Murray Future Food Facility

Shire of Murray

Request and Outcome

A $5.60 million Australian Government capital grant toward the $8.11 million facility.

Adding the manufacturing space that businesses graduating through FIPWA now require, and which the market has been tested and will not supply. The Shire funds the balance from funds it already holds.

National Significance

Builds sovereign food-manufacturing capability

Turning Western Australia’s agricultural strength into manufactured food, new products and exports.

Invests where it is nationally efficient

the Regional Australia Institute (2026) shows that regional Australia delivers higher output per hour worked than the metropolitan average, and features FIPWA as a national case study.

Advances value-adding in agriculture

Retaining growth-stage food businesses, their intellectual property, jobs and export potential in Australia rather than losing them offshore or interstate.

Leverages and builds on — not duplicates — prior public investment

$33.75 million already committed to FIPWA and the SIFT Centre, whose full return depends on this final stage.

What FIPWA has already delivered

- Opened in 2023; a **national award-winning** economic-development project.
- **Jobs on the ground within three years**. Businesses established at the precinct since 2023 account for over 33 direct jobs at Nambeelup. These are professional, technical and manufacturing roles in a region whose employment base has long depended on construction and resources.
- **A working commercialisation pathway** — research, pilot-scale production and common-use food technology — used by a growing cohort of WA food and beverage businesses.
  - A manufacturer scaling inside the precinct — and already constrained by it. Spinifex Brewing lifted production from 150,000 to more than 440,000 litres in twelve months, a 193% increase, and reports that its constraint is now capacity rather than demand.
- **Delivering a return on public investment**. $33.75 million of Commonwealth and State capital funding has established a precinct that is operating at optimal occupancy levels, generating commercial revenue, and demonstrably crowding in private capital in the wider Peel Business Park e.g. ARYZTA's $66 million bakery being the clearest example.
- **Active partnerships**: the WA Government (SIFT head-lease), CSIRO (India–Australia RISE accelerator; Thailand–Australia venture exchange in development), and precinct businesses generating commercial demand.

Why now — the gap and the demand

- FIPWA has no manufacturing space; some of the businesses it has matured have outgrown it and have nowhere in the region to go.
- Demand is documented, not speculative: tenants and collaborators are at capacity (e.g. DripAI, Eden Towers and Spinifex), a pipeline through SIFT and industry programs, and a regional industrial vacancy rate near 0.6% with no suitable product available.
- The 2024 market test by the Shire sought investors. The exercise confirmed no private developer will build it: the facility's subsidised rents for the agrifood sector and business-graduation model produce a ~5.5% return — below commercial hurdle rates. This is the gap public capital needs to fill.

A sound public investment

- ✓ The facility build alone contributes $12.6 million in output and 20 job-years to the regional economy (REMPLAN modelling).
- ✓ Tenant investment adds to this. Two businesses that have expressed interest will deliver an annual regional output of $8.55 million.
- ✓ Operations are now being modelled tenant by tenant. DripAI alone will support 13 ongoing jobs and generate $6.73 million a year in regional output and $2.61 million in value-added once operating; the full-facility contribution builds as further tenant commitments are confirmed.
- ✓ No ongoing subsidy — the facility is self-sustaining from its first full operating year in every scenario tested.