



Growing the Food Manufacturing Sector in Rural Victoria

Project Report

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in collaboration with

RMCG

and

REMPPLAN

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Project Overview

The Growing the Food Manufacturing Sector in Rural Victoria project aims to attract increased investment in rural Victoria's food and beverage product manufacturing sectors.

RCV commissioned the Growing the Food Manufacturing Sector in Rural Victoria in response to the findings of the RCV Rural Investment Attraction Program, which identified that there are

- opportunities for investment in the food and beverage product manufacturing sectors across rural Victoria.
- food and beverage product manufacturing businesses operating in Greater Metropolitan Melbourne that may see opportunities to grow their business in rural Victoria

The program identified that there are food manufacturing businesses in GMM that:

- cannot expand at the current location as the site cannot accommodate a larger manufacturing footprint; or
- are experiencing restrictions to their operations due to the encroachment of residential or non-industrial commercial development; or
- are seeking to establish a second manufacturing site to:
 - accommodate expansion of production, or
 - provide risk mitigation to having a single manufacturing site, or
 - establish a lower-cost operation
- see financial opportunities associated with disposing of their current Melbourne site and acquiring a site outside of GMM for a lesser cost

These food manufacturing operations may see merit in establishing operations at appropriate locations in rural Victoria.

The Growing the Food Manufacturing Sector in Rural Victoria project seeks to identify assets that would support investment in food and beverage manufacturing in rural Victoria. The project also aims to engage food and beverage product manufacturing businesses located in Greater Metropolitan Melbourne in such opportunities.

The project involved two Stages:



Rural Victoria supports a diversity of food and beverage product manufacturing

The food and beverage product manufacturing sectors involve a diversity of manufacturing activities.

The adjacent table shows this diversity exists in rural Victoria

The key take-away for potential investors is that a wide range of food and beverage product manufacturing can thrive in rural Victoria

Food Manufacturing	in Rural Victoria	Beverage Manufacturing	in Rural Victoria
Meat & Meat Product	✓	Soft Drink, Cordial & Syrup	✓
Bakery Product	✓	Beer Manufacturing	✓
Sugar & Confectionery	✓	Spirit Manufacturing	✓
Dairy Product	✓	Wine & Other Alcoholic Beverage	✓
Other Food Product	✓		
Processed Seafood	✓		
Oils & Fats	✓		
Grain Mill & Cereal Product	✓		
Fruit & Vegetable Product	✓		

Food and beverage product manufacturing is growing in rural Victoria

ABS data shows that food and beverage product manufacturing in rural Victoria has experienced significant growth in:-

<i>Employment</i>	jobs in the sectors increased by almost 2,300 – a growth of 18%, which is greater than the growth for all industry sectors in rural Victoria
<i>Revenue</i>	revenue in rural Victoria's food and beverage manufacturing sectors has grown by almost \$1.9B or 22%. This increase represents 38% of Victoria's growth in these sectors
<i>Exports</i>	exports in rural Victoria's food product manufacturing sector have grown by 22% in the beverage product manufacturing sector by 43%

The rates of growth in employment, revenue and exports are significantly higher than for Greater Metropolitan Melbourne

The key takeaway for potential investors is that food and beverage product manufacturing in rural Victoria is growing and thriving.

Industrial Property Prices in Rural Victoria

Industrial property prices in rural Victoria are significantly low than in Greater Metropolitan Melbourne. Data from the Victorian Valuer-General shows that in 2020, the price of the most common types of industrial properties sold is considerably less in rural Victoria. The table below shows the Median Price/Unit Area (m²) for these properties across all of Country Victoria. The median price for such properties in many rural LGAs is generally much lower again.

The sales data also showed that almost 45% of the Industrial Development Sites sold in Victoria were in rural Victoria.

The takeaway for potential investors is that industrial property is available and, generally, at a much lower price.

Property Types	GMM	Country Victoria
	Median Price/Unit Area (m ²)	
Industrial Development Sites	\$ 445.8	\$ 51.52
General Purpose Factories	\$ 1,388.7	\$ 388.2
General Purpose Warehouses	\$ 650.0	\$ 403.3

Food and beverage product manufacturing businesses in Greater Metropolitan Melbourne

The analysis of Food and beverage product manufacturing in Greater Metropolitan Melbourne shows more than 8,300 related businesses.

More than 3,800 of these businesses are in the Bakery Product Manufacturing (Non-factory based) sector. The project has not included these businesses as targets. They are highly retail orientated and have little if any need for industrial assets.

This decision makes for just under 5,000 businesses. An analysis of the Australian Business Register identified that just under 4,000 of these businesses had registered an email address.



Council Survey

A key element of Stage 1 was a comprehensive survey of RCV Councils. 34 Councils responded, and 32 indicated that the food and beverage manufacturing sector is one of their priorities for investment attraction. The table below provides an overview of the survey responses and highlights that many Councils need to improve their investment attraction processes.

Number of Surveys distributed	37		Number of Surveys completed	34	
Number of Councils that nominated that the	➔	Food and Beverage Manufacturing sector <i>is not one of their priorities</i> for investment attraction	2	=	34
	➔	Food and Beverage Manufacturing sector <i>is one of their priorities</i> for investment attraction	32		
Number of Councils that indicated that the Food and Beverage Manufacturing sector as one of their priorities for investment attraction; and that they:	➔	<i>have</i> previous experience in attracting investment in the Food and Beverage Manufacturing sector	22	=	32
	➔	<i>do not have</i> previous experience in attracting investment in the Food and Beverage Manufacturing sector	10		
	➔	<i>are</i> currently facilitating investment in the Food and Beverage Manufacturing sector	16	=	32
	➔	<i>are not</i> currently facilitating investment in the Food and Beverage Manufacturing sector	16		
	➔	<i>have</i> an Investment Attraction Strategy	6	=	32
	➔	<i>do not have</i> an Investment Attraction Strategy	26		

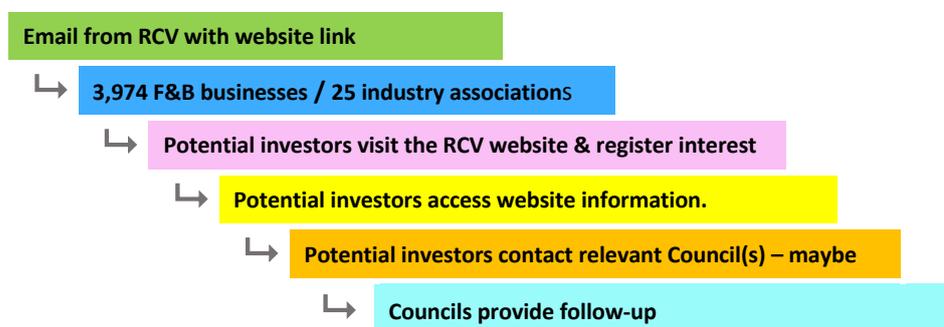
Industrial Assets

The survey sought feedback regarding the availability of assets used by investors from the food and beverage manufacturing sector to grow or establish their business. This feedback identified more than 90 industrial development sites and 90 brownfield sites across 22 LGAs. Ten of the Councils that nominated that they seek to attract investment in food and beverage manufacturing did not identify any available industrial assets.

Councils also provided information about the availability of a relevant workforce and housing that could accommodate additional workers. Many Councils had limited availability of these critical resources.

Communication Process

An interactive map based on the Council's feedback has been developed and located on the RCV website. An email campaign to almost 4,000 food and beverage manufacturing businesses in GMM will link to the website. Businesses can explore the opportunities, find out more about the economic performance of the sectors and relative cost on industrial property in rural Victoria. The following diagram is an overview of this process.



The site will provide relevant contact details for investors should they wish to discuss the opportunities further with relevant Councils. The communication process will also provide advice to councils about their response to any enquiries.

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acknowledgement of country

We acknowledge the Traditional Owners of the Country that we work on throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging and the Elders of other Aboriginal and Torres Strait Islander communities. Moreover, we express gratitude for the knowledge and insight that Traditional Owner and other Aboriginal and Torres Strait Islander people contribute to our shared work.

1. Introduction

The Growing the Food Manufacturing Sector in Rural Victoria project aims to attract increased investment in rural Victoria's food and beverage manufacturing sectors. Rural Victoria is defined as the 38 rural Local Government Areas (LGA) in Victoria.

The focus is on attracting private sector investment in the food and beverage manufacturing sectors. Increased investment in the sector will generate additional employment that will support population attraction and retention in rural Victoria, one of Rural Councils Victoria (RCV) major objectives.

1.1 Project Rationale

RCV commissioned the Growing the Food Manufacturing Sector in Rural Victoria in response to the findings of the RCV Rural Investment Attraction Program, which identified that there are:

- 1) opportunities for investment in the food and beverage manufacturing sectors across rural Victoria due to the food and beverage manufacturing sectors':
 - being active across the majority of rural Victoria – including in LGAs that have not experienced significant population growth
 - overall growth of employment and output of the food and beverage manufacturing sectors in rural Victoria, which strongly suggests that sectors can operate in rural Victoria successfully; and
 - not being dependent on the demand for goods and services from a local population and therefore not necessarily requiring population growth; such growth is not forecast for many rural LGA. With little change in local demand, there is a range of challenges to attracting investment.
- 2) food and beverage manufacturing businesses operating in Greater Metropolitan Melbourne that may see opportunities to grow their business in rural Victoria based on:
 - the availability of required assets – i.e. land, facilities – at a lower cost than what is available in Greater Metropolitan Melbourne
 - the growth experienced by the food and beverage manufacturing sectors in rural Victoria
- 3) food and beverage manufacturing businesses operating in Greater Metropolitan Melbourne that wish to pursue growth opportunities in rural Victoria will:
 - add value to the local rural economy that they establish operations in
 - add value to the Victorian economy if they are unable to grow in their current circumstances

The Growing the Food Manufacturing Sector in Rural Victoria project seeks to identify assets that would support investment in food and beverage manufacturing in rural Victoria and engage food and beverage manufacturing businesses located in Greater Metropolitan Melbourne in such opportunities.

2. Project Methodology

The project was conducted in two Stages:

Stage 1

Analysis of food and beverage manufacturing activity in rural Victoria
 Analysis of industrial assets in rural Victoria
 Identification of investment opportunities, investment readiness and potential investment targets in Greater Metropolitan Melbourne

Stage 2

Engagement with Greater Metropolitan Melbourne based Food and Beverage Manufacturing businesses



2.1 Stage 1

The following is an overview of the activities undertaken in Stage 1 of the project

2.1.1 Analysis of food and beverage manufacturing activity in rural Victoria

This analysis focused on identifying the characteristics and trends of food and beverage manufacturing activity in rural Victoria; this included identifying the:

- relative size of the sectors
- diversity of food and beverage manufacturing activity in rural Victoria – both in type of activity and location
- growth trends and the contribution to Victoria’s food and beverage manufacturing sectors

The focus was on identifying the relative attractiveness of food and beverage manufacturing activity in rural Victoria for potential investors

2.1.2 Analysis of industrial assets in rural Victoria

Manufacturing, including food and beverage manufacturing, requires appropriate facilities to accommodate the relevant manufacturing processes. These facilities include factories, warehouses (which can accommodate manufacturing activities) or industrial land.

Stage 1 included analysing "industrial assets" and comparing their relative cost (as indicated by a sales price). This analysis drew upon data from the Victorian Valuer General.

Analysis of Industrial Assets in Victoria

Stage 1 also included an analysis of:

- the relative cost of industrial assets, including land and buildings, in rural Victoria versus those in Greater Metropolitan Melbourne.
- trends in the condition and supply of industrial zoned land

The analysis has involved:

- an analysis of industrial property sales information provided by the Victorian Valuer General
- engagement with DEWLP regarding trends in the provision of industrial land in Greater Metropolitan Melbourne
- engagement with developers of industrial assets regarding the key factors that drive decision-making regarding the development of such assets

2.1.3 Potential investors in Greater Metropolitan Melbourne

Stage 1 also involved an analysis of potential food and beverage manufacturing investors in Greater Metropolitan Melbourne. The focus was on existing food and beverage manufacturing businesses.

2.1.4 Analysis of the food and beverage manufacturing industry in Greater Metropolitan Melbourne

Finally, Stage I also included:

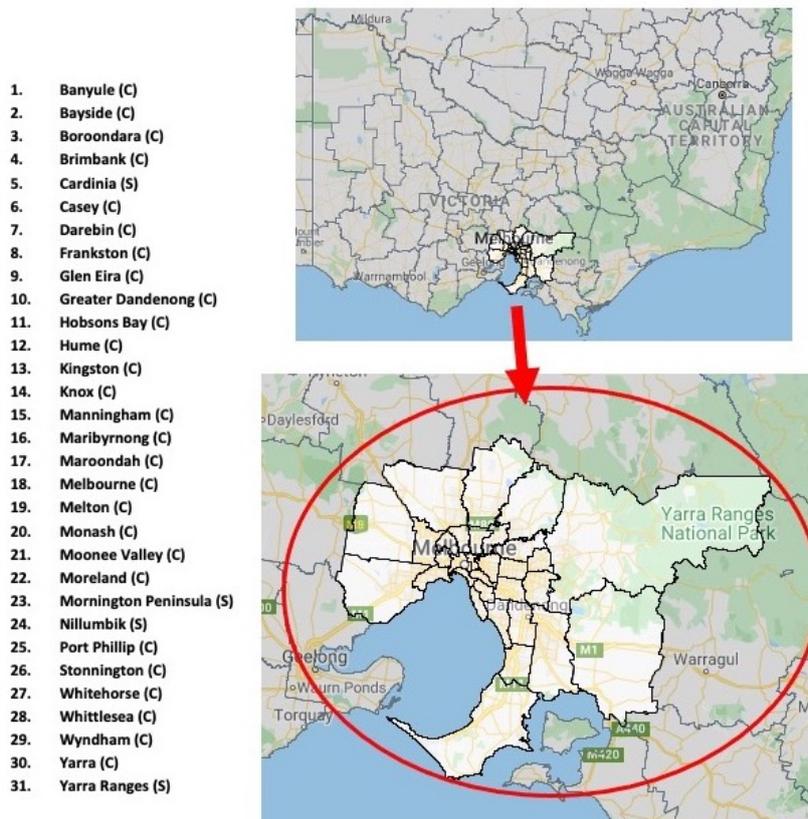
- an analysis of growth trends in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne
- an analysis of the range of businesses operating in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne and the identification of potential investment targets; and the
- the identification of industry associations and organisations that represent the interests of food and beverage manufacturing sector businesses

The analysis has involved desktop research, including a review of relevant ABS data regarding industry trends, Australian Business Register (ABR) data.

2.1.5 Greater Metropolitan Melbourne

The project has targeted food and beverage manufacturing in Greater Metropolitan Melbourne (GMM). GMM consists of the 31 Local Government Areas noted in alphabetical order in Figure 2-1. The ABS 2020 Estimated Residential Population for Greater Metropolitan Melbourne was 5,077,545, representing 77% of Victoria's Estimated Residential Population.

Figure 2-1 - Greater Metropolitan Melbourne



2.1.6 Regional Victoria

This Report also refers to Regional Victoria, which differs from rural Victoria, and consists of Victoria ten acknowledged regional cities those being:

- | | | | |
|-----------------|--------------------|-----------------------|--------------------|
| Greater Geelong | Greater Shepparton | Latrobe | Bendigo |
| Warrnambool | Greater Ballarat | Wangaratta Rural City | Mildura Rural City |
| | Horsham Rural City | Wodonga City | |

2.2 Survey of RCV Councils

Stage 1 also included a focus on identifying the:

- rural Councils that are seeking to attract investment in food or beverage manufacturing sectors and the current readiness of these Councils to facilitate such investment
- assets that are currently available across rural Victoria to support potential investment in food or beverage manufacturing sectors; these assets include appropriately zoned land, existing buildings and associated services
- gaps in asset capability that require support via Government funding programs.

