COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON SCIENCE AND INNOVATION

Reference: Coordination of the science to combat the nation's salinity problem

MONDAY, 1 DECEMBER 2003

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON SCIENCE AND INNOVATION

Monday, 1 December 2003

Members: Mr Nairn *(Chair)*, Ms Corcoran *(Deputy Chair)*, Mr Martyn Evans, Mr Forrest, Ms Grierson, Mr Hatton, Mr Lindsay, Mr Anthony Smith, Mr Ticehurst and Dr Washer

Members in attendance: Ms Corcoran, Mr Martyn Evans, Mr Lindsay, Mr Nairn, Mr Ticehurst and Dr Washer

Terms of reference for the inquiry:

To inquire into and report on:

The Commonwealth's role in managing and coordinating the application of the best science in relation to Australia's salinity programs.

In conducting its inquiry, the Committee will give particular consideration to the:

a) use of salinity science base and research data (including the development of new scientific, technical and engineering knowledge) in the management, coordination and implementation of salinity programs;

b) linkages between those conducting research and those implementing salinity solutions, including the coordination and dissemination of research and data across jurisdictions and agencies, and to all relevant decision makers (including catchment management bodies and land holders); and

c) adequacy of technical and scientific support in applying salinity management options.

WITNESSES

Committee met at 4.52 p.m.

COOMBES, Mr David Thomas, General Manager, Marketing, Landmark

CHAIR—I am pleased to declare open this public hearing of the House of Representatives Standing Committee on Science and Innovation in its inquiry into the coordination of science to combat the nation's salinity problem. On 13 August, the committee was asked by the Minister for Science, Peter McGauran, to inquire into this issue. It advertised nationally and sought written submissions from interested departments, organisations and individuals. Our focus is on managing and coordinating the application of the best science in relation to Australia's salinity programs.

This hearing today is our ninth public hearing. We have conducted hearings in Sydney, Canberra, Wagga, Shepparton and Western Australia. Our witness today is from Landmark. I welcome Mr Coombes this afternoon. Although the committee does not require you to give evidence under oath, I should advise you that the hearing is a formal proceeding of the parliament. I remind you, as I remind all witnesses, that the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament.

I also remind you that the committee prefers all evidence to be given in public. However, at any stage, you may request that your evidence be given in camera and the committee will then consider your request. I guess in that respect, with your particular company, it would be in relation to commercial-in-confidence material or anything like that which you thought might be relevant and which you would not want publicly recorded. You could request it in that respect.

We have received your submission, which is submission No. 30, and it has been authorised for publication. It is on the public record. First, would you like to make some opening remarks and then we will proceed to questions.

Mr Coombes—Thanks. First, may I say how we welcome your invitation to appear at the hearing. We are very encouraged by the level of interest taken in our particular association with the salinity problem. You will note from our submission that we are particularly focused on those linkages between the bodies and people conducting research and the dissemination of that research, particularly to land-holders. That is our unique connection in this process. You would be aware from the submission that Landmark is a major Australian agribusiness. It is now part of AWB Ltd, a matter which only occurred slightly before we put that submission in. Previously, we were part of the Wesfarmers group.

CHAIR—So are you restructuring as a consequence of that?

Mr Coombes—We are.

Ms CORCORAN—It is the old Wheat Board?

Mr Coombes—The old Wheat Board is now a publicly listed company. They purchased Landmark from Wesfarmers on August 29 this year. As the chairman said, we are now experiencing some restructuring, which is getting pretty close to home as far as I am concerned. We service about 100,000 farmers across the country. We service them with farm inputs and

fertiliser. That is about half our business. We are the largest provider of farm inputs to the rural community. We also provide services like wool marketing, livestock marketing, rural property marketing, finance and insurance. We do that through about 430 locations around Australia. In fact, if you look at a salinity map, you will find that Landmark is represented right through those zones, so we have a presence in all those areas of Australia where salinity is an issue.

