Enriching the Hunter Valley Food Experience

Q1920-125 Hunter Valley Agribusiness Cluster Action Plan

Rounding Up
Capital and partnerships for growth

Acknowledgements

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About the Author: Rounding Up is a specialised agribusiness and food strategy firm that services clients seeking commercial and capital partnerships to drive business growth. The firm delivers strategic advice to small-to-medium businesses, large corporates, institutional funds, co-operatives, governments and industry bodies, in Australia and globally.

While Rounding Up's Principal, Mr Tony Eyres was ably supported on this project by Mr Andrew Bulkeley, any omissions or errors in this report are his own.

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Cover Photo:
A disused milk and cream stand from earlier days of a thriving dairy industry in the Cessnock region, located near the village of Millfield in the Cessnock LGA, one of the fastest growing real estate locations in New South Wales, attracting families to the region.

Contents

1. Executive Summary

The Hunter Valley Agribusiness Cluster Action Plan (HVACAP) provides an insight into the existing agribusiness activity within the Cessnock LGA, discusses the current and emerging commercial opportunities and recommends a range of initiatives that have real potential to stimulate growth and drive positive outcomes for local agricultural pursuits.

Food, agriculture and tourism has the potential to play a critical role in the growth ambitions for the Cessnock Local Government Area (LGA) in the decades ahead. There are positive trends around economic growth, changing consumer preferences, work and leisure patterns of individuals and families all favourable to the Cessnock LGA and the wider Hunter Valley region. This includes the proximity to key consumer and tourism markets in Sydney and Newcastle along with a rich tapestry of existing and potential agricultural pursuits and associated activities from food manufacturing through to agri-tourism.

The most prominent and a key driver of economic success has been the globally regarded Hunter Valley wine industry with the potential to leverage off this into other diversified activities that complement and enhance the current offering in the region.

The specific opportunities identified in this Plan are borne out of widespread engagement with residents, desk-based research, community surveys and a virtual Town Hall (public) meeting over several months. Further engagement with existing agriculture and related businesses in the region and offering a welcoming mat to new entrants into the region is required to take advantage of the unique positioning, timing and confluence of events supporting greater development of the industry in the Cessnock region.

More than 20 specific initiatives have been identified to further develop the HVACAP and delivering significant growth of food and agriculture and related sectors such as tourism in the Cessnock LGA. These initiatives range in size from modest projects through to multi-million-dollar pieces of work. They include garnering further research and insights, changes in approaches to planning, development of enabling infrastructure, exploration of new products and whole new industries, attracting, retaining and developing talent to support growth in agriculture, along with efforts to refine the marketing messages and strengthen the agriculture-related branding and positioning of the region.

Exploring a portfolio of funding sources will be pivotal to actioning these and many other potential initiatives that will propel the agricultural industry forward across the Cessnock LGA and the wider Hunter Valley region. They say timing is everything. In a post-COVID world with heightened awareness of where our food comes from and a desire for simpler, experiential things to enjoy, closer to home, Cessnock's agricultural pursuits are extremely well positioned.

2. Background to the HVACAP

Cessnock City Council (CCC) is responsible for the provision of a range of services to the local government area (LGA) including local roads, street lighting, libraries, community centres, parks, sporting facilities, aquatic centres, solid waste management, and landfills. CCC also has a lead advocacy role for economic development and investment across the LGA, facilitating outcomes that stimulate enterprise, investment, job creation and economic resilience.

The CCC has recognised the changing economic and social environment, identifying an opportunity to capitalise on the region's inherent advantages through the development of the HVACAP, commencing in July 2020, with the engagement of food and agriculture strategy firm, Rounding Up to work with the CCC's Economic Development Team.

Preparing this Plan is consistent with CCC's commitment to the economic development of its LGA whilst preserving the critical environmental and rural landscapes, diverse heritage and social assets. These efforts are in the context of the Local Strategic Planning Statement (LSPS), released by CCC in 2020 as a NSW Government-mandated requirement.

The LSPS seeks to implement the relevant actions of the Hunter Regional Plan (HRP) and Greater Newcastle Metropolitan Plan (GNMP), and the Council's own priorities as set out in the Community Strategic Plan. The LSPS defines how the Council will implement its planning functions, therefore influencing such things as the local environment plan, development control plan and other documents.

Given the context, the HVACAP is to provide insight into existing agribusiness activity within the Cessnock LGA and deliver a short to medium-term strategic framework for simple, specific and low-cost actions that identify opportunities for growth, stimulate activity and drive positive outcomes for local agriculture, food enterprises and agri-tourism.

The HVACAP has been developed by specialist agricultural and food strategy firm, Rounding Up, in partnership with CCC and its community. The consultative process has involved extensive one-on-one consultation with a broad cross-section of stakeholders, an online survey of the community, and a public "Town Hall" style meeting held virtually using Zoom. In addition, the Rounding Up project team has accessed the wealth of information, insights and strategies generated through a portfolio of local, state and federal government research and strategic planning efforts in the areas of agriculture, food, wine and tourism.

This work includes the NSW Government's 2018-2022 Food and Wine Tourism Strategy and Action Plan. The Hunter Valley is now recognised as the number one 'Food and Wine' destination in NSW, thereby providing a timely and valuable platform from which to launch the HVACAP and promote the economic potential of the Cessnock LGA and surrounds.

Figure 1 Various contextual plans supporting HVACAP

3. Overview of the Cessnock Local Government Area

The Wonnarua ("people of the hills and plains") have occupied the lands around the Hunter River (known as Coquun) for more than 30,000 years. They have maintained a strong sense of their own cultural identity and links with the land despite the impact of European contact in the late 1700s. Through this sustained identity, they are continuing to reinvigorate their traditional culture with ongoing efforts to map culturally significant sites across the Cessnock LGA and the wider Hunter Valley

In 1797, European settlers identified the area as a valuable source of timber and coal. After unsuccessful attempts at establishing viticulture in the Greater Sydney region due to high humidity and rainfall, in 1820 land prospector John Howe brought his grapevines to the Hunter Valley. In 1825 James Busby, the father of Australian wine, established the first major vineyard (Kirkton) between Branxton and Singleton. During a visit to Europe and South Africa in 1831 he procured cuttings from over 500 vineyards, which became the rootstock for the expanding industry over the subsequent decades.

The Great North Road, built between 1826 and 1836 to link Sydney with the Hunter Valley via Wollembi, became a crucial commercial channel for the transport of goods between Sydney, Maitland and Singleton with a resultant rise in local population to more than 1500 in 1858.

William Keene first discovered coal in the district in 1856, with the full potential of the Greta coal seam recognised some 30 years later. The first colliery in Richmond Vale was opened in 1891 and linked to Maitland by rail. In 1905 the Aberdare mine in Cessnock was opened with a further five collieries operational a year later. By 1926, with the growth of mining, the population of Cessnock had grown to 12,000.

Present

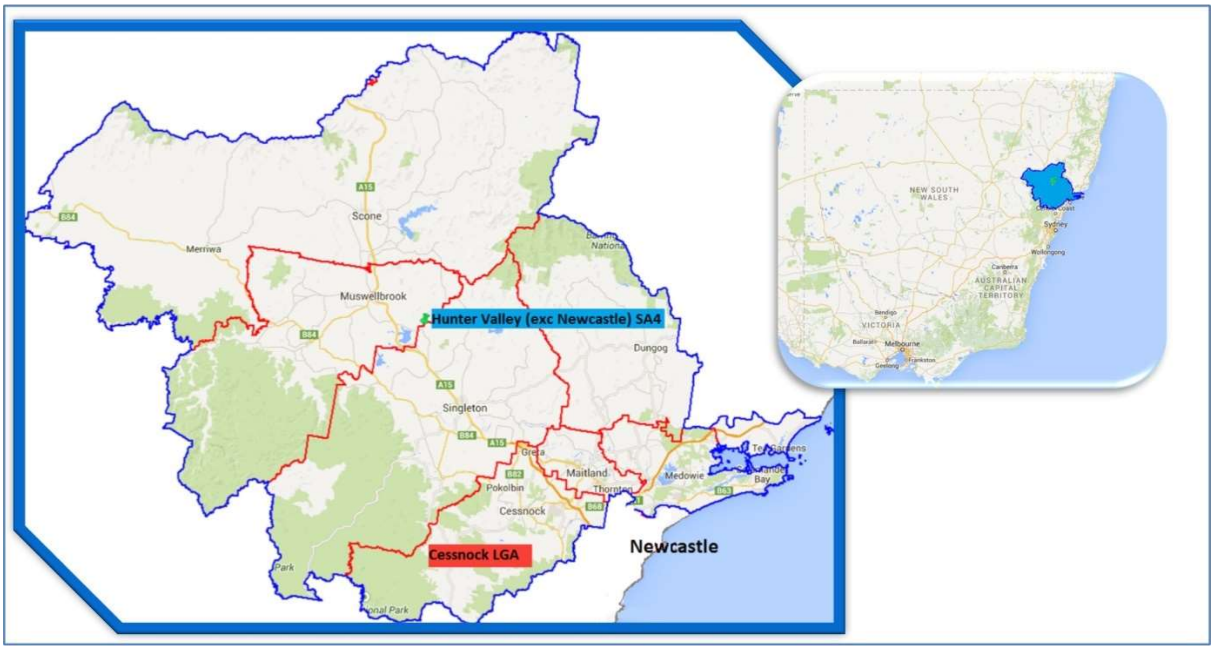
The Cessnock Local Government Area (LGA), acknowledged as the southern gateway into the Hunter Valley, covers some 1,950 km^2 incorporating large areas of national parks, state forest, agricultural land including viticulture, and urban areas. The population of 59,985[1] is primarily concentrated in a narrow urban belt between the two major towns of Cessnock and Kurri Kurri.

The Hunter Valley is recognised as a diverse and highly productive region located on the doorstep of the most populous part of Australia - Sydney and Newcastle – home to a combined population of almost six million people.

Panoramic from Mount View over Cessnock Township

[1] Source of population, as at DATE

Figure 2 Hunter Valley Region of New South Wales, excluding Newcastle (based on Level 4 Statistical Areas (SA4), the largest sub-state regions in the Australian Statistical Geography Standard)



In addition to the economic significance of the traditional coal mining and power generation industries of the area, the Hunter Valley boasts an array of tourism products anchored to the region's core food and wine positioning. Along with accommodation, the Cessnock LGA is home to the globally recognised Pokolbin Wine District and a diverse range of agricultural offerings including dairy, beef, olives, alpacas, chickens, eggs and vegetables along with other diverse, seasonal farm gate products such as watermelons.

Community

The history of the Cessnock LGA has produced a diverse and unique social character, derived primarily from its transition in recent decades from economic dependency on a heavily industrialised sector to one centred on food, wine and tourism.

This social character can be represented as a collection of clearly differentiated psycho-graphic communities across the LGA, well-articulated through the Roy Morgan Helix Persona Model[2], described in more detail in Appendix 7. The capabilities and expectations of the communities reflect their 'World view' that has been established and nurtured primarily through education, training and vocation.

