With ideal growing conditions, affordable land, relative freedom from disease and pests, abundant water resources and strong research and development capability, it is no wonder that Tasmania has a world-class agricultural reputation.

Tasmania’s agriculture sector is highly diversified with production including:

- **Dairy**
- Potatoes, carrots, onions, brassicas and other vegetable varieties
- Other livestock production including beef, lamb, pork, poultry, and wool
- Horticulture production of fruit (including berries, cherries, apples and pears), nuts and vegetables
- Viticulture
- Field crops including wheat, barley, seeds, poppies, hemp, pyrethrum and hops
- Niche production such as honey, truffles, herbs, cut flowers, bulbs and essential oils.

Tasmania also has a globally competitive food processing sector. This includes dairy products, meat, seafood (Atlantic salmon and ocean trout predominantly, but also abalone, mussels, oysters and scallops), potatoes and other vegetables, confectionery, beer and wine. There are many small producers of award winning boutique beverages, such as whisky, gin, vodka and non-alcoholic varieties, as well as preserves, olives and olive oils, small goods and baked goods.

Much of Tasmania’s food production is marketed as fresh, premium products. It is estimated that the total food and agriculture sector contributes approximately 8.8 per cent towards Tasmania’s Gross State Product. About 73 per cent of Tasmania’s food and beverages are sold overseas or to other Australian states.

The state is well connected to markets via sea and air freight and it has the capacity to supply fresh product into the northern hemisphere in its off-season.

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1. Agri-scorecard 2016-17
Why choose Tasmania?

Climate advantage

Tasmania has a temperate maritime climate, cooled by prevailing westerlies off the Southern Ocean, providing regular rainfall and conditions that are generally free from extremes in temperature. There is also a lower risk of extreme weather events such as heat waves and hail storms that affect other key agricultural regions.

Tasmania’s climate is not predicted to change as rapidly as other Australian regions and therefore climate change is not likely to impact significantly on the state’s suitability for agricultural investment².

Source: vW Maps c 2009 Martin von Wyss, vW Maps Pty Ltd.

Brand advantage
Consumers, especially those buying higher-value products, are increasingly concerned with quality, provenance, environmental sustainability and ethical production practices. Tasmania is well regarded for its ability to provide high-quality products that meet all of these consumer requirements.

Accessibility
In most instances, Tasmanian agricultural producers are located less than 100 kilometres from farm or factory to port, providing fast access to distribution channels.

There are frequent freight shipping services from Tasmania’s major ports. The Tasmanian Freight Equalisation Scheme provides financial assistance to shippers of eligible freight destined for Australian markets.

Airports in Hobart, Launceston, Devonport and Burnie provide quick and easy access to mainland Australia. Air freighted produce can arrive at overseas markets within 48 hours of dispatch.

Disease freedom
As an island, Tasmania has a clear biosecurity advantage. Tasmania’s rigorous biosecurity standards are at the very core of the Tasmanian brand, as its natural environmental values and quality produce rely upon the state’s relative freedom from pests, diseases and weeds.

Tasmania’s relative pest-free status offers additional opportunities to access a variety of international markets that are closed to other regions.

Research and development
Tasmania has invested heavily in research and development programs (R&D) designed to address agricultural productivity, safe food production and social and natural resource management issues. Examples of Tasmanian R&D capacity include:

» the Tasmanian Institute of Agriculture (TIA), which focuses on research, development and extension in the vegetable, fruit and allied industries

» the Dairy Centre partnership between the State Government and TIA which provides research services and support to the dairy industry

» the Centre for Food Innovation (CFI) collaborating with the Defence Science and Technology Organisation (DSTO) and the Commonwealth Scientific and Industrial Research Organisation (CSIRO) link Tasmania to national food research networks and undertake joint research projects

» a cluster of research entities that support the development and profitability of the aquaculture industry. These include the CSIRO’s Marine and Atmospheric Research (CMAR) Division, the Institute for Marine and Antarctic Studies (IMAS), the Department of Primary Industries, Parks, Water and Environment’s Animal Health Laboratories and the National Centre for Marine Conservation and Resource Sustainability.

Stable, flexible and innovative workforce
The total cost of employing workers in Tasmania is less than any other Australian state or territory. Tasmania offers a workforce that is stable with an excellent industrial relations record and a culture of innovation and flexibility.

Local training providers work with industry to ensure that industry training needs are met. Their accredited training programs ensure that transferable skills are developed within the state. In addition there are programs delivering non-accredited training.
Sensing Tasmania (Sense-T)

Sense-T was a first mover in the internet of things and big data in Tasmania. It is using data, sensing technologies and data analytics to help see alignments and opportunities, to improve decision making and create real impact.

Sense-T is helping farmers improve yields, helping the wine industry better understand disease, transforming Tasmanian food value chains and helping the salmon industry improve environmental practices. It is also tracking tourist's movements that provide industry insights and enhance visitor experience.

Based at the University of Tasmania, Sense-T is a partnership between the University, CSIRO and the Tasmanian Government, and is also funded by the Australian Government.

Strong trade

The food and agriculture sector produces a surplus worth in excess of $3 billion in interstate and overseas sales. Tasmania exports food products to over 80 countries.

Sustainable water supply

The key to a sustainable food and agriculture industry is the availability of reliable water supply at key phases in the growing season.

