

## Agriculture, food and beverage – sector overview

**Northern Adelaide has many significant strengths upon which to build, from high-end engineering capabilities, hubs of health, defence and technology, centres of research excellence and a growing horticulture, food processing and distribution sector. All of these and more will be crucial to the region's future economic prosperity.**

The Northern Economic Plan identifies six key growth sectors that will be pivotal to the region's future.

-  Agriculture, food and beverage
-  Mining equipment and technology services (METS)
-  Health, ageing and disability
-  Defence
-  Construction and urban renewal
-  Tourism, recreation and culture

### Agriculture, food and beverage in northern Adelaide

Horticulture production in Virginia and the Northern Adelaide Plains contributes approximately 6.5 per cent to the state's economy and employs nearly half of the State's vegetable industry.

Northern Adelaide is a significant supplier of fresh produce for local domestic and

international markets and has the potential to become one of Australia's premium food bowls.

Within northern Adelaide, there are approximately 1,300 protected cropping growers, predominantly growing crops such as capsicums, cucumbers and tomatoes under a protective covering in conjunction with hydroponic and soil based farming. Protected cropping is the fastest growing food producing sector in Australia and the industry is currently expanding at four to six per cent per year.

Northern Adelaide is also home to over 100 food manufacturers, covering the whole sector from pre-packaged salads through to premium drinks; with many taking advantage of the proximity to quality locally grown fresh produce.

In addition to the manufacturers, a large number of food industry service providers such as packaging, storage, warehousing, transport and logistics companies are also based in the region.



# What's next?

## **Food production is a major economic development opportunity for South Australia and northern Adelaide, with the world demand for food set to rise by 70 per cent by 2050.**

In 2014-15, South Australia's Gross Food Revenue (GFR) reached a record \$16.4 billion, a growth of seven per cent, with horticulture and processed exports key reasons for the growth. Horticulture GFR grew by three per cent or \$100 million, and horticulture processed exports grew by 11 per cent to \$226 million.

For the year ending August 2015, 144,000 were employed in agribusiness, which is 18 per cent of total State workforce.

## **Future directions**

- Development of the Northern Adelaide Food Park will enable food and beverage manufacturers and processors, and related businesses and service providers to co-locate, with access to infrastructure and services on the one site.
- The South Australian Government has undertaken a study to identify potential business opportunities in functional foods – foods which have had an ingredient added or removed resulting in an increased contribution to health, and luxury foods – foods that are characterised by premium quality and reputation. This information will be used to develop a strategic roadmap to help South Australian companies take advantage of them.
- The Northern Adelaide Plains Agribusiness Initiative will expand agricultural production, processing and exports across the Northern Adelaide Plains, and includes the potential to augment the Bolivar waste water treatment plant to provide an additional 20GL of reclaimed water.

## **Opportunities**

Northern Adelaide has a strong reputation for innovation and as South Australia increasingly seeks to compete in international markets, our food production sector needs to be globally competitive. This will require a focus on development of new markets, continued innovation and sustainable use of natural resources.

## **Growing demand**

The projected growth in food demand in Australia and overseas in the coming decades presents a substantial opportunity for growing the region's economy.

There is an increasing demand for premium food and wine produced in our clean environment to be exported to the world. A strong reputation for food safety and product integrity, provide South Australia with significant competitive advantage in both local and global markets.



## Horticulture

There are significant opportunities to grow the value of the South Australian horticulture industry in the region if best practice systems and new technology were adopted more widely.

Additionally, increased investment in the region would boost the annual revenue generated from horticultural production, grow the footprint of the industry in the State, and create additional local jobs.

## Food manufacturing

Prepared foods are a key growth area of the food industry. As consumers and food service businesses become more time-poor, they are increasingly looking for pre-packaged food such as ready meals, single-serve packs or pre-prepared salad mixes and are prepared to pay more for the convenience.

Demand is growing for value-added food products such as healthy, functional and luxury foods. Consumers are willing to pay more for these products either for health advantages, or simply for the prestige.

Consumers are also looking for environmentally friendly foods and manufacturing methods. Clever and reduced packaging can extend the shelf life of pre-packaged goods and offer environmental benefits such as reduced waste. Increasingly, manufacturers and retailers need to offer transparency as to where they source their food as consumers around the world want to purchase sustainable and ethically sourced products.

