Mark Swift - GRDC In Conversation

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**SPEAKERS**

Oli Le Lievre, Mark Swift

**Oli Le Lievre** 00:00

Mark swift Welcome to the GRDC In Conversation podcast, you're joining quite an esteemed group of people that we've had on so far. And I'm interested, I'm actually you know what, after meeting you in Perth and hearing you ask various questions, I want to say, probe different Nuffield scholars. I'm actually very glad that I'm the one asking questions, because I think she'd be a short podcast if you're asking questions, because I'd just be like, Well, I actually don't understand that question. And I don't know how to answer it. Welcome mate.

**Mark Swift** 00:28

I'm sorry to lower the bar if I'm in esteemed company. But no, thanks for having me. Yeah, I'd questions I do enjoy asking a few questions. So we might see if we can't reverse the roles here for a bit today.

**Oli Le Lievre** 00:39

Not a chance, this is a media training one oh one where it's, yeah, just divert divert. I'm interested, though, because you've earned yourself a little bit of a reputation at that Nuffield conference as the person who will ask questions, and will get quite deep. Do you sit and mull on questions a lot? Or does your mind just run the whole time?

**Mark Swift** 01:01

bit of both? It depends how well I know the topic. If it's something that there's a question there. But I don't know what I actually want to ask, or I've got to articulate it in a way that my head will have jumped to a point but then that doesn't make sense. So I've got to then go on, I'll start writing out go right. How do I make this make sense for not only the other person, but let's say they're an expert in their material? And they'll understand that what I'm asking, but then you also need other people to know what you're asking as well. So sometimes you just got to craft that question. And that can take a bit of time, I'm not, I don't do enough of it, to just be able to wing it.

**Oli Le Lievre** 01:40

We can probably come back to the nitty gritty of you Nuffield, but I want to understand how difficult was it for you to just choose one topic? And how long had you written it out and re-written it out? To actually decide on what you're going to go and study?

**Mark Swift** 01:53

Pinning it down probably wasn't too hard. I wanted to ask a big question. What was it gonna be was? Well, I was working in ag policy from a grassroots perspective with New South Wales farmers at a point. And I could just see issues coming at us. Everyone's talking about productivity growth. And I'm just watching these rules from the societal level, just keep tapping it down. So in the one hand society saying we need you to grow more, but we don't want you to actually have the tools that allow you to grow more, and I'm like well, this is a position that untenable, we can't do both of these things. And so I'm like, right, well, how do we manage that contradiction, I didn't really understand the risk component. So that sort of came later. In that it really is just all the precautionary principle is is which is what I studied is really just a risk management tool at the societal level. It's society going, I don't quite understand what you're doing here, can we just calm it down a bit, until we're comfortable with where things are at comfort usually comes however, with a crisis, we've run out of something, and we need you to give you more tools so that you can go forth. And hopefully in that time space, people have got enough understanding and enough comfort for whatever the technology is that we're hoping to use or utilise, to, you know, just be comfortable with it. But you know, hunger is a real motivator, people tend to forget about some of the other stuff that they're worried about in that space. So then back to your question of pinning it down. That's a topic with an awful lot in it. So I didn't need to pin it down. It could take me wherever I wanted.

**Oli Le Lievre** 03:24

Because I was reading your exec. summary. And so you did your scholarship back in 2012. Just off the around that time was the live export ban had happened into Indonesia. It was interesting looking at your exec summary. Where you were talking about things like food security and whatnot, actually, you could overlay that and republish it today. And that executive summary is still so critically important looking at those key issues of how do the decisions that Australia makes actually impact food security in other countries.

**Mark Swift** 03:50

I think that's a really hard part about having the done the training that I've had in that space, and then looking at us going and doing some really to be honest, quite callous things. As a nation when we go and say no, well, you can't have this food, nothing more confronting than being in the Middle East when your nation has just said no, sorry, you can no longer have your main protein source because we've decided that no one in this neck of the woods deserves it because we've had an incident in one part of that market that was seriously challenging because they had some of the best facilities I've ever seen. You could walk through their Kill Chain, watch the whole process go along the livestock that their own domestic livestock would seriously quite like hand reared type quiet sitting on the back of a ute basically with sideboards and not escaping. So I found it quite confronting that we just lumped the Middle East into a market because of an issue with Bahrain that and then ended up in Pakistan. But we do that repeatedly with with other things Australia as an exporter needs to see itself as a we've got our own natural variability in our environment, to then go and put manmade issues in front of that as well. It's we're playing a political game with the people who bear the consequences and not Australians they're. Well, except for on the producer side, because we've limited their markets. But on the consumer side, it's not the Australian consumer who pays for this it's the international consumer.

**Oli Le Lievre** 05:23

Yeah, I haven't read your whole report. I read that literally, the executive summary. And I was like, yeah, it's fascinating. And it's the part which I think I end up coming back to, I know, nowhere near enough about it. So let's park the Nuffield piece because I'm interested to understand how that international exposure has shaped you and your perspectives.

**Mark Swift** 05:42

You have to read the other 15,000 words

**Oli Le Lievre** 05:45

Yeah, well, we'll just create a podcast out of it over an hour Okay, perfect. What stage did you decide you wanted to be a farmer mark?

**Mark Swift** 05:58

I reckon I've only ever had a couple of days where I haven't wanted to be a farmer. So I grew up on a farm Trangee with my my family. No longer farm with them. I'm now at Parkes with my wife's family. But yeah, look, I've just enjoyed it. I have enjoyed the intellectual challenge. I enjoy the physicality. I guess I've never really considered many other things. Not Seriously, I've I've seriously considered many things. And I probably lucky enough to be of a disposition where I could probably throw my hand at anything I just happen to have thrown it at farming.

**Oli Le Lievre** 06:27

Tell me a little bit about the farming operation that you guys are running today.

