WHAT DOES TASMANIA’S DIVERSE AGRIFOOD SECTOR NEED, NOW AND BEYOND?
INTRODUCTION
The TasAgFuture project provides a once-in-a-generation opportunity to strategically position Tasmania’s agriculture and food sector in the best possible way.

The Tasmanian Institute of Agriculture is proud to support this research. I expect that it will enhance the sector’s profitability, sustainable practices and social contributions into the future. We wanted to hear the voices of the people in the agrifood sector – the findings from the project will feed directly into our strategies and priorities.

The TasAgFuture team have listened to many people working across the industry and captured their diverse perspectives. The project identifies key goals, motivations, opportunities and challenges. These understandings will help target research, development and partnerships for years to come.

Research and education will provide important elements of our response strategy. A key message of the report is that industry, government, regional communities, consumers and researchers need to work in partnership to convert opportunities into impact, and to address some of the complex challenges we face. This report provides us with a strong foundation for action and positive change.

Professor Holger Meinke
Director, Tasmanian Institute of Agriculture (TIA)
WHAT IS TASAGFUTURE?

- TasAgFuture enabled hundreds of Tasmanian farmers and food manufacturers to have their say.
- It was carried out by the Tasmanian Institute of Agriculture (TIA) in 2017–18.
- We now better understand the perspectives of people working in Tasmania’s food and farming businesses.
- We can use this knowledge to help Tasmania’s food producing industries to thrive.

The full report provides details on:
- The context for agriculture and food in Tasmania
- How the research was carried out
- What participants said
- Recommendations for the sector

Download the full report: utas.edu.au/tia/tasagfuture

Which sectors did survey participants come from?

*Data from TasAgFuture survey - Winter 2018
GOALS

What are the most important long-term goals of farmers and food manufacturers in Tasmania?*

To create high quality produce
To grow the business
To draw down debt or build equity
To substantially increase my income
To pass on the business to my children
To contribute to my community
To pass the land on in good condition
To maintain/develop native habitat or biodiversity
To develop new markets
To reduce environmental impacts of the business
To create jobs

*Data from TasAgFuture survey - Winter 2018

The different ways farmers and food businesses make money are based on different priorities.

When asked about goals, all of the participants showed passion for their work. Their motivations are based on much more than money and they have different priorities behind their goals. Every business needs to make a profit, but they talked about the need to make profits in many different ways.

Priorities behind their goals

Family farms
- Keeping the farm in the family and passing it on in good condition
- Making enough profit to keep the business afloat, especially in hard times

“We've got to be a cut above the rest.”

Niche and boutique food/beverage businesses
- Making remarkable products
- Attention to detail in food and branding

“We've got to be a cut above the rest.”

Large farm and food businesses
- Producing and selling products at scale
- Looking after staff and the land for business sustainability
- Ensuring processes and technologies are up-to-date
- Scaling up the business

“You're going to run out of ground very quickly if you're not sustainable.”

“We're not prepared to stand still, otherwise we'll get gobbled up.”
**MOTIVATIONS**

Motivations rated as ‘Very important’*

- Creating high quality produce/products
- Doing work I enjoy
- Having a lifestyle I enjoy
- Being able to stay on the farm/in this place
- Being my own boss
- Working outdoors
- Giving something back to the land/place
- Being recognised for being good at what I do
- Making high profits or being well-paid

*Data from TasAgFuture survey - Winter 2018

**Common motivations across the agrifood sector**

Whether the business is a large commodity farm, a family farm, or a boutique or niche food business, they are all driven by at least one of the following motivations:

- **Be your own boss** – making and being responsible for decisions and actions
- **Be part of something bigger** – a family, team, community, and the history of a place
- **Be good at what you do** – the satisfaction of growing a good crop, producing high quality food or running a successful business

**Interview quote**

“Looking after the land – and putting back into it what you’re taking out – so that you ensure that it remains profitable and productive for years to come and for generations to come.”
INNOVATIONS

What techniques and advances are farmers and food manufacturers bringing to their businesses?

