The Parliament of the Commonwealth of Australia

# **Smart farming**

Inquiry into agricultural innovation

House of Representatives
Standing Committee on Agriculture and Industry

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## **Foreword**

Australia has always been a world leader in agricultural innovation. Our farmers, supported by researchers, industry groups and other stakeholders, remain at the global forefront of the invention and adoption of technologies. This enthusiasm for change and innovation has helped Australian agriculture to retain its competitive edge over other producers.

Technological advances will be even more important to the future of Australian agriculture. The sector is a part of the broader boom in innovation across the Australian economy. Meanwhile, new technologies will support farm businesses to tackle heightened regional competition, growing resource scarcity, and other challenges.

The agriculture sector must be able to make the most of the innovation boom in order to support productivity growth and to maintain its competitiveness. At the core of the agricultural innovation boom are individual farm businesses that make decisions to adopt new technologies. If the Government wishes to support innovation and growth, it must support these businesses in technology adoption.

In this light, the Committee agreed to conduct an inquiry into emerging agricultural technologies, key barriers to their adoption, and what the Government may do to remove or reduce these barriers.

The Committee was pleased to hear of the vast scope and potential of emerging technologies in agriculture. These technologies will be different from those that have come before. They will perform ever more complex and varied tasks; they will collect and share greater volumes of data; and they will be more integrated across farms and along supply chains.

It became clear that these complex new technologies will bring their own challenges to farm businesses seeking to adopt them. Some of these barriers to successful adoption stem from the demands on internet, cloud and other physical infrastructure. In other cases, some regulations may unfairly impede the use of new technologies.

Another difficult set of barriers to adoption arise from the demand for more people with more advanced skills to shepherd technologies through the

innovation system and into the hands of the end user. There needs to be more collaboration between the organisations in the R&D process. There also needs to be a surge in the skilled researchers and workers supporting the sector.

The Government has already taken strong steps to support innovators in tackling the agriculture sector's challenges, such as through the ongoing rollout of the National Broadband Network.

In other cases, the Committee's recommendations have supported the tailoring of existing programs to the needs of the sector as it undergoes technological transformation. Regulation of technologies like unmanned aerial vehicles, and strategies in areas such as STEM education, may be helpfully adjusted to improve the capabilities of the agriculture sector to adopt new technologies.

These recommendations of the Committee have focussed on ensuring that the Government is responsive to the needs of farm businesses seeking to adopt innovation. The Committee has also recommended ways to support other players in the agricultural innovation system to do the same, for example through continued use of the successful Cooperative Research Centre program.

The Committee would like to express its appreciation to all who have contributed their valuable time and wisdom throughout the course of the inquiry.

Rowan Ramsey MP Chair

# **Membership of the Committee**

**Chair** Mr Rowan Ramsey MP

**Deputy Chair** Ms Clare O'Neil MP

**Members** The Hon. Joel Fitzgibbon MP Ms Melissa Price MP

Ms Michelle Landry MP Mr Dan Tehan MP (to 11/2/2016)

Ms Nola Marino MP (from 11/2/2016) Mr Rick Wilson MP

Ms Cathy McGowan AO MP Mr Tony Zappia MP

Mr Tony Pasin MP

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Research Officers Ms Sarah Codrington

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Ms Georgina Horsburgh (from 1/2/16)

Office Manager Ms Morana Kavgic

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# Terms of reference

The Committee will inquire into and report on the role of technology in increasing agricultural productivity in Australia. The inquiry will have particular regard to:

- improvements in the efficiency of agricultural practices due to new technology, and the scope for further improvements;
- emerging technology relevant to the agricultural sector, in areas including but not limited to telecommunications, remote monitoring and drones, plant genomics, and agricultural chemicals; and
- barriers to the adoption of emerging technology.

## **List of abbreviations**

ABARES Australian Bureau of Agricultural and Resource Economics

and Sciences

ACFR Australian Centre for Field Robotics

ACOLA Australian Council of Learned Academies

ADF-DA Australian Dairy Farmers and Dairy Australia

AIA Ag Institute Australia

ATSE Australian Academy of Technological Sciences and

Engineering

APVMA Australian Pesticides and Veterinary Medicines Authority

AusBiotech Australia's Biotechnology Organisation

AWiA Australian Women in Agriculture

CASA Civil Aviation Safety Authority

CBA Cotton Breeding Australia

CC-SC-ALFA Cattle Council, Sheepmeat Council and Australian Lot

Feeders Association

CRC Cooperative Research Centre

CRDC Cotton Research and Develop Corporation

CSIRO Commonwealth Scientific and Industrial Research

Organisation

DAWR Department of Agriculture and Water Resources (Cth)

