

Making the most of opportunity

By Jenene Kidston,
District Agronomist, Mudgee

Thornbury Vineyard is a scenic vineyard property on the Castlereagh Highway between the historical gold mining town of Gulgong and the renowned wine growing Mudgee district.

But instead of just growing quality wine grapes, this vineyard has branched out into a range of different enterprises as part of a carefully planned risk management strategy.

It's about managing the inherent risks faced by all farmers: drought, market variability, seasonality of activities of any single enterprise, being able to provide job security for staff, and achieving water use efficiency.

The property grows and produces lucerne hay and pasture silage and finishes steers for the feedlot market.

Bud burst in the vineyard occurs in early September, grapes grow over spring and summer, and harvesting takes place in the autumn months of March and April. Pruning and vineyard maintenance is the main job in winter.

Lucerne starts actively growing in late spring. The first cut of hay occurs in early summer, with another five cuts possible before the season ends in April.

The cattle enterprise is a year-round program including summer and winter forage crops, perennial pastures, and dryland pasture silage production in spring.

When asked about managing so many different enterprises, Craig Stubbs said that diversity and flexibility is the key to



risk management in both the economic and natural environment.

Like so many farmers who have taken risk management by the horns, he knows flexible farmers are in the best position to ride the waves.

The beef and hay businesses enable Thornbury to continue employing staff year round, despite the seasonal nature of vineyard work.

Good prices for feedlot steers and lucerne hay in recent years also helps to provide job security for vineyard staff during a slump in the wine industry.

Thornbury began to manage the current drought by taking the opportunity in spring last year to make hay and silage from fodder crops, excess pasture and lucerne when rain and feed were in abundance.

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MORE BEEF FROM PASTURES: A SIMPLE TOOL TO CHECK BUSINESS PERFORMANCE



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Colleen Jorgensen, in partnership with husband Trevor, owns and operates a beef cattle business at Delungra on the NSW north-west slopes, and is a strong believer in knowing your cost of production.

About three years ago Colleen and Trevor decided they needed to know more about how their business was performing and decided that the More Beef from Pastures Cost of Production calculator was a great starting point. Colleen says that, while it is fairly easy to use, participating in a half-day workshop conducted by NSW DPI staff was a good introduction.

The Jorgensens say that knowing how many kilograms of beef they produce each year and the cost per kilogram to produce it gives them a means of monitoring their business performance from one year to the next. 'Most of the information needed to calculate our cost of production was already available within our records; I just needed to put it into the Cost of Production calculator. I would encourage producers to look a little closer at the performance of their beef businesses by taking this first step.'

If you are interested in participating in a free introductory workshop, contact NSW Department of Primary Industries, Casino on 02 6662 2288.



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RIRDC Rural Women's Award – helping to shape futures

As the owner of Hunter Belle Cheese I have been responsible for all aspects of the development and establishment of a small speciality cheese factory based in Muswellbrook in the Upper Hunter region of NSW.

Hunter Belle cheese produces unique high quality cheeses hand made from Brown Swiss cows' milk. Along with the cheesemaker role, I am responsible for all aspects of production, finance, marketing and administration of a small business that includes one other full-time staff member and four casuals.

Participating in the RIRDC Rural Women's Award helped me assess where Hunter Belle Cheese was positioned in the dairy industry and how I could improve my individual and business contribution in my local community through to industry level.

My goal was to strengthen the dairy industry through growth of Hunter Belle Cheese, by identifying and producing new products and expanding current markets.

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Craig says the aim is 'to get the biggest return we can from a megalitre of water, be it wine grapes, fattening steers, growing lucerne, or producing silage and hay.'

'We are prepared to look at all options and to shift the enterprise balance if it makes physical and financial sense.'

Participating in the RIRDC Rural Women's Award has assisted with awareness of Hunter Belle Cheese products and throughout 2005 and 2006 we have achieved growth through expanded volume in Sydney and Queensland markets.

More importantly, I participated in the RWA to inspire and demonstrate to other rural youth and women that there are so many opportunities available to them, and with passion, hard work and determination they can achieve their greatest ambitions. As an example, I have recently created an opportunity through a school-based traineeship for one of my junior employees.

The runner-up Award Bursary allowed me to undertake a study tour of specialist cheese factories in Victoria, South Australia and Western Australia in January 2006. The trip has proved invaluable in giving me confidence to expand my product range and in establishing new networks and connections with other cheesemakers.

The ability to shift focus and maintain an income base is essential for the long-term sustainability of the farm.

Risk management today is being ready to make the most of an opportunity when you can and protecting your assets, including farm staff, infrastructure, perennial pasture and your capacity to produce an income



Kate Woodward. 2005 RIRDC Rural Women's Award Runner-up.

As a direct result of participating in the Award I have also become involved in a number of rural organisations and government advisory bodies in NSW. At the end of 2005 I was appointed as a member of the NSW Dairy Industry Conference. The Conference advises the NSW Minister for Primary Industries on the general policies of NSW Food Authority and other aspects of policies that affect the dairy industry.

