

SE EARLY GENERAL NEWS
HD **Family farms will survive with corporates**
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AUSTRALIA'S richest woman Gina Rinehart's move into the **dairy** industry will not sound the death knell of family-owned farms.

As she prepares to **buy** 5000 hectares of land in Queensland for **dairy** operations, to target **China**'s infant **milk** market, WA farm leaders say such corporate moves will strengthen agriculture.

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WA Pastoralists and Graziers Association president Tony Seabrook and WAFarmers president Dale Park said it was becoming more common for private and public companies to invest in agriculture.

"It's a good development because the big players have a strong future," Mr Seabrook said.

"There's no doubt these big investors have the capacity to weather the storms."

Ms Rinehart's **dairy firm** Hope Dairies is reportedly planning to start manufacturing in late 2016.

This move is the latest in agricultural investments by larger corporates.

WA **billionaire** Andrew Forrest this year strayed from his trademark industry of mining to **buy** Harvey Beef, and foreign investors are eyeing off Scott River **dairy** operation Lactanz.

Mr Seabrook said it was positive that big player investors were willing to put their money behind the industry as it would help Australia capitalise on the new Free Trade Agreement (FTA) with **China**.

Mr Seabrook said that while it could be perceived as negative for the smaller operations to have companies with a large amount of funding behind them coming into the sphere, there were positives.

"This means there is confidence in the future of the industry and that agriculture will remain an important part of Australia's economy," he said.

The family farm will survive as the industry evolves said Mr Park, however it will be important for family farms to ensure they function as a **business** and recognise the importance of doing so.

"Investors are there for long -term results, while the family corporate is more concerned with the season," he said.

Mr Park said it would be interesting to see investors such as Ms Rinehart adapt to an industry she isn't familiar with.

"I think it reflects the family farm, with generations of experience, will never die out," he said.

"Rather, it will adapt to larger scale operations and learn to take advantage of what FTAs can offer."

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