Regional Development Australia
FAR SOUTH COAST

Report into the Economic & Jobs Growth Potential of the Agriculture, Viticulture & Aquaculture Industries on the NSW Far South Coast 2016

An Australian Government Initiative

NSW GOVERNMENT
A NSW Government Initiative

This Report into the Economic & Jobs Growth Potential of the Agriculture, Viticulture & Aquaculture Industries on the NSW Far South Coast 2016 has been developed by RDA Far South Coast NSW with assistance from GHD and remains the property of RDA FSC.

Published November 2016

Enquiries about the document or its content should be referred to:

Fiona Hatcher

Executive Officer

RDA Far South Coast

P O Box 1227

Nowra NSW 2541

Tel: 02 4422 9011

Fax: 02 4422 5080

E-mail: admin@rdafsc.com.au

Web: www.rdafsc.com.au

Regional Development Australia
FAR SOUTH COAST

Regional Development Australia – Far South Coast

Report into the Economic & Jobs Growth Potential of the Agriculture, Viticulture & Aquaculture Industries on the NSW Far South Coast 2016

Table of Contents

Table Index

Figure Index

Appendices

Overview

Regional Development Australia (RDA) is a partnership between Australian, State, Territory and local governments to strengthen regional communities.

There is a national network of 55 RDA committees, Regional Development Australia – Far South Coast (RDA FSC) covers the LGAs of Shoalhaven, Eurobodalla and Bega Valley on the NSW South Coast.

The RDA FSC area of geographic responsiblity covers three local government areas (LGA's) - Shoalhaven City, Eurobodalla Shire and Bega Valley Shire. Its activities are directed by a Committee which has a key focus on the economic, social and environmental issues affecting communities in the region.

The totality of RDA FSC's activities is described more fully in its Strategic Regional Plan 2013-2018 which is a living document designed to adjust to changing needs and priorities. This Study fits within a major focus of the RDA FSC Strategic Regional Plan, namely the providing of infrastructure-led economic development and job creation.

Regional Development Australia - Far South Coast (RDA FSC) commissioned GHD Pty LTD to undertake a study into the economic and jobs growth potential of the agriculture, viticulture and aquaculture industries on the Far South Coast.

This resultant study reveals some common challenges and opportunites faced by various agriculture, viticulture and agriculture industries on the Far South Coast and highlights strategies to address the challenges whilst maximising economic benefit from identified regional advantages.

Executive Summary

Regional Development Australia - Far South Coast (RDA FSC) undertook a study into the economic and jobs growth potential of the agriculture, viticulture and aquaculture industries on the Far South Coast. The aim of the study is to identify the following:

1. Current agriculture, viticulture and aquaculture industries;

2. Regional advantages for those industries;

3. Short, medium and long term potential for the industries on the Far South Coast with a focus on jobs growth; and

4. Strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast.
   The RDA FSC area of geographical responsibility covers three local government areas (LGAs) – Shoalhaven City, Eurobodalla Shire and Bega Valley Shire.
   RDA FSC activities are directed by a Committee which has a key focus on the economic, social and environmental issues affecting communities in the region.

Scope

The study covers crops, livestock, horticulture (fruit, vegetables, floriculture, viticulture, turf etc.) and aquaculture (mainly oysters and mussels but also the emerging industry of seaweed production). In addition, the project considers all sectors of these industries, including aspects that impact on production, processing and marketing/logistics. Due to time and budget constraints, the study does not include the forestry, rural tourism or fishing industries.
These industries are recognised as being important on the Far South Coast and similar studies for these industries may be undertaken in the future.

Methodology

The study was completed via a series of activities including:

- A desktop analysis and report on the agriculture, viticulture and aquaculture industries. The desktop study is available as an annex to this report. A brief summary of the main outcomes of the desktop study is provided on pages 6-12;

- Targeted stakeholder consultation to identify advantages, barriers and strategies to gain maximum economic benefit;

- A workshop with the RDA FSC Committee to consider stakeholder feedback and potential strategies;

- A final report encapsulating the above (this report).

The key outcomes of the study for each of its four aims are described as follows.

1. Current agriculture, viticulture and aquaculture industries

The RDA Far South Coast region covers approximately 14,230 km^2 of coastal land and the estimated resident population as at 30 June 2015 was 171,504 and is forecast to reach 226,000 by 2031.

Agricultural land comprises approximately 14% of the total combined land area with grazing the predominant land use (refer to tables on pages 6-7). The major land use for the total combined land area is conservation and tree cover comprising about 80% of total land. The mountainous and heavily vegetated areas of land that occur along the north-south axis of the region limits the agricultural area to its current extent. However, the region includes a number of coastal lakes, lagoons and estuaries that support a range of aquaculture industries (there are 103 oyster farmers contributing more than 30% of Sydney Rock Oyster production in NSW).

Land use	Total	
	Hectares	**%**
Grazing	201,360	14%
Cropping & horticulture	910	0.06%
Intensive Animal Production	144	0.01%
Conservation and tree cover	1,128,765	79%
River and wetlands	35,354	2%
Urban	46,694	3%
Other	13,029	1%
Total	**1,426,256**	**100%**

Value of production and employment

The table below shows that in 2011 (the latest available statistics) the gross value of agricultural production was approximately $157 million per year (farm-gate value).

Enterprise	2006	2011	% Change	% of Australian
Milk	$68,879,581	$93,398,764	36%	23.75%
Cattle and calves	$25,886,722	$45,703,188	77%	5.84%
Crops for hay	$66,019	$3,947,083	5879%	3.72%
Cultivated turf	$2,077,261	$3,714,493	79%	15.54%
Cut flowers	$1,804,487	$2,453,179	36%	8.43%
Nurseries	$6,480,794	$2,442,509	-62%	3.33%
Wool	$706,125	$1,152,874	63%	0.43%
Goats	na	$1,043,174		na
Sheep and lambs	$416,566	$825,875	98%	0.29%
Cereal crops	$129,937	$677,329	421%	0.07%
Stone Fruit	$269,525	$417,400	55%	0.79%
Berry Fruit	$422,380	$368,729	-13%	1.05%
Vegetables	$339,661	$261,203	-23%	0.08%
Nuts	$50,954	$134,615	164%	0.48%
Pigs	$271,243	$115,664	-57%	0.13%
Other broadacre crops	na	$88,188		0.02%
Poultry	$1,915	$47,232	2366%	0.02%
Eggs	$38,896	$44,291	14%	0.08%
Pome Fruit	$10,017	$33,381	233%	0.04%
Plantation Fruit	$76,437	$32,105	-58%	0.08%
Total	**$107,928,520**	**$156,901,276**	**43%**	
Viticulture	$46,795	$53,694	15%	0.08%
Oysters (Sydney Rock and Pacific varieties only)	NSW aquaculture (2013/14)	$13,241,073		24.8% (NSW)
Other[1] (NSW aquaculture)		$589,614		1.1% (NSW)

[1] Includes Australian Paratya, Blue Mussel, Eastern Yabby, Floodplain Mussel, Native Oyster, Pearl Oyster and Tube Worm – separate values not available for confidentiality reasons (i.e. ≤ 5 farms authorised to cultivate species).

Almost 90% of the value of production is contributed by the milk and cattle production sectors while other significant production industries by value are oysters, cultivated turf, cut flowers and nurseries. There is a range of emerging industries (e.g. aquaculture) and many niche production systems that include direct sales to customers or via farmers' markets, some of which are for certified organic produce.

However, the economic activity generated from the inputs, transport, processing, marketing and services means that the Gross Regional Product (GRP) of the sector is much higher. For example, the GRP of the Agriculture, Fishing and Forestry industries in the broader South East and Tablelands region was $720 million in 2013.

In 2011 there were 1,884 employees in the Agriculture, Fishing and Forestry production sectors in the region, representing 3.2% of total employment on the Far South Coast. These figures do not take into account the "multiplier" effect in related sectors (services, tourism, transport, processing and marketing) generated from the agriculture, viticulture and aquaculture production base.

2. Regional advantages for those industries

The regional advantages for the agriculture, viticulture and aquaculture industries include a combination of factors extending from favourable production climate and the associated "clean, green" image through to the region's proximity to major domestic markets (Sydney, Canberra and Melbourne) and access to export facilities through Sydney and Canberra Airports. The region is also a major tourist destination and this provides an additional outlet for value adding of local produce.

From a combination of stakeholder consultation and desktop analysis, a summary of the region's strengths, weaknesses, opportunities and threats (SWOT) has been developed to guide future strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast. See table below:

SWOT analysis

Strengths	**Weaknesses**
Clean, green, pristine production environment Low cost production (especially dairy and beef cattle, but not viticulture) Irrigation water availability Existing and potential Reclaimed Water Management Scheme (REMS) water availability Presence of processors (milk, abattoirs) Good livestock logistical services (saleyards, weighbridges, truck washes) Presence of farmers markets Proximity to Sydney, Canberra and Melbourne Availability of airports and sea ports Tourism Availability of business services (inputs and advisory) Education institutions (University of Wollongong, TAFE, schools) Climate	Rural residential encroachment resulting in increased agricultural land prices and land use conflict Increase in effluent disposal not matched by treatment infrastructure Seasonality – of production and number of tourists Many small, lifestyle producers not connected to value chains thus reducing market scale Labour availability and skills Reduction in government services, including skills training Lack of awareness of remaining government services Transport limitations – road and rail Reduction in licensed irrigation water availability due to increase in number of owner/occupiers entitled to take water from a river, estuary or lake for domestic consumption and stock watering without the need for an access licence. Demographics – older population, disengaged youth Red tape associated with regulations Lack of diversity of energy supplies (electricity) Poor information technology services (internet speeds, mobile phone black spots)
Opportunities	**Threats**
Food movement, including demand for value added products Increase in tourism Infrastructure upgrades (airports including exports from Canberra airport, sea ports, roads, NBN) Aquaculture expansion Diversified energy sources – natural gas, renewables Cross promotion between industries Shared productivity/innovation between industries Location advantages	Rural residential expansion Right to farm being undermined Biosecurity Degradation of natural resources (terrestrial and aquatic) Climate Market competition (domestic and export) Cyclical nature of world markets.

3. Short, medium and long term potential for the industries with a focus on jobs growth

The potential for the industries are a function of the opportunities described in the SWOT table above, however the opportunities will not be realised unless the identified weaknesses and threats are addressed (see the next section (4) that outlines the strategies to gain the maximum economic benefits).

The potential for the region is underscored by a number of national and international trends, policies and strategies that are more fully described in the report. These include research completed by the Rural Industries Research and Development Corporation (RIRDC) and CSIRO in August 2015 that identified five key "megatrends" and opportunities for Australian agriculture as the world grows hungrier, wealthier and with fussier consumers.

The five identified trends are:

1. A hungrier world
2. A wealthier world
3. Fussier customers
4. Transformative technologies
5. Bumpier ride

Other drivers include the priority areas within the Commonwealth's Agricultural Competitiveness White Paper; various NSW government regional strategies (South East and Tablelands Draft Regional Plan, South East Australia Transport Strategy – SEATS); NSW Government support programs such as the NSW Export Support Services; expenditure on upgrades to infrastructure (Princes Highway Draft Corridor Strategy, the Port of Eden upgrade, upgrades to both Merimbula and Moruya airports and direct freight export from Canberra Airport) as well as connecting with the international inbound tourism market.
Local governments in the region now adopt rural land strategies and facilitate the promotion of regional produce and these contribute to expanding the economic base of the agriculture, viticulture and aquaculture industries.

The region includes major established dairy processors such as Bega Cheese and Bodalla Dairy targeting the domestic and export markets. The value of oyster production represents approximately 25% of the total NSW value. While the value of viticultural production is not high, there are many wineries that combine production with cellar door sales and also cater for a range of functions. Innovative technologies are being pursued by companies such as Blue BioTech Shoalhaven to advance aquatic biotechnology, including growth of seaweed biomass and extraction of functional compounds for human health applications.

The cyclical nature of local and world markets means that it is difficult to "pick winners" from the many agriculture, viticulture and aquaculture industries on the Far South Coast, and future growth potential will largely be the responsibility of private enterprise to take advantage of the changing market outlook described above. However, a number of obstacles listed as Weaknesses in the above SWOT analysis are limiting the identified opportunities. A number of agencies could have some responsibility in addressing the obstacles, and the identification of priority issues and strategies to address these to gain the maximum economic benefit are discussed below.

4. Strategies to gain the maximum economic benefit

The combination of targeted stakeholder consultation and a workshop with the RDA FSC Committee highlighted a number of priorities and strategies to gain maximum economic benefits from the identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast. In some instances, an increased awareness, and subsequent use of, government services was seen as beneficial, along with more substantive issues such as infrastructure and labour skills deficiencies. Priorities and strategies for improvement were identified so that outcomes would result in improvements in the efficiency of production, processing, transport and marketing.

