Food and Beverage Employee Counts

The food and beverage manufacturing sectors are the largest in Australia accounting for more than a quarter of all manufacturing activity. IBISWorld report that the top five companies at November 2019 were Fonterra (milk), JBS (meat), Coca-Cola Amatil (food & beverage), Lion (milk and drinks) and Treasury Wine Estate (wine). Of note is that our local Hazeldene's Chicken Farms is also a significant company with a revenue growth of 6.9%.

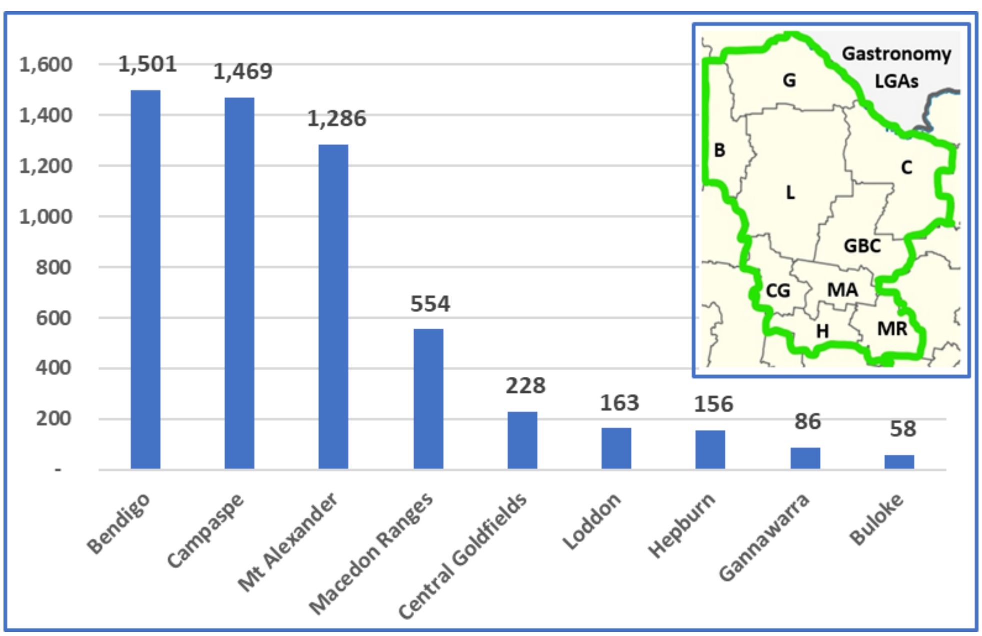
Victoria is the key state in food and beverage manufacturing producing 31% of national output. Locally we also have impressive statistics. This study compares employee counts by Local Government Areas (LGA) in Bendigo and Region of Gastronomy. Here are some key Statistics from ABS Census 2016:

- Food and beverage manufacturing had 5,438 employees;
- This was 58% of all manufacturing jobs in the region;
- The City of Bendigo had the highest count of 1,501 employees, 42% of all LGA manufacturing jobs;
- Campaspe Shire had the second highest count of 1,469, 73% of all local manufacturing jobs; and
- Mount Alexander had the third highest count of 1,286, 84% of all local manufacturing jobs.

Discussion

Food and beverage manufacturing are very important industries within our Region of Gastronomy. The top three LGA account for 77% of all food processing employees. They work in a number of industries especially smallgoods, meat and poultry processing and factory-based bread manufacturing. There has been a dramatic shift in regional employment since Census 2016 with the loss of a number of factories mainly in the milk, fruit and vegetable industries. This loss has been offset by growth in meat and poultry processing. Here is an overview for our Region.

Figure 1 Employee Count by LGA in Bendigo and Region of Gastronomy



Opportunities to Grow

The Federal Government has selected food and beverage manufacturing as one of the six manufacturing sectors to benefit from the $1.5 billion in support from the recent budget, this is a positive for our region and may lead to wider employment.

Opportunities for expanding food production and value adding are in place. Australia is not exporting nearly enough premium value-added foods we produce. We have been exporting all the ingredients that goes into food supply chain. What we need to do now is to provide value added and branded products. In our Region of Gastronomy, we need to source locally, add value and sell finished goods, preferably branded locally.

The food value chain is not only about growing and manufacturing but includes all the add-ons such as packaging, warehousing, wholesale and retail activities as well as the restaurant and café trade.

Bendigo and Region of Gastronomy already have a high number of employees in the food, beverage and allied industries so must build on this success. Figure 2 has been prepared to show employment opportunities by LGAs within our Region of Gastronomy.

Figure 2 Top five employee sectors by LGA by Employee Count (from Figure 1, L to R**)**

Greater Bendigo (C)	Campaspe (S)	Mount Alexander (S)	Macedon Ranges (S)	Central Goldfields (S)
Poultry Processing	Meat Processing	Smallgoods	Meat Processing	Bread (factory)
Bakery (non-factory)	Fruit & Veges	Meat Processing	Wine and Beverage	Other foods
Milk & Cream	Cheese	Other foods	Bakery (non-factory)	Animal & Bird Foods
Bread (factory)	Milk & Cream	Bread (factory)	Bread (factory)	Soft Drinks
Wine and Beverage	Other foods	Wine and Beverage	Animal & Bird Foods	Bakery (non-factory)

Loddon (S)	Hepburn (S)	Gannawarra (S)	Buloke (S)	Gastronomy Region
Animal & Bird Foods	Bread (factory)	Biscuits (factory)	Other foods	Smallgoods
Poultry Processing	Bakery (non-factory)	Bread (factory)	Biscuits (factory)	Meat Processing
Grain	Wine and Beverage	Animal & Bird Foods	Bread (factory)	Poultry Processing
Wine and Beverage	Pasta/baking mix	Wine and Beverage	Bakery (non-factory)	Bread (factory)
Bakery (non-factory)	Other foods	Bakery (non-factory)	Poultry Processing	Bakery (non-factory)

Note:
Bakery, (non-factory) refers to manufacturing and selling bread and bakery products from the same premises.
Bread, (factory) includes bread, tortilla wraps and bakery lines.
Smallgoods include bacon and other cured meats

Discussion

The analysis in Figure 2 shows the most important manufacturing industries in our region. There are however many other small manufacturers who concentrate on production for restaurants, cafes and farmers markets. They would include employees engaged in confectionary, cheese, craft beers, flour, pasta, barley malt and soft drink manufacturing as well as artisanal foods.

These insights can be used to generate further discussion on growing the food value chain within our Region of Gastronomy. We have an abundance of locally grown commodities and must encourage more food processing and beverage production for our supermarkets, shop keepers, restauranters and farmers markets. The aim of this presentation is to provide essential statistics for Bendigo and Region of Gastronomy. They provide a simple overview of employee counts in the food production industries by LGA. Whilst the initial Gastronomy project does not focus on large scale production, these findings will prompt further discussion in the future when value adding opportunities will need to be explored.

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 or region to another that is more important than the 'hard' facts.

It will be necessary to update these finding as interest grows on the scale and importance of food production.