



INQUIRY INTO THE CAPACITY OF THE FARMING SECTOR TO ATTRACT & RETAIN YOUNG FARMERS & RESPOND TO AN AGEING WORKFORCE

**Submission prepared for Agribusiness Gippsland Inc.
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RECOMMENDATIONS FROM THIS SUBMISSION

Image

Support for the Primary Industry Centre for Science Education (PICSE) program in schools to “excite young people in the sciences, including agriculture”. The Primezone for Schools is another program which should be monitored as to effectiveness.

There is probably an opportunity to look at food production issues as global food prices rise and consumers start to look at agriculture.

It is recommended that a peak body of farming and agribusiness leaders be formed to look into the issues and develop strategies to change the situation. The format of the Business Council of Australia might be appropriate as a guide.

Career paths

People will be attracted to work in agriculture and the processing and service industries if they can see these industries to provide long-term rewards and opportunities. In general it is considered this is the situation in Gippsland.

Clear career paths have been identified in some areas:

- Larger family farm businesses and corporate farms
- Processing and service Industries where opportunities arise for people to be promoted to senior management positions. The general managers rural in some banks are agricultural graduates
- Research and extension have well-developed career paths, but some problems are apparent
- Family farms opting in and out successfully to gain experience
- Management and consulting firms
- Financial services e.g. futures traders.
- Media

However there is clear problem of under-graduates enrolling in some agricultural degree courses finding they do not have the skill sets to operate initially and successfully in the service industries. The skills missing are mainly management based. There is a problem here that needs to be addressed, firstly at the career choice stage and how to introduce the management component into some courses.

Graduates are looking for more support from employers on entering the service industry.

In general terms career paths are likely to more varied in the future. Problems have been identified in the research and extension areas not attracting young people due to low rates of pay and insecure career paths.

New entrants to farming

The various paths of entering into farming have been canvassed in the report, and recognize the high capital cost of making an entry into a farm business. The government could review the various assistance schemes in place to make sure there are no un-intended impediments to assistance that might conflict with gaining better efficiency of a family farm. An important area would be to provide some financial support during the initial years of investment.

Education

The various levels of education required in the farming sector in Gippsland are readily available and well-located to provide courses.

A problem has been identified in the skill sets provided by some courses not meeting early job requirements in some sectors of the industry and students enrolling in unsuitable courses. Closer links between course providers and the industry as a whole need to be developed to address this issue.

The Deakin program to provide some work experience is a good initiative.

To maintain a level of skills comparable to their peers in other industries, support needs to be given to upgrading some advanced degrees to a rural MBA status. (Marcus Oldham Farm Management College might be moving in this direction)

The introduction of some agricultural education programs into schools could help the image problem. The PICSE initiative could be valuable.

Encouragement of new ideas

Develop stronger links between agricultural leaders, research, agribusiness and educators to help new ideas to develop more quickly and possibly be adopted through the various industries. The concept of a permanent group made up of these leaders could bring closer cooperation and stimulus to the industry. Successful groups have this type have developed in the UK and USA in other industries.

At the farm business level, the success of various farm groups in achieving better performance within the group is a blueprint for wider adoption.

Agricultural sector productivity

A problem is developing in many sectors of the agricultural industries as surveys disclose a declining trend in farm business productivity. This decline is attributable to reduced investment by government and industry in research. It occurs at a time when food security is at increasing risk due to population growth and climate change.

This issue is important to Gippsland, where a significant proportion of the profitable industries are in the high capital cost sectors of dairying, horticulture and an emerging grain industry.

Productivity is one factor which underpins farm profitability throughout the Gippsland region and consequently the long-term employment opportunities for new entrants into the sector.

Australia lags behind many developed countries in funding for research in this sector from both the public and private sector.

A core issue identified by the AIAST is that Australia is currently producing only half the agricultural science graduates needed to maintain adequate research and extension service.

Agribusiness Gippsland Inc. strongly supports a continuing commitment from both public and private sources to meet these challenges.