This report includes a comprehensive list of the potential strategies stakeholders consider could be adopted to ensure economic and jobs growth. Responsibility for implementing these strategies is considered to fall to state government, local governments, education and training providers, industry bodies and individual companies or business people. In many cases, strategies will be more efficiently delivered with collaboration between a number of the above entities.

While the RDA FSC Committee has a role in identifying and potentially facilitating strategies to maximise the economic opportunities identified within this study, the implementation of such strategies would need to be delivered by those with the financial resources to do so.

The Committee has reviewed the desktop study and stakeholder feedback and has prioritised a number of strategies utilising a SMART approach, i.e. strategies were required to be Specific, Measurable, Attainable, Relevant/Responsibility and Time specific and these strategies can befound at Table 8 of the report.

Conclusion

This study has revealed some common challenges and opportunities faced by the agriculture, viticulture and aquaculture industries on the Far South Coast. By assisting local industries to address these challenges and leverage opportunities, local agencies can help generate more employment opportunities in the region, and higher value jobs.

Population growth in the region continues to create significant challenges for producers, via increased competition for land and resources, traffic congestion and transport difficulties and a growing rural-urban divide. Despite a high unemployment rate, many stakeholders cited difficulty finding appropriately qualified and motivated staff.

Despite the challenges, increased population and development of the region is also creating opportunities by bringing tourism, improved services and opportunities for cross-industry collaboration. The Far South Coast's proximity to large population centres in Canberra, Sydney and Melbourne is a significant advantage for both domestic and export marketing. Many stakeholders cited the upgrade of the Canberra airport, offering direct flights to major Asian cities, as an important long-term opportunity.

Across Australia and globally, food producing industries are being 'de-commoditised', with producers shifting focus more towards maximising product value, rather than volume. Traditional commodity based value chains are becoming more vertically integrated, allowing for greater control over quality and marketing.

This trend is amplified in the Far South Coast, where producers have less opportunity to significantly expand production volume (due to land prices and availability, population pressure, congestion etc.), while concurrently having more opportunity to generate price premiums due to the inherent quality of the region's natural resources (soil, water, air) and excellent market access.

Producers and industry stakeholders cited a range of avenues for increasing the value of production, including local processing, developing new products or markets, alternative supply chains, and improved marketing and branding. All of the above measures will require an increased local contribution, generating opportunities for jobs growth.

To succeed in the future local producers, industries and agencies will need to adopt a range of strategies as highlighted above, with overall development and implementation of the strategies to be guided by the following recommendations.

Recommendations

1. All stakeholders to recognise the importance of resource lands and water bodies to maximise production of agriculture, viticulture and aquaculture on the Far South Coast and collaborate to promote strategies that protect those lands and water bodies to maximise future productive use. Strategic land use planning is an essential requirement to achieve this outcome.

2. The regulations that support the protection of the resources need to be appropriate and require minimal "red tape" for compliance. Responsible compliance agencies need to have sufficient staff and associated resources to respond to and address compliance issues and monitor improvements in performance.

3. The agriculture, viticulture and aquaculture industries on the Far South Coast include a complexity of production, input and post "farm-gate" services, transport and storage logistics, processing and marketing elements. It is important that all elements are considered within a value-chain approach (i.e. avoid a "silo" mentality) and thus take advantage of the synergies available through collaboration between industries and sectors.

4. There are many existing policies, strategies and programs (both government and industry) available to support the various industries. However, there is limited awareness of the programs and it is important to implement strategies that increase awareness and understanding by stakeholders so that they are able to take advantage of the many opportunities available to them.

5. Changes in production technology and market requirements (e.g. value-added products) are resulting in changes in workforce skills requirements, including the demand for multiskilling that enables inter-industry and inter-sectoral positioning. It is important that training and skills providers address this demand and develop training"packages" that are flexible and with the ability to adapt to changing circumstances.

6. There is a move away from traditional commodity-based supply chains to connected value chains that would be enhanced through collaboration and consolidation to achieve economies of scale. The establishment of networks (clusters) with industry champions would facilitate this approach and enhance economic and jobs growth opportunities.

7. Maximise economic benefit, upgrades to infrastructure will be required (roads, airports, sea ports, telecommunications, energy). While funding for a number of upgrades has been announced, there is a requirement for additional upgrades and it is important that an integrated approach is adopted when prioitising regional initiatives.

8. Maximise advantages from the South Coast's existing regional, national and international reputation for clean, green, 'unspoilt' produce and pristine environment, through collaborative marketing

   This report outlines the advantages and opportunities for the agriculture, viticulture and aquaculture industries in the Far South Coast region and identifies strategies to maximise economic benefits and jobs growth and these are included in Table 8 of the report.

1. Introduction

Regional Development Australia - Far South Coast (RDA FSC) undertook a study into the economic and jobs growth potential of the agriculture, viticulture and aquaculture industries on the Far South Coast. The aim of the study is to identify the following:

- Current agriculture, viticulture and aquaculture industries;
- Regional advantages for those industries;
- Short, medium and long term potential for these industries on the Far South Coast with a focus on jobs growth; and
- Strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast.

The RDA FSC area of geographic responsibility covers three local government areas (LGAs) - Shoalhaven City, Eurobodalla Shire and Bega Valley Shire. Its activities are directed by a Committee which has a key focus on the economic, social and environmental issues affecting communities within the region.

The totality of RDA FSC's activities is described more fully in its Strategic Regional Plan 2013-2018 which is a living document designed to adjust to changing needs and priorities. This study fits within a major focus of the RDA FSC Strategic Regional Plan, namely the provision of infrastructure-led economic development and job creation.

1.1 Purpose of this report

This report identifies the outcomes of each of the four components of the terms of reference outlined above, including an analysis of the targeted stakeholder consultation that provided information on regional advantages, barriers, and opportunities to overcome the barriers for the relevant industries and agencies.

The report presents strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast.

1.2 Methodology

The study was completed via a series of activities including:

- A desktop analysis and production of an initial report;
- Targeted stakeholder consultation using the above initial report for guidance;
- Draft report working document for the RDA FSC Committee;
- A workshop with the RDA FSC Committee to consider the draft report working document (completed on 23 June 2016);
- A final report encapsulating the above.

1.3 Scope and limitations

The agriculture industry is defined in its broadest sense, covering industries including crops, livestock and horticulture (fruit, vegetables, floriculture, viticulture, turf etc.), while aquaculture mainly considers the oyster and mussel industries and also the emerging industry of seaweed production and its functional compounds possessing therapeutic properties. In addition, the project considers all sectors of these industries, including aspects that impact on production, processing and marketing/logistics.

The scope of the study prohibits an 'all things to all people' approach and the study therefore does not include the forestry, rural tourism and fishing industries. While these industries are recognised as being important on the Far South Coast, time and budget constraints for this study preclude their inclusion. Similar studies for these industries may be undertaken in the future.

For further information on data sources and the use of this report, please refer to the disclaimers in Appendix A.

2. Current agriculture, viticulture and aquaculture industries

In April 2016, a desktop report was completed of the agriculture, viticulture and aquaculture industries on the NSW Far South Coast that included a range of industry statistics and trends. The purpose of the report was to consider the size and scope of the respective industries to guide an understanding of their current situation and future potential. The desktop study is provided as an annex to this report. A brief summary of the main outcomes of the desktop study are provided here:

2.1 Location

The RDA FSC area of geographic responsibility covers the three LGAs administered by the following councils: Shoalhaven City Council, Eurobodalla Shire Council and Bega Valley Shire Council. Shoalhaven extends from Berry and Kangaroo Valley in the north to Durras Lake in the south. Eurobodalla covers from Durras Lake and extends south to Wallaga Lake while Bega Valley stretches from Wallaga Lake to the Victorian border. Figure 1 illustrates the geographic spread of the three LGAs along the south coast.

The Far South Coast of NSW covers approximately 14,230 km^2 of coastal land and the estimated resident population as at 30 June 2015 was 171,504. According to the NSW Department of Planning, the population is forecast to reach 226,000 by 2031, an increase of 36% on 2011 population figures (RDA FSC Strategic Regional Plan 2013-2018).

Figure 1 – FSC LGA location map

- Agricultural land uses comprise approximately 14% of the total combined land area for the three LGAs in the Far South Coast, and of this land, grazing is the predominant land use (see Table 1). The major land use for the total combined land area is conservation and tree cover comprising about 80% of total land. Bega Valley Shire has approximately 20% of its land area identified as agricultural land, with Shoalhaven City Council and Eurobodalla Shire Council having 11% and 7% agricultural land respectively.

- The area of agricultural land is not expected to increase as the majority of land that is suitable for agricultural development has already been occupied. The region has large areas of National Park that include high value vegetation areas unsuited to agriculture. In addition, the region has only small areas of Biophysical Strategic Agricultural Land (BSAL) with high quality soils and water resources that are capable of sustaining high levels of productivity.

- In addition to land-based activities, the Far South Coast includes a number of coastal lakes, lagoons and estuaries that support a range of aquaculture industries. There are 103 oyster farmers in the region contributing more than 30% of Sydney Rock Oyster production in NSW.

Table 1 – Land area by land use categories

Land use	Shoalhaven		Eurobodalla		Bega Valley		Total	
	Hectares	%	Hectares	%	Hectares	%	Hectares	%
Grazing	50,036	11%	25,094	7%	126,230	20%	201,360	14%
Cropping & horticulture	489	0.11%	144	0.04%	277	0.04%	910	0.06%
Intensive Animal Production	29	0.01%	42	0.01%	73	0.01%	144	0.01%
Conservation and tree cover	364,614	80%	288,262	84%	475,889	76%	1,128,765	79%
River and wetlands	16,189	4%	9,949	3%	9,216	1%	35,354	2%
Urban	18,129	4%	17,586	5%	10,979	2%	46,694	3%
Other	7,184	2%	2,128	1%	3,717	1%	13,029	1%
Total	**456,670**	**100%**	**343,205**	**100%**	**626,381**	**100%**	**1,426,256**	**100%**

Source: Office of Environment and Heritage (data accessed 2016)

As per Table 2 below, employment for the Agriculture, Forestry & Fishing production sector in 2011 averaged 3.2% of total employment for all LGAs. Manufacturing, including food processing, averaged 7.6%, while the highest employment sector was Health Care and Social Assistance which averaged 13.8%. Note that the data is sourced from the 5-yearly Agricultural Census and that 2011 is the most recent data available.

Table 2 – Employment by industry category – percentage 2011

Employment Category	Shoalhaven	Eurobodalla	Bega Valley	FSC	NSW Regional
Agriculture, Forestry and Fishing	2	2.7	6.6	3.2	5.8
Mining	0.4	0.4	0.2	0.4	2.5
Manufacturing	7.9	4.9	9.3	7.6	8.3
Electricity, Gas, Water and Waste Services	1.1	1.2	1.1	1.1	1.5
Construction	9.3	10.9	8.7	9.5	7.9
Wholesale trade	2	1.8	2.8	2.2	2.8
Retail Trade	12.8	14.8	12.3	13.1	11.4
Accommodation and Food Services	9.4	11.6	11.1	10.2	7.7
Transport, Postal and Warehousing	3.7	3.4	4.1	3.7	4.2
Information Media and Telecommunications	1	1.5	0.8	1.1	1.0
Financial and Insurance Services	1.6	1.5	1.5	1.6	2.2
Rental, Hiring and Real Estate Services	1.7	1.8	1.4	1.7	1.4
Professional, Scientific and Technical Services	4.4	4.2	4.3	4.4	4.6
Administrative and Support Services	3.1	3.3	2.6	3.0	2.8
Public Administration and Safety	10.3	6.1	5.2	8.3	7.2
Education and Training	7.7	8.4	7.7	7.9	8.6
Health Care and Social Assistance	14.1	13.6	13.1	13.8	13
Arts and Recreation Services	1.7	1.7	1.5	1.7	2.1
Other Services	3.7	4.2	3.4	3.7	3.9
Inadequately described or not stated	1.9	2.1	2.1	2.0	2.1
Total	**100**	**100**	**100**	**100**	**100**

Source: "Profile.Id". Profile.id.com.au. N.p., 2016. Web. Accessed 30 March 2016.

As per Table 3 below, the gross value of agricultural production was $157 million in 2011 with 89% of this value contributed by the milk and cattle production sectors. The value of milk production from the Far South Coast is about 25% of the Australian total. There was a 43% increase in the value of agricultural production between 2006 and 2011.

Other significant production industries by value are oysters, cultivated turf, cut flowers and nurseries. The value of oyster production is approximately 25% of the total NSW value. While the value of viticultural production is not high, there are many wineries that combine production with cellar door sales and also cater for a range of functions.

