

# Struggling farmers urged to diversify

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<http://www.timeslive.co.za/business/article664960.ece/Farms-can-be-tourist-attractions>

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**Farmers rattled by rising input costs and falling commodity prices are being urged to diversify and cash in on the growing agricultural tourism, or agri-tourism, market.**

According to estimates from GrainSA, an association representing farmers growing soya beans, sunflower, maize and wheat, between 20% and 30% of its members face bankruptcy. The association's members have four million tons of maize surpluses in silos.

By the government's own admission, nine out of 10 farms have degenerated to a lack of productivity. Statistics show that the number of farms has declined by 20000 since 1993, leaving 300000 workers without jobs. Employment in the sector has dropped from more than a million to 796800.

The Transvaal Agricultural Union (TAU) and national farmers' body AgriSA said reasons for the decline are uncertainty over land reform processes and rising costs of inputs such as labour, electricity and fuel.

Willie du Plessis, head of agricultural banking at Standard Bank, said farmers could look at value-adding activities such as cheesemaking, yoghurt processing and jam making.

"Tourists are interested in seeing how mohair translates into making jerseys, how cheese is processed from milk - rather than how the cow is milked or how potatoes are planted," he said.

Companies could play an important role in supporting this agri-tourism by involving themselves in customer appreciation events, team-building initiatives, sourcing promotional items for gifts and branding purposes, among other things.

"How about sourcing snack packs, including biltong, local wines, dried fruit; or using a game or trout farm for team-building activities?"

John Purchase, chief executive of Agribusiness Chamber, also suggested farmers should seek ways of diversifying their businesses.

"A number of farmers are already doing that. Fishing and horse riding on the farms can attract people," he said.

He emphasised that farmers who want to venture into agri-tourism should do market research to ensure viability.

These ideas were echoed by Dawie Maree, senior economist at AgriSA, who said "scenery and other attractions" on farms are tourist drawcards.

Kobus Laubscher, chief executive of GrainSA, said diversification to agri-tourism was a possibility for grain farmers, but could not be a complete substitute for crop income.

"It is a possibility, but it is not something that I can bet my money on. It is a different ballgame altogether to being a grain farmer," he said.

Chris van Zyl, deputy general manager at TAU, agreed that the current state of agriculture needs a rethink, but whether agri-tourism is profitable and sustainable is another issue.

"I agree that when you are a maize farmer, you have to think of something else," said Van Zyl.

He added that the agri-tourism market had been underestimated. Farmers should approach it from a consumer's perspective to raise awareness.

The opportunities available would be "endless", he said.

"Although there was a big focus on international tourists during the World Cup period, it is important not to forget the value of our domestic tourists who are always looking for interesting places to visit and see," he said.

"Agricultural tourism initiatives can also incorporate green efforts and educational initiatives to inform the public on biodiversity and other environmentally friendly production practices which ensure longer-term sustainability," he said.