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PART ONE: THE BACKGROUND

The number of profitable and large farms, mostly family-owned, in Australia totals about 30,000 farm businesses.

This group of farm businesses is powerful economically and generates almost 100% of farm profits and purchase 70% of farm inputs, including labor.

PRODUCTIVITY

Productivity growth has been the main means by which, Australian farmers have increased profits from their businesses. Productivity growth in the broadacre sector has increased on an annual basis since the 1950s at rates above 2%.

From the mid 1990s the rate of growth has declined. Figures are based on ABARES measure total factor productivity (TFP.)

The situation in Victoria is below the Australian average partly due to the farm enterprise and industry mix.

TABLE 5: Broadacre productivity growth by state

State	Annual TFP Growth %
WA.	2.40
SA	1.75
VIC	1.15
NSW	1.00
QLD	0.75
TAS	0.60

Source: ABARES – Australian Farm Surveys 2011.

These average figures for rate of productivity improvement disguise the real situation.

At the top end of farming structural and technical efficiency is well above average (Refer to Table 3 as an example of the impact of structural efficiency), consequently the failing performance of the middle and lower sectors of the industry is greater than these figures indicate. This problem compounds as less productive / less profitable farm groups become unable to afford the capital costs of new technologies.

One of the key drivers of post-World War II productivity increases has been the development and use of new farming technologies that have resulted from research and development funded by both the public and private sectors.

Commentators are suggesting, that part of the decline in productivity since the mid-1990s can be attributed to a weakness in this area.

Both industry-dominated research funds and politic- driven government funding has forced researchers to concentrate on short-term, low-risk popular and applied research.

Of particular concern is the retreat of public sector funding from basic research in university, CSIRO and state research institutions.

Applications that improved farm productivity during the latter part of last century were based on earlier basic science research.

This source of discovery and innovation has now shrunk.

Governments have adopted this dangerous course at a time when food demand, driven by population growth is accelerating and when production systems are at risk from the effects of climate change.

With respect to climate change, it is important to recognise that in future farming systems have to manage more than the effects of seemingly small shifts in average temperature and rainfall. These new averages will be the product of much more extreme and variable seasonal conditions that will challenge farm managers. At the same time these shifts will expose agriculture to new plant and animal pests and diseases.

Greater investment in research and development is necessary both to improve productivity and to manage the effects of climate change.

Another factor which may be contributing to the apparent reduction in the rate of farm productivity improvement may be the increasing adoption of low input “organic” farming systems. The extent to which these systems affect productivity is unknown.

PRODUCTIVITY: THE GIPPSLAND SITUATION

In Gippsland, the specialised beef and dairy industries form a large part of the farming sector. The average TFP for the dairy industry in Victoria over the past decade has been a weak 0.1% and for the beef industry 1.0%. Seasonal events have had some impact on these figures in recent years.

Despite these figures, reference to Table 3 (below) would indicate that in the dairy industry, farmers in the top groups are achieving productivity gains well above the average as a result of:

- Structural adjustment within the industry
- Technical and structural efficiency on the farm (less capital to earn each dollar of profit)
- Early adoption of technical change.
- Support from the processing sector

Similar outcomes are evident in the horticultural sector.

Comment should be made on the impact of the high value of the \$A in comparison with the \$US. The current situation is reducing the returns from commodity exports by large amounts and will reduce profitability within the agricultural export sector. Gippsland dairy industry and horticultural industries are exposed to this reduction.

There is a significant skew in both farm performance and farm size and it is difficult to rely on industry-wide or average performance when analysing farm performance. To gain some insight into this situation it might be useful to look at a snapshot of one industry.

CASE STUDY: BROADACRE AGRICULTURE

Australian broadacre agriculture has been divided into five groups by financial performance.

