Goulburn Valley
Invest in Victorian agriculture and food
August 2018

Economic Development,
Jobs, Transport
and Resources

AGRICULTURE VICTORIA
Fertile
Internationally renowned
Connected

~50%
OF THE VALUE OF VICTORIA’S FRUIT* PRODUCED IN GOULBURN

>$1.4BN
IN GROSS VALUE OF AGRICULTURAL PRODUCTION GENERATED IN GOULBURN

*excluding grapes
Why invest in Goulburn Valley agriculture and food processing?

A large food processing industry

The region has a long history in food processing, especially dairy and fruit processing with companies such as SPC Ardmona, Unilever and Freedom Foods choosing to process in the region.

An integral part of Victoria’s food bowl

The region has irrigation-based industries including dairy, horticulture and viticulture, as well as dry land farming operations. These are supported by agriculture-related industries such as food processing, packaging, transport, and specialist engineering and electrical trades, and provides employment for many of the region’s workforce.

Abundant natural resources

Goulburn has fertile alluvial soils and reliable water from the Murray and Goulburn rivers that has led to the development of significant agricultural industries and food production.

Victoria’s largest horticulture producing region

The region is known for producing quality assured, fresh fruits, especially apples, pears and summerfruit. It accounts for over 50 per cent of Victoria’s table tomatoes and almost 50 per cent of the value of Victoria’s fruits, excluding grapes, worth $337 million.

A strong dairy region

Dairy is one of Goulburn’s most valuable export commodities, with growth driven from both domestic and international markets such as Asia. The industry’s gross value of production in 2015-16 was $332 million.
Well connected to domestic and international markets

Goulburn has direct access to the Hume Highway and the Melbourne-Sydney rail. This provides transport connectivity for produce, especially for high-value export dairy and perishable horticulture products. A major intermodal transport hub is being planned for the City of Greater Shepparton.

Access to modern irrigation systems and technology

The region has benefited from recent investments of over $2 billion in irrigation infrastructure upgrades in 2016-17 via the Goulburn Murray Water (GMW) Connections Project. This is contributing towards a sustainable future for agriculture in the region.

Government investment for connectivity and growth

The government is investing in improving transport of produce, with $43.5 million committed to additional rail services and $10.2 million for the Shepparton bypass to improve east-west road transport connections.
Goulburn – for rewarding investments

Goulburn is Victoria’s ‘inland water playground’ and considered a ‘food bowl of Australia’.

Goulburn

Victoria’s Goulburn Valley (‘Goulburn’) is able to produce a diverse range of agricultural products due to access to both irrigated and dryland agriculture. Its modern irrigation systems and fertile flood plains from rivers such as the Murray and Goulburn have led to the development of significant agricultural and food production industries. The region generates approximately $1.5 billion in gross value of agricultural production or over 10 per cent of Victoria’s total gross value of agricultural production.

The region has strong connections to road and freight networks via the Hume Highway, to send produce to both domestic and overseas markets. A major intermodal transport hub is also being developed for the City of Greater Shepparton.

Goulburn farms produce

- 48.5% of Victoria’s fruit*
- 12.6% of Victoria’s Dairy
- 10.6% of Victoria’s Beef
- 6.8% of Victoria’s sheep meat

Goulburn’s economy and agriculture sector at a glance

- Gross Regional Product: $6.6 bn
- Population: 156,350
- Agricultural production: $1.5 bn1
- Food processing: $2.5 bn

* Except wine grapes

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

Goulburn’s competitive advantages

Goulburn is a corridor for growth. Deloitte Access Economics has assessed data on numerous factors of competitive advantage relating to agriculture and food at the regional and industry levels.

Excellent access to markets
Goulburn’s location in central Victoria means the region has excellent access to Australia’s largest domestic markets, Melbourne and Sydney. The region also has access to major logistic centres located along the Hume Highway. Over 25 per cent of all truck registrations in Victoria are from the Goulburn region and the area is home to key freight hubs, most notably in the regional city of Shepparton.

Abundant natural resources
Goulburn has plenty of suitable land for agriculture, with over 70 per cent of land currently available for agricultural use. It has fertile alluvial soils and significant water assets which include the Goulburn, Broken, Murray, Campaspe and Ovens Rivers, and Broken Creek. The region has good quality pastures allowing for dairy and cattle farming, as well as high levels of sunshine with 7.4 hours average sunshine a day, compared to Melbourne’s 6 hours.

Innovative work force
The region has great access to education and training facilities. Major institutions use the region as an agricultural base, such as the University of Melbourne’s Dookie agricultural college and the Goulburn Ovens Institute of TAFE. The region is also home to the Centre for Excellence in Horticulture. Goulburn has a young workforce. The average worker is younger than Victoria’s average regional worker by an average of two years.

Access to modern irrigation systems and technology
Investments of over $2 billion into the Goulburn Murray Water (GMW) Connections Project, which upgrades irrigation to automated technology and repairs outdated channel systems, have significantly improved water delivery and efficiency. This project will reduce water loss by 50 per cent, saving 429 GL of water per year upon completion, and providing environmental benefits.

25%+ of all truck registrations in Victoria are from the Goulburn region

429 GL of water saving per year upon completion

2 Goulburn Broken Catchment Authority (2015), Farm Water Project.
Goulburn’s supersectors

Goulburn specialises in horticulture, dairy and beef.