Identifying the above has involved developing and conducting a survey of the 37 councils in the RCV network. The survey has collected information on a range of areas. The information collected has been collated and analysed. This information has included developing a "map" that represents the geographical distribution of these assets.

2.3 Stage 2

Stage 2 focuses on developing a process to engage food and beverage manufacturing sector businesses operating in Greater Metropolitan Melbourne with information about relevant assets in rural Victoria.

Stage 2 tasks have included:

- 1) collation of relevant information in a form that can be provided for businesses making enquiries regarding potential investment opportunities
- 2) development of communication of processes and tools to communicate the information about relevant assets in rural Victoria to businesses operating in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne
- 3) development of methods to capture information about businesses in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne that have accessed information regarding relevant assets in rural Victoria

This method has included preparing a map of the location of assets across rural Victoria and developing a dedicated landing page on the RCV website.

Stage 2 has also involved developing information for RCV Councils regarding the above and recommendations regarding what steps they should prepare for field inquiries.

3. Food and beverage manufacturing in rural Victoria

This Section provides an overview of the food and beverage manufacturing sectors in Victoria.

3.1 The manufacturing sector

The ABS defines manufacturing as entities that are “mainly engaged in the physical or chemical transformation of materials, substances or components into new products (except agriculture and construction). The materials, substances or components transformed by manufacturers are raw materials that are products of agriculture, forestry, fishing and mining, or products of other manufacturing units. The food and beverage manufacturing sectors are part of the wider manufacturing sector.

3.2 Victoria’s Manufacturing Sector

Victoria's manufacturing sector generates 223,517 jobs across several types of manufacturing activity, including food and beverage manufacturing. It accounts for 8.2% of all employment in the Victorian economy, as noted in the following Table 3-1.

Table 3-1 - Manufacturing Sector Employment - Victoria

Manufacturing Sectors	# Jobs	% of Victorian Economy	% of all Manufacturing Jobs
Food Product Manufacturing	59,167	2.2%	26.5%
Transport Equipment & Parts Manufacturing	28,119	1.0%	12.6%
Metal & Metal Product Manufacturing	23,684	0.9%	10.6%
Technical Equipment & Appliance Manufacturing	19,676	0.7%	8.8%
Basic Chemical, Cleaning & Polymer Manufacturing	18,232	0.7%	8.2%
Saw Mill, Wood & Paper Product Manufacturing	15,027	0.6%	6.7%
Printing (including the reproduction of recorded media)	13,307	0.5%	6.0%
Apparel Manufacturing	9,483	0.3%	4.2%
Furniture Manufacturing	9,022	0.3%	4.0%
Non-Metallic Mineral Product Manufacturing	8,556	0.3%	3.8%
Beverage Product Manufacturing	8,153	0.3%	3.6%
Pharmaceutical Product Manufacturing	6,831	0.3%	3.1%
Other Manufactured Products	2,296	0.1%	1.0%
Petroleum & Coal Product Manufacturing	1,964	0.1%	0.9%
Sub-Total	223,517	8.2%	100.0%
# Jobs in Rest of Victoria	2,506,815	91.8%	

As can be seen in the table above, collectively, the food and beverage product manufacturing sectors account for 67,320 jobs which represent

- 2.5% of Victoria’s employment.
- 31.1% of Victoria’s manufacturing employment – the food product manufacturing sector is, by employment, the largest of the manufacturing sectors in Victoria

3.3 Diversity of food and beverage manufacturing classifications

Food and beverage manufacturing entails a diverse range of manufacturing activities and products. The ABS utilises 267 food or beverage manufacturing classifications. A complete listing of these classifications is provided in Appendix I. Table 3-2 summarises the key classifications.

Table 3-2 - ABS Food and Beverage Product Manufacturing Classifications

Food Manufacturing		No of Manufacturing Classifications	Present in Rural Victoria
Meat & Meat Product	Meat Processing	26	✓
	Cured Meat and Smallgoods Manufacturing		✓
	Poultry Processing		✓
Bakery Product	Bread Manufacturing (Factory based)	24	✓
	Cake and Pastry Manufacturing (Factory based)		✓
	Biscuit Manufacturing (Factory based)		✓
	Bakery Product Manufacturing (Non-factory based)		✓
Sugar & Confectionery	Sugar Manufacturing	27	✓
	Confectionery Manufacturing		✓
Dairy Product	Milk and Cream Processing	30	✓
	Ice Cream Manufacturing		✓
	Cheese and Other Dairy Product Manufacturing		✓
Other Food Product	Potato, Corn and Other Crisp Manufacturing	45	✓
	Prepared Animal and Bird Feed Manufacturing		✓
	Other Food Product Manufacturing n.e.c.		✓
Processed Seafood		13	✓
Oils & Fats		9	✓
Grain Mill & Cereal Product	Grain Mill Product Manufacturing	41	✓
	Cereal, Pasta and Baking Mix Manufacturing		✓
Fruit & Vegetable Product		22	✓
Beverage Manufacturing			
Soft Drink, Cordial and Syrup		30	✓
Beer Manufacturing			✓
Spirit Manufacturing			✓
Wine and Other Alcoholic Beverage			✓
<i>Total Categories</i>		267	

3.3.1 Diversity of food and beverage manufacturing sectors rural Victoria

As noted in the previous table, rural Victoria houses a diversity of food and beverage manufacturing activities. Thirty-eight (38) rural LGAs have food product manufacturing, and thirty-five (35) rural LGAs have food and beverage manufacturing activity as part of their local economies.

3.4 Food and beverage manufacturing employment in growth Victoria

As noted in Table 3-3, employment in Victoria’s food and beverage manufacturing sectors grew by 3,697 jobs or 6% from the 2011 ABS Census to the 2016 ABS Census. This included the growth of 3,771 jobs in food product manufacturing, a rise of 7%, driven mainly by Meat and Meat Product and Bakery Product manufacturing growth. Beverage product manufacturing experienced a slight contraction in employment.

Table 3-3 - Food and Beverage Manufacturing Sector Employment – Victoria and Rural Victoria

Food And Beverage Manufacturing Sectors	Victoria				Rural Victoria			
	2016	2011	Change 2011 to 2016		2016	2011	Change 2011 to 2016	
	# jobs	# jobs	# jobs	%	# jobs	# jobs	# jobs	%
Meat & Meat Product	13,742	10,575	3,167	30%	4,297	2,695	1,602	59%
Bakery Product	18,539	15,684	2,855	18%	2,905	2,373	532	22%
Sugar & Confectionery	3,716	3,723	(7)	0%	304	242	62	26%
Dairy Product	10,500	10,930	(430)	-4%	4,322	4,267	55	1%
Other Food Product	6,124	6,110	14	0%	989	952	37	4%
Processed Seafood	203	246	(43)	-17%	48	63	(15)	-24%
Oils & Fats	360	607	(247)	-41%	8	82	(74)	-90%
Grain Mill & Cereal Product	1,700	1,962	(262)	-13%	404	498	(94)	-19%
Fruit & Vegetable Product	4,283	5,559	(1,276)	-23%	603	714	(111)	-16%
Food Product Manufacturing	59,167	55,396	3,771	7%	13,880	11,886	1,994	17%
Wine, Spirits & Tobacco	4,594	4,700	(106)	-2%	1,237	1,031	206	20%
Beer	1,752	1,674	78	5%	142	67	75	112%
Soft Drinks, Cordials & Syrup	1,807	1,853	(46)	-2%	36	17	19	112%
Beverage Product Manufacturing	8,153	8,227	(74)	-1%	1,415	1,115	300	27%
Food & Beverage Product Manufacturing	67,320	63,623	3,697	6%	15,295	13,001	2,294	18%
% of Victoria					23%	20%	62%	

3.4.1 Food and beverage manufacturing employment growth in rural Victoria

Rural Victoria experienced an overall growth in employment in food and beverage manufacturing of 2,294, an increase of 18% in the same period. The employment growth:

- in food product manufacturing was driven mainly by growth in Meat and Meat product and Bakery Product manufacturing
- in Beverage Product Manufacturing sector included growth across all elements of this classification with substantial percentage growth in Beer and Soft Drinks, Cordials & Syrup product manufacturing
- was greater in percentage terms than overall employment growth in rural Victoria, which grew by more than 35,400 jobs or 15% from 234,300 jobs at the 2011 ABS Census to 269,722 jobs at the 2016 ABS Census
- accounted for 62% of Victoria’s employment growth in food and beverage product manufacturing

3.5 Food and beverage manufacturing output growth in Victoria

An analysis of the Output (or revenue) generated by the Food and Beverage Product Manufacturing sectors is provided in Table 3-4. The Output of Food Product Manufacturing grew by almost \$4.94B or 15% from 2011 to 2016. Much of this growth was due to an increase in the Meat & Meat Product Manufacturing and Dairy Product Manufacturing sectors.

During this same period, the beverage product manufacturing sector's Output decreased by almost \$113M or a contraction of -2%. The most significant contraction was in the Wine, Spirits & Tobacco sector. This contraction was offset somewhat by substantial growth in Beer Manufacturing.

Table 3-4 - Food and Beverage Manufacturing Output Growth In Victoria

Product Manufacturing	2016	2011	Change 2011 to 2016		
	Output (\$M)	Output (\$M)	(\$M)	%	
Victoria	Food	\$37,076.03	\$32,139.95	\$4,936.08	15%
	Beverage	\$5,878.18	\$5,990.93	(\$112.76)	-2%
	<i>totals</i>	\$42,954.20	\$38,130.88	\$4,823.33	13%
Greater Metropolitan Melbourne	Food	\$21,511.42	\$18,524.41	\$2,987.01	16%
	Beverage	\$4,382.42	\$4,652.50	(\$270.09)	-6%
	<i>totals</i>	\$25,893.84	\$23,176.92	\$2,716.92	12%
	<i>% of Victoria</i>	60%	61%	56%	
Regional and Rural Victoria*	Food	\$15,564.61	\$13,615.53	\$1,949.08	14%
	Beverage	\$1,495.76	\$1,338.43	\$157.33	12%
	<i>totals</i>	\$17,060.37	\$14,953.96	\$2,106.40	14%
	<i>% of Victoria</i>	40%	39%	44%	
Regional Victoria	Food	\$6,160.33	\$5,951.89	\$208.44	4%
	Beverage	\$697.07	\$655.30	\$41.78	6%
	<i>totals</i>	\$6,857.40	\$6,607.19	\$250.21	4%
	<i>% of Victoria</i>	16%	17%	5%	
Rural Victoria	Food	\$9,404.28	\$7,663.65	\$1,740.63	23%
	Beverage	\$798.69	\$683.14	\$115.55	17%
	<i>totals</i>	\$10,202.97	\$8,346.78	\$1,856.19	22%
	<i>% of Victoria</i>	24%	22%	38%	

A detailed analysis of the changes in rural Council Outputs is provided in Appendix ??

3.5.1 Food and beverage product manufacturing output growth in rural Victoria

Rural Victoria experienced significant growth in both food and beverage product manufacturing Output. Food and beverage product manufacturing in rural Victoria accounted for 24% of Victoria's total food and beverage product manufacturing outputs. It generated 38% of the State growth in the food and beverage product manufacturing outputs.

Rural Victoria's food and beverage product manufacturing sectors experienced a more considerable output growth, in percentage terms than that for Victoria, Greater Metropolitan Melbourne or regional Victoria. 32 of the 38 local rural economies experienced an increase in the Output of both Food and Beverage Product Manufacturing. 4 of the 6 experienced a contraction in the Output of both Food and Beverage Product Manufacturing experienced growth in the Output of Beverage Product Manufacturing.

3.6 Food and beverage product manufacturing export growth in rural Victoria

Exports represent the value of goods and services exported outside of the defined region that businesses have generated in each industry sector. No distinction is made between domestic and international exports in this analysis.

Rural Victoria experienced overall growth in the value of exports in both food and beverage product manufacturing, as noted in Table 3-5. Over the period 2011 to 2016, the value of food product manufacturing exports in rural Victoria grew by more than \$1.3 B or 22%. Over the same period, the value of beverage product manufacturing exports increased by \$173 M or 43%.

Table 3-5 - Rural Victoria Food and Beverage Product Manufacturing Exports

Food Product Manufacturing				Beverage Product Manufacturing			
2016	2011	Change 2011 to 2016		2016	2011	Change 2011 to 2016	
\$M	\$M	\$M	%	\$M	\$M	\$M	%
\$7,336.67	\$5,992.94	\$1,343.74	22%	\$574.33	\$400.68	\$173.65	43%

Another way of defining exports is as an inflow of money into the region. The analysis of exports as a percentage of outputs shows that more than 70% of total output (i.e. revenue) is export revenue. This analysis underlines that food and beverage product manufacturing businesses are not highly dependent on local demand.

3.7 Conclusions

Food and beverage product manufacturing contributes to the rural Victorian economy and Victoria's food and beverage product manufacturing sectors.

3.7.1 Attractive to potential investors

Rural Victoria's food and beverage product manufacturing sectors are attractive for potential investors due to the combination of:

- relative growth – as evidenced by the combination of the growth in employment, output and exports and the substantive contribution to the growth of food and beverage product manufacturing in Victoria generated by food and beverage product manufacturing activity in rural Victoria
- diversity of food and beverage product manufacturing activity in rural Victoria – this diversity is evidence to potential investors of the range of possibilities in food and beverage product manufacturing

These trends signal potential investors that food and beverage product manufacturing is thriving in rural Victoria, and such growth suggests that well-placed investment can generate a positive return.

This information will be provided to targeted food and beverage manufacturing businesses in GMM in Stage 2 of the project.

4. Industrial Property Sales in Victoria

Food and beverage manufacturing businesses require industrial properties such as appropriately zoned land (on which they can develop manufacturing and related facilities) or existing industrial facilities from which they can operate. To this end, Stage I also included an analysis of the relative cost of industrial properties, including land and buildings, in rural Victoria versus those in Greater Metropolitan Melbourne. The analysis has involved:

- an analysis of industrial property sales information provided by the Victorian Valuer General
- engagement with DEWLP regarding trends in the provision of industrial land in Greater Metropolitan Melbourne
- engagement with developers of industrial assets regarding the key factors that drive decision-making regarding the development of such assets

4.1 The relative cost of industrial properties

The analysis of the relative cost of industrial properties, including land and buildings, in rural Victoria versus the same properties in Greater Metropolitan Melbourne.

4.1.1 A Guide to Property Values

The analysis has drawn upon data provided in the publication *A Guide to Property Values - Annual analysis of property sales data from Valuer-General Victoria January – December 2020* (the Guide)

- is produced annually using data from Valuer-General Victoria and includes every property sale in the State.
- presents factual data relating to property sales received throughout Victoria during the 2020 calendar year
- provides a summary of sales activity for every local government area as well as state-wide, metropolitan and country summaries
- includes median prices for industrial sales and notes that median prices provide a more accurate indication.

4.1.2 Types of industrial properties sold in Victoria

The Guide notes that, across Victoria, there were 2,768 industrial properties were sold in 2020. As noted in Table 4-1, 85% of all sales involved three types of properties; General Purpose Factories (Unspecified), General Purpose Warehouses (Unspecified), and Industrial Development Sites.

Table 4-1 - Industrial Properties Sold in Victoria, 2020

Type of Properties*	# of Sales	% of Sales
General Purpose Factory (Unspecified)	1059	
General Purpose Warehouse (Unspecified)	812	85%
Industrial Development Site	482	
Factory Unit	92	
Office/Factory	71	8%
Factory	53	
All other Asset types		
<ul style="list-style-type: none"> • Industrial Land (with buildings which add no value) • Warehouse/Factory • Garage/Motor Vehicle Repairs • Open Area Storage (Unspecified) • Major Industrial Complex Vacant Ind In globo Land • Warehouse • Store • Bulk Grain Storage • Warehouse/Showroom • Sawmill • Works Depot • Food Processing Factory (Unspecified) • Coolstore/Coldstore • Warehouse/Office 	199	7%
*Note – Property types are as named and described in the Guide	Total sales	2,768 100%

4.2 Metropolitan versus country industrial property sales

Further analysis of the 2,768 industrial properties sold in 2020 notes that most sales were in Greater Metropolitan Melbourne, as pointed out in Table 4-2.