The staff we have includes 250 agronomists, so we actually have people on the ground in those rural areas who already have at least a basic knowledge of soil science and plant science. We have other staff in the paddock every day, of course, who are perhaps wool specialists, livestock specialists or real estate specialists. So we have people associating with farmers on a day-to-day basis and on a one-to-one basis. When we were first approached by the group of people in Western Australia who were putting together what became the CRC for the plant based management of dryland salinity, we were quite interested because at the time, as a commercial business in agriculture, we were increasingly aware of the natural resource management issues that faced agriculture and yet we were not ourselves doing a lot directly to contribute to solutions. This was an issue of concern to us as a corporate citizen. So we were looking for an avenue to express our interest in this area.

It was timely that Alex Campbell and Phil Cocks came to see us. We agreed to participate in the CRC as the commercial partner but particularly as the conduit, if you like. They had identified us as an organisation that could actually assist in the promulgation of the research the CRC would conduct. We could help to achieve the landscape change that the CRC saw as being needed to combat salinity.

When we first began with the CRC, our investment was $50,000 a year. We undertook to provide $50,000 a year. But since then it has grown quite substantially. I think it is fair to say we did not really understand the magnitude of what we were getting involved with. So now I have a full-time member of my staff who works with the CRC on conducting our workshops across Australia. Since we have submitted this paper, the number of people that have gone through our workshops is now 750. It is 450 in the paper. Many of them are, of course, our staff because the first objective was to train our staff on matters of salinity. There are other land-holders and land managers involved as well.

I also spend a fair bit of time on board matters and so on. We are now moving to a second stage of involvement where we have a formal project within that CRC. The objective of it is to increase the adoption of lucerne and other perennials in the farming landscape. There is a lot of science known about lucerne, of course, but there is not a high level of adoption by farmers. We hope to change that situation through our education programs with our farmer customers and the wider community. We recognise that landscape change is needed and our contribution is through the CRC.

I will make two points in closing. We said in the paper that the CRC model is actually very useful for commercial organisations to link into science. They can then use that science to extend into the farming community. In our case, that is the research outcome. I think it is fair to say that if we did not have the CRC type model, we would find it difficult to make the contribution that we are making at the moment.

The second thing that is not in our paper which I would like to emphasise is that the 125 per cent tax deduction available to commercial organisations for some of its activities in this area is actually of assistance to us.

CHAIR—That is the R&D?

Mr Coombes—The R&D, yes. Not all of our activity qualifies, but some of it does. It helps me, for example, internally to argue about the cost. This is our largest area of corporate sponsorship, if you like, and corporate giving. It does help to offset the magnitude of the contribution with the tax deduction. So that is useful. Thanks.

CHAIR—Could I clarify that. Did you mention what the contribution was?

Mr Coombes—It is $50,000 cash in each of seven years. It is $50,000 a year over seven years, which is the initial life of the CRC. But we now have a contribution, with our in-kind contribution of a full-time staff member and training costs and so on, approaching $250,000 in a gross outlay each year. So it has become a substantial activity on our part.

CHAIR—Do you have any other links to the rural science aspect other than through the CRC?

Mr Coombes—No, not in the area of salinity. Our agronomists work with science bodies. We actually have a small group of R&D agronomists who work mainly with the large multinational chemical companies on bringing the latest technology to Australian farmers. We run our own trials, if you like, on new chemicals, be they fungicides, pesticides or even fertilisers, just to validate what these companies are telling us. So we work cooperatively with them. But that is very much at the commercial edge of growing things, if you like, rather than combating salinity, for example. So the channels through the CRC are excellent as far as we are concerned in putting us in touch with the best brains in dryland salinity in Australia. You have, as you know, the CSIRO, three university partners and all the state agriculture and land management groups, apart from Queensland, which is sort of umming and ah-ing about whether they should be a part of the CRC.

CHAIR—What sort of autonomy do agronomists have in their work? As scientists working for the company, do they have a reasonable amount of flexibility about where they might get some of their information that could help advise their clients, or are they very much restricted to whatever the company might be wanting to push at any particular time?