**Fruit**
- Goulburn produces 30.1 per cent of the state’s fruit production by value, and almost 50 per cent of the state’s fruit production by value excluding grapes.
- The gross value of fruit produced in the region in 2015-16 was $337 million.
- Goulburn is significant for pome fruit (apples and pears) and stone fruit.
- The suitability for pome and stone fruit production is expected to increase substantially over time.4

**Vegetables**
- The gross value of vegetable production in Goulburn was $62.6 million.
- Tomatoes are one of Goulburn’s major products. Goulburn produces over 50 per cent of Victoria’s table tomatoes.
- The region has seen the growth of hydroponic farming with companies such as Tatura Fresh and Katunga Fresh producing premium truss tomatoes for domestic and export markets.

**Dairy**
- Dairy is one of Goulburn’s most valuable export commodities, with growth driven from both domestic and international markets such as Asia.
- The industry’s gross value of production in Goulburn was $332.4 million, and accounts for 12.6 per cent of Victoria’s dairy production.
- Goulburn is home to some of Australia’s largest dairy processors such as Bega Cheese, Tatura Milk, Freedom Foods, Unilever and Saputo Dairy Australia.

**Beef**
- Beef cattle’s gross value of production was $237 million, which accounts for over 10 per cent of the value of Victoria’s beef cattle.

**Food processing**
- The value of food processing in Goulburn is $2.5 billion, which accounts for 18 per cent of the value of regional Victoria’s food processing.
- The main types of food processing in Goulburn are dairy, fruit and vegetables, and beverages.
- The main food processing locations in Goulburn are Shepparton, Cobram, and Broadford.

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**Figure 1: Goulburn value of agricultural production**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value (in $ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>332.4</td>
</tr>
<tr>
<td>Eggs</td>
<td>237</td>
</tr>
<tr>
<td>Poultry</td>
<td>62.6</td>
</tr>
<tr>
<td>Pigs</td>
<td>10</td>
</tr>
<tr>
<td>Beef cattle</td>
<td>237</td>
</tr>
<tr>
<td>Wool</td>
<td>10</td>
</tr>
<tr>
<td>Sheep meat</td>
<td>10</td>
</tr>
<tr>
<td>Grapes (wine)</td>
<td>10</td>
</tr>
<tr>
<td>Grapes (other)</td>
<td>10</td>
</tr>
<tr>
<td>Nuts</td>
<td>10</td>
</tr>
<tr>
<td>Fruit*</td>
<td>10</td>
</tr>
<tr>
<td>Vegetables</td>
<td>10</td>
</tr>
<tr>
<td>Grains**</td>
<td>10</td>
</tr>
</tbody>
</table>

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.

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4 Goulburn Broken Greenhouse Alliance and Mansfield Shire Council (2016), Climate smart agricultural development in the Goulburn Broken, November.

invest.agriculture.vic.gov.au interactive mapped data; industries; regions
Investment opportunities in Goulburn

Goulburn has a wide variety of investment opportunities that utilise Goulburn’s natural and competitive advantages. This page summarises just a few of the numerous opportunities in the region.

1. Develop and export fresh horticulture products to Asian markets

   Investing in exporting links between Goulburn and Asia exploits growth in the Asian region for high demand product such as fresh fruit.

   Strong long-term demand prospects
   • There are low to no tariff barriers on fresh fruit and vegetables to most key Asian markets.
   • By value, Victorian fruit exports have more than doubled over the last four years. Goulburn produces half of Victoria’s fruit.

   Goulburn’s reputation is strong
   • Goulburn has a strong international reputation for food quality and safety that is highly valued by Asian consumers.

2. New specialist fruit processing

   Already a dominant area in fruit processing, opportunities for new processing systems exist to add value to the sector.

   Large processed fruit presence
   • Goulburn produces almost 50 per cent of the state’s fruit by value, excluding grapes. This means there is close proximity to fresh fruit supplies as inputs for processing.
   • The Goulburn Valley is the state’s major fruit processing region.

   The fruit industry is well supported for growth
   • Support for the fruit industry is strong from local government with a 15 year Goulburn Fruit Growing Industry Roadmap.
   • Investments to protect growers including $6.7 million Fruit Fly Management fund.
3. Expanding in more intensive animal production, complimented with energy production

Poultry, beef and pigs are big growth areas. More intensive production can harness profit from both meat and energy production.

**Valuable by-products**
- By-products such as manure can be converted into biogas and synthetic fertilisers.

**Ideal location**
- Goulburn has direct access to the Melbourne-Sydney rail and the Hume Highway enabling quick transport of produced meat.
- Stockfeed, such as feed grains and hay, is also produced in the region.

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Food processing and manufacturing has a bright future here in Shepparton and the Goulburn Valley.
– Michael Auld, Australian Consolidated Milk Director
The Victorian Government is committed to building and improving infrastructure in order to enhance the competitiveness of Goulburn’s agriculture and food processing sectors.

**Goulburn Murray Water Connections**
Australian governments have invested over $13 billion to improve water management in the Murray Darling Basin, and $2.0 billion in irrigation infrastructure for the Goulburn Murray Connections Project. The Victorian Government has committed $2.4 million for Plan2Farm in the Goulburn irrigation system.

**Roads and rail**
The Victorian Government has committed $20 million towards the Kilmore-Wallan bypass, $20 million towards improving Shepparton’s heavy vehicle alternative freight route, and $10 million towards the Shepparton bypass. The Victorian Government has invested $8 million to improve rail sidings at grain receival points, including Yarrawonga in the north of the Goulburn region.

**Biosecurity**
The Federal Government is investing $2.2 million in three new plant biosecurity projects that are important to the Goulburn region, including protection of the region’s fruit fly free zone.

**Statewide and national infrastructure**
The Goulburn 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
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 Goulburn: Food Processing, Horticulture and Dairy. 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

- info@invest.vic.gov.au
- invest.vic.gov.au

**Regional Development Victoria, Shepparton**
79a Wyndham Street, Shepparton VIC 3630
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