Table 3 – Gross value of agricultural production - Far South Coast

Enterprise	2006	2011	% Change	% of Australian
Milk	$68,879,581	$93,398,764	36%	23.75%
Cattle and calves	$25,886,722	$45,703,188	77%	5.84%
Crops for hay	$66,019	$3,947,083	5879%	3.72%
Cultivated turf	$2,077,261	$3,714,493	79%	15.54%
Cut flowers	$1,804,487	$2,453,179	36%	8.43%
Nurseries	$6,480,794	$2,442,509	-62%	3.33%
Wool	$706,125	$1,152,874	63%	0.43%
Goats	na	$1,043,174		na
Sheep and lambs	$416,566	$825,875	98%	0.29%
Cereal crops	$129,937	$677,329	421%	0.07%
Stone Fruit	$269,525	$417,400	55%	0.79%
Berry Fruit	$422,380	$368,729	-13%	1.05%
Vegetables	$339,661	$261,203	-23%	0.08%
Nuts	$50,954	$134,615	164%	0.48%
Pigs	$271,243	$115,664	-57%	0.13%
Other broadacre crops	na	$88,188		0.02%
Poultry	$1,915	$47,232	2366%	0.02%
Eggs	$38,896	$44,291	14%	0.08%
Pome Fruit	$10,017	$33,381	233%	0.04%
Plantation Fruit	$76,437	$32,105	-58%	0.08%
Total	**$107,928,520**	**$156,901,276**	**43%**	
Viticulture	$46,795	$53,694	15%	0.08%
Oysters (Sydney Rock and Pacific varieties only)	NSW aquaculture (2013/14)	$13,241,073		24.8% (NSW)
Other[2] NSW aquaculture)		$589,614		1.1% (NSW)

Source: 2005-06 & 2010-11 Agriculture Census - datacubes from ABS.

2 Includes Australian Paratya, Blue Mussel, Eastern Yabby, Floodplain Mussel, Native Oyster, PearlOyster and Tube Worm – separate values not available for confidentiality reasons (i.e. ≤ 5 farmsauthorised to cultivate species).

The publically available data presented in Table 3 does not capture the additional activities and value generated from the many emerging and niche industries. Anecdotally, there is a range of emerging industries (e.g. aquaculture) and many niche production systems that include direct sales to customers or via farmers' markets, some of which are for certified organic produce.

The above statistics do not provide an indication of the importance (in value and employment) of post-farm activities associated with transport, processing and marketing of the produce. Such information is not readily available for the Far South Coast region, however, the trends occurring at the national level, as per Table 4 below, are also likely to be valid for the Far South Coast region.

The data show an increase in the value of production (i.e. at the farm gate level) but with the value of the food-processing component remaining static. This contrasts with an increase in the value of food imports over the same period.

Table 4 – Overview of the Australian food industry

		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Value of farm and fisheries food production	$b	38.8	38.4	35.8	41.2	42.0	42.8
Value added, food, beverage and tobacco processing[4]	$b	24.4	23.5	24.3	24.3	24.5	24.4
Value of food and liquor retail turnover	$b	111.7	118.8	125.7	130.4	135.8	141.4
Value of food exports	$b	23.4	28.0	24.5	27.1	30.5	31.8
Minimally transformed share of food exports	%	28.1	33.7	30.8	36.6	41.1	41.4
Value of food imports	$b	9.0	10.3	9.9	10.4	11.3	11.6

Source: Department of Agriculture Australian Food Statistics 2012–13

Not included in the above tables, but available in the desktop report, are statistics indicating that whilst the value of Australian exports of food products comprises a high percentage of Australia's overall exports, Australia's role in the world trade of products is modest except for the meat and dairy sectors where Australian exports contribute 6% and 3% to total world exports respectively. Australian produce has an excellent reputation from a food safety perspective and is highly valued and sought after by more affluent and disconcerning consumers.

As indicated in the desktop report, the major export destination countries for Australian produce are China, United States, Japan and Indonesia. Between 2009 and 2015 the value of exports increased by 40%, with China having the highest increase in value at 185% over the period.

While the above statistics provide a general outlook for the growth potential of the agriculture, viticulture and aquaculture industries on the Far South Coast, this report sought feedback from a range of stakeholders to gain a more focused understanding of the Far South Coast's regional advantages, current barriers and potential strategies to overcome those barriers. The output from stakeholder consultation is included in Section 3. In addition, global and national trends and policies will also impact on growth potential and these are explored in Section 4.

[4] *Australia's food exports and imports fall into three main categories: 'minimally transformed' products, such as grains, oilseeds, fruit and live animals, 'substantially transformed' products, such as meat, dairy products, sugar, beverage and malt, and 'elaborately transformed' products, such as biscuits and confectionary.*

3. Stakeholder consultation

Consultation for the project focused on engaging a cross section of key industry stakeholders from across the region and the various sectors. The complete list is included in Appendix C. All stakeholders received an email introducing the project, with the email including a weblink to the desktop study to stimulate their thoughts on the range of issues being considered and a brief consultation document as a guide for stakeholder consultation (Appendix B), with both documents including a survey template to assist the feedback process.

The survey template listed 10 factors/issues which were identified as the most likely to influence economic and jobs growth potential. Stakeholders were also requested to nominate regional advantages, potential barriers, and finally, strategies with which to overcome any identified barriers.

The factors/issues considered were as follows:

- production efficiency and quality;
- inputs and infrastructure;
- labour availability and workforce skills;
- access to services and advice;
- access to processing and value adding opportunities;
- transport;
- domestic market opportunities;
- export market opportunities;
- regulation, red tape and land use conflict;
- and social issues and networks.

Consultation took place with the stakeholders via a combination of face-to-face, telephone conversations and email responses. Table 5 is a summary of the consultation process showing an overall response rate of 53% from the 62 targeted stakeholders. The combined response rate from the email and telephone call groups was 65% which RDA FSC considers to be a good result engendering confidence in the feedback obtained. Survey respondents gave their time generously with each consultation extending for approximately one hour, during which considered and detailed responses were obtained.

Table 5 – Targeted consultation

	Surveys sent	Surveys Completed	Completion rate
Priority Stakeholders – email and phone calls	27	21	78%
Secondary Stakeholders – email and phone calls	19	10	53%
Others - email only	16	3	19%
Total	**62**	**34**	**55%**

A summary of the stakeholder feedback is shown in Table 6 with the raw data contained in Appendix D. Stakeholder feedback on economic and jobs growth potential is included in section 3.2. Note that stakeholder feedback is only one source of information, albeit a very important source, when considering economic and jobs growth potential. A range of additional trends, policies, services and studies is included in section 3.2. These have been considered when determining strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast.

3.1 Summary of stakeholder feedback

As discussed above, stakeholder feedback for each of the factors identified for consultation was analysed and key themes and potential strategies developed that could lead to economic and jobs growth on the Far South Coast (Table 6). Some of the themes and potential strategies arise from cross-cutting issues associated with the various factors and thus may be duplicated in the table. In addition, some of the potential strategies appear to be contradictory, and where contradictions occur these are considered in section 6 where strategies are prioritised.

Table 6 – Analysis of stakeholder feedback and preliminary analysis of potential strategies for economic and jobs growth

Factor/issue	Key feedback themes (advantages and barriers)	Identified potential strategies
Production efficiency and quality	• Good climate, soil, air and water quality. Clean green production environment needs to be maintained and leveraged. • Land access and prices (not able to expand area, need to intensify or value-add to stay viable). • Increasing tree/sea changers resulting in loss of productive land.	• Facilitate process to bring idle land back into production, through leasing or alternative ownership models. • Improve protection of agricultural (and industrial) land through zoning, and ensuring subdivisions take account of land capability. • Focus on managing nutrient loadings to maintain water quality. E.g. building cattle underpasses to remove manure from roads. • Develop an online register of Crown land and forests available to apiarists, and consider if this could also be linked to private landholders. • Local research and development around oyster diseases, water quality, purification etc. • Help industry better leverage the region's clean green production (see branding and marketing strategies).
Inputs and infrastructure	• Patchy telecommunications (phone and internet). • Inputs are expensive when freight dependent. • Increasing water demand for water irrigation and industrial use. Increasing water supplies diverted to non-licensed users via domestic and stock rights.	• Ongoing improvement in telecommunications. • Promote/facilitate activities to increase water availability (recycling, re-use, harvesting, desalination, licensing). • Promote/facilitate activities to increase power availability (solar augmentation, building more sub-stations).
	• Lack of alternative energy supply	• Lobby for natural gas connection (See Transport below for roads etc.)
Labour availability and workforce skills	• Difficulty finding and retaining workers who are willing and able • Agricultural careers not promoted to local population • Education and training not meeting industry needs • Difficulty sourcing niche technicians or specialists	• Promote food/agribusiness careers to locals, at all levels from school leavers to the semi-retired • Improve food/agribusiness tertiary and TAFE course offerings targeted to local industry needs (e.g. aquaculture, relief milking, farm business management)
Access to services and advice	• Decline in government services (agronomy, animal health, welfare etc.), not filled by private market • Some available government services (particularly around export development) are not well understood by producers • Importance of maintaining marketing and logistical services (e.g. saleyards, weighbridges, truck-washes)	• Help industry access available government services and advice • Maintain key supporting infrastructure (saleyards, weighbridges, truck-washes) • Targeted information/seminars on key areas affecting many businesses (HR, food handling, barcoding, export advice etc.). • Use combined industry clout to lobby for improved services
Access to processing and value adding opportunities	• Local processing and value adding can reduce freight burden • Oyster industry is reliant on spat imported from Tasmania, which is prone to POMS disease. Need local hatchery. Also opportunity for local export packing facility (currently via Wollongong). • Difficulty finding investors • Emerging small animal markets (rabbit, duck etc.), however Bega abattoir is not thriving	• Develop industry clusters for processing, value-adding, R&D and collaboration (adopt the Blue Biotech model). Use clusters to help link producers with processors and secondary industry, and generate new products. • Build local oyster hatchery (to reduce reliance on imported spat and risk of POMS disease) • Build local oyster export packing facility, using snap freezing technology.
	• Lacking an export accredited abattoir • Much of the industry is still commodity focused, need to become more focussed on value chain and consumer. Different skills required.	• Build (or support existing) small animal abattoir, or mobile processing unit • Build other communal/collaborative facilities which will help producers achieve scale (e.g. cold storage, packing, commercial kitchens, testing laboratories etc.) • Provide information and training around food value chains, marketing, consumer trends, finding investors etc.

Factor/issue	Key feedback themes (advantages and barriers)	Identified potential strategies
Transport	• Truck access restrictions • No train south of Bomaderry • Congestion • Geographical reality • Difficulty sourcing reliable and flexible refrigerated transport • Airport upgrade opportunities (Canberra, Merimbula, Moruya, Western Sydney) • No deep sea ports, however Port of Eden is being upgraded • Dependent on Brown Mt road which can be hazardous	• Prioritise food/agribusiness freight in road upgrades • Develop freight consolidation services and infrastructure (freight hub), with cold storage to overcome short-term transport delays • Develop transport supply chain to support Canberra airport (with planned future direct flights to Singapore, Hong Kong, Guangzhou and other Asian cities) • Development of a rail intermodal facility in Bomaderry. • Connect Port of Eden via Imlay Rd to Bombala and the Hume Hwy
Domestic market opportunities	• Tourist market is vital, but not large enough to sustain industry • Key domestic markets in Canberra, Sydney and Melbourne • Traditional supply chains are changing (more integrated and controlled, less commodity focused) • Local branding is fragmented or missing • Need to help local restaurants and retailers better market local produce	• Develop a single local brand (and accompanying marketing strategy) which can be used by all local food/agribusiness industries. 'Far South Coast' is too generic • Develop a cross sectoral food trail (seafood, dairy, wine, fruit etc.) • Help industry develop alternative supply chains which add value and increase margins (vertical integration, producer brands, paddock to plate, crowd sourcing/funding). E.g. upgrade SAGE market portal to facilitate online sales and deliveries
Export market opportunities	• Free Trade Agreements creating opportunity • Canberra airport will offer direct flights to Asian cities • Difficulty achieving scale/reliability of supply for export markets • Need to satisfy local demand in Sydney and Canberra before exporting	• Help producers collaborate to achieve scale and reliability of supply • Develop export supply chains for Canberra airport • Develop export packing facilities (see oyster packing) • Promote government services and advice to potential investors
Regulation, red tape and land use conflict	• Cumulative regulatory burden • Development application difficulty • Restrictions on farm gate sales • Moderate land use conflict issues, however increasing with tree/sea changers and growing divide between city and country • Dual supply agreements in dairy industry restrict trade • At the same time, regulation is required to protect the clean, green image	• Prioritise and assist in food/agricultural development applications (back those willing to innovate and invest) • Reduce regulation around farm gate sales • Improved protection of aquaculture from contamination and disease (e.g. unregulated estuary camping, boating, effluent etc.) • Seek harmonisation, transparency and demonstration of the effectiveness and efficiency of regulations
Social issues and networks	• Unemployment/disaffected youth • City/country divide growing wider • Good quality of life (but can make it difficult to find/keep workers) • Good local industry networks, but silo mentality. • Vertical networks are more important than peer networks • Local industry often overlooked compared to other larger production regions (e.g. Riverina, Gippsland etc.)	• Facilitate more collaboration between local industries • Facilitate more collaboration between the local production region and other production regions and national industries • Help break down the city/country divide • Support local meetings, conferences and programs (e.g. the LLS South East Local Leaders Program) • Promote the contribution industry makes to the region (e.g. Nowra should celebrate the Shoalhaven River more and the industries it supports)

3.2 Economic and jobs growth

Stakeholders were asked to comment on the economic and jobs growth potential for their industries, including changes that may occur in the short, medium or long term. Responses varied by industry and between the sectors within each industry (i.e. between the production and post-farm sectors as well as between domestic and export market destinations).