When asked about things they have done to achieve their goals, participants gave diverse examples of innovations. Commodity producers tend to use technology to make their processes more efficient, whereas niche businesses generally focus on improving product quality and communicating their brand to their customers. Boutique businesses often partner with other businesses to produce a unique product, and they use customer feedback to improve the experience of their agrifood and agritourism products.

Innovation across Tasmania's farm and food businesses

COMMODITY: High production, large market, lower price

Commodity producers and large-scale food manufacturers need to be able to deliver large amounts of product with high reliability. Their innovations typically focus on efficiency, distribution and product diversification. A few businesses are also exploring new markets.

Examples of innovations:

- **Product:** Patents and trademarks e.g. Jazz apples
- **Process:** Milking cows every 16 hours instead of every 12; Sensing technology for smart irrigation
- **Market:** New crop varieties and product lines
- **Supply chain:** Quality assurance and product tracking

NICHE: Medium production, defined market, medium price

Niche producers tend to rely on their agility and product diversification for success in the market. Their innovations focus on minimising waste, meeting changing consumer attitudes, and creating new value-added products. Some are developing innovative business models.

Examples of innovations:

- **Product:** Diverse range from one source e.g. Olive oils, table olives, skin care range using olive oil
- **Process:** Developing sustainability credentials e.g. Organic certification
- **Market:** Attractive packaging, social media campaigns
- **Supply chain:** On-farm/cellar door sales; Use of Willing Workers On Organic Farms (WWOOFers)

BOUTIQUE: Artisanal production, very specialised market, premium price

Boutique producers create unique products for specific and small markets. They tend to have close relationships with customers and high price points. Their innovations focus on maintaining very high standards and building a story behind their products.

Examples of innovations:

- **Product:** Regional ingredients to make specialty products
- **Process:** Micro-scale technology e.g. CO₂ microchip sensors
- **Market:** Creating bespoke products as a tourism experience e.g. Visiting Cygnet’s surrounds for a local, gourmet, paddock-to-plate meal
- **Supply chain:** Local story is part of the brand

Interview quote

“If you just sit on your hands, you don’t really get anywhere in this game. You have to be constantly improving and getting more out of your ground.”
What are the big challenges for farmers and food manufacturers?

When asked about issues that constrain their businesses, participants explained a diverse range of challenges. Common agricultural challenges include transport costs, red tape, and the challenges of operating in global markets and a variable climate. Other challenges are local and could be addressed here in Tasmania:

Three major challenges

- Lack of incentives for young people to stay in regional areas
- Poor integration across government policies and portfolios for regional development
- Low trust in government and a sense of disengagement from key decisions

Labour challenges

- In regional areas, it is difficult to recruit staff with the right skills and a positive attitude
- Some employers lack leadership and management skills
- Limited access to education and training opportunities

Community perception of agriculture

- Increasing public concern about the impact of agriculture on the environment, animal welfare and human health
- Consumers do not understand what is involved in food production, and farmers are disconnected from urban consumers

Interview quote

“Having good mentors, I think has been the biggest thing.”

Participants’ descriptions of the future*

<table>
<thead>
<tr>
<th>Topic</th>
<th>Hope</th>
<th>Ambivalent</th>
<th>Concern</th>
<th>Recurrent topics raised in the 100 interviews</th>
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<tbody>
<tr>
<td>Tasmanian brand</td>
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<td>Market opportunities</td>
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<td>Technology</td>
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<td>Water</td>
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<td>Climate change</td>
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<td>Scale of operation/business structure</td>
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<td>Cost of production</td>
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<td>Regulations</td>
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<td>Weeds pests disease</td>
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<td>Labour</td>
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<td>Infrastructure</td>
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<td>Institutions</td>
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<td>Attractiveness of agricultural jobs</td>
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<td>Tourism</td>
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<td>Preference for clean safe healthy produce</td>
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<td>Provenance of food</td>
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<td>Trade conditions</td>
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<td>Succession</td>
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<td>Animal welfare</td>
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<td>Competition</td>
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Interview quote

“Maintaining that clean green sustainable, healthy image that Tassie’s got will lead us well into the future.”

