SMALL-FARM VIABILITY CASE STUDY REPORT

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge that we live and farm on Djaara country, and that sovereignty on this land has not been ceded. We pay our respects to the Dja Dja Wurrung people as the traditional custodians of this land, and to their Elders past, present and emerging.

In solidarity, we also acknowledge the Traditional Custodians of Country throughout so-called Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

In particular, we would like to acknowledge the generous contribution of First Nations people to this piece of work, and their ongoing work with the Harcourt Organic Farming Co-operative. First Nations Sovereignty and food justice are inextricably connected and we will continue to strive to reinforce and strengthen this connection. We listen to, learn from and lean into this wisdom.

This report has been prepared to fulfill the objectives of the Harcourt Organic Farming Co-operative (HOFC) in their work on the WWF-Australia Innovate to Regenerate grant funding. Acknowledgements to WWF-Australia for this funding.

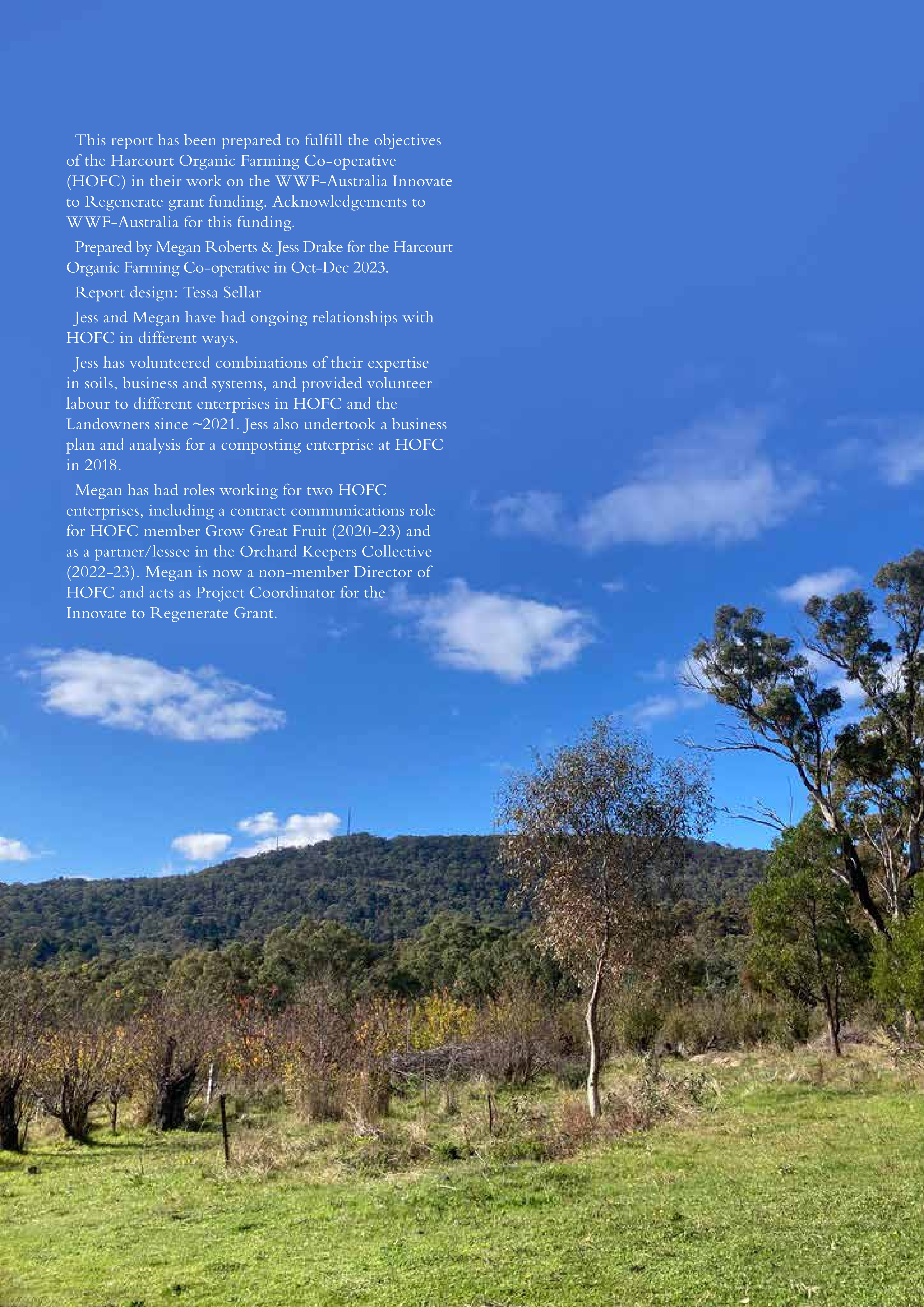
Prepared by Megan Roberts & Jess Drake for the Harcourt Organic Farming Co-operative in Oct-Dec 2023.

Report design: Tessa Sellar

Jess and Megan have had ongoing relationships with HOFC in different ways.

Jess has volunteered combinations of their expertise in soils, business and systems, and provided volunteer labour to different enterprises in HOFC and the Landowners since ~2021. Jess also undertook a business plan and analysis for a composting enterprise at HOFC in 2018.

Megan has had roles working for two HOFC enterprises, including a contract communications role for HOFC member Grow Great Fruit (2020-23) and as a partner/lessee in the Orchard Keepers Collective (2022-23). Megan is now a non-member Director of HOFC and acts as Project Coordinator for the Innovate to Regenerate Grant.



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1. EXECUTIVE SUMMARY

What makes a small-farm enterprise 'viable' or 'unviable'? Whilst it might seem like a numbers game, small-scale farmers know personally just how much more complicated a question this is, and how much it changes from year to year. In particular, when we account for:

- **Livelihood** factors such as our social and economic system, housing, dependents, other income;
- **Values**, or a person's core motivations and the things they care about;
- **Finances** such as capital, loans, assets, equity, and;
- **Skills** factors such as learning curves, specialised skills or outsourcing;

We can then see just how multifaceted and individual the tipping points between viability and unviability are going to be.

We set out to explore the factors that have influenced viability for five Harcourt Organic Farming Co-operative enterprises. They were: Carr's Organic Fruit Tree Nursery, Gung Hoe Growers, Sellar Farmhouse Creamery, the Orchard Keepers, Bushfoods, and Landowners perspectives. The purpose of this work was to document the tacit experience of viability in each enterprise, and provide a lived experience case study to complement wider food systems discourse on small-scale farming.

Through interviews, questionnaires, qualitative and financial analysis each enterprise contributed a rich story of their complicated decisions about viability. No two enterprises have had the same experience of livelihood, skills, finances or values, despite co-existing, collaborating and sharing the same piece of land to farm. The analysis of each story showed that across the enterprises, there is a community of people strongly driven by passion and values. Whilst these drivers have meant each enterprise has achieved a lot, there have also been personal and financial costs. Combinations of low or unpaid labor; livelihood complexities like dependents, partners, and off-farm income; lack of means of production; and scale or model of businesses all had significant roles to play in influencing individuals' experience of viability.

What's next?

Following the report development, enterprises came together in a workshop to develop recommendations together. These are recommendations for actions that HOFC could take to support or further understand viability of individual enterprises, rather than recommendations to each enterprise. They broadly fall into the categories of: values & intentions; infrastructure & investment; power dynamics; diversity, equity, & inclusion (DEI); and understanding the wider context of small farm viability.

Immediate actions include inviting any new recruited enterprises to clarify their business intentions and articulate the values driving their enterprise, utilising some of the holistic framing in this report to support that. These were critical ingredients of viability, so stating them up front could support enterprises joining to find viability.

Areas for further exploration included methods, processes and approaches to support healthy power dynamics and relationships within HOFC. When not functioning well, these provide energy-consuming distractions from enterprises and compromise viability. There were several practices that we suggest HOFC continue to build on, including diversity, equity and inclusion, to reduce additional load on enterprises (e.g. Colonial load), as well as continuing to engage broadly to understand small farm viability of HOFC enterprises in the context of other small farm businesses.

Coop team 2024

2. INTRODUCTION & CONTEXT

Background: Who, what & where

What happens when you've been farming for decades, but you want or need to stop farming? What if you want to see your land continuing to be productive? Likewise, what if you don't expect to inherit farming land but you want to farm, how could you start? These are significant, intractable problems in Australia and across the world.

Multiple people with these intersecting needs and challenges met and attempted to weave a solution between them – the Harcourt Organic Farming Co-operative (HOFC). There is a growing number of examples of land sharing across Australia, but HOFC has progressed the land sharing and collaboration

experiment further than many. HOFC members have become experts in the viability of their own businesses and in the business of collaboration.

HOFC is a group of enterprises based on land owned by Katie and Hugh Finlay in Central Victoria. In 2018, HOFC started as a way to organise multiple lessees renting productive land on the one farm. It has consisted of 5 different enterprises in that time, with many iterations of structure and personnel within those enterprises. Prior to these, some leasing arrangements existed with Gung Hoe Growers, and Katie and Hugh had been exploring options for leasing their land for some time.

2023 has been a time of great transition at HOFC. At the time of writing (April 2024), HOFC is made up of Sellar Farmhouse Creamery (SFC), Carr's Organic Fruit Tree Nursery (COFTN) and the Orchard Keepers (OKs). Gung Hoe Growers (GHG) has been an enterprise in HOFC since the beginning, ending their lease in December 2023. Bushfoods is a participant enterprise on the same land, but with a different land-use arrangement and are not members of HOFC. The Orchard Keepers Collective were an enterprise that had the lease on the orchard sections of the farm, with that lease being from June 2021 to June 2023. The orchard enterprise is now managed by Katie and Hugh under the same name. A former HOFC member, Tellurian Fruit Gardens, held the lease on the orchard during 2018-2021. Grow Great Fruit is another enterprise within HOFC but is an online business with very different business activities so it was not included in this viability work.

HOFC is the governance structure that facilitates group decisions about the use of shared resources & infrastructure. All enterprises are represented in HOFC governance. The Landowners (LO) are also represented in the HOFC governance structure in two positions — as a landowner and as an enterprise owner. Current directorship is made up of three enterprises, one landowner and one non-member director. The current mix of directors reflects the general make-up of HOFC at different times.

Most importantly, HOFC has been made up of many generous people who have contributed considerable time and energy to try and find a way to make landsharing work and run viable enterprises at the same time. Whilst the answers haven't always been found, and at many times this has been at great personal cost to individuals within HOFC, the findings in this report demonstrate the strong values for community, collaboration and connection that all in HOFC have shared — the desire to try and do things together, even imperfectly and even if it's hard. Let each story of HOFC enterprises serve as a lighthouse to any ships starting their journey — whether it's land sharing, a small-farm business or a collaborative endeavour.

Small-farm enterprises in context: Economic and social systems

Current state of small-scale farming

Right now there really appears to be a make-or-break crisis in small-scale farming. Finding a viable (financially & personally) alternative to corporate agriculture is becoming increasingly difficult. Small-scale farm enterprises remain a key piece of the complex puzzle that is building resilient, values-based supply chains.

This is a national trend: *"There has been a reduction in the number of farm businesses over time as average farm sizes have increased."* (ABARES). This is a problem for people and planet as we know that robust, local food systems and smaller-scale agriculture can be more resilient and have better outcomes for long-term landscape regeneration (OFN). HOFC enterprises can all be seen as 'small-farm enterprises' in that they have an annual turnover of under $150,000.

At the beginning of the pandemic, many alternative food systems (small-scale agriculture, farmers markets, food hubs) saw a drastic increase in spend in values-based supply chains. As the pandemic progressed and cost of living pressures hit, this spend has gradually reduced (OFN). Simultaneously, as a result of the climate emergency, many producers in south-eastern Australia have experienced catastrophic drought, fire and then extreme wet weather conditions, making the work of food production even more volatile. Each of the enterprises in this work has grappled with the challenges above in a myriad of ways.

There are many people in Australia working on different social and economic systems to encompass values that are broader than profit, and which are fairer for people and planet. Farming co-operatives are one example of democratizing and socialising economic systems — where members may co-own or co-manage means of production and have a say in how their resources (i.e., land, profits, machines etc) are managed and shared. There are also informal gift/barter economies between farmers and other food providers. This includes trades of produce (i.e., bread for milk) or large discounts (i.e., 50% discounts on produce) between food producers. These are just two examples of alternative and regenerative political economic approaches in food systems that are working within our current broader economic and social system.

People starting a small-farm enterprise might have highly values driven (and non-monetary) reasons for doing so. This may include altruistic goals for food system improvement, community benefits and landscape regeneration. But, their enterprises do not exist in a vacuum. They exist in an economic and social system that greatly influences the extent to which those people can: a) have a livelihood, b) build a financially successful enterprise, and c) contribute to the social & environmental values that they are motivated by. These needs, desires and values have to interface with our current social and economic structures.

