



Department of
Primary Industries and
Regional Development

Protect
Grow
Innovate

Primary Industries Plan 2021 Update



Western Australia's Strategic Context

The primary industries sector in Western Australia (WA) operates in a complex environment as outlined below, whilst being uniquely positioned to drive economic diversification in the State.

Exports from agriculture, forestry and fishing combined remain the second largest contributor to WA's economy, which otherwise continues to be dominated by mining exports.

WA is a small supplier to a very large and rapidly growing market

In 2019-20, WA exports were valued at \$8.3 billion, a decline of only 8.4% from the previous year, despite unfavourable seasonal conditions which reduced primary industry production by 18%, demonstrating WA remains a resilient global producer.

WA primary producers face increasing competition

Australia's yield continues to rise, but at a lower rate than our competitors – while grain producers like China and Russia have substantially increased their wheat yields between 2015 and 2019, WA products remain of a higher quality, which is valued globally.

Consumer expectations of product, production systems and nutritional values grow

Producers in WA are continuing to improve the quality of their products. More than 80% of the value of fisheries commodities are Marine Stewardship Council certified. Meanwhile, management practices continue to improve, with on-farm mortality rates of livestock continuing to decline.

Product and market concentration of WA primary industries is significant

Whilst our primary industries remain concentrated around cereals, WA is becoming increasingly successful at diversifying across markets to capture new export opportunities. This is demonstrated by the non-broadacre Gross Value of Agricultural Production (GVAP), which has increased as a percentage of total GVAP in recent years.

Climate change will continue to drive change in primary production conditions in WA

Climate change will continue to create challenges for primary industries, however, farmers have continued to increase their grain yields despite lower rainfall in the State's south west. We will continue to support projects to help farmers develop resilience to changes in climate and the consequential changes in market expectations.

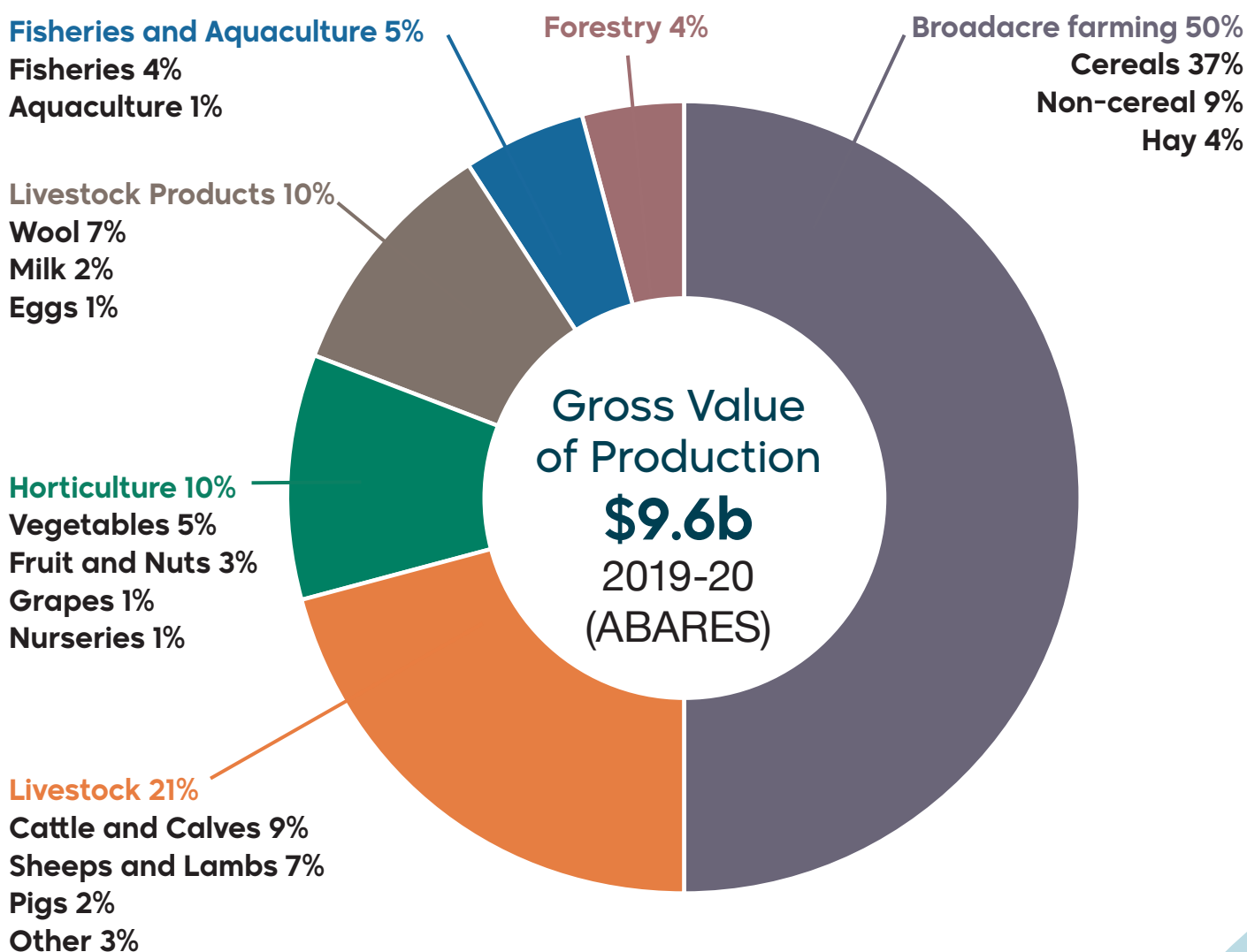
Ownership and management of agribusinesses in WA will continue to evolve