Group 1 – represents the bottom 50%

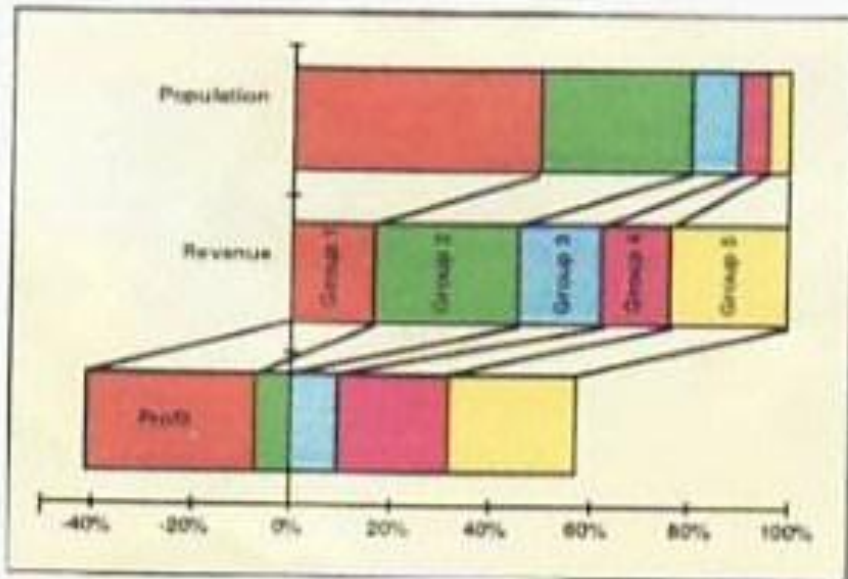
Group 2 – represents the next 30%

Group 3 – represents the next 10%

Group 4 – represents the next 5%

Group 5 – represents the next 5%

TABLE 1: The relationship between the population in each group, farm business revenue and farm business profit.



(Comparative importance of population groups – 10 year average.)

Source: ABARES, RBA, ASS Pty Ltd.

The figure shows the top 20% of broadacre farm businesses produced 54% of revenue and 100% of farm business profit. Some of the characteristics of this group are:

- Mostly family owned business or family corporations
- They are efficient users of capital
- Reward owners/managers at rates comparable with other industries
- The age distribution of the managers in this group similar to other industries.(owners, however, are a different story)
- Profits sufficient to generate capital to improve productivity and growth and maintain the asset base (land)
- Profits sufficient to repay debt
- Can compete in the market for qualified staff
- Can provide proper training, staff development and career opportunities
- Such financial fitness requires a critical group of skills and can be achieved if the business has prospered and been able to service the demands of its capital.
- A feature of this group is the ability to withstand the variability in farm income streams.

Care should be taken in suggesting size is the most important factor in all industries. There is some evidence to suggest that size can be an impediment in the beef industry, under some circumstances.

At the other end of the scale there are family farms which are profitable small businesses and financially secure, but the scale of profit is insufficient to maintain the family. Ownership of these farms is usually a business partnership. In many cases these farms cannot:

- Pay wages
- Educate employees (in many cases children)
- Invest in skills development
- Invest in technology
- Are running down the asset base (the land)
- Only live off depreciation.
- Cannot repay debt

FARM DEBT AND EQUITY

During the past two decades the debt-to-equity ratio of farm businesses in the groups 1 to 4 varied in a band between 10% and 20%, and reflects generally the level of debt these farms can service.

However farm businesses in group 5 tended to maintain a debt-to-equity ratio of between 40% and 45% and points to the level of debt the larger operation can carry.

Over recent years the effects of drought and floods have had a significant effect on all farms. In some areas farm debt has risen to levels, which would not be sustainable in the long term.

In broadacre areas generally the cost of debt servicing is currently 19% of all farm costs. Over the long term in the broadacre farm industries, debt servicing accounted for 8-9% of total farm cash costs.

A priority of farms in this position will be to reduce debt to more normal levels. This will be assisted by the current good seasonal situation in most areas, coupled with firm commodity prices and relatively low interest rates.

FINANCIAL STRUCTURE OF THE FARM BUSINESSES

The capital of a farm is generally invested in the following assets, but the proportions can vary significantly from farm to farm and industry to industry.