Table 4-2 - Victorian Metropolitan versus Victorian Country Industrial Property Sales, 2020

<i>Industrial Property Types</i>	GMM			Country Victoria		
	# sales	# of GMM Sales	% of Victorian Sales	# sales	# of CV Sales	% of Victorian Sales
General Purpose Factory (Unspecified)	814	40.5%	77.0%	245	32.4%	23.0%
General Purpose Warehouse (Unspecified)	596	29.6%	73.0%	216	28.6%	27.0%
Industrial Development Site	269	13.4%	56.0%	213	28.2%	44.0%
All other Types	333	16.5%	12.0%	82	10.8%	3.0%
<i>Totals</i>	2,012	100%	72.0%	756	100%	24.0%

The analysis shows that :

- Greater Metropolitan Melbourne accounted for 72.0% of industrial property sales
- sales of General Purpose Factories (Unspecified), General Purpose Warehouses (Unspecified), and Industrial Development Sites industrial properties accounted for 72% of sales in Greater Metropolitan Melbourne
- Country* Victoria accounted for 24.0% of industrial property sales
- sales of General Purpose Factories (Unspecified), General Purpose Warehouses (Unspecified), and Industrial Development Sites industrial properties accounted for 89% of sales in Country Victoria

The analysis also shows that the distribution of sales of Industrial Development Sites was much more even between Greater Metropolitan Melbourne and Country Victoria.

***Note** the Guide defines Country Victoria as those parts of the State outside of GMM – i.e. Regional Victoria plus Rural Victoria

4.2.1 Sales within Country Victoria

An analysis of the sales of industrial property within Country Victoria shows that the Regional Cities accounted for most sales not unexpectantly. The regional Cities accounted for 398 or 50% of all Country Victoria's sales. Greater Geelong and Ballarat accounted for 55% of the sales in the Regional Cities.

4.3 Industrial property sales in rural Victoria

An analysis of industrial property sales across Victoria 38 rural LGAs shows that these LGAs accounted for 249 sales or 39% of all sales in Country Victoria and 9% of all sales in Victoria. Sales across the 38 rural LGAs were distributed as noted in Table 4-3.

Table 4-3 - Percentage of Industrial Property Sales in Rural Victorian LGAs, 2020

Rural LGAs	East Gippsland	Surf Coast	Corangamite	Swan Hill	Moyne
	Baw Baw	Campaspe	Nth Grampians	Benalla	Mt Alexander
	Hindmarsh	Macedon Ranges	Gannawarra	Hepburn	Murrindindi
	Yarriambiack	Golden Plains	Sth Grampians	Indigo	Pyrenees
	Wellington	Moira	Ararat	Strathbogrie	Central Goldfields
	Bass Coast	Moorabool	Glenelg	Towong	West Wimmera
	Mitchell	Sth Gippsland	Alpine	Loddon	Queenscliffe
	Colac Otway		Buloke	Mansfield	
% rural Victoria	50%		47%		3%

The sales of General Purpose Factories (Unspecified), General Purpose Warehouses (Unspecified), and Industrial Development Sites industrial properties accounted for 69% of all sales in rural Victoria

Table 4-4 - Industrial Property Sales in Rural Victoria, 2020

Property Types	sales in rural Victoria		% of CV sales	% of Vic Sales
	#	%		
Industrial Development Sites	106	26.0%	51.0%	22.0%
General Purpose Factories (Unspecified)	107	26.0%	44.0%	10.0%
General Purpose Warehouses (Unspecified)	85	21.0%	39.0%	10.0%
<i>totals</i>	298	74.0%		

As can be seen, the most frequently sold industrial property in rural Victoria in 2020 were Industrial Development Sites and General Purpose Factories (Unspecified). These sales accounted for almost 32% of all industrial property sales in Victoria in 2020.

4.4 Median sales prices for industrial properties in Victoria

As noted in Section 4.1.1., the Guide also provides information regarding the median price for the sale of different properties. Table 4-5 compares median sales prices for the most frequently sold forms of industrial properties.

Table 4-5 - Median Sales Prices for Industrial Properties in Victoria, 2020

Property Types	Sales Prices	Victoria	GMM	Country Victoria
Industrial Development Sites	Median Sales Price (\$,000)	\$ 467.4	\$ 825.0	\$ 260.0
	Median Price/Unit Area (m ²)	\$ 213.60	\$ 445.8	\$ 51.52
General Purpose Factories	Median Sales Price (\$,000)	\$ 550.0	\$ 605.0	\$ 396.0
	Median Price/Unit Area (m ²)	\$ 476.95	\$ 1,388.7	\$ 388.2
General Purpose Warehouses	Median Sales Price (\$,000)	\$ 852.5	\$ 650.0	\$ 403.3
	Median Price/Unit Area (m ²)	\$ 3,417.86	\$ 1,193.6	\$ 259.57

The analysis shows that the median prices of industrial properties in County Victoria are less, and in some cases substantially lower, than the median prices of such properties in Greater Metropolitan Melbourne.

4.4.1 Median sale prices of industrial properties in rural Victoria

A review of median sales prices for these properties shows a wide variation across rural Victoria, as noted in Table 4-6.

Table 4-6 - Median Sale Prices of Industrial Properties in Rural Victoria (1)

Property Types	Sales Prices	GMM	Rural Victoria	
			Highest Median Price	Lowest Median Price
Industrial Development Sites	Median Sales Price (\$,000)	\$ 825.0	\$1,072.5 (Surf Coast)	\$27.5 (Loddon)
	Median Price/Unit Area (m ²)	\$ 445.8	\$587.5 (Surf Coast)	\$3.6 (Ararat)
General Purpose Factories (Unspecified)	Median Sales Price (\$,000)	\$ 605.0	\$17,160.0 (Corangamite)	\$95.0 (Buloke)
	Median Price/Unit Area (m ²)	\$ 1,388.7	\$2,898.5 (Hepburn)	\$25.5 (Ararat)
General Purpose Warehouses (Unspecified)	Median Sales Price (\$,000)	\$ 650.0	\$3,350.0 (Alpine)	\$20.0 (West Wimmera)
	Median Price/Unit Area (m ²)	\$ 1,193.6	\$2,264.0 (Surf Coast)	\$6.0 (Buloke)

Many rural LGAs have median prices that are lower than the median price for industrial properties in Greater Metropolitan Melbourne. There was one rural LGAs in which recorded no sales industrial sales in 2020. Overall, the majority of rural LGAs had lower median prices for industrial properties that GMM as noted in Table 4-7.

Table 4-7 - Median Sale Prices of Industrial Properties in Rural Victoria (2)

Property Types	Sales Prices	GMM	Number of rural LGAs with		
			a higher median price	a lower median price	No sales*
Industrial Development Sites	Median Sales Price (\$,000)	\$ 825.0	1	26	11
	Median Price/ (m ²)	\$ 445.8	2	25	11
General Purpose Factories	Median Sales Price (\$,000)	\$ 605.0	7	20	11
	Median Price/ (m ²)	\$ 1,388.7	2	25	11
General Purpose Warehouses	Median Sales Price (\$,000)	\$ 650.0	3	23	12
	Median Price/ (m ²)	\$ 1,193.6	3	23	12

4.5 Conclusions

The analysis of industrial property sales shows that many areas of rural Victoria offer industrial properties at substantially lower costs than in Greater Metropolitan Melbourne.

4.5.1 Attractive to potential investors

The relatively low cost of industrial property in rural Victoria may be attractive to potential investors in food and beverage product manufacturing.

This project will provide this information to food and beverage manufacturing businesses located in GMM in Stage 2.

5. Food and Beverage manufacturing in Greater Metropolitan Melbourne

Stage I also included:

- an analysis of growth trends in the food and beverage manufacturing sectors in GMM
- an analysis of the range of businesses operating in the food and beverage manufacturing sectors in GMM and the identification of potential investment targets; and the
- the identification of industry associations and organisations that represent the interests of food and beverage manufacturing sector businesses

The analysis has involved desktop research, including a review of relevant ABS data regarding industry trends, Australian Business Register (ABR) data.

5.1 Strategic Context - RCV Investment Attraction Program

The strategic context for undertaking an analysis of the food and beverage manufacturing sectors in GMM is based on the findings of the RCV Investment Attraction Program. The program identified that there are food manufacturing businesses in GMM that:

- cannot expand at the current location as the site cannot accommodate a larger manufacturing footprint; or
- are experiencing restrictions to their operations due to the encroachment of residential or non-industrial commercial development; or
- are seeking to establish a second manufacturing site to:
 - accommodate expansion of production, or
 - provide risk mitigation to having a single manufacturing site, or
 - establish a lower-cost operation
- see financial opportunities associated with disposing of their current Melbourne site and acquiring a site outside of GMM for a lesser cost

These food manufacturing operations may see merit in establishing operations at appropriate locations in rural Victoria. Such sites would

- be of an appropriate size with existing or ready access to required utilities
- be available at an appropriate cost to the investor
- have Council support for the establishment of a food-related manufacturing operation/facility

5.1.1 Impact on the Victorian Economy

A GMM based business that relocates to another location to expand its operation, which would likely involve growth in output, employment, and a potential increase in exports, will positively impact the Victorian economy. This impact will be more significant if an operation continues at the original site or if the site enables a different usage(s). Thus, there is a potential benefit to the State economy by expediting such a relocation.

5.2 Growth Trends in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne

The analysis of growth trends in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne has involved reviewing ABS data for the food and beverage manufacturing sectors.

5.2.1 Overall Sector Growth

The food and beverage manufacturing sectors in Greater Metropolitan Melbourne experienced a growth of 2,188 jobs, increasing 5.3% from 2011 to 2016, as shown in Table 5-1.

Table 5-1 - Food and beverage manufacturing employment growth in GMM

Sectors	2016	2011	Change 2011 to 2016	
			#	%
Food and Beverage Manufacturing	41,557	39,369	2,188	5.3%
Health Care & Social Assistance	264,064	211,406	52,658	19.9%
Education & Training	191,410	153,854	37,556	19.6%
Construction	184,018	151,744	32,274	17.5%
Accommodation & Food Services	141,815	110,833	30,982	21.8%
Professional, Scientific & Technical Services	202,901	174,530	28,371	14.0%
Retail Trade	223,835	203,930	19,905	8.9%
Transport, Postal & Warehousing	113,100	95,141	17,959	15.9%
Public Administration & Safety	113,742	101,439	12,303	10.8%
Administration & Support Services	80,258	67,982	12,276	15.3%
Arts & Recreation Services	45,940	36,064	9,876	21.5%
Other Services	79,721	69,996	9,725	12.2%
Rental, Hiring & Real Estate Services	38,260	28,994	9,266	24.2%
Financial & Insurance Services	100,513	93,979	6,534	6.5%
Information Media & Telecommunications	49,281	44,839	4,442	9.0%
Agriculture, Forestry & Fishing	12,512	8,780	3,732	29.8%
Electricity, Gas, Water & Waste Services	22,873	19,162	3,711	16.2%
Mining	4,219	3,929	290	6.9%
Wholesale Trade	79,645	97,819	(18,174)	-22.8%
Other Manufacturing	130,931	171,520	(40,589)	-31.0%
<i>Totals</i>	2,120,593	1,900,722	219,871	10.4%

All other sectors, except for all other Manufacturing and Wholesale Trade, experienced growth. The Health Care & Social Assistance experienced the largest increase in job numbers, and the Agriculture, Forestry & Fishing sector experienced the largest growth in percentage terms.

The 5.3% increase for the food and beverage manufacturing sectors was less than the overall percentage growth of 10.4%

5.2.2 Employment growth in food and beverage manufacturing sectors in GMM

The key areas of growth have been in the Bakery Product Manufacturing and Meat & Meat Product Manufacturing sectors, as shown in Table 5-2. Several other food manufacturing sectors experienced a contraction in employment over the same period.

Table 5-2 - Employment growth in food and beverage manufacturing sectors in GMM

Sectors	2016	2011	Change 2011 to 2016	
			#	#
Bakery Product Manufacturing	13,466	11,657	1,809	15.5%
Meat & Meat Product Manufacturing	6,821	5,732	1,089	19.0%
Dairy Product Manufacturing	5,117	5,016	101	2.0%
Other Food Product Manufacturing	4,064	3,989	75	1.9%
Beer Manufacturing	1,458	1,449	9	0.6%
Grain Mill & Cereal Product Manufacturing	1,156	1,158	(2)	-0.2%
Processed Seafood Manufacturing	126	134	(8)	-6.0%
Sugar & Confectionery Manufacturing	2,987	3,059	(72)	-2.4%
Soft Drinks, Cordials & Syrup Manufacturing	1,652	1,763	(111)	-6.3%
Wine, Spirits & Tobacco	2,435	2,551	(116)	-4.5%
Oils & Fats Manufacturing	342	495	(153)	30.9%
Fruit & Vegetable Product Manufacturing	2,053	2,620	(567)	21.6%
<i>Totals</i>	41,677	39,617	2,060	5.2%

5.3 Employment Growth and Distribution of food and beverage manufacturing employment in Greater Metropolitan Melbourne LGAs

The local economies of all Greater Metropolitan Melbourne LGAs have employment in the food and beverage manufacturing sectors, as noted in Table 5-3 the following page.

There was overall growth in food and beverage manufacturing sector employment across Greater Metropolitan Melbourne. Brimbank experienced the largest increase in jobs, with much of this growth being generated by the Meat and Meat Processing Manufacturing sector. Port Phillip experienced the largest percentage growth, mainly through a 400% increase in the Sugar & Confectionery sector.

The City of Melbourne has the largest number of food and beverage manufacturing sector jobs of all GMM LGAs. Many of these jobs are in "head office" functions located in the City, as is evidenced by the high percentage of "Managers" and "Professionals". This percentage is 50%, which is much higher than the 22.7% for Greater Metropolitan Melbourne.

There were several LGAs that experienced a contraction in employment in these sectors. Kingston experienced the most significant contraction of employment primarily through a contraction in the beverage manufacturing sector.

Table 5-3 - Employment growth and distribution of food and beverage manufacturing employment in GMM LGAs

GMM LGAs	Employment		Change 2011 to 2016	
	2016	2011	Jobs	%
	Jobs	Jobs	Jobs	%
Brimbank (C)	2,856	2,188	668	31%
Wyndham (C)	1,841	1,363	478	35%
Greater Dandenong (C)	3,260	2,818	442	16%
Port Phillip (C)	1,173	780	393	50%
Mornington Peninsula (S)	1,590	1,199	391	33%
Casey (C)	1,160	878	282	32%
Yarra Ranges (S)	1,325	1,087	238	22%
Whittlesea (C)	2,491	2,285	206	9%
Cardinia (S)	969	816	153	19%
Darebin (C)	885	742	143	19%
Monash (C)	2,004	1,880	124	7%
Yarra (C)	1,351	1,249	102	8%
Bayside (C)	318	266	52	20%
Hume (C)	2,463	2,413	50	2%
Frankston (C)	541	507	34	7%
Melton (C)	293	289	4	1%
Boroondara (C)	684	683	1	0%
Manningham (C)	290	290	0	0%
Nillumbik (S)	146	147	-1	-1%
Whitehorse (C)	375	385	-10	-3%
Maribyrnong (C)	1,251	1,268	-17	-1%
Stonnington (C)	445	466	-21	-5%
Melbourne (C)	3,642	3,668	-26	-1%
Glen Eira (C)	365	397	-32	-8%
Hobsons Bay (C)	984	1,031	-47	-5%
Banyule (C)	439	514	-75	-15%
Maroondah (C)	1,121	1,277	-156	-12%
Moreland (C)	1,028	1,266	-238	-19%
Moonee Valley (C)	414	661	-247	-37%
Knox (C)	1,720	1,978	-258	-13%
Kingston (C)	4,133	4,578	-445	-10%
<i>totals</i>	41557	39369	2188	6%

5.3.1 Distribution of employment in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne

As noted in Table 5-4, employment in the food and beverage manufacturing sectors is widely distributed across Greater Metropolitan Melbourne. The LGAs of Kingston, Melbourne, Greater Dandenong, Brimbank, Whittlesea and Hume account for just over 50% of all employment in the food and beverage manufacturing sectors in Greater Metropolitan Melbourne.

