

# Community inspiration

*The Australian Centre for Rural Entrepreneurship is a social enterprise that creates jobs and attracts residents, while putting money back into towns.*

STORY GENEVIEVE BARLOW

Irony doesn't come any richer than turning a former gaol into a training ground for entrepreneurs, specifically bush entrepreneurs. That's what Matt Pfahlert and Clayton Neil are doing in north-east Victoria. The former Beechworth Gaol that once held notorious bushranger Ned Kelly, his mum Ellen and brother Dan is now headquarters to a not-for-profit enterprise they've established called the Australian Centre for Rural Entrepreneurship (ACRE). Where crims cowered, people with a dream to build businesses that create community good are now flowering as the pair work with locals to build a can-do culture, not only in Beechworth (population almost 4000) but across rural and regional Australia.

For Matt, 50, and Clayton, 42, it's all about showing how a community can buy an asset, in this case a gaol, and use it to stimulate business that returns profits that can be re-invested in the community. Instead of setting up private businesses in which individuals pocket profits, it's about creating community-owned social enterprises that create jobs and lure residents. It's called asset-based community development and it encourages entrepreneurialism and social enterprise. The former gaol is their demo site.

"Just as the Henty Field Days is for agriculture, this gaol is like an ongoing field day for social enterprise and rural entrepreneurship," Matt says. "Anyone can come here, kick the tyres, talk to the people involved and see it happening in real life."

In 2013 ACRE became incorporated. Two years ago, locals pooled \$1.7 million in personal funds and ACRE borrowed another \$1m to buy the gaol and create establishment funds. This financial year, ACRE is projected to earn \$900,000 through a range of enterprises. A law firm has moved into the gaolers' area, where ACRE is also headquartered, and five other

businesses – catering, jail tourism, cycling tourism, a cafe, and bike maintenance and repairs – are spread throughout. Collectively, 30 people work there. That number is expected to grow with more co-working space soon to be let and a 23-lot cycle eco-village, a top-class tourism venture centred on Ned Kelly and a conference centre all in planning phases. Within the golden granite walls of the gaol, which was built 1858–1864, there have been markets, a Celtic Festival and gatherings of some of the world's smartest minds dedicated to re-energising rural and regional areas.

Beechworth residents Joan Simms and John Hennessy, now in their 70s, were among those who kicked in to help buy it. "We weren't looking for a certain return on our investment," Joan says. "This was about supporting our community. There were two wins for us. ACRE is about ideas being put into action for the next generation, and cycling and heritage tourism was a way to sustain ACRE, which meant that it wasn't going to be a charity that applied for and was reliant on an endless number of grants."

In the former gaol governor's garage, pharmacist Jo Hunt and her husband Trav, a former boilermaker, run Beechworth Cyclery, a bike-maintenance and repair business servicing local and visiting touring cyclists. "We came here for the riding 11 years ago," says Jo, now president of the local 150-member mountain bike club. "The terrain is perfect for it, with good rail trails and mountain bike paths." Since arriving they've built their own home and had their daughter Polly, now five.

The idea for ACRE emerged from Matt's experience with an organisation and place he founded called Typo Station in the King Valley, Vic. It was dedicated to supporting and upskilling (mostly) country kids at risk of falling through society's cracks. "I was doing a lot of work in youth development and was contacted by young



ABOVE: (l-r) Zac Mahon, Mark John Groves, Jordan Howard Gaffney, Ben Matkovich-Allan (in front), Andrew Groves, Robbie Mahon and Tim Matkovich-Allan are learning social enterprise at Myrree Primary School, Vic. TOP: Australian Centre for Rural Entrepreneur founders Matt Pfahlert and Clayton Neil at Old Beechworth Gaol.



GENEVIEVE BARLOW

Former boilermaker Trav Hunt has built a big reputation as the bike fix-it expert in north-east Victoria after setting up at the Old Beechworth Gaol.

people from all around rural Australia looking to put their good ideas into action but there was nowhere to send them," he says. He decided this would be his career legacy – creating environments in rural and regional Australia where this could happen.