**Mark Swift** 06:30

So cropping, roughly 4000 hectares arable. I think we're a bit over that at the moment. We Summer and Winter cropping, which is a bit strange for Central New South Wales, particularly this far south in central New South Wales. We've been in that mix of summer and winter crops since 2010, was our first 11 sorry was our first serious attempt, we had some sorghum in, and doing everything wrong, great seasons still managed to pluck five tonne to the hectare. And we only just beat that record, again, as an average in 2020 I think it was that. What's enabled that ability to step into the summer cropping thing has really been our farming systems. We've been controlled traffic for an awfully long time Now. I think 2006 We started there no till similar start date, was probably 10 years prior to that. So there's a real background of what would be once upon a time considered conservation farming. We've run good fertilizer programs lining programs for for quite some time as well now. And yeah, I think it's just the it's all those little bits that have added up to the ability to do that. We also run a fair polls program. So almost any year we'll we will grow pulses, we do have a rule around pulses, you grow, you grow many pulses if you can, because if you don't, you will have a pricing and or production problem with the pulse that you grow. So we try and have a bit of a shotgun approach there. We can't pick the seasons necessarily. We do know that in some years, you shouldn't grow some pulses. So we try to pick and choose and we're probably learning a bit more about that now as we go along.

**Oli Le Lievre** 08:20

Who's involved in the business with you guys.

**Mark Swift** 08:22

So my brother in law, Bruce Watson, who will be familiar to GRDC, he's on the northern panel, my wife, Katrina Swift, so they're the principles of the second generation, I guess, or the next generation, I guess you'd say. My sister in law, Karina is also involved in admin level and my parents in law, Jim and Janelle Watson, they really did hand over the large bulk of the reins and responsibility quite some time ago. So we're very fortunate for that they've let us given us enough rope, but then also, having pulled the reins into it, if we've made a mistake, they've let us solve our own problems. In addition to that, though, we we presently have five full time staff to mechanics to farm hands. And I've just put on another guy who's helping me with project management around oh and operations of a silo complex we've got on, there's a lot of people here, but that diversity means that as in the diversity of crops and seasons, it just means that we've got to have a lot of stuff and a lot of people.

**Oli Le Lievre** 09:18

A couple of things let's divide it into two, in the decision back in 2010, to bring summer cropping into it. Was there something that was seen elsewhere that showed that it was possible, or how did that come about?

**Mark Swift** 09:28

Our first attempt was in 2007, or eight, one of those two, we were too late. We didn't plant until December, sorry, late December, early January, and the crop didn't finish. And that was just looking at water use efficiencies, what's possible. And that was our first attempt, but not really serious because we hadn't actually prepared it with a fallow or anything. It was just sorted us and it did better than you deserve to. 2010 or 2011 We were coming off the back of 2010 and 2010 was just a disaster of the year For us from a harvest perspective, we were still harvesting on Australia Day. You know, the crops weren't bad. But we'd also had one day we had one frost, I think it was, lateish September. Not a bad one, like minus one. But we had wheat that was doing five ton under the trees doing a tonne to the hectare as a paddock average. So that was pretty heartbreaking as well, we knew we had to get away from a single event being able to dictate our cash flow so much. And with that, you were just having to get two single event one being for us that nailed about 800 hectares of wheat, and then the rainfall event well rainfall events I should say at the other end of the spectrum that that really punished us as well. So that was just right, can we do it? And should we do it? We were getting the push between frost and wet harvests because our best harvest were also our wettest harvests, or our best crop, years are our wettest harvest. So we just needed to start looking at what can we do with it? And it wasn't we knew even then that we weren't going to be able to do it every year couldn't grow winter crops every year either.

**Oli Le Lievre** 11:03

How do we manage that you mentioned so five full time staff now? Is that something that you like load up coming into the busy times of year where you've got to sow summer crops and get ready for harvest, especially in a yeah, some of these more volatile years where it can be push and shove?

**Mark Swift** 11:19

We're still learning. I mean, yeah, okay, we're a decade in now. But we started from the perspective of, let's not bite off more than we can chew. So for, for the first five years, we didn't change mechanically anything. And I don't even think we had any additional staff. So it was very much but the areas were small too, a couple of 100 hectares. And that there was an understanding in that that you couldn't just go and turn it on one, we needed to learn how to grow the crops, because we also grow mung beans as well. And we've had a crack at cotton. But we'll come back to why we don't grow cotton. So it was very much just Well, let's see what we can do within the constraints that we have, without starting to run into anything. Like capital wise, we did make a significant investment in planting technology. But even that was experimental. So we went and started playing around with Precision Planting in 2015 I think it was. we bought toolbar that was capable of taking that technology in 2014. And 2015 was our first year. So we were just sort of creeping our way into it, I guess you'd say Oli. And then as we started to compound a bit of success, we'd say right well we'll go a little bit further. 2016 We loaded up pretty heavily on the summer crop was our first crack at cotton as well. So we were nearly half the program was summer crop, we'd really ramped it up by that stage, we we were confident enough that we can make things work, and we had better tech to go with it. But then so the 1617 Summer was a disaster here though, it rained until, we had good moisture coming out of 16 and then ran into the seventeen summer. And it stopped raining in about the I think it was a 10th of 10th or 15th of January. And we basically burned an entire profile in the next six weeks with I think an average temperature in that 38 degree range, the average average maximum temperature for that period. So we just ran out of water, everything got baked. And we put our tail between our legs for a year or two after that. Seventeen wasn't a disaster, again, terrible growing season, but didn't perform as bad. And then when we started to see a bit more success, so we were a bit more ginger. Now, we're probably a bit more comfortable with when to not grow a crop, particularly the summer crops, we need to get a bit better on our winter pulses. So it's where there is no system for us. It's where do we think we are? And what do we think we're gonna get for the season? And then we will say yes or no, like we have a few go no go triggers. And if we don't meet enough of the goes, well, you just let it sit in fallow.

**Oli Le Lievre** 13:56

Can you talk us through some of the decision making process that you guys go through as a management team to actually arrive at those decisions of are we going in? How hard are we going? Or not going at all?