Table 5-4 - Employment in all food & beverage manufacturing sectors in GMM LGAs

GMM LGAs	Meat & Meat Product	Processed Seafood	Dairy Product	Fruit & Vegetable Product	Oils & Fats	Grain Mill & Cereal Product	Bakery Product	Sugar & Confectionery	Other Food Product	Soft Drinks, Cordials & Syrup	Beer Manufacturing	Wine, Spirits & Tobacco	LGA Totals	
													#	%
Kingston	201	-	203	608	4	44	1,436	183	525	485	46	398	4,133	9.9%
Melbourne	137	12	929	255	89	180	353	192	478	21	649	347	3,642	8.7%
Gr Dandenong	437	37	505	55	14	129	1,587	47	388	20	18	23	3,260	7.8%
Brimbank	1,287	-	295	30	19	91	466	13	114	400	81	60	2,856	6.9%
Whittlesea	925	11	342	90	-	47	505	19	420	124	-	8	2,491	6.0%
Hume	296	-	291	185	11	36	934	444	233	17	4	12	2,463	5.9%
Monash	272	-	830	15	4	105	550	24	153	13	-	38	2,004	4.8%
Wyndham	816	-	267	36	23	20	261	10	173	189	21	25	1,841	4.4%
Knox	44	5	646	33	17	78	401	319	139	8	6	24	1,720	4.1%
Morn Pen	764	-	18	17	-	4	374	9	29	4	27	344	1,590	3.8%
Yarra Ranges	11	-	47	33	-	15	425	33	119	-	28	614	1,352	3.2%
Yarra	18	19	9	86	4	70	387	50	232	45	365	66	1,351	3.2%
Maribyrnong	288	12	10	47	55	32	336	223	195	5	7	41	1,251	3.0%
Port Phillip	46	-	113	63	-	22	250	238	68	230	47	96	1,173	2.8%
Casey	331	-	106	12	20	69	466	108	36	4	-	8	1,160	2.8%
Maroondah	7	-	25	4	-	-	232	741	40	7	17	48	1,121	2.7%
Moreland	174	-	135	16	13	70	397	42	125	6	36	14	1,028	2.5%
Hobsons Bay	93	-	64	91	22	66	504	47	82	-	12	3	984	2.4%
Cardinia	298	-	11	257	-	-	195	48	132	-	-	28	969	2.3%
Darebin	97	7	80	7	8	7	393	5	179	24	42	36	885	2.1%
Boroondara	13	5	23	11	5	5	458	12	48	31	14	59	684	1.6%
Frankston	88	-	117	8	-	20	237	29	26	6	6	4	541	1.3%
Stonnington	10	-	21	6	-	8	314	22	28	3	20	13	445	1.1%
Bayside	6	-	11	7	15	5	321	54	10	-	6	4	439	1.1%
Banyule	6	-	11	7	15	5	321	54	10	-	6	4	439	1.1%
Moonee Valley	22	12	-	42	4	8	287	4	13	-	-	22	414	1.0%
Whitehorse	11	6	4	7	-	5	307	5	20	-	-	10	375	0.9%
Glen Eira	5	-	-	8	-	11	323	3	5	-	-	10	365	0.9%
Melton	106	-	4	12	-	4	107	5	28	10	-	17	293	0.7%
Manningham	5	-	-	5	-	-	240	-	8	-	-	32	290	0.7%
Nillumbik	7	-	-	-	-	-	99	4	8	-	-	27	145	0.3%
Sector Totals	6,821	126	5,117	2,053	342	1,156	13,466	2,987	4,064	1,652	1,458	2,435	41,704	

■ = largest number of jobs in the sector - ■ = lowest number of jobs in the sector

5.4 Food and Beverage Manufacturing Businesses in Greater Metropolitan Melbourne

The Australian Business Register (ABR) has information regarding all businesses with an Australian Business Number (ABN). At the time of preparing this report, the ABR has the following number of business registrations. As noted in Table 5-5, there are 8,310 Food and Beverage Manufacturing Businesses in Greater Metropolitan Melbourne that account for 75.2% of such businesses in Victoria.

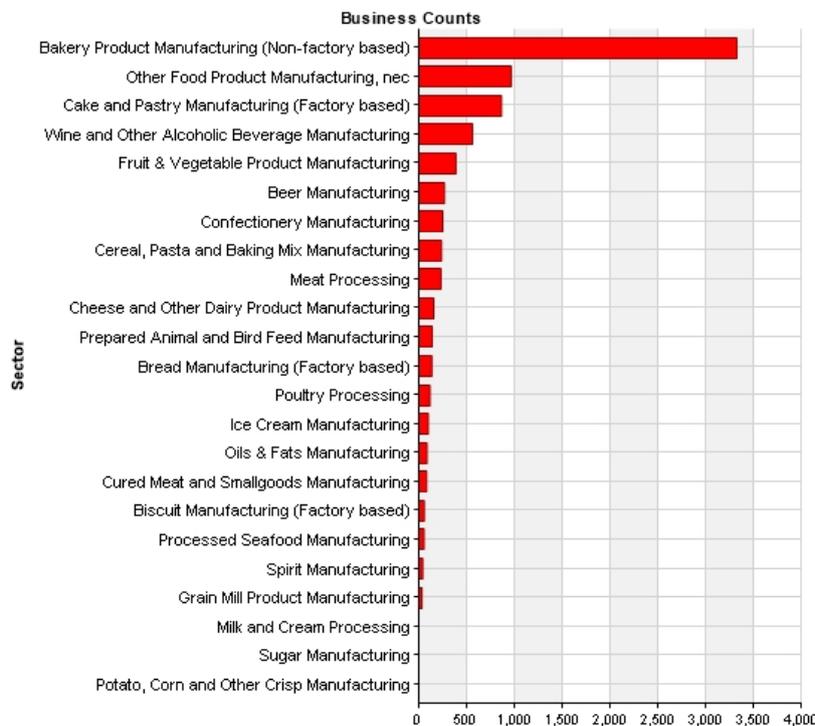
Table 5-5 - All businesses and food and beverage manufacturing businesses in Victoria and GMM

All Businesses	# of Businesses	% of Victoria Businesses	% of GMM Businesses	% of F&B Mfg Businesses
Victoria	2,269,358	100%		
Greater Metropolitan Melbourne	1,838,793	81%	100%	
Food and Beverage Manufacturing				
Victoria	11,046	0.49%		100%
Greater Metropolitan Melbourne	8,310	0.36%	100%	75.2%
Food Manufacturing	7,249			
Beverage Manufacturing	1,061			

5.4.1 Number of Businesses in the Food and Beverage Manufacturing sectors in Greater Metropolitan Melbourne

An analysis of ABR data noted in Figure 5-1 shows that the *Bakery Product Manufacturing (Non-factory based)* sector account for 3,328, or 40% of the Food and Beverage Manufacturing Businesses in Greater Metropolitan Melbourne.

Figure 5-1 - Number of businesses in the food and beverage manufacturing sectors in GMM



5.4.2 **The Bakery Product Manufacturing (Non-factory based) sector**

The ABS also includes in the classification of manufacturing “activities undertaken by units incidental to their manufacturing activity, such as selling directly to the consumer products manufactured on the same premises from which they are sold, such as bakeries. This classification is referred to as the Bakery Product Manufacturing (Non-factory based) sector – i.e. bakeries.

A retail bakery sells baked goods directly to customers instead of selling through other businesses or distributors. Their business is highly dependent on being in a location that provides ready access to a "local" market (which may also include visitors). Such businesses are mainly located in shopping centres and strips along with other retailers. There is little, if any, need for such businesses to have access to the industrial assets (i.e. factories, warehouses or industrial land) required by other forms of food and beverage manufacturing.

Given such requirements, the Growing the Food Manufacturing Sector in Rural Victoria project has not included Bakery Product Manufacturing (Non-factory based) sector businesses.

5.4.3 **A revised number of Businesses in the Food and Beverage Manufacturing sectors in Greater Metropolitan Melbourne**

The non-inclusion of the Bakery Product Manufacturing (Non-factory based) sector revises the total number of Food and Beverage Manufacturing businesses in Greater Metropolitan Melbourne to 4,976, as shown in Figure 5-2.

Figure 5-2 - GMM Food & Beverage Product Manufacturing Businesses – less Bakery Product Manufacturing (Non-factory based)



Table 5-6 shows the spread of manufacturing types across these businesses. The Other Food Product Manufacturing (nec) sector accounts for the largest percentage of all food and beverage manufacturing businesses in Greater Metropolitan Melbourne.

Almost 80% of food and beverage manufacturing businesses in Greater Metropolitan Melbourne are involved in food product manufacturing. Nearly 50% of these businesses are engaged in Other Food Product Manufacturing (nec), and Cake and Pastry Manufacturing (Factory-based).

Just over 20% of food and beverage manufacturing businesses in Greater Metropolitan Melbourne are involved in beverage product manufacturing. More than 50% of these businesses are engaged in Wine and Other Alcoholic Beverage Manufacturing.

Table 5-6 - Number of food and beverage manufacturing businesses in GMM and Regional & Rural Victoria

Food and Beverage Manufacturing Sectors	Number of Businesses			
	GMM		Regional & Rural Victoria	
	#	% of GMM	#	% of RV
Food product manufacturing				
Other Food Product Manufacturing, nec	966	19.4%	213	11.4%
Cake and Pastry Manufacturing (Factory based)	864	17.4%	186	10.0%
Fruit & Vegetable Product Manufacturing	388	7.8%	162	8.7%
Confectionery Manufacturing	249	5.0%	56	3.0%
Cereal, Pasta and Baking Mix Manufacturing	238	4.8%	61	3.3%
Meat Processing	231	4.6%	295	15.8%
Cheese and Other Dairy Product Manufacturing	155	3.1%	54	2.9%
Prepared Animal and Bird Feed Manufacturing	140	2.8%	73	3.9%
Bread Manufacturing (Factory based)	136	2.7%	19	1.0%
Poultry Processing	117	2.4%	45	2.4%
Ice Cream Manufacturing	99	2.0%	17	0.9%
Oils & Fats Manufacturing	85	1.7%	31	1.7%
Cured Meat and Smallgoods Manufacturing	82	1.6%	18	1.0%
Processed Seafood Manufacturing	53	1.1%	24	1.3%
Biscuit Manufacturing (Factory based)	55	1.1%	12	0.6%
Grain Mill Product Manufacturing	32	0.6%	12	0.6%
Milk and Cream Processing	20	0.4%	14	0.8%
Sugar Manufacturing	8	0.2%	1	0.1%
Potato, Corn and Other Crisp Manufacturing	3	0.1%	1	0.1%
<i>sub-total</i>	3,921	78.8%	1,294	69.5%
Beverage product manufacturing				
Wine and Other Alcoholic Beverage Manufacturing	562	11.3%	372	20.0%
Beer Manufacturing	268	5.4%	127	6.8%
Soft Drinks, Cordials & Syrup Manufacturing	185	3.7%	56	3.0%
Spirit Manufacturing	40	0.8%	15	0.8%
<i>sub-total</i>	1,055	21.2%	570	30.6%
<i>totals</i>	4,976	100%	1,864	100%

■ = 5 largest percentages GMM - ■ = 5 largest percentages RRV

5.4.4 Comparison with Regional and Rural Victoria

A comparison of the percentages of the different types of food and beverage manufacturing businesses in GMM with that in regional and rural Victoria as noted in the previous table shows that in percentage terms:

- food manufacturing businesses form the significant majority of food and beverage manufacturing businesses in GMM and regional and rural Victoria, with the difference being as follows

	Number of Businesses			
	GMM		Regional & Rural Victoria	
	#	% of GMM	#	% of RV
Food product manufacturing	3,921	78.8%	1,294	69.5%
Beverage product manufacturing	1,055	21.2%	570	30.6%
<i>totals</i>	4,976	100%	1,864	100%

- the following sectors have the largest percentage of businesses in both GMM and in regional and rural Victoria

- Other Food Product Manufacturing, nec
- Cake and Pastry Manufacturing (Factory based)
- Wine and Other Alcoholic Beverage Manufacturing
- Fruit & Vegetable Product Manufacturing

there is a much larger total number of businesses in these sectors in GMM than in regional and rural Victoria

- regional and rural Victoria have a much higher percentage and absolute number of businesses in “meat processing” than in GMM
- the distribution of all other types of food or beverage product manufacturing businesses in GMM and regional and rural Victoria is highly comparable

The comparison indicates that rural and regional Victoria supports similar diversity of food or beverage product manufacturing businesses to GMM.

5.5 Conclusion

Rural and regional Victoria’s ability to support diverse food or beverage product manufacturing businesses may be attractive to potential investors in food and beverage product manufacturing.

Stage 2 of this project has involved providing this information to targeted food and beverage manufacturing businesses located in GMM.

6. Stage 1 - Survey of RCV Councils

A key element of Stage 1 of the project methodology was a survey of RCV Councils.

6.1 Purpose

The purpose of the strategy was to gather information relating to identifying the

- 1) RCV Councils that want to attract investment in the food and beverage manufacturing sectors and the:
 - types of food or beverage manufacturing that may already operate in the local economy
 - types of food or beverage manufacturing that the Councils are seeking to target
 - experience these Councils have in attracting and facilitating food and beverage manufacturing; and
 - any industry sectors other than food and beverage manufacturing that Councils are seeking to attract investment in

Councils not targeting investment in food or beverage manufacturing were asked to nominate the industry sectors they are targeting.
- 2) types of assets that are currently available to support investment in the food and beverage manufacturing
- 3) current readiness of Councils to attract food and beverage manufacturing investment, including having an investment attraction strategy or plan

A copy of the survey question are provided in Appendix IV.

6.1.1 Survey distribution

The survey was in an online format and distributed to the CEOs of the 37 RCV Councils by the RCV Secretariat.

6.2 Overall Survey Results

Table 6-1 provides a summary of the overall survey responses.

