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## FERTILE SOIL IS THE NEW BLACK GOLD AS WA FARMERS CASH IN ON ASIAN APPETITES FOR SUSTAINABLE FOOD

THE fat of the land is cutting WA's reliance on the mining boom, with farmers entering a new golden age in agriculture.

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Production is being ramped up from the Kimberley to the Wheatbelt and the South-West as the need to feed two **billion** soon-to-be middle-class **Chinese** citizens drives a boom in wheat and grain, beef and livestock, **dairy**, seafood, fruit and vegetable production.

In an interview with The Sunday Times, Agriculture Minister Ken Baston said it was more than a boom because "a boom is followed by a bust".

"We're only scratching the surface. **China** and our markets in Indonesia, Vietnam and the Middle East are accelerating very quickly. The numbers are astronomical," Mr Baston said.

"The amount of sheep eaten in **China** is 2.8kg per person per year. If we pushed that up to 10kg, we'd be looking for 60 **million** lambs." Land use maps show almost two-thirds of the state is now being used for pastoral farming, cropping, intensive livestock grazing, **dairy**, horticulture or viticulture. Only the arid interior of the state is unused.

And WA's farming bonanza is about to spread from dry land to aquaculture as well.

Giant "industrial estates" off the coast of WA are being set aside for big-scale aquaculture.

It means businesses can bypass many of the costly and lengthy environmental approvals to launch a **commercial** fish farming or aquaculture project because the Fisheries Department will already have them in place.

An aquaculture industrial zone in the Kimberley is close to being approved and a second one at the Abrolhos Islands off Geraldton is in the planning stages with approval likely for 2016.

Latest Department of Agriculture figures shows exports to Iran jumped 500 per cent in a year and exports to Iraq (276 per cent), Philippines (254 per cent), Vietnam (158 per cent) and Pakistan (131 per cent) also soared.

Mutton exports jumped more than 60 per cent in a year, animal product exports leapt 50 per cent and wheat jumped 46 per cent. Cattle exports to **China** are up 400 per cent in one year.

Four-fifths of the food grown in WA is feeding overseas markets in a \$5.5 **billion** annual windfall for the state and West Australians.

WA Farmers president Dale **Park** said the export figures were nothing compared to the expected boom years ahead.

While it was only 5 per cent of WA export earnings and was dwarfed by minerals and energy exports, he said the "gap is closing".

"It's started. It's for real. Keep watching this space," Mr **Park** said. "**China** can't be over-estimated. The market is just huge and the potential growth is even bigger.

"We're going to have two **billion** extra people in the middle class in **China** and ... Asia. All our production is a drop in the ocean for **China** but what we have is incredibly good, clean, green credentials." **Billionaire** Andrew Forrest recently spent more than \$35 **million** to **buy** Harvey Beef and to triple the size of his Pilbara cattle grazing land to tap into the industry's "holy grail" – selling processed beef and live cattle to **China**.

Australia's richest woman, Gina Rinehart, has also moved into beef production for the **Chinese** market after buying into two West Kimberley cattle stations. **Dairy firm** Mundella was **sold** to a **company** backed by **China**'s Bright Foods, while WA's biggest red meat producer, V&V Walsh, this month signed a deal worth \$1 **billion** over five years to sell meat to a big **Chinese** supplier.

A bumper grain crop last year is expected to be followed by another in 2014, with the latest monthly crop snapshot by the Grains Industry Association of WA reporting "above average yield potential". The total area of grain now covers 7.3 **million** hectares in WA.

**Dairy** farmers are being promised unprecedented bonuses to boost **milk** production by tens of **millions** of litres in a industry-changing deal offered by global **dairy** giant Parmalat this month, which bought Harvey Fresh to launch an offensive on markets in **China** and South-East Asia. Live cattle exports to Iran have also resumed after a 25-year hiatus.

Chamber of Commerce and Industry WA president Deidre Willmott said an end to the construction phase of WA's mining boom was freeing up workers for the boom in agribusiness, which was "big already but going to be a lot bigger in this state".

Carrot grower Francis Tedesco said he couldn't keep up with demand. Mr Tedesco's family **business**, Sun City Farm, exports an average of 120 tonnes of carrots a day to **China**, South-East Asia and the Middle East.

"We could grow a lot more and still not meet the demand," Mr Tedesco said. "Our biggest problem is trying to find more available land and water. "Everybody has to eat and some of these overseas markets are very, very big and they've realised WA has some very good produce that can fill that niche at the premium end of the market."The Conservation Council WA cautioned farming growth would come at a cost to the environment, but Mr Baston said the industry was sustainable and would maintain world-leading environment standards.

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