**Mark Swift** 14:10

The real formative part of that probably came back in about 2012 I guess I'd done a fair bit of work on our rainfall analysis over this environment in I think 20, 2008 2009, somewhere in there, back when I was still pretty handy with a spreadsheet and started to go well right, what are the seasons that really cut out look like? And it wasn't just rainfall. It was like, right, let's link these rainfall to what we understood for the climatic patterns of the time. And the BOM haven't done a bad job of actually reverse engineering where they didn't have data and where they have had data like you can get El Nino data back to I think it's 1910 IOD data so positive or negative IODs back to I think it's the 60s. You could probably guess prior events to that because IOD does seem to have a pretty good signature and I'm sure if I could get a hold of someone in the bureau, they could probably reverse engineer some of it too to confirm or, or dispel some of that. But then what that meant was, right, we understand what we have in from soil water from our capacity to probe data, so we know roughly what we've got. And then it's right, right, well, what's our minimum threshold for a summer crop for a winter crop before we'll go in? And then we start looking at seasonal forecast, and you don't treat them as gospel. But if you've already got a full profile, you don't need a lot of help. And this season's really proven that one out, we didn't need a lot of rainfall. But even the way that rain falls is important, but I won't get too far ahead of myself. So if we've got a full bucket and a good forecast, we're going to go pretty hard. What that means is, you know, mainly nitrogen to be honest. And we'll probably pick longer, longer season varieties, or yeah, particularly in the canola hybrid space, we will push for hybrids in that space. If we think it's gonna be too wet, we start looking at Pulse program and go right, we're probably better off with fabas rather than chickpeas. And then we probably don't change our upfront program too much in terms of nutrition or anything. It's really just, these are our options. And then what does the road look like? I guess at the no go perspective, how dry are we and what's the forecast, because I can have no moisture at the start of the season. If I've got an A negative IOD forecast doesn't really matter. That was the 2016 scenario coming into sowing of 2016. We didn't have that much moisture. But the forecast was for a negative IOD, you know, we went pretty hard. In fact, we only got half the program in because we ended up getting too wet. And we we had intentions for a summer program behind it. I don't think just because you got no starting profile. That's not necessarily a good enough reason to not sow anything. And then if you're in between well, then it's a sort of a suck it and see probably the place where we are now is if it's no profile, and they're talking and El Nino on a negative IOD Allah this year have we had no bucket of water to work with. It would have been pretty foolhardy for us to go and put much of a program in and we don't need a lot of water to grow a crop. But you need something.

**Oli Le Lievre** 17:10

So let's chat about cotton. Why no cotton in your neck of the woods? Because it does. Yeah, seem an interesting crop and also, I'm presuming equipment and all of those other things come into play here.

**Mark Swift** 17:22

They do. I mean, pickings, probably the the biggest issue, particularly this far away from a good contracting pool. Yeah, there is a bit of cotton on the Lachlan. Now, it's not quite the stretch that it was seven or eight years ago. However, the biggest issue is drift. Where in our two attempts depending on where you are in the landscape really depends on how badly you get hammered. We've had two attempts down in the valley, where we work because we run up to some some rising country as well, which is sort of on the watershed. And up on the watershed a lot less drift. But down in the valley, we got smoked, we abandoned two crops, you could see when harvests stopped, and spraying started. And you could literally every leaf was hammered after that. So we abandoned both them by sort of 20th of January, we were spraying so early and hard. We'd like to grow cotton, we'd like to have a crack at it. The other side of it is though, few you were to go and put a 40 ton picker in and it's not on, like getting a dryland picker down here. That's where it starts to get to be a bit more difficult. Because yeah, the pickers that are going to be about are going to be set up for irrigation. It seems the learnings out of the north is that wider rows seem to work better. And so getting a picker that's set up to go on your control traffic and drag it down here. It's a significant cost, just to get it here. And then how big your area are we going to have a punt on if you're not 1000 acres or 400 hectares. What's the attraction like no one's going to come here to learn how to for me to do 50 hectares, that's just not going to pay. And then if I don't do it, to sort of work with our controlled traffic, am I going to go and destroy my farming systems because I get a wet harvest a wet pick with a 40 foot picker because I promise you you get off if we're wet and I get off our tram lines, gear just sinks to the axles.

**Oli Le Lievre** 19:16

Yeah, gotcha.

**Mark Swift** 19:18

We have this challenge. I don't know how we get around it. I think the other thing about the row spacing is all the work we're doing now our race basing work for for our summer crops is that wider rows actually haven't given us any benefit. And I know it's a bit counterintuitive to we're particularly sorghum is in the north, but we're actually down at half metre rows now, same populations, but we just just have more rows and it's an interesting thing, but that only comes with the ability to do Precision Planting as well. Conversely, our canola would be considered quite wide rows because it's on the same 50 centimetre rows base and I suspect it is starting to in our best years limit our yield potential. The thing is, do I get enough good years to justify the expense of going and having a precision planter that's on maybe 250 mil row spacing, because that gets wildly expensive.

**Oli Le Lievre** 20:12

And it sounds like that's something that you guys, you manage really closely in terms of that justification of equipment and expense to risk and, and everything else that can kind of sit within that.

**Mark Swift** 20:25

Once upon a time when there was bugger all gear in our yard. Yeah, it seemed like we did that. Now we've got all this gear because we've got people and crops and stuff going on everywhere. Yeah, it doesn't feel like we're quite as on on top of it. But when you get a good season, you just need everything like we really need a spray rig running around behind the harvesters, sometimes that also needs to have a planter running as well. So yeah, it's now not so much about justification of the individual exercise, thinking it'll happen every year, it's how does it fit into a 10 year program. So you start playing probabilities. And this is where Nuffield comes back into it because it did give me a really good schooling in risk and probabilities. And one of the risks I think we we under under do in agriculture is the opportunity cost of not getting things right. At least in this environment. I won't speak for everyone. And it's certainly a cost to our business when we don't get things right. A summer cropping is really brought to the fore the need for attention to detail. It's improved our winter cropping immensely. And the better we get at the Summer cropping, the better our winter cropping gets as a result, but mostly, that's a function of timing.