Number of Surveys distributed	37	Number of Surveys completed	34
Number of Councils that nominated that the	Food and Beverage Manufacturing sector <i>is not one of their priorities</i> for investment attraction	2	= 34
	Food and Beverage Manufacturing sector <i>is one of their priorities</i> for investment attraction	32	
Number of Councils that indicated that:	<i>have</i> previous experience in attracting investment in the Food and Beverage Manufacturing sector	22	= 32
	<i>do not have</i> previous experience in attracting investment in the Food and Beverage Manufacturing sector	10	
1) the Food and Beverage Manufacturing sector as one of their priorities for investment attraction; and	<i>are</i> currently facilitating investment in the Food and Beverage Manufacturing sector	16	= 32
	<i>are not</i> currently facilitating investment in the Food and Beverage Manufacturing sector	16	
2) that they:	<i>have</i> an Investment Attraction Strategy	6	= 32
	<i>do not have</i> an Investment Attraction Strategy	26	

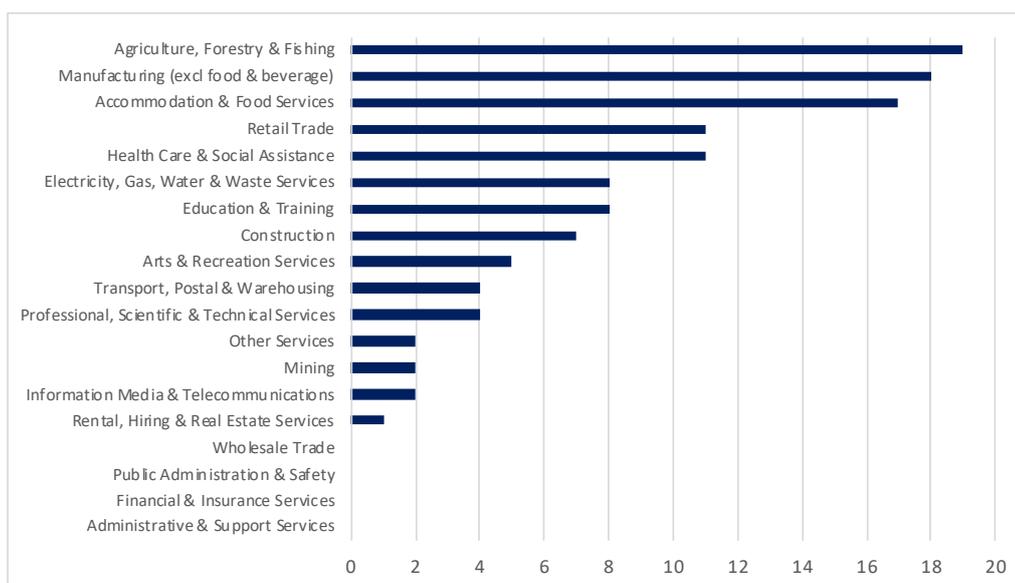
6.3 Priority Sectors

32 Councils indicated that Food and Beverage Manufacturing was one of their priorities for attracting investment

6.3.1 Other priority sectors

Survey respondents were also asked to nominate sectors other than Food and Beverage Manufacturing that are priorities for attracting investment; these responses are noted in Figure 6-1. The most frequently nominated sectors were *Agriculture, Forestry & Fishing, Manufacturing (excl. food & beverage)* and *Accommodation & Food Services*.

Figure 6-1 - Other Priority Sectors



6.3.2 Other Manufacturing as a Priority Sector

It is of interest to this report is that 18 Councils nominated manufacturing, other than in the food and beverage product manufacturing sectors, as a priority for investment attraction.

The RCV Investment Attraction Program identified that other than Food and Beverage Manufacturing, all other manufacturing sectors in rural Victoria experienced a net loss of employment from the 2011 to 2016 ABS Census as noted in Table 6-2. For this reason the RCV Investment Attraction Program did not identify manufacturing, other than in the F&B product manufacturing sectors as a priority for investment attraction

Manufacturing Sectors	Jobs 2016	Jobs 2011	Jobs Growth 2011 to 2016
Food Product Manufacturing	13,880	11,888	1,992
Beverage Product Manufacturing	1,415	1,114	301
<i>subtotal</i>	15,295	13,002	2,293
Petroleum & Coal Product Manufacturing	72	37	35
Furniture Manufacturing	417	444	-27
Saw Mill, Wood & Paper Product Mfg	1,824	1,877	-53
Pharmaceutical Product Manufacturing	109	167	-58
Other Manufactured Products	121	180	-59
Basic Chemical, Cleaning & Polymer Mfg	399	577	-178
Transport Equipment & Parts Mfg	920	1,109	-189
Non-Metallic Mineral Product Mfg	606	828	-222
Apparel Manufacturing	355	657	-302
Technical Equipment & Appliance Mfg	1,139	1,723	-584
Metal & Metal Product Manufacturing	2,029	2,678	-649
<i>subtotal</i>	7,991	10,277	-2,286
Totals	23,286	23,279	7

Table 6-2 - Manufacturing sector employment trends in rural Victoria

6.4 Past and Present Experience

Survey respondents were asked to nominate if they had, or are having, any experience in attracting or facilitating investment in the food and beverage manufacturing sectors and, more particularly, in which particular types of food and beverage manufacturing. This provided insight into how many Councils have had or having successful experiences in attracting such investment. Past or present experience of investment facilitation with the Food and Beverage Manufacturing Sector will assist the Councils' understanding of what is required to be successful and how to go about it in the future.

Table 6-3 reports the number of Councils with experience of successful investment facilitation with the Food and Beverage Manufacturing sector and those presently facilitating new investmentsTable 6-3.

Table 6-3: Experience in facilitating investment attraction in F&BM

<i>Past experience</i>	Present Experience		<i>Totals</i>
	Yes	No	
Yes	15	7	22
No	1	10	11
Totals	16	17	33

The data shows that 22 Councils have prior experience of successful investment facilitation from the sector, and 16 are presently facilitating new investments with the sector. A cross-referencing of the responses to both questions indicates:

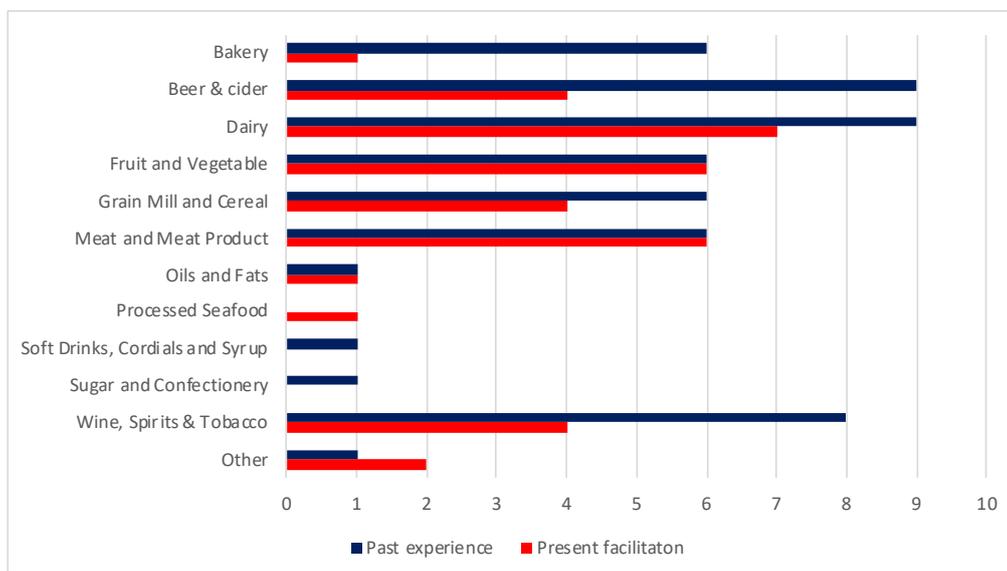
- 15 Councils have experience to draw on in their present facilitation
- 7 Councils with previous experience are currently inactive in this area
- 1 Council has no previous experience, but the opportunity to learn from others
- 11 Councils have no past experience and are presently inactive in this area.

Thus, there is a clear divide in the experience level of rural Councils, with the majority of those who have past experience being presently active. The majority of those with no experience are not active presently.

6.4.1 Food and Beverage Manufacturing Subsectors

The Survey sought feedback regarding in which subsectors this experience had been gained or was currently. The food and beverage manufacturing subsectors in which Councils have past or present experience of investment facilitation are presented in Figure 6-2. The data shows that Councils have experience of investment facilitation in a wide range of subsectors

Figure 6-2: Council experience in food and beverage manufacturing subsectors



6.4.2 Employment

The survey also sought feedback regarding employment creation. As noted in Table 6-4, Councils reported that a total of 2,750 jobs, or an average of 162 jobs per Council, have been created due to successful investment facilitation in the Food and Beverage Manufacturing sector. Those Councils currently engaged in facilitating new investments in the sector believe that these new investments can create an additional 1,180 jobs or an average of 98 jobs per the Councils actively pursuing investment.

	Past Experience	Present Experience
Total number of jobs	2,750	1,180
Average number of jobs per Council	162	98

Table 6-4 - Number of jobs reported created or to be created from F&B manufacturing investments

6.4.3 Flow-on effects

Councils described previous or potential flow-on opportunities arising from these investments as:

- Growth, diversification, supply to local tourism and hospitality industry, innovative use of by-products, national distribution and export
- Intermodal freight hub, co-packing facility, a distribution centre for supermarkets
- Substantial supply chain opportunities locally.
- Increased down-spend into the local economy, increased demand for trades/maintenance businesses
- Refrigerated transport increased capacity, increased scientific and technical capabilities, new markets opening up, regional branding, education pathways.
- Network of like-minded industries
- Attraction of semi-skilled and skilled labour
- Tourism benefits through these businesses offering a front-of-house and a manufacturing element

6.4.4 Conclusion

Two thirds (22 of 33) of the Councils who responded to the survey have experience of successfully facilitating investment attraction in the Food and Beverage Manufacturing Sector. However, there is a clear divide in the experience level of rural Councils, with most of those who have past experience presently active (15 of 22), whilst the majority of those with no experience are not active currently (10 of 11).

Councils have experience in investment facilitation in a wide range of subsectors. This past experience led to the creation of 2,750 jobs, and the current facilitation is estimated to create an additional 1,180 jobs. In addition to these direct jobs, Councils identified indirect benefits along the supply chain, to tourism and the attraction of semi-skilled and skilled labour.

6.5 Investment Attraction Strategy

A key focus of the survey was to gather data on Councils preparedness for future investment attraction in the food and beverage manufacturing and, in particular, whether they had an investment attraction strategy. The survey also sought feedback about the components of their investment attraction strategy.

6.5.1 Rural Investment Attraction Program

One of the RCV's Rural Investment Attraction Program aims was to build capacity within rural Councils and introduce mechanisms to aid investment attraction. The program delivered twelve workshops to 54 people from 29 rural Councils in 2020. All of the participants agreed (40% strongly agreed and 60% agreed) in the workshop evaluation that *the RCV Investment Attraction Action Plan provided in the workshop will add value to our Council's investment attraction activities*¹

At the time of the workshops, only one Council had a separate identifiable Investment Attraction Strategy. Therefore, a further five Councils have developed such a strategy since the workshops.

Figure 6-3: Components of an investment attraction strategy

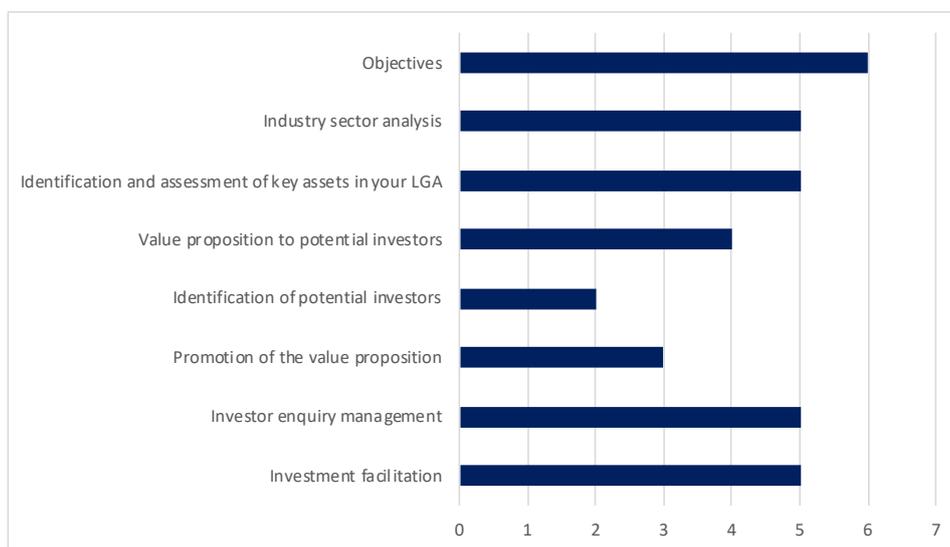


Figure 6-3 lists the recommended components of an investment attraction strategy and the number of Councils that have included these components in their strategy. It shows that most strategies include most components, and the components least used are identifying potential investors and promoting the value proposition. This absence would appear to be the greatest weakness in rural Councils current investment attraction activities and is the project's primary purpose.

6.6 Not a priority or non-response

Two Councils responded that investment attraction from the Food and Beverage Manufacturing sector was not a priority. They identified the following as the reasons for this:

- Food and beverage manufacturing was not a significant part of their economy
- They did not have assets that would be attractive to a food and beverage manufacturing investor.

Four Councils did not respond to the survey. It is of interest to this report that agriculture is a key propulsive sector in all four of these Councils and manufacturing is such in three of them². Thus, we assume that further investment in the food and beverage manufacturing sector would be an opportunity for them.

¹Dench McClean Carlson and RMCG (2020) *Investment Attraction Program Report*, Rural Councils Victoria, June 2020.

² Dench McClean Carlson and RMCG (2019) *RCV Investment Attraction Program Phase 2 – Investment Attraction Needs Analysis*, Rural Councils Victoria, June 2019

6.7 Priority and experience

Thirty-two (32) of the Councils that responded to the survey stated that attracting investment in the Food and Beverage Manufacturing sector was a priority. Thus, as expected, a very high proportion of rural Councils are keen to attract further investment in this sector, reflecting the reliance of their local economies on agriculture and their desire to generate increased value-add from this sector in their local economies.

The data presented in Table 6-5 cross-references this response with past and present experience and whether the Council has an Investment Attraction Strategy.

Table 6-5: F&BM a priority vs experience and a strategy.

Response	Priority	Past Experience	Present Experience	Investment Attraction Strategy
YES	32	22	16	6
NO	2	0	0	0

The data shows that two-thirds (22) have past experience, and a half (16) are currently active in this area, whilst only one-in-five (6) have an investment attraction strategy in place to guide this work.

A closer examination of the data showed that one quarter (8) of those who state further investment in this sector is a priority have no previous experience of investment facilitation in the sector, are not currently active in this sector, and do not have an investment attraction strategy. Thus, it would appear that little or no action has been taken to date by these Councils to realise this priority.

6.8 Conclusion

Thirty-two (32) of the Councils who responded to the survey stated that attracting investment in the Food and Beverage Manufacturing sector was a priority. Two-thirds (22) of them have past experience, and a half (16) are currently active in this area, whilst (6) have an investment attraction strategy in place to guide this work.

The six Councils with an investment attraction strategy include most of the recommended components in their strategy; however, *identifying potential investors* and *promoting the value proposition* are the least used components. This absence would appear to be the greatest weakness in rural Councils current investment attraction activities and is the project's primary purpose.

6.9 Expansion of existing food and beverage manufacturing operations

Those Councils that stated that attracting investment from the food and beverage manufacturing sector were asked through the survey whether they were seeking to attract investment in the expansion of existing operations in their local economy. The survey sought feedback regarding:

- If these operations have space to expand on their existing site
- What particular food and beverage manufacturing sectors were these operations in

6.9.1 Space to expand

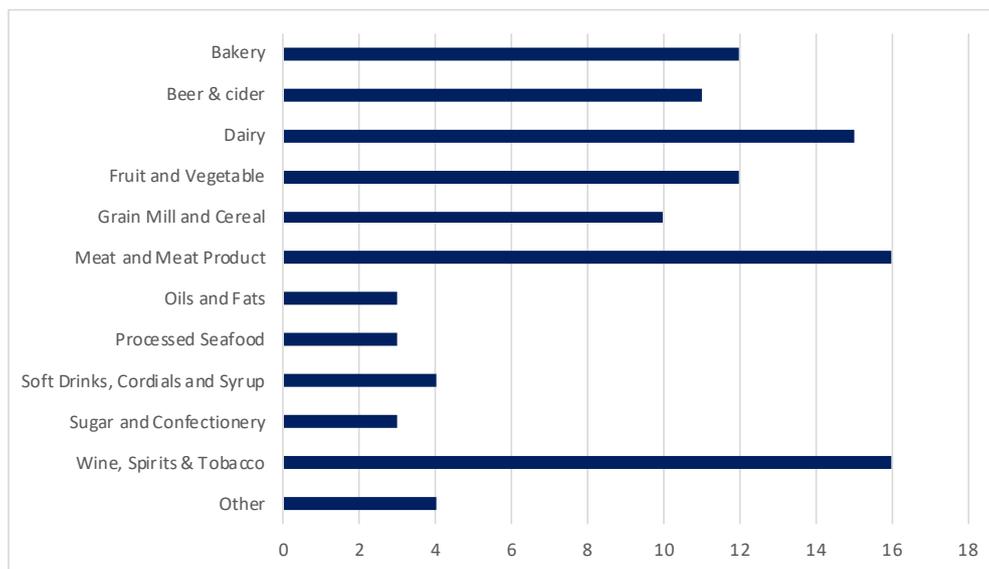
Twenty-two (22) Councils are seeking to attract investment to expand existing operations, and of these:

- 19 had space to expand on their existing site
- 1 had a plan in place where there was insufficient space to expand
- 1 had no plan at present
- 2 did not respond.

