



Australian Government

Department of Agriculture and Water Resources

ABARES

Media release

Australian rural R&D on the rise

The value of Australian rural Research and Development (R&D) is on the rise, according to a new report released today by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES).

Acting Assistant Secretary of ABARES' Agricultural Productivity and Farm Analysis branch, David Galeano, said the *Rural research, development and extension investment in Australia* report showed the value of Australia's rural RD&E jumped from \$2.6 billion in 2005–06 to \$3.3 billion in 2014–15, in real terms.

"Private sector funding of rural R&D and extension grew rapidly from just over \$1 billion in 2005–06 to \$1.6 billion in 2014–15. This increase is likely due to greater competition, new investment opportunities and Australia's strong protection of intellectual property rights," Mr Galeano said.

"Over the 10 years examined, public sector funding for rural R&D grew slowly in comparison—from \$1.5 billion in 2005–06 to \$1.7 billion in 2014–15.

"The Australian Government was the largest single contributor—with funding rising from over \$880 million in 2005–06 to \$1.1 billion in 2014–15—and university contributions increased from \$264 million in 2005–06 to just short of \$380 million in 2014–15.

"The growth in funding from the Australian Government and universities came at a time of declining funding from the state and territory governments—from \$390 million in 2005–06 to \$280 million in 2014–15.

"Public sector funding has been important for supporting long-term fundamental science and research, whereas the private sector has tended to concentrate on more readily marketable technologies like those related to seeds or chemicals.

"ABARES has previously found that continued investment in R&D is essential to improve agricultural productivity and profitability.

"Further growth in rural R&D investment is most likely to flow from the private sector, but will depend on expected returns and the international competitiveness of our R&D providers.

"Public budget pressures mean federal and state funding for rural R&D is unlikely to increase significantly, however contributions from universities could rise as they seek to improve their international standing through R&D."

For a copy of the report visit agriculture.gov.au/rural-research-and-development.