



RURAL SOLUTIONS QUEENSLAND INC

Submission to the Australian Government

Agricultural Competitiveness Issues Paper

“A free, impartial and confidential rural financial and social counselling service would provide farmers with assistance that improves farm gate returns, and support small businesses in rural Australia”.

Response Submitted by

Rural Solutions Queensland Inc

(trading as Rural Financial Counselling Service – South West Queensland)

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About Rural Solutions Queensland

Rural Solutions Queensland Inc. (RSQ) is a not for profit organisation which was established in 1998 and has been providing rural financial counselling services since this time. RSQ is managed by a board of seven local community members. Since 2006, Rural Solutions Queensland Inc has been delivering free and confidential rural financial counselling services to primary producers and small rural businesses under the Rural Financial Counselling Service Program. This program is funded by the Australian and Queensland Governments.

About this Response to Agricultural Competitiveness Issues Paper

This submission has been formulated by the Directors of Rural Solutions Queensland. As passionate rural advocates, these rurally based Directors have chosen to provide input into one area of the Agricultural Competitiveness Issues Paper – *Farm Decisions for Improving Farm Gate Returns*.

There are three proposals put forward to enhance farm gate returns. They are:

- 1. The ongoing provision of a free, impartial and confidential Rural Financial Counselling Service to farmers.**
- 2. That the Rural Financial Counselling Service be expanded so it provides financial counselling services to small businesses operating in rural areas.**
- 3. That the Rural Financial Counselling Service be expanded so it provides social counselling support to farmers in rural and remote Australia.**



Farm Decisions for Improving Farm Gate Returns

Context and Background

Farmers need help with making quality strategic decisions, especially in times of operating stress. Decisions made by primary producers can impede or enhance their productivity and resulting farm gate return. In times of adverse conditions e.g. climatic variability (e.g. prolonged drought, severe flood); fluctuating commodity prices; tight financial operating conditions, farmers may need additional financial and personal well-being support to help them make wise decisions. This support should be of an impartial and confidential nature and should incur minimal or no cost to the farmer. This support should be freely available in rural and remote communities throughout Australia.

The success of rural and remote communities hinges not only on the farmers operating viable and productive businesses. Farmers need to be supported by sustainable and vibrant small businesses which operate in their local area. In adverse conditions, small business operators also need assistance to make wise decisions.

PROPOSAL ONE

The Proposition for Improving Farm Decisions – Rural Financial Counselling Service

Farmers (particularly the ‘family farm’ business model) need access to a free, impartial and confidential rural financial counselling service. The existing model of Rural Financial Counselling Services operating as independent not-for-profit organisations has a highly valued and respected footprint throughout Australia in 2014. This should be continued into the future if agricultural competitiveness is to be maintained and enhanced.

Why?

The agricultural sector is constantly changing and farmers need to evolve and adjust their primary production business in order to survive. There is considerable anecdotal evidence that there is a growing cohort of farmers who need assistance to be able to improve their productivity and their farm gate returns.

In times of adverse economic and climate conditions, farmers need support to maintain and increase agricultural productivity. These family farms hold ownership over significant areas of highly productive farm land and are significant employers and generators of wealth in rural Australia. Rural financial counselling assistance would also be vital in assisting young next-generation farmers to enter to stay in the industry. Rural Solutions Queensland would request ongoing funding be provided for this service as we grow our nation's agricultural competitiveness.



PROPOSAL TWO

The Proposition for Improving Farm Decisions – Small Business Financial Counselling Services

That the Rural Financial Counselling Service be expanded so it provides a multi-faceted service delivery to increase farm gate returns by providing financial counselling services to small businesses operating in rural areas. This new model would add value to the existing core business of the Rural Financial Counselling Service network by working not only with farmers, but also with small businesses based in rural and remote areas.

Why?

Whilst there is currently a number of existing services available for small business, the reality is most are not accessible (ineligible, not available locally, too difficult to obtain the funding, short term/one off or too expensive) or are not what small business operators in rural and remote areas require to assist them to make significant changes to their business.

This is especially true for small businesses that are experiencing financial hardship, family business succession planning or structural adjustment.

Rural Solutions Qld would like to advocate for an enhanced and expanded rural financial counselling service model which would work with non-farm small businesses and would have the potential to make a real difference to the financial health of individual small town businesses, their local unsecured creditors and economies of rural communities and local farming communities.

PROPOSAL THREE

The Proposition for Improving Farm Decisions – Social Support Counsellors for Personal Health and Well Being of Farmers in Rural Australia

That the Rural Financial Counselling Service be expanded so it provides social counselling support to farmers in rural and remote Australia. A social counsellor would be co-located with the rural financial counselling team.

Why?

Rural Solutions Qld has been extremely concerned for some time about the lack of social counselling available to its clients. Whilst we have worked hard to link farmers to existing social support services, there are a number of hurdles with the existing fragmented provider system and complex referral pathways. This would result in enhanced referral practices and pathways, as referrals could be direct and joint work/joint visits to farmers could be undertaken. Client anxiety and stress could be counselled in a holistic manner during times of financial counselling support. Rural Financial Counsellors would be able to recognise personal health and well-being issues and seamlessly provide social support within the existing organisation.



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