

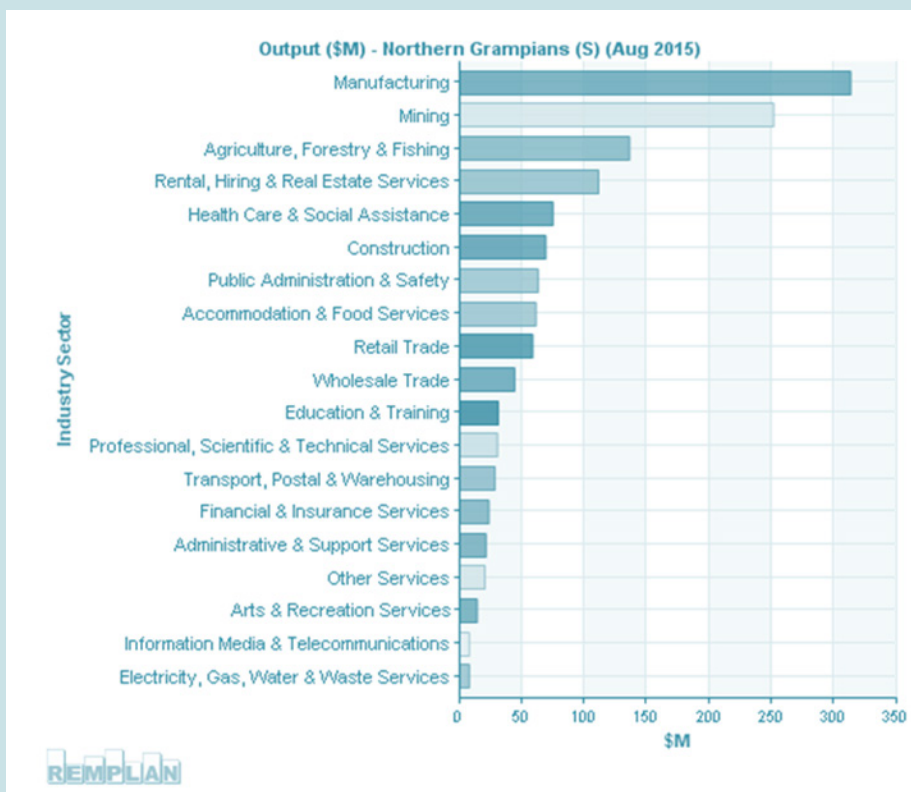
'Improving the social and economic viability of the shire'

The Northern Grampians Economic Report Card and Outlook aims to provide the community with a snapshot of economic health in the shire. It examines how our local economy is changing, the types of businesses we have, employment, revenue and wages and salaries. These figures help us to determine appropriate actions to improve the economic health of the shire by seeking new opportunities and expanding on existing ones.

Key result areas

Agriculture

Our vision: Attracting and encouraging new enterprise while supporting existing businesses through the implementation of targeted industry sector plans.



The agriculture sector in Northern Grampians Shire contributes over \$136 million to the local economy, making it the municipality's third largest sector in terms of output. It is also the second largest employment sector, providing 646 jobs (13.6%) in our local workforce. The agriculture sector includes units mainly engaged in growing crops, raising animals and harvesting animals from farms or their natural habitats.

Source: REMPLAN, November 2015

In the spotlight:

New standpipes and fire fighting tanks for Stawell, Great Western

New standpipes and fire fighting tanks will be installed in Stawell and Great Western to boost water availability for farming and fire fighting in western Victoria.

The State Government recently announced 14 standpipes will be installed to ease the burden on farming families forced to travel long distances to cart water to their properties for stock and domestic use. The standpipes will be installed in communities including Stawell, Great Western, Ararat, Edenhope, Aspley and Kaniva.

Nine fire fighting tanks will be also be installed near existing standpipes along the Wimmera Mallee Pipeline to provide a more reliable and higher pressure water supply for firefighters ahead of what is shaping up to be a long and difficult fire season.

The State Government is also supporting the Wimmera Development Association in the development of the Wimmera Weather business case to have a real-time radar in either the northern Wimmera or southern Mallee.

The Bureau of Meteorology has been actively supporting the Association and will provide support to the project which will support local farmers, water resource managers and emergency services.

"Providing more standpipes eases the travel and time burden for farmers and families already dealing with the impact of drought on their properties," Mr Andrews said.

"It's in times of drought that the importance of secure water supplies for people in our regional communities matters most. Farmers in the Wimmera and Mallee have raised rain radar blackspots as a key issue – we've listened and now we're addressing it."

Water Minister Lisa Neville said the dry conditions being experienced in western Victoria could take a heavy toll on farming families, who may be forced to spend thousands of

Case study:

Moulamein Grain Co-Operative Ltd

Following two public meetings conducted by the Moulamein Grain Co-Operative Ltd and many discussions over the last six months, a small group of local growers have pooled their resources and formed the Landsborough West Grain Co-Operative Ltd.

