



20 March 2023

Joanne Chong and Malcolm Roberts
Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC
8003

Email: Future.Drought.Fund@pc.gov.au

Dear Commissioners,

Re: Future Drought Fund inquiry

The University of Melbourne welcomes the opportunity to contribute to the Productivity Commission's inquiry into Part 3 of the *Future Drought Fund Act 2019*.

Vic Drought & Innovation Hub

The University of Melbourne is well placed to contribute to this inquiry, as the Victorian Drought Resilience Adoption and Innovation Hub is led from the University's Dookie Campus. Established in 2021, the Hub is one of eight national hubs funded by the Australian Government through the Future Drought Fund. It seeks to enhance drought preparedness and resilience through economic, environmental and community initiatives, and support broader agricultural innovation. The Hub brings together partners from government, industry and the wider university sector, including Agriculture Victoria, Birchip Cropping Group, Food & Fibre Gippsland, Mallee Regional Innovation Centre, Riverine Plains, and Southern Farming Systems, together with Deakin University, Federation University and La Trobe University.

The Hub allows for effective collaboration between partners, avoiding competition where it is unproductive. By having Node partners lead consultations and engagement, the Hub can target issues of direct importance to regional stakeholders and facilitate information sharing between research and development organisations and end-users in industry. The Hub works closely with Hubs in other jurisdictions, with a strong culture of collaboration and knowledge-sharing across the network.

Future Drought Fund Inquiry

The University of Melbourne supports the arguments made by the Victorian Drought Resilience Adoption and Innovation Hub in its submission to the Future Drought Fund Inquiry.

The University believes that the funding principles, vision, aim, strategic priorities and objectives of the Funding Plan are appropriate. It will be important for the Fund to retain a focus on innovations that support the public good, as that is where market failures occur. The Fund should also continue to address gaps in the innovation pipeline. For example, it should support technologies in the development phase which still require rigorous evidence before innovators can progress them towards implementation or commercialisation.

The University supports broadening the Scope of the Fund to support resilience to climate change, as it is impossible to separate drought from the broader impacts of climate change. The Vision for the Fund already refers to resilience to the impacts of climate change. However, formally rebranding the Fund to include climate resilience would clarify this focus. It would also acknowledge that drought resilience cannot simply adopt existing knowledge; it must evolve and include new research to deal with new, evolving conditions brought on by climate change.

Longer-term funding arrangements for organisations such as the Hubs may enhance engagement with Aboriginal and Torres Strait Islander people, as this would allow organisations to build trust with Traditional Owner groups over time. Greater certainty of funding would also allow Hubs and their Nodes to attract and retain high-calibre staff and give other prospective partners confidence to engage with the Hubs' work. The Federal Government should also consider how it could involve the Hubs in shaping the Fund's program guidelines and whether it could direct a proportion of Future Drought Fund programs directly to, or through, the Hubs. This would help to avoid unnecessary duplication and unproductive competition.

As noted in the Hub's submission to the inquiry, over-reliance on established and trusted relationships to the exclusion of new players has been identified as a serious weakness in agricultural innovation. The Fund should therefore emphasise that it will support partnerships and initiatives that display the most potential and merit, including those that involve new players.

Finally, the University would encourage the Fund to provide a calendar of grant calls for the entire funding plan published early in the funding cycle, to support appropriate planning around crop cycles and seasonal activities. This could resemble the [grants calendar provided by the Australian Research Council](#). Funding should also be provided over longer timelines, noting that robust field studies require more than one year, with multiple seasons usually necessary.

Yours sincerely

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