (2013)

- Broadacre cropping
- Improved dryland pasture
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- Intensive animal husbandry
- Irrigated cropping
- Irrigated land in transition
- Perennial horticulture
- Seasonal horticulture
- Unimproved pasture

Top 3 Production Industries Weddin

1. **$87 million** Grains
2. **$16 million** Wool
3. **$12 million** Lamb and Mutton

Top Processing Industries Weddin

1. **$5 million** Agricultural Machinery and Equipment Manufacturing
2. **$5 million** Prepared Animal and Bird Feed Manufacturing

CENTRAL WEST SUMMARY

MAIN SECTORS	VALUE-ADDED	JOBS
Agricultural production	$701 million	6,160
Processing	$411 million	2,300
TOP 5 SUBSECTORS	**VALUE-ADDED**	**JOBS**
1. Extensive farming and grazing	$541 million	5,350
2. Other food product manufacturing	$203 million	680
3. Intensive farming	$94 million	520
4. Agricultural support services	$71 million	500
5. Poultry and other livestock	$64 million	280

Data in this document sourced from the ABS Agricultural Census and/or REMPLAN Economy

WEDDIN STATISTICS

540 People employed in agriculture (38% of total LGA employment)

15 Employees in processing (1% of total LGA employment)

$126M Gross value of agricultural production (10% of region)

$11M Output of processing (1% of region)

Opportunities for Growth

Weddin Shire

TRENDS

Taking advantage of food and fibre opportunities will require Weddin to be aware of the current trends impacting this sector. These include:

- Need to demonstrate whole of supply chain accountability, local sourcing (low carbon miles) and reduced resource use.
- Reduced packaging and minimising of food waste. Re-use of food waste streams into 'functional food' products provide an opportunity to the region.
- Effectively communicating to the consumer the environmental, health and social benefits of food and fibre products.
- Building a bond between customers and food and fibre products through use of social media. The way we buy products has changed and further disruption is expected.

OPPORTUNITIES

The potential of the Inland Rail Project and proximity to the Parkes Intermodal hub and Special Activation Precinct creates opportunities for Weddin in the following high-value industries, where access to sufficient water and power can be provided:

- Grain processing and milling
- Cattle feedlots
- Egg production
- Freight and logistical support services

LOCAL ACTION

Weddin Shire Council can take the following actions to promote food and fibre activity:

1. **Develop our people and our markets**
   - Establish training/coaching and other programs that address identified skills shortages/requirements and help settle seasonal workers and migrant workers
   - Support agricultural research in the region
   - Embrace circular economy principles in regards to food and fibre
   - Engage and link with the Food and Beverage Manufacturing Connect program
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     - Advocate for water and energy security