The group was formed recently following approval from Council to develop a new grain storage facility adjacent to an existing grain receival site. The Co-Operative will be working in partnership with Russell Blake from Blake's Bulk Haulage and is preparing to receive oats, wheat and barley in its first harvest from all growers.

The Co-operative is currently negotiating storage agreements with some of the nation's largest grain handlers who will be offering cash pricing options for growers at harvest. The facility will be ready to operate for the 2015 harvest and will be open to all growers for grain receivals.



dollars and hundreds of hours carting water to keep their properties operating.

Agriculture Minister Jaala Pulford said farmers needed the best real-time weather data to help them better prepare, and the Wimmera Weather business case would be a step towards that goal.

"We will work with the Bureau of Meteorology and the local community to ensure they have the best case to get this important asset," Ms Pulford said.



Analysis: 16-month rainfall deficiencies

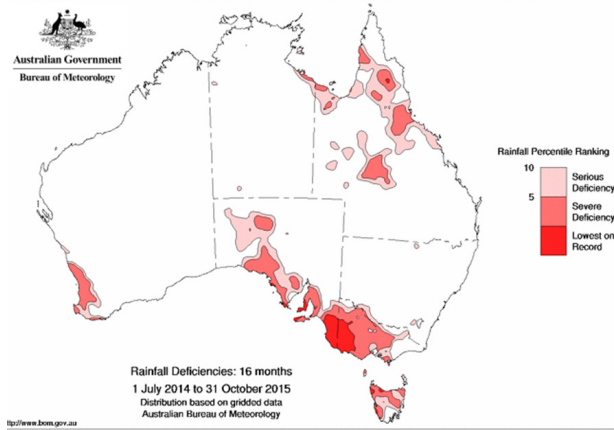
For the 16 months from July 2014 to October 2015, deficiencies have generally increased in extent or severity in all affected regions.

Severe or serious deficiencies (lowest 5% or lowest 10% of historical records) persist in an area extending from northwestern South Australia, along the coast of South Australia, and across most of Victoria except Gippsland and parts of the Alps.

Rainfall for the period remains the lowest-on-record for an area spanning southeastern South Australia and adjacent parts of western Victoria.

Much of southeastern Australia has seen below-average April–November rainfall during three of the last four years, with monthly rainfall also below average from August last year for much of this region.

Source: Commonwealth of Australia, Australian Bureau of Meteorology



Project update: Dry seasonal conditions

Wimmera Season Conditions Committee works to help minimise dry season impacts

With our agricultural community experiencing a second year of dry seasonal conditions, this year has been described one of the worst in our history.

Northern Grampians Shire has a very robust agricultural sector, with many businesses having diversified to minimise the impact of dry weather.

Council is continuing to work with surrounding councils, health and community organisations and government departments to help minimise the impact on one of our most important sectors as well as the flow-on effect into the retail sector, which has already been noticed.

Council is part of the Wimmera Season Condition Committee, and has been attending meetings to identify strategies to help the agricultural sector. One of these strategies has been to plan a mental health first aid course, where two people from each council area would be trained to help people deal with depression and anxiety brought on by financial and other stresses.

Six councils, health services, the Victorian Farmers Federation, Rural Financial Counselling and State and Federal Government departments make up the Seasonal Conditions Committee, which plans for and responds to community needs during adverse conditions.

Council has also been talking to primary producers in the north of the shire to understand their needs and how best to address them, and has begun organising meetings at fire sheds and recreational reserves that will help people with practical actions they can take to minimise the dry season's impact.

Farm Household Allowance

The Farm Household Allowance (FHA) provides eligible farmers and their partners who are experiencing financial hardship with assistance and support to improve their long-term financial situation. FHA replaced the Interim Farm Household Allowance on 1 July 2014.

The allowance is delivered by the Department of Human Services and is paid fortnightly at a rate equivalent to Newstart Allowance. A Health Care Card is provided to recipients, and support also provided through a case manager to help recipients assess their situation and develop a plan for the future.

Eligible farmers and their partners will be able to access up to three years of payment. This is designed to give farm families time to get back on their feet and the opportunity to take steps to improve their circumstances. For more information, phone the DHS on 132 316 or visit <http://www.humanservices.gov.au/customer/services/centrelink/farm-household-allowance>

Contact us:

Northern Grampians Shire Council
Economic Growth Unit
Phone: (03) 5358 8700
Email: business@ngshire.vic.gov.au



Statistic analysis:

Monthly rainfall

STAWELL AERODROME : Monthly Rainfall (millimetres)

