



Food & Grocery Manufacturing in Northern Victoria Economic Snapshot

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Contact:	Nick Byrne – Principal Consultant



VIC: 67 Wills Street, Bendigo VIC 3550 | PO Box 5006, Sandhurst East VIC 3550
QLD: Suite 106, 232 Robina Town Centre Drive | PO Box 4880, Robina, QLD 4226

T. 1300 737 443 | remplan.com.au

Economic Snapshot: Food & Grocery Manufacturing

This project has been conducted by REMPLAN

Project Team

Jack Doyle
Economic Researcher

Nick Byrne
Principal Consultant

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RESOURCES

All modelling has been undertaken using REMPLAN™ software that has been authored by Principal Research Fellow (ret.), Ian Pinge, at La Trobe University Bendigo.

Contact us:
REMPPLAN
PO BOX 5006
SANDHURST EAST,
BENDIGO, VIC 3550
TEL: 1300 737 443
Email: info@remplan.com.au

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1 Executive Summary

In Northern Victoria, the Food & Grocery Manufacturing sector is an integral part of the local economy. The Northern Victoria Economy consists of:

- Bendigo
- Indi
- Mallee
- Murray

Map 1-1 Northern Victoria



Source: REMPLAN Mapbuilder Link: <https://remplan.co/2LhqPjy>

Output

In 2017, Northern Victoria's Food & Grocery Manufacturing industry generated \$11.547 billion in output; a decline of 2.5% over the previous year. The sector represents 16.0% of total output in Northern Victoria and 65.8% of total manufacturing in Northern Victoria.

Employment

In 2016, total employment in the industry was estimated at 21,458 jobs or 8.5% of jobs in Northern Victoria. Approximately 70.8% of jobs in Northern Victoria's broader manufacturing sector are in the region's Food & Grocery Manufacturing sector.

Wages & Salaries

The 21,458 Food & Grocery Manufacturing workers in Northern Victoria are paid approximately \$1.377 billion in wages & salaries. The sector supports approximately 65.1% of wages & salaries supported by Northern Victoria's broader manufacturing sector.

Value Added

The Food & Grocery Manufacturing sector in Northern Victoria created approximately \$3.054 billion in value added in 2017. The sector supports 9.3% of total value added created in Northern Victoria and 72.5% of total manufacturing value add in Northern Victoria.

Table 1-1 Summary - Northern Victoria's Food Grocery Manufacturing, 2017

Commonwealth Electorate	Output (\$B)	Employment Jobs	Wages & Salaries (\$B)	Value Added (\$B)
Bendigo	\$2.038	4,227	\$0.251	\$0.480
Indi	\$2.235	3,747	\$0.266	\$0.574
Mallee	\$2.120	4,892	\$0.257	\$0.744
Murray	\$5.154	8,592	\$0.603	\$1.256
Northern Victoria	\$11.547	21,458	\$1.377	\$3.054

Taxes

Northern Victoria industry generated \$1.121 billion in net taxes in 2017. The Food & Grocery Manufacturing sector contributes \$118.738 million towards the local industry tax bill in Northern Victoria. Murray which is the largest contributor towards the economic output in Northern Victoria's Food & Grocery Manufacturing supports 41.4% of total tax collected from the sector in the broader region.

Regional Exports

Northern Victoria exported \$19.859 billion in 2017. \$7.861 billion or 39.6% of exports are supported by the Food & Grocery Manufacturing Sector. Furthermore, \$2.181 billion of the exports are destined for overseas markets.

Meat & Meat Product Manufacturing contributes more than 40% of overseas exports from the sector in Northern Victoria.

Table 1-2 Summary - Northern Victoria's Food Grocery Manufacturing, 2017

Commonwealth Electorate	Regional Exports	International Exports	Net Taxes
	(\$B)	(\$B)	(\$M)
Bendigo	\$1.422	\$0.560	\$19.368
Indi	\$1.431	\$0.361	\$23.855
Mallee	\$1.488	\$0.346	\$26.403
Murray	\$3.891	\$0.913	\$49.112
Northern Victoria	\$7.861	\$2.181	\$118.738

In Northern Victoria, Meat & Meat Product Manufacturing is the most significant Food & Grocery Manufacturing sub-sector in terms of output however, it is Fruit & Vegetable Farming that supports the most jobs and the highest level of value-add.

Table 1-3 Summary -Northern Victoria Food & Grocery Manufactory Sub-sectors, 2017

	Output	Employment	Value Added
	(\$B)	Jobs	(\$B)
Fruit & Vegetable Farming	\$1.648	5,357	\$0.920
Poultry Egg Production	\$0.187	536	\$0.110
Meat & Meat Product Manufacturing	\$2.498	4,845	\$0.492
Processed Seafood Manufacturing	\$0.008	5	\$0.001
Dairy Product Manufacturing	\$2.417	3,246	\$0.421
Fruit & Vegetable Product Manufacturing	\$1.439	1,360	\$0.274
Oils & Fats Manufacturing	\$0.006	4	\$0.001
Grain Mill & Cereal Product Manufacturing	\$0.390	382	\$0.081
Bakery Product Manufacturing	\$0.287	2,141	\$0.099
Sugar & Confectionery Manufacturing	\$0.088	113	\$0.019
Other Food Product Manufacturing	\$1.521	1,595	\$0.339
Soft Drinks, Cordials & Syrup Manufacturing	\$0.050	67	\$0.015
Beer Manufacturing	\$0.115	104	\$0.044
Wine & Other Alcohol Manufacturing	\$0.679	1,459	\$0.197
Sanitary Paper Product Manufacturing	\$0.000	0	\$0.000
Human Pharmaceutical Product Manufacturing	\$0.081	81	\$0.015
Cleaning Compounds & Toiletry Preparation Manu.	\$0.095	104	\$0.021
Polymer Packaging Product Manufacturing	\$0.038	59	\$0.007

2 Introduction

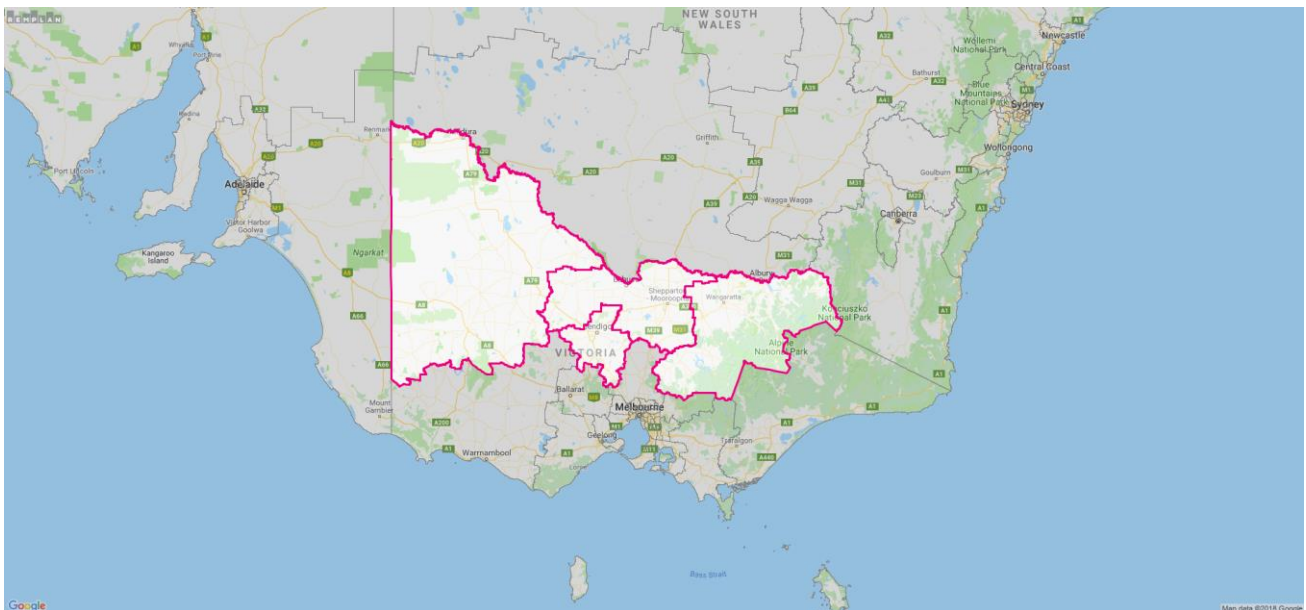
In Australia, the Food & Grocery Manufacturing sector generates \$178 billion in output annually and supports approximately 2.9% of national employment. The sector is an amalgam of agricultural and manufacturing sectors including: food and beverage production, paper, pharmaceuticals, and cleaning compounds. A complete list of sub-sectors included in the Food & Grocery Manufacturing Sector is provided in Figure 2-1.

While the broader manufacturing sector in Australia has been declining, the Food & Grocery Manufacturing sector experienced growth between 2016 and 2017.

In Northern Victoria, the Food & Grocery Manufacturing sector is a significant part of the local economy. Ongoing strong economic growth in the Food & Grocery Manufacturing sector is expected to continue in the future. For the purposes of this report, the four commonwealth electorates outlined in Map 1-1 have been used to define Northern Victoria:

- Bendigo
- Indi
- Mallee
- Murray

Map 2-1 Northern Victoria



Source: REMPLAN Mapbuilder Link: <https://remplan.co/2LhqPjy>

According to the 2016 Census, the Food & Grocery Manufacturing sector supported 21,458 jobs or 8.5% of employment in Northern Victoria. Northern Victoria's Food & Grocery Manufacturing sector is estimated to generate \$11.547 billion in economic output. Overall, the sector generates \$3.054 billion in value-added (9.3% of total Northern Victoria's value added) where value-added is a key contributor to Gross Regional Product, the net measure of income generated by the region. Within Northern Victoria's Food & Grocery Manufacturing sector, 'Fruit & Vegetable Farming' supports the highest-level of employment at approximately a quarter of total Food & Grocery Manufacturing Sector jobs. At a regional level, the Murray electorate is the largest contributor in terms of overall Food & Grocery Manufacturing in Northern Victoria representing 44.1% of total Northern Victoria output, followed by Indi at 19.4%, Mallee at 18.4% and Bendigo at 17.7%.

Figure 2-1 Food & Grocery Manufacturing Definition

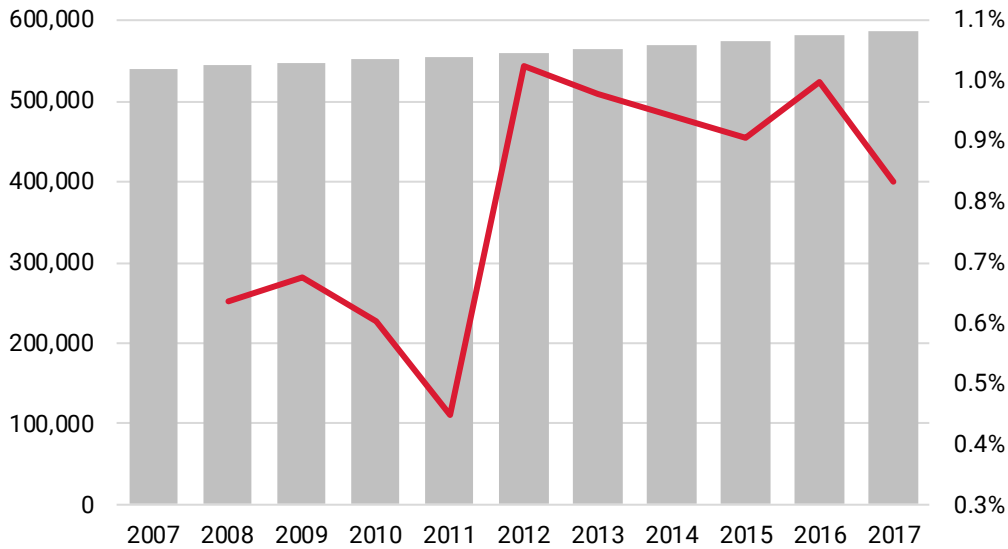
Food and Grocery Manufacturing Sectors	ANZSIC Code	ANZSIC Description
Fruit & Vegetable Farming	121	Mushroom Growing
	122	Vegetable Growing (Under Covers)
	123	Vegetable Growing (Outdoors)
	131	Grape Growing
	132	Kiwifruit Growing
	133	Berry Fruit Growing
	134	Apple and Pear Growing
	135	Stone Fruit Growing
	136	Citrus Fruit Growing
	137	Olive Growing
	139	Other Fruit and Nut Growing
Poultry Egg Production	172	Poultry Farming (Eggs)
Meat & Meat Product Manufacturing	1111	Meat Processing
	1112	Poultry Processing
	1113	Cured Meat and Smallgoods Manufacturing
Processed Seafood Manufacturing	1120	Seafood Processing
Dairy Product Manufacturing	1131	Milk and Cream Processing
	1132	Ice Cream Manufacturing
	1133	Cheese and Other Dairy Product Manufacturing
Fruit & Vegetable Product Manufacturing	1140	Fruit and Vegetable Processing
Oils & Fats Manufacturing	1150	Oil and Fat Manufacturing
Grain Mill & Cereal Product Manufacturing	1161	Grain Mill Product Manufacturing
	1162	Cereal, Pasta and Baking Mix Manufacturing
Bakery Product Manufacturing	1171	Bread Manufacturing (Factory Based)
	1172	Cake and Pastry Manufacturing
	1173	Biscuit Manufacturing (Factory Based)
	1174	Bakery Product Manufacturing (Non-Factory Based)
Sugar & Confectionery Manufacturing	1181	Sugar Manufacturing
	1182	Confectionery Manufacturing
Other Food Product Manufacturing	1191	Potato, Corn and Other Crisp Manufacturing
	1192	Prepared Animal and Bird Feed Manufacturing
	1199	Other Food Product Manufacturing N.e.c
Soft Drinks, Cordials & Syrup Manufacturing	1211	Soft Drink, Cordial and Syrup Manufacturing
Beer Manufacturing	1212	Beer Manufacturing
Wine & Other Alcohol Manufacturing	1213	Spirit Manufacturing
	1214	Wine and Other Alcoholic Beverage Manufacturing
Sanitary Paper Product Manufacturing	1524	Sanitary Paper Product Manufacturing
Human Pharmaceutical Product Manufacturing	1841	Human Pharmaceutical Manufacturing
Cleaning Compounds & Toiletry Preparation Manu.	1851	Cleaning Compound Manufacturing
	1852	Cosmetic and Toiletry Preparation Manufacturing
Polymer Packaging Product Manufacturing	1911	Polymer Film and Sheet Packaging Material Manufacturing

