



Australian Government
**Rural Research
and Development Council**

Rural Research and Development *Update*

September 2011

Background

The Rural Research and Development (R&D) Council is the government's key advisory body on rural R&D. The principal goal of the council is to provide high level advice and coordination to better target and improve the effectiveness of the government's investment in rural R&D.

The Rural R&D Council has developed a National Strategic Rural Research and Development Investment Plan (NSRR&DIP), released by the Australian Government on 15 June 2011. The NSRR&DIP outlines a rationale for balancing investment in rural R&D and identifies major themes against which investment should be determined. These themes are industry development and sustainable production; transformational research; capacity in people; and international links.

This report provides an update of policy and program developments in rural R&D and innovation. Updates are grouped by the investment themes in the NSRR&DIP, with a further group added for more general developments.

More information on the Rural R&D Council and the NSRR&DIP can be found at The Department of Agriculture, Fisheries and Forestry (DAFF) website: <http://www.daff.gov.au/agriculture-food/innovation/council>

Industry development and sustainable production

National Primary Industries RD&E Framework

Fourteen sectoral and cross-sectoral strategies under the National Primary Industries RD&E Framework have been endorsed by the Primary Industries Ministerial Council to date. Of the remaining seven strategies in the first tranche, cotton, wool, biofuels and bioenergy, and water use in agriculture are expected to be finalised in 2011, with food and nutrition, animal biosecurity and plant biosecurity to be finalised in 2012. A Strategy Leaders' Forum was held on 25 May 2011 to improve communication between strategies and address any outstanding issues. Feedback from participants indicated that the Forum was successful and that participants left with a greater understanding of, and confidence in, the framework.

Productivity Commission report on the Research and Development Corporations

The Australian Government tabled the Productivity Commission's final report on the rural Research and Development Corporations (RDCs) in Parliament on 15 June 2011. The commission's report recognises that the matching funding arrangements, the high level of industry engagement and the strong support from all sectors for the RDC model make it unique among research and development funding models around the world. The commission also indicates that the strengths of the model include the close links with industry and the 'systems integrating' role that the RDCs play in terms of collaborating with other research funders and influencing research priorities and framework reform. However, the commission argues that industry should take on greater responsibility for funding industry-focused research, and that the cap on government matching contributions should be gradually reduced from 0.5 to 0.25 per cent of an industry's gross value of production (GVP), partially offset by the introduction of a 20 cents in the dollar matching contribution for industry levy contributions above the reduced GVP cap. The government's preliminary response to the commission's report was also tabled in Parliament on 15 June 2011. It states that the government will not adopt the commission's recommendation to halve the cap on

government matching contributions to the RDCs. The government is now developing a final response to the report.

Co-operative Research Centres

There are currently 42 Cooperative Research Centres (CRCs) operating, 11 of which are directly related to the agriculture, fisheries and forestry portfolio. Applications for the 14th selection round of the CRC Program closed on 1 July 2011. The priorities for the selection round applicants are social innovation, sustainable regional communities and clean manufacturing, but applicants can also demonstrate how they will address other national priorities. The CRC selection committee has shortlisted the applicants for interviews in early November 2011. Of the ten extension bids that were shortlisted, two were agriculture-related (Plant Biosecurity and Invasive Animals). The Minister for Innovation, Industry, Science and Research will announce successful applicants in December 2011.

The 2011 Cooperative Research Centres Association (CRCA) Conference 'Keeping Ahead of the Curve', was held at the Brisbane Convention and Exhibition Centre from 17 – 19 May 2011. During the awards dinner, the 2011 CRC Program STAR awards were presented in conjunction with the CSIRO-sponsored 'Early Career Researcher' awards and the CRCA's Awards for Excellence in Innovation. The Sheep CRC was recognised for its work engaging with over 300 stud breeders across Australia in its Information Nucleus Program.

National Food Plan

The Australian Government has committed to developing a national food plan to better integrate food-related policy across the supply chain, from producers to consumers. The National Food Plan will help protect and improve Australia's food security status, support population health outcomes and maximise food production opportunities. On 23 June 2011, Minister Ludwig released an issues paper to inform the development of a national food plan. The comment period for the issues paper ended on 2 September 2011.

Primary Industries Adaptation Research Network (PIARN)

PIARN is seeking applications for the inaugural PIARN Master Class on climate change adaptation in the primary industries. The Master Class aims to build capacity amongst early and mid career researchers, research managers and policy analysts in climate change adaptation. The Master Class program is structured as a series of three-day modules held in different locations across rural and regional Australia. More information on the Master Class can be found at:

<http://www.piarn.org.au/events/piarn-master-class>

RIRDC publications

The Rural Industries Research & Development Corporation (RIRDC) Horse Research, Development and Extension Program has published a Horse RD&E Plan 2011-2016. This Plan aims to assist the industry build and develop its future. During the first part of the life of this Plan, stakeholders in the horse industry will consider how to develop and introduce a statutory levy to fund the Horse Research, Development and Extension Program. A statutory levy will place the Program's funding on a more secure footing than previously existed, with the Australian Government matching levies. RIRDC has also published a Rice R&D Plan 2012-2017. The industry faces a different operating environment to the one in which the last Five Year R&D plan was prepared. Production is now more likely to average 800,000 tonnes of paddy rice and be more variable than the 1.2 million tonnes per annum planned for in 2006. This RIRDC Five Year R&D Plan addresses the new industry

realities and builds on past program success. The program retains its strong emphasis on rice variety breeding to further reduce demand for irrigation water and adapt to a climate that is hotter, drier and more variable.

