

**QUESTION ON NOTICE**  
**No. 92**  
**Asked on Thursday, 8 February 2007**

**MRS ATTWOOD** asked the Minister for Primary Industries and Fisheries (MR MULHERIN)-

**QUESTION:**

What initiatives has the Queensland Government taken in the past year to encourage new entrants into agriculture and to increase the productivity and profitability of primary production in Queensland in general?

**ANSWER:**

The Queensland Government has undertaken a range of initiatives to encourage new entrants into agriculture and to increase the productivity and profitability of primary production in Queensland in general. These initiatives include an Investment Attraction strategy, the Rural Skills Training and Labour Strategy, and the provision of financial assistance through FarmBis training subsidies and QRAA concessional lending.

Since becoming Minister I have identified the enabling of Investment Attraction as a priority area for the Department of Primary Industries and Fisheries (DPI&F). I have been keen to explore opportunities for increasing the flow of private investment into Queensland agribusiness and agricultural research and development activities. It is important to promote agribusiness as a viable investment option to attract new business ventures to the sector and ensure continued growth.

DPI&F is investigating the development of partnerships for investment attraction. As a part of developing this strategy I am leading consultations with stakeholders on both the demand and supply side of agribusiness investment.

Late last year I met with senior executives of major banks involved in financing the agribusiness sector. We explored the challenges facing the industry in attracting new investment and impediments to availability of private finance in Queensland agribusiness. This was the first in a series of meetings I intend to have with key stakeholder groups.

In addition, DPI&F is partnering with the National Food Industry Strategy Pty Ltd on a national "Access to Equity" initiative. This initiative provides workshops and forums for representatives of key private investment organisations and the agribusiness sector.

The Rural Skills, Training and Labour Strategy has been created to address the issues of labour and skills shortages in the rural workforce, and the issues of promotion of agriculture and primary industries in schools enabling a skilled workforce to be available to the agricultural sector.

A key component of the Rural Skills, Training and Labour Strategy is to engage industry in the process of identifying, collating, processing and actioning responses to a number of rural skill shortages.

This process will provide accurate data on skilling requirements in a detailed skills plan which will inform the Department of Education, Training and the Arts on training needs in the agriculture sector. Other key projects that form part of this strategy include a Horticulture Skills Formation Strategy, a Gateway School Concept, and the Schools to Industry Partnership Project.

A Horticulture Skills Formation Strategy for Fruit and Vegetables is taking place in the Bundaberg district. This strategy will engage industry in a process to promote the implementation of new customised skills development programs. A complementary agricultural skills formation strategy is also being conducted in the Burnett region with DPI&F assisting the Department of Education, Training and the Arts to implement the plan.

The development of a Gateway School Concept in Agriculture is a component of Blueprint for the Bush and will be progressed in collaboration with Education Queensland and industry. This concept will promote primary industries and the rural sector and provide for educational Gateways to Career Pathways.

Based on the initial progress by AgForce with the introduction of the Schools to Industry Partnership Project, further expansion of this initiative will be explored to include other industry sectors and provide for linkages between the school sector and primary industries to promote and encourage career pathways.

FarmBis training subsidies are jointly funded by the Queensland and Australian Governments. FarmBis conducts regional activities to assist rural communities to improve farm management, and the business capacity of rural communities. This is done via training and other opportunities to provide support for those working on the land and giving them the tools to increase productivity and primary production in Queensland. Improvement in business skills increases the attractiveness of enterprises to investors.

It is sometimes difficult for new entrants to agriculture to obtain finance. It has been recognised that the majority of new entrants into primary production will not have the financial capacity to establish a viable property from the outset. Concessional loan assistance is available to enable new entrants to acquire property in either one-off transactions or on a staged basis, enabling off farm income to contribute to servicing the loan. QRAA continues to promote the First Start component of the Primary Industry Productivity Enhancement Scheme (PIPES) amongst rural communities.

First Start loans also assist producers when they are considering their succession planning alternatives and determining the future management structure of their enterprises. The loans provide a means whereby those younger generation family members are able to purchase property from parents or other family members, ensuring continuation of the enterprise.

In 2005–06 QRAA provided \$19.5 million to 61 applicants to allow them to establish themselves in primary production. In fact, this was the most funding provided under this component of PIPES since its introduction. In the period 1 July to 31 December 2006, 18 loans were approved to a total value of \$6.1 million.