3 Demographics and Economy

3.1 Population

As at 2017, the estimated resident population of Northern Victoria is 586,018 persons. Between 2016 and 2017, there was a 0.8% annual increase in population while over the past ten years the population of Northern Victoria has grown on average 0.8% per annum. Within Northern Victoria, the fastest growing electorate has been Bendigo which grew with an average annualised growth rate of 1.5% over the past ten years.

Figure 3-1 Northern Victoria Population and Change



Commonwealth Electorate	2007	2012	2017	2007-17 Change
Bendigo	132,743	142,212	154,731	16.6%
Indi	131,057	134,989	143,028	9.1%
Mallee	138,980	139,101	140,182	0.9%
Murray	138,159	143,182	148,077	7.2%
Northern Victoria	540,939	559,484	586,018	8.3%

Source: Australian Bureau of Statistics, Regional Population Growth 2007-17, Cat. No. 3218.0.

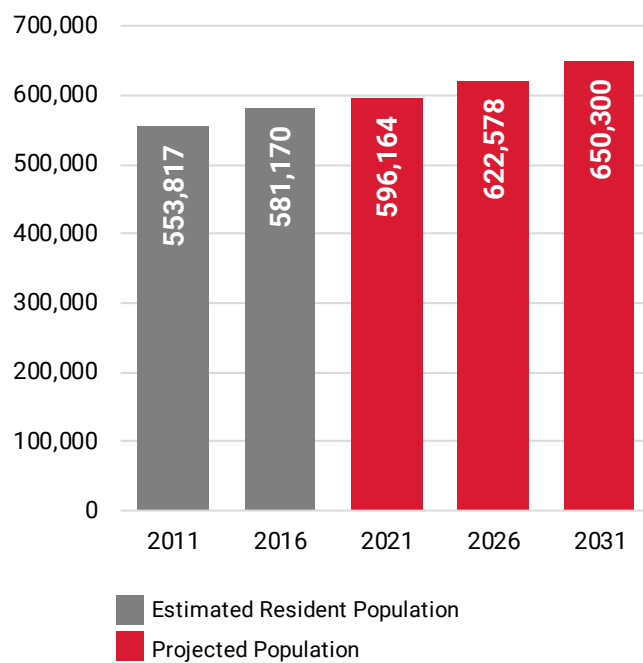
3.2 Population Projections¹

Population projections for Victoria were last published in September 2016 by the VIC Government Department of Environment, Land, Water & Planning and have yet to be adjusted to the findings of the 2016 Census. As such population projections for Northern Victoria are slightly out of date but can still be used as a general estimate for future growth.

The population of Northern Victoria is expected to increase to 650,300 by 2031. This represents a 13.7% increase from the estimated resident population in 2016 with an average annualised growth rate of 0.9%. Bendigo is projected to be the fastest growing electorate within Northern Victoria with an average annualised growth rate of 1.6%.

¹ Electorate Projections are derived from LGA projection data and proportioned where necessary to obtain a best fit estimate.

Figure 3-2 Northern Victoria Population Projections



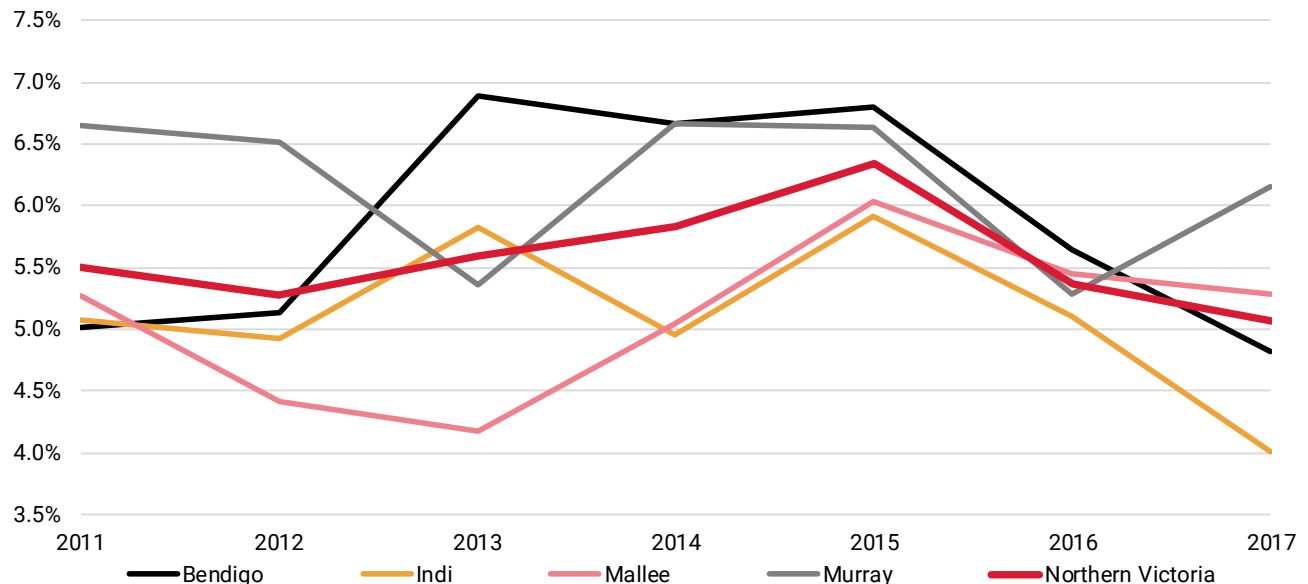
Commonwealth Electorate	2016	2021	2026	2031	2016-31 Change
Bendigo	155,662	169,436	183,623	198,207	27.3%
Indi	134,919	139,984	145,864	152,320	12.9%
Mallee	136,683	137,176	138,304	139,704	2.2%
Murray	144,825	149,568	154,787	160,069	10.5%
Northern Victoria	572,089	596,164	622,578	650,300	13.7%

Source: VIC Government: Environment, Land, Water & Planning, Victoria in Future 2016

3.3 Labour Force

The unemployment rate for Northern Victoria for 2017 was 5.1%; lower than the rate for Victoria at 6.0%. Within the last five years the unemployment rate peaked at 6.3% in 2015 and has since declined to its current position. The electorate with the highest unemployment rate in Northern Victoria is Murray with an unemployment rate of 6.1% while the electorate with the lowest unemployment rate is Indi at 4.0%.

Figure 3-3 Northern Victoria Electorate Unemployment Rates



Source: Department of Employment, Small Area Labour Markets March 2018

Figure 3-4 Electorate Labour Force Summary

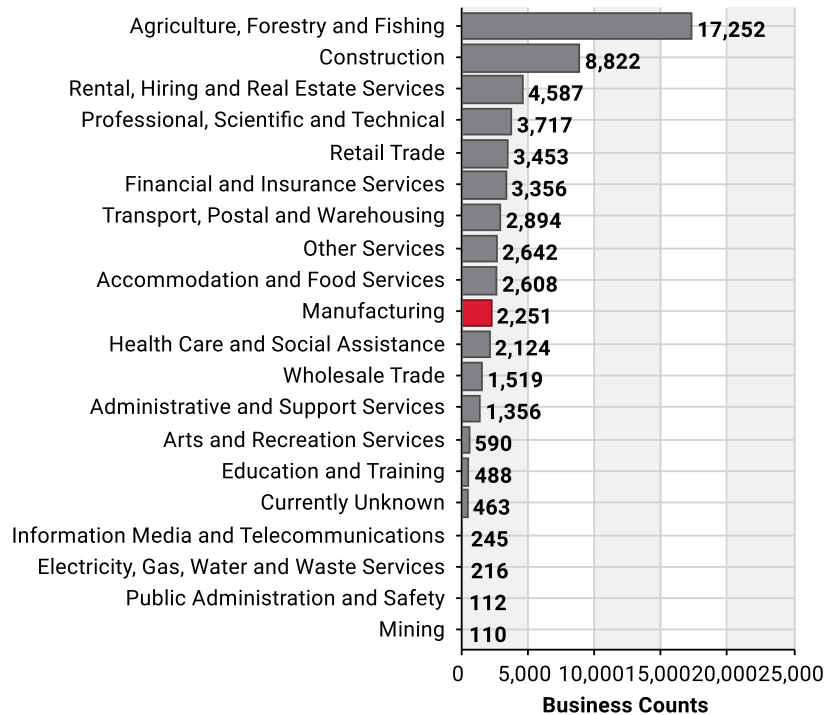
Region	Labour Force		Unemployed		Unemployment Rate
	No.	Annual Change (%)	No.	Annual Change (%)	
Bendigo	71,775	-2.2%	3,456	-16.6%	4.8%
Indi	76,795	-1.6%	3,077	-22.7%	4.0%
Mallee	70,235	8.4%	3,707	5.0%	5.3%
Murray	78,079	-0.4%	4,800	15.7%	6.1%
Northern Victoria	296,883	0.8%	15,040	-4.8%	5.1%

Source: Department of Employment, Small Area Labour Markets March 2018

3.4 Business Counts

In 2017, there were 58,805 registered businesses in Northern Victoria. The number of businesses increased marginally by 0.1% over the previous year (+74 businesses). The largest industry sector by business counts is 'Agriculture, Forestry & Fishing' at 17,252 individual business counts (or 29.3% of Northern Victoria businesses). The second highest is 'Construction' at 8,822 businesses (or 15.0% of Northern Victoria businesses). 'Manufacturing' which includes the majority of the 'Food & Grocery Manufacturing' Sector contributes 2,251 businesses in Northern Victoria (or 3.8% of total businesses). Between 2016 and 2017, 'Manufacturing' businesses increased marginally by 0.1% with an increase of 3 businesses. Although manufacturing is fairly spread out in Northern Victoria, the majority of 'Manufacturing' businesses in Northern Victoria are in Murray (29.8%).

See Appendix 6.1 for a summary of business counts by industry and electorate in Northern Victoria.

Figure 3-5 Northern Victoria Business Counts, 2017


Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017, Cat. No. 8165.0

Note: Business Count data is provided for Statistical Area 2 boundaries. Estimates for electorates are best fit only.

3.4.1 Staff Size and Turnover Range

Of the 2,251 businesses operating within Northern Victoria's manufacturing sector, approximately 56.8% are employing businesses (i.e. are businesses that employ staff other than the owner / operator). In contrast nearly two-fifths of all businesses across all industry sectors in Northern Victoria are employing (39.0%).

The number of manufacturing businesses in Northern Victoria with an annual turnover of between \$5 and \$10 million declined by -9.0% between 2015 and 2017.

Figure 3-6 Northern Victoria Manufacturing Sector by Staff and Turnover

	All Industry Sectors				Manufacturing			
Staff Size	2015	2016	2017	Change 2015-17	2015	2016	2017	Change 2015-17
Non-Employing	35,338	35,765	35,857	1.5%	966	1,024	965	-0.1%
1-4 Staff	21,675	21,677	21,793	0.5%	1,100	1,093	1,127	2.5%
20-199 Staff	1,093	1,065	1,082	-1.0%	152	145	144	-5.3%
200 or more Staff	18	21	21	16.7%	0	0	0	-
	All Industry Sectors				Manufacturing			
Turnover Range	2015	2016	2017	Change 2015-17	2015	2016	2017	Change 2015-17
Zero to less than \$50,000	14,126	13,638	13,826	-2.1%	427	419	374	-12.4%
\$50,000 to less than \$200,000	19,927	20,681	20,676	3.8%	629	673	703	11.8%
\$200,000 to less than \$2 million	20,897	21,382	21,120	1.1%	964	912	931	-3.4%
\$2 million to less than \$5 million	2,150	1,990	2,033	-5.4%	177	186	186	5.1%
\$5 million to less than \$10 million	562	536	588	4.6%	111	101	101	-9.0%
\$10 million or more	445	468	457	2.7%	62	64	64	3.2%

Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017, Cat. No. 8165.0

Note: Business Count data is provided for Statistical Area 2 boundaries. Estimates for electorates are best fit only.