Mr Coombes—One of the difficulties we face now is the sort of litigious nature of advice. State agencies have found the same problem. We now have to be very careful about the type of advice we give our farmer clients. We tend to manage the information that is available to our agronomists in the field. So the small R&D group is responsible for assessing the quality, value and repeatability and those sorts of measures of new science in cropping and pastures and so on. We then get that out to the farmer through the agronomy network but it is managed, because we could not have agronomists just pulling off information from anywhere around the world without any testing of its applicability to Australian conditions.

Ms CORCORAN—Could you explain your comment about the litigious nature of the advice.

Mr Coombes—At any one time, we would have two or three cases in front of our legal counsel from farmers who would allege that their crop has failed or not yielded as high as it might have yielded or that there has been some other damage to their land because of advice that one of our agronomists might have given. So it is not to say that our agronomists are guilty of poor advice, but they might allege that it is.

Ms CORCORAN—I understand.

Mr Coombes—So we often have cases before us like that.

Ms CORCORAN—And advice plus product?

Mr Coombes—Use of product, yes. What we have now is a paddock diary recommendation, if you like. So everything has to be in writing. We give the client in writing our instruction about the level of chemical, the application, when it should be applied and when certain things might be expected to happen. So it is all now written down—any recommendations that our people might give to farmers about managing salinity. Of course, that can flow through to this area that your committee is looking at. We have to be careful about what it is that we are telling our clients.

Ms CORCORAN—In your submission and again in the presentation today you talked about promoting lucerne as the way to go. Why is that? How did you get to that conclusion?

Mr Coombes—There are a lot of people in the CRC who would say that it is because of Phil Cocks, the CEO, who is known as Mr Lucerne in WA because of his long history of studying it and being a great fan of it. But in reality it is because, as I said, there is a lot of science known about lucerne but the take-up rate by farmers is actually quite low. What we are trying to do is improve the take-up rate because it is a proven deep-rooted perennial that has a great capacity to dry out soil structures.

With respect to the emphasis within the CRC, of course, which is another reason why it interested us, the premise of it is that solutions have to be profitable. You can plant any amount of saltbush or salt tolerant species, be they trees or plants, but it may not necessarily be a profitable solution for the farmer. Our strong view is that unless it is profitable, the farmers will not take it up as they otherwise would. So lucerne is an immediately usable fodder and fixes nitrogen and has known qualities. We believe it will be easier to get farmers to take that up in the first instance until we get new plant species to offer to the farming community.

Ms CORCORAN—Is there a limit to how many farmers? If 100 per cent of the farmers go out tomorrow and put in lucerne, is that going to be awful or overkill or no longer commercially viable?

Mr Coombes—Probably. We know it will not happen. One of the issues, of course, is that lucerne is intolerant of saline soils, so immediately it rules out discharge areas and higher saline soils where salinity has not yet exhibited itself in discharge but the salt is there under the surface, which the lucerne will not tolerate. Part of what the CRC is doing is trying to develop a more salt tolerant lucerne. Of course, today we have species of lucerne that we know can be used, can be sown in rotation with other crops and can be sown in alleyways between crops and so on. So we

know it is an immediate, profitable solution. But what the CRC aims to do is scour the world, in fact, for new species that will perhaps be a substitute for lucerne or can be sown in a complementary way to lucerne or other crops. But until we get that, we have to use something we know about. One thing we know about is lucerne.

Ms CORCORAN—We are also interested in how science gets down to the land user. You are obviously a good conduit for that information; you made that point yourself. You said you see about 100,000 land users. I do not know whether that is one per cent of the total farm population or 98 per cent. By using Landmark as a conduit, how will they be getting to most farmers or some farmers? Are they the people who approach you or do you approach them? I do not have a feel yet for numbers and percentages.