Four of the communities of the Helix Model most prevalent within the Cessnock LGA are described below:

- 'Hearth to Home' – Hard working, seeking security and relaxed living, traditional values, typically blue-collar roles. Living in the urban areas and the affordable sub-divisions of the LGA.
- 'Fair Go' – All ages, low income or welfare, basic lifestyle. Living in the urban areas of Cessnock, Kurri Kurri and along main roads.
- 'Leading Lifestylers' – Focused on career and family, wealthy and socially progressive. Living out of town or in adjacent LGAs.
- 'Aspirationals' - Ambitious, culturally diverse, seeking new experiences, living in a rural setting or new sub-division.

[2] Roy Morgan Helix Persona Model

The model serves to illustrate what some describe as the existence of two parallel societies within the LGA – one seeking to preserve the values, tradition and heritage of the area, the other seeking to embrace change and explore new opportunities. These insights are critically important when developing community engagement and communications strategies for the HVACAP.

The LGA is home to an indigenous population of more than 1500 although not all are descendants of the local Wonnarua people. There is considerable effort by local lands councils to address local challenges including access to lands, cultural connectivity, employment, high incarceration rates and lower education levels. These efforts include the return of culturally significant and economically viable land, pursuing cultural, social and economic independence for its people. A key focus is establishment of commercial enterprises and community benefit schemes to create a sustainable economic base for indigenous communities while maintaining and enhancing of their culture, identity and heritage[3].

Education and Employment
In an educational context, the LGA is well served by three major public high schools (Cessnock, Kurri Kurri and Mount View), a number of private schools and significant TAFE facilities in Cessnock and Kurri Kurri. Each of the schools offers agriculture as a subject through to HSC level, providing hands-on experiences through their own agricultural facilities but only limited access to local business for industry placements. School teachers and other local educators suggest that a significant proportion of their students lack social confidence and have a preference to establish a life and career in the local area. Whilst small in number, those students that do pursue tertiary studies often do so at the University of Newcastle (UoN) or the University of New England (UNE) in Armidale, reflecting the closeness and connection many families have to the Cessnock community, preferring not to travel to far afield.

The Cessnock LGA generates an annual economic output of $5.2 billion (RemPlan 2020), primarily through manufacturing and mining. Amongst the 59,985 people that reside in the region, 15,494 are employed across a suite of sectors including retail, agriculture, health care and social services, construction, public administration, accommodation and food. Of the $53 billion in value created within the broader Hunter Valley, 4.7% is generated within the Cessnock LGA.

The Accommodation and Food Services sector is the largest employer within the Cessnock LGA accounting for almost 2,600 jobs, an increase of 18% between the years 2011 and 2016 notwithstanding a 10% contraction in jobs since the onset of the COVID-19 pandemic. When combined with the Rental, Hiring and Real Estate Services sector they collectively generate 25% of the value for the Cessnock LGA. Within the Manufacturing and Mining sectors the number of roles has reduced by 25% during the same period.

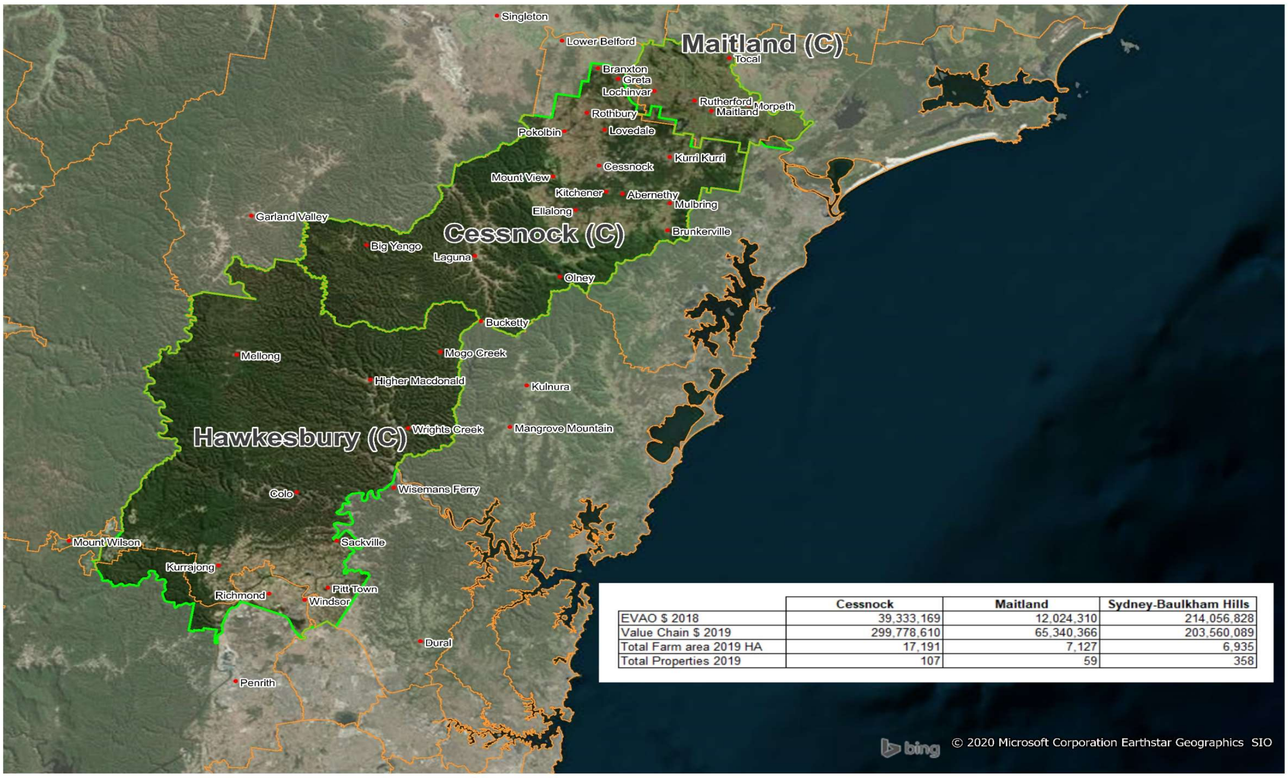
Employment in the Agriculture, Forestry and Fishing sector has remained largely flat over a decade, at 2.5% of total employment. Unemployment has tracked between 6% and 13% since 2013 and continues to sit 0.8-1.2% above the state and national average. Other notable employers for the region include the State Correctional Services (95 employees) across four facilities in Cessnock City, the Singleton Army Barracks (370 employees) located near the village of Broke, and several mines and power generation facilities surrounding Muswellbrook and Singleton.

[3] New South Wales Aboriginal Land Council website - https://alc.org.au/land_council/mindaribba/ (2020)

Production

The Cessnock LGA generates a diverse mix of agricultural products for local, regional and national consumption, with gross revenue from these enterprises in excess of $150 million in 2019[4]. However, the proportional value of products within the agriculture, forestry and fishing sectors that are imported into the Cessnock LGA are 40% higher than the broader Hunter Valley. This, coupled with higher levels of imports in the accommodation and food services sector relative to the region, suggests opportunities exist for increasing the level of locally sourced food. For comparative purposes, the table included in Figure 3 illustrates the relative scale of income generated from agriculture-centred industry within the Cessnock LGA compared to the adjacent LGAs of Maitland and Hawkesbury, reflected as Estimated Value of Agricultural Output (EVAO).

Figure 3 Cessnock, Maitland and Hawkesbury (Sydney-Baulkham Hills) LGAs



	Cessnock	Maitland	Sydney-Baulkham Hills
EVAO $ 2018	39,333,169	12,024,310	214,056,828
Value Chain $ 2019	299,778,610	65,340,366	203,560,089
Total Farm area 2019 HA	17,191	7,127	6,935
Total Properties 2019	107	59	358

With historically available and fertile land, new agricultural enterprises emerged to service the evolving consumer demands of the Greater Sydney region (from the Hawkesbury in the north to Wollondilly in the south and bordered to the west by the Blue Mountains), which has grown by 19% since 2006.

Well-established enterprises and supply chains, proximity to key customers (Sydney) and significant growth in demand have ensured the volume and value of outputs of the Hawkesbury LGA have dwarfed those of Maitland and Cessnock in recent times. The diversity of agricultural offerings available from the Hawkesbury LGA is also significantly broader than that for Maitland and Cessnock as seen in Figure 4 below.

4 RemPlan 2020

Figure 4 Agriculture Value Chain Data 2018/19 by LGA – Cessnock, Maitland and Hawkesbury