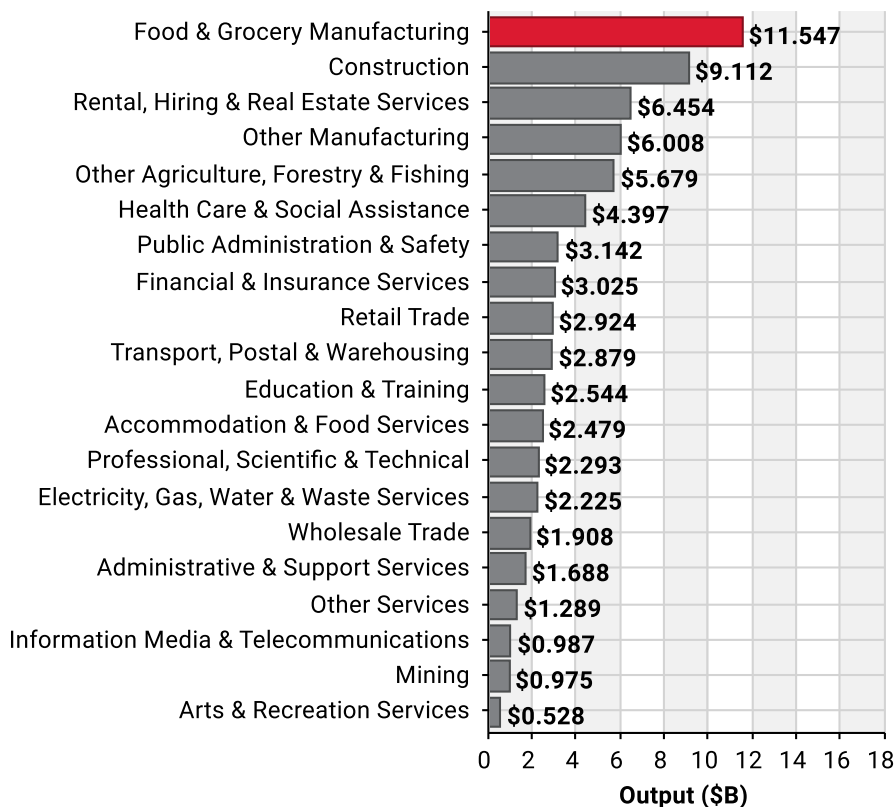
4 Food & Grocery Manufacturing in Northern Victoria

The Food & Grocery Manufacturing Sector encompasses an amalgam of activities including mostly the manufacture of food products as well as a few primary agricultural sectors. The following data represents the contribution of the Food & Grocery Manufacturing sector to the broader economy of Northern Victoria.

4.1 Output

Total output² in Northern Victoria in 2017 is estimated at \$72.082 billion. The Food & Manufacturing Sector contributes the highest level of output at \$11.547 billion towards this amount (16.0%). The sector contributes towards 65.8% of manufacturing in Northern Victoria. This is the largest sector in terms of output in Northern Victoria. The second largest industry by output is Construction at \$9.112 billion followed by Rental, Hiring & Real Estate at \$6.454 billion.

Figure 4-1 Northern Victoria Industry Output



The Northern Victoria electorate with the largest output contribution to Food & Grocery Manufacturing is Murray at \$5.154 billion. The sector in Murray also derives the highest proportion of that electorate's total output from Food & Grocery Manufacturing at 23.9%.

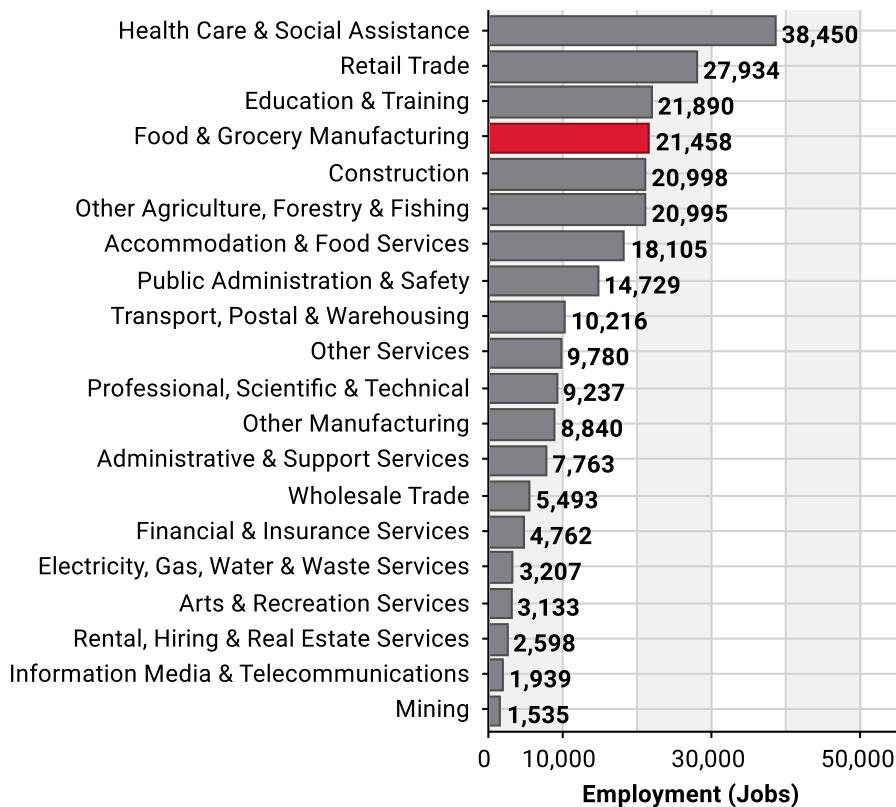
² Output data represents the gross revenue generated by organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

Table 4-1 Northern Victoria Food & Grocery Manufacturing Output by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing Output (\$B)	Total Output (\$B)	% of Total Output
Bendigo	\$2.038	\$17.732	11.5%
Indi	\$2.235	\$17.124	13.1%
Mallee	\$2.120	\$15.681	13.5%
Murray	\$5.154	\$21.545	23.9%
Northern Victoria	\$11.547	\$72.082	16.0%

4.2 Employment

Total employment³ in Northern Victoria for 2016 was estimated at 253,063. The Food & Manufacturing Sector contributes 21,458 employed persons towards this amount (8.5% of the region's total). The sector defines 70.8% of total manufacturing employment in Northern Victoria. The sector is the fourth largest employing sector in Northern Victoria.

Figure 4-2 Northern Victoria Industry Employment

The Northern Victoria electorate with the largest employment contribution to Food & Grocery Manufacturing in Northern Victoria is Murray at 8,592 jobs. The electorate also has the highest proportion of their region's employment supported by the Food & Grocery Manufacturing sector (11.9%).

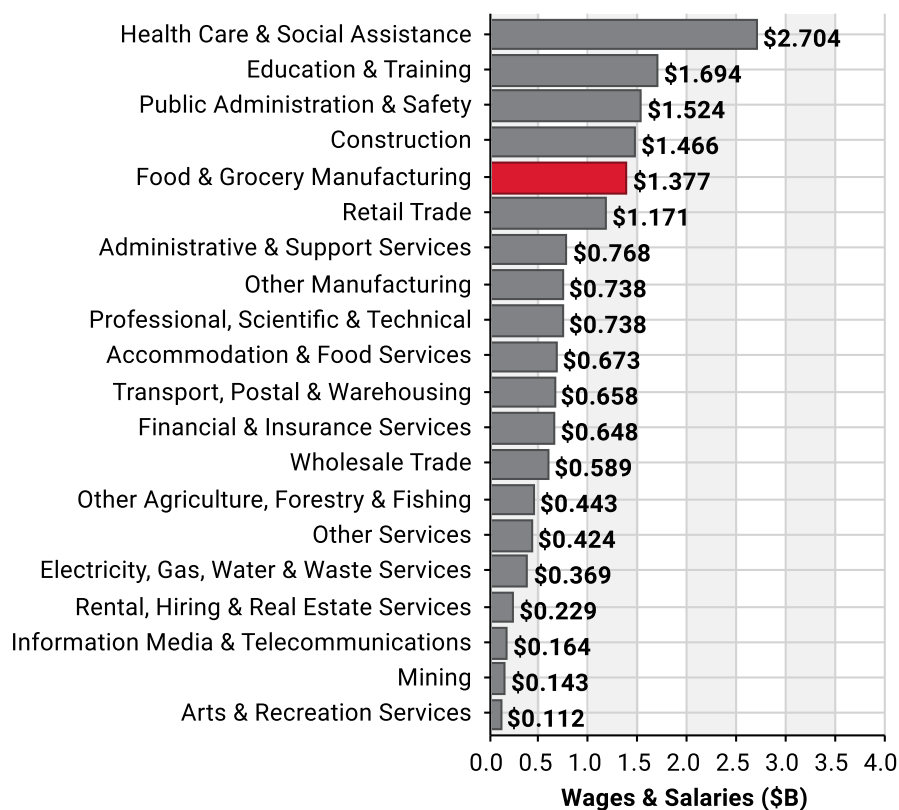
³ Employment data represents the number of people employed within each of the industry sectors in a defined region. Employment data presented in this report is destination of work data obtained from the 2016 Census Night.

Table 4-2 Northern Victoria Food & Grocery Manufacturing Employment by Electorate - 2016

Commonwealth Electorate	Food and Manufacturing Employment (Jobs)	Total Employment (Jobs)	% of Total Employment
Bendigo	4,227	62,060	6.8%
Indi	3,747	56,442	6.6%
Mallee	4,892	62,150	7.9%
Murray	8,592	72,411	11.9%
Northern Victoria	21,458	253,063	8.5%

4.3 Wages and Salaries

Total Wages and Salaries in Northern Victoria for 2017 is estimated at \$16.632 billion. The Food & Manufacturing industry contributes \$1.377 billion towards this amount (8.3%). The sector defines 65.1% of total manufacturing wages & salaries in Northern Victoria. The sector is the fifth largest supporter of local wages and salaries throughout the region.

Figure 4-3 Northern Victoria Industry Wages & Salaries

Food & Grocery Manufacturing in Murray supports the highest level of wages and salaries compared to other electorates in Northern Victoria.

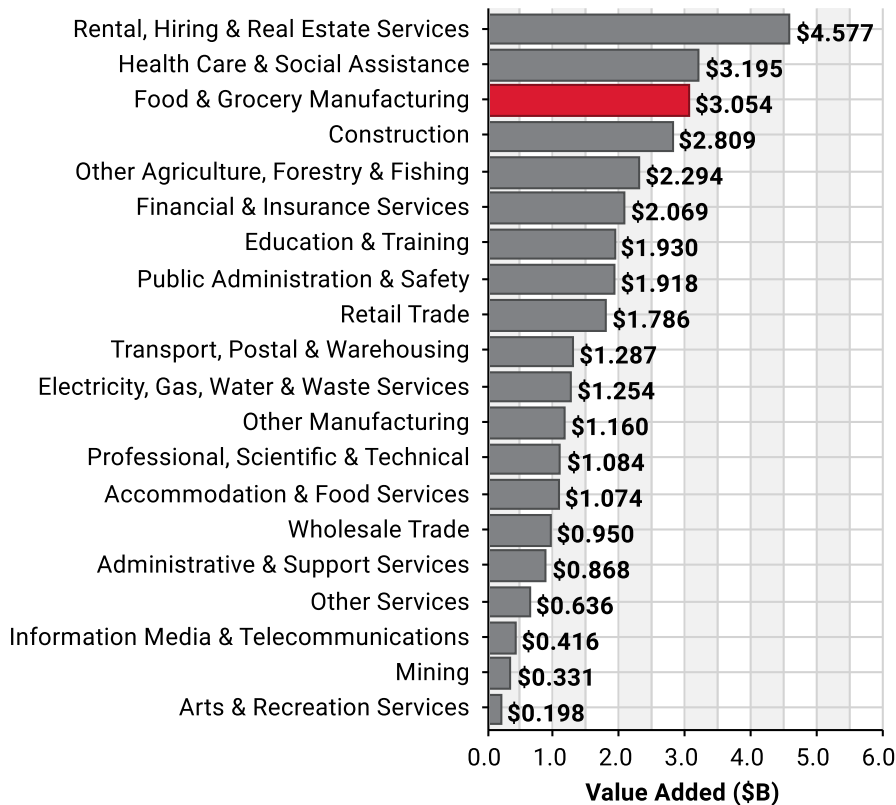
Table 4-3 Northern Victoria Food & Grocery Manufacturing Wages & Salaries by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing Wages & Salaries (\$B)	Total Wages & Salaries (\$B)	% of Total Wages & Salaries
Bendigo	\$0.251	\$4.256	5.9%
Indi	\$0.266	\$4.144	6.4%
Mallee	\$0.257	\$3.634	7.1%
Murray	\$0.603	\$4.598	13.1%
Northern Victoria	\$1.377	\$16.632	8.3%

4.4 Value Added

Total value-add⁴ in Northern Victoria for 2017 is estimated at \$32.889 billion. The Food & Manufacturing Sector contributes \$3.054 billion towards this amount (9.3%). This is the third largest industry sector by value-add in Northern Victoria behind Rental, Hiring & Real Estate Services at \$4.577 billion followed by Health Care & Social Assistance at \$3.195 billion.

