

11 December 2014

Consultation Team
Boosting Commercial Returns from Research Issues Paper
Department of Education
GPO Box 9880
Canberra ACT 2601
CANBERRA ACT 2600

Dear Consultation Team

Re: Boosting the commercial returns from research issues paper

The National Farmers' Federation (NFF) is the peak national body representing farmers and agriculture across Australia. NFF welcomes the opportunity to provide comment on the Australian Government's boosting the commercial returns from research issues paper.

NFF welcomes the Government's recognition of the Rural Research and Development Corporations (RDCs) as an effective mechanism to facilitate research and industry collaboration and commercialisation. The compulsory levies that underpin the work of the RDCs connect most of Australia's 115,000 farm businesses to a research, development and commercialisation pathway that would otherwise be impossible for small businesses. The connection between research and commercial outcomes is highlighted by the estimated returns to productivity of \$12.00 for every \$1.00 of Government investment within 10 years. The RDC model has undergone frequent reviews and inquiries in the past 5 years. The RDC model has universal support from agricultural advocacy organisations, however continual questioning of Government commitment to co-funding the model does not facilitate the long term certainty required to invest for commercial outcomes over the longer term.

The Cooperative Research Centre (CRC) Programme is another mechanism that facilitates collaboration within and between sectors on issues of national research importance. The CRC for Polymers is an excellent example of this – with the research effort currently focused across food and water security, health therapies and solar technologies. Beyond research outcomes, CRCs have proven successful in extending overall research funding further than would be otherwise possible. The CRC Association notes that for every \$1 invested by government, the CRC program drives a further \$4 in research funding. Such a benefit has certainly been witnessed in agriculture, with Australian Pork Limited estimating that upwards of \$210 million of additional funding has been injected into pork research due to its industry's CRCs. While the NFF agrees that R&D models need improving from time-to-time, including through the CRC programme review, these processes should not be concluded by throwing the baby out with the bathwater.

NFF supports the clear articulation of national research priorities, and in turn rural research and development priorities. These priorities ensure that publicly funded research is focused on those issues that are important to the national interest – including the long term competitiveness of sectors including agriculture.

In the agriculture sector, it must be remembered that Australia does not have large scale multinational businesses that are Australian focused when they invest in research such as plant biotechnology, breeding and crop protection. Incentives are required to encourage these companies to conduct in-house research in Australia for Australian conditions. The most effective incentive is to attract them by maintaining a high quality R&D system that makes Australian researchers and research institutions an attractive partner. This requires long term funding support to maintain, if not lift, the level of excellence of Australia's research capacity.

Opportunities to connect researchers to business and industry – either in Australia or internationally - at each stage of their career is another mechanism that can facilitate a greater appreciation of opportunities for commercialisation within the research communities. While this mechanism is currently in place for PhD students, there is an opportunity to extend this model for post-doctoral research to enable them to gain first-hand experience and build productive links for future collaborative research.