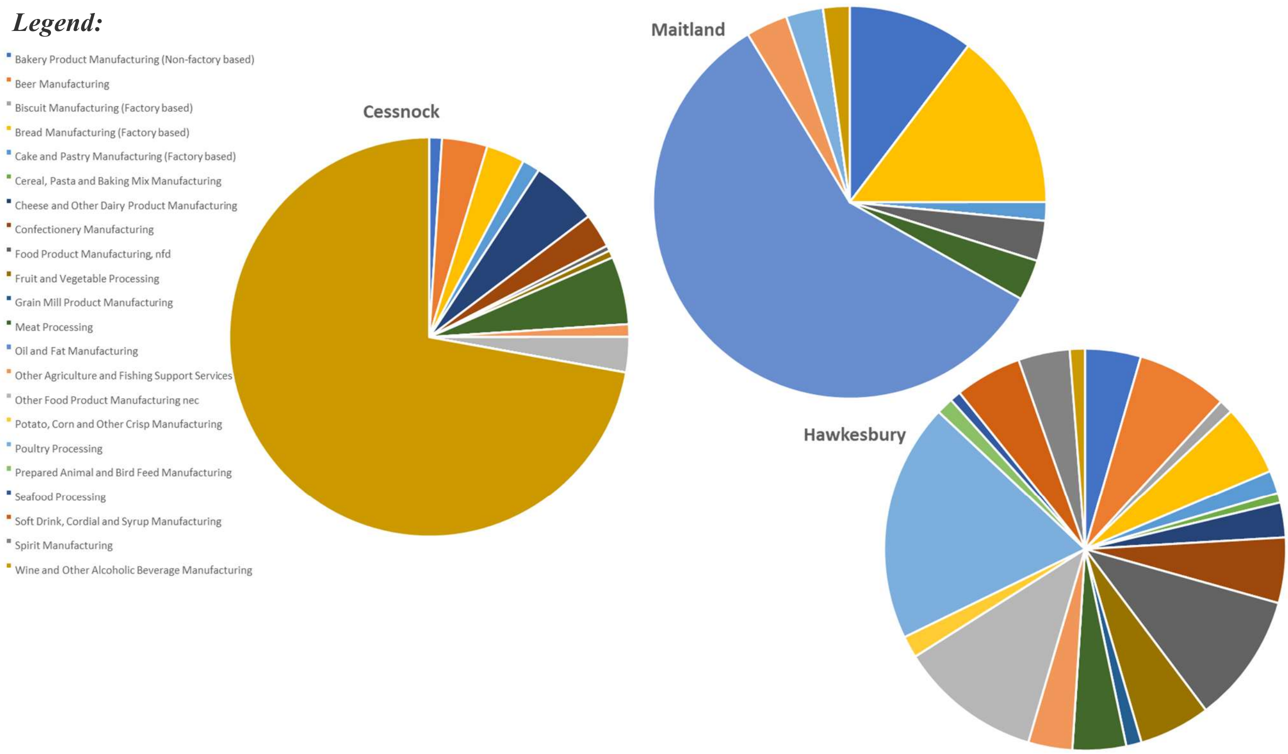
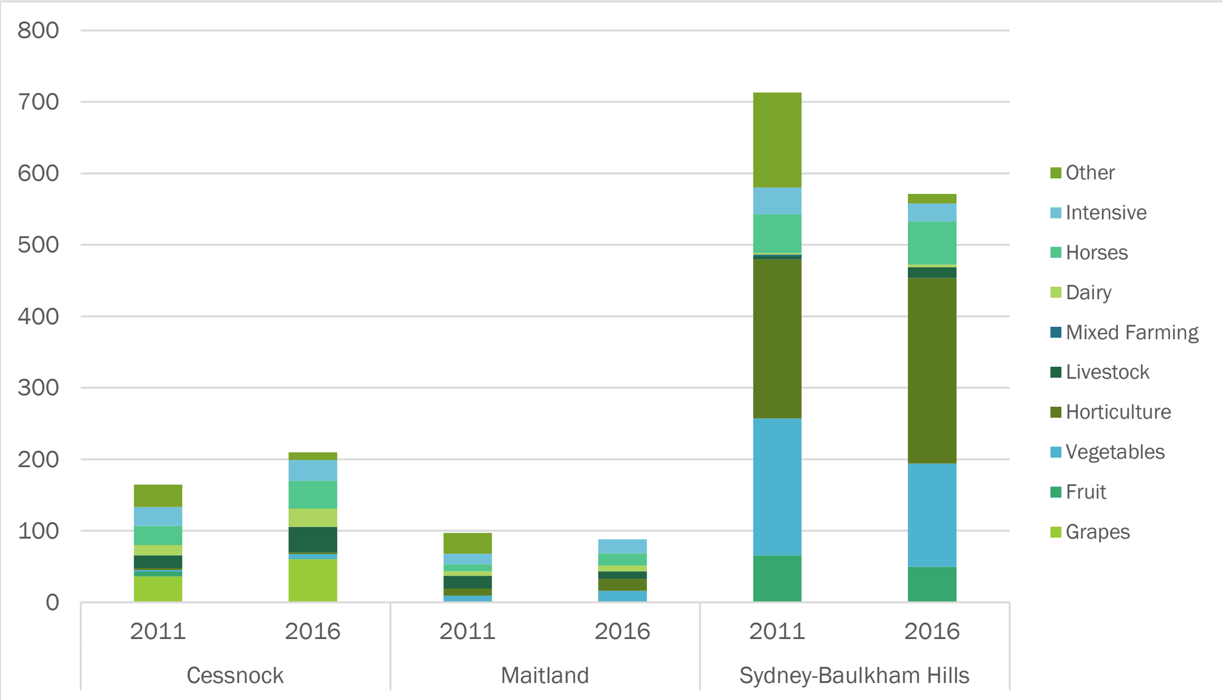


Image 1. Free range chicken production

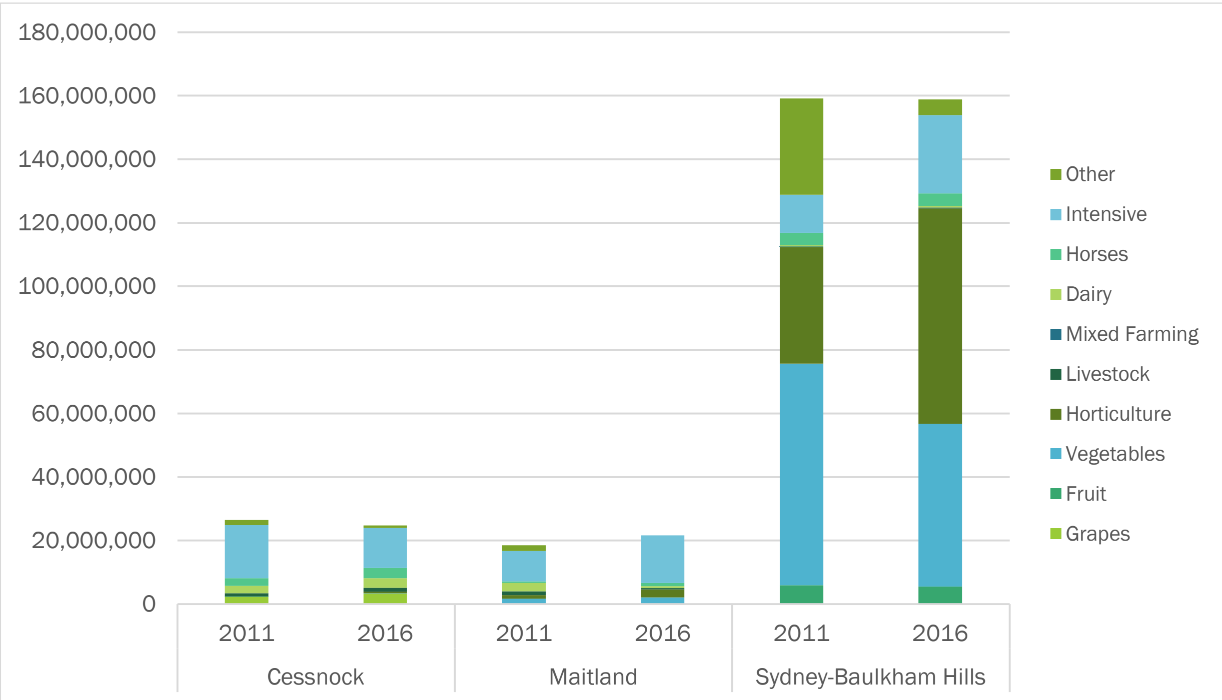
Over the past decade there has been a significant transition in the mix of agricultural offerings across each of the LGAs as reflected in Figures 5 and 6 below.

*Figure 5 Change in Number of Agriculture-based Properties by LGA and by Farm Type (2011 vs 2016)**



* Properties with less than $50,000 in turnover have been removed from 2011 data to allow for direct comparison between the two years as a change in scope is present in the 2016 data. (Sydney-Baulkham Hills = Hawkesbury)

*Figure 6 Change in EVAO of Agriculture-based Properties by LGA and by Farm Type (2011 vs 2016)**



* Properties with less than $50,000 in turnover have been removed from 2011 data to allow for direct comparison between the two years as a change in scope is present in the 2016 data. (Sydney-Baulkham Hills = Hawkesbury)

For the Hawkesbury LGA there is evidence of a shift in land use away from the more traditional industries of fruit, vegetables and beef cattle towards intensive agricultural pursuits including poultry, turf, nurseries and floriculture. Urban sprawl and rising land prices are threatening the longevity of agricultural production within the LGA[5]. The impacts of rising land rates and new neighbours' expectations are leading farmers to pursue higher value, less overt agricultural business activities.

Data from Cessnock LGA since 2011 highlights a significant change in the mix of offerings and a noticeable decline in the value of agricultural production, able to be linked to two key drivers:

1. An increase in absentee land ownership
   Absentee landholders are primarily from Sydney and surrounds seeking 'lifestyle blocks.' Lacking the time and expertise these owners will often leave their land under-utilised, or in some cases lease it to neighbouring residents for various agricultural pursuits. "In leasing the 100 acres to us, our neighbour's only request was that we make their land look like ours." (N. Moore, Moore Farm Fresh Produce)

2. The rising value of land and small block sizes.
   Increasing urban and semi-urban demand within the LGA is driving this change, which has restricted the scale of production and thereby diminished the profitability of conventional agricultural pursuits, evidenced by the halving of agricultural income derived from beef cattle since 2011.

In volume terms, grape growing has remained relatively stable, however a 75% reduction in the number of enterprises reflects the consolidation of the industry to maintain commercial competitiveness.

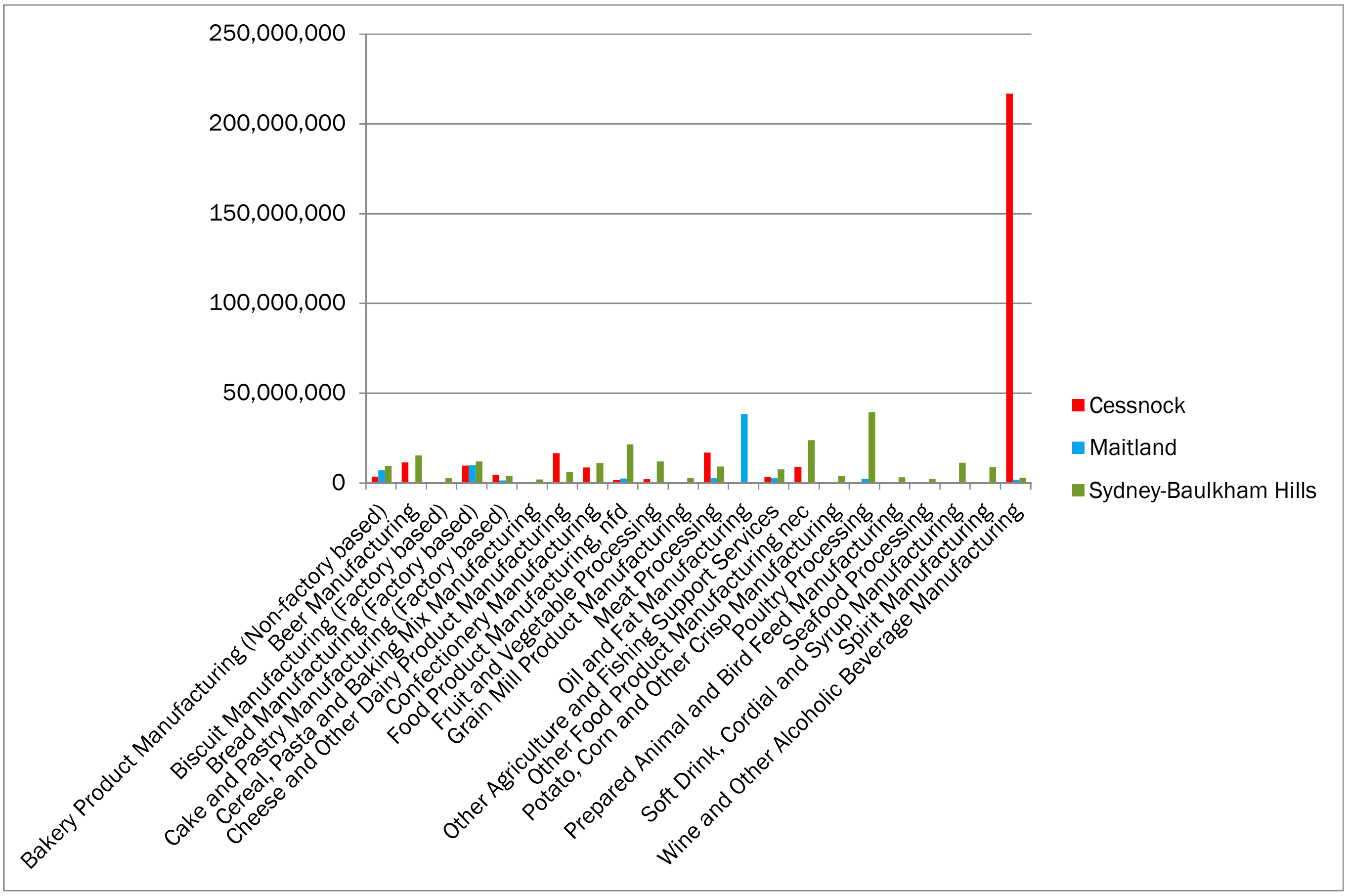
The significant decline in 'Olive Growing' does not reflect demand according to Peter Herborn, owner of Laguna Olives and member of the National Table Olive Committee, but rather a lack of industry coordination, a number of poor variety choices two decades ago and limited (and ill-equipped) processing and packaging facilities. These factors have resulted in up to 75% of the total groves across the LGA laying idle. Peter's wife Carolyn added that "If we had our time again, despite the challenges we would have started sooner in olives than we did!" Keith Hallett from Lonely Goat Olives believes, "the olive industry must embrace innovation and scale to be truly commercial. New varieties coupled with growing techniques that improve yield are now available and should become the standard for the industry in the Hunter Valley."