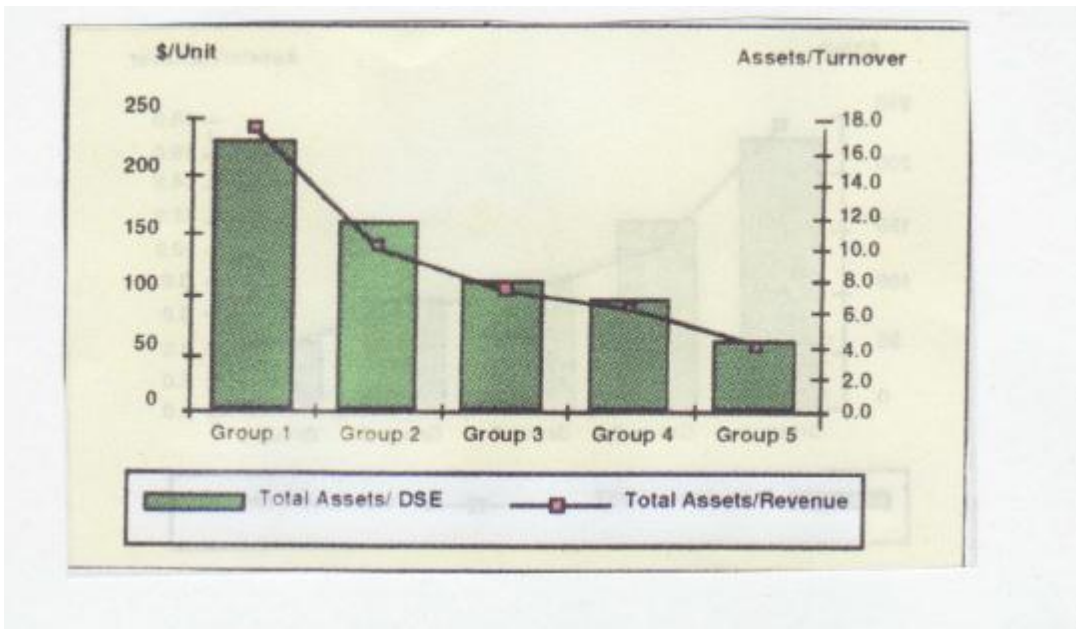
Components of farm capital

Land	40%
Buildings and Structures	10%
Plant & Equipment	25%
Livestock	25%

(Source: ABARES)

The capital efficiency of the larger businesses results in the level of capital invested in buildings, structures and plant and machinery to fall well below these average figures. It is in this area that management can develop most efficiency gains to increase returns on capital invested.

TABLE 2: The comparative Capital Efficiency Ratios for the Australian beef industry



Beef Industry Comparative Capital Efficiency Ratios

Sources: ABARES, AAS. Pty. Ltd. and RIRDC

The features of the producers in groups No.1 and No. 2 is they utilised:

- More capital to produce each dollar of income
- More capital for each unit of land area

On the other hand, producers in group No.5 utilised only:

- 25% of the capital required by producers in groups No.1 and No. 2 to generate each dollar of farm income and
- 33% of the capital of the required by producers in groups No.1 and No.2 to support each productive unit.

Farms in groups No.1 and No. 2 find it difficult to fully utilise the necessary infrastructure on their farms. Farm owners and operators can finance their business like any other business. However, due to the variability of the profit stream of farms, the main sources of capital have been equity and borrowed capital, which has been mainly from the banks.

Share farming has been a further means of farm businesses accessing land. Share farming has been particularly successful in the Australian environment due to the sharing of the variable income and costs streams between the property owner and the share farmer.

Leasing of land has long been a feature of farming and more particularly grazing in Australia. More recently the leasing of farms from other farm proprietors has increased. The only drawback of leasing, unlike share farming, is that it places a fixed annual cash commitment on the farm business for the term of the lease.

Leasing of plant and equipment has played a major role, especially in the cropping industries.

Direct access to capital through the stock exchanges has not developed in Australian agriculture and even when used has often been troubled by an unstable share register.

The use of syndication has been successful in some areas in reducing the capital tied up in structures, plant and equipment.