6.9.2 Subsectors

Figure 6-4 notes the food and beverage manufacturing subsectors to which these existing operations belong. Not surprisingly, they mirror those subsectors in which the Councils have past or present experience.

Figure 6-4: Food and Beverage Manufacturing subsectors for existing operations



6.10 Assets to attract new investors

The survey sought feedback from the 31 Councils that nominated the food and beverage manufacturing sector as a priority for investment attractions about the current availability of assets that could attract new investors; these assets include:

- Land, including zoning, size and available services
- Brownfield sites
- Workforce
- Housing.

6.10.1 Available land

Twenty-four (24) Councils had land available for new investors, whilst five (5) did not have land available, and three (3) did not respond to this question.

The majority of the land available is zoned industrial 1, commercial 1 or is in other zones, e.g. the farming zone, where manufacturing is associated with farm production, e.g. wineries (refer to Figure 6-5). This land is available in a wide range of sizes (refer to **Error! Reference source not found.**). The asset map in Appendix III provides a guide to the location of the available land.

Figure 6-5 - Land Types

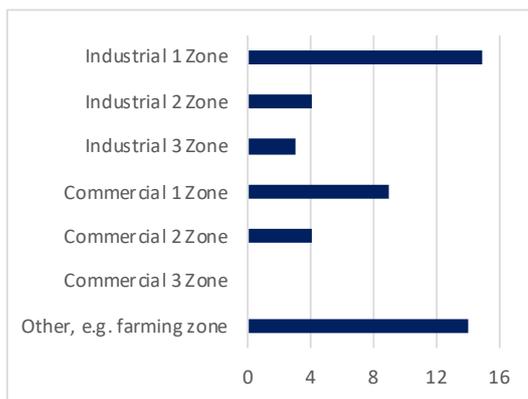
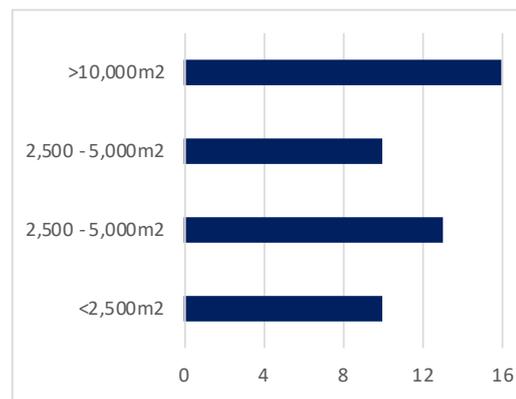


Figure 6-6 - Land Size



6.10.2 Inability to identify available land

Several Councils respondents to the survey stated that they would have difficulty identifying available land and that this exercise would require the input of other sections of the Council.

This inability reflects the lack of an effective investment attraction strategy in many Councils. This report contends that if an investment attraction strategy is to be effective, then the relative assets required to attract different types of investors need to

be identified and understood; so that

Councils can communicate this information via appropriate channels, and

the information can be readily available when addressing enquiries from potential investors.

6.10.3 Brownfield sites

A brownfield site is a site that has had previous commercial or industrial use, and that

- may still have existing facilities and infrastructure that could be made functional
- can be redeveloped for another purpose.

Twenty (20) Councils have a brownfield site that may be available for investment. The Asset Map in Appendix III provides a guide to the location of brownfield sites in rural Councils.

6.10.4 Workforce

Twenty-two (22) Councils believe they have an available workforce for food and beverage manufacturing. The majority believe the available workforce is sufficient for a small to medium-size operation (refer to Figure 6-7 - Available Workforce Size). However, most of these Councils (9) don't know what level of experience this workforce has in food and beverage manufacturing, whilst another seven (7) believe "none" or "very few" of them have relevant experience (refer to **Error! Reference source not found.**). Thus, only six (6) Councils are confident that they have an available workforce with experience in food and beverage manufacturing.

Figure 6-7 - Available Workforce Size

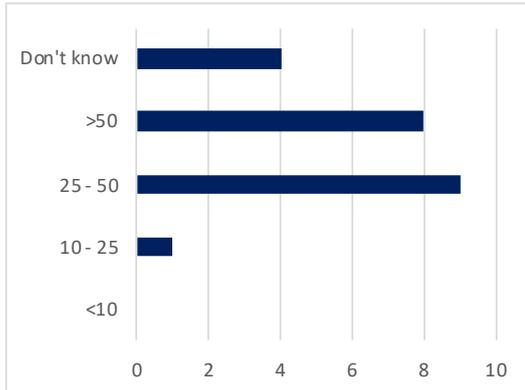
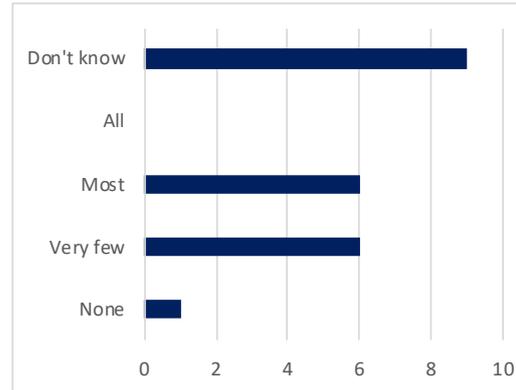


Figure 6-8 - Workforce Capability

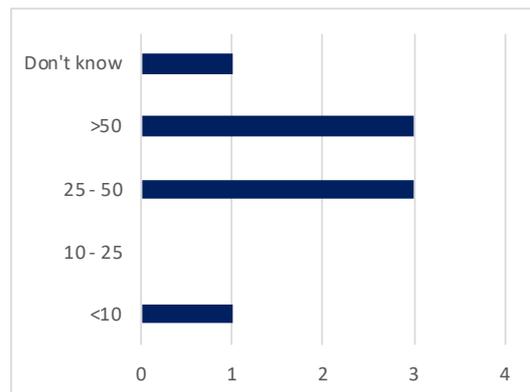


6.10.5 Housing

The availability of housing in rural Victoria is currently a significant limitation to investment attraction in rural Victoria. Only eight (8) Councils responded that they have housing available to accommodate additional workers. Six (6) of these Councils have sufficient housing to accommodate enough workers for a small to medium-size operation (refer to Figure 6-9).

A closer examination of the data shows that three (3) of these Councils also have an available workforce. This combination of "assets" may provide these Councils with a competitive advantage in attracting new investment in food and beverage manufacturing, especially if they have serviced industrial or commercial land or brownfield sites available.

Figure 6-9 - Number of workers that can be accommodated



6.10.6 Additional services required

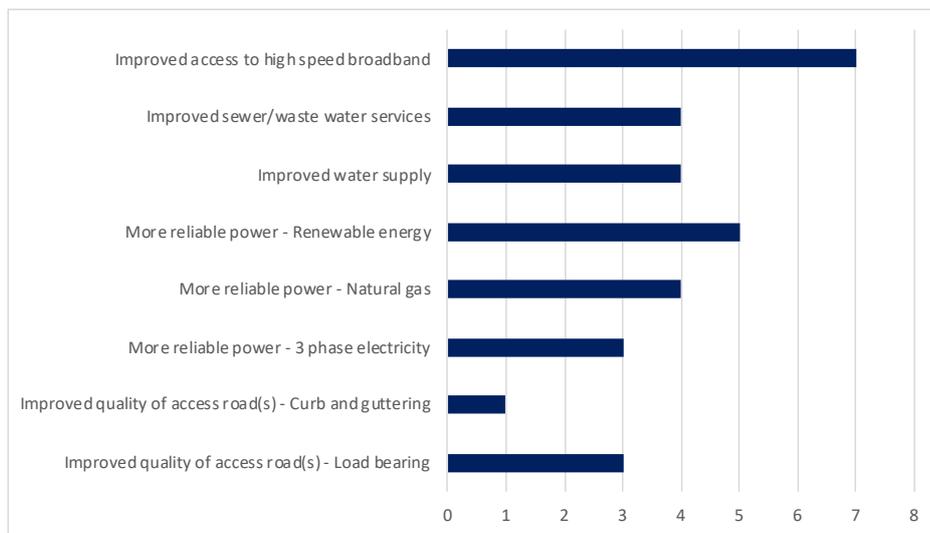
The Survey sought feedback regarding the need for additional services to develop assets to support investment attraction.

Twelve (12) of the nineteen (19) Councils seeking to attract investment to expand existing operations identified a range of services required to facilitate this investment; these services are presented in Figure 6-10.

Improved access to high-speed broadband was the most commonly sought additional service. Access to various types of reliable energy, improved water supply and sewer or waste services was also critical.

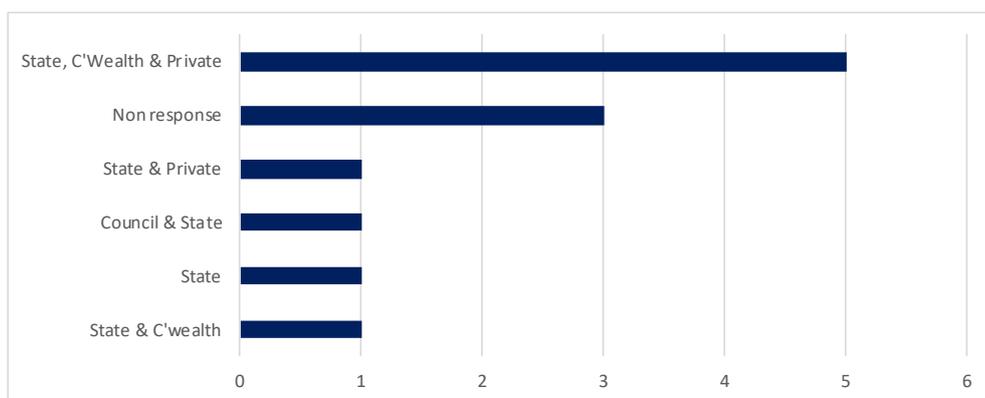
All but one of these Councils did not know when these services would be available.

Figure 6-10 - Additional services required



These Councils were asked how they plan to fund the development of these additional services. Three (3) did not respond to the question, the other nine (9) identified State Government as a source of funding and six of these nine identified the Commonwealth Government as a source of funding. The sources and combinations of sources of funding identified are presented in Figure 6-11.

Figure 6-11 - Sources of funding



6.11 Summary

The following is a summary of the survey responses

6.11.1 Land

Twenty-four (24) Councils had land available for new investors, with the majority of the land available zoned industrial 1, commercial 1 or is in other zones, e.g. the farming zone, where manufacturing is associated with farm production, e.g. wineries.

Twenty-two (22) Councils seek to attract investment to expand existing food or beverage product manufacturing operations. Of these, nineteen (19) have operations on a site that can accommodate the facility's expansion. The existing operations' subsectors mirror those subsectors in which the Councils have past or present experience.

6.11.2 Brownfield Sites

Twenty (20) Councils have a brownfield site that may be available for investment.

6.11.3 Services

(19) Councils responded to survey questions regarding the availability of relevant services. Twelve (12) of these nineteen (19) Councils have identified improved access to high-speed broadband, access to various types of reliable energy, improved water supply and sewer or waste services as necessary to facilitate this investment.

The availability of strategies or plans to address the gaps in required services was unclear. These Councils look towards the State and Commonwealth Governments as the source of the funds to develop these services.

6.11.4 Workforce

Twenty-two (22) Councils indicated they have an available workforce for food and beverage product manufacturing. The majority believe the available workforce is sufficient for a small to medium-size operation.

Six (6) Councils indicated they have an available workforce with experience in food and beverage manufacturing.

6.11.5 Housing

Eight (8) Councils responded that they have housing available to accommodate additional workers.

6.11.6 Summary of Survey Responses

Table 6-6 provides a summary of the responses to the survey

Table 6-6 - Summary of Survey Responses

Councils	Survey Response	F&B Mfg a Priority?	Available Land			Services					Brownfield Site	Workforce	Housing
			Industrial	Commercial	Other	Access road	Water	Sewer	Power	HSBB			
Alpine	●	●				●	●	●	●	●	●		
Ararat	●	●			●	●	●	●	●	●			●
Bass Coast	●	●									●	●	●
Baw Baw	●	●									●		
Buloke	●	●	●	●		●	●		●	●		●	
Campaspe	●	●	●			●			●		●	●	
Central Goldfields	●	●									●	●	●
Colac Otway	●	●	●	●		●	●	●	●	●		●	
Corangamite	●	●	●			●	●	●			●	●	
East Gippsland	●	●									●	●	
Gannawarra	●	●	●	●	●	●	●	●	●	●		●	
Golden Plains	●	●			●	●	●			●		●	●
Hepburn	●	●											
Hindmarsh	●	●	●	●	●	●	●	●	●	●	●	●	
Indigo	●	●	●	●		●	●	●		●		●	
Loddon	●	●	●		●	●	●		●			●	
Macedon Ranges	●	●	●				●	●	●		●	●	
Moira	●	●	●			●	●	●	●				●
Moorabool	●	●									●	●	●
Moyne	●	●	●			●	●				●	●	
Mt Alexander	●	●											
Murrindindi	●	●	●	●		●	●	●	●	●		●	
Nth Grampians	●	●	●	●			●		●	●	●		
Pyrenees	●	●									●	●	
Sth Gippsland	●	●										●	
Sth Grampians	●	●	●	●		●	●	●	●	●		●	
Strathbogie	●	●									●		
Swan Hill	●	●	●	●	●	●	●	●	●	●		●	●
Towong	●	●				●	●	●	●		●	●	
Wellington	●	●	●	●		●	●	●	●	●	●	●	●
West Wimmera	●	●	●			●	●	●	●				
Yarriambiack	●	●	●			●	●				●		
Mitchell	●												
Queenscliffe	●												
Benalla													
Glenelg													
Mansfield													

● = Yes – Blank = No or No response provided

6.12 Conclusion

Thirty (32) RCV Councils aspire to attract investment in food or beverage product manufacturing.

6.12.1 Investment Attraction

RCV's Investment Attraction Program found that many Councils do not have a clear or comprehensive investment attraction plan, including actions specific to attracting investors in food or beverage product manufacturing.

The responses received via the survey of Councils indicate that many of the 32 Councils that aspire to attract investment in food or beverage product manufacturing do not have a clear or comprehensive investment attraction plan, including actions specific to attracting investors in food or beverage product manufacturing.

This report recommends that Councils revisit the *Investment Attraction Action Planning* process provided as part of RCV's Investment Attraction Program and update the actions they require to attracting investors in food or beverage product manufacturing.

6.12.2 Required Services

Many of the Councils that identified that there are additional services required to improve the capability of the industrial assets available in their respective LGAs do not have clear plans or strategies to undertake the development or improvement of such services.

This report recommends that Councils revisit the *Investment Attraction Action Planning* process provided as part of RCV's Investment Attraction Program and update the actions they require to attracting investors in food or beverage product manufacturing.

6.12.3 Workforce

Workforce availability is a challenge for some of the Councils that responded to the survey.

This report recommends that Council revisit RCV's Rural Workforce Development Plan and, in particular, the

- Key Recommendations
- Sections 10.9 and 10.10 regarding potential workforce sources

6.12.4 Housing

The lack of appropriate housing for a rural workforce impedes investment and economic growth in rural Victoria.

