

Conservation Farmers Inc (CFI) seeks to ask the Commission to consider the importance of the RRDC roles in facilitating and directing research across all rural industries. Much of the research investment dollar acts as a stimulus and multiplier for others to co-invest, particularly the State Governments, CSIRO, Universities and private industry. The Commission's report suggests or infers a reduction to RRDC funding. This will certainly diminish agriculture's capacity now and in the future to support Australia's agricultural production of clean, green food. There will be a significant loss in production, industry efficiency and the communities' capacity to survive without well funded RRDC's leading and implementing research. Importantly, well funded RRDC's are needed to identify agriculture's carbon footprint and plan research that integrates climate change.

The RDC of the grain industry has been instrumental in supporting and funding conservation practices across Australia and the research investment has significantly changed the way farmers manage soil erosion through Zero Till practices (which is a major influence on the sustainability of agriculture). These practices have greatly improved the quality of water flowing to many of the local regional centres and has significantly impacted on the communities' health as well as the associated catchment health. Research investment into the rural industries flows into the local communities in the form of new technology and employment and that has sustained regional development via new industry and infrastructure which in turn ultimately has enhanced local community sustainability.

Less investment in the Research Corporations will ultimately lead to more food imports and therefore less food security. The Australian Food and Grocery Council recently suggested that we have reached a tipping point and the nation is now a net importer of food. At what point do the food imports impact on this nation's bio-security when there is a need to ensure that the food we eat is safe and affordable.

Unlike many other industries, there is a distinct lack of supply chain investment in agricultural research, reducing the public investment will not necessarily encourage or stimulate private investment with many companies possessing off-shore offices that often provide higher returns for their research dollars. A withdrawal or reduction of public funds with the expectation that producers will pay a higher levy is unlikely in the grains industry, given many growers' view that GRDC's is not currently well directed or managed by producers. The most likely outcome is a net decrease in investment of Australia's food production. CFI would like to suggest that there is a need to develop a comprehensive set of standards that benchmark RDC performance. These should include the RDC's business vision and business efficiencies, product innovation, product evaluation, supply chain support, community benefit and the communication and engagement with stakeholders.

In concluding, we would suggest to the Commission that RRDC's do need to receive continued or expanded funding for all the prescribed RDC's. CFI acknowledges that there is a possible need to refine the operation's RRDC's to closer align their outputs to best business practice. CFI considers that a well funded and expanded research and extension service is required for all rural industries. The research effort is the key building block for the agricultural sector, in its quest to remain competitive and sustainable for the future generation of producers, who will produce food for Australia and the world's expanding population.

CFI would also like to acknowledge that there is many other industry bodies submitting large and detailed reports and CFI wants to be on the record supporting the maintenance and or expansion of the RDCs. Conservation Farmers Inc also rejects the notion that producers will pay more against declining government investment.