The total number of farms continues to decline and has decreased from around 6,200 to 5,800 from 2015 to 2019. Since early 2020, COVID-19 conditions and restrictions have affected access to workers from overseas and interstate.

WA food manufacturing costs remain a challenge

There has been an upward trend in employment in the food and beverage sector, which reflects WA's commitment to diversify and promote downstream processing. Our export of processed goods remains at 24% of total agrifood exports, which is lower than all other major Australian export states.

Gross Value of Agricultural Production Western Australia



A significant uplift in the Gross Value of Agriculture Production for 2021 is forecast, due to a record grain harvest combined with record commodity prices.

Year on year change

		2018-19	2019-20	2020-21
Gross Value of Agricultural Production (GVAP)^	Total	\$11,77m	\$9,608m	-
Export by value-add*	Raw	\$6,571m	\$5,979m	-
	Processed	\$2,532m	\$2,360m	-
	Total	\$9,103m	\$8,339m	-
Primary industries imports*	Raw goods**	\$68m	\$74m	-
	Processed	\$1,000m	\$1,088m	\$1,123m
	Total	\$1,069m	\$1,162m	\$1,199m

^ Source: Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES)

* Source: Based on Australian Bureau of Statistics (ABS) data, 2020-21 figures not yet available.

** Fruit and vegetables.

		2018-19	2019-20	2020-21
Employment (Labour force)	Agriculture	32,312	27,910	28,209
	Fisheries and aquaculture	2,071	1,624	1,414
	Forestry	933	1,069	829
	Agriculture, fisheries and forestry support services	3,980	4,299	2,835
	Agriculture, fisheries and forestry total	39,296	34,902	33,286
	Food and beverage	16,869	19,258	19,740
	Total	56,165	54,159	53,026

Source: ABS




Commitments and actions

We're working together with industry to deliver the Primary Industries Plan, launched in November 2020. Below is a summary of our achievements during the past financial year for each strategic theme.

1. Protect and enhance the condition of our natural resources

	Strategic initiatives	Achievements
	Ensure agricultural and pastoral regions are managed to improve the land and soil condition of terrestrial resources.	Appointed a new Soil and Land Conservation Commissioner to support the management of soil and land conditions in WA. With the Soil and Land Conservation Council, drafted a State Soil Health Strategy.
	Ensure aquatic resources are managed sustainably.	With our stakeholders, continued to achieve outstanding sustainability results with 98% of fish stocks not at risk from fishing in 2019-20.
	To provide leadership in response to climate change.	Established the Climate Resilience Fund with a focus on harnessing carbon based opportunities and the development of industry sector emissions reduction strategies.
	Unlock carbon farming in the Southwest Land Division and develop land-based carbon capture.	Launched a \$15 million Carbon Farming and Land Restoration Program.

