

**C A A N D H J R E Y N O L D S**

24/11/10

Thank you for the opportunity to comment on the Productivity Commission's Draft Report on Rural Industries Research and Development Corporations. My husband and I farm 795 ha near Shepparton in Victoria growing a wide range of irrigated and dryland grain and hay. We have a number of concerns which we do not think have been fully addressed in the Draft Report.

1. Community and Government aspirations will only be met by Research and Development and Extension (RD&E) funding.

The Goulburn Broken Catchment Management Authority's vision is "Healthy, resilient and increasingly productive landscapes supporting vibrant communities". This vision reflects the aspirations of the wider Australian community. Farmers in the Goulburn Broken are being asked to work towards the region producing twice the production off half the land and using half the water. This would allow more water to flow in the Goulburn and Murray rivers for ecosystem health and environmental benefits and areas of land to be revegetated to provide carbon sinks and biodiversity benefits. While admirable this community aspiration will only be achievable through substantial investment in industry specific research and development.

The Prime Ministers Future Policy Priorities include "The Government is working to restore the Murray Darling Basin to a sustainable footing by modernising irrigation and addressing the over allocation of resources. This will put the Murray Darling Basin back on a sustainable track, significantly improve the health of rivers and wetlands and will bring substantial benefits to irrigators and the community;" With \$1 billion dollars in spending being announced by the federal government for modernizing and upgrading the irrigation region in northern Victoria. The changes in farming practice and land use that will be necessary to make these changes work are immense and will require a greater investment in specific industry based RD&E.

2. Industry based RD&E builds farm resilience and the ability to deal with change.

There are great challenges ahead, for example changes in irrigation water availability through Murray Darling Basin Plan and System Modernization, Climate Change will all impact on land use and farm profitability. Industry specific funding is required to successfully make these changes generalise advice or assistance is of little use if not backed up by well researched and communicated industry specific information. Extensive industry based RD&E is an essential part of any community adjustment and assistance package.

3. Industry and farmers will not fill the gap.

For example over the past 10 years we have seen the number of publicly funded agronomists within 150kms of our farm reduced from 3 to 0. There is now one private and independent agronomist based 200kms away. Retailer have their own agronomists but they only promote their own product and do not provide advice and information on the whole farming system, integrated pest management or environmental sustainability. With these changes we have seen a considerable loss of agronomic and extension expertise and we are concerned that with a further deterioration in funding we would lose significant scientific expertise.

Farmers value the work of the GRDC and grain growers have been quick to adopt new technology but we do not have the capacity to fill the gap if the federal government were to halve their contribution to its work. Today there is a culture of innovation and exploration of ideas and an eagerness to try something new within the Australian grains industry. The GRDC has been pivotal in these changes through it's investment in Topcrop and farming systems groups and the emphasis it has placed on the extension of GRDC research and the importance of communicating research to farmers. The rural sector is facing a lot of challenges with drought, climate change and increasing costs of production and will not be able to provide additional resources to RD&E.