Rural investment funds have started to emerge slowly as a source of capital in the sector. However, they have yet to gain support from financial markets due primarily the bad impression the usually poorly-informed markets have of the sector.

The key issue for investors is to see a competitive return on capital from both operations and capital gain (refer to Table 3).

COMPARING BUSINESS COMPETITIVENESS OF AGRICULTURE WITH OTHER INDUSTRIES

Although relatively detailed information is available as to the performance of the agricultural Industries, it is more difficult to access data on the performance of other industries.

In order to make some meaningful comparisons of the agricultural industries with other industries' yields on investment in various groups of industries has been used as a surrogate.

TABLE 3: The 10-year averages for various investment groups (industries)

	Yield %	Volatility %
Beef	5.70	7.27
Sheep & Beef	4.59	10.66
Sheep	1.96	13.05
Cropping	7.01	9.71
Mixed Farming	1.52	11.70
Corporate agriculture	8.32	3.05
Australian equities	18.52	20.06

International equities	12.69	16.16
Listed property trusts	13.77	11.17
Sydney CBD property	11.22	22.74
Melbourne CBD property	7.73	16.19
Fixed Interest (10 year bonds)	11.60	2.30
Cash (90 day bills)	11.77	4.84

10-year average industry (investment) returns

Sources: ABARES, AAS Pty. Ltd., RBA and stock exchanges.

The best-performing sector of the agricultural industries is in the corporate agricultural sector, which is made up predominantly large, unlisted family corporations and a few listed and unlisted corporations. The yields from this group over the long term have not kept pace with other investments.

The age grouping of farm managers in this group (not necessarily the farm owners) is similar to groups in other industries, which is in the mid-40s.

A feature of these agricultural corporations has been their ability to manage the fluctuations in commodity price and climate to a point where overall volatility of yield has been relatively low in comparison with other industries. These businesses are attracting graduates from training institutions due to the career prospects, management challenges and the remuneration packages they offer.

A problem emerging in these larger farm operations is the growing cost of business as well as governance and compliance issues. In some agricultural corporations these costs can total as much as \$300,000/annum and are increasing.

Comparative importance of off-farm income

In the broadacre industries it is apparent that about 50% of farms are not viable as businesses (*refer to Table 1*) These operations, mainly family-based, are sustained as viable economic units by generating income off-farm. Farmers operating units in group No.1 rely on generating between 20% and 60% of gross farm income off-farm, the level depends largely on the industry.

The level of dependence on off-farm income drops significantly in group No. 2 where the level varies between 5% and 10%.

There is a component of off-farm income in all other groups. This is brought about usually from management decisions to reduce some risk to the business by using alternative investments off farm.

FARM ADJUSTMENT AND NEW ENTRANTS

Farm adjustment is occurring at a regular rate in Australia, particularly within businesses in Group No.1.

This adjustment occurs as older farmers sell their farms.

The analysis of the situation in Gippsland does identify a large number of specialist beef producers are in this category.

On the other hand significant adjustment is occurring in the groups No.2, 3 and 4. Managers in these groups tend to expand their operations over time to improve efficiency in their use of capital and consequently improve profitability and investment yield. In these groups there is the capacity to do this through the equity built-up in the business or, more likely, a combination of equity and debt.

In some cases share farming and leasing provide opportunities. In some cases syndication of parts of the farm business have proven to be effective in improving profitability.

Various programs are available to assist new entrants into farming. Governments can assist in this process in two areas:

- A new entrant to farming is most vulnerable to failure during the initial period of investment. Support in this area could be a vital ingredient for success.
- Young farm family members may seek to use assisted purchase methods to buy farming land in their own right. When operated in conjunction with the family farm, this form of farm build up can help both units to achieve better efficiency. Impediments should not be put in the way of this style of build up.

This somewhat lumpy form of capital investment is a feature of the agricultural industries. Because of this it does put the business at a higher risk over these initial periods.

This is an area in which some government support could be effective, especially in the case of new entrants into the industry by way of special packages.