Interfacing with a rigged social & economic system

Our social and economic systems drive the choices that we make in our daily lives. It influences housing affordability, income and land ownership. It also influences how we value products and services, how we structure a business or what milk and vegetables we buy. Where we fit within the system as individuals also influences how we are able to live, what services we can access, what food we can purchase, and how we can sell our skills or labour for income. Viability of small-scale farming therefore needs to be considered within the current social and economic context of Australia - that we live in a predominantly capitalist system.

In a simplistic model of the capitalist system, the means of production are owned by individuals or entities. The means of production include the ownership of land, labour, materials, infrastructure, tools and machinery that are used to produce goods or services. In capitalism, it is assumed that people who own the means of production can use them to generate profits and wealth by providing goods or services. This profit can be used as monetary capital for investing in further means of production i.e., new tools, land etc, or it can be retained as wealth.

To make a livelihood, people who do not own means of production must either a) rentor purchase means of production in order to derive an income, or b) provide labour and/or skill to those that own the means of production in exchange for an income. The income generated is then used to pay rent and/or for goods and services – feeding back into the capitalist structure. An example of how capitalism may be found in farming is in Box 1.

Box 1. Hypothetical examples of capitalism in farming

Example 1:

Big Capital Farms is an entity that owns 10,000 hectares of grazing land in western NSW, along with other farms across Australia. They predominantly run beef cattle in their NSW rangelands. They own this land outright. As part of a multinational, Big Capital Farms also have monetary capital to invest in the farm. They own all their own equipment needed to run their farm. Big Capital Farms hires a Farm Manager and multiple Farm Hands to run the farm. Therefore, Big Capital Farms owns their means of production, whilst their staff supply their labour and skills in return for an income. Big Capital Farms makes a profit from raising their cattle as the difference between the costs of producing them (i.e., food, labour, water, land) and selling them (i.e., to people purchasing goods and services).

Example 2:

Cal is a garlic farmer. They rent some land from Big Capital Farms in a horticultural district of Victoria. Big Capital Farms also owns this land outright. For Cal to use this land, they can either pay rent that includes all the infrastructure, land and equipment needed to grow garlic or Cal can pay a lower rent and invest in their own infrastructure. Cal decides to pay Big Capital Farms a higher rent so that they have access to all the means of production to grow garlic. Cal covers the cost of garlic farming, and is able to pay themself $150 a week.

The choices a farmer has will depend on who owns the means of production. For example, who owns the land? Will they need to pay rent? Do they have appropriate equipment? Will their farming provide a livelihood to purchase goods and services? The broader social and economic system also affects farming practices. For example, how much are people or entities willing to pay for their products (based on market share, or personal incomes and values) has flow on effects to how much income the farmer can generate, and the value of their commodity relative to the value of the land. Social institutions also influence what farming practices they undertake, how they care for their land and animals etc. Therefore, the means of production and the system that they work within affects the day to day operation and decision-making of a farmer, and thus affects their (vi)ability to farm.

The choices and decisions a farmer has to make in our current economic system are not necessarily a reflection of their values or who they are. All social, political and economic systems are based around a set of implicit or explicit values and philosophies. There are arguments that the implicit values in capitalism are focused on financial reward. People, however, have broader values and philosophies outside of wealth creation and private land ownership that are part of more diverse economies. For example, people may value their local environment, good food, animals, caring for family and friends, connections in community etc along with the ability to own land or have an income. These broader values are needed for both financial reward (income, wealth) and for survival. Despite this, these broader values are not explicitly valued under capitalism in the form of financial reward. Farming provides many values to society that are not financially rewarded in our current political economic system — care for land, healthy food, care of animals or food justice. Yet farmers themselves still need to work within the system that we have for their own livelihoods, and this is often at odds with their broader values.

For any social and economic system to continue to be effective and fair, however, they need to be reviewed and adapted over time. Circumstances and values in any system continually change, and people working in any political economic system need to be prepared to regularly review, learn from and adapt their working models to the most current needs of the system. HOFC are reviewing their current model, to learn from and adapt in future iterations.

Founding HOFC team 2019

Aims and objectives

A primary aim of this work was to recognise and document all of the tacit expertise on small-farm viability that exists within the HOFC community. In particular, to document many of those values that farming produces that both a) consume a farmer's labour, and b) are not recognised monetarily in our economic system. During a time of considerable change and transition at HOFC, this work represented an opportunity to capture an historical view of the lived experience of small-farm viability of some of the members of the HOFC community. In doing so, we also aimed to contribute to the discourse on viability in small-scale farming, with a rich, context-led study that captured the very personal nature of 'viability'. To this end, we scoped the work around the following question.

What are the factors that can affect HOFC enterprise 'viability' and how has this impacted individual enterprises?

The aim, objectives and research question were developed in consultation between HOFC members and the authors, and were designed to meet the objectives of the WWF grant.

3. PROCESS & METHODOLOGY

In this report, we aimed to document the work HOFC enterprises have undertaken on their own small-farm viability, and that of HOFC as a whole. Each enterprise has inevitably needed to consider viability in a variety of ways throughout the course of running their businesses. We used these viability analyses to draw some conclusions about the effects of different value systems, livelihood needs, business financials and skills on enterprise viability.

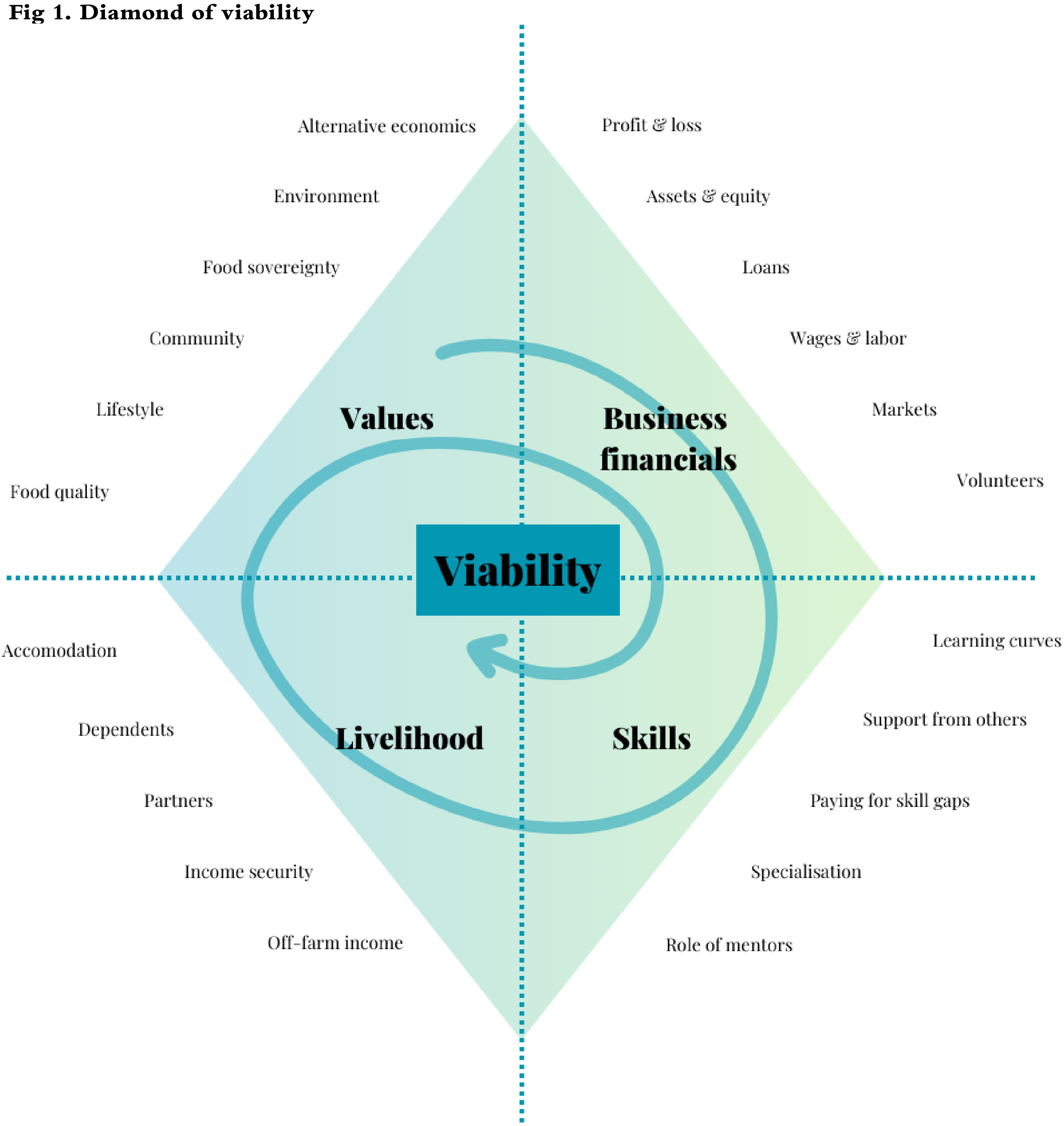
Further, we sought to illustrate the very differing ways that each individual enterprise (made up of different groups of individual people) can frame the concept of 'viability'. That is, viability on the surface is often denoted as a numbers equation. Upon deeper enquiry, it is actually a very personal topic tethered alongside a range of values and needs, including long-term security, Indigenous values, self-determination, mental health & wellbeing. As such, we sought input from each enterprise via a series of questionnaires and interviews during October–November 2023, aiming to ensure each voice was documented with integrity, honesty & safety. The information gathered was then analysed by the authors and underwent several iterations with each enterprise and HOFC as a whole before producing this report.

Framing

Diamond of viability: livelihood, business financials, values and skills

Early on in the methodology design in consultation with HOFC members, it became clear that the concept of 'viability' is defined really differently for each person & enterprise. In fact, viability is seen as more of a nested concept that sits amongst a large swathe of other factors, some of which are deeply personal, like values, others which are contextual, like housing situations or access to markets. All of these factors intersect to determine whether an enterprise is deemed 'viable'. As such, we entered into the methodological design with a deliberately wide and holistic framing of viability, as illustrated below.

Fig 1. Diamond of viability



What was deemed out of scope

Whilst we took a wide framing of viability, there are some elements that were agreed as out of scope for this piece of work, as listed below:

- The methodology would not produce recommendations on the line of 'how viable a business needs to be to join the Co-op', as that remains a HOFC decision (which this report can support).
- It wasn't possible in the timing of this work to consult with all previous members of HOFC enterprises. A decision was made to focus on enterprises that had been part of HOFC in the last 12 months (July 2022 to June 2023).
- This work did not undertake an in-depth analysis of wider economic & social context, as there is research on those areas already available. Our primary focus was to capture the stories, experience and expertise of HOFC as it is now, as case studies of lived experience small-scale farm viability are needed in the food systems discourse.

Data collection & analysis

Template design & interviews

To collect information from HOFC members, we first developed a template questionnaire designed to capture information from all quadrants of the 'diamond' of viability. This was circulated within HOFC with two rounds of feedback and input from HOFC members. HOFC members were offered the option to complete the questionnaire asynchronously or as a semi-structured interview with the support of the authors. Of the group, 4 responses were self-reports and 3 were conducted as interviews. The views expressed in each response represent those individuals' experience of their enterprise but *should not* be seen as representing the views of that enterprise, HOFC as a whole or that person's community.

As part of the template, enterprises submitted financial information in a form that was available to them. Bushfoods weren't in a position to supply financial information for this report, at some point in the future if that information is available it may be included. All other enterprises and the Landowners supplied verbal or written information. In addition to this, we also received:

- One year of financial information (Profit and Loss, and Balance Sheet) from GHG;
- Two years of financial information (Profit and Loss, and Balance Sheet) from OKs;
- Four years of financial information (Profit and Loss, and Balance Sheet) and budgets/projections from SFC;
- Four Profit and Loss statements and profit sharing, and one Balance Sheet from COFTN; and
- Three years of financial information (Profit and Loss, and Balance Sheet) from Landowners.

Data analysis

To analyse the data collected, we started by looking at each enterprise individually. We analysed the qualitative responses from each enterprise looking for key themes, contextual elements and framing. We then conducted analysis of financial data (Profit and Loss, Balance Sheet, written and verbal information) for each enterprise, factoring in the context of economic systems, individual livelihood and values. For SFC, however, we were requested to use their 2022/23 actuals (Profit and Loss and Balance Sheet) and budgets/projections along with their written and verbal responses. This difference has been noted in the report below. Using this overall analysis, we then drew together quotes and evidence in key themes and context relevant to all enterprises and the Landowners.

Feedback processes

As data collection & analysis was completed, each enterprise received a document that notated the words and financial information from their contribution with the opportunity to edit before inclusion in this draft report. Synthesis parts of this report were open to feedback from HOFC as a whole.

Feedback received on the Synthesis parts of the report were largely related to how Livelihood and Financials were framed, and consequently we have changed the ordering of the report to place greater emphasis on Livelihood before Financials. We also asked three additional questions to better understand the intersection of Livelihood and Financials. These were:

- What were your financial intentions when starting your business?
- How would you define 'financial livelihood' for you?
- Do you feel you are achieving/did achieve this (as above)? Why or why not?