**Oli Le Lievre** 21:33

So I want to ask about that, I guess the further diversification of the business you've gone, you brought the summer cropping in as part of it. And your project manager talked to me about this grain silo complex thing that you guys are looking at, or working on,

**Mark Swift** 21:49

in the midst of what I should be doing. Instead of talking to you. But anyway, that's by the by. So what we 2010 We got hammered so badly with downgraded crop and, and just crop losses between loss in test weight, and great depreciation and then grain left on the ground as well. We're like, we can't continue to do this. Putting a grain dryer in is not, wasn't that simple. Because there's other things to go with it, there's a whole logistical change. And that logistical change means you've now got centralization of grain handling, or centralization of grain handling took us from the cheapest form of grain handling we could think of in grain bags, which I have no love for, in the words of my engineering lecturer, and farren, good, quick or cheap, well silo bags are cheap. And they're very quick. And logistically, they're fantastic. Until they're not. And we've had a good run, we would have put north of 100,000 tons through bags, I suspect over the last 20 years. And we've not had too many real disasters 2021 sorghum was probably the worst experience we've had. And just because corella' have started to move in, and they've really hammered us that and

**Oli Le Lievre** 22:13

What they just opened it right up?

**Mark Swift** 23:05

Yeah yeah nah they really get into it, that and a wet season, we actually couldn't get to them. Because we were isolated, those bags were isolated, we physically couldn't get to them. So that was problematic as well. So we got to the point where scaling bags became a real challenge. So all of a sudden, we were being forced into a position. Because you know, we couldn't execute grain trades. In wet seasons, when you got a lot of grind to move, you start destroying a lot of stuff. So you seem to have the most grain to move when it's the wettest. So then we had a we were just seeing new challenges. And we were becoming, and I don't mean to sound arrogant, but sort of victim of our own success. The more grain we grow, the more we had to sell. But the reason we were able to grow the grain was because of the attention to detail that we could bring. And all of a sudden you got to turn your business off to go and chaser bin bags out to the roads. And you were just losing your attention to detail because you're using the same window that you'd want to be doing husbandry operations. Now all of a sudden you had to use it had to make the compromise to go and start dragging grain out of bags and you're destroying roads, you're buggering up your tractors, everything just was going wrong. So we have gone from basically grain bags and graincorp to our own on farm storage, which is 10,000 tonnes 11 silos 1500 Tonner's and, and 350 tonners, integrating into that our grain dryer and a cleaner so we've had the dryer running now for 12 months in sort of a make do fashion. We've put about eight or 9000 tons through that now cleaner still to be set up as well as most of my handling equipment and the walkways and access. So we really had to build the business case written that it's not a business case. It's many business cases. You start spending that sort of money, you're not going to pay for it in a couple of years. You're going to pay for it over The decade maybe? Well, to be honest, the business case, if it was just the farm paying for it itself, it's probably closer to two decades unless we grow. So it's, you know how much grain are we gonna have to clean how much grain are we gonna have to dry, what can we pick up on the up left if we can store some grain because we're, we don't want to be a for seller. So you start building all of those things in and that ultimately builds the case around what you've done. And then you've got to bring in the wet harvest scenario, or the wet growing season scenario, to be honest, because I'm 2021 22, the market was actually having real trouble getting grain off farm. And so there were some significant premiums out there, if you could sell into it. That's problematic when you're trying to drag it out of bags and get it to market. So it's all those little things that you add up, and you don't know when they're going to come or in what proportion, but at some point, they actually do turn up and there is money in it. But it's the sort of thing where you don't know if you're entering in at the right time. I mean, from a purchasing perspective, we didn't get it completely wrong. But it would have been far cheaper to be doing it in 2018 and 19. And to be honest, I'd have had more time to do it too

**Oli Le Lievre** 26:07

Hindsight's a beautiful thing, though, isn't it?

**Mark Swift** 26:08

It's wonderful. It's wonderful. So look we're most of the way into that now, the silos are up. The electrics, you know, when you start doing a fully integrated site electrics become a big part of that, and to be honest power management too so we don't have three phase, it'd probably I don't know, at a guess half a million bucks, at least to upgrade the line back to where there's three phase. And then that would rely on us not having to do any upgrades from there, back to the substation in town. So you could be talking anywhere from one to 2 million bucks to get power supply power off the grid is not cheap either. So we've gone with gensets and they're diesel, everyone keeps asking about solar, the amount of solar panel we'd need to put in for something that used for maybe six, eight weeks of the year just wouldn't justify it. Unless we could get a decent feed in back into the grid. And we we really didn't even explore that. Because then you still need the backup of a genset because it'll be a cloudy day, and you'll need to be doing stuff and you just don't have enough juice. So yeah, we've we've got two Gen sets, one for high load one for low load, we can run them both together, if we're running the whole plant, we didn't want to get to the point where we we were having to make too many compromises that comes with expense. So we've got three separate lines, one for in feed, one for out feed and one for drying and cleaning. And we've already used all of that capacity, despite the fact we're only half built. We have had grain coming in, we've had grain going out and we've been drying simultaneously. So it looks like that decisions been justified at this point. Let's see how it goes over the next 10 years, though.

**Oli Le Lievre** 27:41

Watch closely. I'm glad you covered off on the power piece, because that was going to be one of my key questions. But what about also like opportunity to collaborate with other farmers? Like was that a scenario you'd looked at in terms of what do we build a bigger facility? What would it look like bringing other people in? Or was it more just something that made more sense to own it solely as a private enterprise and control it that way?

**Mark Swift** 28:03

We really hadn't considered going in a collaborative space. At this point. Our business is a bit weird, which, again, don't mean to sound arrogant, but we're doing a fair bit of stuff that isn't conventional. We've attracted a few people to do a bit of summer probing some come, some go, some have hung around for a while. I think the the issue with the collaborative exercise around drying, particularly as we understand it is everyone's going to want it at the same time. And then so what's the argument there? How long can you store it? Who has to wear the risk of their grain not being put through the dryer? It's a bit like contract harvesters. They're great. And then if you've got a shared piece of infrastructure, yeah, who gets in that line? And what does that look like? So that's probably where we pulled up. And it's going to take some serious management. I mean, I'm into it at the moment, just trying to figure out what are the procedures and protocols? Would that mean, it's got to then be its own standalone business between those entities, it would have got very sticky. And if we had people who, and this isn't to say that we don't have a good relationship with our neighbours, I don't have a problem with their neighbours, it would have taken a better relationship though and a closer working relationship on smaller things to have actually led us to that path, though, I think, because it's a big step you're talking you know, it's a substantial capital outlay you can't afford for it then all fall apart because you can't agree on how to manage it, can't agree on OHS procedures can't agree on you know, what does site access look like? We're spending some serious money just on redundancies, because you can't afford for it to go down and the peak of harvest. That's its ultimate role. It's there not, you know, it's a substantial spend for to be honest, six or eight weeks worth of of working time in a year.