PART TWO: THE GIPPSLAND SITUATION

A survey of data from the ABS surveys 2009 for the Statistical Division of Gippsland and East Gippsland has been carried out. Although the balance of Gippsland has not been surveyed, a quick look suggests the other areas show a similar disposition of farm businesses.

The results of this survey are set out in Table 4. The distribution of the various industries which contribute to farming output in the two divisions and the economic contribution made by each industry are summarised in this table.

Farm businesses in Gippsland are concentrated in the following sectors:

Specialised beef	46%
Mixed sheep, beef & cropping	9%
Dairy farming	30%

It should be noted, that the majority of the specialised beef producers are relatively small and concentrated in farms in the income range less than \$100,000. Many of these farms are businesses which have dropped out of the dairy industry.

The survey discloses that the distribution of farm business incomes within the various income ranges in Gippsland is similar to the ranges in Australia generally.

The analysis of the economic contribution of farm businesses in Gippsland shows a different distribution to the distribution of total farm businesses in Australia.

Using the income range of \$1m to greater than \$2m shows the following contributors:

Vegetables and flower growers	22%
Fruit	1%
Mixed sheep, beef & cropping	6%
Specialized beef	5%
Dairy farming	60%
Pigs & poultry	3%
Other	3%
Total:	100%

Table 4: GIPPSLAND ENTERPRISES BY INDUSTRIES AND INCOME RANGES

Industry	Total Farms	Income Range											
		\$1m to >\$2m		\$500K to \$1m		\$200K to \$500K		\$100K to \$200K		<\$100K			
		No	%	No	%	No	%	No	%	No	%		
Vegetables & flowers	172	3	48	22	30	5	30	2	6	1	55	2	
Fruit	37	0	3	1			5	0	9	1	22	1	
Sheep, beef & cropping	508	9	13	6	17	3	68	6	98	16	321	11	
Specialised Beef	2624	46	10	5	33	5	262	19	304	50	2015	69	
Dairy farming	1714	30	131	60	477	76	945	67	189	30	17	1	
Pigs & poultry	49	1	6	3			5	0	5	1	33	1	
Other	618	11	6	3	73	11	89	6	12	1	439	15	
Total	5722	100	217	100	630	100	1404	100	623	100	2902	100	
Percentage of total	100		4		11		24		11		50		

Source: ABS Survey 2009 Combined totals for the Statistical Division of Gippsland and East Gippsland.

Analysis: Neil Clark & Associates. Agribusiness Gippsland Inc.

The farms in the income range \$1m to >\$2m make up only 4% of total farm business in the area and highlight in the importance to the region of the vegetable and dairy farm industries.

At the other end of the range, farms with incomes less than \$100,000 are concentrated in specialised beef farms (69%) and the mixed farms sector. These farms make up 50% of all farm business in the regions surveyed.

Some points can be made about these businesses:

- Some are probably profitable small businesses but unlikely to generate sufficient cash surpluses to provide a living for the farm family or provide capital to maintain the business.
- A large number of these enterprises are probably economic family units, supplementing the family with cash generated off-farm.
- The distribution of the age profile of farm operators in this group is tending to age.
- Many of the problems which have been identified by others are concentrated in this group.

These problems are listed in more detail under comments on general farm performance in part 1.

GIPPSLAND DAIRYING

The Gippsland dairy industry is valued at nearly \$1bn at the farm gate. This is more than 30% of the state's dairy output. Although national dairy growth is predicted at 1% (domestic consumption is growing at 2%) – Gippsland is delivering faster growth (nearly 6% in the last quarter).

The expectation is that globally and domestically we must substantially increase Gippsland's milk production.

The challenges are:

- Encouraging entry into dairying by young farmers
- Many older dairy farmers are retiring
- Dairying has been financially difficult and stressful
- To pitch food and dairying as a growth value-adding industry for the future

Training needs to be bolstered from farm worker to managers to executive officers of farm and agribusiness sectors. Careers need to be developed and marketed through all sections of the value chain. Innovative opportunities in agritourism, niche marketing, international trading and using NBN. Farming must develop a new image of agribusiness.

