

Collaborations

Let's Talk - Emerging From the Big Dry

GLENRAC Inc



Bringing rural landholders together around dealing with the financial impacts of drought and bushfires

The issue

The prolonged drought conditions in the Glen Innes region has impacted rural landholders in many ways. As well as the physical and emotional toll that on going feeding and watering of livestock is having on primary producers the financial impact is significant. Some landholders have destocked prior to and during the drought, and are now facing the prospect of trying to restock as livestock prices rise. Other have hand fed livestock for many months at great financial cost. Cash flow and available capital are going to be issues for many in coming months and being able to negotiate the complex banking landscape will require skills and knowledge.

The solution

With support from PHN Empowering Our Communities and Red Cross, GLENRAC hosted an evening which provided the opportunity for primary producers, and small businesses, to come together and consider one approach to managing through and recovering from drought.

Former local lad, Sam Newsome , Newsome Agriculture, provided members with an insight into the planning process that the groups of producers he works with use, to drive a better Return On Assets Managed. Rob Mulligan, a Walcha based beef and sheep producer, provided a case study of farm and financial planning. Sam worked through what he calls the **Real ROAM** approach which addresses the four key areas of business:

- * **R** eal Estate (farm development plan) - cost benefit analysis and return on investment.
- * **O** perations (enterprise mix) - what is your farm good at and what can you be best at?
- * **A** ssets to enable the plan (infrastructure, plant and finance).
- * **M** anagement (people: on farm, contractors, service providers, marketing relationships)

The impact

The key messages from the event:

- * understand your farm financials and review them regularly
- * importance of monitoring and recording as foundation for sound objective decision making
- * be in regular contact with your bank manager, particularly if you need additional finance
- * opportunity to borrow funds from Regional Investment Corporation at 0% interest for the first 2-years of the loan. If this is of interest to your business, get organised and start early!

Fifty two (52) people attended the event, many of them couples, with a diversity of ages and from all parts of the GLENRAC area. While providing some really useful insights into decision making, this event also provided participants with the opportunity to get together, network and share their experiences. This was evidenced by the fact that there were still a number of couples sitting around the tables well after the event and dinner were finished, discussing what had been presented.



Key facts

- Data and record keeping is important but using and analysing this information is key
- Know what you are good at and what your farm is good at
- Management is not just the people on farm, it is a team including bank managers, accountants, agronomists

Project Partners



the power of humanity



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