
The Parliament of the Commonwealth of Australia

Report on the Rural Industries Research and
Development Corporation Annual Report
2011-12

House of Representatives

Standing Committee on Agriculture, Resources, Fisheries and Forestry

May 2013
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Foreword

In November 2012, the House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry resolved to inquire into the Rural Industries Research and Development Corporation (RIRDC) Annual Report 2011-12. The RIRDC is one of 15 rural Research and Development Corporations (RDCs) charged with delivering the Australian Government's investment in rural research and innovation.

Broadly, the RIRDC's investment program is guided by the Australian Government's National Research Priorities that outline key areas targeted for their economic, social and environmental benefits to Australia. Complementing these, are the Australian Government's Rural Research and Development Priorities that define how public investment in rural research and development should be directed. The RIRDC's work supports the principles espoused in both sets of priorities through its recently approved Corporate Plan, guiding its research and development investment for the next five years.

The Committee's report focussed on a number of themes, including: governance and cross-sectoral collaboration; smaller industries and innovation; regional development; and evaluation of projects.

Australia's system of RDCs is complex both in the way it operates and the way it is funded. The Committee acknowledges significant Australian Government efforts towards sector reform, most recently through its Rural Research and Development Policy Statement. At the heart of the statement were responses to reports into RDCs by the Productivity Commission and the Rural Research and Development Council.

However, the Committee highlights the ongoing need for an active increase in cross-sectoral collaboration. The Committee considers that this can be achieved through existing initiatives such as the National Primary Industries Research, Development & Extension Framework (NPIRDEF). The Framework was reviewed in 2012 and the Committee recommends a timely and public response from the Australian Government addressing its findings. In particular the Government's response should clarify whether the RIRDC holds additional coordination functions – as espoused in the Policy Statement – above its current cross-sectoral collaborative work.

Coordination of efforts with other jurisdictions and research bodies is also a key governance factor. Evidence to the Committee suggested that support, such as access to publicly funded laboratories provided on an 'in-kind' basis by State Governments to smaller, innovative industries has diminished. The Committee has recommended that the Australian Government work with State and Territory Governments to ensure their contribution to the national research effort remains proportional to the Australian Government's response.

Regarding smaller industries and innovation, the RIRDC provides strong support to industry sectors that fall within its remit. The Committee was particularly impressed by its approach in developing assistance tailored to the needs of particular new and emerging industries and through the adoption of a 'life-cycle' approach to this support.


The Committee is pleased to see the RIRDC's renewed commitment to regional development through its latest corporate plan. This specific intention is best characterised by RIRDC projects currently underway in both North Queensland and Tasmania that works with a wide variety of local stakeholders to consider how agriculture benefits regional development more broadly. The Committee's report stresses that the RIRDC should ensure that regional development projects are strongly supported at a local level. Projects should also be thoroughly evaluated on completion to assess both performance and contribution to regional development.

The Committee's report also considered the evaluation framework as developed by the RIRDC. The evaluation framework allows RIRDC supported projects to be consistently evaluated for accountability and to inform future investment. The Committee recommended that the RIRDC continue the practice of evaluation and promote more of these through future Annual Reports. The Committee also recommended that the Australian Government complete the development of a

proposed common evaluation methodology to be used by all RDCs and that once developed, it be adopted by the RIRDC. Lastly, the Committee recommended that all RDCs continue to engage in the development of a common methodology to assess the cost-benefit analyses of projects across RDCs.

Finally, I would like to thank staff of the RIRDC for their contribution to this inquiry. It is clear that their continued commitment to Australia's development of rural research and innovation contributes to placing the Australian agricultural sector in a competitive position.

Dick Adams MP
Chair



Membership of the Committee

Chair Hon Dick Adams MP

Deputy Chair Mr Alby Schultz MP

Members Mr Darren Cheeseman MP

Mr Rob Mitchell MP

Mr George Christensen MP

Mr Dan Tehan MP

Mr Geoff Lyons MP

Committee Secretariat

Secretary Mr David Brunoro

Inquiry Secretary Mr Muzammil Ali

Administrative Officers Ms Jazmine Rakic

Ms Louise Goss

Ms Karen Underwood



Terms of reference

On Thursday, 29 November 2012, the Standing Committee on Agriculture, Resources, Fisheries and Forestry resolved to inquire into the 2011-12 Annual Report of the Rural Industries Research and Development Corporation.



List of abbreviations

RIRDC	Rural Industries Research and Development Corporation
R&D	Research and Development
NRP'S	National Research Priorities
PIERD Act	Primary Industries and Energy Research Development Act 1989
NPIRDEF	National Primary Industries Research, Development & Extension Framework
ARCom	Australian Research Committee
The Council	The Rural Research and Development Council
RRA	Rural Research Australia
COAG	Council of Australian Government
CSIRO	Commonwealth Scientific and Industrial Research Organisation
RD&E	Research, Development & Extension
PIMC	Primary Industries Ministerial Council
PISC	Primary Industries Standing Committee
DPI Victoria	Department of Primary Industries Victoria
CRCs	Cooperative Research Centres
NRIA	New Rural Industries Australia

Committee House of Representatives Standing Committee on Agriculture,
Resources, Fisheries and Forestry

ABARES Australian Bureau of Agricultural and Resource Economics



List of recommendations

3 Issues and analysis

Recommendation 1

The Committee recommends that the Australian Government work to ensure a timely and public response by the Primary Industries Ministerial Council to the National Primary Industries Research Development & Extension Framework review recommendations; and that this response clarifies the cross-sectoral role and mandate of the Rural Industries Research and Development Corporation.

Recommendation 2

The Committee recommends that the Australian Government, through the Council of Australian Governments, work ensure that State and Territory government contributions to national research and development remain proportional to Australian Government investment.

Recommendation 3

The Committee recommends that the Rural Industries Research and Development Corporation continue its internal evaluation process for all projects with a view to ensuring that evaluation outcomes for a greater number of projects are a feature of future Annual Reports.

Recommendation 4

The Committee recommends that the Australian Government, through the Australian Bureau of Agricultural and Resource Economics complete the development of the common evaluation methodology for Commonwealth research and development projects and that this be adopted for use by rural Research and Development Corporations.

Recommendation 5

The Committee recommends that the Australian Government ensure that all rural Research and Development Corporations continue to engage collaboratively in the development of a common methodology to evaluate cost-benefit analyses of projects across rural Research and Development Corporations.