The State Government has recently implemented the Regional Workforce Pilots – see <https://www.rdv.vic.gov.au/grants-and-programs/regional-workforce-pilots>

6.12.5 Provision of Survey Responses

Councils that responded to the survey will receive a copy of their survey response along with a

- summary of all responses
- a link to *A Guide to Property Values - Annual analysis of property sales data from Valuer-General Victoria January – December 2020*

7. Stage 2 – Communication of Findings to GGM based Food and Beverage Product Manufacturing Businesses

Stage 2 has involved developing processes to communicate the opportunities relating to food and beverage product manufacturing in rural Victoria to food and beverage product manufacturing businesses in Greater Metropolitan Melbourne.

7.1 Key Messages

The key messages to be communicated to food and beverage product manufacturing businesses in Greater Metropolitan Melbourne are based on the outcomes of Stage 1

7.1.1 Economic growth of food and beverage product manufacturing in rural Victoria

The key message is that food and beverage product manufacturing in rural Victoria has experienced revenue, exports, and employment growth.

7.1.2 Diversity of food and beverage product manufacturing in rural Victoria

The key message is that rural Victoria supports a diversity of food and beverage product manufacturing that is equivalent to what exists in Greater Metropolitan Melbourne

7.1.3 Relative cost of industrial property in rural Victoria

The key message is that industrial property and assets in rural Victoria are available at a price that is substantially less than what such properties and assets sell for in Greater Metropolitan Melbourne

7.1.4 Availability of industrial property in rural Victoria

The key message is that industrial property and assets are available across rural Victoria.

7.2 Communication Targets

The communication targets are food and beverage product manufacturing businesses in Greater Metropolitan Melbourne.

7.2.1 Number of businesses to be targeted

Stage 1 identified from an analysis of ABR data that there are 4,976 are food and beverage product manufacturing businesses in Greater Metropolitan Melbourne – not including *the Bakery Product Manufacturing (Non-factory based)* businesses.

Analysis of the ABR data shows that 3,974, or 80%, of the 4,976 businesses have registered an email address.

7.2.2 Industry Associations

Desktop research has identified ?? manufacturing industry associations or groups with food or beverage product manufacturing businesses as members.

This report has been unable to determine the total number of food or beverage product manufacturing businesses based in Greater Metropolitan Melbourne that are members of these manufacturing industry associations.

7.3 Impact Scenario

It is unknown how many food and beverage product manufacturing businesses in Greater Metropolitan Melbourne will contact rural Councils regarding food and beverage product manufacturing related investment opportunities.

By way of understanding the potential impact of food and beverage product manufacturing businesses in Greater Metropolitan Melbourne may impact this report has developed the following scenario

Assumptions

<i>Employees</i>	11,046 food and beverage product manufacturing businesses in Greater Metropolitan Melbourne employ 41,556 jobs. The average number of employees per business is 5
<i>Number of Investors</i>	<p>If 40 food and beverage product manufacturing businesses in Greater Metropolitan Melbourne (i.e. 1% of all businesses) determine to invest in rural Victoria, the modelling suggests the following impact</p> <p>Of 40 food and beverage product manufacturing businesses – based on the current ratio of businesses</p> <ul style="list-style-type: none"> • 32 would be food product manufacturing businesses • 8 would be beverage product manufacturing businesses

Impact

<i>Direct and Indirect Jobs</i>	<p>40 food and beverage product manufacturing businesses (32 food/8 beverage) would, on average, create $40 \times 5 = 200$ direct jobs</p> <p>200 direct jobs would generate a further 362 indirect jobs</p> <p>200 direct jobs + 362 indirect jobs = 562 jobs in total</p>
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7.4 Communication Strategy

The communication strategy aims to encourage food and beverage product manufacturing businesses in Greater Metropolitan Melbourne to contact rural Councils regarding food and beverage product manufacturing related investment opportunities.

7.4.1 Key Considerations

The following have been key considerations in the communication strategy

<i>Considerations</i>	<i>Discussion</i>
<i>Credibility of Sender</i>	<p>the sender must have credibility. While Rural Councils Victoria (RCV) will be unknown to food and beverage product manufacturing businesses in Greater Metropolitan Melbourne, a message from RCV</p> <ul style="list-style-type: none"> • automatically communicates "rural." • Rural Councils Victoria • is preferable to having thirty-two Councils sending the same message as <ul style="list-style-type: none"> • this would likely cause great confusion – i.e. businesses would be confused by many "senders." • many businesses will have no understanding of the location of the rural Councils
<i>Use of ABR data</i>	<p>The ATO limits the use of ABR data is limited to government instrumentalities – e.g. Councils. RCV is not a government instrumentality, and therefore, Corangamite Shire Council has consented to be referred to in the communication content so that RCV complies with ATO requirements for the use of ABR data</p>

<i>Considerations</i>	<i>Discussion</i>
<i>Use of Existing Digital Platform</i>	<p>Given that RCV will be the "sender", it is appropriate and cost-effective to utilise RCV's digital platform; this will include the use of an RCV email address - foodmanufacturing@ruralcouncilsvictoria.org.au</p> <p>A digital communication channel is preferred to post mail as</p> <ul style="list-style-type: none"> • a review of ABR data indicates that many <ul style="list-style-type: none"> • businesses have registered an address that is not the business address – often this is the address of an accountant – and therefore, communication will not be direct with the business owner/operator • email addresses appear directly linked to the business– and therefore, communication will be more likely to be direct with the business owner/operator. • the use of email is more cost-effective than surface mail <p>Note some 1,000 businesses on the ABR database do not have an email address registered; should there be a positive response to the email campaign, RCV may choose to fund a mail-out to these 1,000 businesses</p>
<i>Likely little understanding of rural Victoria</i>	<p>Food and beverage product manufacturing businesses located in GMM will likely have little understanding of what constitutes rural Victoria. To this end, it has been determined to maximise the use of an interactive "map" of investment opportunities to counter this lack of understanding.</p>
<i>Empowering the potential investor</i>	<p>The communication strategy empowers potential investors to directly examine opportunities without relying on another party – e.g. a Council</p> <p>The project has also considered eliminating concerns from potential investors that they may be contacted by many Councils or Councils that are not associated with an opportunity in which they are interested.</p>
<i>Engaging Councils</i>	<p>The communications strategy has considered how Councils can effectively engage with potential investors.</p>
<i>Capturing information about potential investors</i>	<p>Consideration has been given to capturing some information about potential investors without disempowering them or creating concerns about who may attempt to contact them.</p>

7.5 Interactive map and other content

An interactive map has been developed. The map provides a visual representation of investment opportunities across rural Victoria and their location relative to GMM. The map will sit on a dedicated landing page on the RCV website. When a user (i.e. potential investor) clicks on opportunities of interest on the map, a popup window appears with information regarding:

- LGA/Council name
- Location name
- Asset type – land or brownfield
- Relative land size – if it is a land asset
- Median cost/m² of land and brownfield assets in the LGA (if available) as well as for
 - Country Victoria
 - GMM
- Contact name and details

A hard copy of the map is provided in Appendix III

7.5.1 Opportunities database

The landing page will also enable the visitor to download a database of all investment opportunities.

7.5.2 Diversity of food and beverage product manufacturing data

The landing page will provide information about the diversity of food and beverage product manufacturing in rural Victoria – as per Section 3.3.1

7.5.3 Economic data

The landing page will provide economic data regarding the relative growth in revenue, exports and employment in food and beverage product manufacturing in rural Victoria – as per Section 3.5, 3.6 and 3.6.1

7.5.4 Cost of industrial properties data

The landing page will provide an overview of the cost of industrial properties in country Victoria relative to GMM as per the information – as per Section 4.4

7.6 Registration of potential investors

Potential investors will need to register to access the

- interactive map
- diversity of food and beverage product manufacturing data
- economic data
- cost of industrial properties

Registration will require investors to nominate which manufacturing type and workforce size best describes their business from the following choices:

Food Manufacturing	Beverage Manufacturing	Workforce Size
<input type="checkbox"/> Bakery Product Manufacturing	<input type="checkbox"/> Beer Manufacturing	<input type="checkbox"/> 5 or less
<input type="checkbox"/> Dairy Product Manufacturing	<input type="checkbox"/> Soft Drink, Cordial and Syrup Manufacturing	<input type="checkbox"/> 6 to 20
<input type="checkbox"/> Fruit & Vegetable Product Manufacturing	<input type="checkbox"/> Spirit Manufacturing	<input type="checkbox"/> 21 to 50
<input type="checkbox"/> Grain Mill & Cereal Product Manufacturing	<input type="checkbox"/> Wine and Other Alcoholic Beverage Manufacturing	<input type="checkbox"/> 50 plus
<input type="checkbox"/> Meat & Meat Product Manufacturing		
<input type="checkbox"/> Oils & Fats Manufacturing		
<input type="checkbox"/> Processed Seafood Manufacturing		
<input type="checkbox"/> Sugar & Confectionery Manufacturing		
<input type="checkbox"/> Other Food Product Manufacturing		

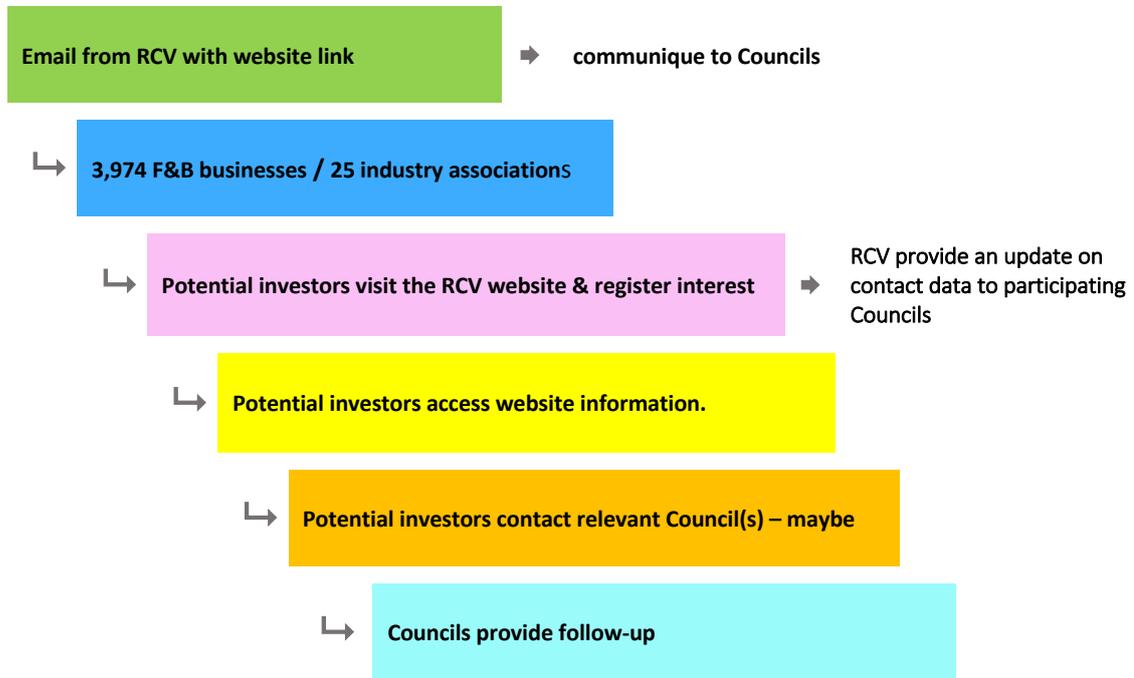
7.6.1 Provision of registration data

The registration process will collect data regarding the information nominated by website visitors. RCV will provide an update of this information to participating RCV Councils

7.7 Communication process

Figure 7-1 provides an overview of the communication process.

Figure 7-1 - Overview of Communication Process



7.7.1 Council follow-up

A vital element of the process will be the follow-up from Councils to any enquiries that RCV website visits may generate.

Councils will need to be prepared to provide information regarding the

- assets they have nominated and that are included on the interactive map, including the availability of relevant services
- economic trends of food and beverage product manufacturing in their local economy
- facilitation that Council can provide for investment and investors – investment facilitation is as defined in the RCV Investment Attraction program

A communiqué to Councils has been developed that can be circulated by RCV ahead of the email to food and beverage manufacturing businesses in GMM

Appendix I Food and beverage manufacturing classifications

Food and Beverage Manufacturing

Food Manufacturing	
Meat & Meat Product Manufacturing	
Meat Processing	<ol style="list-style-type: none"> 1. Abattoir operation (except poultry) 2. Animal meat packing and freezing 3. Animal oil or fat, unrefined, manufacturing 4. Lard or tallow rendering 5. Meat extract or essence manufacturing 6. Meat manufacturing (except bacon, ham and poultry) 7. Meat or bone meal manufacturing (except fish or poultry meal) 8. Meat packing (except poultry) 9. Meat, canned, manufacturing (except poultry, bacon, ham and corned meat) 10. Meat, dehydrated, manufacturing (except poultry) 11. Meat, frozen, manufacturing (except poultry)
Cured Meat and Smallgoods Manufacturing	<ol style="list-style-type: none"> 12. Bacon manufacturing 13. Corned meat manufacturing (including canned) 14. Croquette manufacturing n.e.c. 15. Ham, canned, manufacturing 16. Meat specialty manufacturing 17. Pate manufacturing (except fish) 18. Poultry smallgoods manufacturing 19. Smallgoods manufacturing
Poultry Processing	<ol style="list-style-type: none"> 20. Game bird (e.g. pheasant, quail) slaughtering 21. Frozen poultry manufacturing 22. Poultry abattoir operation 23. Poultry croquette manufacturing 24. Poultry meat or bone meal manufacturing 25. Poultry meat packing 26. Poultry meat processing (including canning)
Bakery Product Manufacturing	
Bread Manufacturing (Factory based)	<ol style="list-style-type: none"> 27. Bagel manufacturing (factory based) 28. Bread bakery operation (factory based) 29. Bread dough, frozen, manufacturing (factory based) 30. Bread roll manufacturing (factory based) 31. Bread, leavened or unleavened, manufacturing (factory based) 32. Breadcrumb manufacturing (factory based) 33. English muffin manufacturing (factory based) 34. Fruit loaf manufacturing (factory based) 35. Panini manufacturing (factory based) 36. Pita bread
Cake and Pastry Manufacturing (Factory based)	<ol style="list-style-type: none"> 37. Cake icing or decorating (factory based) 38. Cake or pastry-based pudding and dessert manufacturing (factory based) 39. Cake or pastry-based slice manufacturing (factory based) 40. Cake or pastry manufacturing (factory based) 41. Cake or pastry, frozen, manufacturing (factory based) 42. Crumpet manufacturing (factory based) 43. Doughnut manufacturing (factory based) 44. Pastry manufacturing (includes frozen dough; factory based) 45. Pie manufacturing (including meat, fruit or vegetable pies; factory based)
Biscuit Manufacturing (Factory based)	<ol style="list-style-type: none"> 46. Biscuit dough manufacturing (factory based) 47. Biscuit manufacturing (except pet food biscuits; factory based) 48. Ice cream cone or wafer manufacturing (factory based)
Bakery Product Manufacturing (Non-factory based)	<ol style="list-style-type: none"> 49. Manufacturing and selling bread from the same premises (non-factory based) 50. Manufacturing and selling other bakery products from the same premises (non-factory based)