It was not possible to quantify changes, therefore expected trends in activities are provided below for the major industry categories without quantification.

3.2.1 Dairy, beef, other livestock and agriculture

On-farm production is expected to remain relatively static because of the limited opportunities for expanding land areas. Therefore, jobs growth will also remain static at the farm level and may even decline as producers consider adopting technology to reduce escalating per unit labour and other production costs. Alternative labour sources (backpackers 457 and 187 visa holders) are also likely to increase as a proportion of total labour to counteract the short supply of suitably skilled local labour. Increases in the use of technology and aggregation of farms to gain economies of scale will see an increase in demand for support services (advisory and IT) thus creating limited but expanding jobs growth for these skilled services.

Growth in post-farm processing activities can be viewed from both a domestic and export market perspective. The domestic market is likely to see increases in demand for local branded products ("niche" markets) however volumes are likely to be modest as will direct jobs growth. There will be flow-on jobs growth in other employment sectors associated with the value chain. This component will become increasingly connected to the domestic and overseas tourist trade, providing a significant value-add for local producers. The export market will continue to target more affluent customers with increased product differentiation and less reliance on "commodity" sales. However, intense competition from other suppliers will ensure that economic and jobs growth will remain cyclical.

3.2.2 Horticulture, viticulture and apiary

On-farm production, especially of commodity-based product, will increasingly be exposed to competition from both domestic competitors and imports, impacting on economic and jobs growth opportunities. Costs of production are likely to be higher than competitors' costs and thus require business models that take this into account. However, opportunities for growth in expanding local markets are likely although many farmers' markets are currently over-supplied and this, in association with an inability to guarantee continuity of supply, limits jobs growth prospects. These disadvantages would be somewhat removed if cooperative marketing resulted in better coordination and promotion of products.

As with the livestock products discussed above, the combination of promoting local produce with the expected increase in tourism, including development of farm trails, is an opportunity for growth. The jobs growth from these activities is likely to come within various sectors of the value chain that comprise such a model, including the "multiplier" effect on many sectors of the economy that will be impacted.

While export opportunities for produce are theoretically possible and would be supported by the "clean, green" image of produce grown on the Far South Coast, it is likely that improved growth would occur "at scale" as opposed to individual producers competing for the same market. If this is the case, export opportunities would be enhanced by the recent improvements in export facilities, including Canberra airport.

3.2.3 Aquaculture

The same principles which apply to the above industries also apply to aquaculture, except for some additional considerations. The constraints of limited additional land availability that restrict the increase in scale of land-based industries do not apply to the same degree to the aquaculture industries as it appears there are opportunities to increase the production base (area) utilising the available pristine water bodies.

The oyster industry appears to have natural attributes which give it advantages over other producing regions in Australia (proximity to domestic markets and export infrastructure as well as disease freedom) and thus contribute to both economic and jobs growth potential, albeit from a relatively low base with respect to employment numbers.

The other aquaculture industries also have the same natural advantages although they are in their infancy at this stage and the economic and jobs growth potential may not become obvious until there is more experience with both the domestic and export outcomes achieved.

3.2.4 All industries

For all industries, the economic and jobs growth potential will be largely determined by the entrepreneurial skill of the responsible managers. All industries operate in a competitive environment and success will come if businesses consistently have a competitive edge over alternative suppliers.

While such a competitive edge will be largely due to the clean, green source of the products themselves, the ability to ensure the products remain competitive in both domestic and export markets will be influenced by a range of logistical factors that operate outside of the business and are the responsibility of a range of separate agencies varying from local through to federal government level, as well as the service sectors that facilitate production, processing and trade. It is important that these agencies and service providers operate in a way that promotes an efficient and effective supporting environment which advantages the respective value chains.

RDA FSC will continue to play a key role in advocating for policies, programs and infrastructure that promotes such efficiencies.

4. Trends, policies, services and studies to guide the Report

In addition to outputs from the desktop study and stakeholder consultation, there is a number of global and other trends, policies and/or studies and experiences that can provide direction on future opportunities for the agriculture, viticulture and aquaculture industries on the NSW Far South Coast. These are explored below and have been referred to when determining possible strategies to gain the maximum economic benefit.

4.1 Global megatrends

Research completed by the Rural Industries Research and Development Corporation (RIRDC) and CSIRO in August 2015 identified five key megatrends and opportunities for Australian agriculture as the world grows hungrier, wealthier and with fussier consumers by 2035. The five trends are:

1. **A hungrier world**
   By 2050, there will be 70 per cent or 2.3 to 2.4 billion more people on earth, who will need 60 to 70 per cent more food than is currently available.

2. **A wealthier world**
   Increasingly wealthier consumers in developing economies will drive demand for greater supply and diversification of foods. In Asia alone, with over 1 billion people expected to move out of poverty as average incomes rise from US$12,000 to US$44,000 per person by 2060, beef consumption is predicted to rise 120 per cent, while dairy consumption will double by 2050.

3. **Fussier customers**
   Empowered by information, the consumers of 2050 are likely to expect food to be nothing less than healthy, nutritional, clean, green and ethically produced.

4. **Transformative technologies**
   Advanced digital, genetic and materials science technologies will enable farmers to improve how they produce food and fibre products, while innovative sensory systems and data analytics will create highly integrated ‘farm to fork’ supply chains. Farmers will be able to make better decisions and manage risk more effectively, while consumers will have greater access to trace the origins of their food, putting production methods under the spotlight.

5. **Bumpier ride**
   Australian rural industries can expect a changed risk profile, which will call for new and deeper levels of resilience to withstand shocks associated with climate change, environmental change and globalisation.

This latter issue could well describe the current situation in the dairy industry in Victoria, as evidenced by the milk price cuts announced by major processors Murray Goulburn and Fonterra in May 2015.

4.2 Agricultural Competitiveness White Paper

The Australian Government's Agricultural Competitiveness White Paper, released on 4 July 2015, sets out the Australian Government's roadmap of practical actions to grow the agriculture sector. It is a $4 billion investment in Australian farmers and the competiveness and profitability of our agriculture sector and is designed to ensure that the agriculture sector remains a significant contributor to the economy and local communities and takes advantage of available opportunities.

It includes five priority areas, namely:

- A fairer go for farm businesses;
- Building the infrastructure of the 21st century;
- Strengthening our approach to drought and risk management;
- Farming smarter; and
- Accessing premium markets.

4.3 South East and Tablelands Regional Plan (Draft)

The NSW Department of Planning & Environment in May 2016 released a draft of the South East and Tablelands Regional Plan which incorporates the Far South Coast region. The vision for the South East and Tablelands is to build resilient and sustainable communities by balancing growth opportunities while protecting the region's diverse environment and lifestyles. It envisages the region will build economic opportunities by supporting priority growth sectors including:

- Tourism;
- Health, disability and aged care;
- Public administration;
- Education and training;
- Primary industries and renewable energy; and
- Freight and logistics.

The following goals were set down to achieve the vision:

Goal 1: Sustainably manage growth opportunities arising from the ACT;

Goal 2: Protect and enhance the region's natural environment;

Goal 3: Strengthen the economic opportunities of the region; and

Goal 4: Build communities that are strong, healthy and well-connected.

4.4 South East Australia Transport Strategy (SEATS)

Inadequate transport infrastructure is impeding orderly development with hundreds of millions of dollars of identified investment being withheld from the region. Limited access is reducing the returns for existing businesses. Independent consultants report that key transport improvements could generate many millions of dollars' worth of new investment (http://www.seats.org.au/aboutseats/ accessed 30 June 2016).

The Strategy is a comprehensive review of the measures necessary to improve transport and access to Gippsland, Western Port, the Snowy Mountains, Yass Valley, Goulburn and Crookwell areas, the Illawarra region, the south coast of New South Wales and the Australian Capital Territory region.

4.5 NSW Economic Development Framework (EDF)

The Framework was developed in 2015 by NSW Trade & Investment and has five goals that are based on economic research profiling current trends and identifying key drivers and enablers of regional economic growth including human capital and skills, innovation, infrastructure, and connectivity to markets and labour. The five goals are:

Goal 1: Promote key regional sectors and regional competitiveness;
Goal 2: Drive regional employment and regional business growth;
Goal 3: Invest in economic infrastructure and connectivity;
Goal 4: Maximise government efficiency and enhance regional governance; and
Goal 5: Improve information sharing and build the evidence base.

4.6 Labour market overview of the Far South Coast

In 2014, Ivan Neville from the Australian Government Department of Employment presented an overview of the labour market on the Far South Coast. This overview should be considered if the agriculture, viticulture and aquaculture industries are to take advantage of the megatrends outlined above. This is especially important because of the focus on jobs growth for this current Report.

The key points to come out of the overview were as follows:

- The region has an ageing population: 47% of the population is in the '50 years plus' category compared to 33% for NSW;
- Youth are leaving the area for study and work;
- Of the remaining youth, a high percentage is disengaged with the labour market;
- The 25-34 year age category has lower educational attainment compared to NSW average;
- Job numbers in the Agriculture, Forestry & Fishing sector have declined in the period 2006 –2011, and job prospects nationally to 2018 show a decline in the sector of 3,000;
- The proportion of the Agriculture, Forestry & Fishing sector workforce in the '50 years plus' category is 55% nationally, the highest of all employment sectors.

It should be noted that the Agriculture, Forestry & Fishing sector workforce statistics discussed above refer predominantly to the production sector and do not include the many other sectors that are increasingly important from an economic and jobs growth perspective in the value chains. These other sectors include the services and manufacturing sectors that are essential in the transformation of products for both domestic and export markets.

This study has found that, in general, statistics for the non-production sectors are less comprehensive and less regionally specific compared to the production sector as described in the Desktop Report.

4.7 NSW Export Support Services

These services support new and established NSW exporters with a broad range of free services to improve an exporter's global competitive edge. The services include the following:

- **Market Intelligence** – support and research for a particular market drawing on the government's extensive global networks and internal data resources;
- **Networks** – in addition to its overseas office network, the NSW Government has fostered strong links with a broad range of strategic partners around the world and can facilitate targeted introductions that deliver business results;
- **Capability development** – the team of experienced Export Advisers provides tailored advice and coaching to improve understanding of the export process. The organisation delivers group training and skills development sessions such as the Getting Started in Exports, NSW Export Lab and the NSW Export Skill Builder Toolkit;
- **Information & advice** – Independent advice for every step of the export planning process (market entry models, logistics, pricing, payments, marketing, website development etc.) and assistance to implement those plans effectively;
- **In-market support** – the organisation offers a range of tailored support services in key overseas markets, including Partner Searches, Business matching and delivering relevant export opportunities;
- **Connecting your business with buyers** – the agency hosts a range of business networking events and offers ongoing high profile opportunities for businesses to connect with international customers, including International Missions & Events Calendar and supported inbound buyer delegations;
- **TradeStart Partnership** – TradeStart Program is a formal partnership with Austrade promoting and supporting export, international business and the government's trade agenda. This is a single access point for both state and federal government export support.

4.8 Transport infrastructure

There is a range of plans being considered to upgrade transport infrastructure on the Far South Coast including but not limited to, the following:

- Princes Highway Draft Corridor Strategy (March 2016) – provides an overview of future transport demands likely to be placed on the Princes Highway over the next 20 years, how these can be managed and what road corridor improvements are likely to be needed. The document includes current and future challenges in meeting the objectives for the corridor and short, medium and long term priorities to address these challenges;
- The Port of Eden, including three wharves (a privately owned woodchip terminal, a multiuser Navy wharf and a breakwater wharf), is undergoing an upgrade to provide a safer anchorage for local and visiting vessels in anticipation of increases associated with whale watching and as an emerging cruise destination. The $44 million dollar project will allow theworld's largest cruise ships to dock at Eden, bringing more international tourists and employment to the region;

- A $5.6 million dollar upgrade of Merimbula Airport would allow larger planes to use the airport, a move which may see visitor numbers increase appreciably;

- A $2.5 million first stage upgrade of the Moruya Airport to help unlock the region's economic potential and drive the region's business growth and create more local jobs. The development includes a new commercial precinct to improve business efficiency, there is also the potential to link to Canberra Airport and connect to the international inbound tourism market;

- Canberra Airport direct freight export opportunities with the potential to provide businesses across the region with an opportunity to find new markets and consumers for their products in Asia, with transport directly from Canberra.

4.9 Local government rural land strategies

Local governments have developed rural strategic plans that recognise the role of agriculture and aquaculture from a range of perspectives, including land use and prevention of land use conflict, environmental protection, and value add opportunities extending from road-side produce sales and farmers markets to business precincts for logistics, packaging, storage and processing of produce.

