



Stimulating private sector extension in Australian agriculture to increase returns from R&D

Dairy Australia Limited

Activity: 14-01-011

Funding: \$1,595,000 (excluding GST)

This summary is an excerpt from the final report, with minor edits made to ensure it meets departmental style and accessibility requirements. The final report can be requested by contacting [Dairy Australia](#).

Summary

The stimulating private sector extension in Australian agriculture to increase returns from R&D project was a three year project to research, develop and test models to build the capacity of the commercial and private sector in delivering research and development and extension (RD&E) services to Australian producers. The project was in response to the trend towards increasing roles for industry and private services in delivering agricultural extension. This represents a shift away from traditional, government-funded extension services. Currently the extent of private sector involvement in extension varies across industries, depending on product markets, policy settings, regional issues and industry demographics.

The private sector is now a well-used information source for farmers, however there is scope to enhance the capability of the private sector in delivering extension. Improving the capacity of private extension service providers will contribute to on-farm profitability and productivity gains.

Objectives

The project aimed to increase the capacity of commercial and private-sector extension services to deliver research and development outputs that improve returns at the farm gate.

The project aimed to ensure that:

- service delivery is of a high quality and is consistent between regions and sectors
- the private sector is closely integrated and networked with the agricultural research sector
- the private sector has the scale and critical mass needed to invest in agricultural extension capacity building, traditionally a key role of the state and territory governments.

Methods

The project took a varied methods approach to gather its quantitative and qualitative data and consisted of five stages which were conducted over the three years of the project. The five stages were:

- 1) reviewing and mapping of private sector engagement in RD&E
- 2) trial interventions to stimulate the private sector and apply learnings across agricultural sectors. The trial stage implemented four trial interventions to stimulate the private sector and apply lessons across sectors
- 3) quantifying farm demand for services and the value placed on advice by farmers
- 4) creating an expert team to diagnose, recommend and mentor cross-sector approaches to extension and to develop models to build private sector capacity
- 5) developing a coordinated and cross-sectoral capacity-building framework to build private sector extension capability.

Outputs

Key project outputs included:

- establishment of governance structures including research, implementation, monitoring & evaluation, communication and economic
- implementation and evaluation of four trial interventions to stimulate the private sector and apply lessons across sectors
- mapping and review of private sector connection with RD&E including a literature review, social network analysis and analysis of market failure
- national surveys of primary producers and advisers to determine demand for and supply of services, models of engagement and the value proposition to be generated through private sector engagement
- national and regional forums to identify key RD&E issues and challenges for farmers and advisers, and to provide project findings
- development of an expert team to mentor the project and undertake a comparison with international farm advisory system developments
- evaluation and communication outputs including project website, monitoring and evaluation analysis and benefit cost analysis.

Recommendations

To address the project findings and establish even greater private sector engagement, it will be necessary to develop incentive and funding arrangements to support coordination amongst advisory networks, private-public collaboration and diversity of delivery. This can be progressed through support to new governance arrangements and a suite of projects that scale-up and support new routines in private sector engagement.

Benefits of the project to industry/primary producers

The project successfully addressed these outcomes in some cases during the project, and in other cases expected to lead to post project:

- improved profit on farm through a private sector that is more engaged in driving innovation based on the latest research and industry best practice
- made research more accessible to farmers through a more integrated and co-operative extension system

- identified barriers to private sector involvement in delivering R&D to farmers
- stimulated further growth of a capable private sector, through training and retention of professionals to ensure the extension system has the extension skills and capability to meet industry needs
- built a stronger connection between primary producers and researchers by trialling different approaches to increase engagement and participation
- present value of benefits from the four trials was estimated at \$14.48 million (present value terms) as a result of total investment of \$3.83 million (present value terms), giving a Net Present Value (NPV) of \$10.65 million.

Collaborations

The project was highly collaborative because of the diversity and number of formal project partnerships, the action learning research and engagement structure/methodology of the project and the focus on 'private sector extension'.

Led by Dairy Australia, the project was a collaboration involving nine partner organisations including six Research and Development Corporations (Dairy Australia, Meat & Livestock Australia, Cotton Research & Development Corporation, Sugar Research Australia, Australian Pork Limited, and Horticulture Innovation Australia), the Victorian and NSW governments, and the University of Melbourne. The private and public primary industries RD&E and advisory sectors collaborated strongly with the project in forums, surveys, and workshops. Private and public advisers were employed in the project in co-innovation roles.

The project was funded by the partners and the Australian Government's Department of Agriculture, Water and the Environment as part of the Australian Government's Rural Research and Development for Profit program.