

Value of Farm Production

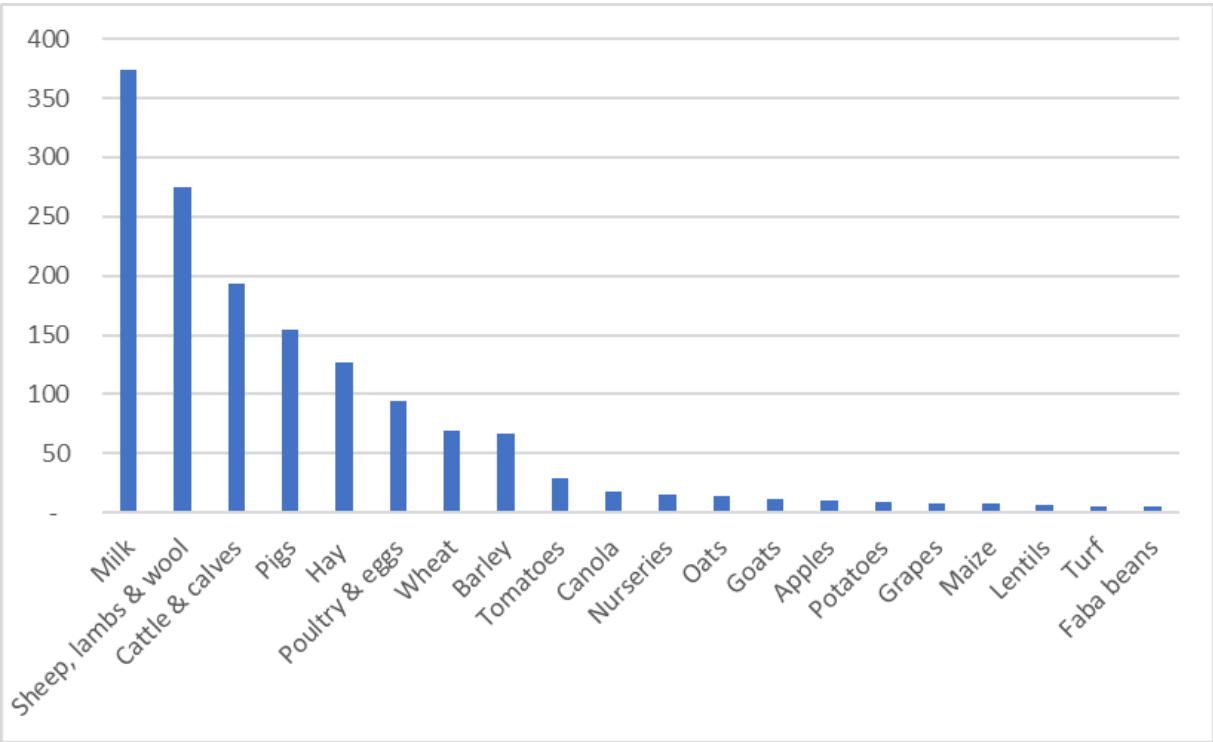
Understanding the value of farm and food production in our region is an essential element of strategic planning. The region has a diversity of production with high livestock values from large farms in the north to niche commodity production in the south.

The value of farm production in the City of Bendigo and eight Gastronomy Shires was \$1.5 billion as per the ABS Agricultural Census in 2016 and is now approaching \$2 billion. Figure 1 shows the value of production for the top 20 commodities in the region.

In Summary:

- These top 20 commodities account for 98.2% of the regions farm production by value;
- Milk production was the highest at \$373 million (25%)
- Sheep and lambs sold as stores or slaughtered plus wool was the second highest at \$275 million (18%)
- Cattle and calves sold as stores or slaughtered was the third highest at \$193 million (13%);
- The value of pigs sold was \$155 million (10%);
- The value of hay produced was \$127 million (8%); and
- The value of poultry and eggs produced was \$94 million (6%), this excludes poultry processing.

Figure 1 Value of Production by Commodity \$ million (farmgate)



Discussion

1. The high production from the milk, sheep, and cattle industries in the north is a reminder that we need to be sure we are getting our fair share of value adding opportunities in the region. Ideally, we need to minimise the transportation of these bulk commodities out of our region and to encourage more local food processing.
2. The pig and poultry industries are setting a good example of local production and value adding.
3. We must continue to seek new opportunities for processing wheat, barley and other crops. Remarkable success has been achieved in the making and exporting of hay.
4. Niche commodities produced in the south of the region include: potatoes, carrots, fresh tomatoes, apples, pears, cherries, mushrooms and cut flowers. Our consumers want to buy locally grown food products so there are emerging opportunities for growers to connect with farmers markets and consumers. As we strive for fresh and clean food, building relationships between growers and food processors is an exciting prospect.
5. There are many more unique foods grown in the region and this is leading to the production of artisanal products to meet the demands of discerning consumers.
6. Once the identification of high value of farm commodities is understood, it is easy to grow and promote value adding industries such as:
 - Ice cream, cheese and other milk product processing;
 - Prime lamb processing and cured meat manufacturing;
 - Fruit and vegetable processing; and
 - Bread, pasta, cake and biscuit manufacturing.
7. There are currently no statistics available on the growing and processing of Indigenous food so this needs to be a priority for the future.

The aim of this presentation is to provide essential statistics for Bendigo and Region of Gastronomy. They provide a simple overview of regional farmgate dollar production for the top 20 commodities. Whilst the initial Gastronomy project does not focus on large scale production, these findings will prompt further discussion in future when value adding opportunities will need to be addressed.

Data has been sourced from ABS Agricultural Census in 2016 and this report has been prepared by Neil Clark Consulting. It is recognised that ABS statistics will never be up to date. However, they are an excellent proxy of business activity and often it is the relativity of one industry to another that is more important than the 'hard' facts.

As interest grows on the scale and importance of farm production, it will be necessary to update these finding.

Disclaimer: While we have made every effort to ensure the accuracy of the information presented in this research, we cannot be held liable for any errors, omissions or inconsistencies.