IN AGRICULTURAL OUTPUT IS PRODUCED IN THE CENTRAL HIGHLANDS ANNUALLY

$993M

OF CENTRAL HIGHLANDS’ AGRICULTURAL WORKFORCE HAS TERTIARY EDUCATION

42%

Connected
Innovative
Sustainable

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interactive mapped data; industries; regions
Why invest in Central Highlands’ agriculture and food processing?

Well connected to supply both export and domestic markets

Central Highlands’ agricultural sector has direct rail access to the Ports of Melbourne and Geelong. It spans the east-west transport corridor connecting Melbourne, western Victoria and Adelaide. Its access to major population centres of Ballarat, Melbourne and Geelong also provide the region with an advantage in domestically focussed livestock industries, such as poultry and pork.

A unique agritourism advantage

Central Highlands is uniquely populated with small, niche farms that provide paddock-to-plate meals, creating an ideal opportunity for agritourism growth. This opportunity is further enhanced by the region’s access to major population centres.

Home to Victoria’s largest inland city

Ballarat supports the region as a powerhouse agricultural service centre. It is a major manufacturing, health, retail and education centre, and the principal service centre for the eastern part of the Grampians Region.

Strength in mixed cropping

Chicken meat, sheep meat and grains are the three largest areas of primary production, contributing 58 per cent of the region’s value of agriculture and reflecting inherent factors of advantage. These sectors will inevitably continue to offer investment opportunities in the region.

Diversity is the theme across the Central Highlands. From historic towns and cities steeped in our golden past, to the finest contemporary produce, cuisine and wine to grace a table. It’s a place where you don’t simply live; you immerse yourself in the sheer variety of natural and man-made wonders.

– Victorian Government
Central Highlands – A hub for food and agriculture

The Central Highlands is a central and well-connected region. Its combination of long growing seasons, innovative workers and proximity to markets make it a premium investment destination for agriculture and food processing.

Victoria’s Central Highlands is a major food producer

Central Highlands has a vast and growing agribusiness sector contributing over $992.5 million in agricultural production each year. This is strengthened by its proximity to both domestic and export markets, favourable growing seasons and innovative workforce.

Central Highlands farms produce

- **31.4%** of Victoria’s chicken meat
- **16.2%** of Victoria’s sheep meat
- **12.4%** of Victoria’s grain

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

Central Highlands’ competitive advantages

Central Highlands is well-positioned for investment in agriculture and food processing. Deloitte Access Economics has assessed data on numerous factors of competitive advantage at the regional and industry levels. Factors of advantage most relevant to agricultural competitiveness include:

### Access to export markets
Central Highlands is well-connected to export markets, through ports located in Melbourne, Geelong and Portland, and with rail access to the Port of Melbourne and Geelong. This provides the region with access to key export routes both nationally and internationally.

### Access to domestic markets
Direct access to the major population centres of Ballarat, Melbourne and Geelong, provides concentrated local demand for Central Highlands’ domestically focused industries, such as poultry and pork.

### Strong food processing base
Central Highlands has a strong food processing sector in meat and grains, supporting over 70 per cent of the region’s value of agricultural production in these areas with existing food processing infrastructure. The region’s labour force has the right skills to work in food processing.

### Innovative workforce
Central Highlands has higher levels of education and training than other Victorian regions. Over 42 per cent of the region’s agricultural workforce has tertiary education – 5 per cent more than the Victorian average. The region appeals to educated people who relocate from afar, attracted by some of Victoria’s most picturesque and liveable communities.

42% of the region’s agricultural workforce has tertiary education

### Agritourism advantages
Agritourism is one of the fastest growing segments in the tourism market. Central Highlands is uniquely populated with small, niche farms that provide paddock-to-plate meals, providing an ideal environment for agritourism. The proximity to Melbourne and diverse wine regions provide an exceptional foundation for agritourism growth.

Central Highlands is capturing opportunities in agricultural industries, and building on strategic advantages, including its proximity to Melbourne, a diverse economy, outstanding natural and cultural tourism assets. – Regional Development Victoria
Central Highlands’ supersectors

Chicken meat, sheep meat and grains account for 58 per cent of the value of Central Highlands’ agricultural production.

