

Government drought support inquiry
Productivity Commission
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Submission Productivity Commission – Drought Economic

With my submission I invite you to a personal story. A story of personal growth, economic growth and a community's growth.

My husband and I own a operate a cattle enterprise some seventy six kilometres south of Mitchell in Western Queensland. Over the past seven years our shire Waroo has been in the drought of a life time. A one in a hundred year drought. The impact on ourselves, financially, human, our stock, and our pastures has been unimaginable. Depression and a feeling of failure had ripped the 'guts' out of our community. People were not mixing on a social note anymore, so our community halls as well as our local stores were suffering. The picture was grim.

I kept questioning "There must be another way to manage this drought. Questions of how can we better prepare ourselves with knowledge, expertise, thinking from a strategic level and take control of our destiny rather than the drought owning us".

So armed with very little knowledge my husband (aged 61) and I (56) embarked on a personal journey. This journey would have our shared vision; it would have the opportunity to question decision making, and ensuring all decisions were well informed. It would also have the ability to network with like minded people with expertise so that our decisions have been thoroughly sounded before being made.

Through funding from the Queensland Rural Adjustment Authority (Farmbis) we were able to commit to a three year Learning Program that assisted us in determining what affects our bottom line. This is applied to our gross margin, and to increase gross margin we needed to increase turn over and reduce our overheads. How do we do that when we are in such drought? The power of positive thinking, and having the ability to surround ourselves with positive people. This journey also encompassed the environment, the soils, our livestock and matching stocking rate to carrying capacity. Resting our paddocks especially during the non growing season is critical to the recovery process of our pasture. How to measure how much grass there is in a paddock taking 60% and leaving 40% so that when it does rain the water is filtered by the grass that is on the ground thus leaving the top soil in place. We are currently in our second year of this program.

We have also accessed the Professional Planning Grant, where we were able to use this funding to develop our Drought Management Strategy. The objective of this strategy is to use the weather information over the past 100 years and finding our key dates when we can expect rain and what triggers should the event not happen. When is our "Green Date" (growing season for grass) and when and how to destock by using these grazing charts. Each month is charted and calculated and patterns form to assist you in making your decisions. Following this process we realised that we, like most other farmers, suffer from a lack of cash flow, however have a 80% equity in our property. With the remainder of the Grant we used these funds to seek Professional Advice for using the equity to develop a multiple income stream from off farm investments. We are committed to this plan to take place in 2009-2010.

For us it is essential for the continuation of the training and professional grants.

The support we have received with Interest Subsidy was also vital in assisting us. With this assistance we have utilised the drought as an opportunity. This opportunity forced us to drill down our business, identify the deadwood, probe for weaknesses and challenge assumptions. We have capitalised on our strengths and are very aware of our weaknesses (e.g. falling in love with our cattle). Our decisions are based on economics and not on emotion. We think effectively and not efficiently. This has been an empowering experience for us. For without the Interest Subsidy assistance this knowledge gained would not have happened. This has been an enormous challenge both personally and professionally for us, and we taken this challenge and used it to our advantage.

It has been through this opportunity that we have our future drought strategies (i.e. drought preparedness) and it is in the area that we look forward to future government assistance with implementing them.

View by our local community as inspiring, motivated and positive, we shared our knowledge and actions with them. We formed a Local Landcare Group and through some funding from Landcare they too have began their journey of growth and understanding. Some 19 enterprises are now in their second year. The dynamics of this area have changed considerably. This has enabled our community to grow, set their own achievable goals and benchmarks. "If you care for the land the land will care for you" is our motto.

Don and Teresa Allen