CORRECTED TRANSCRIPT

RURAL AND REGIONAL SERVICES AND DEVELOPMENT COMMITTEE

Inquiry into cause of fatality and injury on Victorian farms

Wangaratta – 15 April 2004

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Witness
Mr B. Gardener, counsellor, Murray Valley Rural Counselling Group (sworn).
The CHAIR — Would you for the transcript give us your full name and address, and if you are representing an origination today, the name of that organisation.

Mr GARDENER — Brian James Gardener. I live at RMB 2245, Centre Road, Numurkah. I am employed by the Murray Valley Rural Counselling Group.

The CHAIR — Would you make some brief comments and then we will have some questions for you afterwards?

Mr GARDENER — I would like to brief you on what is happening in the area where I am because it creates a picture why the things I want to talk about are happening. I work in the Murray irrigation area, predominantly in the Moira shire at the moment. Where I work farmers are still very much in a drought management situation and not, as some would have it, in drought recovery. In addition to the worst drought in 100 years, probably 101 years now, we have just experienced the lowest water allocation on record, and the first three months of this year have been the lowest recorded rainfall for the first quarter of any year since records began, which is a pretty unfortunate trilogy. The inevitable result of this has been major losses on most dairy farm in 2002–03, reckoned to be in the order of $500 to $1000 per cow, which is a significant turnaround in income, and there has been a severe erosion of equity due to the sale of assets and further borrowings. Much of that is short term money, such as overdraft, credit cards, and I have even seen some using Buyers Edge, which is very high interest money.

All farmers are telling us that this year is much tougher than last year as they struggle to maintain or rebuild their businesses and service increased borrowings from a reduced cash flow. The options taken last year are no longer available to them and they are unable to access any help via exceptional circumstance payments. The farmers in my area were also unable to access the $20 000 state grants that were available to people on the Goulburn-Eildon system a bit over 12 months ago. What is the effect we are seeing on farms? Basically it is a lack of money to look after maintenance and to replace worn farm equipment. I would like to talk about those things first. Recently I was in my local Honda dealership, which is a well-established business in fairly new premises and a very big workshop. It was wall to wall with motor bikes and small engine equipment, and that sort of stuff. Talking to the proprietor, she was saying that all of a sudden jobs were coming in that were, instead of being $\frac{11}{2}$ to 2-hour jobs, 4 to 5-hour jobs, which is a clear indication that people were putting off stuff as long as they could. There are motorbikes probably running around out there with no brakes or defective brakes, and their clutch and throttle cables are not working the way they should, because they are the things that get serviced when bikes come in to get the repair jobs done. It has been the same with chainsaws and brush-cutters. As you chaps are probably aware, chainsaws need expert tuning and sharpening every now and again, and if they do not get done they get blunt pretty quickly and that leads to incorrect use that is quite dangerous.

Another company that I was talking to supplies and services dairy equipment. The serviceman was telling me just recently that there are farms that they now will not go to unless they are promised payment before they go out the gate. You would be pretty trusting if you accepted a cheque under those circumstances, I would think, but that is what they are doing. With modern dairy farms there is lot of electronic equipment in the dairies. There is a lot of machinery with rotary dairies and that sort of thing, so there are definitely issues of safety there. I was at an engineering company in my town the other day. He was saying, ‘I do not go out to farms and do work any more’. He showed me his book and there is account after account after account that he has drawn a red line through. He said, ‘I might as well sit in my office and go broke as go out’. That is happening as well.

I did a survey at one of my local mechanics. He was saying that he is normally booked up a week to a fortnight ahead. He is now working one to two days ahead, so again there is a clear indication there that family cars and family utes are not being serviced as often as they should. The service period on modern cars with modern oils is fairly long, anyway, so they are not going up on the hoist as often as they should where developing faults tend to get picked up, and also people are going a bit further on tyres that are already worn. I have seen several examples of that. It costs $400 to $500 to put new tyres on a car, and if your kids need dental work or new shoes, that is what takes priority. So there are safety issues there which quite clearly go beyond the farm gate. With many of our farm families, one or another of the partners is taking off-farm work, which means that the farmer is a work unit short and so is the family, and fatigue and pressure of time become very real issues with those, and again it is the small maintenance jobs that tend to be neglected. I can give you an example of that because it happened to me.
Probably the major area of concern is the high level of depression that we are seeing among our farm families. We have a family counsellor employed under the same program as I am, and she has worked with well over 300 families in the first 9 to 10 months that she was employed. A high proportion of them are farm families. The ongoing workload is around 30 client contacts per month with a peak of around 43 in January. I would like to quote a couple of excerpts from her reports because they create a pretty clear picture of what we are seeing:

There can be no doubt that the message I am receiving upon visiting the farming community is one of rising despair. Emotional breakdown, tearful crisis calls, in some cases hospitalisation, three for manic depression, have been regular occurrences over the last few weeks. Intense anxiety for the future is an overwhelming issue with which I am confronted during my visits. There can be no doubt that depression and anxiety are two of the most common presenting issues within the community. There is a feeling that the dairy industry, the drought and farmers generally are becoming invisible, so to speak.

Clearly there are inherent dangers in people with that level of depression working alone with large animals and machinery, particularly if they are on some form of medication as some are quite potent. We have seen some of our clients where while they are on their medication, they feel okay, so they stop taking it. They reckon they are okay. Another one who is quite erratic with his medication forgets to take one, takes two and it zonks him out and he goes to sleep. I was on that farm recently and that had happened. His father was trying to handle some cows by himself, as a result of that, and he got trampled by a cow and laid there unconscious for 10 or 15 minutes before he came to and dragged himself to the house and rang an ambulance.

Finally, OHS requirements, whilst no doubt very sensible, will be seen as a further cost burden at present and will in all likelihood be a considerable impediment to farmers considering hiring outside labour. That is basically the notes I have taken, and the picture that is happening in our area. Perhaps I could add that we are still taking out food parcels and vouchers to people because they have no money. I was on a farm just recently that had had one cheque in five months. They are feeding their cows at the expense of themselves, and they have had to sell cows to buy food for themselves. I am working on getting them some government help. But that is pretty much the picture of what we are dealing with.

Mr WALSH — Of all the farmers you have painted a picture of there, what percentage of the total farming number would be in that situation?

Mr GARDENER — Of the farmers we are working with, it is probably around about 90 per cent. We have a few that we are doing succession planning with and that sort of stuff. The worry, I suppose, is that what we see is only a percentage of what is out there. We are seeing only a small part of it. We believe there are many there that we are not getting to, and that is borne out by some of our committee of management people who are saying ’I have been talking to my neighbours, and they do not know about Farmsafe or the rural counselling service and they are freaking out about how they are going to get through the winter’.

I might add that last year we had a couple of coolish mornings, and it brings home sharply some of the homes we were in last year where they would not turn the heaters on if they relied on gas or electric heating. They would turn it on for the kids of a morning and perhaps of an evening, but the houses were freezing during the day. Last year we were able to get help for up to $2000 a family for those people from the Red Cross Farmhand appeal, but that has been closed down so it will not be available to us this year. As I said, people are doing it tougher this year than they did last year.

Mr WALSH — So you are saying if there are 100 farmers in a given area where you are working, 90 of them are in the financial situation you are talking about?

Mr GARDENER — Yes, almost without doubt, in varying degrees.

Mr WALSH — But in a severe financially depressed situation?

Mr GARDENER — Yes.

Mr WALSH — What is the best way to help that?

Mr GARDENER — Money, I suppose.

Mr WALSH — How do you do that with equity when some deserve it, some do not; some have wasted their money, some have not?
Mr GARDENER — I doubt there would be too many who would have actually wasted it, and I suppose you would have to look at some sort of criteria. I would not decry the assistance that is available to people at the moment, but I think it is incorrectly targeted. The exceptional circumstance payments and farm help payments are really directed to household support. I believe that farmers need low-interest loans and — this is something we batted around and I think it has been put forward in the paper as well — things like the HEC scheme so the farmers pay it back and the ultimate cost to the government is probably nil. I would not be too concerned about the one or two people getting it who perhaps should not. Presumably that would come back through taxation or something anyway. I think that is the wrong sort of attitude, given the magnitude of what we are facing at the moment.