**Chicken meat**
- Chicken meat contributes approximately 21.6 per cent to Central Highlands’ value of agricultural production.
- This contributes to 31.4 per cent of Victoria’s total value of chicken meat production.
- Chicken meat production grew by 230 per cent over the last five years in the south east parts of Central Highlands (Golden Plains and Bannockburn).

**Sheep meat**
- Approximately 21.6 per cent of Central Highlands’ value of agricultural production is sheep meat.
- This contributes to 16.2 per cent of Victoria’s total value of sheep meat production.
- Central Highlands is able to take advantage of a clean and green image alongside biosecurity benefits in this export-oriented market.
- The production of sheep meat provides the region with an opportunity to capitalise on changing diets in emerging Asian economies.

**Grains**
- Approximately 14.3 per cent of Central Highlands’ value of agricultural production is from grains, which includes cereals, pulses, legumes and oilseeds.
- This contributes to 12.4 per cent of Victoria’s total value of grain production.
- Central Highlands is able to take advantage of Victorian investment in research and development through the Grains Innovation Park in Horsham, ensuring constant productivity growth in this sector.

**Food processing**
- The value of food processing in Central Highlands is $1.5 billion.
- The main types of food processing in Central Highlands are fruit, vegetables, meat and beverages.
- The main food processing locations in Central Highlands are Ballarat, Ararat and Bacchus Marsh.

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**Figure 1: Central Highlands 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 Central Highlands

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

1. Domestically focused livestock industries

Investment in eggs, poultry and pig enterprises could position the region well to respond to growing domestic and export demand.

Proximity to Melbourne
- The proximity of Central Highlands to Melbourne contributes to lower transport costs and travel time and makes distribution channels accessible to regions throughout the state.

Central Highland’s agricultural supersector potential
- The Central Highlands’ chicken meat industry has grown 386 per cent between 2010-11 and 2015-16 and is now the region’s largest agricultural product by value. The industry still has significant capacity to grow given the increasing domestic demand.

2. Agritourism

Investment in agritourism such as farm, meal or winery experiences could leverage the region’s advantages and capitalise on the growth potential of agritourism.

Strong long-term demand prospects
- The growth of agritourism and tourism in general offers significant growth potential for this region.
- Central Highlands offers niche farms in a variety of agricultural production areas close to Melbourne.
3. Modernise food processing

Investment opportunities exist in modernising existing meat and grain processing, as well as the production of convenience products.

Central Highlands’s strong food processing potential
- Chicken meat, sheep meat and grains account for 58 per cent of the value of Central Highlands’ primary agricultural production. Much of this requires processing.
- At present, food processing is the fastest-growing form of manufacturing in Australia. This presents the region with an opportunity for alignment of supply chains between farms and end-users to deliver products with exact specifications.
- Ready-to-eat-meals and other convenience products are popular with time poor consumers.

Central Highlands has some of Victoria’s most productive soils, reliable rainfall and quality growing conditions. Sheep meat, wool, beef, pigs, poultry, and grains drive the region’s agricultural economy. Food processors Mars Chocolate Australia and McCains are well established businesses thriving in Victoria’s fastest growing regional city, Ballarat.

– Regional Development Victoria
Victorian Government – committed to agriculture and food processing in Central Highlands

The Victorian Government is committed to building and improving infrastructure to enhance the competitiveness of Central Highlands’ agriculture and food processing.

**Highways and roads**
The Victorian Government is providing $770 million for highway improvements between Ballarat and Ararat, including highway duplication and the Beaufort and Ararat bypasses, plus a further $38 million for the Ballarat Link Road.

**Rail**
The Victorian Government is investing $130 million in rail infrastructure between Ballarat and Ararat, and a further $130 million for upgrades along the Grampians rail corridor.

**Land for industry development**
The Ballarat West Employment Zone is a $30 million joint initiative between the Victorian Government and the City of Ballarat. It will unlock land to attract large-scale businesses to Ballarat. The Parwan Employment Precinct and Ballarat West Employment Zone are also marked for boosted development. The Food Production Precinct, strategically located between Geelong and Ballarat, has 4,000 hectares of agricultural land ready for investment.

**Statewide and national infrastructure**
The Central Highlands 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.

Sources include: Victorian Budget 2018/19, Victorian Infrastructure Plan 2017

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The Victorian Government can facilitate your next investment

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.

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
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 Central Highlands: Food Processing, Other Livestock, 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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