Years of research, investigation, self-funded travels plus a 2013 Churchill Scholarship to investigate asset-based community development around the world followed. Matt, who was Young Australian of the Year in 1996, discovered places such as Oban in Scotland, population 10,000, where the locals set up a health, fitness and learning centre with its pool, tennis and squash courts, dance studio and sport halls as a social enterprise. Then another group of locals reopened the town's cinema and another transformed an old school into a creativity hub. "Once communities successfully operate their assets, they start to do more," Matt says. Can-do becomes infectious, he says.

In 2007 Clayton moved to Beechworth with his wife Kylie and first child because Kylie's family lived nearby in the King Valley. He'd worked in local government but had become disillusioned. The government-funded economic and community development programs he was involved with just weren't working, he says.

"It became apparent that government funding top down wasn't the solution," Clayton says. "It wasn't saving

communities, but those communities that were resilient typically had collaboration across sectors, really strong leadership, really good support for young people and offered a really welcoming environment for people's ideas and for people."

What the two friends realised was that country communities had to change and take things into their own hands, and be more entrepreneurial to retain and attract residents, especially young people. They also realised a deliberate focus on developing a culture of entrepreneurialism in rural communities is new to older generations, so their goal is to show and teach communities how to change and how to provide environments that enable young people to try out their ideas. To do this, they run workshops and offer guidance for communities, local governments and business and community leaders.

ACRE is also very focused on encouraging entrepreneurship in young rural and regional Australians because, as they say, kids of the future won't be asking, 'What job will I do?' but, 'What business can I create?'. "They are likely to have many different jobs over their lifetimes and increasingly automation and globalisation will have a big impact," Matt says. "Kids will need to be hugely agile, have great resilience, be able to problem solve, be able to collaborate with others and show high levels of social and emotional

intelligence. What we're doing here is creating an enabling environment where they can develop these attributes."

Matt reckons 70 percent of kids who leave rural Australia want to return but only 30% of them do. The thing that stops them is a lack of jobs. He's all about changing that. He says ACRE aims to build a job-creator mindset in kids and communities from rural and remote Australia.

To do this, ACRE runs a Social Enterprise Schools program, where schoolkids choose a cause and then create a business to make profits for that cause. This program is now running in 20 schools around north-east Victoria. One school runs a car wash. The Year 5 and 6 students at Myrree Primary School, south-east of Benalla, operate a drone-photography service offering digital and printed photos to local landowners. Profits go to Carevan in Albury/Wodonga, which feeds the homeless. The Year 6 students at Beechworth's St Joseph's Primary School lead visiting school groups on local history tours, donating their profits to the Make-A-Wish Foundation. Recently, ACRE started working with a group of Wadeye kids from north-west Northern Territory (NT) and they are about to start working with kids from Yuendumu in south-central NT. The kids from Wadeye came down to Bright, near Beechworth, where the Thamarrurr Youth

Indigenous Corporation partnered with ACRE to run an entrepreneurship program in their language.

The Social Enterprise Schools model was created by the international Social Enterprise Academy, which has 11 branches worldwide and now, in Australia, at ACRE. Academy associate James Hilder, who visited Beechworth recently, says Mull, an island of 3000 people in the Inner Hebrides off the west coast of Scotland, has flourished on social enterprise. "The community there raised about 12 million pounds and ran everything from butchers' shops, abattoirs, the harbour and community halls," he says. One island village bought a government-owned forestry enterprise in a commercial timber plantation and had put in mountain bike trails and a woodland school for kids. "The benefit of those years of work was to inspire those communities, which were quite small villages of 300 to 400 people, to grab opportunities with both hands," James says. "If you get a vibrant community going, families are drawn to live there and that means the primary school is kept going."

This year ACRE will issue a prospectus to raise a further \$7m for its next phase. Investors and philanthropic organisations will have 12 weeks to respond. Ned Kelly might have approved.

**CLIPLEX®**  
Fencing & Stockyards

JOIN THE THOUSANDS OF AUSSIE FARMERS

SWITCHING TO CLIPLEX® FENCING & STOCKYARDS



WWW.CLIPLEX.COM.AU 1800 65 77 66