



## Agricultural Innovation

The Australian Government is committed to increasing productivity and growth in the agricultural sector by integrating new capabilities and technology-enabled delivery to meet the demands of an increasingly connected, changing and complex world.

### What's in this year's budget

The 2022-23 Budget delivers \$53.4 million under the **Innovation and Digital Package** to encourage the development and uptake of innovative agricultural technology, targeted to the needs of Australian farmers.

The Innovation and Digital Package includes:

- delivery of the **Digital Foundations for Agriculture Strategy**, a key element of the **National Agriculture Innovation Agenda**. The Strategy sets the foundation for widespread adoption of digital technologies and identifies 5 focus areas to guide investment in digital technologies that will help to drive ongoing productivity growth in the sector
- establishment of a **National Centre for Digital Agriculture** that will be key to providing national leadership. The initiative also sees additional funding for a dedicated digital specialist and two digital technology officers in each Innovation Hub whose roles will be focussed on driving the uptake of digital agriculture; and
- expansion of the recently developed **Patent Box regime** to include certain activities in the agricultural sector, providing tax incentives for innovations in plant breeding and agricultural and veterinary chemicals.

The Innovation and Digital Package will provide pathways for digital innovation, support the growth of Australia's agtech industry and contribute to widespread uptake of digital technology across the agriculture, forestry and fisheries industries.

### National Agricultural Innovation Agenda

The Australian Government is committed to the National Agricultural Innovation Agenda. Investment in, and adoption of, innovation drives down input costs, increases outputs, and is critical to achieving the industry's ambitious \$100 billion by 2030 goal. To date, this has involved:

- supporting Agricultural Innovation Australia (AIA) by investing \$2.8 million to drive a cross-industry approach to innovation, in collaboration with the 15 Rural Research and Development Corporations (RDCs)

- establishing 8 Innovation Hubs across Australia as part of the \$121.1 million Future Drought Fund's Drought Resilience Research and Adoption Program
- investing an additional \$21.7 million to expand the focus of the 8 hubs across the country to catalyse agricultural innovation, drive commercialisation and create jobs
- launching growAG to help connect research and development outcomes to Australians and the world and drive commercialisation opportunities
- investing over \$300 million annually in matched funding to Rural Research and Development Corporations to further improve the profitability, productivity, competitiveness, and long-term sustainability of Australia's primary industries.

## Why is this important

Productivity growth can be cultivated through advances in technology. The development and implementation of digital technology will help create new jobs, services and markets, supply chain efficiencies and greater sustainability, productivity and profitability. The Innovation and Digital Package supports improvements in innovation across the agricultural sector, including improving access and uptake of new technologies and developing new tools and technology for farmers. The Package supports the development and growth of Australia's own agtech industry to solve challenges and export products and knowledge globally. This funding is essential to continue to grow agricultural productivity, profitability and sustainability while also strengthening international competitiveness, modernising the sector and building vibrant and resilient rural communities.

## How much will this cost

	2022-23	2023-24	2024-25	2025-26	TOTAL
	\$	\$	\$	\$	\$
<b>Agricultural Innovation Package</b>					
National Centre for Digital Agriculture & Innovation and Adoption Hubs	11.8	11.4	3.4	3.4	30.0
Expanding the patent box tax concession to the agriculture sector	3.1	4.4	8.2	7.7	23.4
<b>Subtotal</b>	<b>14.9</b>	<b>15.8</b>	<b>11.6</b>	<b>11.1</b>	<b>53.4</b>

## More information

For more information about our commitment to innovation and productivity, visit [awe.gov.au/budget](http://awe.gov.au/budget)

Read the **Digital Foundations for Agriculture Strategy** on our website.

For more information about the 2022-23 Budget, visit [budget.gov.au](http://budget.gov.au)