In 2006 I was appointed to the board of AgStart, a NSW government scheme to promote and facilitate career paths for young people in agriculture. Additionally I have recently been appointed to the board of the NSW Rural Assistance Authority.

The Award has, without a doubt, given me the self-confidence and the profile to take on industry positions and to better use my talents and skills for the benefit of the dairy industry and my local community. ■

during the tough times.

These opportunities can be a good spring, good market prices for your product or an active water licence.

Tough times are not just the current drought but may be the result of a drop in market prices, flood, fire, locust plagues or any other natural or manmade disasters. ■

health ■ riding the waves of drought

Information from Centrelink's 'Coping with the social impact of drought' fact sheet.



PHOTO BY ELIA DREYFUS. LIVING OUT BACK

Country people in Australia are typically tough, resilient and resourceful. These are qualities that have enabled generations of country families, and men in particular, to tough it out in hard times. These same qualities also prevent many men from seeking help, particularly for depression, because they're worried that asking for help could be seen as weak or shameful. **If you or someone you know may be suffering from depression, contact the Rural Mental Health Support Line on 1800 201 123. For information about depression, the treatments available and how to help someone visit: www.beyondblue.org.au or call the beyondblue information line on 1300 22 46 36**

The social impact of drought

A degree of stress is normal in life and most rural people are experienced in coping with droughts, losses and various other difficulties. However, a prolonged drought represents a time of major change and crisis for many in the rural community. Prolonged uncertainty also increases anxiety and stress. In this type of environment, it is normal to have strong feelings that may change from time to time. It is helpful to know what to expect and to learn constructive ways of expressing feelings and managing change. It is also important to know when to get extra help.

Normal feelings and emotions in drought

When dealing with the pressure of a prolonged drought, everybody responds in his or her own individual way. Normal reactions include:

- feelings of being out of control and at the mercy of the weather and markets
- fear of future lack of finances to continue providing for the family and continuing the farming/stock program
- strong emotions such as frustration, anger, helplessness and disappointment
- regret for decisions made/not made
- blaming others or yourself for things that are beyond your control
- social isolation, such as wanting to withdraw from being with others
- grief and despair associated with being forced to sell herds of stock built up over many years
- sadness associated with watching livestock, and pastures suffer and/or die
- stress and pressure associated with making difficult decisions for this year's farming/livestock program, and
- stress associated with re-negotiating bank loans/overdraft facilities to meet financial commitments.

It is important to know that these feelings are normal. They may settle when a practical problem is solved or some rain is received. They may also resurface as you face new problems and difficult decisions, such as how much to invest in next year's crop or when to re-stock.

Positive ways of coping

It is helpful to remind yourself of the positive ways in which you personally coped through the last drought or past losses, as this will help you to feel more confident and positive about coping this time. Some positive ways of coping include:

- taking time to be with family and close friends
- trying to keep the rest of your life as normal as possible
- openly discussing with all family members the reasons why household expenditure is being cut back
- looking after yourself—eating properly, exercising etc.
- expressing your emotions and letting family members talk about their emotions
- taking more care when driving or working around the farm and home, and
- remembering your sense of humour and laughing.

When to get extra assistance

There are occasions when drought-related stress can become very difficult to manage. When this happens, it may be time to get more information or assistance. Signs to look out for include:

- feeling you have no one with whom to share your emotions
- feeling 'on-edge' most of the time
- feeling numb and empty
- feeling like you 'can't go on'
- your sleep is continually disturbed
- your relationships and work seem to be suffering or are significantly changed
- you are increasing your intake of alcohol, and
- you are experiencing health problems.

In children, these signs can also manifest themselves in additional ways, such as:

- withdrawal from group activity

- aggressive behaviour, and
- difficulties at school.

Remember, seeking assistance is a positive step and a sign of strength.

How can a Centrelink Social Worker help?

Centrelink Social Workers provide a confidential, professional and free service either over the telephone or in person at a Centrelink Customer Service Centre. A Centrelink Social Worker will listen to you, give you support and help you work through your options while at all times respecting the privacy of your personal and family information.

Centrelink Social Workers can assist you by:

- offering short-term counselling and support about any personal or family concerns
- giving you information about, or referring you to, other services in the community such as health, legal services, support groups, emergency financial assistance and counselling
- providing information about drought assistance payments and other payments and services available from Centrelink, and
- determining if you are eligible for payment under special circumstances, such as when a young person has problems remaining at

home, or where a person is fleeing a situation of domestic violence.

Contacting a Centrelink Social Worker

You can arrange an appointment (over the phone or face-to-face) with a Centrelink Social Worker by calling the special Drought Assistance Line on 13 23 16. If the over-the-phone service does not meet your needs or you cannot attend a Centrelink Customer Service Centre, a Social Worker may be able to arrange to visit you at a convenient location.