R&D Tax Credit

The Australian government's R&D Tax Credit legislation was passed by the Parliament on 24 August 2011.

On 11 July 2011 the Minister for Innovation, Industry, Science and Research, Senator the Hon. Kim Carr, announced the release of the draft regulations and decision-making principles that support the administration of the R&D Tax Credit for public consultation. Powers to make these regulations and decision making principles are contained in the Tax Laws Amendment (Research and Development) Bill 2010. Further information is available on the DIISR website:

<http://www.innovation.gov.au/Innovation/Policy/Pages/RDTaxCreditRegsDMPConsultation.aspx>

Transformational research

Clean Energy Future (Carbon Farming Futures Program)

The Australian government's Clean Energy Future was announced on 10 July 2011. The Carbon Farming Futures Program (a component of the Land Sector Package) will provide \$429 million over six years to assist farmers and other landholders to benefit from financial opportunities under the Carbon Farming Initiative (CFI). The Carbon Farming Futures Program will provide funding for research into abatement options for the land sector, development of offset methodologies for the CFI, extension and outreach activities, grants for landholders to take action on the ground and tax offsets for the purchase of minimum tillage equipment. Elements of the program include:

- The \$201 million *Filling the Research Gap Program* will provide competitive grants funding to support research into emerging abatement technologies, strategies and innovative management practices that improve soil carbon and reduce greenhouse gas emissions from the land sector and enhance sustainable agricultural practice.
- The *Action on the Ground Program* (\$99 million over 6 years) will provide grant funding to regional landholders and research, industry and farming organisations across Australia to undertake projects to implement innovative management practices to achieve sustainable outcomes that reduce emissions and boost soil carbon stores.
- The \$64 million *Extension and Outreach* will fund coordinated communication of information that is clear and consistent and delivered through trusted and credible sources to support landholders participation in the CFI.
- The *Land Sector Carbon and Biodiversity Advisory Board* (\$4.4m) will be established to provide advice to ministers and parliament on the implementation of the land sector measures.

Other elements of the Clean Energy Future Package include the establishment of a \$946 million *Biodiversity Fund* and support for the food processing industry through the \$200 million *Clean Technology Food and Foundries Investment Program*.

Further information about the Carbon Farming Futures Program can be found at:

<http://www.cleanenergyfuture.gov.au/carbon-farming-futures/>

Capacity in people

Chief Scientist's Review of the Health of Australian Science

The Chief Scientist, Professor Ian Chubb AC, has indicated that one of his first tasks is to carry out a review of the Health of Australian Science by profiling the strengths and vulnerabilities of Australia's present science capability. This profile will be analysed in the contexts of emerging science areas and the increasing internationalisation of science. Further information on the Office of the Chief Scientist can be found at: <http://www.chiefscientist.gov.au/>

AgriFood Skills Australia – AgriFood National Conference

The 2011 AgriFood National Conference will be held in Brisbane on Thursday 22 September 2011. The theme is *Empowering Employers*, and the program will feature high-profile speakers and panellists discussing industry issues around employee attraction and retention, becoming an 'employer of choice', improving the public perception of the agrifood industry and engaging the next generation of workers.

Primary Industry Centre for Science Education

The Primary Industry Centre for Science Education (PICSE) held its annual National Presentation in Canberra on 21 June 2011. Data were presented demonstrating that, at best, Australia is producing only a third of the agricultural graduates the industry needs at present and the situation will only get worse as a result of declining enrolments in tertiary agricultural science courses.

The views presented and discussed are being distilled into an Outcomes Paper. This will include key strategies to inform thinking about the future human capacity issues relating to Australia's Future Food Security. PICSE and AgriFood Skills Council will also be preparing a Market Intelligence Paper describing the current capacity landscape in which a joint approach will operate.

Investing in Youth Workshop 3-6 July 2011

RIRDC hosted a workshop for participants in the Investing in Youth program (the joint government-industry partnership to assist Australian students committed to a career in primary industries) in Canberra from 3-6 July 2011. The workshop provided the ten participants from the 2010 program (who are in their second year at university) and the nine participants for 2011 (in their first year) with a tailored professional development program focussing on leadership skills, communication, team building and goal setting.