Only three enterprises provided responses to these additional questions—SFC, COFTN and GHG.

A workshop was held after the first draft report was shared. All members of HOFC attended the workshop, apart from a representative from the OKs. The purpose of the workshop was to refine the report and develop recommendations collaboratively. Feedback gathered in the workshop was used to develop the next iteration of this report.

4. FINDINGS

This section first presents a summary of the overarching findings in regards to "*What are the factors that can affect HOFC enterprise 'viability' and how has this impacted individual enterprises?"*. This is followed by a spotlight on each enterprise and a summary of how they have interfaced with the 'diamond' of viability. Then, we share a synthesis looking at cross-cutting themes that have played out in different ways for each enterprise and for HOFC as a whole.

Summary of findings: Tipping points of reward vs cost

When does an enterprise become 'viable' or 'unviable' for someone? The decision to continue farming, or to leave, we see as being the tipping points of reward vs cost. Each of these tipping points are not considered in isolation—they intersect finance, livelihood, skills and values. Any decisions made by farmers regarding the viability to farm will intersect several of these tipping points.

All the enterprises in HOFC have only been able to run because of the passion and values of the business owners, which are at a personal cost to their time, income, physical and emotional well-being. Each of the enterprise owners and the Landowners are subsidizing the cost of farming. Whilst this can bring significant reward in the form of enjoyment, values and connection, viability has hinged on this key tipping point in different ways for all enterprises. They manifested in a variety of ways across the group.

During our analysis, we noted the following factors that had significant sway in whether or not an enterprise continues:

- **Unpaid, low-paid and owner labour** – all enterprises needed significant unpaid/poorly paid labour from their owners to achieve their goals. The health and well-being of the farmers, and their ability to provide this labour at any point in time, is necessary for the enterprises to run.

HOFC team 202021

- **Need for an income to maintain livelihoods** – the need for an off-farm income (i.e., income not related to farming) or non-primary productivity income occurring on farm (i.e., farming education, project support etc.) was required for almost all enterprises and Landowners to meet their day-to-day living expenses, superannuation and savings goals. Low-cost living was more easy to achieve (i.e., no housing payments, off-grid living, small mortgage etc.) from a farming income than the alternative (i.e., rent and mortgage). How this income was obtained (i.e, from domestic partner, other casual work, other business etc.) affects the well-being and personal relationships of that farmer.
- **Relationships** – open, honest, fair, respectful and strong relationships between HOFC members, customers, communities, domestic partners and family are a necessity for small-scale land sharing arrangements.
- **Values** – all enterprise and land owners had intangible values beyond financial that provided them with multiple reasons for and rewards from farming, many of which are either implicit or explicit values shared across HOFC.
- **Passion, fun and enjoyment** – drove many of the farmers, and a lack of these things may sway people's decisions to leave an enterprise.
- **Lack of the means of production** – land insecurity, lack of capital (at the onset or to make changes), and infrastructure requirements (capital available, and whose) impact on individual businesses and broader land-sharing relationships.
- **Choosing to share the means of production** – for land sharing to exist, the land owner needs to value productive and regenerative farming over the monetary value of the land as a lifestyle property or cash-retirement plan. They also need to share both the land and infrastructure that they have with small-scale enterprises.
- **Colonial load vs genuine allyship** – colonial load is a form of labour unique to First Nations enterprise, and a driver in why someone would walk away from a project. This is in contrast to genuine striving for allyship in land-sharing arrangements.
- **Scale and model of the business** – can the business make profit in the scale and model designed that also meets livelihood needs, and how does that change over time (i.e, change in ownership, change in labour arrangements, change in skills available, change in infrastructure needs etc.). Gradual scaling of enterprises over time towards a certain goal that is achievable and that meets individual business owner needs (i.e., livelihood, income, values, enjoyment, investment etc.) was a driving factor for some enterprises.

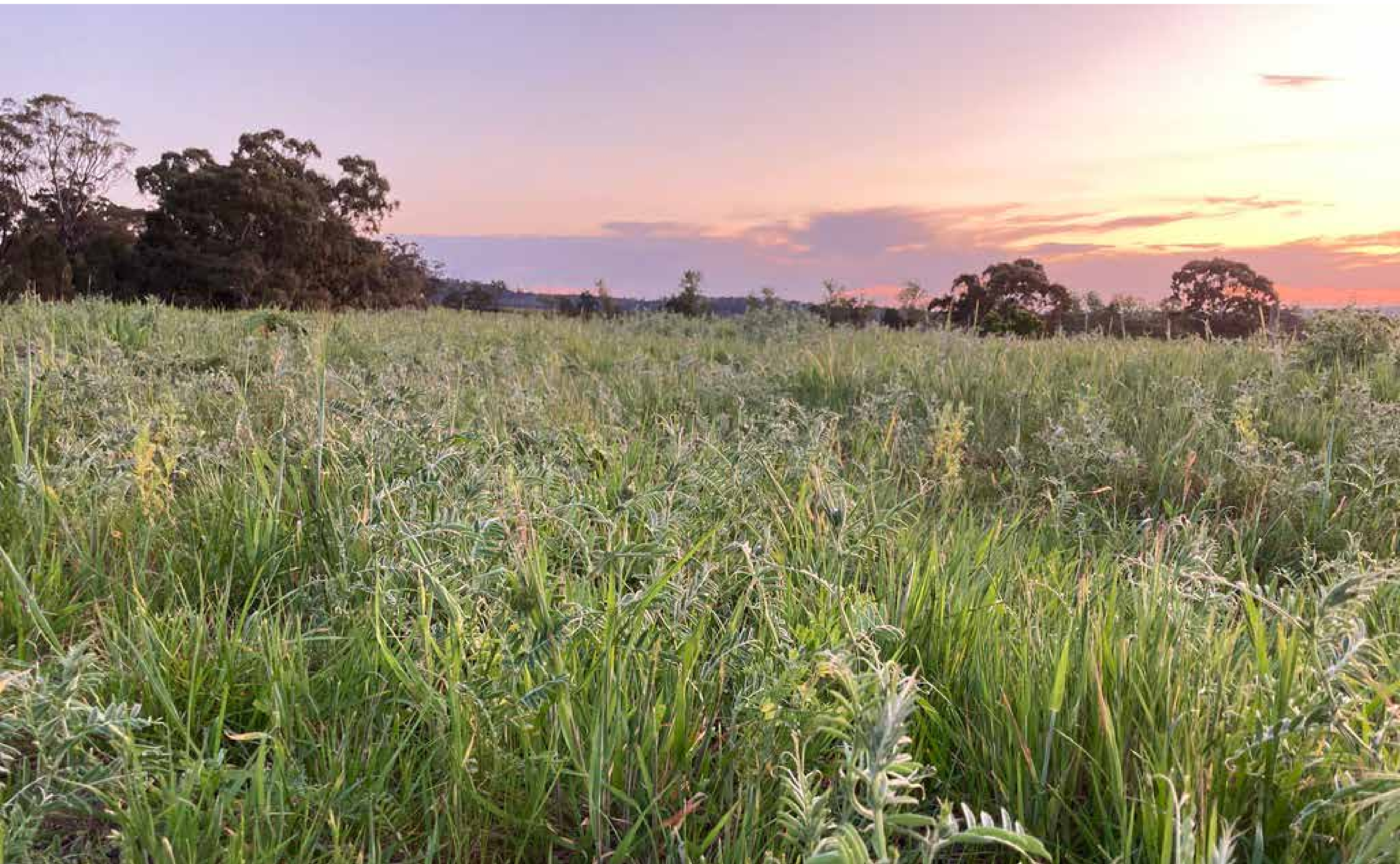
The reasons why an enterprise continued or did not was not based on just one of these factors, but usually several. As an example, the ratio of owner labour to reward is not the main factor in the decision of enterprises to farm or not. In the case of COFTN, they noted specifically that they are *"not factoring (unpaid owner labour) into decision-making about the business".* Their values of family, knowledge sharing and self-reliance were more important.

If we look at the enterprises that have recently ended, both the OKs and GHG have values that align strongly with farming. The enterprises however, at their current scale and model, were unable to cover their livelihoods. This was inevitably only one factor in their decision to end farming within HOFC — where the need to live within a capitalist structure (i.e., pay for goods, services and housing) outweighs the farming values that are not financially rewarded.

For GHG, they also made a decision to leave based on relationship breakdown, lack of capital for investing in business model change, and lack of land security. Whereas the OKs also noted that there was not a lot of enjoyment in their work due to the fixed scale of their enterprise requiring fixed amounts of labour, and the significant challenges in balancing off-farm life with dependents and domestic partners.

In a regenerative economy, farmers would not have to weigh up these factors when deciding to farm or not, to lease their land or not, if their enterprise is viable or not. We can see the need for a broader set of factors that are appropriately valued in the economies of the future to enable farming at small-scale to be viable.

It also shows that to understand how those tipping points play out in small-scale farming, we really need to be looking on a case-by-case basis, as weighing up those factors is inevitably deeply personal. So, to unpack this further, below we present summaries of each enterprise and where the people involved sit within the 'diamond' of viability.



5. SYNTHESIS

Diverse definitions of viability

This section summarises the different ways that HOFC enterprises have framed and defined viability for their business. Across each of the enterprises, and individuals within those enterprises, there were varying definitions of viability. Some framed viability in a business as being able to draw a profit from their business, e.g. *"Viability generally is that you have to be making a profit"* (COFTN). This is what would take a business from being an "expensive hobby" to actually being a successful enterprise for those people. Alternately, other enterprises had a different financial thresholds for defining viability, such as *"earning an average minimum wage from growing food"* (OKs), *"not going into debt and have the business pay it's own way"* (GHG) or a sense of sustainability and *"being able to keep going"* (SFC). The signs of strong values-driven enterprises were present even in defining viability.

A key theme across the enterprises was the balance between making a profit or 'having enough'. All of the enterprises referred to these definitions changing through time and being inextricably linked to livelihood and values. What is enough in one enterprise, one year, may not be 'enough' in another. This is illustrated below:

> *"Financially able to cover costs and pay me an amount I decide is enough to run my life and put a bit away. This is obviously hugely influenced by external factors like: do I have customers, does my pricing reflect the cost of running, is there a drought /flood (can I get feed, how expensive is it), am I able to work or how much of the running hours is external wages." (SFC)*

None of the businesses framed viability as a solely monetary condition and there were clear signs of strong values for community, care for landscape and non-monetary values wrapped up in people's definitions of viability and being balanced with financial viability. This is demonstrated by both responses below:

> *"Viability would relate to not only being able to operate the business and carry out the minimum tasks but also having time to enhance our values that relate to the property including the implementation of regenerative farming practices, to be involved in research and best practice, to have the time to develop our skills in operating a venture such as this…We need to see the land becoming healthier, relationships between people thriving and the capacity for our knowledge to grow." (OKs)*

> *"Viability as a landowner - it's not all about money. It's about whether or not it works… because it's never going to be a money making thing. We were never motivated to do it to make money. It needs to not cost us too much. What we're getting from it - functioning farm etc, at what cost ($, stress, personal cost)." (Landowners)*

For some, non-monetary values were really at the very heart of how viability was framed for their enterprise.

> *"Rather than using finances as a measurement for success and viability it is community engagement, employment and learning opportunities for youth as well as a development of an understanding and appreciation for traditional indigenous methods of food production and land stewardship that are the main points of 'success' that we can measure" (BF)*

It was clear for all enterprises that a) there was no common definition of business viability within HOFC, and b) viability does not sit in a vacuum. Instead, viability interfaces directly with the values that drive each individual and partnership to continue investing time, finances and resources into an enterprise.

Values at the heart of each enterprise

HOFC is a community clearly bound by values and strong principles, morals and ethics which have been drivers for each person's contribution. HOFC is a community that cares a lot about people and planet. This section will unpack how values have interfaced with enterprise viability.

Outside of financial motivation, there were many values that seemed to sit at the heart of each enterprise in motivating individuals with their work. There were also several values that were common across all of the HOFC enterprises, although they may be expressed or acted on in subtly different ways. The common values all share an ethos of care and can be grouped into themes of care for community, care for landscape, care for food justice & food production which we will discuss in turn. These values are underpinned by strong personal values that different individuals have brought to their enterprise & the HOFC community.

Care for community

Care for community was a value that appeared in all of the HOFC enterprise responses. This was expressed through a desire to collaborate or interact with the wider community, to run enterprises that created community benefits and to create intergenerational value for dependents or elders (e.g. experience of food production, job opportunities). Community benefits included things like education, storytelling, and engagement in food production.

*"Wanting to do it [grow food] *with* our community and do right by the land we were farming on. With the community includes the education stuff, wanting people to be there, be involved and create a space for that." (GHG)*

"Community engagement. A key component for me is to challenge the growing disconnect between consumers and farmers. I do believe the more info/story/understanding people have the better choices they make for looking after the long term land/people/animals/local economy/food system. The more I can engage, educate people about what it takes to farm the more invested they become, the more they share, etc. Community engagement also includes offering meaningful paid work to others." (SFC)

"The creation of cultural and employment opportunities, the passing on of knowledge and trade of resources with other indigenous growers in the area (ie distribution of seeds collected)." (BF)

HOFC xmas party 2021

It's clear that each HOFC enterprise commenced with a strong value for community and this has carried through all of the enterprises in different ways.