Whilst not represented in the figures above, there is significant evidence based on stakeholder consultation of small and established landholders pursuing new ventures to supply food service businesses and restaurants with an array of fresh local produce. Simon and Kelly Eaton are rapidly developing a reputation for outstanding quality and flavour of their pasture-raised chickens produced on Little Hill Farm near Mount Vincent in the south of the LGA. Whilst still relatively new to agricultural production they are making a big impact supporting local restaurants and food services with their produce.

Agri-tourism is another growing domain with an increasing number of rural landholders establishing farm stays and B&Bs to complement their income and leverage off the agricultural offerings of the area. The impact of these ventures is to significantly increase the money generated from the value chain for the Cessnock LGA. Figure 4 reflects the value chain dollars generated in 2019 across the three LGAs.

[5] Saulwick, Jacob 2016

Figure 7. 2019 Value Chain Dollars (A$) for each LGA



In quantum terms, Cessnock exceeds the Hawkesbury LGA by 33% and Maitland by almost 80%. This is primarily driven by the significant excisable value of the wine and other alcoholic beverages category and the cheese and other dairy products manufactured within the Cessnock LGA.

The low value for Cessnock associated with food product manufacturing and fruit vegetable processing presents a potential opportunity to seek out potential investors and entrepreneurs to relocate or set up new businesses in the LGA. This would require a clear and attractive 'Welcome Mat' to be rolled out, including to those in the adjacent Hawkesbury LGA that are under pressure from competing land use, primarily urban development.

In addition, efforts to facilitate access to absentee land ownership for existing and new agricultural operators should be made by CCC, including for agricultural production but also related activities such as agri-tourism with issues relating to access to be resolved.

4. Agriculture, Food and Tourism Opportunities for Cessnock LGA

Extensive stakeholder consultation and survey work accompanied by desk-based research has identified a series of themes, which translate into real growth opportunities for the LGA in the context of agriculture, food and tourism. These themes and resulting growth opportunities are represented in Figure 8 below then discussed in further detail.

Figure 8. Themes Defining Growth Opportunities

A. Urbanisation of the Greater Sydney Region Driving Demand

Continued urbanisation of the Greater Sydney region has reduced the capacity and profile of agricultural production within the Hawkesbury LGA and is expected to continue to do so over coming decades. Rising land prices, associated local council rate rises and community pressure are resulting in landholders selling up or moving into new ventures.

Estimates from the Sydney Food Future project (2016) suggest that supply from Sydney's food bowl will decline by more than 33% over the next decade. Furthermore, with an additional 1.6 million new residents expected to occupy the Greater Sydney region over the next 15 years, the demand for future sources of fresh agricultural products is set to become a 'burning platform.' This reality is consistent with the view expressed by the United Nations Food and Agriculture Organisation, which estimates global food production must increase by 70% to meet the projected consumption by 2050. The Cessnock LGA is well positioned to capitalise on this opportunity.

B. The Economy and Environment Shaping Future Industry

The Cessnock LGA has a long and proud history of a passionate and hardworking constituency, many of whom have forged careers in the critically important industries of mining and agriculture including viticulture, to drive the region and nation's economic prosperity. Annually, NSW's mining industry provides more than 40,000 jobs, generates $1.8bn in annual royalties, whilst using only 0.1% of the state's land (H. Vella, 2020). These industries are expected to remain incredibly important to the scale and resilience of the local economy.

However, successful communities and businesses recognise the necessity to evolve, to explore new possibilities and to identify future sources of growth as a pathway for economic relevance and longevity. The environmental and social challenges confronting the mining sector, and the economic reality of viticulture and wine is such that the Cessnock community must embrace new industries and innovate around a mix of offers that expand its consumer base, and introduce new and sustainable career possibilities for its residents. This theme was reinforced through the feedback received via the community survey with respondents raising concerns about the preparedness of the community to explore new industries.

C. Proximity to Markets and the COVID Phenomenon

Sydney's urban sprawl, increasing population density, aging community and new 'ways of working' are leading to a change in the attitudes and behaviours of residents. Constrained by the impact of the COVID-19 pandemic, the 'grounded' traveller and 'homebound' employee of Australia's largest city are seeking new experiential possibilities on their doorstep. LGAs within two hours of Sydney are expected to see an increasing number of 'urbanites' exploring new and more frequent experiences within their regions.

After initial disruption, Margan Wines near Broke is capitalising on this phenomenon, with a full book of reservations extending well into 2021. Owner, Lisa Margan has said, "we are hosting new customers that haven't visited the Hunter Valley for more than 20 years. Not only is their feedback positive, but they are blown away by the offerings within the broader region."

For some this will translate into a permanent sea change. Put simply the Cessnock LGA is ideally positioned to capitalise on its proximity to the consumer markets of Greater Sydney and Newcastle.

When these prevailing forces are considered in the context of the agriculture, food and tourism sector, the opportunities for the Cessnock LGA and broader Hunter Valley are enormous. Model 1 identifies a series of priorities for the Cessnock LGA, including: marketing, infrastructure and planning, product development, research and insights, industry development, talent and capability building. Whilst the opportunities and associated initiatives are specific to the LGA and surrounds, they are also consistent with the priorities identified within the NSW Food and Wine Tourism Strategy and Action Plan.

The community of the Cessnock LGA must rapidly embrace new opportunities to expand its offerings and embed it in the hearts and minds of the new consumers. Brian McGuigan, founder of Wyndham Estate Wines and instrumental in establishing the Hunter Wine Country Private Irrigation District, has said the “paddock to plate opportunities in the Hunter Valley are enormous. We must as a community regain the ‘sizzle’ that is inviting to consumers of all backgrounds.” He goes on to say that “there are already great examples of where we have modernised our offer and this must be expanded.”

While the key opportunity themes and proposed initiatives described in this report are by no means exhaustive, importantly they offer simple, relatively low-cost ways of expanding the food, agriculture and tourism sector across the Hunter Valley.

Collaboration and leadership will be central to progressing the HVACAP through the proposed initiatives and others that serve to strengthen agriculture, food and agri-tourism for the LGA. Adopting a holistic approach and sequencing priority initiatives is essential to garnering the sustained financial support and partnerships required to realise the ambitions of the LGA.

Image 2. Local Produce on the Shelves - Laguna

Industry Development

This is a broad and significant opportunity theme for the LGA. It will require access to grants and other investment sources to grow fledgling and idle industries through market development initiatives and/or the building of manufacturing/value-adding capability.

Proposed Initiatives

1. Re-establish the Olive Industry Within the Cessnock LGA	
Description	**Rationale**
• Activation of 30,000 idle olive trees across the LGA • Establish a commercial processing and kitchen facility for olives within the LGA • Partnership with Kurri TAFE, CCC and the Hunter Olive Association (HOA) to identify skills and capability requirements for the industry and develop a targeted education programme • Develop a base case for new entrants seeking to establish olive operations in the Hunter region • Establish a 'shopfront' in Cessnock as one part of a holistic campaign to promote the Hunter Valley olive industry	• 10% CAGR for olives and olive oil and high demand for Hunter Valley product • 60% occupancy of the Australian market by lower quality imported products • 25% commercial utilisation of existing groves in the LGA • Unrealised product innovation opportunities that can complement offerings in the well-established food scene of the Cessnock LGA and surrounds • New varieties, growing techniques and propagation capabilities available within the LGA (K. Hallett, Lonely Goat Olives) • Creates employment opportunities within the LGA
2. Establish a Goat Dairy to Support Local Demand Growth for Goat's Cheese Products	
Description	**Rationale**
• Establish a 'Goat Dairy' within the LGA to support the growing local and national demand for goats' cheese products	• Eliminates the need to source and transport goats' milk from >300km (Sapphire Coast or Northern Rivers region) and addresses shelf-life issues • Provides continuity of supply to the local restaurant and hospitality sector • Creates employment opportunities within the LGA
3. Evaluate the Commercial Potential of Industrial Hemp in the LGA	
Description	**Rationale**
• Engage with local businesses to understand existing capability to produce, process, market and distribute industrial hemp products • Facilitate the conducting of hemp trials on established farms within the LGA to determine the commercial potential for seed, grain, fibre and biofuel production, use as a break crop and/or use of residual material for mulching purposes	• Legalisation of hemp seed production for human consumption in 2017 has seen dramatic increase in demand for a range of hemp-based products • Multiple end-uses, including for food, food, fuel and fibre along with extraction of cannabinoids (CBDs) • Climatic conditions and soil types are suited to hemp production • Ready market for associated bi-products such as biomass used as mulch for wine industry

4. Expansion of Fruit and Vegetable Production	
Description	**Rationale**
• Engage with local businesses to coordinate and target the expansion of fruit and vegetable production to capitalise on local demand and diminished production in the adjacent LGA	• 20-40% reduction in production across the Hawkesbury since 2011 • Expands the pool of fresh product offerings to the community • Widespread absentee ownership of land creates opportunity for utilisation
5. Explore the Commercial Potential of Indigenous Food Production in the LGA	
Description	**Rationale**
• Engage with local indigenous communities on the development of foods to a commercial scale	• Introduces a less intrusive, lower input source of high protein products • Leverages off native species and latent local knowledge • Builds better "connection to country" for indigenous communities • Creates employment opportunities within the LGA, specifically targeting local indigenous communities
6. Access to flexible and cost-effective abattoir facilities within the LGA	
Description	**Rationale**
• Engage with local businesses to understand year-round demand for the establishment of a 'fit for purpose' abattoir capability in the Cessnock LGA to service small farmers • Explore emerging mobile abattoir technologies	• Kurri Kurri Abattoir doesn't accept pigs • Nearest facility is in Sydney or Kempsey • Minimal commercial value if needing to process outside of the LGA
7. Establish an Agriculture/Horticulture Industry Development Officer within CCC	
Description	**Rationale**
• Create new role within the CCC to promote the agriculture and horticulture industry (Development Officer)	• A need for a focal point and leadership in the development of a broader Agriculture and Food Strategy for the LGA, to be incorporated within the LSPS • To connect industry stakeholders, understand aggregated demand and supply and provide access to specialised capabilities as needed • To support events that showcase the agricultural offerings of the LGA • To support agricultural industry in navigating CCC planning and compliance requirements

Research and Insights

Whilst there is considerable information and insights available in relation to the Hunter Valley, further consumer research is essential to aggregating demand, supporting product development, establishing industry development plans and developing targeted communication strategies using the most appropriate mix of marketing and community engagement tools.