Food and Beverage Manufacturing

Sugar & Confectionery Manufacturing	
Sugar Manufacturing	51. Brown sugar manufacturing
	52. Cane syrup manufacturing
	53. Caster sugar manufacturing
	54. Icing sugar manufacturing
	55. Molasses manufacturing
	56. Sugar manufacturing
	57. Treacle manufacturing
Confectionery Manufacturing	58. Chewing gum manufacturing
	59. Chocolate manufacturing
	60. Cocoa product manufacturing
	61. Confectionery manufacturing
	62. Crystallised or glace fruit manufacturing
	63. Drinking chocolate manufacturing
	64. Licorice manufacturing
	65. Marshmallow manufacturing
	66. Marzipan manufacturing
	67. Nut, candied, manufacturing
	68. Popcorn, candied, manufacturing
Dairy Product Manufacturing	
Milk and Cream Processing	69. Cream, pasteurised, manufacturing (except canned)
	70. Milk, low fat, manufacturing
	71. Milk, pasteurised, manufacturing
	72. Skim milk manufacturing
	73. Standard milk manufacturing
Ice Cream Manufacturing	74. Ultra-heat treatment milk manufacturing
	75. Confections, frozen manufacturing
	76. Fruit ice, frozen, manufacturing
	77. Gelato manufacturing
	78. Ice cream manufacturing
Cheese and Other Dairy Product Manufacturing	79. Sorbet manufacturing
	80. Anhydrous milk fat (butter oil) manufacturing
	81. Butter manufacturing
	82. Buttermilk manufacturing
	83. Casein manufacturing
	84. Cheese manufacturing
	85. Condensed milk manufacturing
	86. Cream, canned, manufacturing
	87. Dairy product manufacturing n.e.c.
	88. Dried ice cream, soft serve or milk shake mix manufacturing
	89. Evaporated milk manufacturing
	90. Flavoured milk manufacturing
	91. Infants' milk-based formula and food manufacturing
	92. Lactose manufacturing
	93. Liquid ice cream, soft serve or milk shake mix manufacturing
	94. Malted milk powder manufacturing
	95. Milk and coffee mixtures, condensed or concentrated, manufacturing
	96. Milk powder manufacturing
	97. Sour cream manufacturing
98. Whey or whey powder manufacturing	
99. Yoghurt manufacturing	
Other Food Product Manufacturing	
Potato, Corn and Other Crisp Manufacturing	100. Corn chip manufacturing
	101. Crisp manufacturing
	102. Potato crisp manufacturing
	103. Taco, tortilla or tostada shell manufacturing

Food and Beverage Manufacturing

Prepared Animal and Bird Feed Manufacturing	104. Animal feed, prepared, manufacturing (except uncanned meat or bone meal or protein-enriched skim milk powder)	
	105. Animal food, canned, manufacturing	
	106. Bird feed manufacturing	
	107. Cattle lick manufacturing	
	108. Cereal meal manufacturing (for fodder, except from rice or rye)	
	109. Chaff manufacturing	
	110. Crushed grain manufacturing (including mixed; for fodder)	
	111. Dehydrated lucerne manufacturing	
	112. Dog and cat biscuit manufacturing	
	113. Fodder, prepared, manufacturing	
	114. Grain offal manufacturing (for fodder; except from rice or rye)	
	115. Lucerne cube manufacturing	
	116. Lucerne meal manufacturing	
	117. Pet food, canned, manufacturing	
	118. Poultry feed, prepared, manufacturing	
	119. Sheep lick manufacturing	
	Other Food Product Manufacturing n.e.c.	120. Coffee manufacturing
		121. Colouring, food, manufacturing
		122. Dessert mix, liquid, manufacturing
123. Egg pulping or drying		
124. Flavoured water pack manufacturing (for freezing into flavoured ice)		
125. Food dressing manufacturing		
126. Food flavouring manufacturing		
127. Food manufacturing n.e.c.		
128. Gelatine manufacturing		
129. Ginger product manufacturing (except confectionery)		
130. Health supplement manufacturing		
131. Herb, processed, manufacturing		
132. Honey, blended, manufacturing		
133. Hop extract, concentrated, manufacturing		
134. Jelly crystal manufacturing		
135. Pre-prepared meal, frozen, manufacturing		
136. Rice preparation manufacturing n.e.c.		
137. Salt, cooking or table, manufacturing		
138. Savoury speciality manufacturing		
139. Seasoning, food, manufacturing		
140. Soya bean concentrate, isolate or textured protein manufacturing		
141. Spice manufacturing		
142. Tea blending		
143. Tea manufacturing		
144. Worcestershire sauce manufacturing		
145. Yeast or yeast extract manufacturing		
Processed Seafood Manufacturing	146. Crustacean, processed, manufacturing (including cooked and/or frozen) n.e.c.	
	147. Fish cleaning or filleting	
	148. Fish fillet manufacturing	
	149. Fish loaf or cake manufacturing	
	150. Fish paste manufacturing	
	151. Fish pate manufacturing	
	152. Fish, canned, manufacturing	
	153. Fish, dried or smoked, manufacturing	
	154. Mollusc, processed, manufacturing (including shelled)	
	155. Oyster, shelling, freezing or bottling in brine	
	156. Scallop, preserved, manufacturing	
	157. Seafood, canned, manufacturing	
	158. Seafood, preserved, manufacturing	
	159. Whole fin fish freezing	

Food and Beverage Manufacturing

Oils & Fats Manufacturing	160. Animal oil, refined, manufacturing 161. Cotton seed oil manufacturing 162. Deodorised vegetable oil manufacturing 163. Edible oil or fat, blended, manufacturing 164. Fish or other marine animal oil or meal manufacturing 165. Lard, refined, manufacturing 166. Margarine manufacturing 167. Olive oil manufacturing 168. Tallow, refined, manufacturing 169. Vegetable oil, meal or cake manufacturing
Grain Mill & Cereal Product Manufacturing	
Grain Mill Product Manufacturing	170. Arrowroot manufacturing 171. Baking powder manufacturing 172. Barley malt manufacturing 173. Barley meal or flour manufacturing 174. Cornflour manufacturing 175. Cornmeal manufacturing 176. Dextrin manufacturing 177. Dextrose manufacturing (except prepared) 178. Glucose manufacturing 179. Gluten manufacturing 180. Malt extract manufacturing 181. Malt manufacturing 182. Pollard manufacturing (from wheat, barley or rye) 183. Rice flour, meal or offal manufacturing 184. Rice manufacturing (including parboiled) 185. Rice starch manufacturing 186. Rye flour, meal or offal manufacturing 187. Sago manufacturing 188. Self-raising flour manufacturing 189. Semolina manufacturing 190. Starch manufacturing 191. Tapioca manufacturing 192. Unpopped corn manufacturing (for popcorn) 193. Wheat germ manufacturing 194. Wheaten bran manufacturing 195. Wheaten flour manufacturing 196. Wheaten malt manufacturing 197. Wheatmeal manufacturing
Cereal, Pasta and Baking Mix Manufacturing	198. Baking mix, prepared, manufacturing 199. Bread mix, dry, manufacturing 200. Cake mix manufacturing 201. Cereal food manufacturing n.e.c. 202. Coatings made from cereal food (except biscuit or breadcrumb) manufacturing 203. Custard powder manufacturing 204. Dessert, dried prepared, manufacturing 205. Noodle manufacturing 206. Oatmeal manufacturing 207. Oats, hulled or shelled, manufacturing 208. Oats, kilned or unkilned, manufacturing 209. Pasta, fresh or dried, manufacturing 210. Pastry mix manufacturing 211. Prepared breakfast cereal manufacturing
Fruit & Vegetable Product Manufacturing	

Food and Beverage Manufacturing

Fruit and Vegetable Processing	212. Baby food, canned or bottled, manufacturing (except milk based)
	213. Baked bean manufacturing
	214. Bean/legume, dried or canned, manufacturing
	215. Chutney or relish manufacturing
	216. Coconut, desiccated, manufacturing
	217. Fruit dehydrating or drying (except sun drying) manufacturing
	218. Fruit juice, 100 percent pure or concentrated, manufacturing
	219. Fruit pulp, puree or spread manufacturing
	220. Fruit salad manufacturing
	221. Fruit, frozen, manufacturing
	222. Fruit, preserved, manufacturing (including canned or bottled)
	223. Grape crushing
	224. Jam manufacturing (including preserves, jellies or fruit spreads)
	225. Mixed meat and vegetable manufacturing
	226. Rice preparation, canned, manufacturing
	227. Sauce manufacturing (except Worcestershire sauce)
	228. Spaghetti, canned, manufacturing
	229. Vegetable juice or soup manufacturing
	230. Vegetable salad manufacturing
	231. Vegetable soup manufacturing
	232. Vegetable, frozen, manufacturing
	233. Vegetable, preserved, manufacturing (including canned, dehydrated, dried or quick frozen)
	234. Vinegar manufacturing (except wine vinegar)
	Beverage Manufacturing
Soft Drink, Cordial and Syrup Manufacturing	235. Carbonated water or cordial manufacturing
	236. Cider, non-alcoholic, manufacturing
	237. Cordial manufacturing
	238. Energy drink manufacturing
	239. Fruit drink, less than 100 percent pure juice, manufacturing
	240. Ginger beer, non-alcoholic, manufacturing
	241. Ice manufacturing (except dry ice)
	242. Mineral water manufacturing
	243. Powder flavour manufacturing (for soft drinks)
	244. Purified water manufacturing
	245. Soda water manufacturing
	246. Soft drink manufacturing
	247. Syrup, chocolate, caramel or vanilla, manufacturing
	248. Syrup, fruit, manufacturing
	249. Tonic water manufacturing
Beer Manufacturing	250. Beer Manufacturing
Spirit Manufacturing	251. Brandy manufacturing
	252. Fortified spirit manufacturing
	253. Liqueur manufacturing
	254. Spirit-based mixed drink manufacturing
	255. Potable spirit manufacturing

Food and Beverage Manufacturing

**Wine and Other Alcoholic
Beverage Manufacturing**

- 256. Beverage n.e.c., alcoholic, manufacturing
 - 257. Carbonated wine manufacturing
 - 258. Cider, alcoholic, manufacturing
 - 259. Fortified wine manufacturing
 - 260. Mead manufacturing
 - 261. Perry, alcoholic, manufacturing
 - 262. Sherry manufacturing
 - 263. Sparkling wine manufacturing
 - 264. Wine-based fruit drink 'cooler' manufacturing
 - 265. Wine manufacturing
 - 266. Wine vinegar manufacturing
 - 267. Unfortified wine manufacturing
-

Appendix II Changes in Food and Beverage Product Manufacturing Output in Rural LGAs

Rural LGAs	Food Product Manufacturing				Beverage Product Manufacturing			
	2016	2011	Change 2011 to 2016		2016	2011	Change 2011 to 2016	
			\$	%			\$	%
Alpine	\$27.38	\$21.80	\$5.58	25.6%	\$77.70	\$29.70	\$48.00	161.6%
Ararat	\$114.71	\$85.02	\$29.69	34.9%	\$15.27	\$13.25	\$2.02	15.3%
Bass Coast	\$91.85	\$63.88	\$27.97	43.8%	\$8.11	\$7.71	\$0.41	5.3%
Baw Baw	\$387.35	\$328.59	\$58.76	17.9%	\$16.02	\$12.70	\$3.31	26.1%
Benalla	\$33.67	\$22.89	\$10.78	47.1%	\$11.45	\$11.13	\$0.33	2.9%
Buloke	\$30.98	\$57.64	(\$26.66)	-46.3%	\$0.00	\$0.00	\$0.00	0.0%
Campaspe	\$1,292.34	\$1,136.51	\$155.83	13.7%	\$25.77	\$24.31	\$1.46	6.0%
Central Goldfields	\$93.02	\$57.69	\$35.33	61.2%	\$11.45	\$4.91	\$6.54	133.2%
Colac Otway	\$704.02	\$426.74	\$277.28	65.0%	\$19.12	\$19.23	(\$0.11)	-0.6%
Corangamite	\$448.75	\$331.84	\$116.91	35.2%	\$0.00	\$4.51	(\$4.51)	-100.0%
East Gippsland	\$291.58	\$313.70	(\$22.12)	-7.1%	\$24.37	\$16.79	\$7.58	45.1%
Gannawarra	\$34.49	\$46.75	(\$12.27)	-26.2%	\$2.39	\$4.98	(\$2.59)	-52.1%
Glenelg	\$34.76	\$40.69	(\$5.93)	-14.6%	\$7.63	\$4.91	\$2.73	55.6%
Golden Plains	\$121.90	\$43.61	\$78.29	179.5%	\$24.33	\$21.37	\$2.97	13.9%
Hepburn	\$66.33	\$48.52	\$17.80	36.7%	\$12.41	\$13.99	(\$1.59)	-11.3%
Hindmarsh	\$92.04	\$74.56	\$17.48	23.4%	\$0.00	\$0.00	\$0.00	0.0%
Indigo	\$766.87	\$809.47	(\$42.60)	-5.3%	\$120.47	\$111.14	\$9.33	8.4%
Loddon	\$133.21	\$116.94	\$16.27	13.9%	\$11.45	\$14.38	(\$2.93)	-20.4%
Macedon Ranges	\$258.41	\$160.63	\$97.78	60.9%	\$65.23	\$51.15	\$14.08	27.5%
Mansfield	\$13.80	\$8.85	\$4.95	55.9%	\$9.34	\$10.41	(\$1.07)	-10.3%
Mitchell	\$281.81	\$218.02	\$63.79	29.3%	\$13.43	\$12.96	\$0.47	3.6%
Moira	\$998.98	\$765.02	\$233.96	30.6%	\$6.20	\$12.88	(\$6.68)	-51.8%
Moorabool	\$73.56	\$34.18	\$39.38	115.2%	\$6.20	\$1.89	\$4.31	227.5%
Mount Alexander	\$753.16	\$565.51	\$187.65	33.2%	\$26.96	\$9.68	\$17.28	178.6%
Moyne	\$781.97	\$624.82	\$157.15	25.2%	\$2.39	\$18.40	(\$16.02)	-87.0%
Murrindindi	\$19.86	\$35.50	(\$15.64)	-44.0%	\$5.73	\$6.14	(\$0.41)	-6.7%
Northern Grampians	\$279.99	\$166.57	\$113.42	68.1%	\$13.84	\$23.05	(\$9.21)	-40.0%
Pyrenees	\$1.66	\$1.00	\$0.66	66.3%	\$62.51	\$67.48	(\$4.98)	-7.4%
Queenscliffe	\$1.99	\$0.01	\$1.98	19760.0%	\$0.00	\$0.00	\$0.00	0.0%
South Gippsland	\$560.26	\$501.27	\$58.99	11.8%	\$38.24	\$20.19	\$18.04	89.4%
Southern Grampians	\$29.03	\$19.20	\$9.83	51.2%	\$5.73	\$0.00	\$5.73	#DIV/0!
Strathbogie	\$20.29	\$26.14	(\$5.85)	-22.4%	\$80.70	\$85.40	(\$4.69)	-5.5%
Surf Coast	\$38.41	\$17.76	\$20.65	116.3%	\$22.43	\$10.42	\$12.01	115.2%
Swan Hill	\$273.54	\$258.58	\$14.96	5.8%	\$36.67	\$34.08	\$2.59	7.6%
Towong	\$25.77	\$26.12	(\$0.36)	-1.4%	\$0.00	\$0.00	\$0.00	0.0%
Wellington	\$217.27	\$192.19	\$25.08	13.0%	\$15.20	\$4.03	\$11.17	277.3%
West Wimmera	\$3.66	\$3.06	\$0.59	19.3%	\$0.00	\$0.00	\$0.00	0.0%
Yarriambiack	\$5.66	\$12.37	(\$6.71)	-54.2%	\$0.00	\$0.00	\$0.00	0.0%
<i>totals</i>	\$9,404.28	\$7,663.65	\$1,740.63	22.7%	\$798.69	\$683.14	\$115.55	16.9%
<i>% of Victoria</i>	25%	21%	165%		14%	12%	69%	
Regional Victoria	\$6,160.33	\$7,458.98	(\$1,298.65)	-17.4%	\$697.07	\$770.15	(\$73.08)	-9.5%
<i>% of Victoria</i>	17%	21%	-123%		12%	13%	-44%	
GMM	\$21,511.42	\$20,900.57	\$610.85	2.9%	\$4,382.42	\$4,257.97	\$124.45	2.9%
<i>% of Victoria</i>	58%	58%	58%		75%	75%	75%	
Victoria	\$37,076.03	\$36,023.20	\$1,052.83	2.9%	\$5,878.18	\$5,711.26	\$166.92	2.9%



Appendix IV Survey Questions