One of those community values was a desire to have intergenerational aspects to the enterprise. These were also expressed in varying ways across the enterprises. Whilst differing from person to person, several people identified the important role that elders, next generations or children had in the motivations that underpinned their business.

"I'm trying to make sure that this same opportunity is available to the next generation or young mob that come through... Wanting to have that opportunity to connect to country in this way. I want it [Bushfoods enterprise] to continue to be viable so that they [next generation] can have that too." (BF)

"Really nice non-tangible benefits in this business. One is that we're working together as family. Another is that it gives Dad a significant and meaningful reason to be here on the farm, that's not a made up reason." (COFTN)

OKs expressed that whilst the opportunity to involve dependents & expose them to food production was desirable, it didn't eventuate or was difficult to manifest due to logistics, age of children, and child care. This was something originally hoped for in undertaking a farming lease, i.e. the opportunity to show children life in farming without necessarily inheriting land or growing up on a farm. Intergenerational values seemed to be centered around learning, knowledge sharing and opportunities.

Value for community was also expressed more simply as desire to do things together, whether at a family, enterprise or Co-op scale. This was a motivation for some in choosing to start or join an enterprise in HOFC.

"Community & connection - doing things together." (COFTN)

"Connection and community are also important to me. All of these values contributed to the decision-making that moved me toward taking on a new farming enterprise as part of a collective." (OKs)

There was also an awareness that whilst doing things in a collaborative or community-oriented way had many benefits, there were personal costs and challenges that working in community inevitably bring.

"I love how many people are here in all sorts of ways, whether it's customers, volunteers, Bushfoods and the ripples that go out through them. That energy is really beautiful and gives us a lot. A different dimension of that quality has also taken away energy or brought the negatives." (LO)

Investment in the desire to 'do things together' has meant many in HOFC have dedicated personal and community time to learn collaboration, communication and group process skills. It hasn't been perfect and it hasn't been easy - there have been many hard times in trying to learn how to do things collaboratively. Goals to engage communities as part of the business model have also sometimes been harder to manifest, as people grappled with the pressing needs of their businesses. However, all of the values outlined above indicate that a strong ethos of 'people care' is infused in the DNA of HOFC enterprises.

Country & Landscape health

Care for land and country was expressed across all the enterprises, but a common thread was that care for land being tied up with people connections. Connection to and care for country was a pivotal value for some of the enterprises – this includes landscape health, but also people's ways of being in that landscape and linking in with some of the themes above of community and intergenerational care. The person from Bushfoods expressed this in the following way:

> *"Connection to country (land, waters, skies, animals, spirits and ancestors of this land) re-establishing the values of a sharing economy (if I have an abundance, so do you), honesty and truth telling, reinvigorating trade amongst mob with the same goals." (BF)*

This theme of connection to place and environment showed up in other ways in the HOFC community, whether through HOFC members' contribution to caring for the landscape or as part of the ethos of the enterprise.

> *"Wanting to do it *with* our community and do right by the land we were farming on" (GHG)*

> *"For example with Tess - all of our paddocks are being looked after and restored through her labour in ways that we would never have been able to do." (LO)*

Across all of the responses, it seems that the HOFC community don't see care for land and people as separate values – e.g. food production is only possible with a healthy landscape, so care for land and country is wrapped up in how business is done. Or, people are involved in caring for landscape, so how community works is just as important as how healthy the landscape is. All enterprises expressed this differently, but all showed a value of wanting to care for the health of country while running their enterprise.

Food justice & food production

The values of care for community and landscape intersect with food justice and value for food production. On a personal level this was expressed as a sense of honour or privilege to grow food and it's clear that this is a sense of purpose that motivates many in the HOFC community.

> *"I feel so privileged to fill my time with something which doesn't leave me feeling ethically compromised. Feeling like what I'm doing matters. Even if people don't need fancy milk and I could milk more cows and make more money it's the bigger picture stuff which makes the real difference, feeding people's mind and connection, not just nutrient dense food." (SFC)*

> *"Growing food feels like a real, special job and I got to do that job." (GHG)*

Providing food for the community and contributing to the local food system was an important part of enterprises original missions and infused in the motivations of HOFC as a community.

> *"To contribute in a meaningful way to working towards a more resilient local food system especially in the wake of recent events that showed us the importance of and fragility of these systems ie; bushfires, COVID pandemic." (OKs)*

> *"To contribute in a practical and active way to ensure the survival of small-farms in my local community." (OKs)*

> *"We produce a product that is needed and is adding to our immediate districts food resilience. We are putting fruit trees into local people's backyards every year." (COFTN)*

A specific contribution to the local food system, other than producing food, was about keeping land as food-producing land (as distinct from lifestyle blocks or subdivisions) and caring for that land for that purpose into the future:

"...the passing on of knowledge and trade of resources with other indigenous growers in the area (ie distribution of seeds collected) and eliminating the need to purchase what we grow from other suppliers to create our dry goods products and catering (ie saltbush, warrigal greens)" and "... desire to observe native plants in an atypical environment (market garden rows), desire to observe the yearly cycle that native perennials undergo (and using these observations to establish a care-plan and future of the plot" (BF)

"About actually making the farm more productive than just the orchard. In the beginning we were saying maximum productivity - not so much extractive but more about how much and how many different kinds of food can we produce here." (LO)

On a personal scale, many found a sense of passion and enjoyment in farming and the special nature of farming work, and being part of contributing to how food systems changed outlined above. This passion is a powerful force for each enterprise and HOFC as a whole, but also has some challenging costs which we touch on later in the report.

Weighing up community and personal values against viability became a challenge for some. Several people (OKs, GHG) talked about how as the learning curves grew and the challenges of viability started to emerge, some of their initial values-led ideas and hopes had to take a backseat. Whilst some enterprises started with strong goals around community or food system contributions, it became harder as time went on to prioritise those activities around those values at the expense of keeping businesses running. Likewise, when resources became scarce or crops were heavily affected by extreme weather events, personal values like enjoyment or the special nature of the work became harder to access, reducing people's capacity to continue investing unpaid time or emotional energy in their enterprise.

Summary of values

Values hold a central role in driving all the enterprises at HOFC. These values encompass care for people & community, care for country and food justice and production. Each of the people expressed values around sharing, fairness and relationships that sit at the heart of their enterprises, showing that HOFC is a highly values-driven community. All people expressed these in differing ways, but SFC summed up their own values in a way that was reflected across all of the enterprises:

"What are you taking and what are you giving and how your scales balance. This kinda sits across everything: natural resources, relationships, emotional space, human resources." (SFC)

So, whilst values strongly motivate this community, and money is not necessarily the primary driver for why people have started their enterprises, those values still interface directly with financial viability (sometimes, in conflict with), by virtue of our social and economic systems.

HOFC team 2023

Livelihood

In our current economic and social system, we need to be able to pay for goods, services and housing. Having an income to do this is essential. This section of the report will look at the aspects of livelihoods of each of the enterprise and land owners and how this intersects with the desire and ability to farm.

Financial Livelihood

Everyone has a different definition of financial livelihood based on their own circumstances and background. Each of the enterprise owners who provided a response (COFTN, GHG and SFC) defined financial livelihood as being enough money to meet their living needs within a simple lifestyle. Two of the enterprise owners also discussed the desire to have enough disposable income for extras and fun, including affordable holidays, buying gifts and going out for meals.

"Having enough money to live comfortably and within our means, i.e. our income must be more than our expenses... Our financial goals include having a buffer against unforeseen big expenses plus enough disposable income to pay for extras like going on affordable holidays, buying gifts for family and friends, and going out for meals." (COFTN)

"cover costs, wages, put away minimal savings for yourself and pay yourself an amount of $ that allows for covering living costs plus some. (yes, some dinners out, some records, a holiday etc)" (GHG)

*"Can I get a return of what I need to live the life **I want** for the investment of time I put into things... I live a very simple life and thus don't need as much..." (SFC)*

How each enterprise owner defined their financial livelihood directly influenced their business financial goals, and whether or not their business met or is meeting their expectations. This will be discussed further in Financial viability below.

Housing

The type of housing situation for each of the enterprise owners appears to affect the ability of individuals to farm. Low- and lower-cost living featured in three of the enterprises (GHG, SFC, COFTN). They indicated that they had access to low-cost or no-cost housing (e.g. caretaking properties instead of paying rent, small mortgage, family ownership) and in two cases to living off-grid where fee for services is not required.

"...we're both in the fortunate position of owning our homes (with mortgages) which goes a huge way to providing the simple but secure lifestyle we want." (COFTN)

Alternately, needing to meet market rent or mortgage payments decreased the amount of time people (e.g. OKs) could withstand lo- income periods, and this also increased reliance on off-farm income.

Where people lived also affected farm logistics. Only one person from one enterprise lives on-farm (COFTN), the remainder of the enterprise owners need to commute to get to the farm. This increases complexity of logistics and child care for people with dependents. Respondents from GHG and SFC also noted that fuel/transport for farm commuting were one of their biggest living costs.

"I live bloody cheaply - petrol commuting is my biggest cost." (SFC)

"(I live) totally off grid, don't pay any bills. Flipside is costs on car..." (GHG)

Income

Most of the enterprises and the Landowners rely on off-farm income (i.e., work or income not related to farming) or non-primary productivity income (i.e., farming education, project support etc.) to meet their day-to-day needs.

For COFTN and SFC, off-farm income was sourced from other businesses, rent and other non-farming sources. SFC covers 95% of their day-to-day living expenses from their on-farm business, with off-farm income sources providing savings. One COFTN owner uses their business income to make superannuation payments and has other income sources covering their day-to-day expenses. For the other owner, COFTN income forms a small but significant part of covering their day-to-day costs.

Self-sufficiency, bartering/trading, and food grown on the farm also enabled some day-to-day needs for some of the enterprises.

"We both significantly add to our household budget by growing some of our own food." (COFTN)

"95% of our animal protein comes from the farm (meat, dairy)" (SFC)

The Landowners derive a small income (10% of their livelihood) from the lease agreements, with other businesses providing their main source of income. This is in contrast to OKs and GHG whose enterprise covered <5% of their livelihoods in the 2022/23 financial year, and off-farm income was essential for their livelihoods. The OKs relied on off-farm income generated by themselves and/or partners. In the same year, GHG relied on several sources of casual work for their livelihood.

The tension between the desire to farm or share land, and the need to make a livelihood has an impact on people's feeling of security and relationships, which also intersects with the well-being of the individuals. Generally, individuals felt more secure where more of their income was generated on-farm, where they had reliable off-farm income, and where they felt they had food and relationship security. People felt less secure with less on-farm income, more tenuous income (casual work and government assistance) and/or where relationship dynamics were crucial in securing the income (i.e., relationships between lessor and lessee). The less secure people felt, the worse their health and well-being was - with two respondents discussing stress as part of considering their livelihoods (Landowners and GHG), and one respondent discussing their disability and injury affecting their ability to work.

Farmer well-being

Well-being was discussed by every respondent. This included financial, relationships, health and injury, stress, and cultural load. The lack of financial security can place a strain on relationships (domestic, staff and within HOFC) and create stress in individuals' well-being. This is particularly reflected by GHG and the Landowners.

"In the last twelve months, there was a combination of factors. Epic La Nina season, having staff, on the back of business divorce, pandemic etc. The Co-op culture in some way made work a hard place to be, I was quite stressed." (GHG)

GHG noted in their interview that they previously did not have staff, and the cost of paying staff when their business partner left meant there was no longer an income for the owner. This also meant the business started to make a loss, and the owner's hours at the farm had to substantially increase to manage costs on top of casual off-farm work that was required to cover a livelihood for the owner. The individual notes this as being a stressful time.

The Landowners also talked about personal and energy costs in deciding to lease their land.

"Managing churn of enterprises has consumed a lot of time and energy. [We] don't have a prevailing sense of it not having worked - it has definitely been hard but there are still things that have been great."

"There are a lot of financial aspects that don't add up for us though - personally where is the benefit for us (both financial and in terms of personal/ energy cost)?"

"I have struggled with the idea over the course of 5 years that we have provided this too cheap. It has been unrealistically cheap for what it is and what the lessees are getting. Compared to what they would have to pay somewhere else. Without knowing how to quantify that. It feels like that is a cost we've borne and that if it was about money we could have got more."

"Not that we regret it but it has been big." (LOs)

The enterprise and the Landowners are both discussing the overextension of their well-being (as time, emotion, energy) and lack of income in order to farm or provide opportunities to farm. In both scenarios, individuals have experienced reductions in well-being and in the financial security of their livelihoods. This places stress on individuals, which can have negative effects on relationships, particularly relationships where income is reliant (i.e., lessor and lessee).