As an example, the Eurobodalla Shire Council Rural Lands Strategy identifies seven major directions and actions to achieve those directions as follows:

- Encourage primary production;
- Cut red tape;
- Support economic development;
- Promote and grow rural tourism;
- Promote sustainable resource use;
- Recognise and manage environmental hazards and values;
- Support rural residential living opportunities.

4.10 Promotion of regional produce

There are a number of programs which promote regional produce on the Far South Coast. Lessons learned and examples taken from these provide guidance for future strategies. Examples include the following:

- **South Coast Food Plan 2012**
  This was prepared by a consortium of the Sapphire Coast Producers Association (SCPA) South East Producers (Bega Valley Shire), Sustaining Our Towns, NSW Government, and NSW Environmental Trust;

- **South Coast NSW Eurobodalla Food & Art Guide 2011**
  A guide sponsored by NSW Trade & Investment, Eurobodalla Shire Council and SAGE (Sustainable Agriculture & Gardening Eurobodalla);

4.11 Other

The above examples provide a very positive outlook for the agriculture, viticulture and aquaculture industries. It is important to recognise the intense competition that exists and the need to consider emerging trends and adopt strategies while taking into account a risk-based approach for future development.

An example for the horticulture sector is the recently announced Sundrop Farms $100 million plus greenhouse complex located at Port Augusta, SA capable of producing 16,000 tonnes of tomatoes annually from solar power filtered seawater, the latest of about seven big scale hydroponic greenhouse developments to have sprouted in Australia in less than a decade.

Some observers consider that the rapid rise of new super-sized high-tech structures could potentially soon spell the end to most conventional field crops in horticulture categories such as cucumbers, leafy greens, capsicums and tomatoes.

5. SWOT analysis

From the stakeholder feedback and broader trends and policies, the following Strengths, Weaknesses, Opportunities and Threats (SWOT) were summarised (not in any priority order):

Table 7 - SWOT analysis

Strengths	**Weaknesses**
Clean, green, pristine production environment Low cost production (especially dairy and beef cattle, but not viticulture) Irrigation water availability Existing and potential Reclaimed Water Management Scheme (REMS) water availability Presence of processors (milk, abattoirs) Good livestock logistical services (saleyards, weighbridges, truck washes) Presence of farmers markets Proximity to Sydney, Canberra and Melbourne Availability of airports and sea ports Tourism Availability of business services (inputs and advisory) Education institutions (University of Wollongong, TAFE, schools) Climate	Rural residential encroachment resulting in increased agricultural land prices and land use conflict Increase in effluent disposal not matched by treatment infrastructure Seasonality – of production and number of tourists Many small, lifestyle producers not connected to value chains thus reducing market scale Labour availability and skills Reduction in government services, including skills training Lack of awareness of remaining government services Transport limitations – road and rail Reduction in licensed irrigation water availability due to increase in number of owner/occupiers entitled to take water from a river, estuary or lake for domestic consumption and stock watering without the need for an access licence Demographics – older population, disengaged youth Red tape associated with regulations Lack of diversity of energy supplies (electricity) Poor information technology services (internet speeds, mobile phone black spots)
Opportunities	**Threats**
Food movement, including demand for value added products Increase in tourism Infrastructure upgrades (airports including exports from Canberra airport, sea ports, roads, NBN) Aquaculture expansion Diversified energy sources – natural gas, renewables Cross promotion between industries Shared productivity/innovation between industries Location advantages	Rural residential expansion Right to farm being undermined Biosecurity Degradation of natural resources (terrestrial and aquatic) Climate Market competition (domestic and export) Cyclical nature of world markets

6. Priority strategies for economic benefit

Table 6 listed a number of strategies identified by stakeholders that, if adopted, have the potential to gain the maximum economic benefit from the regional advantages of the agriculture, viticulture and aquaculture industries on the Far South Coast. The prioritisation and implementation of the strategies will be the responsibility of a range of different individuals and groups, both private and government related. Implementation could occur through collaboration between a number of individuals and organisations or by single entities who identify benefits to their business. In reality, implementation is likely to occur as a combination of multiple, intersecting strategies.

6.1 RDA FSC Committee priorities

The RDA FSC Committee discussed the strategies identified by stakeholders in Table 6 at a workshop held on 23 June 2016. In considering its priorities and how they would be implemented, the Committee took into account its charter and essential components required to enable success.

6.1.1 The role of Regional Development Australia – Far South Coast

The core responsibilities of the RDA FSC Committee are outlined in its Strategic Regional Plan, chief among which is its role as an important contributor to, and driver of, regional business growth plans and strategies, which help support economic development, the creation of new jobs, skills development and business investment. In achieving this goal, RDA FSC:

1. Identifies and articulates local priorities, identifies and aligns resources, engages stakeholders and promotes solutions;

2. Supports, promotes and disseminates information on government policy initiatives for the benefit of local communities; and

3. Takes a leadership role in bringing together organisations to take advantage of government programs, policies and initiatives.

6.1.2 SMART approach to strategy development

Strategies were considered via the SMART approach to goal setting, that being:

- **Specific** – a clearly defined strategy;
- **Measurable** – stated in quantifiable terms;
- **Attainable** – aspirational but must be achievable;
- **Relevant/Responsibility** – ensure relevant goals. Identify responsible stakeholder/s;
- **Time specific** – in response to the ten surveyed factors/issues, Table 8 (next page) lists the following recommendations, strategies and activities received as feedback from survey respondents and the RDA FSC Committee. The time frame is shown as: S (short < 2 years); M (medium 2 – 5 years); and L (long > 5 years). Note that each of the strategies is cross-referenced to the overall project recommendations provided in section 7.

Table 8 – Priority strategies - Survey respondents and RDA FSC Committee

Factor/issue	Recommendation (see section 7)	Strategy	Activity	Time
Production efficiency and quality	1, 2, 8	• Help industry better leverage the region's clean green image (see branding and marketing strategies).	Provide factual data (proof) of the region's "unspoilt" claim – water quality etc. Then provide proof to industry who can use to achieve economic benefit.	S
	1, 2, 8	• Improve protection of agricultural (and industrial) land through zoning, and ensuring subdivisions take account of land capability.	Develop a document outlining the economic benefits of zoning and land use controls, then disseminate to local government and Department to incorporate recommendations.	S
Inputs and infrastructure	4, 7	• Ongoing improvement in telecommunications.	Highlight need for more mobile phone towers, non-exclusive use of Telstra towers, economic impact of slower service by Australia Post and lobby to correct so these do not limit growth potential of regional industries.	S
	4, 7	• Promote/facilitate activities to increase power availability (solar augmentation, building more sub-stations).	Complete a study identifying the economic benefits to businesses of uninterrupted and/or alternative power sources, including co-location. Use the study to attract funding to prepare business cases of potential opportunities.	S - M
Labour availability and workforce skills	4, 5	• Promote food/agribusiness careers to locals, at all levels from school leavers to the semi-retired.	Promote a cross-industry "rural industry training scheme" based on collaboration between course providers, industry associations, schools.	M
	4, 5	• Improve food/agribusiness tertiary and TAFE course offerings targeted to local industry needs (e.g. aquaculture, relief milking, farm business management)	Develop "packages" of courses relevant to local and broader career opportunities, thus filling the perception of gaps in availability of training opportunities. Requires collaboration between tertiary providers, industry groups, employers and service providers. Note that skills mix for agricultural production is likely to change as a result of new technology and demand for value-added products.	M
Access to services and advice	4	• Help industry access available government services and advice	Promote networking, including through clusters, between industry supply chains and government to increase awareness and use of programs. Lobby for reinstatement and/or retention of services.	S - M
	3, 7	• Maintain key supporting infrastructure (saleyards, weighbridges, truck-washes)	Industry to lobby for retention of facilities with demonstrated continued use.	Ongoing
Access to processing and value adding opportunities	3	• Develop industry clusters for processing, value-adding, R&D and collaboration (adopt the Blue Biotech model). Use clusters to help link producers with processors and secondary industry, and generate new products.	Promotion and development of clusters (value chain networks) with the proviso that clusters (networks) are appropriately resourced.	M - L
	3, 4, 6	• Provide information and training around food value chains, marketing, consumer trends, finding investors etc.	Disseminate information on outcomes of the industry clusters	M - L
Transport	7	• Develop freight consolidation services, including cold storage, and transport supply chains to improve transport efficiency, and also recognising future role of exports from Canberra airport.	Support the NSW South East Export Strategy (SEATS) to improve the efficency and economic return on exports	M
	7	• Connect Port of Eden via Imlay Rd to Bombala and the Hume Highway.	Construct this link road to improve the efficiency of marketing domestic and export products.	L
Domestic market opportunities	3, 4, 8	• Develop a cross sectoral food trail (seafood, dairy, wine, fruit etc.)	Develop a multi-sector food trail that takes advantage of the increase in domestic tourists to the Shoalhaven	M

Factor/issue	Recommendation (see section 7)	Strategy	Activity	Time
	3, 4, 8	• Help industry develop alternative supply chains which add value and increase margins (vertical integration, producer brands, paddock to plate, crowd sourcing/funding). E.g. upgrade SAGE market portal to facilitate online sales and deliveries.	See above on processing and value adding – supply chain networks (clusters).	M - L
Export market opportunities	3, 4, 7	• Develop export supply chains for Canberra airport	See above for transport (SEATS) and supply chain networks.	M
	4, 7	• Develop export packing facilities (e.g. oyster packing)	Ensure adequate industrial land is available for multi-industry packing facilities	M - L
Regulation, red tape and land use conflict	2	• Prioritise and assist in food/agricultural development applications (back those willing to innovate and invest)	Local governments to better publicise to agriculture supply chains when DAs required and not required, and how planning recognises the role of rural/regional economies in addition to urban plans. Output would be brochures, e-brochures.	S
	2	• Seek harmonisation, transparency and demonstration of the effectiveness and efficiency of regulations.	As above and include examples of proactive local government assistance e.g. SAGE markets in Moruya.	S
Social issues and networks	3, 6	• Facilitate more collaboration between local industries • Support local meetings, conferences and programs (e.g. the LLS South East Local Leaders Program)	Launch this study to as many industries and forums as possible – identify willing collaborators. Use RDA FSC South Coast Skills Audit 2016 to identify mutual needs between groups.	S - L

6.2 Priorities - other agencies, groups

Table 9 identifies potential strategies and possible delivery proponents not included in Table 8

Table 9 – Analysis of other stakeholder feedback and preliminary analysis of potential strategies for economic and jobs growth

Additional potential strategies	Possible proponents
• Facilitate process to bring idle land back into production, through leasing or alternative ownership models	Livestock industry bodies and individual producers
• Focus on managing nutrient loadings to maintain water quality. E.g. building cattle underpasses to remove manure from roads	Local councils, industry bodies and individual producers
• Develop an online register of Crown Land and forests available to apiarists, and consider if this could also be linked to private landholders	Apiary industry and government agencies
• Local research and development around oyster diseases, water quality, purification etc.	Universities and industry bodies
• Promote/facilitate activities to increase water availability (recycling, re-use, harvesting, desalination, licensing)	Local councils and industries
• Lobby for natural gas connection	Industries
• Targeted information/seminars on key areas affecting many businesses (HR, food handling, barcoding, export advice etc.)	Government agencies in collaboration with industries
• Use combined industry clout to lobby for improved services	Peak industry bodies
• Build local oyster hatchery (to reduce reliance on imported spat and risk of POMS disease)	Industry
• Build local oyster export packing facility, using snap freezing technology	Industry
• Build (or support existing) small animal abattoir, or mobile processing unit	Industry
• Development of a rail intermodal facility in Bomaderry	SEATS and government agencies

Additional potential strategies	Possible proponents
• Develop a single local brand (and accompanying marketing strategy) which can be used by all local food/agribusiness industries. ‘Far South Coast’ is too generic	Industry in collaboration with combined local councils
• Help producers collaborate to achieve scale and reliability of supply	See clusters and industry networks in Table 8
• Promote government services and advice to potential investors	Government agencies and industry bodies
• Reduce regulation around farm gate sales	Local government, industry bodies and individuals
• Improved protection of aquaculture from contamination and disease (e.g. unregulated estuary camping, boating, effluent etc.)	State and Local government resourcing, LLS
• Facilitate more collaboration between the local production region and other production regions and national industries	Industry bodies and local government review of initiatives – e.g. Agribusiness Gippsland (AGI) and Nova Scotia Business Inc
• Help break down the city/country divide	Industry bodies and government agencies
• Promote the contribution industry makes to the region (e.g. Nowra should celebrate the Shoalhaven River more and the industries it supports)	Local government and Business Chambers, industry bodies

7. Conclusion and recommendations

This study has revealed some common challenges and opportunities faced by the various agriculture, viticulture and aquaculture industries on the Far South Coast. By assisting local industries to address these challenges and leverage opportunities, local agencies can help generate more employment opportunities in the region, and higher value jobs.

