

CORRECTED VERSION

RURAL AND REGIONAL COMMITTEE

Inquiry into the capacity of the farming sector to attract and retain young farmers and respond to an ageing workforce

Horsham — 23 August 2011

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Ms A. Dunstan, grain grower, Telangatuk East.

The CHAIR — Welcome to the public hearings of the Rural and Regional Committee and our inquiry into the capacity of the farming sector to attract and retain young farmers and respond to an ageing workforce.

Can I just inform you, and I hereby advise, that all evidence taken in this hearing is protected by parliamentary privilege as provided under the relevant Australian law. I also advise that any comment made outside the hearing may not be afforded such privilege.

Hansard here is reporting everything you say, so you will get in about a fortnight a transcript of what you said. You can correct any minor errors, but nothing much substantial.

We've done all the introductions before while you were here, so that's fine.

Can you just give your name and address, and then tell us if you'd like to have questions as you go through or at the end of your presentation.

Ms DUNSTAN — My name is Amity Dunstan. My address is [---], Telangatuk East.

Mr Chairman and fellow committee members, I come before you as an active participant in the agriculture sector of Victoria to assist in the inquiry into the capacity of the farming sector to attract and retain young farmers and respond to an ageing workforce.

In the course of my career I have worked in non-profit state government and private sectors. My career has included project management in farm forestry in New South Wales, community capacity building in the [---] region, farm apprenticeship coordinator at Longerenong College, and a part-time project assistant role for farm financial planning software for DPI in Horsham.

I'm married to a grain grower, Tom, and we farm 2200 hectares. Our land is at Telangatuk, which is 72 kilometres south from where we sit today, and we also have another property at [---] in West Wimmera. Our farm supports three families: Tom and I with our two young children, his parents, and his brother and his wife and their three children. My livelihood is completely reliant upon our farming income.

This year Tom and I have in our business leased out or hired out specialty cropping machinery and we're offering some cropping consultancy. As well as this, Tom and his brother James are owner-operator contract harvesters separate to the farm business. These activities are to supplement our farming income. I am a graduate of Melbourne University College with a Bachelor of Applied Science in Natural Resource Management. I also hold a Masters Degree in Sustainable Agronomy from Orange Agricultural College under the auspice of Charles Stuart University.

Based upon my experience today I wish to discuss with you three key things that need to be addressed in this inquiry. These are the age of the young farmer, the need for informal community networks and the recent lack of kudos studying agriculture aligning with research potential and career pathways.

To commence, however, I would like to address part A of the inquiry to examine the benefits to the agricultural sector of attracting more young farmers. A community of younger people generates self-motivation. Young farmers can discuss, debate, research, act, trial, reflect and modify with like-minded people. Young farmers are not only the food producers of today, but for tomorrow. With this, they hold the intellectual property of the past and generate the new IP for the future.

My 32 year old brother-in-law, James, designed and patented a diffuser. This small gadget improves seed placement in air-seeders. It is ingenious for those who understand the intricacies of precision sowing. It would be safe to say that James would not be farming, let alone manufacturing his diffusers, if it were not for the network of young farmers in our community. He is lucky, he has a strong social network of like-minded people. It makes me wonder how many young farmers have left their industry who may have contributed to advances in technology but didn't because they didn't have the same social network as James does.

Now, let me discuss the so-called age of the young farmer. The federal government announced that young farmers under the age of 35 would not have to pay stamp duty for land purchases under the value of \$300,000. Ignoring the fact that 300,000 would buy less than 200 acres in my district, I would like to focus on the numerical value of a farmer's age.

It is time that the government realises that age is irrelevant to guide financial assistance and policy. It is the number of generations within a family that have been farming is what impacts upon financial circumstances. For instance, a 25 year old graduate who is the fifth generation farmer in the family would most likely be far less in need of financial assistance and support than a 45-year-old, second generation farmer who has been involved in title segregation on the family farm. It is, therefore, that this 45 year old – who may I add is still considered young within the industry – would benefit more from concessions to give him the option of passing his property on to his next generation.

The only first generation farmers I know have brought wealth generated from things such as mining and real estate to make these substantial land purchases. These people are not qualified agricultural scientists, nor are they leading farmers as they can afford to choose farming as a lifestyle option.

It is very hard for young people to generate enough wealth by themselves to purchase a farm. I have a number of friends working full-time jobs and farming leased and share-farming properties all weekend and during their paid annual leave. It is not a lifestyle friendly to their health or their personal relationships. In saying this, should the government encourage all farmers to maintain the ownership of their land for the future generation? Do we focus on keeping everyone on the land, including those that we deem unproductive and non-progressive? I don't believe that is the answer. However, I do believe that we can make service industries and farm management roles far more attractive to entice younger people to live and work in rural areas.