Two of the enterprise owners also discuss the reliance of their own mental and physical well-being on their ability to farm:

"Navigating physical injury in the last year has made working physically at the farm a near impossibility for myself personally, have had to be flexible with how to direct limited capacity during this time, not a typical year in my life." (BF)

" 'Colonial load' is that sense of emotional labour that comes with being a First Nations person that is putting themselves out there in that way. That load is more likely to be a factor in someone walking away from a project and is a unique kind of labour to a First Nations enterprise that others won't have to do. That is something that I do have to think about in my projects and having to be setting the boundaries appropriately. I can be really excited but know that something isn't going to be reciprocal so will need to put boundaries up or walk away." (BF)

"...what is needed for those involved in running the business ie, do I have a major accident and can't do most of the work, do (Landowners) sell the farm quickly and I have to find somewhere new, do I start a family, do I lose my driver's license." (SFC)

These individuals are acknowledging that farming relies on their personal well-being. This includes their physical ability to consistently work, for food to be on people's tables and that their potential for ill-health is not considered in the value of food, farming or their income. Furthermore, it also reflects the unique cost of cultural load for First Nations people in their own well-being and ability to work with non-First Nations people.

Many of the enterprises and the Landowners, also discussed how important it was for them to be abundant and to share what they had, despite being overextended or facing poorer well-being outcomes.

"I feel so privileged to fill my time with something which doesn't leave me feeling ethically compromised. Feeling like what I'm doing matters. Even if people don't need fancy milk and I could milk more cows and make more money it's the bigger picture stuff which makes the real difference, feeding people's mind and connection not just nutrient dense food. But equally or more, I just love my cows and spending time with them and building trust and relationships with them just feels like such an awesome way to spend my days!" (SFC)

*"Wanted to grow food for community... Wanting to do it *with* our community and do right by the land we were farming on. With the community includes the education stuff, wanting people to be there, be involved and create a space for that.... Growing food feels like a real, special job and I got to do that job." (GHG)*

"The farm is so much more productive and it does feel fantastic to give the opportunity for people to be able to try farming and we have got huge benefit out of that...The fact that there is now a team that care and help us look after the land. I love how many people are here in all sorts of ways, whether it's customers, volunteers, bushfoods and the ripples that go out through them. That energy is really beautiful and gives us a lot." (LO)

"...re-establishing the values of a sharing economy (if I have an abundance, so do you)..." and "Wanting the same opportunities and values to be available to said dependant regardless of employability and age, wanting the values of the project to ripple through to family and show the young ones that a connection to country and community can be viable in many ways" (BF)

For many of the farmers and the Landowners at HOFC, there is passion and commitment to their values and reasons for farming that go far beyond the financial and even at the cost of their own well-being. We need to ask though: Is passion for farming, and the well-being of our farmers and Landowners, compensating for the abundance? Is farmer (and landowner) well-being subsidising the cost of our food? What do farmers need to be passionate, abundant, well and financially secure?

Dependents

Child care insecurity and having young dependents makes the logistics of farming complex and inefficient. In order to farm, people either needed to pay for child care or partners undertook additional child care, sometimes at the expense of generating off-farm income and placing additional strain on domestic relationships.

"It's been very hard doing long days at the farm knowing my partner would have to look after the kids alone so I often restricted my working time or worked while kids were asleep (early or late in the day)." (OKs)

"The nature of running an orchard meant that there were times that work just needed to be done and there was not necessarily set hours. This pressure did put some strain on the relationship with my partner, particularly as I wasn't earning much income and I needed to rely on him, sometimes at the last minute to take care of our child." (OKs)

One of the OKs also had hoped that the collective would enable child care and children on farm:

"I also thought that being in a collective where there were other families with children that we could have organised some shared babysitting or kids coming to the farm while we were working. This never really eventuated." (OKs)

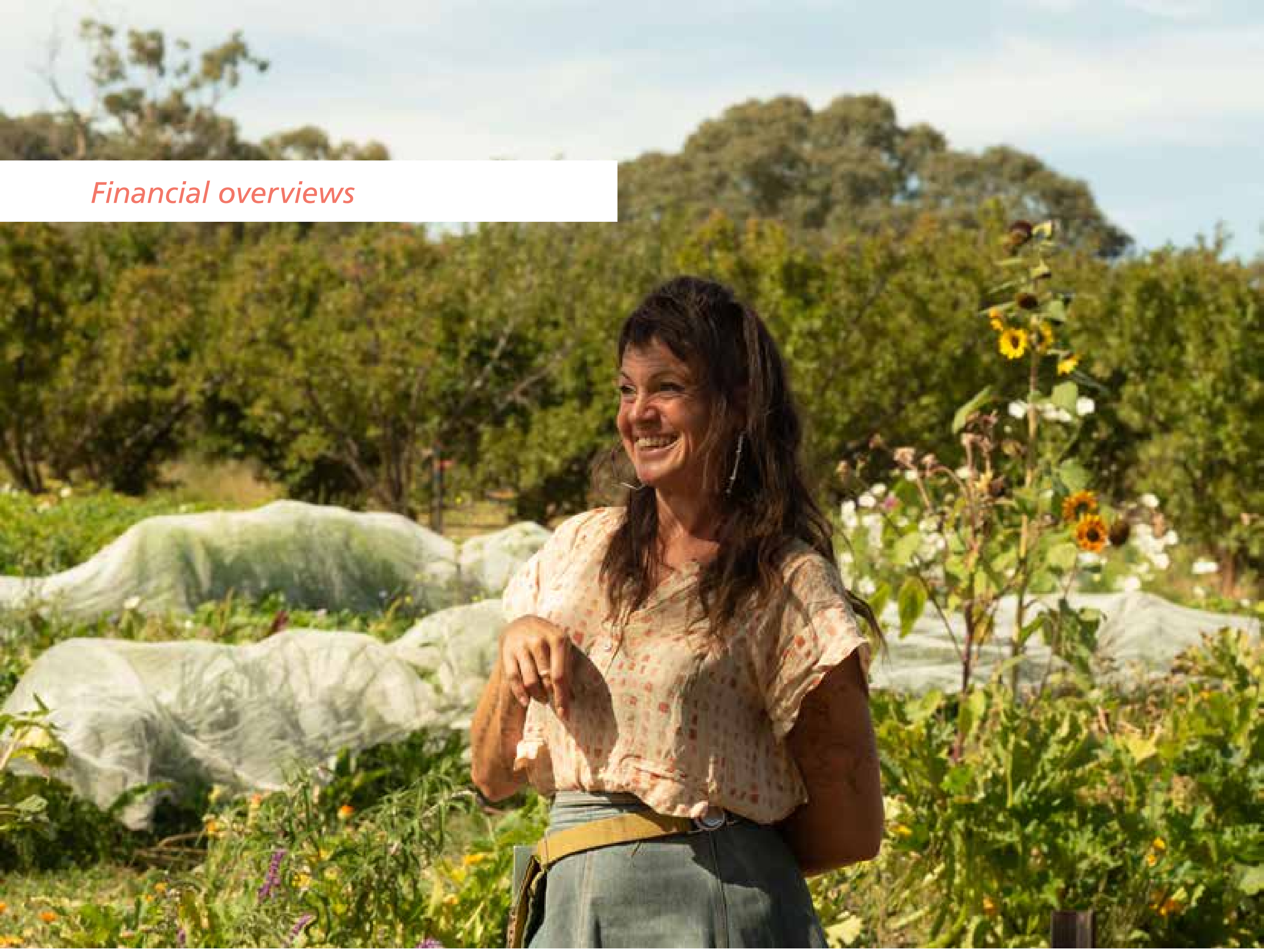
Conversely, BF values regarding youth and dependents meant that they saw farming as a benefit to dependents. The OKs also saw the opportunity to involve kids, and having young children as a way to experiment with a collective model of farming.

"Given the time in my life that I choose to do this (ie; with young children), I had not predicted that I would have been working in a well paid role so I saw this time as an opportunity to take a bigger risk and try s omething new." (OKs)

Financial viability

The financial viability of each of the HOFC enterprises is summarised in this section. For the purposes of this work and the economic system we live within, we consider financial viability as being profit that can pay an income to the enterprise owner. Whether or not this financial reward is considered sufficient for the enterprise owner depends on their own circumstances within our capitalist system, such as their definition of financial livelihood (see above), their financial intentions for the business, and if they are meeting both their business intentions and livelihood goals etc.

As we are not comparing each of the enterprises and Landowners, we have presented a financial overview of each enterprise and then undertaken a synthesis of themes. Owner salary presented in Tables 1-5 below are derived from farm sales only (i.e., as profit), unless otherwise stated.



Financial overviews

Gung Hoe Growers

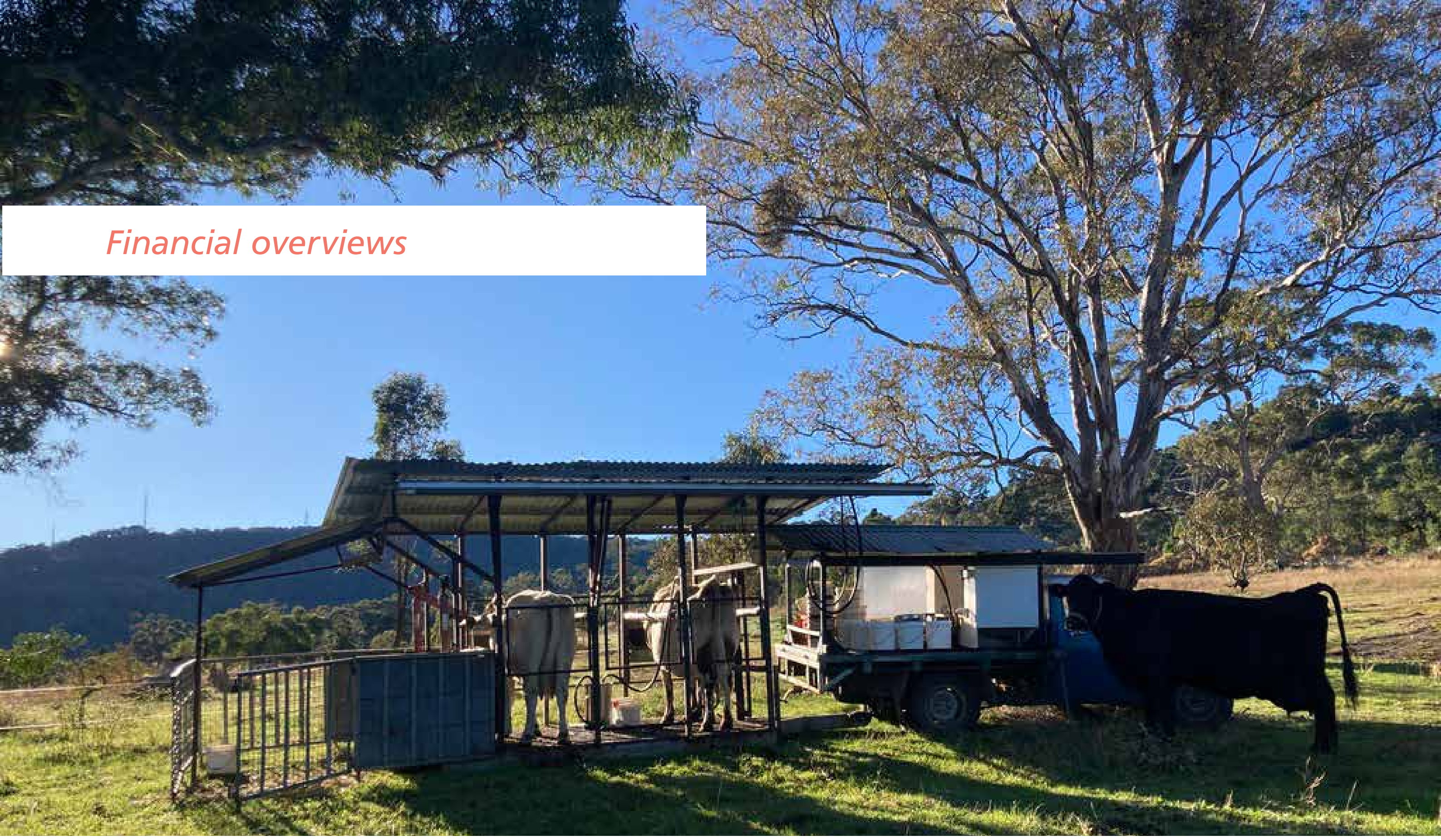
An overview of GHG financials is presented in Table 1. It includes financial information for one year, as well as verbal and written information provided by the owner.

When starting GHG 9 years ago, the two owners had the intention of 'bootstrapping' their business with the aim of making $500 a week each as a wage as part of their long-term plan. By bootstrapping, they intended to use capital at commencement ($200 from each owner, and $13,200 crowd-sourced) and then use profits to reinvest in upscaling the business. This intention changed when one of the original owners left the business, and the sole-owner wanted the business to make $1,500-$2,000 to break even on its expenses (wages, rent, inputs etc.) but not include a wage for the business owner.