Mr Coombes—You will see lots of numbers talked about in terms of how many farmers we have. But we use 100,000 basically because we know from accounts that we raise and so on that we have about 100,000 farmers. But the serious farmers are probably more like 60,000. So a lot of those that we deal with are in that 60,000 group. Some people in that 100,000 group we might see once a year, so we would not claim to have a good relationship with them where we could just go onto their property and understand what they are doing and be able to give them advice and so on. But we do have a good working relationship with a lot of those farmers whereby we can virtually drive on the property and be recognised and welcomed.

Part of what we always do through our agronomists is trial sites and demonstrations. Around the country we have our own plots, if you like. We will have open days. We invite our customers and others to come along and hear from our agronomists about new trials of applications of certain chemicals or whatever it is. They come in numbers. In fact, at Marinna near Junee, where we have one of our biggest plots, we have so many numbers now that we have to restrict it; it is by invitation only. They even actually pay to come now. It is not a large amount of money, but we give them lunch and a packet of papers and a few other things. Such is the demand for good information that farmers will actually do that now.

Again, it is a case of the state agencies not having the structures and the personnel to do those sorts of things as often as they used to. So we are gradually taking over from that, as are the private agronomists around the country, whom you would know. Many of them are ex-department of agriculture people who have had to go out and set up themselves. They have become a source of advice for farmers. Farmers will pay for that advice. Most of our advice is not paid for; it is part of the deal of buying product from us. But in some cases we do actually have a fee-for-service agronomy set-up. We will give advice. We do not expect the customer to buy from us, but we hope they do, of course. But it is up to someone else in the business to try to convince them that they should buy product from us.

In terms of convincing farmers to do certain things, I think RIRDEC is doing a survey at the moment about where farmers get their advice from. I have been approached by a consultant to talk to them about our customers and where they get their advice from within our company and what sort of advice they seek. I think you will find companies like Landmark and our major competitors are still regarded as a reliable source of information, particularly in areas like agronomy.

CHAIR—Who is doing the survey?

Mr Coombes—RIRDEC, the Rural Industries Research and Development Corporation.

Dr WASHER—I heard about this in New South Wales.

Mr TICEHURST—You mention in your notes here that in your workshops you have Landmark staff and government agencies. You also mention Landcare groups. Have you been active with any of the Landcare groups along coastal areas?

Mr Coombes—No, not along the coastal areas. We do not have an official relationship with Landcare, but a lot of our local people from their own personal interest are members of Landcare groups. Sometimes when we have these workshops in a particular area, our staff will let the Landcare representative know that it is on and they are often invited to join. If you are talking about the New South Wales coast, it is one area where we are not well represented, actually. We have a branch at Cooma and representatives in Queanbeyan and a place at Yass, but we do not, for example, have anyone at Bega or further south. Even up north along the northern coast we do not have any representation.

Mr TICEHURST—This is basically in the farming areas?

Mr Coombes—It is principally in the farming areas.

Mr TICEHURST—There is another company in my area producing biodiesel which I visited recently. Down the track, they were looking at maybe using salt tolerant plants that can actually provide an input or a feedstock for biodiesel. Is anybody working on those projects and those sorts of plants, as far as you know?

Mr Coombes—That particular one I do not know about through the CRC. I get approached from time to time by people who think Landmark ought to be promoting particular plants for particular reasons. I always refer them to Phil Cocks at the CRC because they do look at things like that. I understand from the committee secretary that you have been in WA and you have looked at the oil mallee projects over there. That is the main commercial type project with woody species at the moment. Our view is that all these things may be possible. Again, profitability is the key. Even with the oil mallee project the jury is still out.

CHAIR—The power generation side has to find $4 million. Otherwise it is not going anywhere.

Mr Coombes—That is right.

CHAIR—Unless it proves to be viable to produce power, then nobody is going to grow any oil mallee in any quantity.

Mr Coombes—Yes.

Dr WASHER—I guess fertilisers are part of the CRC research. Are you looking at developing fertilisers? We are talking not only about the salinity problem but about compounding it with acidity. We can add to salinity problems by the use of fertilisers. Can you flesh out a bit what is being done with fertilisers?