Population growth in the region continues to create significant challenges for producers, via increased competition for land and resources, traffic congestion and transport difficulties and a growing rural-urban divide. Despite a high unemployment rate, many stakeholders cited difficulty finding appropriately qualified and motivated staff.

Despite the challenges, increased population and development of the region is also creating opportunities by bringing tourism, improved services and opportunities for cross industry collaboration. The Far South Coast's proximity to large population centres in Canberra and Sydney is a significant advantage for both domestic and export marketing. Many stakeholders cited the upgrade of the Canberra airport, offering direct flights to major Asian cities, as an important long-term opportunity.

Across Australia and globally, food producing industries are being 'de-commoditised', with producers shifting focus more towards maximising product value, rather than volume. Traditional commodity based value chains are becoming more vertically integrated, allowing for greater control over quality and marketing.

This trend is amplified in the Far South Coast, where producers have less opportunity to significantly expand production volume (due to land prices and availability, population pressure, congestion etc.), while concurrently having more opportunity to generate price premiums due to the inherent quality of the region's natural resources (soil, water, air) and excellent market access.

Producers and industry stakeholders cited a range of avenues for increasing the value of production, including local processing, developing new products or markets, alternative supply chains, and improved marketing and branding. All of the above measures will require an increased local contribution, generating opportunities for jobs growth.

To succeed in the future local producers, industries and agencies will need to adopt a range of strategies as highlighted above, with overall development and implementation of the strategies to be guided by the following recommendations:

Recommendations

1. All stakeholders to recognise the importance of resource lands and water bodies for the production of agriculture, viticulture and aquaculture on the Far South Coast and collaborate to promote strategies that protect those lands and water bodies for future productive use. Strategic land use planning is an essential requirement to achieve this outcome.

2. The regulations that support the protection of the resources need to be appropriate and require minimal "red tape" for compliance. Responsible compliance agencies need to have sufficient staff and associated resources to respond to and address compliance issues and monitor improvements in performance.

3. The agriculture, viticulture and aquaculture industries on the Far South Coast include a complexity of production, input and post “farm-gate” services, transport and storage logistics, processing and marketing elements. It is important that all elements are considered within a value-chain approach (i.e. avoid a “silo” mentality) and thus take advantage of the synergies available through collaboration between industries and sectors.

4. There are many existing policies, strategies and programs (both government and industry) available to support the various industries. However, there is varying awareness of the programs and it is important to implement strategies that increase awareness andunderstanding by stakeholders so that they are able to take advantage of the many opportunities on offer.

5. Changes in production technology and market requirements (e.g. value-added products) are resulting in changes in workforce skills requirements, including the demand for multiskilling that enables inter-industry and inter-sectoral positioning. It is important that training and skills providers address this demand and develop training “packages” that are flexible and with the ability to adapt to changing circumstances.

6. There is a move away from traditional commodity-based supply chains to connected value chains that would be enhanced through collaboration and consolidation to achieve economies of scale. The establishment of networks (clusters) with industry champions would facilitate this approach and enhance economic and jobs growth opportunities.

7. Maximise economic benefit, upgrades to infrastructure will be required (roads, airports, sea ports, telecommunications, energy). While funding for a number of upgrades has been announced, there is a requirement for additional upgrades and it is important that an integrated approach is adopted to prioritise regional initiatives.

8. Maximise advantages from the South Coast’s existing regional, national and international reputation for clean, green, ‘unspoilt’ produce and pristine environment through collaborative marketing.

This Report outlines the advantages and opportunities for the agriculture, viticulture and aquaculture industries in the Far South Coast region and identifies strategies to maximise economic benefits and jobs growth. The report provides a number of strategies for government, industry and businesses to consider and adopt to achieve the growth potential.

Appendix A – Stakeholder consultation document

Notes

Regional Development Australia – Far South Coast

Regional Development Australia – Far South Coast Inc.
Report into the economic and jobs growth potential of the agriculture, viticulture and aquaculture industries on the NSW Far South Coast 2016

Stage 2: Consultation – May 2016

Notes

In 2016, Regional Development Australia - Far South Coast (RDA FSC) completed a study into the economic and jobs growth potential of the agriculture, viticulture and aquaculture industries on the FSC. The aim of the study is to identify the following for the FSC:

- Current agriculture, viticulture and aquaculture industries;
- Regional advantages for those industries;
- Short, medium and long term potential for the industries on the FSC with a focus on jobs growth; and
  Strategies to gain the maximum economic benefit from identified regional advantages of the agriculture, viticulture and aquaculture industries on the FSC

Stage 1 of the study was a desktop analysis of the current situation and is available here. This desktop study relies on publicly available data sources and as such contains information gaps.

Stage 2 is a targeted stakeholder consultation phase designed to fill those gaps and provide further insights on opportunities for the FSC. The list of selected stakeholders was jointly developed by RDA FSC and GHD.

The agriculture industry is defined in its broadest sense, covering all sectors including crops, livestock and horticulture (fruit, vegetables, floriculture, turf etc.. Aquaculture mainly considers the oyster and mussel industries and also the emerging industry of seaweed production and its functional compounds with therapeutic properties while viticulture focuses on the potential for growth across all aspects of the industry. The study is concerned with all facets of these industries: production, transport & logistics, processing and marketing (domestic and export).

It is likely that there is a range of emerging agriculture/horticulture/aquaculture/viticulture production industries that have not been captured in the desk top study. The consultation phase is an opportunity to identify any emerging industries and gain additional information.

This study is also interested in activities that occur beyond the farm gate and opportunities for economic and jobs growth in the various post-farm sectors. The post farm-sectors include transport & logistics, warehousing, processing & packaging and marketing (domestic and export).

Obtaining a clearer picture specific to the FSC will assist to better identify the regional advantages and potential growth opportunities for maximising economic and job growth benefits.

Therefore we are seeking your assistance to fill these gaps. We have developed a template (see the template at the end of the desk top study via the link above throughwhich we hope to obtain input from stakeholders. We will also contact stakeholders by telephone todiscuss completion of the template.

The outcomes from stakeholder consultations will provide the basis of a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of the agriculture, aquaculture and viticulture industries on the FSC, and the aim of a future strategy will be to build on strengths, minimise weaknesses, seize opportunities and counteract threats.

A preliminary list (not exhaustive) of the SWOT factors operating on the FSC are provided below and these will be expanded during the consultation phase.

Strengths

- Favourable climate and natural resource conditions suits grazing livestock (especially dairy and beef cattle) and selected horticultural production
- Clean water in rivers and estuaries suit aquaculture
- Manufacturing is aided by proximity to input supply (dairy, beef)
- Proximity of large populations (Sydney, Canberra) for domestic markets
- Readily available labour supply
- Port access for sea freight
- Access to domestic and international airports

Weaknesses

- Rainfall variability constrains production
- Topography poses challenges to transport linkages

Opportunities

- Canberra airport export opportunities
- Increasing demand for niche, high value markets (domestic and export), including organic roduce (not just FSC but Australia-wide)

Threats

- Food imports undermine local competitiveness, especially for processed foods
- Demand for residential/lifestyle land leading to increased land prices
- Climate change (more severe droughts, more intense rainfall events, increased flood risk).

Note that the template is provided to stimulate your thinking on the various issues that are outlined.

Your feedback will also be sought by telephone by a member of our project team.
Some issues may not apply to you, however, we may have overlooked things you believe are relevant – we are very interested in hearing about these.

If you have any questions, please don't hesitate to call.

Appendix B – List of stakeholders

	Contact	Organisation
First Round - Interviews	Tracey Russell	South Coast and Highlands Dairy Industry Group
	Debbie Platts	Far South Coast Dairy Development Group
	Max Roberts	Bega Cheese
	Ken Garner (for Barry Irvin)	Bega Cheese
	Kara Duncan	South Coast Milk
	Paul West	River Cottage Tilba Tilba
	Janelle Wallace	South Coast Beef Producers Association
	Garry Nelson	Garry Nelson Livestock Transport
	Leisa Perfect	Milton Meats
	Ian Frith	Millpaca Alpaca
	Patrick & Leonie Walsh	G Zone Flower Farm (Gerberas)
	Phil Lavis	Eurobodalla Turf Supplies
	Shayne Bricker	Shoalhaven Coast Wine
	Craig Smith	Australia's Oyster Coast
	David Trebeck	Australia's Oyster Coast
	Chris Nimmo	Proposed aquaculture venture
	Pia Winberg	Venus Shell Systems Pty Ltd
	Sarah Cooper	Eurobodalla Shire Council
	Shane O'Leary	Bega Valley Shire Council
	Tony Allen	Bega Valley Shire Council
	Greg Pullen	Shoalhaven City Council
	Jason Carson	South East Local Land Services
	Amanda Britton	South East Local Land Services
	Jillian Keating	South East Local Land Services
	Graham Scott	South East Local Land Services
	Justin Bunt	South Coast Food Committee
	Doug Somerville	NSW Department of Primary Industries
Second Round - Interviews	Mark & Gai Bice	Bice Management P/L "Old Bodalla"
	Greg Duncan	Dairy Australia
	Rob McIntosh	Cattle Committee NSW Farmers
	Erica Dibden	South Coast Cheese
	Paul Timbs	South Coast Dairy
	Sandra McGuaig	Bodalla Dairy Shed
	Matt Christison	A.M (Matt) Christison Mobile Farm Butcher & Slaughterman
	Gavin Rogers	Turfco
	Charlie Emery	Soilco
	Greg Bishop	Coolangatta Estate
	Tom/Rosie Cupitt	Cupitts Winery
	Raj Ray	Silos Estate

	Contact	Organisation
	Peter Herrman	Tilba Valley Wines
	Glenn Butson	mimosa wines
	John Lamont	Nowra Chemicals & Blue Biotech
	Peter Masterson	AusIndustry
	Kate Raymond	SAGE Farmers Market
	Rory McAlester	Department of Premier & Cabinet
	John Champaign	SCPA - South East
Email only	James Sherbourne	Dairy Australia
	Gary Evans	Dairy products supplier
	Ross	Afflicks Abattoir
	Louise Cole	Cambewarra Estate
	Cathy	Mountain Ridge Wines
	Mark Foster	Yarrawa Estate
	Lauren	Elysium Wines
	Cath Peachey	Australia's Oyster Coast
	Leon Riepsamen	Goodnight Oysters
	Ewan McAsh	Signature Oysters
	Stan Saroka	Eden Smokehouse
	Ian Lyall	NSW DPI
	Liam Skinner	NAB
	Rachel	Green box
	Tricia	Kiama Farmers market
	Owner/Manager	Bawleyvale Estate

Appendix C – Feedback from stakeholders (detailed)

Production efficency and quality

Sector	Advantages	Barriers	Potential strategies to overcome barriers
Agriculture	• Climate • Year round rainfall plus irrigation • Soil/land suitability • Clean green image • Low cost of production • Quality • The price of land is still economical	• High land prices limits opportunities to expand • Climate becoming more erratic, • Cost of production increasing • Access to irrigation declining • Local laboratory services not available • Access to contractors limited • Many people come in as 'tree changers' and try new approaches such as goats, alpacas and other things which have little to no return • Dual supply agreements in place that don't allow farmers to sell milk to anyone but the one processor	• Utilise idle land for productive activities, helping landholders realise the opportunities for lease, agistment etc. • Farmer ownership might not be the best model – may require share farming models or leasing • Leasing back hobby farms for growing heifers or managing dry cows etc. • Establishment of feeder farms close to region. • Investigate alternative crop species • Cattle underpasses supported by local government to remove manure from roads, which will reduce nutrient loading in waterways (assists oyster industry)
Horticulture, Viticulture, Nursery and Apiary	• Consistent rainfall • Benign temperatures • (Apiary) Forests and national parks have range of eucalypt varieties suited to honey and pollen production, incl. spotted gum that flowers in the winter	• Land access/suitability/cost • Poor road access to sites (apiary) • Cost of production • Competition from imports • Lack of industrial land for honey processing. • Land use strategies aimed at retirees, lifestyle residential development	• A publicly available IT system with relevant information on crown and forestry land availability (apiary) • Potential expansion of apiary if horticulture (e.g. blueberries) expands for pollination • Land use strategies need to incorporate more industrial land
Aquaculture	• Water quality • Stable climate • Pristine environment/estuary catchments etc., are the basis of a viable oyster producing industry on the south coast	• Lack of consistency of water quality e.g. can't control output from Tallowa dam • Lease costs - 300% increase in recent years • Impact of effluent on water quality - dairy farms and urban sewerage • Oyster diseases • Requires a lot of infrastructure to setup with long lead time to return – long cash flow	• Upgrade sewerage system • Triploid pacific oysters more disease resistant as well as increasing in demand, better yields, faster turnover compared to Sydney Rock Oysters • Use ozone to treat pathogens in water (breaks down endocrine disrupters) • Research into oyster diseases
	• There is still space available and suitable lands	• Normal weather fluctuations (resulting in short term estuary closures) is a constant inhibitor	• Australia's Oyster Coast is working on developing an enhanced environmental management accreditation/auditing system to further enhance environmental credentials
Government	• Climate • Soil • Clean air and water • Very well suited to aquaculture, pristine estuaries, well protected with national park catchments • Low population density means less pollution • Product diversity – e.g. 3 types of oysters	• Land price • Inability to get economies of scale • Variable climate, so irrigation needed (puts pressure on aquaculture). • Granite based soil is not overly fertile (but responds well to rainfall) • Tree changers, good grazing land going under housing, • Need to import fodder and hay • Topography and natural features makes transport difficult • Lot sizes too small • Parcels of land are being divided up in a fashion that is reducing land capability. E.g. dividing off highland vs low lands, and also knowledge of new landholders in managing the land is limited. • Limited innovation/economies of scale/producers not big enough in their own right	• Promote leasing or shareholding on hobby or small blocks for production purposes • Municipal planning for intensive agriculture, • Need to better educate Councils on land capability issues (e.g. small farm land subdivisions can include both hilly and flat land to provide a more viable farm)

