Wimmera Southern Mallee
Invest in Victorian agriculture and food
August 2018
Efficient
Established
Innovative

$908\text{M}

In agricultural output is produced in Wimmera Southern Mallee annually.

26.4%

Of Victoria’s total grains are produced in Wimmera Southern Mallee.
Why invest in Wimmera Southern Mallee’s agriculture and food processing?

A specialised agricultural region
Agriculture plays a prominent role in the regional economy. Grains, sheep meat and wool are the main commodities produced in the region and account for over 70 per cent of the region’s $908 million agricultural output.

Large-scale agricultural land
Wimmera Southern Mallee has large areas of arable land dedicated to agriculture. This land is highly suited to large-scale cropping and mixed farming systems.

Outstanding Research, Development & Extension (RD&E) capabilities
The well-established Grains Innovation Park in Horsham has become a national centre for breeding pulses and also carries out pre-breeding research in grains. Research within the region underpins its success, with scope for further investment in commercial breeding facilities.

A growing rail freight network
Victoria’s regional rail freight network provides Wimmera Southern Mallee’s grain growers and handlers with access to Victorian ports. There are investment opportunities in upgrades to grain handling and loading facilities at sites along the Wimmera’s rail network, which includes sections of the Murray Basin Rail Network.
Victoria's Wimmera Southern Mallee region is a major food producer

Wimmera Southern Mallee farms produce almost $908 million in agricultural output each year, with a focus on grain. The supply chains supported by rail infrastructure, large-scale agricultural land and economies of scale provide the region with significant advantages, creating a foundation for future growth.

1 Unless otherwise stated, all dollar values refer to gross values in this publication.

Wimmera Southern Mallee’s competitive advantages

Wimmera Southern Mallee is well-positioned for agricultural production and investment. Deloitte Access Economics has assessed data on numerous factors of competitive advantage at the regional and industry levels. This page summarises some of the main factors of advantage most relevant to the region’s agricultural competitiveness including:

**Large-scale agricultural land**
Wimmera Southern Mallee has vast areas of land dedicated to agriculture, indicating that the region embraces agricultural investment. This is a result of the strong social support for agriculture and long history of agriculture success within the region.

**Research, Development and Extension capabilities**
Wimmera Southern Mallee significantly contributes to research, development and extension in Victoria’s agriculture sector. The well-established Grains Innovation Park in Horsham has become a national centre for breeding pulses. It also undertakes pre-breeding research in other grains. Horsham also hosts one of Australia’s largest and most renowned plant pathology groups, as well as agronomic research expertise in the areas of climate variability and remote sensing.

**Economies of scale**
Wimmera Southern Mallee has large, efficient farming enterprises which allow the region to benefit from economies of scale. Benefits of these efficiencies are also realised in the excellent supply chain operations.

**An efficient supply chain supported by infrastructure**
Grain growers and handlers in Wimmera Southern Mallee are supported by Victoria’s regional rail freight network, including sections of the Murray Basin Rail Network. This rail network is currently being upgraded, with the grain storage network built around it. Once upgraded, this will significantly decrease the time required to access the Ports of Melbourne and Geelong.

**Secure water supplies**
The Wimmera Mallee pipeline provides water security for livestock. It enables farmers to supplement cropping operations with livestock (especially sheep), and thereby manage variability in seasonal conditions and commodity prices.

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interactive mapped data; industries; regions
Wimmera Southern Mallee’s supersectors

Grains
- Grains account for 33.4 per cent of the region’s value of agricultural production and include cereals, pulses, legumes and oilseeds.
- This represents 26.4 per cent of the value of Victoria’s total grains production.
- The grains industry is supported by research, development and extension centres such as the state-of-the-art Grains Innovation Park within the region in Horsham, and the Centre for AgriBioscience, a world-class facility for agricultural biosciences research based out of La Trobe University.

Sheep meat
- Sheep meat accounts for 23.7 per cent of the region’s value of agricultural production, which represents 16.3 per cent of the total sheep meat production in Victoria.
- Wimmera Southern Mallee is able to leverage its large-scale agricultural land and economies of scale alongside the disease-free status in this export-oriented market.

Wool
- Wool contributes approximately 14 per cent to Wimmera Southern Mallee’s value of agricultural production.
- This contributes to 16.9 per cent of Victoria’s total value of wool production. Strong demand for wool has pushed the price up to the highest point since 2011. This has primarily been driven by massive investment in Chinese processing and the ongoing strength of the country’s appetite for wool. China now purchases almost 75 per cent of Australia’s wool exports.

Food processing
- The value of food processing in Wimmera Southern Mallee is $303 million.
- The main types of food processing in Wimmera Southern Mallee are grain mill and cereal products, and meat processing.
- The main food processing locations in Wimmera Southern Mallee are Stawell and Horsham.

Grains, sheep meat and wool contribute significantly to Wimmera Southern Mallee’s agricultural production.

Figure 1: Wimmera Southern Mallee value of agricultural production

Note: The data is for agricultural production in 2015-16.
*excluding grapes.
**grains includes cereals, pulses, legumes and oilseeds.
Sources for this page: agriculture production, Victorian Government analysis using 2016 ABS Agricultural Census data; ABS 7121 and 7503 2015-16; food processing value, Victorian Government estimate based on 2016 REMPLAN data and 2011-12 RISE data.
Investment opportunities in Wimmera Southern Mallee

Global and domestic growth prospects for high-value food products, combined with local factors of competitive advantage, indicate that there are strong investment opportunities in Wimmera Southern Mallee. This page summarises just a few of the numerous opportunities in the region.