Proposed Initiatives

1. CCC to Purchase Kynetec Data Package for all Adjacent Hunter Valley LGAs	
Description	**Rationale**
• Purchase the detailed agricultural and value-adding production data covering all LGAs across the entire Hunter Valley • Cost estimate: $12,000 ex GST	• Provides greater visibility of trends in agricultural production, opportunities for synergies and new endeavours
2. CCC to Purchase the Helix Model Data Package for All Adjacent Hunter Valley LGAs	
Description	**Rationale**
• Purchase Helix Model Data covering the entire Hunter Valley • Cost estimate: $50,000 ex GST	• Supports development of focused LGA initiatives • Allows for a tailored communication plan for residents

Product Development

This involves the development of new and innovative product offerings and integrating these with other propositions across the LGA to provide an authentic and holistic set of experiences for a broader range of consumers. Expanding the visitor's options of what to do and see will extend the frequency and duration of their visits, as does making it easier to plan a multi-night stay while enjoying different activities across the region.

Proposed Initiatives

1. Showcase the Local Food Offerings to the Community of the LGA	
Description	**Rationale**
• Engage with local businesses to encourage the establishment of a regular 'Farmers Market' to showcase the food and culinary offerings of the LGA	• Provide regular access to a range of local seasonal produce • Raise awareness amongst the community of the breadth and quality of food offerings available within the LGA • Provides an opportunity to engage directly with farmers, producers and artisans
2. Establish an Agri-Tourism Working Group to identify 'Paddock to Plate' Consumer Experiences	
Description	**Rationale**
• Engage with local businesses to identify partnership possibilities amongst the agriculture, food and tourism business' that can deliver holistic Hunter Valley experiences	• Enhances the attractiveness of the LGA to consumers by providing a diverse, integrated and cost-effective offering for visitors
3. Establish a Portfolio of 'Farm Gate Trails'	
Description	**Rationale**
• Establish a variety of 'Farm Gate Trails' that deliver a hands-on experience to visitors	• Delivers authentic experience and the opportunity to enjoy fresh local produce • Simplifies planning for visitors • Highlights diversify of offerings across the region (not just wine)

4. Build on Existing Nature Walks Across Natural Bushland	
Description	**Rationale**
• Further develop and promote nature walks (eg. the Great North Walk)	• Delivers authentic experience and the opportunity to enjoy the natural features of the Cessnock LGA • Highlights diversify of offerings across the region (not just wine)
5. Build and/or Formalise Existing Cycling and Motorbike Trails	
Description	**Rationale**
• Develop and promote trails that can be accessed by cyclists and motorbike enthusiasts to better manage access, promotion and usage	• Delivers authentic experience and chance to enjoy the natural features of the LGA • Improves utility and structure of access • Relocation from environmentally and culturally sensitive areas to those more "robust" to withstand higher usage • Highlights diversify of offerings across the region (not just wine)
6. Develop Online Presence &/or App that Allows Visitors to Pre-plan an Itinerary	
Description	**Rationale**
• Engage with Hunter Valley Wine and Tourism Association to identify synergies with existing project(s) to develop tools that allow visitors to pre-plan an itinerary before leaving for the Hunter Valley region	• Allows an itinerary for anywhere from one to ten days to be developed • Highlights diversify of offerings across the region (not just wine) • Makes region more attractive to families • Promotes longer stays

Talent and Capability Building

Stakeholders identified talent retention and capability building as a key enabler in the sustainable expansion of the agriculture, food and tourism offerings of the LGA. New career opportunities in food and agriculture require different skills and capabilities than those employed within the conventional industries of mining and manufacturing.

The National Agricultural Workforce Strategy (DAWE, 2020) states that "a lack of understanding of modern agribusiness could threaten the industry's ability to attract young people to the sector." Furthermore, "this risk is high where historical perceptions of agriculture as an industry and career path are entrenched in communities". Keith Hallett from Lonely Goat Olives in Congewai indicated "securing and retaining staff in the agricultural sector is a challenge, particularly given the high wages offered in other sectors such as mining."

In addition to advocating the career possibilities within agriculture amongst the community it requires the deployment of new training and development programmes, incorporating leadership, mentoring and access to expertise (Bay&Cay, 2018) through educational institutions, farmer communities and existing facilities across the LGA.

A lifelong resident of Cessnock and senior agricultural educationalist highlights the significant benefits of exposing students to agriculture through authentic work placements. "Year 10 work placements on dairy farms on the North Coast and shearing schools in the Northern Tablelands are providing real experiences for students that lead to students following these careers."

Adopting principles of the widely praised STEM curriculum into an agricultural and food context is just one approach that can be explored. Furthermore, establishing partnerships between local farmers and schools that facilitate valuable work placements must be top of mind given recent challenges. This includes the demand side where the only opportunity was with a dog groomer and the supply side where farmers were not satisfied with the work ethic and attitude of some students.

Proportionally high levels of incarceration of young indigenous in correctional facilities in the region, many from outside of the Cessnock LGA, presents an opportunity to work with educators and Corrective Services to introduce programs in horticulture, to develop skills that can be taken back into communities on release. This includes propagation and production of fruit and vegetables, along with deeper understanding of native foods and other related activity with potential application on indigenous lands such as apiculture (beekeeping).

Proposed Initiatives

1. Provide Commercial Scale Kitchen Facilities Accessible to the Hospitality and Education Sectors Within the LGA	
Description	**Rationale**
• Engage with local businesses to identify demand for food-grade processing capacity • Expand footprint of available facilities and resources that support the development of agriculture and food capabilities • Engage with local schools to identify demand for industrial/commercial scale facilities for teaching purposes • Facilitate access to existing facilities for schools and commercial enterprises	• Two existing commercial facilities in the Cessnock LGA remain inaccessible • Extends scope of skills and training possibilities available to the community • Provides ‘pilot facility’ to promote innovation and evaluate commercial possibilities

2. Expand the Agriculture Curriculum and Facilities across the Cessnock School Network Description	
Description	**Rationale**
• Seek further industry and government support for the targeted expansion of agricultural resources across High Schools • Develop a resource and facility sharing model across the school campuses • Review the ‘work placement’ initiative and establish a network of partnerships that provide authentic agriculture and food experiences for students	• Corrects historical under-investment relative to other regions whilst maximising the utilisation of facilities • Broadens the experiential opportunities in agriculture for students, opening the door to a broader range of career possibilities • Engages the agricultural and food community in the development of a pipeline of talent for their sector

3. Develop Pilot Horticultural Program within Corrective Services Facilities in Cessnock LGA	
Description	**Rationale**
• Engage with existing education providers of schooling in correctional facilities on practical skills programs in horticulture • Expand the programs to include related activities eg. bush foods and beekeeping	• High levels of incarceration of indigenous youth in correctional facilities within LGA • Development of skills readily transferable into communities on release • Development of a career path and further talent pool for the industry in the region

Marketing/Brand Building

Over a series of visits, the Rounding Up team have taken the opportunity to traverse the entire LGA – to observe the geography and landscape, the people, existing enterprises, localised signage (refer to Image 2 on following page)and messaging that exists today. Whilst the historic platform of "Wines, Mines and People" remains central to the LGA, there is a clear opportunity to review and expand the current positioning of CCC and its role in the wider region.

A new and holistic marketing strategy is suggested to promote the current and emerging offers of the Cessnock LGA, re-articulating the positioning of the LGA to incorporate the dimension of Agriculture, Food and Tourism providing advocacy for such things as planned events, festivals, food trails, farm tours, and food and wine experiences. A common theme in branding and communications would be beneficial and incorporated into actions arising from the LSPS.

Proposed Initiatives

1. Establish Advanced Urban/Rural Planning Capabilities Within the CCC and Actively Seek Out and Welcome New Agricultural Activity into the LGA	
Description	**Rationale**
• Recruit individual into CCC with extensive experience in blending the unique urban and rural planning demands of the area • Send welcome message to agriculture and related endeavours, seeking location change, expansion or a new beginning • Develop a register of "absentee landowners" willing to lease land to existing or new operators • Continue with the replacement of old signage with new, recognising local attachment to some historical examples	• Recognising the hybrid character of the developing LGA • Maximising value generated through preserving and enhancing the offerings of the rural landscape whilst managing the inevitable urbanisation of the LGA • Better utilise absentee landowners productive land for agricultural and other uses such as agritourism

Image 3. Collage of Examples of Localised CCC Signage Across the LGA

Infrastructure and Planning

The opportunities evident from the consultation include improvements in community infrastructure such as technology reach, public transport services and government training facilities. It also identifies the need to ensure planning laws reflect the local governments desire to promote business within the community.

A further step change in infrastructure capability would be necessary as part of an assertive push by the community to significantly up weight agriculture production and food processing in the Cessnock LGA. This would need to address such areas as power standards, transport corridors, telecommunications, water availability and industrial land capacity.

Proposed Initiatives

1. Eliminate the Technology 'Black Spot' in the Wollembi/Laguna Area	
Description	**Rationale**
• Advocate for the establishment of comprehensive and reliable mobile phone coverage in the Wollembi/Laguna area of the LGA • Engage with local communities on the benefits of such infrastructure	• Delays in the provision of Emergency Services • Address impediments to local business' customer connectivity and e-commerce possibilities
2. Conduct an Agricultural Water Use Assessment on Existing and Potential Industries to Inform a Use Case for Construction of a New Dam in the LGA	
Description	**Rationale**
• Review the history and contributions to previous, industry-funded, water infrastructure in the region • Seek industry and government support for Feasibility Study for Construction of an Additional Water Storage Facility (Dam) in the Cessnock LGA to support further growth in agricultural production	• Existing water infrastructure, funded by the wine industry, is at capacity • Further growth, in all aspects of agriculture, limited by access to reliable water

5. Overcoming the Barriers and Constraints to Deliver Positive Change

In addition to providing a gateway to one of the most diverse and productive areas of NSW, the Cessnock LGA is strategically positioned on the doorstep of Australia's most populous city. Amplified by the imposed regulations of the COVID-19 pandemic (ie working from home, restricted travel, unemployment, etc), significant numbers of urbanites are reviewing their short and long-term plans within the 'new normal.' Therefore, the Cessnock LGA should anticipate a further increase in population as people migrate from the urban areas and expect to play host to an increasing number of visitors keen to explore the diverse offerings of the Hunter Valley.