Before GHGs' partnership ceased, the original financial intention was starting to be realised through a business owner wage of $300/week, plus wages for two staff members. At this stage in the business, they had projected for production to increase, but costs to remain steady. If the business continued in this same model, it would have meant that their wage aims of $500 each a week would have been realised.

Table 1: Key financial characteristics of GHG

Profit or Loss ($)	Sales income ($)	Operating expenses and cost of sales ($)	Asset Value ($)	Loans and Capital at commencement ($)	Staff Wages ($/year)	Owner Salary ($/ week)	Owner Unpaid Hours (year)	Volunteer hours (year)
-1,569	73,000	76,598	20,000	12,700 (capital) 6000 (loan as owner pay out)	0 to $47,000	0 (2023) to 300 (max in 2022)	3900	Min 80 Max 312



Financial overviews

Sellar Farmhouse Creamery

An overview of SFC financials is presented in Table 2. It includes the 51% production actuals (from 2022/23 financial information) and 100% production capacity budget/projections, as well as verbal and written information provided by the owner.

When starting SFC, the owner of SFC had the intention of building their business to achieve 100L/day of milk and pay themselves $52,000 a year, plus pay 1-3 casual staff members and their domestic partner for work, plus pay-off any internal debt or investment in business. The business was built using saved capital from the business owner plus time from the owner's partner, and this internal debt and investment needs to be paid back (see Table 2, Loans and Capital at commencement). SFC also engages in goods trading as part of running the business (i.e., paid for building and use of a bull in milk), in addition to their livelihood (i.e., swapping goods). They also made a decision to not use debt to start the business (i.e., not buy all cows upfront), and to instead build the herd slowly through breeding and reinvestment in the business.

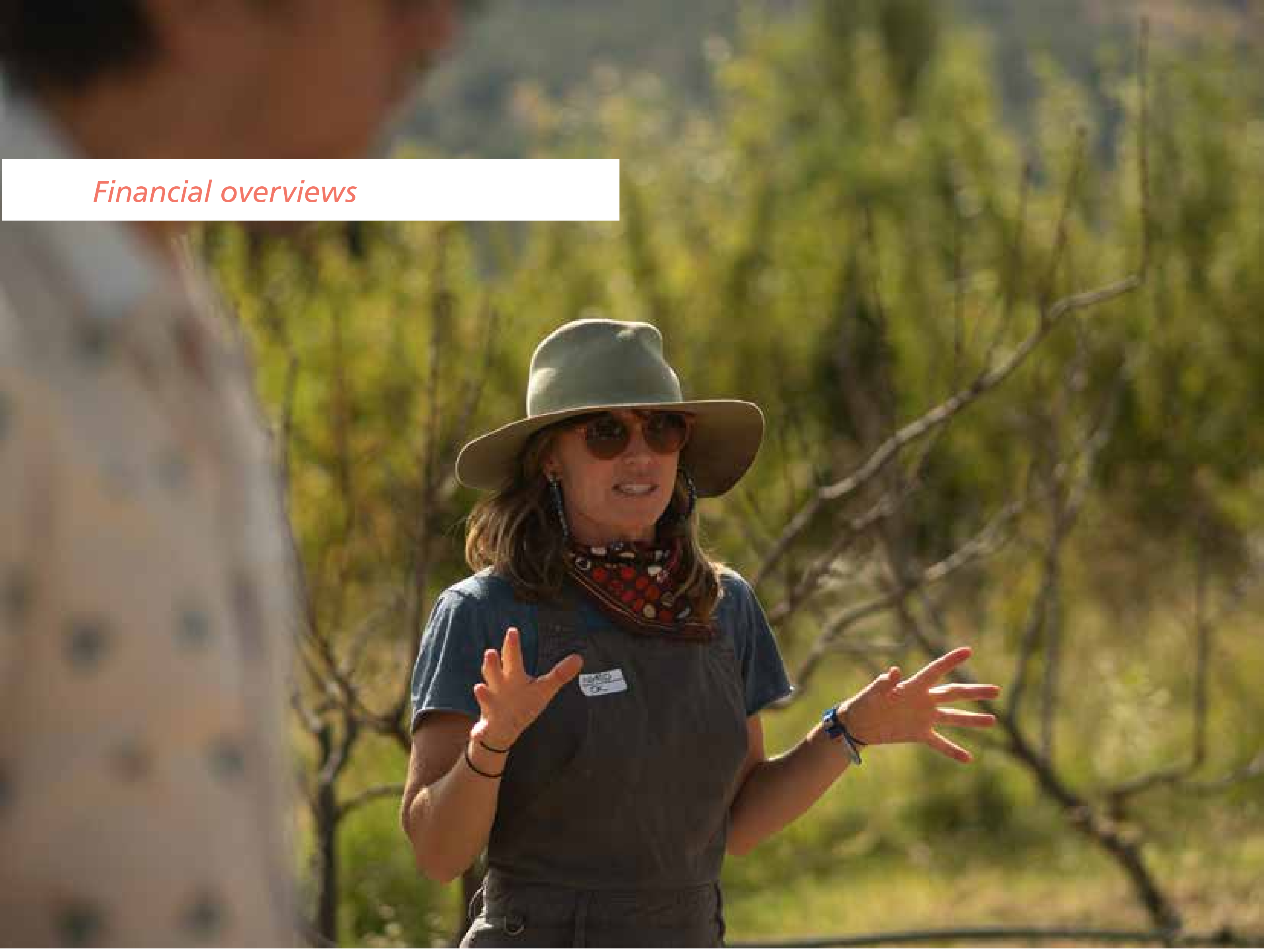
In 2022/23, SFC was running at 51% of expected production capacity — 51L/day. This was behind where the owner of SFC was hoping to be at this stage of their business — 100L/day. They largely attributed this shortfall to things not going to plan. This included stock death, infertility and health issues, and the lack of a bull on-site meant it was difficult to time calving which in turn affected milk production.

Table 2: Key financial characteristics of SFC,
using 51% milking capacity actual financials (2022/23) and 100% milking capacity budget/projections

Profit or Loss ($)*	Sales income ($)	Operating expenses and cost of sales ($)*	Asset Value ($)	Loans and Capital at commencement ($)	Staff Wages ($/year)	Owner Salary ($/year)	Owner Unpaid Hours (year)	Volunteer hours (year)
51%: 7,831	51%: 91,420	51%: 83,589	158,000 in 2022/23	Personal Loans: 120K (self) 100K (partner) Tractor 5K (hay shed) Repayment at 24 to 30K/year	51%: 17, 618	51%: 7,831	Currently: 2600	100
100%: 64,802	100%: 197,160	100%: 130,878			100%: 33,380	100%: 52,000	100%: 1404	

*Profit includes owner salary and additional profit for business reinvestment.
Operating expenses do not include owner salary, but it does include personal loan repayments.

Financial overviews



Orchard Keepers

An overview of OKs financials is presented in Table 3. It includes financial information for two years, as well as verbal and written information provided by the owner. No financial intention or achievement questions were answered by OKs. We note, however, that one reason the OKs disbanded was because the income was not meeting the livelihood needs of some of the main OK members.

Table 3: Key financial characteristics of OKs

Profit or Loss ($)	Sales income ($)	Operating expenses and cost of sales ($)	Asset Value ($)	Loans and Capital at commencement ($)	Staff Wages ($/year)	Owner Salary ($/week)	Owner Unpaid Hours (year)	Volunteer hours (year)
25-39K	49-106K	35-70K	400 (2021/22)	0	0	673 (split across 2 people in 2021/22)* 346 (split across 6 people in 2022/23)	1432 (2021/22, between 4 people) 2386 (2022/23, between 6 people)	<76 (2021/22) ~50 (2022/23)

*Note that there were actually four people supplying labour during this period, but only two people took drawings. One owner took home $471/week and the other $202/week.

Financial overviews

Carr's Organic Fruit Tree Nursery

An overview of COFTN financials is presented in Table 4. It includes financial information for 4 years, as well as verbal and written information provided by the owner.

When starting COFTN, the owners intentions were to make some extra money. The owners did not need the income to live on, but it is a significant boost to their superannuation. Both owners have always been fully employed, but not necessarily in employment that provided a large income or superannuation. One person volunteers their time at COFTN as a small but meaningful way to contribute to financial security of the enterprise owners.

All owners of COFTN feel they are achieving their financial goals, and in a position to be able to enjoy financial security at the end of working lives.

Table 4: Key financial characteristics of COFTN

Profit or Loss ($)	Sales income ($)	Operating expenses and cost of sales ($)	Asset Value ($)	Loans and Capital at commencement ($)	Staff Wages ($/year)	Owner Salary ($/ week)	Owner Unpaid Hours (year)	Volunteer hours (year)
8,500	10,500	2000	1000	2500 (as cash flow loan, paid back)	0	86.5-211.50	Not considered in business decisions, but is around 170 hours	552

Financial overviews

Landowners

An overview of Landowners financials is presented in Table 5. It includes financial information as a range across 3 years, as well as verbal and written information provided by the Landowners.

When the Landowners decided to lease their land to other enterprises, it was never about money. They wanted the exercise to be cost neutral in terms of rent from leaseholders (around $20,000 a year) covering the costs of making the land available to lease. This did not include the Landowners' own costs for living on the land, e.g. Landowners paid 50% of the rates and the base cost of owning a water right. They also wanted to have a functioning farm.

At this stage, the Landowners don't have a prevailing sense of not achieving their goals. It has been hard, and costs have been greater than expected (financial, personal and stress), but there are many aspects that have worked well. They are willing and active participants in this experiment.

Table 5: Key financial characteristics of Landowners

Profit or Loss ($)	Income (rent) ($)	Operating expenses ($)	Asset Value ($)	Loans and Capital at commencement ($)	Staff Wages ($/year)	Owner Salary ($/ week)	Owner Unpaid Hours (year)*	Volunteer hours (year)
Loss between -4 and -8K	15-18K	21-25K	Not provided	Not applicable	0	0	354	Not applicable

* This number includes 104 hours/year as landowners managing lessees and land, 100 hours/year at HOFC meetings, and 150 hours/year as active HOFC participants.

Financial ingredients

There are many things that go into making a business profitable or not, all of which are tied to our current capitalist systems. This includes individual defined needs for income and livelihood, what you can sell the product for, business skills, what operating and sales costs you have, the scale and model of your business, whether or not you own the land you farm on, paid labour, and also what money you can invest in the outset of the business. Each of the enterprises at HOFC had different ingredients that enable profitability, and we will discuss a few key ingredients that multiple enterprises discussed.

Owner income

All of the enterprises at HOFC, other than Landowners, have made a profit from farm sales at some point during the last 4 years. This profit, however, does not always include a salaried wage for the owners of the business. All of the business owners pay themselves as drawings from the business if or when the business has a profit — some of the enterprises only accessing money when they have a profit and others taking a set amount based on their business plans and finances. If we consider a base hourly rate of $30/hour, we have been able to identify the amount of unpaid labour owners undertake in their enterprises (see Owner Unpaid Hours in Tables 1-5). All enterprises and the Landowners had significant unpaid labour not considered in the costs of the business or leasing of land.

The ratio of unpaid labour to financial reward for the owner was dependent on the business. The range of take-home incomes across the enterprises in the last four years was between $0 and $471/week, whilst unpaid labour by owners was between 170 and 3,900 hours per enterprise per year.

Whilst COFTN do not factor unpaid hours into their business decision, the owners of this business considered any profit was a bonus, a way to top-up their superannuation, and as a small but significant contribution to day-to-day expenses for one owner. Nevertheless, the owners undertake 170 hours/year of unpaid labour, with their income currently covering two-thirds of their labour time at $30/hour. The owners of COFTN note that they could spend less time on the business, but they value spending this time together as family. They choose to spend a day a week together and always find something to do.

In the final year of GHG, the owner spent approximately 3,900 hours of unpaid work running their enterprise. They derived no income from their enterprise during this time, and thus none of their livelihood was covered from on-farm sources. Therefore, they sought off-farm income as additional casual work on top of their 3,900 on-farm hours.

We also note that for the last 3 years, the Landowners made no profit from the leasing of their land, and spent around 102 hours a year of unpaid labour on managing the land and lessees, and 250 hours as HOFC participants. The Landowners have also spent significant historical unpaid labour on HOFC establishment, grants application, implementation and administration, working with consultants etc, as both Landowners and members of HOFC. They also have substantial financial costs to manage the land, which are currently considered as a loss (Table 5). The Landowners therefore not only derive their day-to-day living income from other sources (primarily non-production farming education), but they also use this income source to cover their landowner expenses.

The Sellar Farmhouse Creamery owner aims to make $400/week in 2024 and up to $1000/week at maximum business size and profit, reducing their unpaid hours (calculated at $30/hour) from the current 2,600 to 1,404. They are currently covering their day-to-day livelihood through their business, whilst also paying back personal loans for SFC establishment. In the future, their income will also allow them to create savings rather than rely on additional off-farm income for savings.