Figure 4-4 Northern Victoria Industry Value-Add



The Northern Victoria electorate with the largest value-add contribution to Food & Grocery Manufacturing in Northern Victoria is Murray at \$1.256 billion. Likewise, Murray has the highest proportion of their region's total value-add generated by the Food & Grocery Manufacturing sector (13.4%).

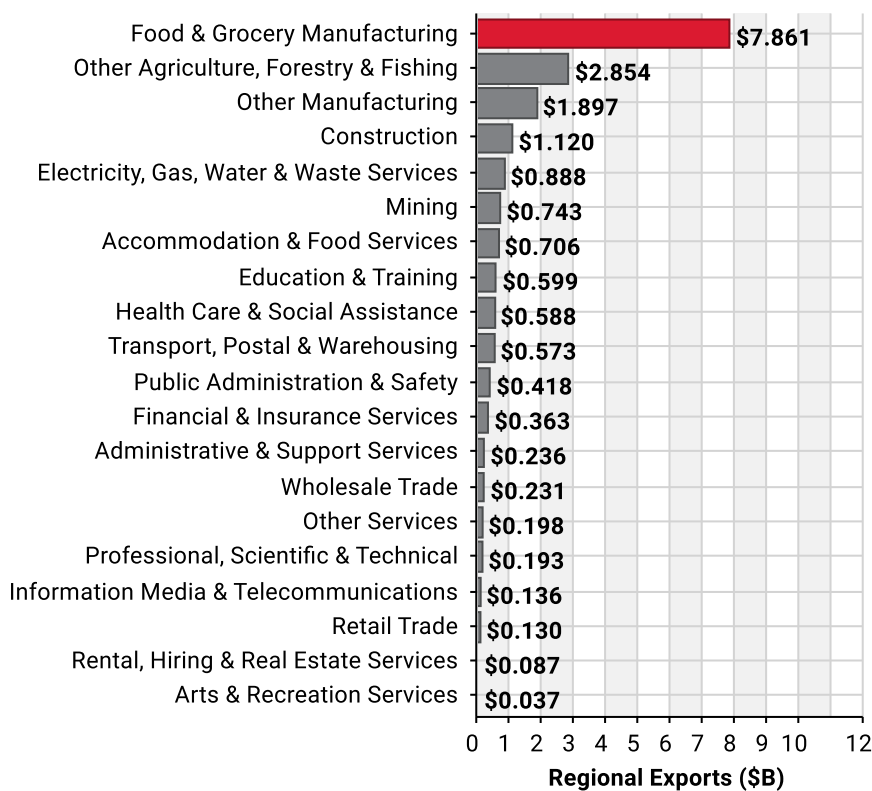
⁴ Value-Added data represents the marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector. Value-Added by industry sector is the major element in the calculation of Gross Regional Product/Gross State Product/Gross Domestic Product.

Table 4-4 Northern Victoria Food & Grocery Manufacturing Value Added by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing Value Added (\$B)	Total Value Added (\$B)	% of Total Value Added
Bendigo	\$0.480	\$8.257	5.8%
Indi	\$0.574	\$7.243	7.9%
Mallee	\$0.744	\$8.051	9.2%
Murray	\$1.256	\$9.338	13.4%
Northern Victoria	\$3.054	\$32.889	9.3%

4.5 Regional Exports

Regional Exports data represents the value of goods and services exported outside of the defined regions that have been generated by businesses / organisations in each of the industry sectors within the region⁵. The value of exports for each of the four Northern Victoria Electorates are as follows:

Figure 4-5 Food & Grocery Manufacturing Regional Exports, 2017

In all four Northern Victoria electorates, the Food & Grocery Manufacturing sector is the largest industry sector by export value.

- Bendigo - \$4.432 billion in Total Regional Exports. The value of Food & Grocery Manufacturing regional exports is \$1.422 billion or 32.1% of the electorate's total.
- Indi - \$5.360 billion in Total Regional Exports. The value of Food & Grocery Manufacturing regional exports is \$1.431 billion or 26.7% of the electorate's total.
- Mallee - \$4.769 billion in Total Regional Exports. The value of Food & Grocery Manufacturing regional exports is \$1.488 billion or 31.2% of the electorate's total.

⁵ A fraction of these exports are destined for another region within Northern Victoria and cannot be summed.

- Murray - \$7.667 billion in Total Regional Exports. The value of Food & Grocery Manufacturing regional exports is \$3.891 billion or 50.8% of the electorate's total.

The Northern Victoria electorate with the largest regional export from the Food & Grocery Manufacturing sector is Murray at \$3.891 billion. More than half Murray's exports are derived from Food & Grocery Manufacturing.

Table 4-5 Northern Victoria Food & Grocery Manufacturing Regional Exports by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing Regional Exports (\$B)	Total Regional Exports (\$B)	% of Total Regional Exports
Bendigo	\$1.422	\$4.432	32.1%
Indi	\$1.431	\$5.360	26.7%
Mallee	\$1.488	\$4.769	31.2%
Murray	\$3.891	\$7.667	50.8%
Northern Victoria	\$7.861	\$19.859	39.6%

4.5.1 Food & Grocery Manufacturing International Exports⁶

The four Northern Victoria Electorates collectively export \$2.181 billion to foreign markets.

The Northern Victoria electorate that produces the largest value in international exports from the Food & Grocery Manufacturing is Murray at \$913.241 million, however, it is Bendigo which has the highest proportion of their Food & Manufacturing exports destined for international markets (39.4%).

Figure 4-6 Food & Grocery Manufacturing International Exports, 2017



Table 4-6 Northern Victoria Food & Grocery Manufacturing Regional Exports by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing International Exports (\$M)	Food and Manufacturing Regional Exports (\$M)	% of Total International Exports
Bendigo	\$559.998	\$1,421.95	39.4%
Indi	\$361.472	\$1,430.994	25.3%
Mallee	\$346.035	\$1,487.616	23.3%
Murray	\$913.241	\$3,891.333	23.5%
Northern Victoria	\$2,180.745	\$7,861.067	27.7%

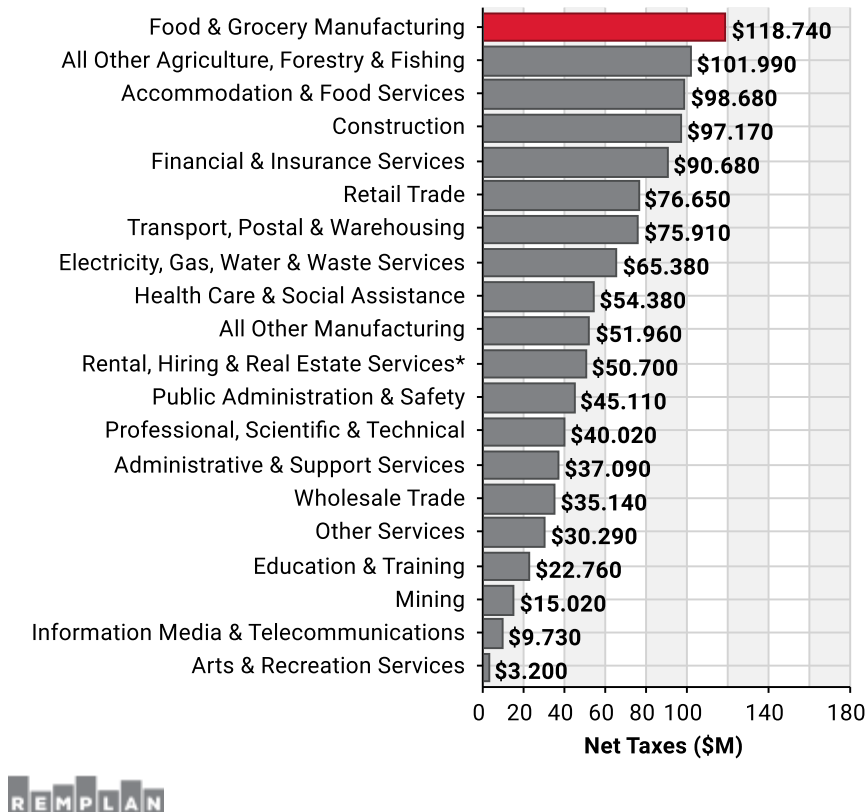
⁶ Please note a portion of regional exports are destined for input into production of higher value-add products elsewhere in Australia that are subsequently also exported overseas. The international exports estimated in this report indicate only direct international exports from Northern Victorian electorates.

4.6 Net Taxes

Net Taxes estimates includes all taxes, levies, fees and tariffs on goods and services and other production processes levied by local, state and commonwealth government agencies, less subsidies and other financial transfers from government to industry.

Northern Victoria collected an estimated \$1.121 billion in net taxes from local industry in 2017. The Food & Grocery Manufacturing sector in Northern Victoria contributed towards \$118.738 million in net taxes collected (10.6%). This is the largest industry by tax contributions in Northern Victoria.

Figure 4-7 Northern Victoria Net Taxes by Industry (\$M)⁷



The Northern Victoria electorate with the largest output contribution to Food & Grocery Manufacturing is Murray at \$5.154 billion. As such, the local Food & Grocery Manufacturing industry in Murray has largest tax contribution at \$49.112 million from the sectors. Approximately 15.5% of net taxes collected from industry in Murray is sourced from the Food & Grocery Manufacturing industry.

Table 4-7 Northern Victoria Food & Grocery Manufacturing Net Taxes by Electorate - 2017

Commonwealth Electorate	Food and Manufacturing Net Taxes (\$M)	Total Net Taxes (\$M)	% of Total Net Taxes (\$M)
Bendigo	\$19.368	\$281.905	6.9%
Indi	\$23.855	\$267.783	8.9%
Mallee	\$26.403	\$254.546	10.4%
Murray	\$49.112	\$316.380	15.5%
Northern Victoria	\$118.738	\$1,120.615	10.6%

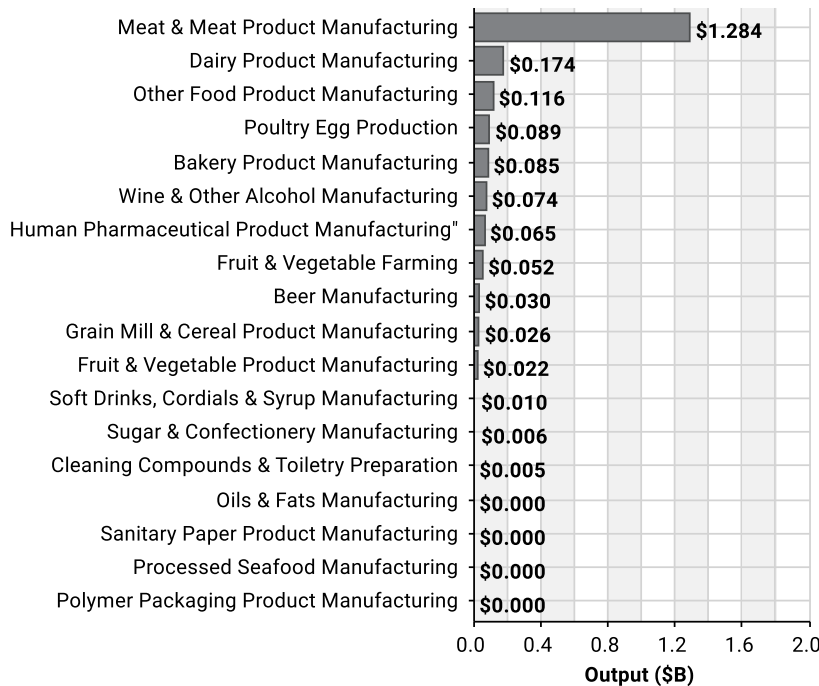
⁷ Estimates of Net Taxes excludes Ownership of Dwellings.

5 Northern Victoria Electorates

5.1 Bendigo

The Bendigo electorate contains Victoria's fourth largest city where it obtains its name. The electorate has a population of 154,731.