EDUCATION AND TRAINING

In broad terms the agricultural sector can be divided into three basic groups, the farmers, service providers both private and government and scientific support. These broad areas require different skills. The farm sector needing technology and management skills, the scientists, science based skills and the service industries a mixture of the two.

The three distinct streams of agricultural based education are well-established in Victoria. The major universities provide degree courses, which are science-based and establish a set of skills suitable for careers in research. These graduates seem to lack skill sets to enter into careers in extension, agribusiness and various service providers. This issue is covered in the case study.

Training in agricultural management is mainly provided by established agricultural management colleges. In Victoria colleges such as Marcus Oldham provide a number of courses, from diplomas to advance degrees. Students with this background of training are mainly involved in various areas of farm management and some service providers.

Finally there are skills-based courses provided by a number of institutions throughout Victoria. These institutions play an important role in training as, due to their location in country towns, they can provide essential courses close to the farm or business. This allows students to attend classes without disrupting their business. These services seem well-developed and strategically placed in Victoria and particularly Gippsland. However, courses in the science areas are not attracting good student numbers whereas management courses appear to be attracting student s(e.g. MOFAC.).

Likewise, there is probably a need developing in the farm management education sector in Victoria to upgrade some of the advanced degrees to farm management MBA status. This would provide a level of skills development for managers in the farming and agribusiness sector to hold qualification to the same level as their peers in other sectors.

To attract and hold people with these skill sets will require agriculture to provide a level of remuneration which is comparable with their peers in other industries.

There does not seem to be a cogent voice of agriculture supporting higher education in Victoria as is found in other developed countries. Much more needs to be done to support the excellence of research being done and collaboration between farm businesses ,industry and educational institutions.

Above all, agriculture needs to address the problem of its image.

PART THREE: THE WAY FORWARD

There is a trend for developed countries to reduce investment in agricultural RD&E. Australia appears to be in this position and ranks at about 18 in terms of investment in this area. The decline in agricultural industry productivity in Australia has been attributed to this trend.

If Australia and, in particular, Victoria is to meet the global food challenges and food security targets government policy will need to address this issue.

The image of agriculture within parts of the community, farming itself and some investment houses is poor.

Much of this image is ill informed. Contrast the strong support for agriculture by the trading banks in comparison with the investment trusts.

The general size of agriculture and agribusiness or its economic contribution is not put before the public enough. Farm leaders in Victoria will need to approach this issue and find some solutions, but government can assist by looking at the education issues involved.

There seems to be limited understanding of the importance of research in the rural sector. Both the public good and private benefit of research needs to be better promoted in the farming and general public arena. This issue should be addressed by farm leaders and research institutions.

ATTRACTING AND RETAINING YOUNG FARMERS

It is a significant problem trying to attract young people into the industry for reasons such as:

Agriculture is seen as an 'uncool' industry, attracting only people who weren't good at school or aren't going to university.

CASE STUDY: NIKKI HELLYER, facilitator, Southern Farming Systems Gippsland

... "My 17 year-old sister is in Year 12 at a Traralgon school and has no contact with farming other than living in a rural area and what I mention about my job. I asked her what she thought of when she thought about farming. Her instant response was – "The Hillbilly of The Simpsons!" This was not very encouraging at all. When I pressed her on why she wouldn't consider a career in ag, she said: "Kids these days want to go into exciting stuff like IT and fashion design. Plus I don't want a job where I have to get dirt over me all day"..."

Agriculture is not good at advertising job opportunities that would attract young professionals.

At universities job opportunities are not clearly defined to students enrolled in ag science or ag-related degrees. The jobs that are available tend to be viewed as low-paying and offering no clear pathways or programs for progression up the ladder, other than the DPI graduate program.

The agriculture industry has some negative imagery. Among some people there is a perception of farming being somewhat 'whingey', male-dominated, hard on participants, closed-minded and behind the times.

There is a prevailing idea – one encouraged by the industry - that you need to grow up in agriculture to work in it. This is like saying you need to be a doctor's son or daughter to be a doctor.