None of the businesses can afford to pay for any substantial external labour. Only SFC has any real labour costs, where they are planning to pay for ~33K of labour at maximum business size, whilst the owner takes 52K of drawings and still undertakes 1,404 hours of unpaid labour. This again demonstrates the reliance of the businesses on owners low and unpaid labour, and also on the owners' health and well-being in being able to undertake this labour, as discussed in Livelihoods.

What people are willing to pay

Market value, or what people are willing to pay, was raised by three of the enterprises as factors affecting viability. Each of the enterprises described this differently.

The OKs described market value in two different ways. One OK stated *"market prices"* and *"lack of subsidies"*, whilst another OK stated they wanted *"Positive response from our local community in regards to the product that we sold ie, fruit."*

Sellar Farmhouse Creamery discussed pricing, product value and customers/community in several different ways:

> *"...do I have customers, does my pricing reflect the cost of running…"*

> *"I'm running my business in a way that is true to my ethics, but if no one else is prepared to value that then there's not much point…"*

> *"The more I can engage, educate people about what it takes to farm the more invested they become, the more they share, etc."*

Gung Hoe Growers also discussed value of their products within their community:

> *"Valuing things appropriately and for that to be received. Being able to feel like you're being abundant and generous."*

Whilst some of the reflections were about the value of food being a transaction in our capitalist structure, people also discussed the value of their product and food beyond the monetary value. In particular, enterprise owners hope for people to also consider (their) values-based farming in the purchasing of their food. The education of those values with their community was something that several of the farmers felt was part of their role as growers of food.

For COFTN and Bushfoods, however, the monetary factors involved in market value were different. In both cases, their ability to grow the products for income generation was more about self-reliance for other businesses and social enterprises (i.e, orchard and catering social enterprise). The fact that COFTN could sell their product was a tertiary benefit, after self-reliance and family inclusion. This was similar for Bushfoods, where the creation of the product itself provided some self-reliance, along with self-determination, family inclusion and being on Country.

Scale, models and costs

The scale and model of each enterprise, and the costs they bear, directly influence the profitability of the business at any point in time, and hence how much that enterprise can pay its owner. Irrespective of the model, all of the businesses and Landowners rely on unpaid or low-paid labour. These scales and models for each enterprise, and how they influence the profit, will be summarised below.

The orchard is a fixed scale, and as such requires a fixed amount of labour to be viable. Much of this labour, as discussed above, could be considered as being either unpaid or paid to the owners at an income well below minimum wage. There are other fixed costs associated with the orchard, including inputs (compost, fertigation) and bookkeeping. Costs that alter include the costs associated with harvesting and sales – more costs with more fruit to sell and vice-versa. Hence risk in production is a large factor in the financial viability of the orchard – climate and weather affecting crop quantity, quality, variety and tree health. Whilst tree losses, and crop production and variety may decline in any given year, many of the costs (i.e., caring for the orchard) remain fixed. And so the profit made in that year significantly declines, as does the income of the business owners. As an example, in 2021/22, one of the owners made $471 a week, but the following year $346 per week was shared across the six owners.

This is the opposite for COFTN, which has a very contained scale of production, and is a low input and low cost business. Their labour investment to financial reward ratio (i.e., labour hours:income) is the best of all the enterprises, even when including volunteer labour. This was a deliberate choice in this business, where the model of the business would return a profit, provide meaningful knowledge exchange and self-reliance for the orchard.

The profitability of GHG and SFC has changed over time with the scale and model of the businesses.

Gung Hoe Growers have slowly grown over 9 years. They started as a partnership growing garlic and incrementally expanded over that time. At ~ 7 years into the business, the two GHG owners were drawing $300/week each - this reflected the maximum profit the business made over 7 years. It also indicates that at this time the scale of the enterprise could absorb the costs, and provide a return, provided that the true cost of the owners labour was not considered in the business model. Six months after this profit was achieved, one of the business partners decided to leave the business. The remaining owner had to rapidly adapt to this change, including being able to meet all the orders and customer demands, pay back loans and buy out the other owner. This resulted in having to pay for labour to the value of $47K, where previously a large amount of labour was predominantly not considered in the production costs. This meant that there was no longer a profit in the business, and in fact the labour costs associated with the scale and model of the business resulted in a loss for 2022/23. In addition to this change, it was also during a La Nina season, where income decreased due to climatic effects i.e., loss of crops. Therefore the change in ownership of GHG made profitability at the current scale and/or model unviable due to fixed labour costs whilst the weather patterns contributed to a reduced income.

Sellar Farmhouse Creamery has also deliberately chosen to slowly grow over time. This includes slowly growing a herd size and milk production for long-term business sustainability and to be able to take this herd onto appropriate land for the scale of the business. Making mistakes and learning was also considered as part of the scaling up process. SFC provided their budgets and projections that reflected their scaling up process, including paying back personal loans and being able to make a $52K income at maximum milk production. They have not always met their financial targets when scaling up due to various factors, such as lower than expected milk supply, stock health and joining issues, and changes in staffing. Overall, however, they are on target to meet 100L/day milk production and their income goal.

Like all the HOFC enterprises, SFC also does not fully account for the labour of the owner in the costs to the business. The business owner has identified significant risks associated with the business should their labour be unavailable (i.e., accident, illness, choosing to raise a family etc.). This is because there is insufficient income to pay for labour to keep the business going.

Capital, investment and land ownership

Farming in a capitalist system means that those people with access to means of production (land, equipment and capital) have greater privilege and are more likely to be able to make a profit. Investment, however, is not just in the form of finance. It can also be in labour, caring for land and animals, relationships and community. This section will analyse both the means of production, and non-financial investments made by the enterprises and Landowners, and the intersection of the farmers' values.

The amount of capital people needed or had at the start and during their business affects their ability to invest in their business over time, including readjust their business model and scale. As an example, GHG only had $400 to invest at the beginning of their enterprise. They also took out a family loan for a tractor, and undertook one crowdfunding campaign to build infrastructure. In 2022, GHG had an ownership change which impacted on the financial viability of the business. The owner of GHG considered a new model that included profit sharing, climate change and infrastructure needs even without land security, reduced sales channels, and concentration on specific crops. Infrastructure needs for this new model, however, made this untenable as there was insufficient capital for investment.

Whilst OK and COFTN had very low to no investments required, SFC required significant investment. The orchard and the COFTN already existed at HOFC, meaning that only small amounts of equipment were needed for OKs, and COFTN already had all equipment and rootstock at the start of the business. SFC needed significant investment in their business upfront with the knowledge that all investment needed to be moveable to a different location (their own farm) in the future. SFC have put in substantial investment (~200K) into their enterprise as a loan to themself and their partner, which they have been slowly paying back from the business. All infrastructure and animals are designed to be moveable to another location, apart from a hay shed.

Enterprise owners and Landowners invest with their business incomes to grow their food, even if that means reduced profit. This includes monetary investment in infrastructure (irrigation, solar panels, kangaroo fence), soil-building inputs (amendments, compost, straw, mulch, green manure), land management (trees, slashing, cow grazing rotations, organic management, seeding), machinery and equipment. Whilst some people have invested in moveable assets (i.e., dairy), others have invested in assets that will remain on the leased land indefinitely (i.e., soil health) or which are moveable but were designed for the land (i.e., irrigation). They also invest their own labour in the business not only by growing food, but also in creating sales channels, branding and websites, and maintaining relationships. This signals again the motivations of the enterprise owners beyond financial — that they will invest in their business of growing food in a way that matches their values.

Enterprise owners and Landowners invest beyond the immediate monetary value of their business. They invest time, money, labour and food in their broader values and reasons for farming. This include non-financial investment in:

- Caring for soil through building soil health.
- Land management for environmental improvement.
- Community through food donation, time at events, supporting other local businesses, education, investing time in HOFC, feeding staff and volunteers, and organising volunteers from local community.

The above shows that investment at the farm is made by the enterprises on short-term leases (<10 years) and by the Landowners. The Landowners went into the HOFC model owning about 50% of the infrastructure that is now on site. Since that time, the Landowners have invested in a kangaroo fence and planting native trees that benefit HOFC members. The remainder of the infrastructure that has been built was via thgrant. This included using SFC infrastructure investment (e.g. moveable dairy) used as co-funding for the grants. The grants paid for a new shed, water tank, kitchen/office space and driveway. Grants also require significant investment of time and labour from the Landowners, including project management, relationship management and labour to build the infrastructure. They also run the land-sharing at a small loss, using other funds to cover the cost of managing the land as well as some unpaid labour. Without this infrastructure and investment, HOFC would not be able to function. The income generated by leases does not cover any infrastructure expenses, and does not cover the full cost of labour by the Landowners acting as lessors. Therefore capital, in some form, is needed to invest in infrastructure and changing enterprises on a mixed-leased farm.

More investment in power and irrigation infrastructure is needed for HOFC enterprises to run efficiently. However, there is a lack of clarity about who pays for this investment, and the fairness about who funds infrastructure is a significant issue that needs to be considered and yet to be resolved. There is a tension between the investment in the land by the lessees for their own business and broader values, with the values and resources available to owners, and the ultimate value of the land. Is any investment in the soil, trees, environment and infrastructure actually increasing the market value of the land? Probably not. Yet that monetary and non-monetary investment is essential for all the businesses to run effectively and efficiently, and for the Landowners and enterprises to also reflect their values in their farming practices. This tension needs to be addressed.

Summary of finances

For all of the enterprises, and the Landowners, the cost of their labour is not fully accounted in their business. They all undertake unpaid or very low-paid work, and can not afford to pay for external labour and/or only small amounts of external labour. The profitability of their business includes factors related to individuals' definitions of livelihood and income, the willingness of customers to pay the true value of the products, the willingness of the owners to do the majority of the farming, the model and scale of the business, the capital available for change and growth including infrastructure, and the willingness to invest money and non-monetarily in farming. In our capitalist system, farmers and Landowners have an (unfair) choice – to either absorb the actual cost of food production in their business (i.e, unpaid labour, cost reduction where possible), their well-being (i.e., stress), land or animals (i.e. through increased extraction) and livelihoods (i.e, no income, minimal income), or to leave farming.

Skills

Specialised skills & mentoring

The role of specialised skills in HOFC enterprises was shown to be really important to viability. Both SFC & GHG had invested time and resources in several intensive internships prior to starting an enterprise. These internships equipped them with specialist skills and knowledge that enabled the businesses to generate products of sufficient quality.

The need for specialist skills is also demonstrated by the value placed on mentoring and knowledge sharing. For example, COFTN have drawn on the long-held expertise of Merv in their enterprise. The specialist skills in small-scale dairying, grafting or market gardening are not ones it is easy to study in conventional learning environments.

In contrast, the OKs entered into orcharding with a mixture of farm experience but without specialised orchardist knowledge. The lease for the orchard necessarily included some mentoring from Katie & Hugh and access to their online fruit tree education programs, which made it both an enterprise and a form of intensive internship. Without that mentoring, it would have been even more of a barrier to trying to establish the OKs enterprise. This again demonstrates the important role of mentoring in enabling small-scale, new farm enterprises to be viable.

Business experience

The business and financial skills that each enterprise brought into HOFC are reflected somewhat in their profitability.

Of all the enterprises at HOFC, you could say that COFTN is the most profitable. It has very few costs and requires significantly less labour than other enterprises relative to reward. The second most profitable business is SFC, with a current take home income of $400/week. Whilst they currently have more unpaid labour than OKs, their business plan will allow them to take home a salary of $1,000/week with only 1,404 unpaid hours of labour a year. The labour associated with OKs is fixed due to the scale and model of the orchard.

The owners of COFTN have extensive farm and off-farm business experience, and the owner of SFC also had business skills and experience prior to starting their enterprise. Apart from the Landowners (who also form part of COFTN), none of the other enterprises had the extensive budgeting, bookkeeping, business planning and development skills that these two enterprises did.

Learning curves

When it comes to business experience, as mentioned above, some of the enterprises had significant learning curves (i.e. mostly blue/Xs to mostly yellows/ticks in the chart below). The load of simultaneously doing the specialised work of a small-scale farming business whilst juggling the learning curve of many necessary business skills had an impact on some enterprises. This was amplified when there were changes in personnel or business partners (e.g. GHG) and remaining partners needed to commence another learning curve to replace lost skills. Others, due to how the enterprise is structured (e.g. Bushfoods), have had other structures in place to minimise the need for learning curves.