Faced with an array of opportunities the community of the Cessnock LGA with support from regional, state and federal government agencies and departments must attend to the historical barriers and constraints that threaten its growth potential through focusing its effort in several key areas.

Suggested means to address these impediments include:

1. Upweighting investment and funding for sector-specific infrastructure to support the development of new enterprises in agriculture and food, in particular water such as dams and distribution networks
2. Advocating the expansion of existing agricultural businesses to establish critical mass and continuity of supply to local and national consumers
3. Actively seeking out existing and new agricultural businesses from adjacent regions and encouraging them to consider relocation to the Cessnock LGA and/or the wider Hunter region
4. Facilitating the establishment of food processing ventures within the LGA that value add and create new jobs
5. Supporting new career opportunities in agriculture and food through structured pathways of education and training, access to facilities and effective resourcing
6. Re-positioning of the Cessnock LGA offer with the associated refresh of branding and communications, in general and specific to food and agriculture
7. Ensuring Council planning frameworks and processes support investment in manufacturing and intensive agriculture
8. Expanding transport infrastructure capability across the LGA to support the movement of people and product.

Attending to these areas across the Cessnock LGA can provide the catalyst and stimulus for the expansion in agriculture and other industry opportunities for the region. The HVACAP itself whilst important is simply a foundation phase in a significant journey for the Cessnock LGA. It provides some important insights and simple initiatives that have the potential to deliver positive change in the agriculture and food sectors for the LGA.

6. Next Steps – Progressing Delivery of the HVACAP

The development of the HVACAP has facilitated conversations that have the potential to re-ignite growth in the sectors of agriculture, food and adjacent tourism offerings in the Cessnock LGA. Through extensive consultation and research, the HVACAP provides an insight into the agri-business activity of today and how this has evolved over the last decade, the landscape of emerging opportunities and a range of initiatives with the potential to drive economic growth and deliver jobs within the Cessnock LGA.

To support the projects progression, a Voluntary Steering Group is to be established incorporating community stakeholders from across the agriculture and food value chain. In conjunction with Council the Steering Group will provide advocacy for the objectives of the HVACAP, share insights into future opportunities and initiatives, facilitate access to their networks in business and provide oversight of the 'go-forward' actions arising from this and subsequent projects.

It is recommended that the CCC undertake a larger programme of work to develop a 10-year strategic plan for agriculture, food and tourism in the LGA. This should address the areas identified in Section 5 through an established roadmap of activities, investment and capability building. It should seek to provide a 'welcome mat' to entrepreneurs, businesses and investors seeking sustainable opportunities to expand agricultural production and processing in the Cessnock LGA.

The CCC will play a key role in promoting the principles of the HVACAP and broader strategic plans to the community, State and Federal agencies (Regional Development Australia) and colleagues in adjacent LGAs of the Hunter Valley. Their emphasis should be on promoting the economic and social benefits of progressing against the opportunities and initiatives identified across the agriculture, food and tourism offerings of the LGA.

This can be achieved by leveraging off the actions arising from other Council initiatives such as the CBD Activation Project to promote agriculture within the urban centres of the LGA. In addition, CCC should review the planning and approval elements of their community role to ensure they promote a tone of facilitating investment and business development across the LGA.

A suitable industry custodian should be nominated to validate and progress each of the initiatives tabled within the HVACAP. They will be required to refine the objectives and scope of the projects and with support from CCC and/or other agencies pursue the investment sources and mechanisms to enable their delivery.

Table 1 below summarises the proposed initiatives and suggested timeframes for implementation recognising longer lead times for certain activities such as curriculum changes in schools.

Table 1. Suggested Initiatives for Cessnock LGA and Timetable for Implementation

#	Initiative	Timeframe					
		2020/21			2021/22		
		Q2	Q3	Q4	Q1	Q2	Q3
1.	Establish an Agri-Tourism Working Group						
2.	Re-establish the Olive Industry						
3.	Expand Fruit and Vegetable Production						
4.	Explore Potential of Indigenous Food Production						
5.	Showcase Local Food Offerings to the Community						
6.	Develop Technology to Enable Visitors to Pre-plan Visits						
7.	Provide Access to Existing Commercial Scale Kitchen Facilities						
8.	Establish a Goat Dairy for Cheese Production						
9.	Explore flexible, cost-effective abattoir facilities						
10.	Establish a Portfolio of 'Farm Gate Trails'						
11.	Build and/or Formalise Existing Cycling and Motorbike Trails						
12.	Purchase Helix Model Data for Hunter LGAs						
13.	Evaluate Potential of Industrial Hemp						
14.	Establish Agriculture/Horticulture Industry Development Officer						
15.	Purchase Ag Data Package for Hunter LGAs						
16.	Build on Existing Nature Walks						
17.	Establish Advanced Urban/Rural Planning Capabilities						
18.	Eliminate Technology 'Black Spot' in Wollembi/Laguna						
19.	Conduct Water Use Assessment to Support Dam Use Case						
20.	Expand Agriculture Curriculum and Facilities in Schools						
21.	Develop Pilot Horticultural Program within Corrective Services						

Representatives of the CCC should engage with adjacent LGAs to seek opportunities for collaboration to advance food and agriculture in the broader Hunter Valley. Leveraging off existing forums such as the Hunter Joint Organisation that brings together ten local councils in the region, as a mechanism for intergovernmental collaboration and advocacy will be key. Synergies, efficiencies, and speed of action can be achieved where common objectives and programmes exist. Establishing an appetite for change in the agribusiness sector across a larger footprint will facilitate access to a broader range of funding sources to enact initiatives.

There is a range of investment facilities that will enable the progression of these, and other initiatives related to food and agriculture.

Table 2 provides a list of potential sources of funding from State and Federal Government agencies and their intended focus.

Table 2. Examples of State and Federal Government Funding Sources and Intended Focus

Agency	Programmes	Description
Regional Development Australia	Regional Employment Trials (Up to $200K) https://www.business.gov.au/Grants-and-Programs/Regional-Employment-Trials	Deliver employment related projects via Council
Dept. of Agriculture, Water and Environment NSW	National Landcare Program: Small Farms Small Grants - https://www.communitygrants.gov.au/	To support land management practice change that will deliver more sustainable, productive food and fibre business whilst improving the condition of our natural resources.
	Future Drought Fund: Natural Resource Management Drought Resilience Programme (Closes 31/10/2020) - https://www.communitygrants.gov.au/	Holistic management and adoption of new technology and practices that deliver on-the-ground outcomes aligned to drought resilience.
Australian Research Council	Industrial Transformation Research Hubs - https://www.arc.gov.au/grants/linkage-program/industrial-transformation-research-program	Support collaborative research projects on new technologies and leverage national and international investment in targeted industry sectors of which Food and Agribusiness are one.
Dept. of Infrastructure, Transport, Regional Development and Communications	Drought Communities Programme (Closes 01/06/2021) $25K to $1 million) https://www.business.gov.au/dcp	Funding for infrastructure and projects that provide employment, stimulate local spending, use local resources and provide long-lasting benefit to communities and the agricultural industries on which they depend.
National Indigenous Australians Agency	Local Investment Grant Opportunity (Closes 17/05/2022)	
Dept. of Industry, Science, Energy and Resources	Entrepreneurs Programme – Growth Grants $2.5k to $20K) (50% of project costs)	Helps to improve specific business areas on a pre-agreed roadmap developed in conjunction with facilitator.
	SMART Projects and Supply Chains (Up to $20K) https://www.business.gov.au/Grants-and-Programs/SMART-Projects-and-Supply-Chains	Facilitator to provide guidance to business.

7. Industry Profiles and Case Studies

The Olive Industry in Australia and the Hunter Valley

The olive (*Olea euuropaea*) is a species of small tree cultivated primarily across the countries of the Mediterranean. The fruit, also known as the olive is the source of food-grade oil and a key ingredient in a wide variety of Mediterranean dishes.

Whilst the growth in domestic olive oil consumption has grown by 45% since 2014, Australian produced olive oil serves only 10% of this domestic consumption. Table olives fair better with 40% of Australia's consumption being sourced locally.

Olives were established in South Australia over two centuries ago. In the decades that followed production expanded primarily into Victoria, Western Australia, and Queensland. The industry has a well-established national and state body framework with support from the organisations of Horticulture Innovation and Plant Health Australia. It includes support to members in the form of R&D, reference material, conferences, competitions, and representation to government. Estimates place the number of olive trees nationally to be 5 million.

The development of the olive industry in the Hunter Valley is relatively new with the first groves were planted in the late 1990's as an accompaniment to established vineyards or other agricultural pursuits. Unfortunately, with limited knowledge, growers often chose the wrong varieties and/or planted these in less than ideal conditions. This was confirmed through a study (*Operation Renewal*) commissioned by the Hunter Olive Association (HOA) in 2015. Whilst the 'hard' learnings in the Hunter have resulted in a reduction in groves, estimates from the HOA suggest there are still 250,000 trees across the Hunter Valley with up to 40,000 productive trees in the Cessnock LGA and surrounds, generating around 6% of Australia's production.

Despite what some experts describe as "a long and torturous journey" (P.Herborn 2020) for the Hunter Valley olive industry, with the right commercial strategy, focused investment and ongoing support from CCC and other agencies, industry transformation and sustained growth is achievable.

Industrial Hemp in Australia and the Hunter Valley

Industrial Hemp (*Cannabis Sativa L.*), one of the first plants to be spun into usable fibre 10,000 years ago, has been subject to significant social and arguably competing industrial disfavour over the past century. In spite of this, in more recent times, this plant has come to be regarded as the great green economic hope of modern agribusiness with multiple end-uses, a key role in crop rotations and an ability to sequester large amounts of carbon. Industrial hemp or simply hemp refers to the *Cannabis Sativa* plant grown specifically for industrial use. This differs from crops grown for medicinal purposes such as extracting cannabinoids (CBD) and from crops grown for illegal, recreational purposes (marijuana) in the levels of tetrahydrocannabinol (THC) present (<0.5% in industrial hemp).

Food, paper, textiles, clothing, insulation, and biofuel are just some of the many industrial applications for this fast-growing (20 weeks) and extremely versatile plant. Today's modern industrial technologies are expanding hemp uses into fields of science and common goods unimagined only half a century ago: from muscle-building food formulas, to replacing petrochemicals in plastics, through to fully-discharging batteries with the ability to power electric motors longer than any other technology.

In 2017, the global industrial hemp market size was estimated at USD 3.9 billion with an expected 14% CAGR to 2025. Global market growth, Australian regulatory amendments in 2017 and the endless product possibilities it offers, highlights the opportunity for agricultural landowners across the Cessnock LGA to incorporate industrial hemp into their farming system.