**Oli Le Lievre** 29:52

How have you guys in your business, allocated the different roles with who owns what and what hasn't been really clear from the beginning? Or what was it Something that similar to the different operations of summer and winter cropping, you started to start small and then get cleared out and get some more structure around as time has gone on?

**Mark Swift** 30:10

probably in the midst of that again at the moment when it started out. So my wife Trine [Katrina], she was in the business. And then my brother in law Bruce came in, I was still at Marcus. So we were 20 odd years ago, well 20 years ago now. And we'd been long distance for quite some time. So Bruce was still here, Trine then went out, worked with NAB for a while. And then there was a decision sort of at the end of Marcus well, how does this play out? I promise I'm getting to your point of your question. And Trine's parents actually offered me a job at that point and Trine stayed with the bank. And that was in part because of the physicality of the job and I could sort of throw my hands at anything. And so I came back in and then Bruce and I've had a good working relationship, we've, we've always had a partitioning of roles. It's probably never been super defined in the what's not been formalised, shall we say? It's just been Bruce does marketing and procurement and looking at a crop shaping etc, etc. And I think the crop shapings one that we probably used to work a bit harder on together. And then as the system has come to, it's where we sit at the moment, it's let's pull together a plan and we discuss what are our options, because you know, there might be 7, 8, 10 Different versions through the year depending on how the seasons progressing, particularly coming into sowing. Katrina, my wife she has been doing she has been involved in the finance obviously, it's a natural fit for for a long time. But she's she's also very keen in the agronomy space. So she looks after our our summer crop agronomy. And, yeah, again, it was a space that we weren't occupying, as well, with Katrina coming in, her in admin that was very much a succession between Janelle, my mother in law and Katrina, and so there was a transition there. Jim's always well pretty well, since we've, since Bruce and I've been in the business. Jim has always been there. But he hasn't really he's sort of been lotting to offload. I guess some of the decision making in the work to Bruce and I he'd started at a young age and, and didn't see the need to be master of every every domain. And so he was ready to expire. He was quite happy to to hand that off. I guess he's always been there when we either can't agree or or need some guidance. But no look it it. It's worked pretty well, it's it's reasonably, you know, by consensus, I think we're getting to the point where next generation is not too far from knocking on the door. So we need to get a bit more structure and formality around it. It's worked well to this point, we do see ourselves as being able to go further together. And so yeah, it hasn't been formalised. I suspect it needs to start getting a bit more rigour around it. And yeah, particularly now, as we've got more people who are working with us who aren't family, we need some more clarity for them. And we need the ability for them to to see some career career progression as well.

**Oli Le Lievre** 32:59

Yeah, well, it sounds like a really healthy relationship that you guys are managing on farm at this point in time, but also that the importance of having complementary skill sets and actually going well, yeah, that's your strength. So let's just let you focus on that.

**Mark Swift** 33:14

Not all beer and Skittles, but no you don't have to tread on each other's toes. So I actually don't even touch on what I do which maybe I don't do anything. I'm not sure

**Oli Le Lievre** 33:22

Interviews, ask questions.

33:24

They were just immediate. No, no, no, that's Matthew nori. Sorry, I needed to throw him under the bus. You can keep that one in there. No it's, we go further because of their specialisation though. I'm, I know more about grain markets because of what I hear from Bruce than me having to go out and do my own stuff, because he's further into the weeds there. So I my my knowledge is improved by the fact that he's got access to better knowledge or had more time to think about it. I'm better at understanding the weather, because I've had the time to actually do it. I don't need to be worrying about Have I got this product, where's it coming from? What's its cost? Conversely, Bruce doesn't need to worry about, have we got the spare parts for this machine? Who's going to be the operator? How do we run it, who's going to learn how to operate it? Because you don't need to be across everything. And I'm not, I'm not second guessing what Bruce is doing. He's coming to us with information we, you know, he wants to let us know what he's doing. I'm doing the same thing, if he's talking about machinery. And we're building business cases where they're needed. Doing transactional grain trades, probably not so much a business case. It's just this is the read of the market at the moment. This is what we what I'm thinking, this is the information I've got. From a machinery perspective, it's right, this is the timeline we've got. These are the features that are on this machine. This is what we think we can do with them from a water use efficiency perspective, this is their payback etc tec. And then there'll be a consideration are and in kind benefits that we can't actually put a financial metric to at the moment, but we can anticipate that they might come and so that helps, you know other people understand the line of thinking within the business around, right? This is why we're buying this piece of machinery. It's not just all that shiny and new and big. It's right now this is the point of service

**Oli Le Lievre** 35:11

having to justify those decisions.

**Mark Swift** 35:14

No well you can justify it, if you want to do it, I just changed the assumptions.

**Oli Le Lievre** 35:20

With your finger on the pulse and in the areas and the conversations, or the types of people that you have conversations with, what are some of the things that you've got on your radar for that progression of the business over say the next five to 10 years? What you're seeing as opportunities for yourself down there, in and around the Parkes area. But yes, specifically to the grain industry?

**Mark Swift** 35:40

That's a good question Oli, I like that one.