Tasmania's most significant natural resource advantage is water. Tasmania represents one per cent of Australia's land mass, yet has 27 per cent of Australia's freshwater dam storage capacity.

Tasmania does not have the water supply issues experienced in other parts of Australia and much of the world.

The Tasmanian and Australian Governments are continuing to develop large scale irrigation projects to deliver water with a reliability of at least 95 per cent to Tasmanian farms which will have capacity to double the amount of irrigable land available for production purposes.

More information is available at: www.tasmanianirrigation.com.au

Sub sector strengths

Aquaculture

The marine farming of salmonids (Atlantic salmon and ocean trout) commenced in Tasmania in the mid-1980s and has since expanded to become a major industry.

The Tasmanian salmonid industry's competitive advantage derives from production efficiencies and proximity to its key domestic markets.

The industry also benefits from pristine water with temperatures that are perfect for growing top quality salmon, free from major salmon diseases.

Dairy

Tasmania’s fertile soils and reliable rainfall support low-cost, pasture-based milk production and the processing of a range of dairy products for domestic and international markets.

Tasmania’s dairy farmers are highly efficient with some of the country’s largest dairy herds on average. The state’s milk production costs are consistently lower than most other Australian dairy regions, resulting in higher returns on capital invested and helping to drive the industry’s growth for the past two decades3.

Future opportunities may arise from Tasmania’s comparative water advantage supplemented by planned irrigation investments.

Tasmania is also likely to be well positioned as climate change impacts begins to drive Australian milk production to cooler, wetter parts of the country.

Fruit

Fruit, including apples and pears, stone fruit and berries, is grown and packaged primarily for high-value fresh fruit markets domestically and internationally.

Tasmania is an ideal location for high quality cherry production. Significant plantings have seen the production of cherries of exceptional quality, grown mostly for the export market. Tasmania is also considered to be one of the best locations in the world for berry production. Its berry sector is growing strongly and has received significant investment since around 2009.

Tasmania’s climate provides the essential winter chill followed by a long mild growing season to support fruit development and enhanced flavour. Tasmanian stone fruit and berries have a clear, late season production advantage both within Australia and overseas. This provides a defined market advantage since there are few competing production regions in the southern hemisphere. The timing of Tasmanian production also provides counter-seasonal supply opportunities to the northern hemisphere.

Red meat

Tasmania’s sustainable pasture-based production system, moratorium on genetically modified organisms and ban on hormone growth promotant, all underpin a high quality, differentiated product that has the potential to gain greater recognition and a premium price in high-value markets.

Tasmanian export focused processors have a strong focus on quality controls, branding and quality assurance systems, which provides investors in Tasmania’s red meat sector with the opportunity to achieve premium prices and gain some protection from commodity market volatility.

Vegetables

The combination of cool temperatures, good soils and rainfall, and skilled and efficient producers allows Tasmania to produce high-quality vegetables.

Production is centred in the north and north west of Tasmania, with some activity also in the Midlands and the Coal River Valley. Major vegetables produced in Tasmania are potatoes, onions, carrots and peas.

Opportunities in this sector exist due to:

» Tasmania’s excellent growing conditions, together with longer ripening periods. While other areas in Australia can struggle with vegetable quality and shelf life in summer months, Tasmania continues to produce high-quality products. Opportunities exist to increase supply of fresh vegetables into domestic markets during warmer months

» the potential to replace fresh product supplied into Tasmania from interstate by local production

» growing demand for high-quality vegetable products in Asian markets

» Tasmania being independently assessed as an extremely competitive location for greenhouse vegetable production

» profitable cash crops such as poppies and pyrethrum being available to Tasmanian growers. These crops are not available to farmers in many other regions and supply valuable cash injections into Tasmanian farms

» Tasmania being well placed to take advantage of shifting consumer preference for minimally processed, safe vegetables packaged for convenience including ready-to-serve solutions.
Wine

The Tasmanian wine industry is a relatively small but high-value and prominent industry. It produces cool-climate wines of high quality and value with a focus on the premium end of the market.

The main grape varieties grown in Tasmania are Pinot Noir and Chardonnay. The state also grows Riesling, Cabernet Sauvignon, Sauvignon Blanc and Pinot Gris varieties.

Though a small producer, the state has emerged as one of the strongest wine regions in the country. In fact, as demand for cool-climate wines has been increasing, particularly Pinot Noir, there is potential to significantly grow the industry over time. Opportunities exist in the sector due to:

- 25 per cent growth in vineyard plantings over the past two to three years has created further wine processing and wine tourism development opportunities
- Tasmania’s climate is perfect for the production of intensely aromatic and flavoured premium cool-climate wines
- Tasmanian grapes consistently generate a higher average price per tonne compared to that of other Australian wine producing areas
- Tasmania’s climate is not predicted to change as rapidly as other Australian regions and the forecast temperature changes are not likely to impact significantly on the state’s suitability for grape growing.

Explore the opportunities

The Office of the Coordinator-General is Tasmania’s principal entity to attract and support investment in the state. It provides free confidential services and professional advice to investors, including:

- providing information on Tasmania’s industry capabilities and strengths, specific business opportunities, investment regulations and government assistance
- assisting to identify and select the best Tasmanian site for a business
- facilitating visits to Tasmania and arranging appropriate meetings and introductions
- providing introductions to local industry, government departments and potential joint-venture partners
- assisting access to export markets.
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