Inputs

Sector	Advantages	Barrier	Strategies
Agriculture	• Power readily available • No issue with water access • Good support and technologies available to support farming • Port Kembla makes fertiliser affordable • REMS scheme	• Access to water • Significant barriers presented by council on water re-use • Gas not readily available • Fertiliser not through Port Kembla, has to go through Newcastle • Access to specialised machinery and trade support is limited • Power outages during storms • Input costs are on the rise and it is difficult to pass these costs on in the market	• Build more dams and release more water licences • Council help develop options for water re-use • Help provide access for funding (capital) • Improve access to funding for innovation at early stages to help innovations get started • Could do more with water re-use. REMS is good. Locally some basic on farm desalination may be useful for water security. Rainfall harvesting could be improved • Auxiliary power is required (maybe solar)
Horticulture, Viticulture, Nursery and Apiary	• Inputs generally available	• Electricity – can't expand without adding a substation • Internet and mobile coverage	• Build electrical substation(s)
Aquaculture	• Water supply good • Pelletized feed is readily available	• Lack of local hatchery stock • Distance to specialist suppliers • Poor mobile coverage around port areas	•
Government	• Recycled water access • Power is OK	• No gas access limits value adding • telecommunications are poor particularly in farming areas or near the water • Land based leases have increased Leased from crown lands • Difficult for smaller players • Lack of alternative energy sources - problematic if bushfire etc. • Animal health products tend to be made for larger herds	• Lobby for natural gas extension • Solar power into dairy to offset power costs

Skills and labour

Sector	Advantages	Barrier	Strategies
Agriculture	• Labour requirements, cost and availability, skills • Low unemployment means labour is available • Awards maintain some control on costs • Skilled labour sourced from major centres is too expensive… local can't pay same rates as Sydney for example • Good base of people and often coming from outside the industry – good resource available but needs to get them skilled	• difficult to access 457 visas • Some contractors can be difficult to obtain • Access to a large population • Skilled labour shortage on Farms • Farm leading hands and managers need to be science based, able to analyse numbers and make decisions • People down here don't want to work. I have to relocate people in order to get them to regularly turn up • Tertiary education facilities aren't available which requires young people to go away to get the training, and then not returning	• Finding the right people, suited to this type of work • Require people ready to do hard manual labour. Cows create careers school's initiative • Need to skill a more science based farmer • Industry needs to ask more from staff in terms of business development / farm management / process improvement / investment in technology • We used to run a Relief Milkers Course at TAFE, years ago, where we took people off the dole & did a two week course, they found jobs in the dairy industry
Horticulture, Viticulture, Nursery and Apiary	• Ready source of available labour • Reasonable cost of labour for unskilled staff • Apiary is a low capital cost industry for new entrants as no land purchase required • Available – rel. high unemployment rate, • Apiary industry can operate at a range of levels - i.e. hobby through to full time.	• Difficulty attracting staff • Coastal mentality means they don't want to work hard • Industry is male dominated, physically demanding, travel 300-500 Km from home base so not seen as attractive to new entrants • Wages are too high and the regulation associated with the holds everyone back. • High costs of transport can result in higher input costs • Lack of skills in viticulture (despite high unemployment), can't get crop off. Continually investing in staff, training etc., but staff always leave • Lack of skills in area, small pool and not technically skilled. On job learning Tourism, limited labour force with experience to deal with customers	• Training providers in area are not providing for industry • Promotion of training via e-learning. NSW DPI Tocal has recently developed a package and an education officer has been appointed
Aquaculture	• Good pool of labour - but unskilled • Will have university graduates in marine science / aquaculture	• Not an attractive industry • Low salary for staff • Need to train any new staff • Lack of available skilled staff • Skilled labour harder to find locally. Hard to get skilled people available especially during start-up phase	• Skills training opportunities • Set up traineeships in marine aquaculture developing skill base • Cooperation between industry and TAFE / University is very important. Offering projects that both can take part in • Improve local tertiary education
Government	• Good supply of labour including backpackers • High unemployment rate (lots of labour) • Good skills and training • Mostly family businesses. • Many with off farm income • Good supply of education - Universities and TAFEs • Good labour availability due to it being a good place to live • Creating aquatic farmers for the future (HSC accredited course) • Passionate people in industry • Low unemployment - but partially due to population decline in the south • TAFE focusses on ag. LLS is still here and has a role in education. High schools have good ag teachers and support. • Skills from other industries and professions or trades are very transferable to agriculture, which encourage people into the industry	• Lack of jobs • Lack of skilled workers • Large divide between town and country (didn't used to be the case), town people don't think to look for work on farms • Young farmers just aren't interested and the returns aren't there to compete with other jobs • 4th worst in country for age dependency ratio. High unemployment but older, disables, unskilled workers • Not recognised as an agribusiness precinct compared to larger areas e.g. Riverina • Lack of skills training • Not seen by people as an option • Not many apprenticeships to learn how to be a farm manager • As an ag area, we have not tapped into all education options – not getting in at primary school level • Not seen as a palatable option for new work entrants – labour intensive work • Demographic is an aging population. Big gap in 18 to 30 year olds	• TAFE offers good opportunities for training • Establish more boutique/or value added processing to boost jobs • Dairy always looking for farm hands, but not promoted. Scope for good casual employment • Need to attract working age population. • Council gives back 50% of fees collected from Sage farmer market through farmer education etc. Adopted a month or two ago • Need better awareness of government services and training e.g. Skills NSW • Holistic farm planning course • Get ag education elements into primary schools. Cow create careers as an example could be used for primary schools • Show kids early what ag is about to build a passion for ag early • People are available to work but may need re-training and commitment from employers to take on older people • TAFE and other institutions run courses at a 'gardener' type level, but there is a need to provide education for larger scale enterprise • Education of producers to help them market and export products can help industry grow, 65 growers turned up to a recent council event on export marketing

Access to services and advice

	Advantages	Barrier	Strategies
Agriculture	• Good infrastructure for sales and stock carriers • Council and LLS have good relationships. Industry groups are active • Quality of veterinarians • Access to contractors has improved with good equipment and reliability. • Overall services have improved with influx of people	• Lack of understanding of biosecurity (machinery on farm to access easements) • Less government extension being undertaken (agronomy, soil, animal health etc.) • Difficult to find independent advice • Sometimes need to bring in service technicians from Melbourne and pay travel and accommodation • Saleyards roster (i.e. on Thursday so last in the week compared to Moss Vale, Camden & Braidwood) leads to lower cattle prices as buyers have already filled quotas	• Need to skill local technicians via TAFE
Horticulture, Viticulture, Nursery and Apiary	• Good access to most services in our area • NBN is coming soon	• Less government extension being undertaken • Difficult to find independent advice • Marketing expertise • IT support	• Cooperative marketing and service provision
Aquaculture	• Financial services • Water quality testing • Advice available from outside the region (e.g. DPI fisheries Port Stephens and Challenger Institute in Freemantle)	• Less government extension being undertaken • Difficult to find independent advice	• Reinstatement of government services • Better lobbying by government agencies on behalf of industries to retain services
Government	• Good availability • Access to saleyards is not an issue Truck washes not an issue, • OK overall, dairy industry helps bring services in for others • Close to source of inputs • Good saleyards available locally • Agricultural and farming services businesses are readily available	• DPI is less effective now they are absorbed into LLS • Saleyards and abattoirs have closed. Emerging rabbit, duck industries but small animal abattoir is not thriving • At one point had 4 officers working with oyster industry, now down to 1-part time resource • Shift in focus from LLS to more land based focus away from Natural Resource Management	• Producers sharing transport (consolidation of loads) • Marketing advice, food handling, barcoding, export advice etc. • Re-invest in coastal natural resource management • Cross-industry advocacy e.g. Dairy / Oyster field days • Awareness programs on government incentives to businesses e.g. R&D tax incentives • A more locally driven LLS (rather than top down)

Processing and value adding

Sector	Advantages	Barrier	Strategies
Agriculture	• Access to saleyards, truck-wash, weighbridges and other infrastructure • Good access to abattoirs • Floating Bega Cheese allowed farmers a once in a life time opportunity • Local processing plants are available e.g. at Moruya • Milton abattoir upgrade	• Need more communal wash-down facilities (too expensive to build own) • Finding other reputable business partners with similar values • Some local dairy processors are not using local milk • Most milk goes to Sydney / Penrith for processing • Dual supply agreements in place that don't allow farmers to sell milk to anyone but the one processor	• Keep saleyards in the area (critical to maintaining livestock industry) • Mobile processing for small species (e.g. chickens) • Need to get smarter on value adding, because we can't compete on scale • Networking facilitation within and across industries (Council can facilitate) • Develop local testing capability accredited / approved by safe food • Develop industry clusters
Horticulture, Viticulture, Nursery and Apiary		• Lack of coordinated marketing • Small scale processing only • Difficult to achieve continuity of supply	• Local branding of Far South Coast leveraging on clean green image • Cooperative processing to get economies of scale
Aquaculture	• Harvest and processing facilities are available • Seaweed processing (centrifuged and dried)	• Large capital outlay to reorganise business for different processing or value adding markets • Limited food manufacturing locally	• Networking and innovation opportunities need to be facilitated across vertical industry chains. Linking producers with processors and secondary industries to derive new products. • Training on business skills especially for the Asian tourists • Australia's Oyster Coast has opened its own domestic packing and processing facility in Batemans Bay which will extend our capacity to value add product to major customers. The next step is to gain export packing approval for this facility. There are a range of other technologies potentially available – egg snap freezing systems (involving liquid nitrogen) which some think have considerable potential in extending market reach,
			but the economics are not proven to my knowledge. Investigating this will be a project for the company once it is trading profitably on a sustainable basis
Government	• Availability of industrial land • Lots of processing locally • Councils are supportive in assisting processors establish. • Have a strong processor in place as Bega Cheese	• Lack of investors even though market opportunities appear to be available • Nowra Chemicals has some unique manufacturing capacity • Abattoirs are not export accredited • Primary producers are not used to working through value chains to consumers, still commodity focussed	• Buyers and processor willing to act collaboratively to achieve efficiencies of scale • Promote local processing (save on freight) • Develop a regional hatchery for oyster growing, Region grows Sydney Rock and Pacific Oysters. Pacific needs to import spat from other regions (POMS disease in Port Stephens, can't supply until December), Region has accredited waters (Clyde river). Facility would guarantee supply to locals and export to other regions. Location near Moruya airport is perfect • At the moment sending oysters to Wollongong for export. Need a local export oyster packing facility, could be attached to hatchery • Local farmers network has been looking at ways to market direct and stop being price takers in red meat • Export abattoir • Concentrate on working with exporters/processors to enable scalability • Help projects to be investment ready. Support businesses with skills to attract investment • Work with the post-farm sector, who are commercially focussed and will drive market opportunities

Transport

Sector	Advantages	Barrier	Strategies
Agriculture	• Local producers are close by so limited cartage	• High cost • Can't use B-doubles • No rail • Congestion/holiday traffic • No direct routes across range for transporting inputs (feed, stock etc.)	• Need some work to consolidate loads (e.g. backhaul database) • Development of a rail intermodal facility in Bomaderry • Investment in a transport CIP location locally (closest is Erskine park) • Help producers consolidate to deliver volume and scale.
Horticulture, Viticulture, Nursery and Apiary	• Local markets reduce transport costs (however low volume and high competition)	• Poor public transport infrastructure. • Capilano Honey located in Brisbane (expensive to freight)	• Improved transport infrastructure • Local processing and branding
Aquaculture	• Proximity to Sydney and Canberra markets and air export opportunities • Commencement of direct flights from Canberra to Singapore – and later other Asian ports (HK, Guangzhou etc.). These services reduce the paddock-to-plate time, allowing fresher product into the market, and hopefully market growth	• High cost of refrigerated transport • No rail transport	• Construction of cool room may have some potential to overcome short term transport shortage but delay in getting product to market means lower quality so not preferred • Help producers capitalise on the Canberra airport • Take advantage of back loading opportunities with Sydney
Government	• Proximity to Sydney and Canberra, • Load limits lifted on main road 92, • New Canberra airport (no curfew - big advantages for fresh produce e.g. Oysters) • Merimbula airport to be upgraded for larger aircraft	• High cost • No B double access • No deep sea ports • No rail beyond Bomaderry • Shortage of linkages to destinations off the Princes Hwy. Moving up coast in OK, but inland is difficult • No viable alternative routes if highway closed • Congestion around Sydney and Canberra	• Ensure bypasses available in the event of highway closures • Fix road and rail congestion • Refrigerated transport is crucial; it is a nightmare. Need flexible reliable transport • Recent announcements on upgrading Port of Eden, Moruya airport good for all industries and promotion of tourism • Better highway south • Improve flights to area so business can come and go in a day • Connect Port of Eden via Imlay Rd to Bombala and the Hume Hwy • Area is dependent on Brown Mt road which can be hazardous