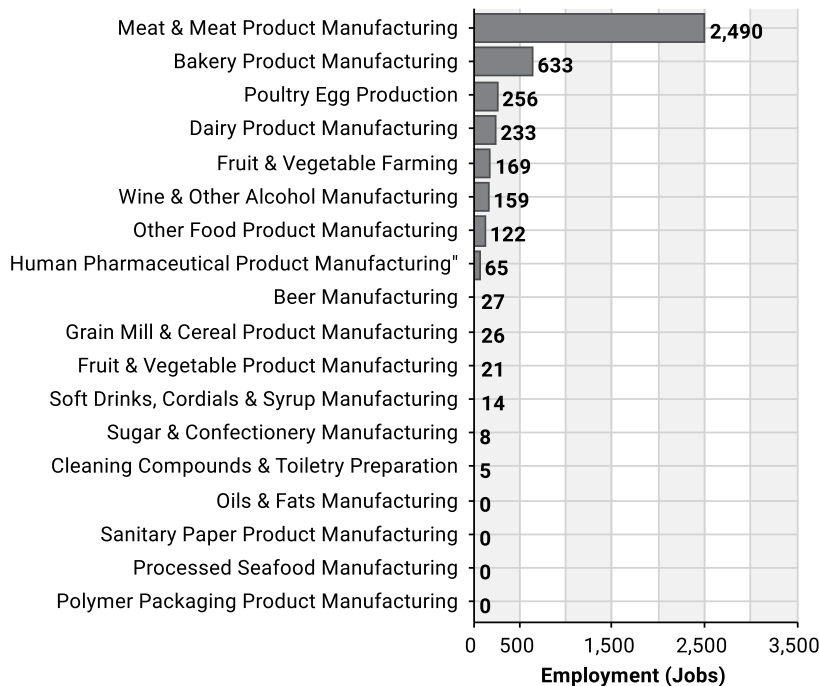
Figure 5-1 Bendigo F&G Manufacturing Output (\$B)



Output

Bendigo's Food & Grocery Manufacturing industry generates \$2.038 billion in output annually. This led by economic activity in Meat & Meat Product Manufacturing (\$1.284 billion).

Figure 5-2 Bendigo F&G Manufacturing Employment



Employment

Of the 4,227 persons working in Bendigo's Food & Grocery Sector, 2,490 work in the local Meat & Meat Product Manufacturing Sector. Another 633 work in the local Bakery Product Manufacturing sector.

Wages and Salaries

The sector contributes \$250.734 million towards local wages and salaries. Meat & Meat Product Manufacturing supports the majority of wages in the region at a value of \$157.350 million.

Figure 5-3 Bendigo F&G Manufacturing Wages & Salaries (\$M)



Figure 5-4 Bendigo F&G Manufacturing Value Added (\$M)



Value Added

Total value added for Bendigo's Food & Grocery Manufacturing Sector is \$479.615 million.

Meat & Meat Product Manufacturing supports the majority of value add creation in the electorate at a value of \$252.782 million.

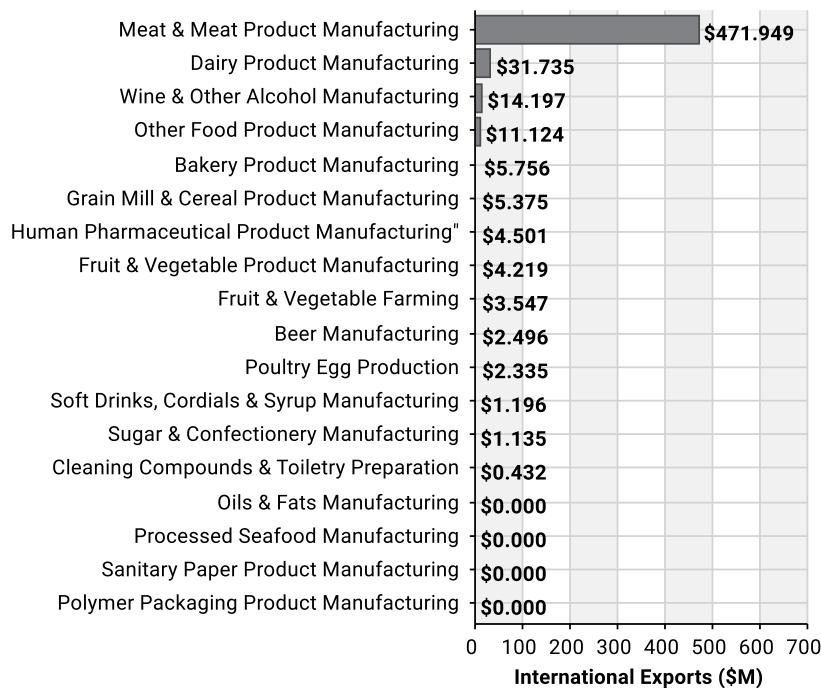
Figure 5-5 Bendigo F&G Manufacturing Regional Exports (\$M)**Regional Exports**

An estimated \$1.422 billion is exported annually by Bendigo's Food & Grocery Manufacturing Sector and is Bendigo's largest export sector.

Meat & Meat Product Manufacturing supports the majority of exports from the sector at a value of \$1.145 billion.

International Exports

Of the \$1.422 billion exported by the sector in Bendigo, \$559.998 million is exported internationally. In Bendigo this is led by Meat & Meat Product Manufacturing at \$471.949 million.

Figure 5-6 Bendigo F&G Manufacturing Intl Exports (\$M)

Net Taxes

Bendigo collects \$281.905 million from industry in net taxes per annum. The local Food & Grocery Manufacturing sector contributes \$19.368 million towards this amount or 6.9% of total taxes collected.

The Meat & Meat Product Manufacturing industry contributes the bulk of local Food & Grocery Manufacturing industry's tax bill at \$10.110 million.

Figure 5-7 Bendigo F&G Manufacturing Net Taxes (\$M)



5.2 Indi

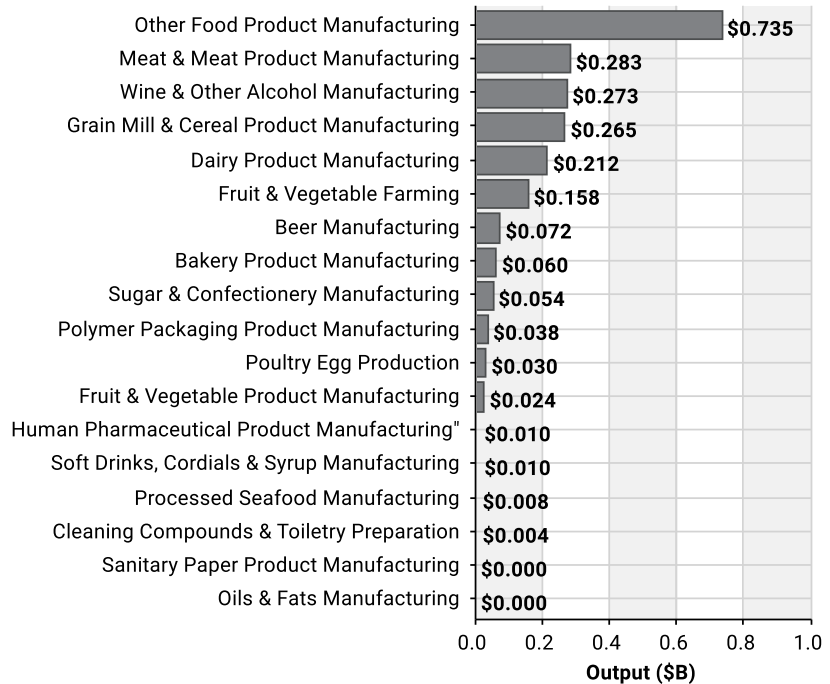
Indi is located in north-eastern Victoria. The largest settlements are Wodonga, Wangaratta and Benalla. Wodonga and its New South Wales' counterpart Albury serves as a major junction for interstate land transportation and freight services between Melbourne to Sydney and Canberra. The population of the Indi electorate as at 2017 is 143,028.

Output

Indi's Food & Grocery Manufacturing industry generates \$2.235 billion in output annually. This led by economic activity in Other Food Product Manufacturing (\$735.138 million).

Meat & Meat Product Manufacturing, Wine & Other Alcohol Manufacturing and Grain Mill & Cereal Product Manufacturing are also prominent.

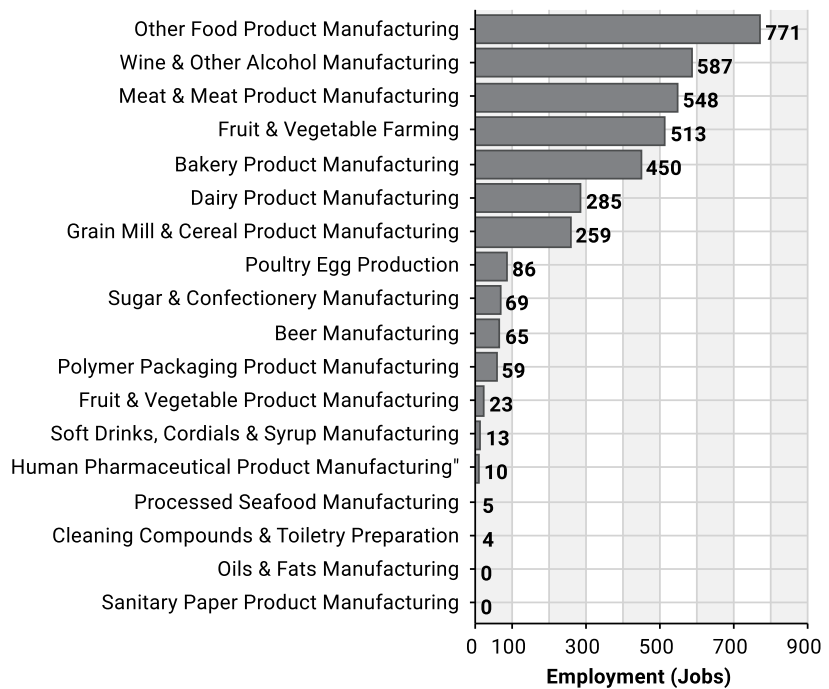
Figure 5-8 Indi F&G Manufacturing Output (\$B)



Employment

Of the 3,747 persons working in Indi's Food & Grocery Sector, 771 work in the local Other Food Product Manufacturing Sector. Another 587 work in the local Wine & Other Alcohol Manufacturing sector and 548 in Meat & Meat Product Manufacturing.

Figure 5-9 Indi F&G Manufacturing Employment



Wages and Salaries

The sector contributes \$266.405 million towards local wages and salaries. Other Food Product Manufacturing supports the majority of wages in the region at a value of \$81.770 million.

Figure 5-10 Indi F&G Manufacturing Wages & Salaries (\$M)

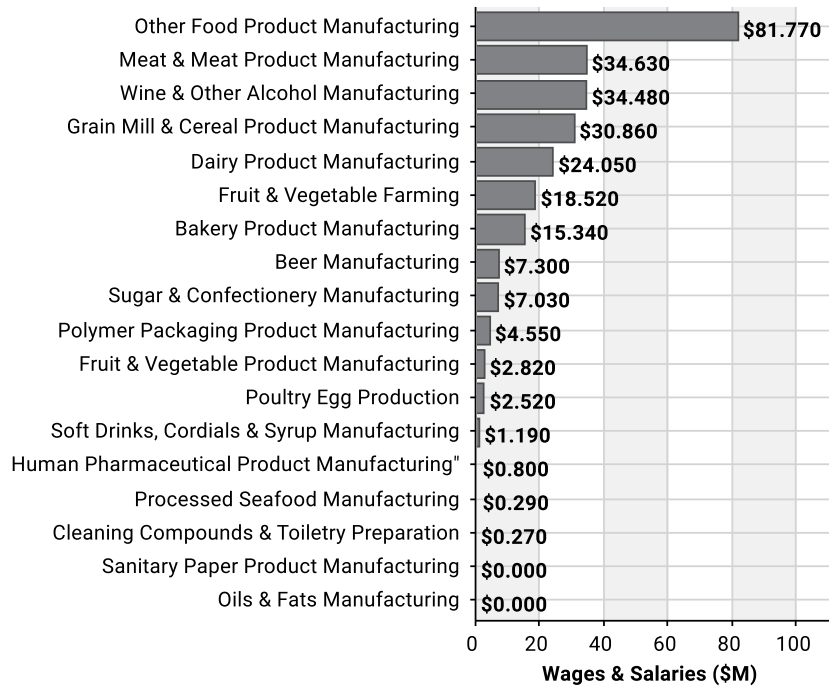
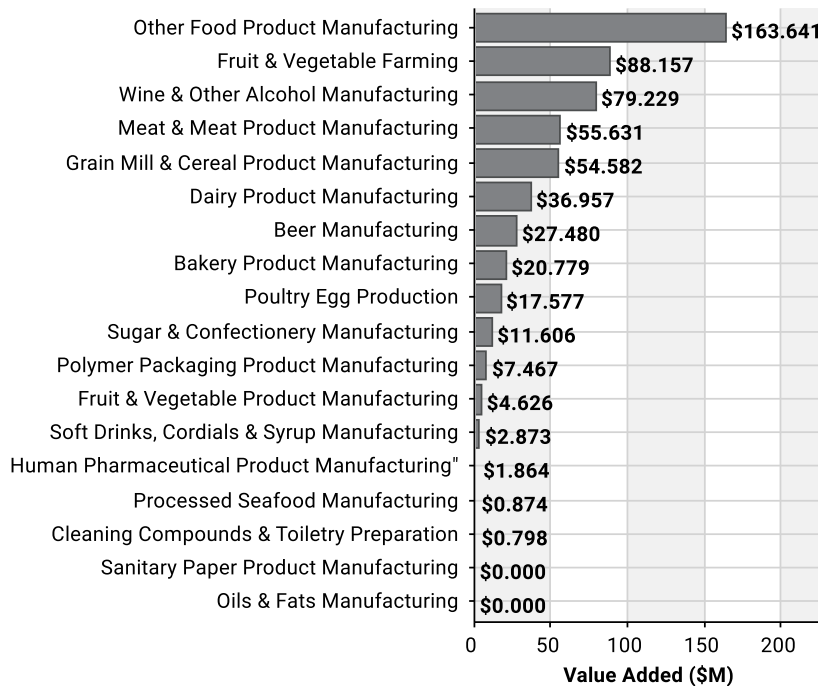


Figure 5-11 Indi F&G Manufacturing Value Added (\$M)



Value Added

Total value added for Indi's Food & Grocery Manufacturing Sector is \$574.141 million.