**Oli Le Lievre** 35:42

Yes that's what we're after. There's only so much more we can do from a detail perspective. And what I mean in that is I'm starting to run out of stuff to consider and bring in particularly at a scaling level, if I was still doing a lot of the running around, it's probably a bit easier to bring some of the more detailed things in my perspective is we need to be looking at how we can generate cash flow more consistently, and not have to have rainfall on our farm to generate cash flow, we are very much we've been limited to that we don't have a there's no feedlot sitting somewhere off the side, there's no rain, there's no irrigation licence elsewhere, we live and die by the rainfall that we get. And then the seasonal conditions that we've got, so that's part of the reason for the grain handling facility as well, if we can do a bit of contracting, either in storage or drying, cleaning, etc, etc. We're not sure where those those opportunities take us, I think value add, I don't know where value planting and drying will be value adding in and of itself. But looking more up the supply chain for where that that what's not being service that would assist the market? You know. Is it better, you know, more defined quality parameters within a product to hit specialist things that can allow us to take a AH nine grade or something and and figure out what else do we do with it? The moment we tip it in the spout to domestic users, and they turn it into something else. They're clearly extracting a premium from there somehow, because they're not buying it for no reason. Is there something else that we could do with that be it grading be it cleaning, whatever I think, where the other opportunities within the farm side of things to continue to improve our productivity, I think the precision side of planting, being able to manipulate at the plant level based on where you have a gauge for where the seasons going. So again, comes back to that go no go stuff that we were talking about. There's a stretch in a crop between it being a plant, and it being a crop, if we can manipulate plant population. So if it's a dry season, we mightn't stop planning, we might just plant a really thin population and just let it be a group of plants don't interact with each other too much, and see how that goes. But that's gonna get into the weeds here, the better we've got at farming, the more extreme the drought is going to be for it to really hurt. The problem with that is now the decision to not pull the trigger gets rarer and rarer. If it was one in 10, where you've got to say no, I'm not going to grow anything. Well, that's, you're at least getting couple of chances to say no, well you're going to get four chances according to John Woods, if I've got 40 crops in me, but if it's one in 20, well, was this the year to not sow or was it in five years time? Or do I get two together and not see one for the rest of my my life. And my point there being that as we get better with water use efficiency, we need less and less rainfall to to at least cover our variable costs. It's a pretty rare event. Now when you don't pull the trigger to go and plant a crop at least in our winter cropping scenario. summer crops are slightly different. So that decision making thing gets a bit trickier. So I've got off topic there and I know I have Oli, what was the the original question just bring me back? No and I think it's all it's really interesting to think that as you've got better it actually becomes slightly more complex in the sense of

**Mark Swift** 39:11

Oh yeah, it becomes hard.

**Oli Le Lievre** 39:12

you're reducing the volatility of kind of the unknowns but then at the same time too. Yeah, there's like a very interesting and grey inflection point between go and don't go and

**Mark Swift** 39:25

it's wild. And as I say when we when we started out and looking at this stuff was probably more like one in seven and now like our water use efficiency probably average about 14 kilos 10 years ago in cereals and our canola starting to approach that now. Not it's not averaging that but it's you know some years it's better some years it's it's unders really depends on how a big a hit the crops taken. You know, the the canola really has it's stepped up cereals, to be honest, had been a bit disappointing. I think in part, that's a function of management too with the money has been with canola. So we've really focused on managing that. The cereals probably need a bit of bit of love now too, and we can't afford to drop the ball on the canola while we're doing it.

**Oli Le Lievre** 40:12

You're an avid reader, I'm a bit of a podcaster that just asks questions. But I'm interested here to flesh you out a little bit on this. Tell me about, Yeah, like I was saying, I find it so beneficial. It's nearly like I'd say an hour of mentoring, when it comes to chatting to different people and getting to ask questions and flesh, their brains understand kind of what they're doing. But it comes from a genuine point of interest of things I'm trying to work out or understand. But and then the beauty of having this is that it's the relatability of something that you say, Well, someone else might grab a piece there or a piece there. And, and I think that's where it becomes incredibly powerful. The knowledge sharing.

**Mark Swift** 40:50

Yeah, no, I wouldn't disagree with you there. I mean, Matt Ridley writes on this sort of how things evolve and innovate, that's the great advantage of the urban environment, the ability for ideas to intersect with each other and then be synthesised. Because people bring disparate knowledge to a thing. And then people talk about it, and it gets, it just gets into the melee as well, when we're isolated out here on farm. You don't get that interaction. And so I suspect a part of the differential between your where you've landed and where I've landed, is you're interacting with a lot of people. So you get to hear a lot of ideas and you're incorporating them you sleep on them. that's how it works. I'm not and particularly when I was doing a lot more of the operational stuff. I'm not reading nearly as much at the moment because my brain is pretty well fried, trying to learn all the shit that I had to learn. look, it's been a whirlwind, a reasonably capable guy, but I Yeah, it's a trip this project management thing, and just picking up some of the stuff that you've got to do, and you just don't know what you don't know until you get there and you go right is that fit for purpose and or not. I've been really fortunate. I've got a great team who've helped me. But I'm digressing. Whilst we're whilst we're digressing. So I guess I pick up a lot more of that stuff through podcasts and through reading. But it's also that long form stuff that repetition being an depends on on your learning style as well. I don't particularly like short form podcasts, I prefer a long form podcasts where people can really get into the nitty gritty and follow it. But any podcast gives more detail than what a news grab does. As well, 100%, I don't buy bite sizes, I need to actually be exposed to more of it. I enjoy reading, I find I get more out of it, you can get into a bit more of the nuance of it. But that said face to face is great, because then you can start asking questions. If you read it's one way, you've got to interpret what someone's giving you as we're in a conversation, you can actually get clarification, you can ask for examples you can I guess you can make the learning a bit more fit for purpose. So I'll concede your point you will get further faster in a one on one than you will from a book.

**Oli Le Lievre** 42:54

Yes. I'm gonna we're gonna keep digressing here, because the point I'm going to come back to here is asking you about your team, because you mentioned them. I just want to ask, Are you much of a news consumer like agri news, rural news, all of that or?

**Mark Swift** 43:10

No

**Oli Le Lievre** 43:11

 interesting

**Mark Swift** 43:11

Not at all, current affairs. I figured by the time it gets to me if it's important enough, it's important. And I don't say that arrogantly, I say there's a lot of noise in news, and that doesn't matter. If we're talking Ag News, there's a lot of column inches that need to be filled, there's a lot of airtime that needs to be filled. And a lot of that, to be frank is just noise. There are meaningful things that happen and they get they do they still get to you doesn't matter how isolated you are. It'll beon Twitter, it'll be in a conversation on the phone, it'll be somehow it's gonna get to you. And so that's sort of the filter. I figured by the time someone's talking to me about it. And it's not gossip, of which I don't do any of that anyway, because it's just not interesting. It must be something of substance. And then I might go and look at what is being reported.