Domestic markets

Sector	Advantages	Barrier	Strategies
Agriculture	• Sydney and Canberra nearby, good local demand	• South Coast Dairy is an example, but not accessible to all growth in this business & making the process accessible to tourism would make another avenue for education & jobs • Have been restricted by previous processor • Opening access to markets costs a lot in travel to get to markets on South Coast • High cost burden due to poor access	• Need to look at the crowd carnivore model https://crowdcarnivore.com.au/, this could work in the region • Local butchers have no clue how to market meat • Need to help local businesses market the region (growing divide between town and country) • Need to educate consumers about the value of local food • Roads infrastructure to speed up availability to market • Initiatives in product development and sales will drive consumption
Horticulture, Viticulture, Nursery and Apiary	• Specialised products could be marketed, e.g. seasonal products and forest species • Wine – almost exclusive to domestic	• Local markets available but saturated and only small volume • Requires entrepreneurs • Consumers have much less disposable income • High barriers to entry – alpaca livestock	• Promotion • Improve labelling laws so that consumers can decide for themselves
Aquaculture	• Close to major markets - Sydney • Local market is small but strong. Hooks into 'locavore' image • SAGE – strong. Some good quality restaurants available. • Strong tourist trade • Environmental Management System (EMS) enables promotion of product to many markets • Oyster coast is putting together a farm trail • Increasing number of tourists • Market is for whole fish, un-gutted, with scales on, kept at 4 degrees (not frozen). Targeting high end restaurants and home cooking	• Empty niche • Domestic market in seaweed extracts is not big so hard to sustain significant investment where economies of scale are required	
	• More potential for expanded domestic oyster consumption (than export markets). 20% of Australians regularly consume oysters vs 90% in France. Need more sophisticated brand oriented marketing (not collective/levy based marketing initiatives) • Proximity to Sydney and Canberra a strength. • Same day delivery of mussels to supermarkets is highly sought after due to short shelf life		
Government	• Clean green image • River Cottage Australia has promoted the Tilba region drawing international tourists • Cooperatives – Sapphire coast and Australia's Oyster Coast – marketing as a group • SAGE market has a web portal to allow consumers to buy online • Sydney, Canberra and Melbourne – markets available. • Must be able to meet demand in Sydney, Canberra, Melbourne before being export ready • Region is about "niche" – high end opportunities into major cities and then export	• Poor marketing of advantages • Dual supply scheme in Dairy • Lack of cohesion amongst industries • Desire to remain in current state (to protect sustainability) and not embrace industrial agriculture • Lack of enthusiasm to build the Far South Coast brand	• Improve branding (south coast is too generic), council amalgamations may provide a new name for the region • Better leverage clean green image • Develop a marketing campaign that producers can utilise as a regional advantage • Leverage from cross-promotion of other investments. E.g. Chinese purchase of VDL dairies in Tassie has boosted other sector e.g. tourism • Promote farmer's markets • Need to upgrade Sage market website to allow delivery, so customers don't have to pick up on the day. Need a local delivery service. If service could go daily to Canberra it would be amazing • Focus on niche milk varieties • Need regional Far South Coast brand

Export markets

Sector	Advantages	Barrier	Strategies
Agriculture	• FTAs and ongoing removal of trade barriers • Has not been a lot of desire to push export locally because milk price is too high vs Victorian seasonally produced milk. • Not focussed on export at this time	• Can't get volume to export • Lack of local processing • Closure of Dairy Farmers which had an export product was devastating	• Longer shelf life milk is assisting fresh milk • Ramp up production and processing of South Coast Dairy to grow processing capability • Requires investment capital and focus on value add products – not powder • Looking to export through Canberra • Focus on powdered milk exports
Horticulture, Viticulture, Nursery and Apiary	• Clean green image - differentiate from Australian image • Housing development in local areas provides good growth opportunities.	• Variability in supply because of small catchment area • Imports are killing us. Our major competitors are Holland and France where labour costs are exactly 60% less than ours. We were selling there in our off season but now they stock pile, over produce and dump flowers on the market all year round and destroy prices. • Some lower socio economic areas means discretionary spending is reduced during economic uncertainty • Wine and alpaca high barriers to entry to export market due to regulation and scale needed. Need scale to compete on international markets	• Can store for 12 months or more so possibility of collective, cooperative to market • Increase diversity in customer base to minimise fluctuations in spending between customer types
Aquaculture	• Pristine waters/clean green image • Australian Oyster Coast driving exports • Japanese competition impacted by Fukushima • Opportunities for scale for aquaculture is available • Not so much for mussels etc.	• Promises of higher prices for exports not yet achieved - promised $5/doz premium, in reality get $0.50 • Links to Sydney airport – 4.5-hour drive to Sydney. Canberra direct flights to OS. Within a day	• Focus on oysters to Japan and China • Canberra airport export opportunity • There is huge potential (for oysters) but the markets are sophisticated, highly competitive and price savvy. Oysters from all over the world are competing for attention and Australia is a recent entrant. A company or similar) offers scale not available to individual growers. Trade agreements are helpful in reducing trade barriers but equally in some of these markets, product substitution, identity theft and fraud are rife so it is not for the faint hearted
Government	• Clean green image • FTAs • Canberra airport • China, Indonesia, India demand • Availability of export approved premises • Some good examples that others could follow (Bega Cheese, Sea Urchin, Oyster Coast, River Cottage has been amazing, international tourists are turning up to see the area • Emerging opportunities due to Merimbula airport, Canberra airport and Port of Eden	• Poor marketing of advantages • Difficult to deal with export countries. • Product quality and consistency is of high importance • High cost of testing and compliance • No export abattoir • Lack of knowledge on developing businesses • Route to an export trade is not immediately obvious	• Need to better promote government services especially for export market opportunities • Leverage from cross-promotion of other investments. E.g. Chinese purchase of VDL dairies in Tassie has boosted other sector e.g. tourism • Continue to improve clean green brand (reason for Australia Oyster Coast success) • Some gearing up to export, but need help and advice (65 producers at council event recently) • Help identify Local processing plants are available e.g. at Moruya • Milton abattoir upgrade he right export products • Promotion e.g. government services to assist business development • There are some strong programs available to establish market, but hasn't been the same level of input on how to get to those markets. I.e. Establishing supply chains and logistics capability. Grouping producers together to work collaboratively to develop supply chains

Regulation, red-tape and land use conflict

Sector	Advantages	Barrier	Strategies
Agriculture		• Need to reduce red tape • Issues with neighbours controlling weeds • Right to farm is an issue in some areas (with lifestyle landholders) • When fox baiting we have 23 neighbours within 1 Km to notify • Employment conditions and regulations are increasingly difficult to follow • OH&S • Maintaining fire standard with aging buildings • So many regulated areas, it is difficult to understand the overall requirements for a development • It is always difficult getting anything through council. • Some legislative, food safety barriers due to inability to transport milk with other produce • On council rate notices the charge per Ha is much less for dairy compared to grazing land (why?) • Lack of information provided from regulatory bodies such as EPA, WorkSafe, RMS. Changes to current legislation not conveyed in an effective manner	• Improved consultation through DA process • Maintain dairy rates • Protect lands from rural sub-division • Farmers need use social media communications to address animal welfare issues
Horticulture, Viticulture, Nursery and Apiary		• Farm gate sales approvals (no tourism allowed) • Packaging laws e.g. nutritional data • Difficult to get planning approval for intensification • Wages: - penalty rates, red tape, workers comp, super, award rates (should be performance wages). • General compliance costs	• Councils to promote continuing farming use in appropriate zones • Cut Regulation • Ease regulation of farm gate sales
Aquaculture	• No land use conflict issues • My experience with regulators has been positive (practical and helpful) • Often over complained about. Regulation is a big part of the value adding to the end product • NSW aquaculture development strategies have been really helpful for informing DAs across the state	• Quality Assurance Program costs up 200% as a result of increased monitoring requirements due to urban expansion • Too many agencies • Required by law to have a decision within 6 weeks. Integrated aquaculture application process (all administered by Council). Not sure if project of state significance or not • There is a push at present to remove, on environmental/aesthetics grounds, white infrastructure on oyster leases (i.e. poly pipes that delineate lease boundaries) • This is a nonsense issue: what about white boats on the waters? What about the increased safety risks that water craft will face if lease boundaries are not clearly visible (or to fishermen who wander in and out of leases now)? It needs to be jumped on quickly • Disease risk over the summer in Merimbula that was thought to have been caused by unregulated camping on estuary foreshores and/or pleasure boats discharging effluent into areas proximate to oyster leases. No disease caused, however sales were closed down for several weeks at the height of the season	• Better cooperation between agencies • Better support from agencies for the industries - have become too urban residence focussed • Council need to upgrade infrastructure • Lack of funding for industry clusters, the small business is too busy try to run their own business, when they could get some synergy if funded industry clusters were formed • Improved protection of aquaculture from contamination and disease (e.g. unregulated estuary camping, boating, effluent etc.)
Government	• Councils are attuned to facilitating economic development e.g. fast tracking DAs • Not too much land use conflict, a bit of odour from dairy farms	• Land use conflict with expanding residential areas • Urban encroachment issues • Conflict between tree-chargers and farmers • If we tried to do what we did 20 years ago today, we wouldn't have a chance • Rural land strategy took a while, but end product was generally accepted • Lots of environmentally sensitive zones and state parks, so limited land. But excellent aquaculture prospect • Export accreditation for beef, food handling, • Too many regulators • Skill set in council is limited in ag knowledge when considering development applications • Regulators are often too hard on entrepreneurs trying to innovate	• Need to educate people about property prior to purchase • Buffer zones between farming land and residential land • Promote benefits from farming to the area (not necessarily economic, but visual, amenity etc.) • Need less regulation to do with the environment (Dams and irrigation) • Costs of compliance are too high • Need water security • Extension officers help facilitate the interface between industry and other catchment stakeholders • Ensure council DA approvers have access to industry advisors when assessing applications, and they use them

Social issues and networks

Sector	Advantages	Barrier	Strategies
Agriculture	• Good networks • Social media is helping farmers to communicate with broader audience on industry issues	• Limited cross fertilisation of ideas • Difficult to get volunteers • Tree/sea changers impacting right to farm • Growing divide between town and country, impacts on peoples understanding of issues like bobby calve euthanasia and animal welfare • Quality of high schools and the way agricultural careers are portrayed to students (last resort) • Getting a doctor to handle Q-fever • Lack of public transport means youth can't get to work on farms	• The community needs to recognise the right to farm, and on the other side, farmers must recognise the need for a social licence to operate • Meat processing industry is trying to improve community perceptions
Horticulture, Viticulture, Nursery and Apiary	• Passionate, progressive and capable thought leaders • Apiary industry is well connected via the Bega Amateur Beekeeping Association and the NSW Apiarists Association (South Coast/Southern Tablelands branch)	• Significant social disadvantage • Promotion of the industry in the local community • People can be inward looking and not willing to share experiences (work hard but could work smarter) • Social issues affecting staff availability (theft, substance abuse, motivation etc.)	• Support local meetings and conferences • Support the LLS South East Local Leaders Program
Aquaculture	• Good place to live with low cost of living • Very good schools available. • Availability of medical services / hospitals are good	• Have to drive everywhere • Demographic challenge with low socio – economic impacts	• Nowra needs to celebrate/embrace the river more so that residents get a better understanding of the range of dependent industries • Support walking, cycling and public transport
Government	• Quality of life/cost of living • Industry networks and support groups • Diversity of industry/opportunity • Good health and schooling network including UOW campuses and Bega Medical precinct • New South East regional hospital	• High proportion of elderly, disabled and disaffected youth (less people who are working age and capable). • Good lifestyle prevents search for more intensive production and processing • Lack of collaboration between producers • People are very comfortable • Some areas of coast are very isolated e.g. Womboyne • Younger people moving away from the area	• Promote the contribution industry makes to the region • Drive collaboration and sharing of ideas • Vertical networks are more important than peer networks

- Economic development and jobs growth
- Community development
- Environmental sustainability

p: +612 4422 9011
f: +612 4422 5080
e: admin@rdafsc.com.au
w: www.rdafsc.com.au
81A North Street Nowra NSW 2541
PO Box 1227 Nowra NSW 2541