

Geoff Brock MP

Minister for Regional Development

Tuesday, January 22, 2018

Mid North feedlot expansion to create jobs and drive exports

The expansion of a Mid North feedlot will create new jobs and boost production of top quality South Australian beef for export to markets in Australia and Europe – a project being backed by a State Government grant.

A \$250,000 contribution from the Regional Development Fund to the Princess Royal feedlot near Burra will create up to 31 construction jobs and five new full-time equivalent positions.

The \$5.2 million stage one expansion will see the current beef cattle feedlot at Princess Royal's Mackerode Station almost double over the next two to three years from 6090 head of cattle to around 12,000.

The local agricultural industry is also expected to benefit by supplying the expanded feedlot's grain and fodder requirements.

This expansion will allow Princess Royal Station to capitalise on strong national and international demand for its beef with a focus on the lucrative European Union Grain Fed High-Quality Beef market.

The State Government grant will assist with Phase One of the expansion, specifically road construction, bulk earthworks, construction of an effluent pond and solid storage facilities, steel work and trough and solar installation.

Background

Princess Royal Station's operations include trading cattle and sheep, broad-acre cropping, cattle commission services, freight, live exports and a wine label called Burra Creek Wines.

The company owns and operates more than 25,000 hectares of cropping and grazing land in the Mid North region. Director Simon Rowe has more than 40 years' worth of beef industry experience, including in the feedlot industry.

The existing feedlot is operated at a Class One standard, which is the highest level of construction and operation for beef cattle feedlots in South Australia, according to the Environmental Protection Authority.

The RDF has been independently assessed by Ernst and Young. This assessment showed that projects supported by the RDF in the 2016/17 financial year alone would make an economic contribution to the state of over \$1 billion and create over 3000 regional jobs.

Quotes attributable to Regional Development Minister Geoff Brock

This grant from the Regional Development Fund recognises just how important the beef industry is to the state.

Princess Royal Feedlot will become one of the largest in South Australia with significant export partnerships, and is a major employer in the Mid North. The red meat and livestock industry is the single largest sector in South Australia, generating \$3.1 billion in 2016-17 of which \$1.3 billion came from the beef industry.

The company provides indirect employment to abattoirs and directly employs more than 50 people.

Princess Royal Feedlot has an outstanding reputation within the beef cattle industry for consistently producing high quality, European Union Certified beef which is contributing to our state's reputation for premium beef.

Quotes attributable to Princess Royal Station director and manager Simon Rowe:

The RDF grant will help to set the foundation for the entire project going forward.

We are a growing business which prefers local businesses and suppliers and naturally, we proudly employ a large local workforce.

As one of only two enterprises to hold European Accreditation in South Australia, Princess Royal is very important to the South Australian export market which increases the access to the market.

It is a highly valued and difficult accreditation to achieve and important to South Australia in continuing to grow its export markets.

The expansion will include an annual purchase of \$1.6 million worth of additional fodder, which will be injected straight into the local economy.

It's exciting to see our growth is supported and we look forward to continuing to work closely with the local community.