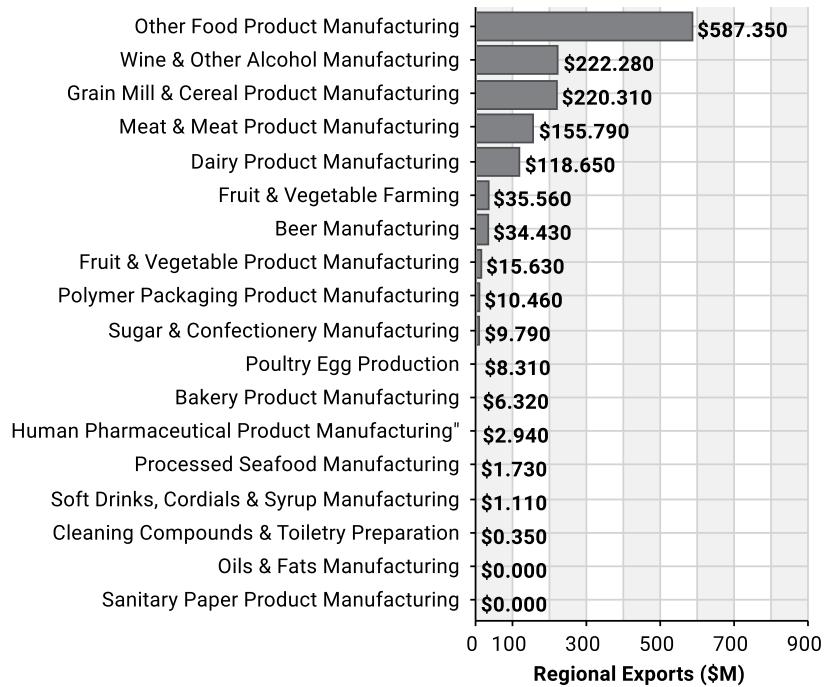
Other Food Product Manufacturing supports the majority of value add creation in the electorate at a value of \$163.641 million.

Regional Exports

An estimated \$1.431 billion is exported annually by Indi's Food & Grocery Manufacturing Sector and is Indi's largest export sector.

Other Food Product Manufacturing supports a large share of the exports from the sector at a value of \$587.350 million.

Figure 5-12 Indi F&G Manufacturing Regional Exports (\$M)



International Exports

Of the \$1.431 billion exported by the sector in Indi, \$361.472 million is exported internationally. In Indi this is led by Meat & Meat Product Manufacturing at an export value of \$103.865 million.

Figure 5-13 Indi F&G Manufacturing Intl Exports (\$M)

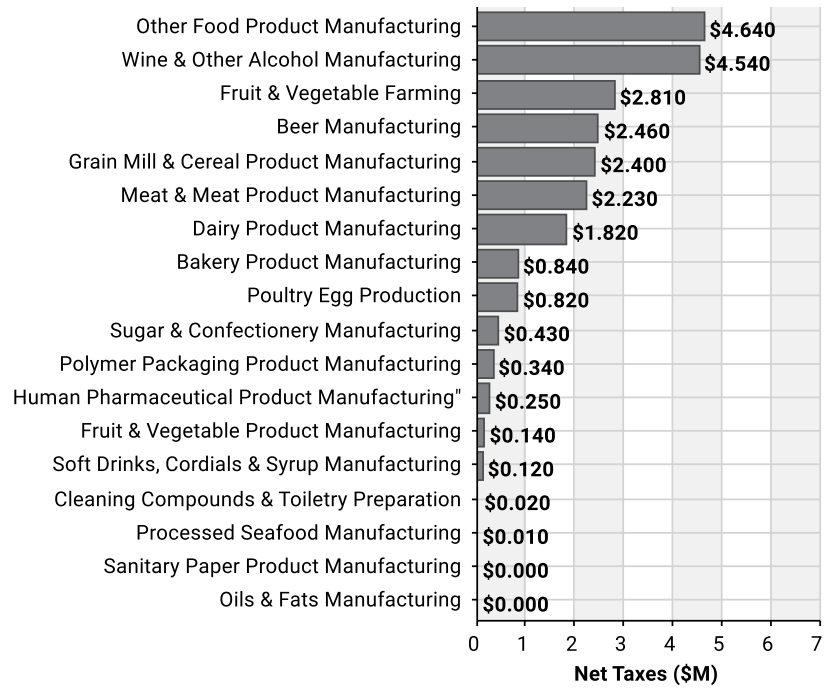


Net Taxes

Indi collects \$267.783 million from industry in net taxes per annum. The local Food & Grocery Manufacturing sector contributes \$23.855 million towards this amount or 8.9% of total taxes collected.

Other Food Product Manufacturing and Wine & other Alcohol Manufacturing contributes the highest levels to the local Food & Grocery Manufacturing industry's tax bill.

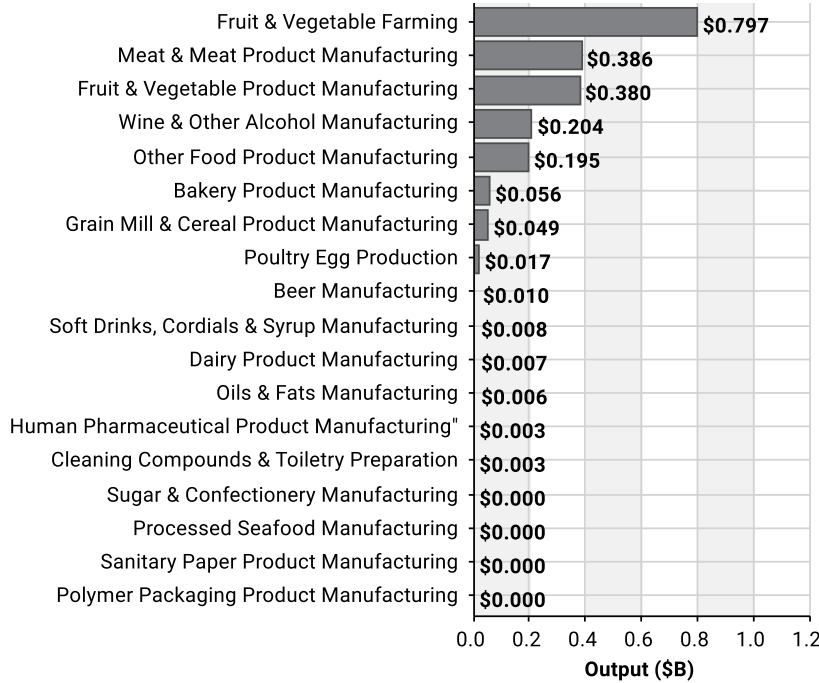
Figure 5-14 Indi F&G Manufacturing Net Taxes (\$M)



5.3 Mallee

As the north-western-most electorate in Victoria bordering South Australia and New South Wales, Mallee is home to 140,182 persons. There are 4,892 persons working in the industry from a total workforce in Mallee of 62,150.

Figure 5-15 Mallee F&G Manufacturing Output (\$B)

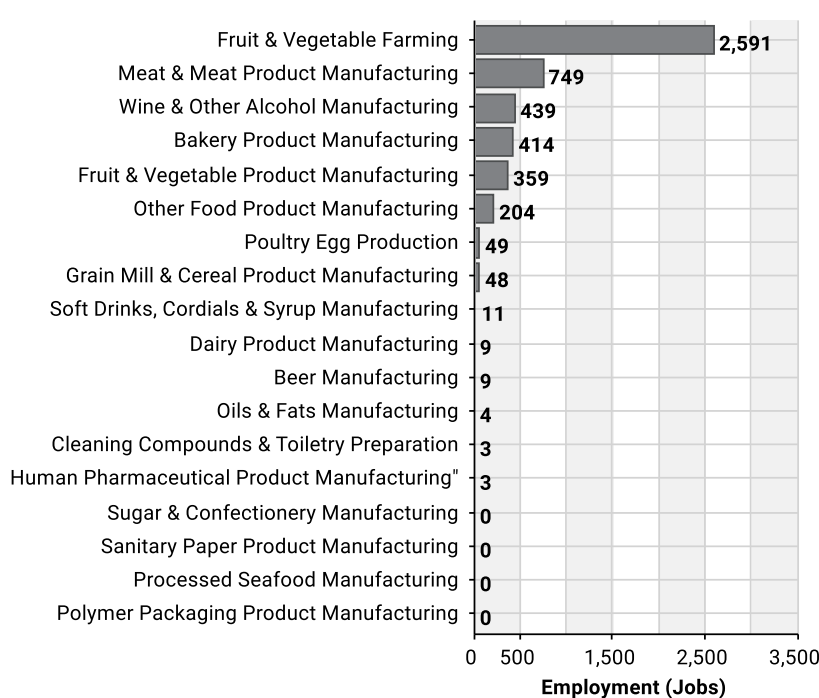


Output

Mallee's Food & Grocery Manufacturing industry generates \$2.120 billion in output annually. This led by economic activity in Fruit & Vegetable Farming (\$796.915 million).

Meat & Meat Product Manufacturing and Fruit & Vegetable Product Manufacturing produce \$386.182 million and \$379.939 million respectively in Mallee.

Figure 5-16 Mallee F&G Manufacturing Employment



Employment

Of the 4,892 persons working in Mallee's Food & Grocery Sector, 2,591 work in the local Fruit & Vegetable Farming Sector. Another 749 work in the local Meat & Meat Product Manufacturing sector.

Wages and Salaries

The sector contributes \$257.054 million towards local wages and salaries. Fruit & Vegetable Farming supports the majority of wages in the region at a value of \$93.480 million.