A critical mass is required to sustain any community. In my experience, the rural communities in New South Wales in which I have been part of tend to be more cohesive and vibrant than those in Victoria. As I prepared for today I reflected on my experience in Cowra, in the Lachlan River catchment of the central west in New South Wales. I was the project manager for the Lachlan Farm Forestry Project managed by the Central Western Regional Development Board.

As a new graduate moving to a town with a population of just over 10,000, I soon became a member of a farming network. My friends included local farmers, together with a group of young, enthusiastic people working for the Department of Land and Water Conservation, the Department of Agriculture, the CMA, Landcare and Greening Australia. We were all aged between 20 and around 30. These not-for-profit and public organisations employed younger people to work in soil, salinity, IT, revegetation and community group work which led to us meeting with the local young farmers and making friendships.

After three years the farm forestry project ended and I moved away from Cowra. I moved

back to Victoria to be closer to Tom to pursue our relationship more seriously. I do, however, keep in touch with my old friends who are still part of the Cowra and surrounding communities. Most of them are now working in middle management or at home looking after their young families. If Tom and I were to ever sell our property, I would not hesitate in moving back to the Cowra district knowing that there is strong rural community and social networks that exist there.

I also cannot sit before you and not make the most of this opportunity to say that the closure of the Walpeup Research Centre was the demise of the mallee. I ask you to investigate the average age of DPI employees in regional and rural research sites and offices. From my recent experience, I am confident to say that the DPI in Horsham is heavily stacked with middle managers with less contact with the local farmers than what they would have had five years ago. I don't believe that it is the government's role to find any farmer a wife, but they do have the social responsibility to fully utilise taxpayers' existing infrastructure and employ a range of staff to generate ongoing social networks with the farming communities.

My last point comes from my professional experience gained while working at Longerenong College. In 2006, Lyn Kosky, Minister for Education, allocated the former VCAH Colleges from the University of Melbourne's administration to private providers. This decision tarnished the kudos of agricultural academia as an ENTER score was no longer required for admission. The funding system fails the institute forcing colleges to lower their entry standards so they can meet the allocated training hours. It is unfortunate that this system portrays to secondary students that if all else fails, agriculture is an option.

I refer now to section C of the terms of reference, provide strategies and recommendations that will promote the realisation of the benefits identified. Firstly, it is time that those who direct and make policy for private businesses such as farms are from the similar business backgrounds. For too long wage earners, and possibly now generations of wage earners, are making agricultural-related policies. Farmers don't earn a fortnightly disposable wage and their incomes are heavily reliant upon factors beyond their management control. Improved policy, regulations and strategy will instill farmers' faith back into the government sector, which will filter down to the younger generations.

In conclusion, the three key areas that I've addressed today are shifting the paradigm of policy based on a farmer's age, the need for government support by helping build informal farming networks through the employment of younger field staff, and bring back the kudos for agricultural education through investment in research.

Thank you for your time listening to my thoughts to assist in this important inquiry.

The CHAIR — Good. Do we have some questions?

Mr TREZISE — You mentioned before, and I wasn't going to ask, so I will ask now, so tell me more what your thoughts are on the role of DPI in developing social networks in rural communities.

Ms DUNSTAN — When I moved from Cowra – and let me just say I'm from Skipton and my grand parents are farmers. They're still farming. I moved to a town where I knew absolutely no-one. I had to look up Cowra on the map to know where it was. I moved up there and the government organisations, as I mentioned, had a lot of younger people working for them. So moving into a community, you met young people, we were all fresh graduates with some experience, and working with the local farmers and the farmers' children, who were of similar ages, made informal networks that, you know, made it a vibrant community.

We had people to talk to, we had things in common with people. All facilities were being

used in that district. My recent employment experience is there are less and less positions being advertised and filled locally. A lot of those positions are being sent out to those such as Rendell McGuckian, and other – well, servicing organisations in the private sector.

The CHAIR — But Rendell McGuckian, wouldn't they have people employed?

Ms DUNSTAN — In Bendigo.

The CHAIR — So you're wanting a more decentralised type service?

Ms DUNSTAN — I believe so. I think we could decentralise. Also looking at the dollars poured into using private organisations to fill roles that were formerly done by the state government should be readdressed.

Mr TREZISE — Thank you. You spoke about the need for the government's helping hand in building the networks. DPI, to have vibrant networks. DPI is not going to be the only supplier of young people in the area.

Ms DUNSTAN — No, not at all.

Mr TREZISE — Should the government look at working, because we've heard in Rupanyup this morning that there is a good network there, we've had several people talk about that this morning, but DPI don't have a base in Rupanyup.

Ms DUNSTAN — No.