**Oli Le Lievre** 43:55

Yeah. Let's talk about the evolution of the workplace. We've we've chatted about the roles of let's call them your management team, which is really the family.

**Mark Swift** 44:04

Yep.

**Oli Le Lievre** 44:04

And I find it really interesting. How do you, like, get the buy in of your staff? And how do you get people to go? Yes, it's a family business. So obviously, you guys are very passionate about it as the directors, owners, managers, but how do you get people to buy into the vision what you guys are trying to achieve and work in a way that's productive and constructive for themselves and also the business?

**Mark Swift** 44:26

I think communication is a portion of it. I think, in all honesty, it's from how I've approached it is there's no job that's too shit that I won't get in and do. That's been how I've operated for the last 20 years. I'm probably in a bit of a crisis at the moment and that I'm not doing those shit jobs. I still do the shit jobs. They're just different shit jobs and I tend to be doing them more along though. Some recent help has helped in that regard. So I think it's the it is a team environment. You do get in you do do the jobs, whatever they are, I guess There's also the communication Well, why are we doing what we're doing? Why does the detail here matter? What does it ultimately lead to? How does it make it a better workplace? You know, we're not, and also listening, not wanting last year's problems to still be next year's problems. Like, if you've got perennial issues, people get really frustrated with that stuff. And they want to succeed, they want to see the job done well, at least that's been my experience, I won't say we're perfect at it by any stretch of the imagination, I think we we've got more that we can do with our team to, to bring them along for the journey and help them realise a bit more of their potential, I think that it's there. Obviously, I don't expect them to be as have the zeal that I have for it necessarily, because I see it as a bit of an intellectual exercise as well. Don't get me wrong making money is nice, but I still see the intellectual side of it, and given a great deal of enjoyment out of that, but just that ability to go wow. And I think probably some of the next steps. And that is even at points like at the moment, our crops are still, you know, they're not great. But go and have a drive around, let's see how we sit in the landscape. For the effort that we put in. What does it mean? Now, that doesn't mean that I know what that that crops gonna yield that we're looking at, it's over the fence. But it can just give you a reference point as to well how have we done. And when things are starting to fall over is when you really start to see that distinction between well, is the effort worth it, and also keeping him in for the long term. So you said our management team well our management team starting to grow beyond the family, we've got two guys who are really stepping into that space, who have been with us for five and sorry, seven and 12 years now. And they're there's you know, they've gotten people who are now reporting to them. Again, the do the doing sort of thing. But they understand, you know, we need to get this done, because that's what leads to ultimately harvest at the end of the season. And it's making sure that they understand the cycle, but they do they buy into it. And it's because it's important, they've seen the success they've seen, you know we nearly average eight tonne on a triticale crop, which for Central New South Wales pretty, pretty outstanding exercise. And we've seen some four tonne Canola. It's at that point where you start to go yeah no we're getting a few things right here. And it's not one person's effort, it is a team that makes a result like that. They also have to deal with the other side of it, when last year we were on the cusp of harvest and it just about got washed down stream. So but they're there to help in that they're as disappointed when they see the crop get washed away as the rest of us. They know it's what pays their wages and pays the bills and stops them from the business from getting the next kick along can only finance and pay for the stuff that allows us to get a bit further by being able to you know grab the success when it's there. And they're fully aware of that.

**Oli Le Lievre** 47:59

Very simple question. And maybe not as much of a simple answer. But how are you better off with having a team in your business? We can say how are you better off with your team,

48:11

People are the hardest and the best part of any business, is my experience. The hardest in the you know, they're not a machine, you don't just turn them on and off. They're the best because they bring ideas, they challenge you. And you get to watch people grow, I mean, machines, a machine a machine, bloody things break down. And that's about as they're either on or they're off. I enjoy the challenge that that people bring in the context of challenging my ideas, also wanting to just see them grow, like, you know, watch, watch people who have come in not with a great deal of experience in agriculture, but they really get where they're what we're doing here and watching that progress. And that attention that they, you know, watching them absorb the culture. And it's not like it's, you know, we're not a cult here. But it's getting that why it matters and why it matters for our business. And then hopefully and I look like I'm quite open with our guys and say look, it's it's about being able to if we can do something for our community as well if we build the silos well all of a sudden there's something else there that we can add some value in what else can we do? Who else can we bring in? What other skill sets would we like to use in our business that we could either you know, that can help us so that we've got access to more minds and better hands for those those really critical periods because we we get it? You know, we do the maths on what's a day's delay at the side of sewing worth. What's that cost us that's not insubstantial. So if you have a break down on the first day and you're ready to go to 1% reduction is basically how we budget it across the the entirety of that program that's left to go because you're a day behind. You won't pick it up, though we do leave some slack in there too. And I think that's another part of the buy in is I actually don't want our People have to think that they have to burn themselves out. Don't get me wrong, I work hard and actually getting to stop is is a challenge sometimes, but I don't want the system designed with a have to burn themselves out. So when I'm designing the plant for for planting machinery, it's right. What do we want to budget? What's typical, right? Eight K's an hour 12 metres wide, right? If we've got two of them, we can work to 15 hours a day, and we can be over it. The ideal timing sort of thing. If we get caught late, right? Well, then we might put more hours on or we might go faster, but don't budget on doing 12 ks an hour 24 hours day, just doesn't work burns people out, I know that that's what they've got to expect. I'd actually prefer people to be home with their families, I'd prefer to be home with my family, and not have to stretch that out. But know that we've got the capacity there that, you know, we know that we're gonna get late breaks, we know that we're gonna get wet, we know that all that stuff's gonna go wrong. Let's not start having to have an optimal system where nothing can afford.

**Oli Le Lievre** 50:59

It's simple. But it's, it's wise and makes a lot of sense, doesn't it? Because otherwise then all of a sudden, you add the extra pressures and things completely out of your control happen.