Figure 5-17 Mallee F&G Manufacturing Wages & Salaries (\$M)

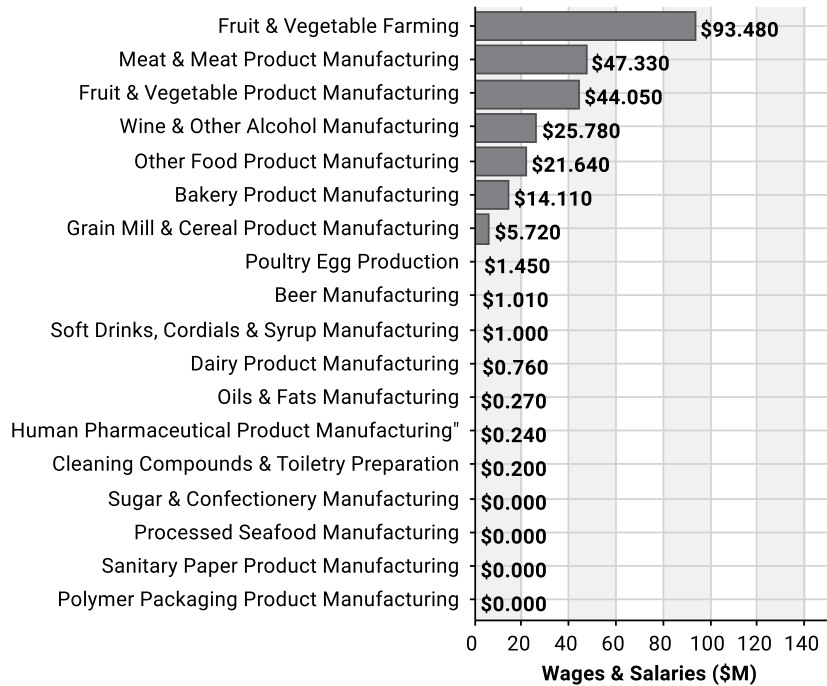
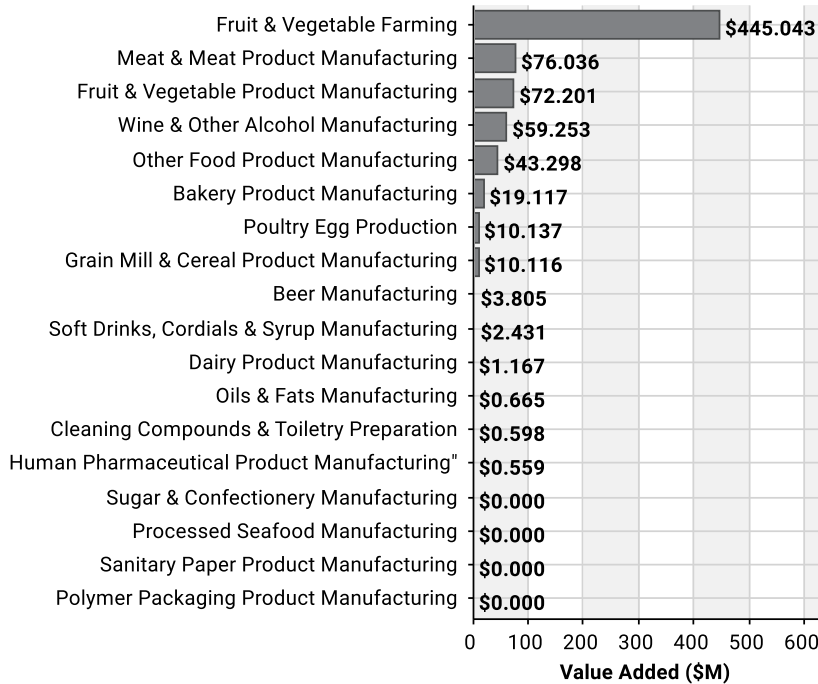


Figure 5-18 Mallee F&G Manufacturing Value Added (\$M)



Value Added

Total value added for Mallee's Food & Grocery Manufacturing Sector is \$744.425 million.

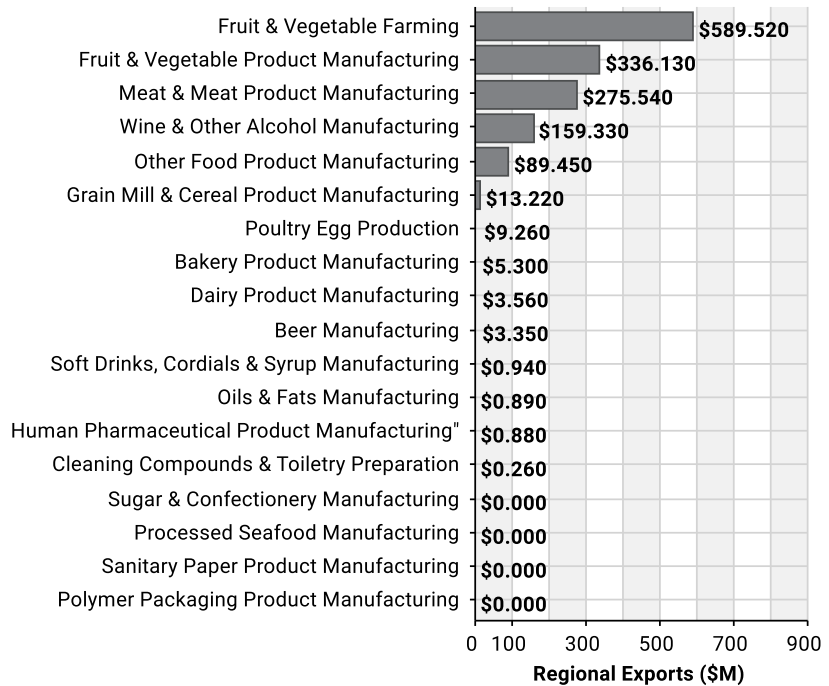
Fruit & Vegetable Farming supports the majority of value add creation in the electorate at a value of \$445.043 million.

Regional Exports

An estimated \$1.488 billion is exported annually by Mallee's Food & Grocery Manufacturing Sector and is Mallee's largest export sector.

Fruit & Vegetable Farming supports the majority of exports from the sector at a value of \$589.520 million.

Figure 5-19 Mallee F&G Manufacturing Regional Exports (\$M)



International Exports

Of the \$1.488 billion exported by the sector in Mallee, \$346.035 million is exported internationally. In Mallee this is led by Meat & Meat Product Manufacturing at an export value of \$141.962 million.

Figure 5-20 Mallee F&G Manufacturing Intl Exports (\$M)

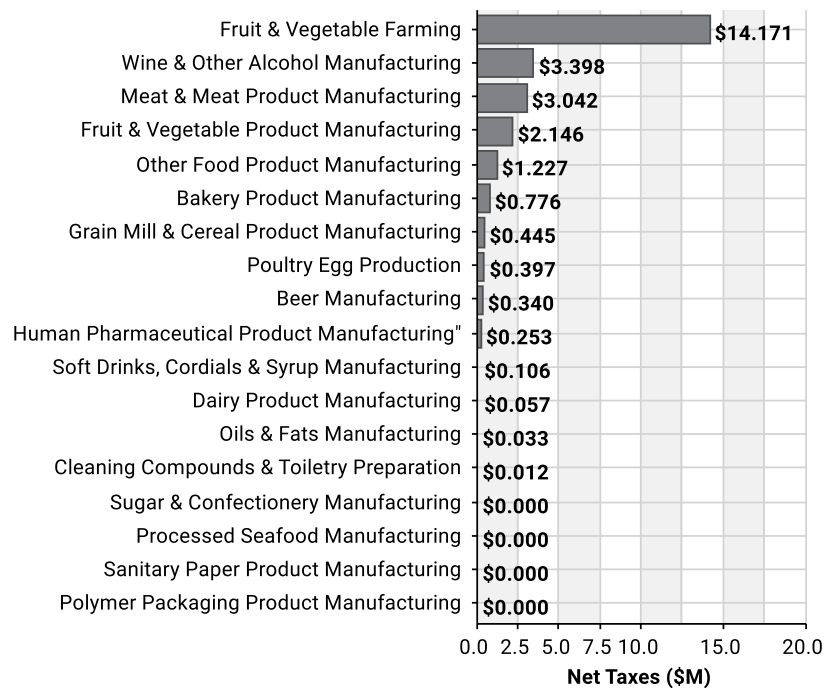


Net Taxes

Mallee collects \$254.546 million from industry in net taxes per annum. The local Food & Grocery Manufacturing sector contributes \$26.403 million towards this amount or 10.4% of total taxes collected.

Fruit & Vegetable Farming contributes the highest levels to the local Food & Grocery Manufacturing industry's tax bill.

Figure 5-21 Mallee F&G Manufacturing Net Taxes (\$M)



5.4 Murray

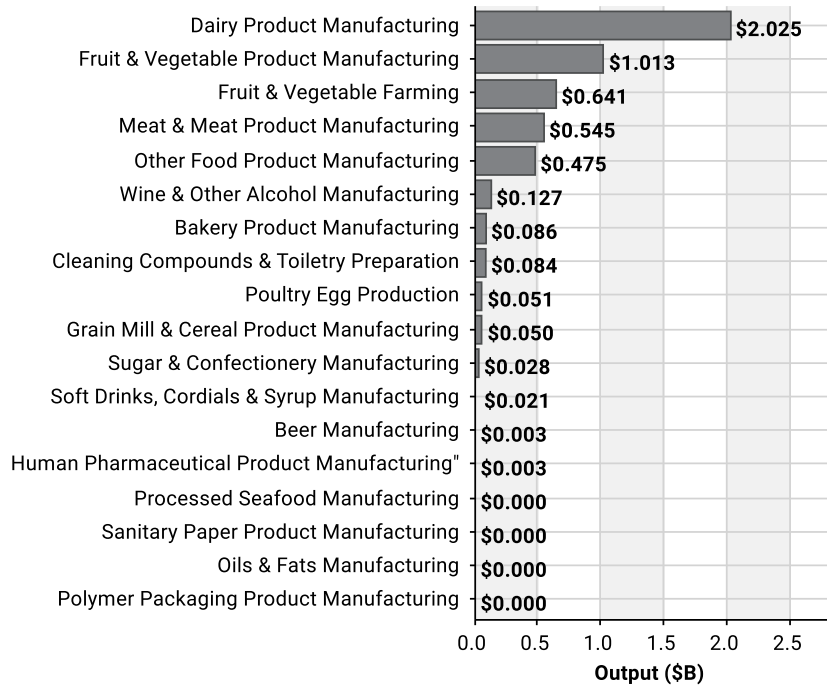
Named after the Murray River, Murray is home to 148,077 persons. There are 8,592 persons working in the industry from a total workforce in Murray of 72,411.

Output

Murray's Food & Grocery Manufacturing industry generates \$5.154 billion in output annually. This led by economic activity in Dairy Product Manufacturing (\$2.025 billion).

Fruit & Vegetable Product Manufacturing has the second highest level of output in Murray.

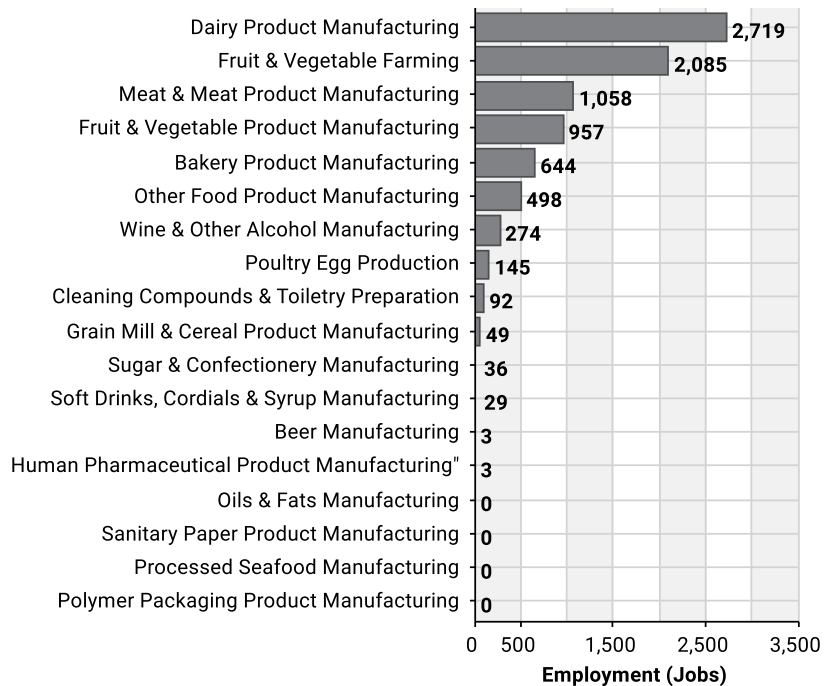
Figure 5-22 Murray F&G Manufacturing Output (\$B)



Employment

Of the 8,592 persons working in Murray's Food & Grocery Sector, 2,719 work in the local Dairy Product Manufacturing Sector. Another 2,085 work in the local Fruit & Vegetable Farming sector and 1,058 in Meat & Meat Product Manufacturing.

Figure 5-23 Murray F&G Manufacturing Employment



Wages and Salaries

The sector contributes \$603.015 million towards local wages and salaries. Dairy Product Manufacturing supports the majority of wages in the region at a value of \$229.430 million followed by Fruit & Vegetable Product Manufacturing at \$117.480 million.