Globally recognised hemp company, Ecofibre led the first significant research and development effort into industrial hemp for the Hunter Valley in 2000. They established a production system on 250 ha of land, west of Singleton to begin a journey of understanding the growing, processing and value-adding possibilities for the crop. Up to 20 local farmers participated in the R&D effort to provide raw material and establish the commercial realities of its ongoing inclusion in their farming system. Due to the then governments restrictive regulation on the product the programme was ceased after five years. A limited number of landholders in the Cessnock LGA continue to produce industrial hemp.

AgriFutures Australia have, through their Emerging Industries division, provided support to the national industry since 2013. Most recently they invested $200,000 in the development of a National Variety Trial Scheme to be delivered over three years, commencing in 2021. The learnings from these trials will provide valuable insights and knowledge for current and prospective growers of industrial hemp.

Industrial Hemp warrants further examination as future crop in the Cessnock LGA focusing on the commercial opportunities in food, fibre and biofuel along with cannabinoids given recent legislative changes (November 2020).

Showcasing Authentic Hunter Valley Produce (Farmers Market)

Every weekend, somewhere in Australia you'll discover hundreds of high-quality food producers selling their wares in a local farmers market. Rows of fresh, seasonal produce, sizzling meats and brewed coffee create a welcoming and communal atmosphere. The attraction of visiting a Farmers Market is difficult to resist, both as a local and as a holidayer. It provides a window into the food and culinary strengths of an area and an opportunity to engage directly with farmers, producers and artisans.

The Newcastle Farmers Market was established in 2004 at the Broadmeadow Basketball Stadium, moving shortly after to the local showground and entertainment centre. It operates on most Sundays from 7:00am serving almost 8,500 customers on any given day. NSW Farmers Markets have for many years said "Farmers Markets are good for product development, the local economy, sustainability, the environment and for tourism." They are an economically efficient method for the distribution of their products and for farmers to test their produce with consumers. Presence at markets supports other sources of distribution to maximise their business success.

The Cessnock Community as a producer of a wide array of fresh food is well positioned for a step change in advocacy and promotion of their offerings. According to Gus Maher, Chairman of the Hunter Culinary Association, "through the large network of local restaurants, providores and wineries, local produce is highly sought and well regarded." From olives to chocolate and pumpkins to cheese the opportunity to expand the production and sale of high-quality produce locally, regionally and nationally beckons.

The Blistering Goats Milk and Cheese Market

Goats are one of the oldest domesticated animals grown for milk, fibre and meat. Their first role in Australia occurred shortly after European settlement, when the landed sheep had met with untimely deaths and the cattle had gone walkabout. Goats milk was fundamental in the avoidance of starvation for the new settlers. In 1796 a survey registered goat numbers to be 1,400, only slightly more than sheep.

As the colony expanded, rail lines were built and farms established, the goat was an essential provider. In 1913, recognising the lack of quality in the herd, the NSW Department of Agriculture imported the Saanen breed from Europe. They were key to the Nyngan Experiment Farm in 1919 to improve the milking quality of the herd. Over the decades that followed goat dairying in Australia has steadily developed and expanded to an industry valued $20 million. Today there are over 70 dairy goat farms and 15 processing facilities producing over 16 million litres of milk. Female goats (does) can produce up to four litres of milk per day.

Goat milk products have increased in popularity in recent years on the basis of their perceived health properties and ability to cater for consumers with cow-milk intolerance due to a difference in protein and fat. Whilst the milk from dairy goats is primarily sold as fresh milk, Australia is acknowledged as producing high-quality goat cheese products and these and other derivatives including yoghurt and milk powder are sold largely in the domestic market.

Dairy goat farms exist in every Australian state and NSW generates almost 20% of the production. Having wholesalers or factories in close proximity to milk producers is desirable given the milk's reduced shelf-life when in raw form.

Cessnock LGA has two significant goats cheese producers – Binnorie Dairy in Lovedale and Hunter Valley Cheese in Pokolbin.

The Slow Food Movement

The Slow Food Movement was borne in the 1980's led by Carlo Petrini and a group of activists. Their initial objective was "to defend regional traditions, good food, gastronomic pleasure and a slow pace of life" (www.slowfood.com). Following a demonstration on the intended site of McDonald's in Rome in 1986 they were officially founded in Paris in 1989.

The movement has evolved over the last 30 years to embrace a comprehensive approach to food that recognises the relationship between the planet, people, politics, culture and food. Today the movement is across 160 countries involving thousands of project and millions of people.

For Australia, Slow Food operates through a series of 'convivia' mandated directly from the Italian headquarters. Maggie Beer established the first of these in 1995 in the Barossa Valley. As of November 2020, there are 18 convivia in Australia.

The Maitland Slow Food Convivia was established in 2017.

The Hawkesbury Harvest

The Hawkesbury Harvest is a community-based project directed at improving the economic sustainability of local agriculture. It began in 2000 by a small group of passionate people with a common vision to ensure consumer access to local, nutritious and safe foods whilst creating a vehicle for agri-based tourism.

The project incorporates two aspects, the Food Trails and the Farmers Market. The Food Trails run across the Hornsby Shire, moving through Baulkham Hills and onto the Hawkesbury Valley and Mountains. The trips will require more than a day but offer something for everyone. The Food Trail comprises 26 producers, 6 artisans, 10 restaurants, 4 accommodation venues and one tour guide.

The Farmers Market occurs on the 2nd Saturday of each month. More than 40 store holders come together offering an array of fresh produce and gourmet food including fresh fruit and vegetables, meat, assorted cheese, fresh and smoked seafood, jams, preserves, plants and confectionary.

Forging a Career in Agriculture and Food – Jeannie-Marie's Story

Jeannie-Marie has worked in the olive industry for a little over 10 years. When starting out with Peter Herborne at Laguna Olives, she was as single mother of one, studying to finish Year 10 through TAFE having left school in her mid-teens.

At first, she was picking and sorting olives on a casual basis, before showing a little more interest in processing the olives, requesting a shift into the olive kitchen to work more on the final packaging and distribution.

While working part-time at Laguna Olives, Jeannie-Marie was studying to become an Assistant in Nursing (AIN) which she completed and gained additional part-time work in the aged care sector. It was decision time on which career path to take. She genuinely loved the work and loved the people she worked for at Laguna Olives with the decision to stay in olives made easier by Peter allowing her then 3yo daughter Bonnie to be taken to work avoiding the prohibitive cost of full-time day care.

Jeannie-Marie's thirst for knowledge meant she was always asking questions and getting to know every aspect of the olive industry. The business was growing, moving into bigger premises, producing more olives, more oil, more customers and more information for her to absorb.

Peter suggested Jeannie-Marie take her love for the industry further and start getting some qualifications. He offered encouragement and guidance in Jeannie-Marie's completion of a Certificate 2, 3 and 4 at TAFE along with a Diploma in Food Processing, all achieved while working full-time in the business. Her talent and passion for the work was recognised when Jeannie-Marie was nominated in 2015 for Trainee of the Year in the Food Processing category, which she won!

Jeannie-Marie had to take time off when she fell pregnant with her second child, due to being in a high-risk category for complications during pregnancy. Just over a year later she started back in her old job in the olive groves on a casual basis, continuing even after she found out she was pregnant again. All this stopped for almost twelve months when her eldest daughter was diagnosed with cancer. After the birth of her third child and receiving the medical all clear for her eldest daughter, Jeannie-Marie was back working with Peter in the grove.

In sharing her journey, Jeannie-Marie is keen to emphasise the importance of on-the-job training. She hadn't been given the luxury of finishing high school and taking further studies to get qualifications she believes everyone needs to better their employment opportunities. Another key aspect she emphasised is that it isn't just young people that need job help, with Jeannie-Marie finishing her diploma when she was 30yo.

From her experiences, further support for smaller local companies would be great, any help really, to support local small business.

"If Council would give it a go, we could just see small processing and farms flourish a little more."

Creating Opportunities for the Indigenous Community in Agriculture

Consistent with the objectives of all aboriginal land councils, Mindaribba Local Aboriginal Land Council (MLALC), based in Maitland, aims to protect the interests and further the aspirations of its members and the broader aboriginal community. CEO, Tara Dever explains that their focus is on the social, emotional, cultural and economic wellbeing of members. Whilst they have already established a community pre-school along with a cultural centre, they are seeking opportunities beyond eco-tourism that provide sustained jobs and careers for their community.

The MLALC has considerable land resources across the Cessnock LGA, and the opportunity to establish partnerships with other organisations and agencies centred on agriculture, food and tourism is a welcome pathway to employment for the community.

The consultation process for the HVACAP allowed us to see first-hand the translation of this ambition into action. A young indigenous woman we met is now a key employee in an established and successful food production and processing business in the Cessnock LGA. Through her hard work and commitment to learning she has developed both the theoretical and practical capabilities essential for success.

More stories like these can be created in the future through delivering on an agricultural, food and tourism strategy for the Hunter Valley.

MINDARIBBA
LOCAL ABORIGINAL LAND COUNCIL

Appendices

i. Glossary of Terms

ii. Consultation List

iii. References

iv. Supporting Data Tables

v. Survey Results

vi. Town Hall Insights

Appendices

i. Glossary of Terms

Agribusiness	Business of agricultural production, protection, sales and marketing
Agri-tourism	Any agriculturally based operation that brings visitors to a farm
CCC	Cessnock City Council
EVAO	Estimated Value of Agricultural Operations
GNMP	Greater Newcastle Metropolitan Plan
HRP	Hunter Regional Plan
HVACAP	Hunter Valley Agri-business Cluster Action Plan
MLALC	Mindaribba Local Aboriginal Land Council
LGA	Local Government Area
LSPS	Local Strategic Planning Statement
Value Adding	Economic enhancement a person or organisation gives it's product

Appendices

ii. Consultation List

Rounding Up and Cessnock City Council acknowledges the contributions of the following people in the development of the HVACAP:

Name	Company/Entity (Role)
Charlie Gillon	Astrolabe Group
Kim Johnstone	Astrolabe Group
Simon Gough	Binnorie Dairy (Owner)
Geoff Krieger	Brokenwood Wines (CEO)
Stuart Horden	Brokenwood Wines (Chief Winemaker)
Brad Burgoyne	Cessnock Advertiser
Krystal Sellars	Cessnock Advertiser
Clint Ekert	Cessnock Chamber of Commerce (President)
Tony Chadwick	Cessnock City Council (Economic Development and Tourism Manager)
Brad Sangster	Cessnock City Council (Economic Development Officer)
Lotta Jackson	Cessnock City Council (General Manager)
Richard Forbes	Cessnock City Council (Team Leader - Development Services)
Rebecca Price	Cessnock High School (Agriculture Teacher)
Peter Riley	Cessnock High School (Principal)
Samuel Lentini	EastCoast Juices (Business Development Manager)
Patrice Newell	Hunter Olive Association (Former President)
Rosalia Lambert	Hunter Valley Cheese Company (Owner/Cheesemaker)
Gus Maher	Hunter Valley Events (Director)
Amy Cooper	Hunter Valley Wine and Tourism Association (CEO)
Bryn Hill	Huxley Hill (Founder & Principal)
Cain Beckett	Jurds Real Estate (Director)
Tracey Breese	Kurri High School (Principal)
Peter & Carolyn Herborn	Laguna Olives (Owner, Member of National Table Olive Committee)
Simon & Kelly Eaton	Little Hill Farm (Owners)
Daniela Riccio	Little Valley Farms (Owner)
Euan Wilcox	Little Valley Farms (Owner)
Harrison Webster	Local Farmer
Keith Hallett	Lonely Goat Olives (Owner)
Lisa Margan	Margan Wine and Food (Owner)
Lina Vestad Hansen	Mentor - Business Services
Martin McKenzie	Mentor Business Services
Tara Dever	Mindaribba Local Aboriginal Land Council (CEO)
Natalie Moore	Moore Farm Produce (Owner)
Shane Hookway	Mount View High School (Deputy Principal)
Troy Rhoades Brown	Muse Dining (Owner)
Samantha Jarrett	NSW DET (Rural and Remote Agriculture Support Project Officer)
Scott Sleap	NSW Education (State STEM Coordinator)
Joel Booty	Olive specialist
Col Peterson	Peterson Wines (Owner)
Jason Pearson	Pickled Pig (Owner)
Richie Williams	PRIDE Business Coaching
Matthew Stackhouse	St. Philips Christian College (Director, Young Entrepreneur Scheme)
Christina Tulloch	Tulloch Wines (CEO, Chair HVWTA)
Liz Riley	Vitibit (Owner/Viticulturalist)
Brian McGuigan	Wine pioneer (ret.)
Lisa Cussen	Wollombi Road Providore (Owner)
Michael Jenness	Wollombi Road Providore (Owner)
Lawrence Perry	Wonnarua Nation Aboriginal Corporation (CEO)

Appendices

iii. References

AdvanceCessnock (Current)	RemPlan Economy
AgriFutures Australia (2017)	Dairy Goats
AgriFutures Australia (2017)	Industrial Hemp
Angus, Chris (2019)	Parliament NSW – Trends in NSW population growth (e-brief)
AussieTowns.com.au	Cessnock, NSW
Australianolives.com.au	National Table Olives Committee
Bray & Cay (2017)	Room to Grow – Challenges for the future of food and fibre education in Australia
CCC (2020)	Cessnock Local Strategic Planning Statement 2036
CFMEU (Current)	Northern Mining & NSW Energy District – Northern District History
Deloittes (2013)	Prospects & challenges for the Hunter Valley – A strategic economic study
Dept. Ag, Water & Envir. (2020)	National Agriculture Workforce Strategy literature review
EarthCheck (2016)	Scenic Rim Tourism Strategy 2017-2021
Good F&V (2014)	Farmers' markets hold community benefits
Gradaustralia.com.au	Agriculture in Australia: an overview
Grants.gov.au (Current)	Australian Government – Grants Connect
Hunterjc.com.au	Hunter Joint Organisations
NSW Government (2018)	NSW Food & Wine Tourism Strategy 2018-2022
Population.net.au (Current)	NSW Population
RemPlan (Current)	RemPlan Economy
Roy Morgan (Current)	Helix Personas – Predicting Consumer Behaviour
Saulwick, Jacob (2016)	Sydney's vegetable basin losing ground to urban sprawl
Stafford Strategy (2018)	Lockyer Valley Tourism Destination Plan 2018-2023
UConn (2010)	Hemp Produces Viable Biodiesel
Wu, Wen (2019)	The Future of Australia's Agricultural Workforce

Appendices

iv. Supporting Data Tables*

Table 1 – Cessnock LGA Primary Industries

Agricultural Sector	**2011 $,000**	**No. of Enterprises**	**2016 $,000**	**No. of Enterprises**	**Change (%) Value**
Beef Cattle	2,783	135	1,321	21	(52)
Beekeeping	131	3	228	1	74
Citrus	131	2	0	0	(100)
Dairy Cattle	2,271	7	3,063	8	35
Grape Growing	3,702	102	3,618	34	(2)
Horses	2,870	34	3,234	18	13
Olive Growing	122	8	17	1	(86)
Poultry – Eggs	2,025	3	8,894	3	339
Poultry – Meat	14,662	11	3,662	7	(75)
Vegetables	72	1	82	1	14
Total	**31,660**	**400**	**25,382**	**105**	**(20)**

Table 2 – Maitland LGA Primary Industries

Agricultural Sector	**2011 $,000**	**No. of Enterprises**	**2016 $,000**	**No. of Enterprises**	**Change (%) Value**
Beef Cattle	2,276	90	734	21	(67)
Dairy Cattle	2,676	6	602	3	(77)
Grape Growing	17	1	3,618	34	211
Horses	672	14	965	6	43
Turf Growing	1,048	5	2,537	7	142
Poultry – Eggs	0	0	5,798	1	
Poultry – Meat	9,475	9	9,256	6	(2)
Vegetables (Outdoors)	1,545	10	2,121	7	37
Total	**19,904**	**172**	**22,092**	**56**	**11**

Table 3 – Sydney LGA Primary Industries

Agricultural Sector *Source: Kynetec**	**2011 $,000**	**No. of Enterprises**	**2016 $,000**	**No. of Enterprises**	**Change (%) Value**
Apples & Pears	1,837	14	1,070	8	(42)
Beef Cattle	593	47	389	11	(34)
Berries	263	8	335	1	
Citrus	951	12	564	7	(41)
Dairy Cattle	511	3	487	1	
Floriculture (Outdoor)	3,451	38	4,234	24	23
Floriculture (Undercover)	234	11	17,802	26	++++
Grape Growing	17	1	3,618	34	
Horses	4,459	48	4,040	30	
Mushrooms	47,544	13	36,474	6	(23)
Nurseries	12,015	59	19,472	56	
Olive Growing	0	0	699	1	
Stone Fruit	3,285	30	2,543	10	(23)
Turf Growing	11,008	31	26,573	30	
Poultry – Eggs	3,800	11	18,899	5	
Poultry – Meat	8,182	11	5,353	5	
Vegetables (Outdoors)	18,685	113	14,673	75	(22)
Vegetables (Undercover)	776	28	636	8	(18)
Total	**144,187**	**625**	**160,447**	**336**	**11**

Source: Kynetec, ABS

Appendices

v. Survey Results

A key feature in the development of the HVACAP was a community survey. The survey was prepared and circulated on the 25th September 2020 using the SurveyMonkey software. The principle of the survey design was to present a series of core questions for all respondents followed by additional questions relating to the individual's field of interest or experience, nominating from the following options:

- Accommodation & Food Services
- Agricultural, Forestry & Fishing
- Education & Training
- Financial & Insurance
- Healthcare & Social Services
- Information & Media
- Manufacturing
- Mining
- Public Administration
- Retail Trade
- Transport & Logistics Providers
- Wholesale Trade
- People in Study
- Unemployed

For confidentiality purposes the detailed data from the survey cannot be publicly disclosed. The consolidated results of the survey and emerging themes are described below.

General Information

- 40% of respondents live in the areas of Cessnock, Pokolbin and Broke
- 65% of respondents have lived in the Hunter Valley for more than 15 years
- Almost 50% of respondents that own a business employ less than three people
- 60% of respondents indicated that the COVID-19 pandemic has led up to a 50% reduction in revenue for their business
- Almost 40% of respondents work within the agriculture, forestry and fisheries sector
- 78% of respondents are working from home reflecting the impact of COVID-19.

Respondents described the greatest strengths of the Hunter Valley as:
1. Location and proximity to Sydney/Newcastle
2. The beauty of the landscape and environment
3. Tourism and the opportunities to leverage off available land.

Respondents described the greatest challenges for the Hunter Valley as:
1. Filling the void from the potential loss of coal mining
2. Lack of quality infrastructure
3. Education and capabilities to support business.

Respondents described the greatest impediments to their business as being:
1. COVID-19
2. Quality of talent/capability
3. Lack of technology infrastructure.

Respondents described the CCC's top priorities to be:
1. Improving infrastructure
2. Simplifying development requirements
3. Supporting business growth opportunities.

Agricultural Information

- >70% of respondents from the sector are involved in primary production and have done so for more than 15 years.
- Half of the respondents sell 100% of their product to the Cessnock LGA
- 50% of respondents work land between 21-50 ha in size
- Predominant agricultural activity relates to cattle, horse and vineyards.

Appendices

vi. Town Hall Insights

To ensure access to a broader range of community stakeholders for input into the HVACAP, a virtual Town Hall was run on the 21st October 2020. The key elements of the Town Hall provided:

- Introduction to the HVACAP describing the background, purpose and project methodology
- Invitation for attendees to share their ideas and experience in relation to HVACAP objectives
- Brief explanation on the next steps for the Project.

A diverse group of participants registered for the event; with the category(ies) they most identify with in their current role in the Hunter Valley stated as:

Accom & Food Services	Ag, Forestry & Fishing	Education & Training	Retail Trade	Manufacturing	Trans, Post & W'housing	Media & Telecoms	Unemployed	Other
X	X							
X	X							
X	X		X	X				
X		X						
	X							
	X							
	X							
	X							
	X							
	X							
	X	X						
	X		X		X			
		X						
		X						
		X						
		X						
						X		
								X
					X			X
							X	

Key observations arising from the Town Hall included:

- Over 100,000 ha of rural land generating more than $104 million in revenue in Cessnock LGA
- Principle behind HVACAP is to grow a sector that provides pathways to a job and a career in food and agriculture
- Olive production and processing and beekeeping offer real possibilities for the future growth. Additionally, examining such things as finger limes and pigs should also be considered
- The expansion of dairying, to meet demand for cheeses including goats, offers significant potential
- Industrial hemp offers real possibilities in the first instance as a rotational crop for green manuring and subsequently for food and fibre as markets develop
- There are opportunities to develop more effective agricultural education experiences for school students that facilitate their interest in pursuing a career in the sector
- The Mindaribba Local Aboriginal Land Council (MLALC) owns over 6,000 ha in the LGA which can be put to more effective use in the context of the organisation's values of social, emotional, cultural and economic wellbeing for its members
- The school network within the LGA is keen to partner with MLALC on agricultural initiatives that provide mechanisms for student education such as bee keeping
- Tourists and other visitors are seeking holistic 'paddock to plate' experiences in the Hunter Valley
- Quality of initiatives more important than quantity, driving sustainable and commercial outcomes
- Land size does constrain some initiatives in agriculture
- 'Farm Trails' and a local farmers market should be considered as mechanisms to grow recognition and volume of demand. Use of the RemPlan data can support the potential locations of these initiatives.
- Leveraging the main arterials across the LGA to present visual cues that promote the diversity of offerings in agriculture and food.

Notes

Notes

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