Mr Coombes—As a major fertiliser distributor we are talking with our major suppliers all the time about new types and a new era of fertiliser. Again, until they become economic and available in large quantities, it is difficult to get the take-up. When we were a member of the Wesfarmers group, they have a division, the CSBP in WA, who manufacture fertiliser. From time to time, they have looked at new options in fertilisers to help minimise some of the issues you have raised, such as acidity.

Dr WASHER—You are also looking at slow-release types with less leaching et cetera?

Mr Coombes—Yes. The fertiliser business is definitely shifting from just broad-brush single super type applications to more specialised, specially coated fertilisers to deal with specific end uses. There is a tendency for larger companies to provide blending facilities. You can almost, with an agronomist's assistance, tailor a particular fertiliser for a particular need. But I think it is fair to say that at the present time we are still pretty much dependent on the chemically produced fertiliser rather than a naturally sourced fertiliser.

Dr WASHER—In previous expressions to the committee, we have heard about two means of salt exclusion by plants. One is root selection, where it reduces uptake, and another one is where the plant excretes more salt. Has much work been done to look at how that actually happens in plants?

Mr Coombes—It is an area within the CRC. You may have discussed this with Professor Phil Cocks. The actual root science, which I think is project 2 within the CRC, is a really difficult area. There is actually a seminar being held shortly that is being put together by some of the specialists studying how roots actually act in the soil. Generation photography and so on is now being used to actually study over a long time root movement, root growth and take-up type issues.

Dr WASHER—This is my last question. You mentioned the use of lucerne to reduce water table levels. Has there been a plant put out, say, in certain areas of the wheat beat, like WA, which is fairly standardised in its type of problem, that can be cycle used in cropping with wheat, where there would be however many years of lucerne and however many years of wheat et cetera? Is that done on a water monitoring basis property by property?

Mr Coombes—All the work that has been done shows that incorporating lucerne into a cycle of one year of wheat and one year of lucerne and then perhaps a year of canola and back to lucerne and back to wheat for the WA wheat belt is actually pretty successful in drying out soil profiles. But in other areas it may be more difficult. But where it is more difficult it is usually because lucerne is not as effective. One of the issues for the CRC is developing new science for lucerne in terms of the new generation lucernes that will be more tolerant of very salty discharge type areas. At the moment, you cannot grow lucerne there.

Dr WASHER—That was going to be my last question but that answer brings up another. Is there much usage in broad acre agriculture of water monitoring devices in terms of soil moisture levels? I know that is more at irrigation sites. But are they used as warning times where you are sure moisture has changed to a point where you are going to have a problem?

Mr Coombes—I think the answer to that is no. They are only just becoming more widely used. So you will find that one of the first things all the CRC researchers who are out in paddocks do is set up the water monitoring equipment.

Dr WASHER—Piezometers.

Mr Coombes—Yes, piezometers so they can look at the level. My experience is that once farmers get used to that, they really begin to understand what is happening to their water levels.

Dr WASHER—I am sorry to flesh this out. The science is getting cheaper, particularly in electrical conductivity measurements. They are cheaper and very accurate. We have osmotic probes, but neutron probes are still expensive. People are not using them more to find that this is the time they should be growing lucerne. Scientifically, surely we should be able to say that the water table is now a problem for us.

Mr Coombes—I agree. As the science gets cheaper in that respect and the equipment gets cheaper to use, we will see more of that. One of the interesting things that we have observed, having become involved with the CRC and therefore being involved with this great group of scientists and other researchers, is that the farmers themselves have, throughout Australian agricultural history, often been the first to take action. In a sense, they cannot wait for the science to catch up because they have a problem now. You see some really innovative things, as I am sure your committee has seen, from individual farmers who have either gone out to do something themselves or found a good scientist who will help them with such things as water monitoring. They then just put something in place.