GHS Globally Harmonised System of Classification and Labelling

of Chemicals

GM genetically modified

GPS Global Positioning System

GRDC Grains Research and Development Corporation

GTR Gene Technology Regulator

NBN National Broadband Network

NHMRC National Health and Medical Research Council

NRWC National Rural Women's Coalition

PBCRC Plant Biosecurity Cooperative Research Centre

PIRSA Department of Primary Industries and Regions South

Australia

R&D research and development

RD&E research, development and extension

RDC Research and Development Corporation

RFID Radio frequency identification

RIRDC Rural Industries Research and Development Corporation

STEM science, technology, engineering and mathematics

TAFE Technical And Further Education institutions

TFP total factor productivity: total output growth relative to the

growth in traditionally measured inputs of labour and capital

UAV unmanned aerial vehicle

# **List of recommendations**

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Introduction

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Australian agriculture and productivity

3

Emerging technologies in agriculture

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#### Telecommunications and data services

#### **Recommendation 1**

The Committee recommends that the Commonwealth Scientific and Industrial Research Organisation, in cooperation with industry, undertake a technical study to identify cost-effective approaches to using satellite services as backhaul for local wireless networks for agricultural applications.

#### Recommendation 2

The Committee recommends that the Australian Government commit to the continuation of the Mobile Black Spot Programme beyond the second round, and that the Department of Communications and the Arts consider changes or additions to the selection criteria to capture the telecommunications requirements of agricultural activity.

#### **Recommendation 3**

The Committee recommends that the Australian Government, in consultation with industry stakeholders, investigate incentives for mobile network operators to provide roaming services in rural and remote areas.

#### Recommendation 4

The Committee recommends that the Department of Agriculture of Water Resources, in conjunction with public and private infrastructure providers, publish consolidated information about the availability of telecommunications services in rural and remote agricultural areas.

#### **Recommendation 5**

The Committee recommends that the Council of Rural Research and Development Corporations, in conjunction with research and training providers and producer groups, coordinate the development and delivery of educational resources to raise awareness of innovative applications of telecommunications services across the agricultural industry.

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### **Human capital**

#### **Recommendation 6**

The Committee recommends that the Australian Government ensure that rural women's groups are included in future government-led policybuilding activities and inquiries.

#### Recommendation 7

The Committee recommends that the Australian Government target funding for the development of innovative education strategies for agriculture, within the current science, technology, engineering and mathematics funding program.

#### Recommendation 8

The Committee recommends that the Australian Government provide assistance and support to farmers' groups to pursue farming benchmarking and support the development of national data sets.

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### A coordinated approach to research and development

#### **Recommendation 9**

The Committee recommends that the Department of Agriculture and Water Resources, in conjunction with the Department of Industry, Innovation and Science, investigate establishing appropriate incentives for the greater allocation of resources from rural Research and Development Corporations to relevant Cooperative Research Centres.

#### **Recommendation 10**

The Committee recommends that the Australian Research Council review its programs for funding research, with a view to increasing the duration of grants to be at least five years.

#### **Recommendation 11**

The Committee recommends that the Australian Government develop a national working group on agricultural innovation, focused on improved functionality of the agrifood/fibre innovation system. This working group should be developed as part of a wider strategy of cross-sectoral agricultural innovation, within the National Primary Industries RD&E Framework.

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### Regulation

#### **Recommendation 12**

The Committee recommends that the Department of Agriculture and Water Resources pursue legislative and regulatory changes to enable the Australian Pesticides and Veterinary Medicines Authority to use the decisions of trusted and comparable international regulators as a basis for product registration.

#### **Recommendation 13**

The Committee recommends that the Australian Government, through the Council of Australian Governments, pursue reform options to ensure national consistency in the regulation of gene technology.

#### **Recommendation 14**

The Committee recommends that the Australian Government commission an independent review of the implementation and effectiveness of the Gene Technology Agreement with particular reference to the impact of moratoria invoked by state and territory governments under the Recognition of Designated Areas Principle.

#### **Recommendation 15**

The Committee recommends that the Department of Agriculture and Water Resources, in cooperation with Standards Australia, update the

National Standard for Organic and Bio-Dynamic Produce to introduce a threshold for approved genetically-modified material consistent with comparable international standards.

#### **Recommendation 16**

The Committee recommends that the Department of Agriculture and Water Resources and the Civil Aviation Safety Authority develop appropriate extension materials promoting the appropriate use of unmanned aerial vehicles in the Australian agricultural sector.

#### **Recommendation 17**

The Committee recommends that the Civil Aviation Safety Authority investigate regulations requiring unmanned aerial vehicles to be flown within visual line of sight, with a view to amending the regulations to enable agricultural producers to use such vehicles for monitoring purposes beyond line of sight on or over their own properties.

Appendix A: List of submissions

Appendix B: List of exhibits

Appendix C: List of public hearings

Appendix D: Examples of advances in technology in Australian agriculture