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2004	17.2	1.8	20	14.8	13.4	73	54	48.6	43.6	11.8	60	24.4
2005	32.8	63.2	1.8	10	9.4	98.2	33.4	69	55.4	55	51.8	45.4
2006	33.2	19.4	5.8	37.2	25.8	19.8	29.4	28	43.2	4.2	9.4	7.6
2007	104.8	66.2	5.4	68.4	95.6	12	80.2	19.2	28.8	6.4	98.2	37.8
2008	33	7.6	45	11.2	64	41.6	81.6	46.8	19.8	7.2	25.4	68
2009	0	1.6	22	29.6	61.2	67.4	79.6	68.2	79.6	19.8	80.6	27.8
2010	18.6	41.2	41.8	53.4	25.6	42.4	56.8	122.2	66.6	81	79.4	82.6
2011	172.4	61.2	16.2	22.4	22	19.2	49.4	51.4	12.6	39.8	50.6	100.8
2012	18.6	24.6	43.8	15.6	23.8	50.6	53.4	61.2	31	15.2	10.4	18.2
2013	0	50.2	3.4	13.2	24.2	56.6	82.8	68.6	41.8	57	9.2	10.2
2014	19.4	4.8	4.8	48.6	31.2	66	12.8	14.2	14.2	5.2	29.2	16
2015	66.4	10.8	10.6	24.2	26.6	46.8	48.4	15.8	42.8	1.6		

ST ARNAUD: Monthly Rainfall (millimetres)

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2012	13.2	15.6	59.2	10.4	33	63.2	73.2	59.6	31.7	12.6	12.3	14.1
2013	1	14.6	3.4	9.2	28.7	69.6	63.6	54.9	42.1	42	14.2	12.2
2014	4.8	14	23.8	71.5	25.1	47.1	56.8	6.8	22	10.8	18.2	8.1
2015	57.3	14.4	10.2	19	29.5	29.8	38.6	22.9	29.3	3.2		

Update: Drought Concessional Loans

The Northern Grampians Shire Council is encouraging drought affected farmers to apply for the 2015/16 Drought Concessional Loans scheme.

The scheme is designed to help Victorian farmers who are currently experiencing a significant financial impact as a result of drought.

The loans can be used to restructure existing debt, fund operating expenses, or for drought preparedness and recovery activities

Applications are open now until June 2016. Loans are for a term of five years at a variable interest rate of 3.05%. The total pool available for Victorian farmers is \$30 million with a maximum loan amount of \$1 million, capped at 50% of total eligible farm debt.

The scheme is being delivered by Rural Finance in Victoria. More information and applications are available online at www.ruralfinance.com.au/grants

Industry focus: Grain growing

According to an IBISWorld report, fluctuations in global grain prices and global crop supplies over the past five years have added to the revenue volatility experienced. Industry revenue is forecast to expand by an annualised 0.9% over the five years through 2015-16, to reach \$12.8 billion. However, this figure is skewed by the surge in revenue in 2010-11. Average profitability has also fallen over the past five years, due to strong profit margins recorded in 2010-11. Revenue is forecast to fall by 1.7% in 2015-16 as a result of an anticipated reduction in the nation's grain crop.

Industry at a Glance

Grain Growing in 2015-16

Key Statistics Snapshot

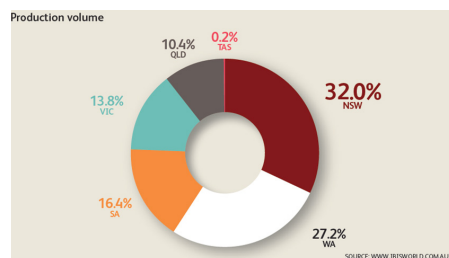
Revenue **\$12.8bn** Annual Growth 11-16 **0.9%** Annual Growth 16-21 **2.2%**

Profit **\$1.3bn** Exports **\$8.8bn** Businesses **11,922**



Key external drivers:

Level of annual rainfall - Trade-weighted index - World price of wheat - Demand from cereal grain wholesaling - Domestic price of fertiliser.



Source: IBISWorld Industry Report A0149, Grain Growing in Australia, September 2015.



Case study: Baiada

Tell us a bit about your business...

Baiada is a world class producer of day-old turkey poults that are sold throughout Australia. The business was first started in 1986 and now employs around 80 people at the seven locations within the St Arnaud region.

What is it about St Arnaud that makes it the right environment for your business?

The commitment of hard working staff and proximity to feed and transport infrastructure makes St Arnaud a great place to do business.

Local government and the Northern Grampians Shire are working with us to grow and support our company for the years ahead.

What are the future opportunities for your business in St Arnaud?

Baiada would like to continue to be the premier supplier of turkey poults throughout Australia. As consumers become more aware of the nutritional benefits of turkey consumption, we would endeavour to expand our operations and widen our production capacity within the region.

Anything else you'd like to add?

- We do not face the barriers to business expansion that are experienced in metropolitan areas or where a higher population base exists.
- A number of local young people are employed by the company and receive a tremendous grounding and introduction to their working lives.
- The Baiada business supports and is supported by a number of local businesses who assist us to meet our goals and objectives.