Mr TREZISE — So should we as a committee look at how we do it in communities to drive these networks, how we grow, develop and grow these networks in communities right across, not just where we have a DPI office?

Ms DUNSTAN — Should the government look at driving networks across, beyond the office?

Mr TREZISE — Yes.

Ms DUNSTAN — Potentially, no I will have to say.

Mr TREZISE — That may mean that you would only have networks in Echuca. If you went out to [---] there would be no networks.

Ms DUNSTAN — Yes.

Mr TREZISE — Because there's no DPI out there

Ms DUNSTAN — No, I'm not saying it has to be centric to an office. Reduced number of field staff, extension officers. I think New South Wales, it just seems the community in New South Wales just seems to mesh a lot easier. Whether it is to do with a transport issue, I'm not quite sure, but what I've put to you today is how I felt in New South Wales. In my district I'm quite comfortable with our social group. However, we're now in our 30s, there's a huge gap until children. So this is going to be a massive problem for me in 20 years time again to put children back on the bus and all those sorts of things.

Mr HOWARD — You did mention in your own community that there is a good social structure.

Ms DUNSTAN — Yes.

Mr HOWARD — That's kept your brother-in-law in the area. So it's obviously there, but it's a matter of how much you can further support those sort of natural groups that are there to ensure that they have the enthusiasm or the skills or whatever to further ensure that they can build that social structure and maintain it.

Ms DUNSTAN — Yes.

Mr HOWARD — So how does it happen, say, in your local community?

Ms DUNSTAN — Well, it seems to be they're all – there happens to be about four young men who are about 32 years of age who have parents who are still on the farm there that it's just – you know, it's just how it worked with people having children and staying on the farm there.

Mr TREZISE — When you said you would like to see more money invested in research, is that spending more money in research on those leading farms or does it have to be at a research station?

Ms DUNSTAN — So you're asking trials on farm or trials in greenhouses?

Mr TREZISE — Trials on farms.

Ms DUNSTAN — Well, I think both.

Mr TREZISE — You've got to do it in the greenhouse before you actually get it out on the farm, but a lot of farmers like to actually see it on the farm.

Ms DUNSTAN — Absolutely. I think we're finding that more and more research is being sent off to the private sectors, though. I think you will also find too, it all depends on what stage of the research because the state has made - because under the previous government they made a fair investment in plant breeding. There is a leading research site and there's not a lot happening here in Horsham compared to what there used to be. Employing younger people again. You don't see the jobs for graduates in the newspapers any more as there used to be. There really used to be. At the Department of Primary Industries in Horsham, the young people are my age and I don't consider myself particularly young.

Mr TREZISE — I'm not arguing with that. What I'm just trying to get my head around is if we had the graduates here and they were running the research on leading farms, does it necessarily have to be at a research site? We can have the graduates based here.

Ms DUNSTAN — No, I understand. Sorry, I didn't quite understand what you were asking. No, does it have to be office-based? No, not at all. It would be of benefit if it wasn't office based. Sorry, I didn't quite understand where you were leading with that one.

Mr TREZISE — I wasn't leading; I was just asking.

The CHAIR — Do we have any further questions?

Mr HOWARD — Children?

Ms DUNSTAN — Two.

Mr HOWARD — And your brother-in-law and his wife have children too. Are they likely

to —

Ms DUNSTAN — My brother-in-law has three daughters. My husband and I have a three year old son and eight month old infant daughter. Tom's father has just turned 70 and his mother is in her 60s. We are part of a family trust and we are moving into the family succession stage.

Mr HOWARD — So what's your aspirations, though, for the next generation to stay on the property? How does it work? Does the property need to get bigger or how might that all work its way through?

Ms DUNSTAN — As my 3 year old told me the other day, he is already a farmer as well. Does the farm need to get bigger? Actually, no. We're in an interesting position at the moment where it's more economical to lease land than to purchase land because your lease price is actually less than the interest you would be paying on borrowed moneys. We continued a lease, now on the third year of this lease. We are about to try and extend that for eight years and improve the property, such as levelling, drainage, and invest in the owner's property, requiring a longer lease term.

Should we get bigger? Look, probably five years ago we would have said yes, but now, no. We will be farming what we have better. We're importing a planter at the moment and we will be making sure every seed is planted in a precise place to maximise yields. So instead of getting bigger, we're getting better.

The CHAIR — Any further comments?

Ms DUNSTAN — No. Thank you.

The CHAIR — Thank you very much and thank you very much for the work you put in prior to coming.

There will be a copy of Hansard that will come to you in about a fortnight's time. Any obvious errors can be corrected, but other than that there won't be any major changes. Other than that, thank you for your time here today.

The witness withdrew.