By not encouraging those from different walks of life into agriculture encourages a close-minded mentality and significantly limits the pool of potential workers.

To grow, to be competitive and progressive in this global environment, it is imperative that we use all the resources possible to increase our potential as an industry. This means employing people with different thoughts and attitudes and more importantly, people with new eyes for agriculture.

APPROACHES:

- **Instigate education programs in schools to show the benefits of working in agriculture** (eg *Cows Create Careers, Picasso Cows*)
- **Broaden the concept of agricultural training to include industry-service roles.** The service side of the industry is one that is often forgotten. It is true that the farmers are the backbone of agriculture, but without all the agronomists; nutritionists; scientists/researchers; co-ordinators; facilitators; lobbyists; journalists; marketing, sales and promotion professionals; farming advisors; field officers; extension officers; technical officers and stock agents, there would be no muscle supporting agriculture and increasing the capacity and viability of our industry into the future.
- **Incorporate adaption skills within ag-training at university.** There appears to be a lack of preparation to equip young people with the skills to go into industry-service roles and, more importantly, a lack of understanding of what choice of service careers there are and what those jobs entail.

- **Ongoing graduate support.** When students leave the universities there appears to be the failure of industry to properly induct, deal with and train graduates appropriately for the position given to them. (An exception is the DPI graduate program, which provides a good example of training. Likewise, agribusiness seems to be a better-developed part of the industry for accommodating graduates).

CASE STUDY: Young Gippsland agronomist

... “There are a shortage of agronomists throughout Australia. Therefore a lot of private companies are employing inexperienced graduates as they are cheaper and more accessible.

“Often graduates with little experience and limited specialist knowledge with limited supervision are giving advice to farmers without understanding the full implications of giving this advice (potential to be sued) and without proper insurance (professional indemnity) or certificates to show they have received the correct training in chemicals.

“There is no national or universally accepted definition of the training needed to be an agronomist and definitely no national curriculum set out for agronomy. Therefore training (if provided) is exclusively *ad hoc* and dependent on the opinions and environment that the young graduate is exposed to.

“There is no one body that all agronomists have membership to that represents agronomists, hence no watchdog providing support and regulations to the young graduate to follow within the industry.

“A lot of these roles are tied up with a sales as well (which could be regarded as a conflict of interest) but there is no sales training provided in university courses and little to no sales training provided on the job, leaving graduates under-equipped.”

Other issues that appear to be quite commonplace within the industry including bullying, low-paying positions and problems for women (sexism and problems progressing higher in their chosen career).

We need to work together as an industry to show young people the opportunities available to them, implement clear pathways and support to reach these opportunities available to them and better stamp out the problems that can ruin young people’s faith and confidence in their chosen field.

We need to be looking at other industries that are actively already doing this and follow their lead as a collective to make up for lost time.

In a global economy, new ideas are key to success and when a young workforce is nurtured and supported by the industry it serves, these new ideas will come and in turn support that industry successfully into the future - not just parts of the industry, such as dairy or cropping, but as an agricultural industry as a whole.

Since 1997, non-profit group Agribusiness Gippsland Ltd has helped support regional agribusiness by working in partnership with farmers, local councils, state and federal government, catchment management authorities, community groups and others to support regional agribusiness and work in partnership with regional organisations.

Our volunteer directors are: Mr Alex Arbuthnot AM (chair); Dr Ras Lawson (deputy chair); Mr Chris Shearer (treasurer); Mr Ted Benjamin; Mr Mark Cockerell; Ms Courtney Ferguson; Cr Michael Freshwater; Ms Nikki Hellyer; Ms Christine Holland; Mr Geoff Kirton; Mr Gavin McClay; Mr Brian Norwood; Mrs Maree Trigg

We are supported by Bass Coast Shire; Baw Baw Shire; Cardinia Shire; City of Casey; East Gippsland Shire; Latrobe City; Mornington Peninsula Shire; South Gippsland Shire; Wellington Shire; West Gippsland CMA.

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