1. Grain supply chain infrastructure

   Upgrades to grain handling and loading facilities at sites along the Wimmera’s vast rail network will improve transport time to key markets.

   Grain supply chain infrastructure supported by Government investments
   - Current upgrades to Wimmera’s rail network will deliver improved rail efficiency and reduce costs for the users of the network.

2. Large-scale broadacre farmland for cropping

   Investment in land suitable for large-scale grain production can capitalise on modest regional land prices, and demand growth for grains.

   Large areas of land and a history of success
   - Wimmera Southern Mallee agricultural land is comparatively cheaper, with more available land than surrounding regions.
   - The region is historically and currently supportive of agriculture, meaning there is less competition for land use.
   - Global demand is growing for protein rich foods in increasingly western-style diets as well as grains for livestock feed.

3. Research, development and extension

   Investment in commercial breeding facilities alongside the Australian Grain Genebank and other global biotech companies could achieve economies of scale and scope.

   National Genebank and a regional R,D&E powerhouse
   - State-of-the-art research laboratories provide benefits to the state and Australian grains industry.
   - The growing importance of Horsham as a research and breeding facility was further highlighted when Bayer CropScience located its new $14 million wheat and oilseed breeding centre adjacent to the Australian Grains Genebank facility.
The Victorian Government is committed to building and improving infrastructure to enhance the competitiveness of Wimmera Southern Mallee’s agriculture and food processing.

**Wimmera Intermodal Freight Terminal**
This $17 million investment is transforming grain handling and storage in the Wimmera. The terminal will process up to 18,600 containers: more than twice the number of containers handled at the previous Horsham facility. Furthermore, it will generate savings for existing customers of up to $53 per container, and reduce handling costs for the terminal operator and for grain producers.

**Grain rail network upgrade**
The Victorian Government has invested $8.5 million towards a major grain rail network upgrade, complementing a $200 million investment from GrainCorp to improve its grain storage and transport infrastructure. This includes improving rail sidings at Warracknabeal and Beulah in the Wimmera Southern Mallee.

**Doppler radar facility**
The Victorian and Federal Governments have committed $8.2 million for a new doppler radar facility in the Wimmera, to provide real-time weather information and improve farm productivity.

**Networked Grains Centre of Excellence**
The Grains Innovation Park (GIP) in Horsham is already a world-class facility for grains research. The Victorian Government is funding a $250,000 feasibility study, to explore making GIP the hub of a new Networked Grains Centre of Excellence.

**Statewide and national infrastructure**
The Wimmera Southern Mallee region is also benefitting from billions of dollars of government investment in statewide and national infrastructure. This will improve: digital connectivity; regional roads and rail; logistics and export facilities; water security; energy productivity; research and innovation; workforce development; traceability and biosecurity, and many other areas relevant to agriculture and food processing. See the Victorian overview report for details.
The Victorian Government can facilitate your next investment

The Victorian Government provides local and international investors with the information needed to establish or expand their business.

What the State Government of Victoria can provide
The Victorian Government’s investment team provides free confidential services and professional advice to both existing and new investors. Invest Victoria is the first point of contact for new clients. It provides support to international investors, and can direct domestic clients to investment advisors specializing in Melbourne (Metropolitan Investment) or regional Victoria (Regional Development Victoria), including a dedicated Agribusiness Facilitation service.

Services include:

1. Help with your market-entry business case. Our dedicated team will supply you with up-to-the-minute information on market potential, existing companies, research and development capabilities, labour market skills and costs.
2. Introductions to our great industry contacts and local suppliers.
3. Confidential expert advice to help support your choice of investment. Our experienced team can help you work through the formal approvals you might need and even visit potential sites with you and speak to estate agents on your behalf.
4. On-ground support for existing and local investors seeking assistance for their business expansion plans through our metropolitan or regional engagement teams. Support for international investors in their home market through our extensive network of international offices.
5. Introductions to contacts across all levels of government. Financial support to attract projects of strategic significance may also be available.
6. A large team of experienced local and overseas officers ready to give you the practical support you need to maintain your new project’s momentum.
7. Investment facilitation specialists who can work with you in relation to sites, infrastructure connections and project approvals.

See the ‘Who to Contact’ section, on the next page, or visit: invest.vic.gov.au

Grants for businesses
The Victorian Government offers a range of grant programs to help grow Victoria’s agriculture and food processing industries, infrastructure and supporting systems. To identify the programs most relevant to your project, contact us directly using the details on the following page, or browse the links below.

- Grants directed at strategic priorities, including food and fibre: invest.vic.gov.au/how-we-can-help/planning/incentives-grants-and-programs
- Grants focused on regional development: rdv.vic.gov.au
- Targeted programs to support business growth: business.vic.gov.au/support-for-your-business/future-industries
- Programs to support infrastructure or innovation: rdv.vic.gov.au/programs-and-grants

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Further Information

This document is one of 16, which describe the investment opportunities in each of Victoria’s agriculture and food processing industries and regions. The following documents are especially relevant to Wimmera Southern Mallee: Grains, Beef and Sheep. These are available at the website below. This website also has an interactive map providing access to data on rainfall, production, processing, infrastructure, and other factors relevant to agriculture and food processing.

invest.agriculture.vic.gov.au

Who to contact

**Invest Victoria**
The State Government of Victoria’s investment promotion agency

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