International links

OECD Green Growth Strategy

In May 2011 the Organisation for Economic Co-operation and Development (OECD) released its Green Growth Strategy. The strategy provides a practical framework for governments to make the most of opportunities arising in the green economy for new sources of growth and jobs. It recommends that governments should put in place policies that tap into the innovation, investment and entrepreneurship to drive the shift towards a greener economy. The strategy

documents can be found on the OECD website:

http://www.oecd.org/document/10/0,3746,en_2649_37465_44076170_1_1_1_37465,00.html

OECD Conference on Agricultural Knowledge Systems

The OECD held a conference on Agricultural Knowledge Systems on 15-17 June 2011, in Paris. The DAFF Executive Manager for Agricultural Productivity gave a presentation outlining how Australia's research, development and extension work contributes to the productivity, sustainability and competitiveness of the primary industry sector. He also outlined how the Australian Government is responding to the challenges and opportunities facing the sector and how initiatives such as the National Primary Industries Research, Development and Extension Framework are fostering better collaboration within the research and development community. Information about the OECD AKS Conference is located at

http://www.oecd.org/document/20/0,3746,en_2649_37401_47217428_1_1_1_37401,00.html

G20 Agriculture Ministers Meeting

An inaugural G20 Agriculture Ministers Meeting was held on 22-23 June 2011 in Paris. Ministers agreed to an 'Action Plan on Food Price Volatility and Agriculture'. Key outcomes included:

- Establishment of an *Agricultural Market Information System (AMIS)* to improve agricultural market information and transparency by collecting and analysing data, issuing reports, and if necessary, issuing alerts. The AMIS will play a role in coordinating relevant capacity building activities, which will assist in improving agricultural data provided by developing countries. AMIS will also include a Rapid Response Forum, an officials' dialogue to occur in the event of a food security crisis.
- Establishment of an *International Network of Agricultural Monitoring* based on satellite data and geoinformation to improve agricultural monitoring and crop forecasting. The Group on Earth Observations (GEO) will oversee this project, part of ongoing efforts to achieve comprehensive, coordinated and sustained observations of the earth system.
- Establishment of an *International Research Initiative for Wheat Improvement* to develop strategic priorities for wheat research, improve collaboration and access to data.
- Commitment to the importance of *Increasing Agricultural Productivity* to meet the growing demand for food, whilst still ensuring production is sustainable. This includes support for ongoing agricultural research and innovation. Furthermore, the Action Plan encourages an *Australia-France joint G20 Seminar* on 'Re-energising Global Agricultural Productivity' to address the decline in global agricultural productivity and bridge the gap between developed and developing country productivity. The Seminar will be held in Brussels in October.
- Commitment to *ongoing reform of the Food and Agriculture Organization of the United Nations*, including in prioritising tasks and actions that are most likely to lead to progress in improving food security.
- Recognising *trade reform* as an essential component of efforts to address food security, including support for concluding the World Trade Organization Doha Round, commitment to refrain from raising existing trade barriers or imposing new barriers, articulation of the impact of policies that distort agricultural production and trade in impeding long-term food security.
- Commitment to *well-regulated agriculture futures and derivatives markets* and support for the ongoing work of finance ministers for appropriate decisions on regulation and supervision of these markets.

Crawford Fund Conference

The 2011 Crawford Fund Conference was held in Canberra on 14-16 August. The conference theme was 'The Supermarket Revolution in Food: Good, Bad or Ugly for the World's Farmers, Consumers and Retailers?'

ACIAR Events

The Grains Research and Development Corporation (GRDC) and the Australian Centre for International Agricultural Research (ACIAR) have joined forces to host the fifth World Congress on Conservation Agriculture (WCCA) in Australia this year. The Congress, to be held in Brisbane from 26 to 29 September, will provide a unique forum for scientists, students and farm managers to discuss the application of conservation agriculture techniques to farming systems.

The Indo-Australian Agricultural Research Forum, sponsored by ACIAR, will follow the WCCA at the Brisbane Convention Centre on 30 September 2011. This forum will focus on agricultural research progress and future prospects for further research between India and Australia.

Other rural R&D and innovation activities

2011 Strategic Roadmap for Australian Research Infrastructure

Following consultations and analysis of the responses to the Discussion Paper, an Exposure Draft of the 2011 Strategic Roadmap for Australian Research Infrastructure has been developed and released for further consultation.

The Department of Innovation, Industry, Science and Research (DIISR) is developing a 2011 Strategic Roadmap for Australian Research Infrastructure, which will articulate Australia's national research infrastructure priority areas, and will build on the previous Roadmap, which was developed in 2008. The Roadmap will inform future decisions on where Australia should make strategic infrastructure investments to further develop its research capacity and improve research outcomes over the next five to ten years. Further information is available on the DIISR website: <http://www.innovation.gov.au/science/researchinfrastructure/>

Strategic Framework for Research Infrastructure Investment

In parallel with the development of the 2011 Strategic Roadmap for Australian Research Infrastructure, the Strategic Framework for Research Infrastructure Investment has been developed in consultation with the research sector to guide the development of policy advice and the design of programs relating to the funding of research infrastructure. The Strategic Framework encompasses the current research infrastructure system, and provides a high-level framework to guide the development of policy advice and the design of programs related to the funding of research infrastructure by the Australian Government. Further information is available on the DIISR website: <http://www.innovation.gov.au/Science/ResearchInfrastructure/>