In some respects, science takes a while to catch up to that. Science has to go in and explain what has happened. In the south-west of WA, Michael Lloyd has had a real problem. He was putting in saltbush. He found that he did not have to plant a paddock of saltbush and that he could plant it in alleys. He found that took enough water and salt out of the ground for his normal grasses to grow and he actually has a more productive landscape with his normal pasture species because the saltbush in rows is doing the job and he can plant other stuff in the middle. That was certainly a non-scientific approach. It was something a land-holder himself developed. So I think harnessing that innovation that is there out in the paddock from the farmers themselves with the science is something that, again, we are trying to do as the conduit between the CRC, the research body, and the farmers themselves.

We have stuff coming down from the CRC but we also have a reaction going back. The aim of our workshops and our lucerne project is to help that feedback come back from the farmer. It is about their experience with using lucerne as part of their overall farm program and other perennials as we develop them and then feeding that back into the CRC.

CHAIR—In fact, that was the exact question I was going to ask you. From the evidence we have had so far, it seems the most ideal circumstance is in existence where there is a very close relationship between the farmers and the researchers so that the researchers are getting not only feedback but also input into the sort of things that they ought to be having a look at. As you said, your organisation can help provide that conduit.

You mentioned before that you did not have any relationship with Landcare groups. What about some of the catchment management authorities? They are gradually becoming more and more relevant, particularly in Victoria, where they have been operating for some time and have fairly well-defined structures and budgets et cetera. Are you doing much work there?

Mr Coombes—Officially we are not. We do not have any official liaison with them. Again, it is often at a local level. I am always quite surprised by what I find amongst our staff in the different branches around the country with their level of involvement and commitment at a local level. But it is very much at that kind of level. There is not an official Landmark-catchment management authority relationship. In fact, within the CRC, it is an area that has been identified as an important one. Phil Cocks has spent some time moving around the country amongst the catchment management authorities trying to establish that link because of their growing importance, as you say.

CHAIR—Under the national action plan, more and more they will have some role, as it currently stands anyway, in the implementation of that. Further, in evidence we had from the CRC in Western Australia, there was a lot of discussion about the fact that the CRC is looking for plants that can solve the problem but at the same time maintain the viability of the farm.

Mr Coombes—Exactly.

CHAIR—It is easy to go and plant a whole heap of trees to solve your problem, but it is not very viable for the farmer. A question was asked about whether the CRCs are doing anything in the GM area to try to accelerate maybe some of the thoughts as to what could make a profitable crop. But we were told quite specifically that the CRC decided very early on that it would not go down that route. Is Landmark happy with that, or do you think that it should have a broader mind with respect to these things?

Mr Coombes—As a member of the board, I supported that decision. It was made very early in the life of the board. As with all things, time moves on. But I do not know that we have seen anything that would change the board's view at the moment because of the obvious controversy that we might end up being embroiled in. The CRC has been very keen to avoid controversy. As a company, we have tended to be neutral on GM matters, but we are now facing a more critical time of decision making. Obviously with the approval of GM canola for release, we would be a major player with Monsanto in taking that technology to the farming community and managing it, so we have to make our decision on where we should sit on that.

It may be in the fairly near term that if something develops in GM technology with plant species that could be useful in this area of perennial plants for the profitable management of salinity, as a company we might be inclined to raise it at the CRC board level. To be fair to the CRC board, there are some very astute people there who themselves would probably want to reconsider the decision.

CHAIR—That question was asked. You might be able to help me with the species; I cannot remember whether we were looking at a cross between two species. One is a salt resistant wheat or something like that.

Mr Coombes—Yes. It is a salt resistant wheat.

CHAIR—The other is something quite out of left field. Not being an expert in the area, it seemed to me that if that is the sort of thing you are trying to do through natural cross-pollination or whatever, it would probably be done much more rapidly through a GM technology.

Mr Coombes—It would.

CHAIR—I will just make that comment.

Mr Coombes—It is a good point, Chairman.