What is the ideal future for Tasmania’s farmers and food manufacturers?

When asked about the future, participants often described what they hope will happen, as well as what needs to be done. Overall, they highlighted these needs:

- Preserve Tasmania’s clean and green brand
- Manage water resources in a drying climate
- Take advantage of technological change
- Develop new products, enterprises and markets
- Invest in biosecurity

Regional decline

- In regional areas, it is difficult to recruit staff with the right skills and a positive attitude
- Some employers lack leadership and management skills
- Limited access to education and training opportunities

Interview quote

“Maintaining that clean green sustainable, healthy image that Tassie’s got will lead us well into the future.”

* Recurrent topics raised in the 100 interviews

Expectations

- Preserve Tasmania’s clean and green brand
- Manage water resources in a drying climate
- Take advantage of technological change
- Develop new products, enterprises and markets
- Invest in biosecurity

Participants’ descriptions of the future*
WHAT SUPPORT DOES TASMANIA’S AGRIFOOD SECTOR NEED?

Understanding Tasmania’s agrifood sector is vital for our future. It is vital for the sustainability of the sector, and Tasmania’s economic growth. We can only significantly develop the agrifood sector together. Different agrifood industries need different types of research and development. The key is collaboration – between industry, regional communities, government and research.

Recommendations

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<thead>
<tr>
<th>Key</th>
<th>Industry</th>
<th>Research</th>
<th>Government</th>
<th>Community</th>
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<tr>
<td>Regional and sectoral development</td>
<td>Long-term programs between industry, regional organisations, government and the University of Tasmania/TIA</td>
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<td>Partnerships and funding from public and private sectors</td>
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<td>Skills development and education</td>
<td>Leadership development for managers</td>
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<td>Industry-focussed training scholarships and travel bursaries</td>
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<td>Flexible, short courses, especially addressing technical and technological needs</td>
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<td>Sustainability and community perception</td>
<td>The social, economic and environmental aspects of food production need to be:</td>
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<td>considered together</td>
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<td>underpinned by credible research</td>
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<td>based on strong connections with consumers and the Tasmanian public</td>
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<td>Support for innovation</td>
<td>An initiative to encourage experimentation</td>
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<td>Develop working groups to:</td>
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<td>recognise bottom-up innovation</td>
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<td>promote collaborative innovation</td>
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<td>identify priorities</td>
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<td>Future-focused research to inform policy</td>
<td>Up-to-date analysis of the food production sector</td>
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<td>Collaboration to help learning</td>
<td>Improve knowledge exchange between TIA and private providers through projects and forums. Eg. Joint projects</td>
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PROJECT TEAM

Researchers

- Dr Peat Leith (Project leader)
- Dr Saideepa (Deepa) Kumar
- Dr Rajendra (Raj) Adhikari
- Dr Carolina Garcia Imhof

Other specialists
- Dr Kathy Evans, Project Advisor & Evaluation Expert, TIA
- Claire Baker, Research Communications Officer, TIA
- Bronwyn Cumbo, Project Manager, TIA

Steering committee
- James Stronach (Chair) - Deputy Director, Strategy and Engagement, TIA
- Professor Holger Meinke - Director, TIA
- Sue Hinton - Industry Development Manager, TIA
- Professor Bruce Tranter - Professor of Sociology, University of Tasmania
- Dr Andrew Harwood - Lecturer in Human Geography, University of Tasmania

THANK YOU

A special thank you to the participants of TasAgFuture for taking the time to have your say. Thanks also to the numerous individuals and organisations who helped the survey to reach your networks.

MORE INFORMATION

Email the team: tasag.future@utas.edu.au
Download the full report: utas.edu.au/tia/tasagfuture