



Newsletter three: December, 2016

## Stimulating private sector extension in Australian agriculture to increase returns from R&D



This project is supported by funding from the Australian Government Department of Agriculture and Water Resources as part of its Rural R&D for Profit programme.

*Stimulating private sector extension in Australian agriculture to increase returns from R&D* (Enhancing Private Sector Roles in Ag Extension) is a three-year project to develop and test models to build the capacity of the commercial and private sector in delivering extension services to Australian farmers.

The main aims of the project are to:

- Increase private sector engagement with the latest research and industry best practice;
- Make research more accessible to producers through a more integrated and co-operative extension system;
- Identify barriers to private sector involvement in agricultural extension;
- Stimulate growth in capability of the private sector in agricultural extension; and,
- Build stronger connections between end users and researchers.

Welcome to our third newsletter, which we hope will provide you with a great overview of the work which has been undertaken by this project so far.

Farmer survey:

As reported in our previous newsletter, we have conducted a national survey of farmers related to agricultural extension. While further analysis of results is continuing, we were pleased to receive responses from 1003 producers.

Key findings from the National Survey of Farmers about agricultural extension include:

### 1. There is a high degree of reliance on information, advice and support. An appetite for agricultural extension-related services therefore exists.

A high level of demand existed for services delivering performance information and opportunity identification. Of all farmers surveyed, 76% said that identifying new opportunities in farming is essential (n=1003) yet only 40% knew where to get the information or advice they needed (29% pork- 57%

sugar), while only 56% agreed (n=512) that they currently have the skills and knowledge required to manage their property effectively (range – 75% sugar; 45% sheep). A third of farmers expect to see their use of information, support and advice to increase in the next five years.

### 2. Changes in the demand for information, advice and support from farmers will require independent advisers, R&D Corporations and government to work together to co-ordinate and align their offerings.

The increase in farmer demand for information, advice and support is likely to come from use of independent advisers and R&D corporations with between 36-38% of farmers suggesting more use of these sources. Farmers still relied on government information, advice and support but varied in how they would use this in the future (i.e. 20% of farmers said they would use government less and 25% said they would use government 'more' in the next five years). The increased demand is highest amongst larger farms where affordability and general appetite for paid-for services, information and support is greatest.

### 3. Farmers use a wider range of sources for information and advice with the main source varying from sector to sector.

Independent advisers were most prominently used as a main source by farm managers (not owners or lease holders) (51%), and when at least three other people were involved in farm management (56%).

In addition, those from higher-earning farms were more likely to mainly use independent advisers (50% had farm incomes of \$501,000 or more), while those from lower-earning farms (farm earnings less than \$50,000) were more likely to mainly use free service options such as product re-sellers (30% of these farms) and government services (17% of these farms).

The main source of information, advice and support varied by sector are as follows:

- Independent fee for service advisers were more predominant in cotton (58% of farmers), cropping/grains (50% of farms), mixed-cropping/grazing (45% of farms), dairy (36% of farms), sheep for meat (21% of farms), and pigs/poultry (37% of farms);
- Farmer owned information, advice and support organisations were more predominant in sugar (41% of farms);
- Product resellers were more predominant in horticulture (21% of farms), beef cattle (22% of farms);
- Research and development corporations were more predominant in farms with sheep for wool (28% of farms), and;
- Government was a main user for 21% of beef cattle farmers and 14% of sheep meat farmers which reduced to 3% for grains farmers.

#### **4. The benefits of paying for advice was not clear to all producers. This reinforces the perceived low value of and the low willingness to pay for such services.**

Only 37% of producers felt that paying for advice would be beneficial to them. In addition, only 31% felt that paying for advice would be profitable. A large proportion of producers are 'fence sitting' (i.e. not overtly positive or negative) on this topic and appear to be waiting to be convinced about the benefits.

#### **5. Where services or advice had been received, they were widely seen to be relevant and the source trusted, however, changes in farm management as result of services received were marginal.**

Independent advisers were seen to offer greatest relevance (81%) and value (69%), while government services were most trusted (75%). When it came to specific implications, improvements in crop variety and fertilizer application were most common (21% and 20% respectively). Farmers using fee-for-service advisers use multiple advisers (average 2.3). A total of 39% of farms using advisers used one, 31% used two and 26% used between three to five. 60% of farms spent less than \$5000 on advice and it was the larger farms spending the most.

#### **6. Challenges exist in the perceived quality and effectiveness of non-government delivered agricultural extension services.**

While around one-third endorsed the quality of non-government extension services (33%) and felt they are effective in delivery (32%), only 18% were willing pay to be involved with agricultural extension programs delivered by non-government organisations. Those sectors least willing to pay for private-sector managed or delivered extension services were beef farmers (40% not willing); sugar growers (39% not willing); pork and poultry (38% not willing), horticulture and sheep meat (29% not willing) and dairy (28% not willing).

#### **7. There is demand from farmers and service providers for greater direct interaction with researchers and research organisations. This will not happen automatically nor in a co-ordinated and meaningful way without support provided to research organisations for fruitful engagement.**

Only 30% of farmers suggest they are directly connected to researchers or research organisations. Of those that connect regularly, larger farms are predominant (>5001 ha = 45% of farms with direct contact) and the least interaction amongst mixed cropping, sugar, poultry, pork and beef farming (i.e 18-27% of farmers). However, 50% of farmers surveyed said they would like a little or a lot more contact.