Figure 5-24 Murray F&G Manufacturing Wages & Salaries (\$M)

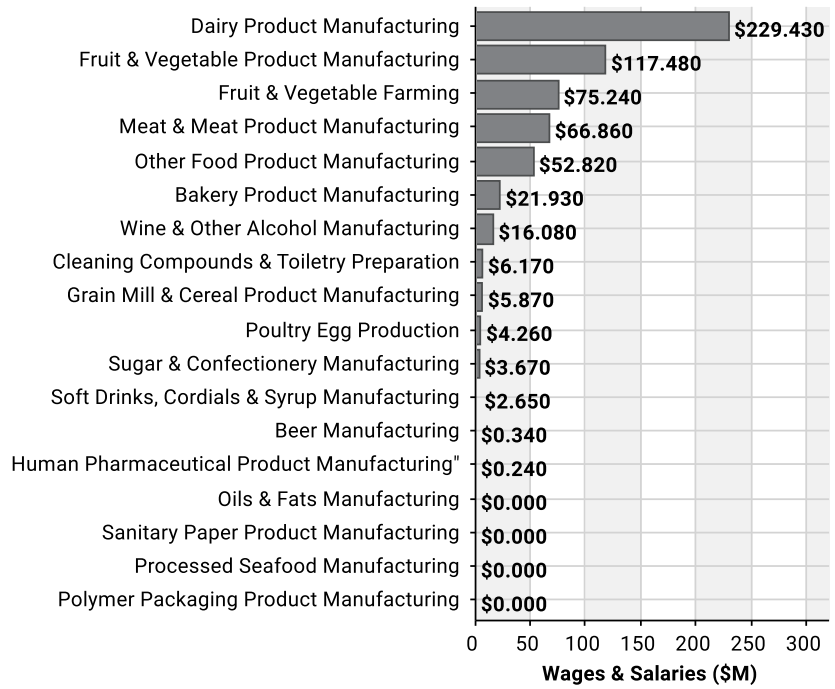
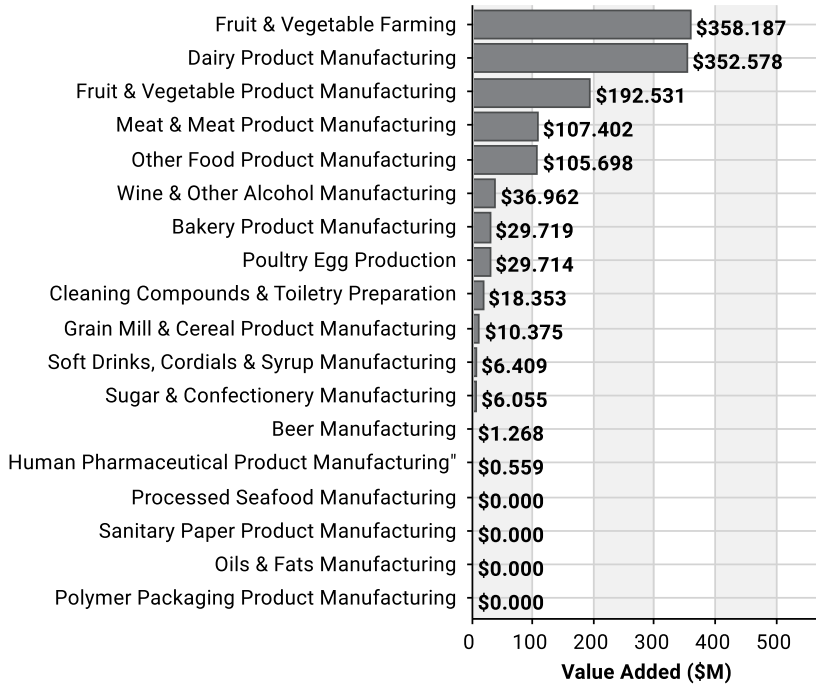


Figure 5-25 Murray F&G Manufacturing Value Added (\$M)



Value Added

Total value added for Murray's Food & Grocery Manufacturing Sector is \$1.226 billion.

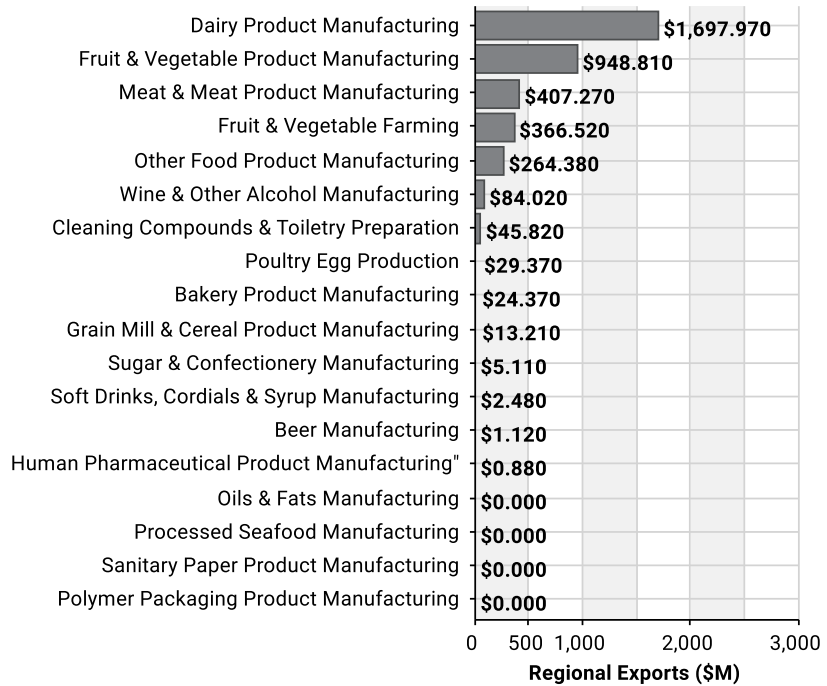
Fruit & Vegetable Farming supports the majority of value add creation in the electorate at a value of \$358.187 million closely followed by Dairy Product Manufacturing at \$352.578 million.

Regional Exports

An estimated \$3.891 billion is exported annually by Murray's Food & Grocery Manufacturing Sector and is Murray's largest export sector.

Dairy Product Manufacturing supports the majority of exports from the sector at a value of \$1.698 billion followed by Fruit & Vegetable Product Manufacturing at \$948.810 million.

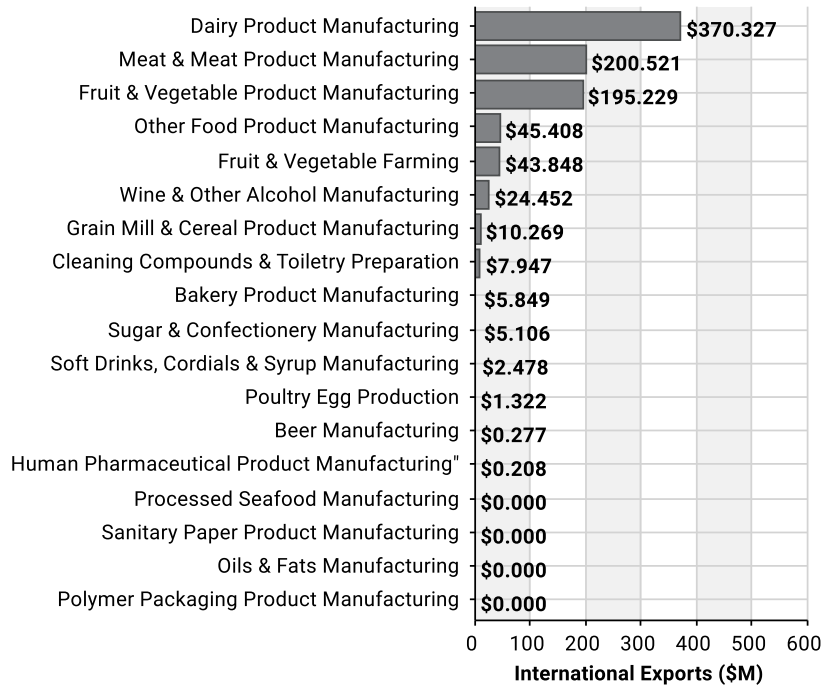
Figure 5-26 Murray F&G Manufacturing Regional Exports (\$M)



International Exports

Of the \$3.891 billion exported by the sector in Murray, \$913.241 million is exported internationally. In Murray this is led by Dairy Product Manufacturing at an export value of \$370.327 million.

Figure 5-27 Murray F&G Manufacturing Intl Exports (\$M)

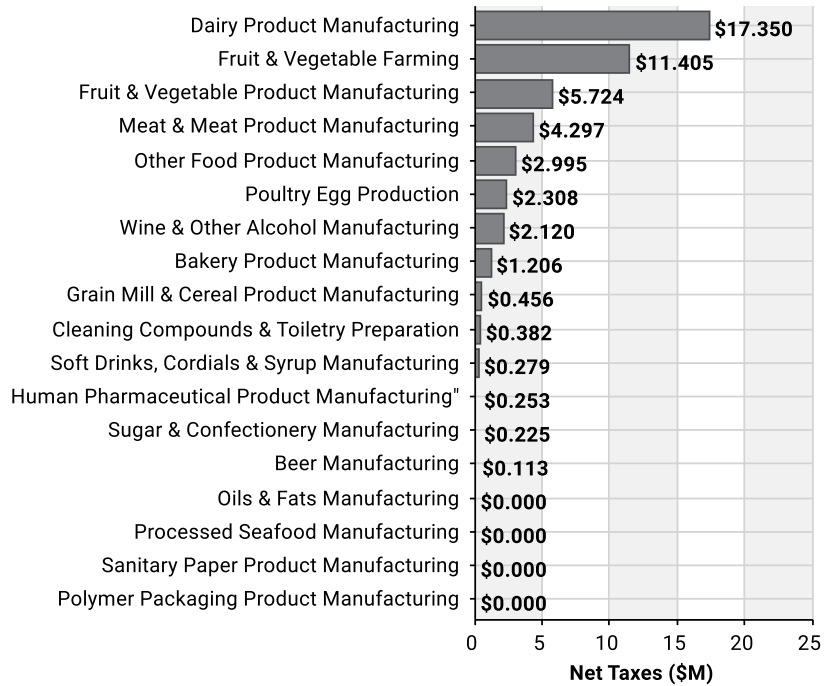


Net Taxes

Murray collects \$316.380 million from industry in net taxes per annum. The local Food & Grocery Manufacturing sector contributes \$49.112 million towards this amount or 15.5% of total taxes collected.

The Dairy Product Manufacturing industry contributes the bulk of local Food & Grocery Manufacturing industry's tax bill at \$17.350 million followed by Fruit & Vegetable Farming at a tax bill of \$11.405 million.

Figure 5-28 Murray F&G Manufacturing Net Taxes (\$M)



6 Appendix

6.1 Appendix – Business Counts, 2017

Business Counts, 2017	Bendigo	Indi	Mallee	Murray	Northern Victoria
Agriculture, Forestry and Fishing	1,228	4,146	15,905	5,458	26,737
Mining	44	30	6,409	18	6,501
Manufacturing	488	604	33	671	1,796
Electricity, Gas, Water and Waste Services	45	75	493	48	661
Construction	2,273	2,586	45	2,235	7,139
Wholesale Trade	344	341	1,743	412	2,840
Retail Trade	850	846	431	878	3,005
Accommodation and Food Services	587	819	894	623	2,923
Transport, Postal and Warehousing	558	704	583	870	2,715
Information Media and Telecommunications	102	59	770	46	977
Financial and Insurance Services	874	762	32	869	2,537
Rental, Hiring and Real Estate Services	946	1,145	840	1,285	4,216
Professional, Scientific and Technical Services	1,209	981	1,202	857	4,249
Administrative and Support Services	297	335	652	400	1,684
Public Administration and Safety	30	39	335	18	422
Education and Training	152	143	21	95	411
Health Care and Social Assistance	625	517	98	571	1,811
Arts and Recreation Services	186	132	422	147	887
Other Services	592	692	123	710	2,117
Currently Unknown	114	106	669	134	1,023
Total	11,544	15,062	31,700	16,345	74,651

Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017, Cat. No. 8165.0

7 Data Sources & Resources

7.1 Resources

- Australian Food and Grocery Council: www.afgc.org.au
- REMPLAN Economic Development Practitioner Package for the Northern Victoria electorates of:
 - Bendigo
 - Indi
 - Mallee
 - Murray
- Australian Bureau of Statistics (ABS), Various Publications (see below)

7.2 Data Sources

REMPPLAN Modelling and Analysis System, developed by REMPLAN utilises the following sources:

- 2016 ABS Census Journey to Work Employment Data;
- 2014 / 2015 ABS National Input Output Tables;
- June 2017 ABS Gross State Product;
- Area specific data for Northern Victoria electorates.

Population: ABS Catalogue number 3218.0 "Population Estimates by Commonwealth Electorates (ASGS 2016), 2007 to 2017".

Population Projections: Department of Environment, Land, Water and Planning, Victoria in Future 2016 LGA Population Projections

Employment: REMPLAN data refers to 2016 Place of Work (POW) Census data for Northern Victoria and relevant Local Government Areas.

Business Counts: ABS Catalogue number 8165.0 "Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017".

Labour Force Data: Department of Employment, Small Area Labour Markets Australia. Latest data – March Quarter 2018

Output, Value-Added and Regional and International Exports: data is specific to the regional area based on the number of jobs within the region, utilising the latest National Accounts data (2014 / 2015 ABS National Input Output Tables) and the latest Gross State Product data.

Contact us:

REMPPLAN
PO BOX 5006
SANDHURST EAST,
BENDIGO, VIC 3550
TEL: 1300 737 443
Email: info@remplan.com.au

Disclaimer



All figures and data presented in this document are based on data sourced from the Australian Bureau of Statistics (ABS), and other government agencies. Using ABS datasets, the regional economic modelling software 'REMPPLAN economy', has been applied to generate industrial economic data estimates. This document is provided in good faith with every effort made to provide accurate data and apply comprehensive knowledge. However, REMPLAN does not guarantee the accuracy of the data nor the conclusions drawn from this information.