

Issue

NSW Farmers Association presented the NSW Government with a proposal for a young farmers' finance scheme in mid-2005. Following several months of negotiation, the *AgStart* scheme was announced in March 2006, comprising a career development scheme for young people entering agriculture in NSW.

Background

- Access to finance has been identified as a major barrier to young people becoming owners of farming properties, with the equity gap emerging as a critical challenge in terms of satisfying lenders' loan/security ratio. The consistent message from young people in rural areas across NSW has been that a young farmers' finance scheme is required in order to provide eligible young farmers with concessional finance to assist in the establishment of viable and sustainable farming enterprises.
- The objective of *AgStart* is to contribute to the development of profitable and sustainable rural industries in NSW by:
 - Facilitating greater awareness of, and providing access to, potential entry points and career opportunities in agriculture for young people in agriculture (aged 18-35 years of age);
 - Enhancing the ability of young farmers to access commercial finance; and
 - Creating closer linkages between young farmers and existing equity holders in agriculture to enhance career development, and maximise the contribution of young people to the agricultural sector in NSW

AgStart Overview

- A key feature of *AgStart* is the drawing together of industry experts (the *AgStart* Board, consisting of experts from the farming sector, agribusiness, finance and the NSW Government) to help young people clearly identify which of the range of career options in agriculture they are most interested in eg options relating to the development of a farm business such as property purchase, leasing or share-farming.
- Applicants will be required to attend a Career Options Workshop where they will be exposed to the range of career options available, and have the opportunity to match those options with their personal goals and circumstances. Guidance will then be given to develop a Career Plan under the advice of industry experts.
- Once a Career Plan is developed, applicants may then be eligible for further forms of assistance depending on financial need, such as grants, scholarships, mentoring opportunities and assistance with farm finance. Assistance available under *AgStart* includes:
 - Career Options and Financial Management Workshop Grants;
 - Training and skills development grants;
 - Mentoring programs;
 - Succession planning workshops and family forums;
 - Stamp duty refunds on property purchase, subject to the approval of the *AgStart* Board;
 - Additional measures (eg financial assistance measures, traineeships and other career developing initiatives) developed by the *AgStart* Board, with the involvement of *AgStart* Partners.
- For applicants interested in property purchase, leasing and share-farming, a further Financial Management Workshop focussed on farm finance enables applicants to more closely consider their personal financial profile from the perspective of lenders, and to develop a sustainable financial and management plan.

Eligibility Criteria

- Applicants must be between 18 and 35 years of age and must demonstrate a future commitment to a career in the NSW agricultural sector.
- Applicants must attend a Career Options Workshop prior to being eligible for further assistance, and may be required to attend a Financial Management Workshop.

Applications and Further Information

- Applicants should register their interest by visiting the Rural Assistance Authority (RAA) website (www.raa.nsw.gov.au) and filling in an expression of interest form. Alternately, please contact the RAA toll free on 1800 678 593.