## Skills in demand

Some of the jobs that will be in demand in northern Adelaide as the agribusiness and food sector grows:

Sales assistants (general)  
Waiters  
Checkout operators and office cashiers  
Mixed crop and livestock farmers  
Crop farmers  
Kitchenhands  
Livestock farmers  
Retail managers  
Bar attendants and baristas  
Shelf fillers  
Crop farm workers  
Chefs  
Cafe and restaurant managers  
Packers  
Food and drink factory workers  
Fast food cooks  
Cooks  
Cafe workers  
Bakers and pastrycooks  
Livestock farm workers  
Meat, poultry and seafood process workers  
Retail supervisors  
Storepersons  
Engineers  
Scientists  
Food technologists  
Accountants  
Butchers and smallgoods makers

Source: ABS Census for 2011, Department of State Development

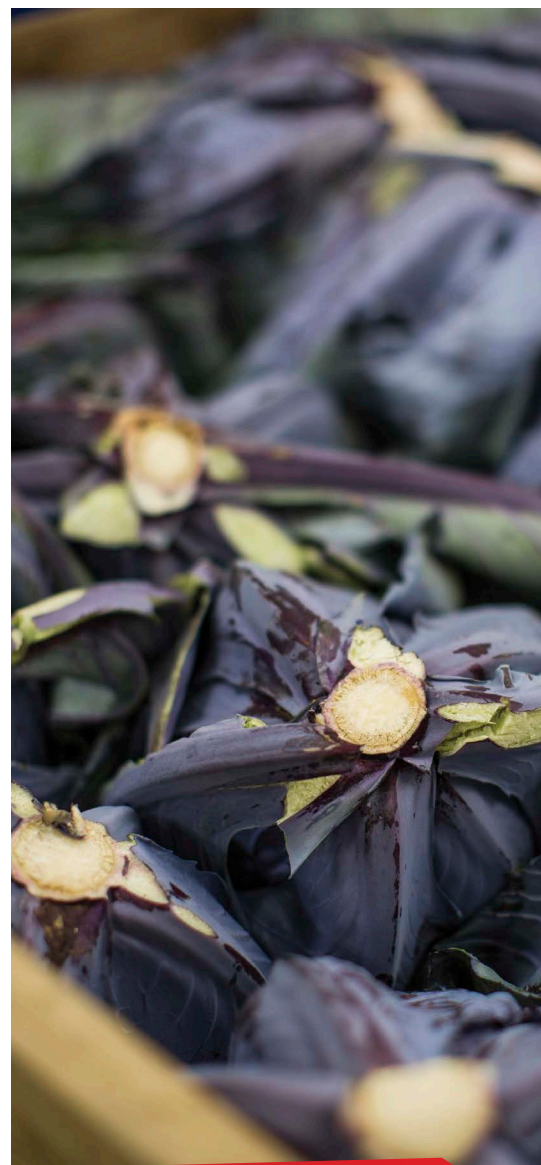
If you would like to find out more information about the skills needed in South Australia, and training options that are available, call the Skills and Employment Infoline on **1800 506 266** or visit **[www.skills.sa.gov.au](http://www.skills.sa.gov.au)**

## Find out more

**Primary Industries and Regions SA (PIRSA)** is the key State Government agency responsible for the economic development of primary industries and regional development in South Australia, visit [www.pir.sa.gov.au](http://www.pir.sa.gov.au)

**Food SA** helps grow, unite, lead and sustain South Australia's food industry and companies into the future, and is the State's peak industry body, visit [www.foodsouthaustralia.com.au](http://www.foodsouthaustralia.com.au)

**Food Innovation Australia Ltd** is an industry-led, government funded initiative to accelerate commercially-driven collaboration and innovation in the Australian food and agribusiness industry, visit [www.fial.com.au](http://www.fial.com.au)





## Northern Economic Plan

For further information about the growth sectors and projects being undertaken in northern Adelaide, to learn more about the Northern Economic Plan or if you have a new idea, or want to partner in an existing project, visit [www.looknorth.com.au](http://www.looknorth.com.au)

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