2. Build trust in Western Australia's primary production

	Strategic initiatives	Achievements
	Prevent the establishment of significant pests.	Conducted a major Qfly response following an outbreak in the metro area in early 2020, leading to WA being declared free of the pest in May 2021.
	Maintain and improve surveillance and diagnostic capability.	Conducted 184,233 tests on 99,584 animal, plant, and insect samples to ensure early diagnosis of notifiable diseases and verification for market access protocols.
	Develop animal welfare systems that meet community expectations.	Supported a review of the <i>Animal Welfare Act 2002</i> , resulting in proposed changes to animal welfare laws, including clarifying standards of care, strengthening compliance, and developing new policies.
	Continue the maintenance of fisheries with certification under the Marine Stewardship Council.	Supported the State's fisheries to ensure more than 80% of the value of the State's fisheries products are certified to the MSC standard

3. Maintain and build competitiveness



Strategic initiatives

Drive innovation in targeted research and development areas.

Achievements

Delivered soil constraints research, resulting in improved yields with a potential return in excess of \$1 billion per annum for grain growers.

Partnered with committees of the Agriculture Produce Commission to initiate the Building Horticulture Business Capacity Program.

Delivered economic and agronomic research with Meat and Livestock Australia (MLA) to integrate irrigated forage (mosaic agriculture) into rangeland cattle production systems in the Pilbara and Kimberley, with benefits including on-station hay production, drought mitigation and improved animal welfare.

Ensure primary industries have access to new technologies.

Initiated field trials across the Grainbelt to deliver five new grains research initiatives to boost industry productivity and profitability.

Improve on-farm digital connectivity.

Launched three rounds of the Digital Farm Grants Program, delivering enterprise-grade broadband to agri-businesses, and increasing regional broadband connectivity across 55% of the Grainbelt.



4. Differentiate, value-add, and diversify primary industries



Strategic initiatives	Achievements
Support projects of strategic importance.	Working with growers to establish a cotton industry in the Ord River Irrigation Area, with research activities, cotton gin infrastructure support and land and water development support.
Support enterprises with high growth potential.	Collaborated with the Cooperative Research Centre for Developing Northern Australia to develop the tropical rock oyster industry in WA.
Drive the State's aquaculture industry.	Released the Aquaculture Development Plan in November 2020.
Support projects with substantial opportunity for investment and jobs growth.	Implemented the Agrifood and Beverage Voucher program - 74 local businesses shared in the \$500,000 program, which assisted small to medium enterprises engage consultants or technical experts.
Support Aboriginal communities.	Coordinated an Aboriginal Pastoral Academy pilot program to help give young Aboriginal people a start in the pastoral industry.
Grow the forest and agri-forestry sector and diversify WA forestry products and markets.	The Forest Products Commission begun a \$350 million softwood plantation expansion and is engaging in a \$50 million Just Transition Plan to maintain the timber supply for construction and other uses while expanding forestry employment by 60 jobs and protecting 860 jobs likely to be affected by the end of native forest logging.

5. Secure and grow markets



Strategic initiatives	Achievements
Provide clear market opportunities for new products.	Commenced delivery of the Wine Growth Partnerships targeting new markets for premium West Australian wine.
Ensure long term commitment for Industry Growth Partnerships.	Secured commitment to an Oats Growth Partnership with a State Government contribution of \$10.1 million to help farmers diversify and support downstream processing and access to domestic and international markets.
Maintain markets in the current COVID-19 environment.	Supported industry to maintain access to markets affected through COVID-19 and delivered immediate assistance for 500 tonnes of air freight in April 2020 and since then collaborated with the Commonwealth to support airfreight for over 30,000 tonnes of high value agrifood exports.
Strengthen relationships in key existing and key markets.	Launched the Export Pathways Program to equip WA agribusinesses with the skills and knowledge to export with confidence.

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