#### **8. A range of methods are used by farmers to obtain information/learn more about an area.**

When unprompted, farmers' main methods for getting information, advice and support included searching on the internet (43%), media sources (TV, radio, newspapers) (41%) and talking to other farmers (32%). Paying for advice was listed by 28% as a method. When prompted with a list of methods, 81% of farmers noted field days, workshops and training programs as preferred methods alongside these others. Talking directly to a researcher or expert was used by 20% of farmers (unprompted) and when prompted this increased to 45% along with involvement in discussion groups and agricultural conferences (50% of farmers used).

While social media was noted as a source of information by 27% of farms when prompted, only 4% used Twitter, Facebook or online discussion forums as a method for this purpose and only 2% (n=503) noted this as a preferred source for getting information, advice or support.

#### **Advisers' survey**

Do you or your organisation provide information, advice or support to farmers in Australia? Are you, or would you like to be, involved in development and delivery of extension services for Australian farmers?

If yes to these questions, then please consider completing this survey of individuals and organisations that provide these services, or would like to, to Australian farmers.

Clicking on the following link will provide you with more information about the survey, and give you the option of participating. If you participate, the survey is expected to take approximately 15 minutes.

<http://tinyurl.com/theunimelb>

The survey forms part of research into agricultural extension being conducted as part of the Australian Government Department of Agriculture and Water Resources Rural R&D for Profit programme. It is supported by Dairy Australia, Meat and Livestock Australia, Cotton Research and Development Corporation, Australian Pork Limited, Sugar Research Australia, Horticulture Innovation Australia, RIRDC (Rural Industries Research and Development Corporation), NSW Department of Industry, Agriculture Victoria and the University of Melbourne. The survey is administered by Quantum Market Research.

#### **Trials:**

Four engagement trials for private sector stimulation have been established and four project officers and a project consultant have been appointed.

They are:

- Jim Shovelton (Meridian)
- Jacqui Knee (RMCG)
- Sally Martin (Sally Martin Consulting)
- Viv McCollum (AGKServices)
- Bruce Hancock (Rural Solutions SA: PIRSA)

While an overall research plan for the trials has been drafted, individual operational and research plans for each of the trials are currently being developed and refined by the Trial Committees.

The University of Melbourne, Rural Innovation Research Group conducted a combined planning and research activity for each of the trials, involving Trial Committees and RDC partners in early December, 2016.



Implementation of the first trial intervention activity in each of the trials is anticipated to take place in February-March, 2017.

### Expert panel:

An international Expert Panel comprising experts from the agricultural industry and research areas has been created and has had its inaugural meeting in September.

The panel is a "thought leadership group", consisting of Australian and international leaders in the field of the role of private sector in agricultural innovation.

Members are:

- Ass Prof Laurens Klerkx, Wageningen University, Netherlands (Agricultural policy, systems, communications);
- Mick Keogh, Executive Director Australian Farm Institute & Chairman, National Rural Advisory Council, Agricultural Commissioner ACCC (Australian Competition and Consumer Commission);
- Dr Mark Paine, DairyNZ, Wellington (Strategy and Investment Leader, Business and People, DairyNZ);
- Ass Prof Ruth Nettle, Melbourne University (leader Rural Innovation Research Group, Melbourne University);
- Richard Price, Director, Twinbrook Pty Ltd; ex CEO of Kondinin Group and Australian Export Grain Innovation Centre. Nuffield Scholar;
- Dr Jeff Coutts, extension and measurement & evaluation (private consultant);
- Steve Coats, Private and public career in dairy extension and communication. Board Member DairyBio and principal Curlew Connections Pty Ltd.

The purpose of this meeting was to review and discuss the project and research plan for the trials and reflect on the panel's overall role in advising on the project.

### Training modules:

We are developing training modules that will help increase the capability of private sector members.

Eight training modules are currently under development, including:

- Extension design and evaluation (projects and programs)
- Being an innovation broker
- Coaching, mentoring and group facilitation
- Farm systems advice

The first two extension training modules (e-learning) will be piloted in February, 2017 with advisers involved in the trials.

### Website update:

We are currently in the process of updating the website and would encourage you to visit it soon to see the updated information, which will include fact sheets on the trials and the forums.

### Project meeting:



On December 5, a meeting was held of the management committee, project officers, steering committee members and those who provide other services to support the project.

This was a good opportunity to come together for project updating, planning and development purposes and discuss the project's achievements.

Significant work was also undertaken on discussing the trials and the final format of those, to ensure they are as productive and beneficial as possible.

### National forum:

A forum will be held on the project in May, 2017 in Melbourne.

Further details about the date, venue and format of the event will be released early in the New Year.

### Christmas wishes:

We would like to take this opportunity to wish everyone a Merry Christmas and all the best for the New Year.

We hope you have a happy and healthy 2017.

<http://fvas.unimelb.edu.au/rural-rd>

For further information, contact Research Group Leader Ass Prof Ruth Nettle, Rural Innovation Research Group Lead, [ranettle@unimelb.edu.au](mailto:ranettle@unimelb.edu.au), (03) 8344 4581 or Ian Linley, Project Co-ordinator, Dairy Australia, [iliny@da.queensland.gov.au](mailto:iliny@da.queensland.gov.au), 0422 814 579.