CHAIR—Do many of your staff have what you would call engineering expertise as well? A lot of the evidence we have had is that it appears that in many cases we are not looking at a purely plant based solution to salinity. It is not necessarily a totally engineering based one. In many cases, it is a combination of both, and that is often the case when you are trying to solve something. Is that expertise within your organisation as well?

Mr Coombes—No, it is not. We are very much oriented to plant and soil management rather than digging drains or doing whatever. That is just the nature of our business. It is not because we have any problem with engineering solutions. But in respect of my involvement with the CRC, that is very much focused on the plant based work. I am aware, particularly in WA, that you have the farmers who feel they have to act sooner rather than later and they are looking at engineering solutions like draining country and so on.

CHAIR—The reason I ask is that a number of witnesses have said because of the gradual withdrawal of extension officers within the various state agricultural departments people working for companies like Landmark are more and more filling that gap. Therefore, they are advising farmers about a range of matters, in this case also potential salinity issues. It would seem that if Landmark as an organisation believes it can carry out some of those functions previously done by the extension of services out of agricultural departments et cetera, it might be useful to develop that sort of expertise within Landmark's staffing levels. That is something you might consider.

Mr Coombes—The involvement in the CRC has really given Australia new insight into what is required in the rural landscape in Australia. The pressures within a commercial organisation are pretty intense to achieve a short-term result. This is a project which is not a short-term issue. It is a long-term issue. Internally, there is a need for me, for example, as the person who carries this salinity can, as it were, to constantly convince my peer group that this is a good thing for us to do. There is no real question about that from a corporate citizenship point of view. But from a dollar return point of view, of course, it is not seen in the short or even medium term as producing any benefit to us. If the lucerne project is very successful, we will probably sell a lot more lucerne and fertiliser with it and a few other things, but that is a fair way down the track.

CHAIR—If it is not successful, you might not have as many farmers as clients as well.

Mr Coombes—No, that is right. That is the issue. So the company recognises that this is a long-term project for its own good, if you like. Therefore, we must keep pursuing the path we are pursuing. But when it comes to things like engineering solutions, which are outside our normal expertise, we would probably rely on external sources of advice, as we often do—

specialist advice in certain areas, if we need it. We will go and hire it or use a consultant or do whatever. We will maintain our focus on plant based solutions.

CHAIR—You would not be necessarily pushing to take over further some of those extension service roles? You would prefer to work probably hand in hand with some of those. Would that be fair to say?

Mr Coombes—Yes. I think the other positive that has come out of our association with the CRC is that it has opened up new relationships with the agency network, the state departments and so on. Our people generally, if not always, work closely with them, but now in the workshops they are being exposed to the experts that are within the agencies and state departments. It has been a great contact because it is someone they can call if they run across a problem with a client and they do not feel they have enough expertise to give the client proper advice. They know who they can go to, so that is a positive.

The other positive we are finding is that after our staff have been to these workshops—and in WA particularly where you get these big scalded areas on properties and so on—some of our people have said, 'I always used to drive past that place because I just didn't know what to talk to that person about. But now I do understand a discharge area and how it occurs and what we can do about ameliorating it. I can go in and give advice.' So that is the lift, if you like, in the level of general knowledge amongst our people. There are also the contacts with the state departments and so on. I think that has been a real plus because it has given that two-way flow.

The other thing we and the agencies have found is that we often have more success in getting farmers together than they are able to have. We worked with MLA, for example—this is something a bit different—on the prime-time farmer forums, which is to try to convince farmers, particularly cropping people, to get back into sheep because we have such a shortage of sheep. They came to us and our major competitor to just help them because they know that if they went out themselves they just could not get the farmers together. But with our backing and with us ringing our customers saying, 'Listen, you need to come to this. This is good information. You'll benefit from it,' we got the numbers they wanted. So we also see that happening with the salinity type extension.

CHAIR—I think we have covered everything. Thanks very much for your evidence today and for your submission. I declare the hearing closed.

Resolved (on motion by **Ms Corcoran**):

That this committee authorises publication of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 5.36 p.m.