



fermenttasmania

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**Submission from Fermentation Tasmania Ltd to
The House of Representatives Standing Committee on Industry, Science and
Resources inquiry into Food and Beverage Manufacturing.**

Fermentation Tasmania believes in a future food industry that is both local and world class. By building a centre of excellence in fermentation locally in Tasmania, industry leaders, scientists, researchers, students, teachers, entrepreneurs, and innovators will have a place to realise the potential of cutting-edge technologies, value add to premium agricultural products, learn skills, and pass on knowledge.

Fermentation Tasmania Ltd. (FermenTas) is a not-for-profit company limited by guarantee established in 2016 and driven by a Board of highly respected industry members. It was formed to create a step change in the agri-food and beverage sector to help at least double the return of the agribusiness sector, create opportunities for regional Tasmania and Australia over the next decades and create an ongoing centre for job and sustainable business creation.

Place based and globally significant, FermenTas is a unique blend of the alchemy that is fermentation and is a significant factor in the designation of Launceston as a UNESCO Creative City of Gastronomy. Going forward, FermenTas will provide the expertise around fermented products to the other Cities of Gastronomy globally.

FermenTas is committed to driving job creation; fostering an entrepreneurial culture; and building the physical incubation space in the Tamar Valley. The Fermentation Hub will house specialist fermentation equipment, research laboratories and teaching platforms where new technologies and emerging industries from small artisan premium and Indigenous products to cutting edge novel proteins and precision fermentation will thrive.

Extensive scoping work around industry requirements highlighted that currently there are 350 jobs that needed filling by trained staff in fermented food and beverage businesses across Tasmanian alone and there will be 650 created in the next 5 years. Collaboration with the University of Tasmania and other education institutions is building the skills foundation for a thriving and innovative fermentation culture.

FermenTas is designed around a Cluster economic development model and driven by industry representing over 600 businesses involved in fermented food and beverage production. Apart from the business sector, partnerships with research and training



institutions from Launceston to London are in place to drive fermentation expertise and skills. Ongoing operational support to continue this effort is critical.

Cluster initiatives have been shown to promote collaboration between public, private and academic sectors, and stimulate a broad range of activities from marketing local regions, to supply chain development, and incubator services to setting technical standards. There are already five main food clusters established in Australia including FermentTas, FAN in Queensland, Food and Fibre Gippsland in Victoria, Central Coast Alliance in New South Wales and Nyoongar Land Enterprises who are already collaborating under the Australian Food Cluster Alliance.

Ongoing government support at federal and state levels is essential to growing this budding ecosystem as it strives to realise the economic potential of local resources.

Innovation and Value-adding

Tasmania and Australia are very good at growing some of the best primary produce on the planet, but we are not as good at value-adding to capture more value in the State and the Country and create jobs and businesses here, before the products head offshore. The Fermentation Hub is the catalyst that will provide the step change needed for the agrifood and beverage industry in Tasmania and across Australia by lowering the cost and risk of starting a new food or beverage business.

FermentTas provides a shopfront for fermentation businesses which, particularly during Covid, required a new way of doing business. With local support, a trade platform network was set up to keep retail channels open and productive.

The Hub itself will be built around a circular economy model wherever possible to provide a showcase on how others can as well. All of the equipment will be powered by electricity. One research project facilitated by FermentTas is already examining how farm fruit waste can be diverted from waste streams and valorized into high value nutraceuticals.

FermentTas recognises the biggest hurdle to setting up or scaling up businesses in the fermentation and wider agrifood and beverage sector is the capital cost of the physical facility and importantly, the highly specialised equipment needed to produce fermented products.

Situated in Tasmania's Tamar Valley at Legana, The Fermentation Hub will provide the production space and the equipment for those wanting to create a new product that generates new businesses or helps to scale up or diversify production for an existing business. This physical space is facilitating a step change for industry as the incubator for new product development, skills and training, commercially focused research and agritourism experiences. Experts will be able to guide people and businesses from concept to market testing to commercial production levels before the business is fledged from the facility to set up their ongoing commercial production facility back on-farm, in the food tech subdivision the West Tamar Council is developing around the Fermentation Hub at Legana or elsewhere.

FermentTas, through an Expression of Interest process, has had over 50 submissions, hearing from large international companies to small artisan manufactures, based across Australia and overseas about what is required to make a fermentation sector



thrive. With the build underway, FermenTas is currently compiling a list of for the acquisition of the specialist equipment recommended during these consultations.

In summary, the Fermentation Hub is an 1800 m² facility with multiple factories housed inside to make: traditional fermented alcoholic beverage products such as wine, beer, cider and distilled spirits; dairy processing to make cheeses, yoghurt, and kefir; vegetable processing areas for products like kimchi, sauerkraut, miso, kombucha, vinegar, pickles; and fermented bakery products such as sourdough. Further, research laboratories, a sensory lab, teaching and training space is where Tasmania and Australia can realise the potential of traditional and novel foods and beverages and grow the skills of a future workforce.

As an economic development driver, creating legacy industries and jobs is at the core of FermenTas. The Fermentation Hub is a major contributor to the realisation of an entrepreneurial ecosystem for regions around Australia with a focus on value adding to primary produce at its epicenter.

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