Table 2: Learning curves - skills at beginning of enterprise & now

	Skills at beginning of enterprise						Skills now, after running enterprise					
	SFC	GHG	OKs	COFTN	BFs	LOs	SFC	GHG	OKs	COFTN	BFs	LOs
Budgeting	✓	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
Business planning and development	✓	✗	✗	✓	✗	✓	✓	✓	✓	✓	✗	✓
Bookkeeping	✓	✗	✗	✓	✗	✓	✓	✓	✓	✓	✗	✓
Marketing & communications	✓	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
Social media	✗	✓	✓	✓	✗	✓	✗	✓	✓	✓	✗	✓
Volunteer management	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
OHS & Emergency	✓	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
Construction, electricals	✗	✗	✓	✗	✗	✓	✓	✓	✓	✗	✗	✓
Machinery	✓	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
IT literacy	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Recruitment & staffing	✗	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
Project management	✗	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓
Grants & fundraising	✗	✓	✓	✓	✗	✓	✗	✓	✓	✓	✗	✓
Community development & networking	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Design & photography	✓	✓	✗	✓	✗	✓	✓	✓	✓	✓	✓	✓
Sales	✓	✗	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓

*SFC = Sellar Dairy, GHG = Gung Hoe Growers, OKs = Orchard Keepers Collective, COFTN = Carr's Organic Fruit Tree Nursery, BFs = Bushfood, LOs = Landowners

Outsourcing

The cost of outsourcing (and the benefit of not needing to) were often weighed up for each enterprise, as shown in the chart below. In many cases, enterprises have used partners or family for outsourcing. Having skilled family, partners or close friends who are willing to contribute to the enterprise can have powerful benefits. Especially if those skills would need tradespeople or experts to be paid to undertake that work.

"It's also really important to note that none of it would have been able to happen without Oli and what he brings to the mix - house, skills, tools, willingness to be paid much lower that normal contractor fees and not for years." (SFC)

In the absence of partner or family relationships, there could also be strength found in numbers. So, having a lot of people involved in the enterprise can mean that many skill gaps are covered and able to be in-sourced (e.g. OKs). Conversely, this means there is a risk in losing people with skills and time that can contribute to the business (e.g. both OKs and GHG).

Table 3: Outsourced skills

	Skills that have been outsourced whilst running enterprise					
	SFC	GHG	OKs	COFTN	BFs	LOs
Budgeting	✗	✓	✗	✗	✗	✗
Business planning and development	✗	✓	✗	✗	✗	✓
Bookkeeping	✗	✓	✓	✗	✓	✗
Marketing & communications	✗	✗	✗	✗	✗	✗
Social media	✗	✗	✗	✗	✗	✓
Volunteer management	✗	✗	✗	✗	✗	✗
OHS & Emergency	✗	✗	✗	✗	✗	✗
Construction, electricals	✓	✓	✗	✗	✗	✗
Machinery	✓	✓	✗	✓	✗	✗
IT literacy	✗	✓	✗	✗	✗	✗
Recruitment & staffing	✗	✗	✗	✗	✗	✗
Project management	✗	✗	✗	✗	✗	✓
Grants & fundraising	✗	✗	✗	✗	✗	✗
Community development & networking	✗	✗	✗	✗	✗	✓
Design & photography	✓	✓	✗	✗	✓	✗
Sales	✗	✗	✗	✗	✗	✗
Other	Growing feed		Mentoring from Katie & Hugh	Mentoring from Merv		

6. WHAT NEXT: RECOMMENDATIONS

The following are recommendations that were developed in a group workshop setting with people from each enterprise. They broadly fall into the categories of: values & intentions; infrastructure & investment; power dynamics and diversity; equity, inclusion (DEI) and understanding the wider context of small farm viability. Following this, we present some brief ideas for further research to build on this study.

Immediate actions

Values & intentions

HOFC is looking to recruit enterprises and individuals that have strong ingredients for viability. To do this, we suggest that HOFC develop, implement and refine processes to explicitly address values and business intentions early on in relationships between new enterprises and HOFC. Ideally, this would include:

- An Individual or group stating their intentions for the business in the context of the 'diamond of viability', i.e. new enterprises submitting clear business plans with intentions, and plans for working towards those intentions, that include how an enterprise might fit into livelihood, finances and values.
- Seeking articulations from new enterprises of their understanding of their business, personal and HOFC values and how they intersect.

Infrastructure & investment

The balance of investment in infrastructure between lessors and lessees has presented tension in the past. To support future relationships, we suggest that HOFC (in partnership with Landowners) include regular discussions in HOFC meetings on expectations of investment in land improvements or infrastructure. Perceived differences in investment of time, finances or resources has impacted individuals' experience of viability, so to support viability, we suggest:

- Ensuring there are clear pathways for new enterprises to discuss and clarify decisions or expectations around infrastructure will be important, particularly throughout recruitment (e.g. addressing in webinar, interviews or follow-up).
- Continuing to utilise lease details as sources of truth for such information.
- Having a clear articulation of time expectations for contribution to HOFC (along with financial).

Importantly, it was advocated during our recommendations workshop that any of these conversations need to be placed in a bigger context about acknowledging stolen land and the impacts of colonisation, along with group commitments to care for the land regeneratively. To this end, we suggest:

Developing and including paragraphs around this approach in any prospectus being shared with future enterprises, along with upfront in any Webinar/ Promotional activities for recruitment. These form part of the culture of participating in HOFC so need to be stated up front.

Actions needing further exploration

Power dynamics

Imbalanced power dynamics are a reality of working within a capitalist structure. HOFC has made great strides in attempting to overcome many of the power dynamics inherent to a lessor–lessee relationship and in the food system through land sharing, indeed it was in part set up as a way to remedy these challenges.

Each enterprise has grappled with their attempts to navigate power and relationships, and this has had varying impacts on the viability of the individual enterprise. As the governance structure supporting farm sharing, HOFC will inevitably come up against challenges around power dynamics again. The important lesson to carry forward is that power dynamics can be most healthy when they are really clearly articulated. So, having strong descriptions of any formal authority, along with who gets to make decisions about which aspects of HOFC or enterprise activity, could help current and future enterprises navigate power in relationships. A visual model, like an organization structure map, could be helpful here to map relationships clearly and provide a model to support conversations about power dynamics.

Practices to continue

Diversity, equity & inclusion

HOFC can broaden and strengthen what has already been worked on with diversity, equity and inclusion (DEI) and justice. The connection to viability is about ensuring individuals within enterprises have safety in their work and to minimize the impacts of additional load (e.g. colonial load) on enterprises.

Understanding our wider context

Continuing to understand small farm viability of HOFC enterprises in the context of other small farm businesses. HOFC enterprises can learn about viability from other examples of similar types of businesses. Continuing to seek insight, knowledge or relationships outside of HOFC, then sharing that knowledge.

Further research possibilities

- Other potential economic and social models – as a country/international system and farm-based/ farm-to-farm systems i.e., Italy co-farming, wellbeing economics.
- Land suitability for enterprises – out of scope, but essential for understanding viability.
- Comparing like-for-like productive enterprises i.e., small market gardens compared with each other.
- Risk – different levels of risk, different tolerance of risk, health and well-being – natural disasters (SFC, BF, talk about this), individual labour is a massive risk for all enterprises but especially SFC, GHG and OKs.

APPENDICES

Data collected: Quadrant of viability for each enterprise

Gung Hoe Growers

Values & Viability	Livelihood
• Financial viability and small income • Fairness - doing right by people and growing practices • Good food for community • Integrity and honesty - good, honest and happy relationships with customers, community and other aligned small businesses. Demand and repeat customers. • Enjoyment of work, good culture • Nuturing, caring and valued relationships • Knowledge sharing • Passion • Community appreciation and value • Abundance and generosity • Sufficient capital • Land security and self-determination • Time versus rewards	• Housing: Caretaker, labour and no rent • Land: Mid-term lease • Off-farm income: Range of casual jobs • Dependents: 0 • Living costs covered: 5% (in 2022/23) • Livelihood security: Low • Health and wellbeing: Stress from coop relationships, weather, pandemic, staff and business reconfiguration
Financials	**Skills**
• Profit/Loss: -$1.5K • Capital investment: $400 (owner) and $12K (loan) • Owner income: $0-$300/week • Unpaid labour of owner: 3900 hours /year • Volunteer labour: 80-312 hours/year • Non-sales income: ~$1.5K • Off-farm income: Provides income to owner only	• Internships in productive horticulture • Enterprise: harvest, storing and handling produce, market set-up, keeping things fresh • Relationships: customer feedback and responses • Working long hours in a physically intense job • Diversity in sales and product • Outsourced: projects, financial and budgeting, bookkeeping, mechanical servicing, building

Sellar Farmhouse Creamery

Values & Viability	Livelihood
• Sustainability of business over time and with change • Having everything you need to run the business • Community appreciation and engagement • Enjoyment of work • Quality of life • Income covers livelihood • Scale of production is financially viable • Passion • Care of people, earth and fair share - balance of give and take	• Housing: Family owned, pay rates and improvements • Land: mid-term lease • Off-farm income: Graphic art work ~10K/year • Dependents: None • Living costs covered: 95% • Livelihood security: Always feels secure, lives simply • Health and wellbeing: food and relationship security
Financials	**Skills**
• Profit/Loss: between loss -$18K and profit $27K • Capital investment: $220K from self and partner as loans • Owner income: $50-200/week (2020 to 2023), $400 in 2024 and goal of $1000/week • Unpaid labour of owner: ~2600 hours/year • Volunteer labour: ~40 hours/year • Non-sales income: between 13 (2023) and 41K (2020) (including graphic art work) • Off-farm income: helps pay small owner income and cover dairy losses	• Relationships: Community connections, people management • Enterprise: Animal husbandry, regulations, feed, machinery, food systems and production • Wanted: more animal knowledge and human relation skills

Landowners

Values & Viability	Livelihood
• Functional and productive farm at low financial and personal cost • Financially cost neutral • Continue living on farm • Diversity of food production • Relationships and diversity of personalities • Business viability of each enterprise • Time and energy versus rewards • Fairness and equity • Knowledge sharing and learning • Benefit from land stewardship and care • Passion • Community connection	• Housing: Mortgage • Land: Mortgage • Off-farm income: Yes • Dependents: 0 • Living costs covered: 20% • Livelihood security: Somewhat secure • Health and wellbeing: Stress in relationships
Financials	**Skills**
• Capital investment: 50% at start of coop already onsite, and have invested 50% more through grants, co-investment and at Landowners expense • Unpaid labour of owner: lots of time, energy and headspace • Off-farm income: Has other income which supports this experiment • Rents on land potentially too low, and costs borne by owners	• Understanding what new co-op members need to succeed • Wanted: group dynamics, communication, community management • Outsourced: strategic thinking, communications, collaboration skills, project management.

Orchard Keepers Collective

Values & Viability	Livelihood
• A minimum wage and financial viability • Care for land and small-farms - regenerative farming, healthy land and trees, research, best practice • Skill development and knowledge growth • Thriving relationships and community through shared vision, cohesive communication, connection and resilient food systems • Community appreciation and local sales • Sufficient product and producing trees, given weather and climate change, and no waste • Enjoyment of work • Life commitments maintained, including off-farm work and childcare • Involving dependents • Time versus rewards, and mental load • Living on or off-farm • Trust, honesty, justice, solidarity	• Housing: Mortgage or renting • Land: Three-year lease • Off-farm income: Partners income and/or other income sources (all OKs) • Dependents: Five of six OKs; strain on relationships and insecure childcare • Living costs covered: Negligible/5% • Livelihood security: Somewhat secure • Health and wellbeing: High mental load
Financials	**Skills**
• Profit/Loss: 25-39K • Capital investment: $0, renting orchard • Owner income: $346/week split by six people and $673/week split by two people • Unpaid labour of owner: 1432 to 2386 hours/year • Volunteer labour: ~50 hours/year • Non-sales income: Negligible and up to ~$11K • Off-farm income: All had off-farm income	• Mentoring partnership with land owners • Value of diversity in skill sets from six different people • Paid: bookkeeping, some labour • Volunteers: labour for simple tasks

Carr's Organic Fruit Tree Nursery

Values & Viability	Livelihood
• Profit and small income • Knowledge sharing and learning • Involving family/generations • Community food resilience and diversity • Self-reliance • Enjoyment • Low cost and low risk • Financially viable at desired scale • Other sources of income • Community connection	• Housing: Mortgage (all) • Land: mid-term lease • Off-farm income: All have other businesses/casual work • Dependents: 0 • Living costs covered: 30-40% • Livelihood security: Secure • Health and wellbeing:
Financials	**Skills**
• Profit/Loss: $8.5K • Capital investment: $4K (loan, repaid) • Owner income: $87-212/week • Unpaid labour of owner: Not considered in decisions • Volunteer labour: 552 hours/year • Non-sales income: 0 • Off-farm income: All owners have other income sources.	• Mentoring from elders • Rotation and soil management • Outsourced: machinery

Bushfoods

Values & Viability	Livelihood situation
• Self-determination • Community engagement and relationships, including with mob • Respectful relationships, appropriate roles and genuine striving for allyship • Colonial load • Employment/Income • Opportunities, learning and knowledge sharing for youth • Practicing, developing and understanding traditional methods of food production and land stewardship • Self-reliance • Connection to Country • Sharing/regenerative economy • Honesty and truth telling	• Housing: long-term lease • Land: verbal agreement for land access • Off-farm income: other, catering, government assistance • Dependents: enable access to opportunities, values, land, employment and connection to Country for dependents and youth • Livelihood security: low • Health and wellbeing: disability and injury made physical work impossible for a year

Financials	Skills
• Unpaid labour: colonial load	• Relationships: deep listening and integrity • Environment/land: deep listening • Wanted: grants, funding, business planning and development