51:08

And then you do get a few days off. I think the other thing that goes with that is logistics. And I know it's not a people thing, but if your jobs easier, because it's where you need it and how you need it, all the rest of it, the logistics of what grease our business, you can make jobs infinitely harder, because it just takes forever to move or the gear's is not there or whatever it is or it's hard. It's not known. And we can we've still got room to improve there. But you know, we've been running on one spray rig for an awfully long time, basically based on logistical efficiency around that. You know, so there's been savings there. But it also means that the job just doesn't take as long some jobs, to be honest, still takes you longer to get set up than it does to do the job. If you can make that easier. Oh, it's a function of the things like the gears. It's super efficient, you get out there and you can you got your 36 metre 40 metre boom spray, you know and 20 k's an hour and the paddocks any 150 hectares. Well you're not there for long, a little time looking for the product and getting set up to go and do it.

**Oli Le Lievre** 52:10

Absolutely.

52:14

Yeah so. And look we've still got we've got a lot of work to do. I think we've got more capacity in our people and I think more capacity than they potentially understand to what they can do. You know. How they can better themselves better the business and ultimately, yeah, create a real fist of it. But again, we've we then got to grow the business so that people feel like they've got something to do too.

**Oli Le Lievre** 52:36

No shortage of challenges ahead. So let's and opportunities. Let's wrap Mark Taylor Swift on the Fast Five, which we're asking everyone as part of this. It rolls off doesn't?

**Mark Swift** 52:50

Doesn't it!

**Oli Le Lievre** 52:51

 Tell me what was your first ever paid job?

**Mark Swift** 52:53

Mowing lawns? No, actually, nah it would have been stockwork. mom actually relented and gave me a few bucks. When we were mothering up, mothering up, actually Angora goats. My parents had some angora goats.

**Oli Le Lievre** 53:06

memorable.

53:07

They had a stud. Yes. But I would have only been all of about five I suspect, or six.

**Oli Le Lievre** 53:14

What's something you've got on your bucket list.

53:16

It was a long time after that to get paid again.

**Oli Le Lievre** 53:19

I bet. What's something you got on your bucket list?

**Mark Swift** 53:23

I want to hang glide.

**Oli Le Lievre** 53:24

Interesting. Have you ever skydived or anything like that?

53:28

No, no, no, no, no, no, no, but I'm not. I'm not too fussed about those. I like the, and maybe it's all in my head. But you're not powered. So I don't need to worry about an internal combustion engine. Physics keeps you up. As long as it doesn't, there's a few things, and it'd be quiet. And I really don't do noise.

**Oli Le Lievre** 53:46

Interesting.

**Mark Swift** 53:47

Well, you've got to convince my wife, it's not me, I'm not the handbrake.

**Oli Le Lievre** 53:51

Good luck with that, we'll watch this space.

**Mark Swift** 53:52

She's a bit more concerned about the absence of an internal combustion engine. And

**Oli Le Lievre** 53:57

it's probably fair enough too. Your're a man who likes a question. So here's the real chance you get to ask one - what's a question you've got for a future guest?

**Mark Swift** 54:05

Mmmm hadn't seen this this one coming. If water use efficiency is a function of crop stress, what are you doing to reduce stress and thereby improve water use efficiency?

**Oli Le Lievre** 54:17

Okay, I have to be a bit selective on who I ask that, to, but we'll see. Okay, two more to wrap. What's your favourite grain based dish?

54:27

Ah, to be honest, a good good bread and with a bit of butter, to be honest, it's simple, but it's just you know, it's good.

**Oli Le Lievre** 54:37

We have that, you know, one that someone's had recently as well. Was they said steak, they said, if it's grain fed.

54:43

I wish I'd done that! I've got some jealousy on that one. That's a great response.

**Oli Le Lievre** 54:52

It's a cracker. I never even thought of that. And who were three people past or present that you'd invite round for your bit of bread and butter.

55:01

Oh, I nearly have to say Epicurious. Because you know that. That's a school of philosophy and started under Epicurious. And he was very much about keeping the simple things in life simple. So don't don't indulge, because how do you live without the indulgence? Once you've exposed yourself to it. But three people I'd have, but yeah, okay, so let's let's put Epicurious on the list. I'd actually, I'm not pissing in his pocket, Oscar Pierce. I enjoy a chat with Oscar. And I enjoy our intellectual sparring. Oscar being true grower from northern New South Wales, who you've probably already had on the podcast, I'd say and if not, you should have Matt Ridley is another good one. So intellectually, yeah, really good thinker out of the UK, member of the House of Lords. He's done some really great research on really got writing and thinking I should say on optimism and why things are better than we're often told. It's not that we shouldn't cover the downside. But he'd be he'd be a fascinating person to have a meal with as well. And I think he and Oscar that watching that dynamic could be fantastic.

**Oli Le Lievre** 56:11

Interest, I'm gonna go look him up. And it sounds like it's going to be a very in depth detailed. And I can tell you, if I was a fly on the wall, I wouldn't understand half the things that are being said because they're way too smart for me.

56:25

All I do is hold on, just listen and hold on and hope you can keep up with what's happening.

**Oli Le Lievre** 56:29

Yeah, I don't even think of yeah, I'd have nothing to hold on to.

56:34

You'll find you're only young, you know I got all this grey hair. You know, it's just experience.

**Oli Le Lievre** 56:40

Well I'll hold on to that. So we'll se. Mate thank you so much for coming on and having a chat. We did have to break it over two parts because we got sidetracked but no thank you for making the time.

**Mark Swift** 56:51

You're too busy.

**Oli Le Lievre** 56:53

I hate that word.

56:55

Prioritisation is what it is.

**Oli Le Lievre** 56:57

Yeah I was gonna say it's disorganised, isn't it?

56:59

No, no, it's because you couldn't prioritise me.

**Oli Le Lievre** 57:04

I'm sorry. Technology let us down at the beginning and we can make up some other lies.

**Mark Swift** 57:10

That's just me pushing you under a bus. It was great. I really enjoyed it.

**Oli Le Lievre** 57:14

That's alright, I'll edit it out, so. I'm the keeper of the guards here.

**Mark Swift** 57:21

This is my problem. I prefer to do a live cross.

**Oli Le Lievre** 57:24

Yeah, no, I'll leave them with you. So thanks for that mate.