Additional help

Call Lifeline's 24-hour counselling service on 13 11 14

Rural mental health blueprint – a national first

Farmers, farm workers and their families face a unique range of issues in an increasingly harsh environment that includes social, family and financial pressures.

The drought has had obvious effects on rural communities and the ramifications will be felt for some time. But there are many other factors contributing to the increasing sense of stress, hardship and isolation that aren't directly related to the drought.

Some in rural communities say that they feel they are no longer coping with the increasing pressures but don't know where to go to ask for help.

With this in mind, the Rural Mental Health Network – established recently by the NSW Farmers' Association – is working towards identifying the contributing factors to mental health problems and finding solutions to help those in need.

This network is the first of its kind in Australia and is working to improve the mental health and wellbeing of farming people and communities. The ultimate aim is to make sure that farmers, their families and the broader community can get all the help they need – when they need it.

The network meets regularly to discuss collaborative actions and to get a snapshot of conditions from farmers, rural communities, support workers and small businesses. It is

focused on providing solutions and reducing the stigma of mental health problems in rural communities, helping people find the support they need, and reducing the impact of mental health problems by advocating early intervention.

In May 2006, the NSW Farmers' *Blueprint for Maintaining the Mental Health and Wellbeing of People on NSW Farms* was provided to both the Australian and New South Wales governments. This blueprint highlights the 'Pathways to Breakdown'. But, more importantly, it identifies practical solutions that can be implemented to achieve 'Pathways to Health' through early intervention.

The blueprint offers 22 action areas including mental health

first-aid training, farm support, access to financial counsellors and drought support workers. To obtain a copy of the blueprint go to: www.nswfarmers.org.au

As well as participating in the Rural Mental Health Network, Centrelink also offers a range of payments and services designed to help rural communities get through hard times and back on their feet.

For the latest information from Centrelink visit: www.centrelink.gov.au, your local Customer Service Centre or phone 13 23 16 for drought assistance, Freecall™ 1800 050 585 or farm assistance or 13 10 21 to make an appointment.

Women's business

MANAGING THE LAW IN YOUR SMALL BUSINESS

By Maureen Noonan, Author of Women's Business: Managing the law in your small business

Women in business face additional challenges to those faced by men. As business people, women have a number of strengths, such as being good at juggling deadlines, handling stress well, being prepared to ask questions and learn. However, women are often isolated, especially if they operate a micro business from home.



A lawyer and business consultant based in Sydney, Maureen regularly conducts workshops for small business and presents for the NSW Department of State and Regional Development's Women in Business workshop series. In her latest book, *Women's Business*, Maureen shows you how to stay in charge of the legal requirements that you may face daily in a business, and encourages you to manage legal assets and liabilities as if they were in a balance sheet.



Do you have both a personal and a business relationship with the same person? If so, then this article is for you!

A case study referred to in my guidebook on managing the law in your small business* concerns Julie, who starts a family company using oranges grown by her parents to make products. Julie entered into a binding financial agreement with her husband to protect the interests of other family members in that operation and a Shareholders Agreement with other family members in the company.

Clear and unambiguous agreements, updated as appropriate, can have many benefits. Any necessary separation may be a lot more civilised and less expensive than might otherwise be the case. They may motivate family members to channel their contribution into their area of expertise, for the benefit of all.

Needless to say, any agreements should be consistent with Wills and other Estate Planning matters and tax advice is strongly recommended.

The financial agreement should cover WHO is going to do (or contribute) WHAT in return for HOW MUCH plus incidental matters such as methods of dispute resolution, a procedure for sale of individual interests, who owns assets and what is to happen to them if that party leaves.

BINDING FINANCIAL AGREEMENTS

These are agreements for couples. They can be known as 'Prenups', Domestic Relationship Agreements or Binding Financial Agreements. They can be entered into

prior to, during, or after the relationship. For obvious reasons, it is easier to do them when couples are still speaking!

In order to be legally enforceable, certain formalities must be observed and independent legal advice obtained.

A typical agreement includes:

1. Details of parties
2. Separate property of each person
3. Joint property
4. Superannuation
5. Maintenance: maximum claim or waiver
6. Care/support of children
7. Lists of assets/liabilities
8. Schedules of associated documents

Where couples are involved, it is usually wise to have a Binding Financial Agreement covering all assets and a Partnership or Shareholder Agreement to cover business matters in more detail.

SHAREHOLDER AGREEMENTS

These are agreements between shareholders in closely held companies. They generally

cover the following matters and anything else specific to the company.

1. Operation, roles
2. Management
3. Voting and control
4. Dividend/cash management policy
5. Profit/dividend distribution
6. Restriction of share transfers
7. Procedure for share transfers
8. Options in case of certain events
9. Confidentiality
10. Business opportunities
11. Intellectual property
12. Duration of the agreement
13. Termination: when and how
14. Dispute resolution
15. Schedules containing management or associated agreements

PARTNERSHIP AGREEMENTS

These cover the rights and obligations of business partners and contain similar matters to Shareholder Agreements.