One of the things that is concerning me and our other counsellors is the fracturing of the relationship between farm businesses and farmers themselves. I think it is so serious at this stage that it is will be a generational thing, it will take a long time to recover. The industry guidance group that we are involved in at the moment estimated just recently that the recovery period from this drought would be four to seven years of normal seasons. I have been farming for a long time and I have not seen four to seven years of normal seasons in a row ever! Either there is a credit squeeze or a downturn in overseas markets or something. I believe that money put in at farm level will flow through the community fairly quickly, and I think that low-interest loans with perhaps a moratorium on interest for a couple of years is probably the way to go and would be of enormous benefit to the community.

Mr WALSH — So talking about the dairying industry, why should those who about 18 months ago had a good season and record prices and received a dairy deregulation cheque deserve help more than anyone else?

Mr GARDENER — If you go back to dairy deregulation, that followed a fairly tough period, and a lot of farmers took that upfront so it was discounted fairly heavily. Businesses around Numurka were sending around letters to say, ‘Once you get your dereg. we want our bill paid’. A lot of money was being carried. Certainly there were some people, well established, who put in a swimming pool and that sort of stuff, but personally I think it was pretty much a free kick for the banks. The advances are repayable over about five years I think, so it is virtually a government-guaranteed loan. If you have your head around what happened with Bonlac, Peter, it probably saved Bonlac’s skin just about, because their suppliers were badly disadvantaged. I suggest that if you had done a survey after one year of good prices the net result of that would have been increased debt, because people took the opportunity to replace equipment, they did laser grading to improve their farms and that sort of thing — all on the basis of just one year of good prices. They were using it to catch up.

Mr WALSH — But again to be hard nosed about it, if they have gone through a good year and they have gone into debt to increase their productivity and then things do not work out, is it the role of the wider community to pay?

Mr GARDENER — I believe it is. If you look at the benefits that flow through the community from the dairy sector or from the orchard industry, which we have had quite a bit to do with lately, yes. I believe if you want to have prosperous, rural communities, you start with prosperous farms.

Mr WALSH — I do not disagree, I am just trying to get the answers out of you, that is all.

Mr GARDENER — Yes, I guess a massive public relations exercise is required.

Mr WALSH — We have to justify it though, don’t we?

Mr GARDENER — Absolutely, yes.

Mr INGRAM — Brian, in 1999–2000 there was an inquiry into OJD. One of the outcomes out of that was that the privacy in relation to the then DNRE workers coming on to farms and recognising that a farmer had an issue but then not being able to suggest that the farmer needed financial advice, or not being able to pass the farmer’s details on for either mental assessment if they thought they were at risk or financial assistance. Has that been resolved to the extent that if you went on to a farm now and assessed someone as being physically at risk of self-harm or in need of other advice you could pass their details on without breaching the Privacy Act?

Mr GARDENER — I am not too au fait with the Privacy Act but we certainly refer them.

Mr WALSH — Do you refer them or do you tell someone to go and talk to them?
Mr GARDENER — No, we refer them. The way we work without our generalist counsellor at the moment, where we have families in serious depression, is to say, ‘We would like to do a referral for you. Are you happy with that?’ Generally they are, so we just put a referral into her, and she makes the first contact with them.

Mr INGRAM — So that was identified as a problem. What would happen if someone did not want to participate but it was pretty obvious that they were at risk?

Mr GARDENER — It is probably still a difficult area. People have to come to us, the rural counselling sector. We cannot go to them and say, ‘Your next-door neighbour said you could do with some help’. The next-door neighbour has to say to them, ‘Go and talk to your rural counsellor’, or their accountant or their bank, because they all do that. But the contact has to come from the client.

Mr INGRAM — Do you think in areas of real hardship like that it would help to have someone who regularly goes to farms, whether it be a stock agent or someone like that, to give them some cards from a few people? Is that something that would be of assistance? They could perhaps over a cup of tea see that it was pretty obvious that someone was doing it tough and be able to say, ‘How are things going?’ and give them some cards. Who is the person to do that sort of job?

Mr GARDENER — We hand our brochures out probably mostly through community houses and that sort of thing, but we also say to business people if they have a client who cannot pay their accounts to refer them to us, and we try to get around it that way. Certainly as you say about stock and station agents we try to make ourselves known to them, and we can go that road as well.

The CHAIR — Thank you very much for your submission. You will get a copy of the transcript in about two weeks time and you will be able to correct any matters of fact or grammar but not matters of substance.

Witness withdrew.