

Australia's agricultural R&D investment on the rise

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The Australian agriculture sector has increased its investment in research and development (R&D) over the past ten years, contributing to growth in the productivity, competitiveness and sustainability of Australian farms.

Dr Jared Greenville, Executive Director of ABARES said the rise in funding was a welcome sign for the agricultural sector.

“R&D continues to be a good investment, with our latest estimates indicating that \$1 of R&D investment generates a return of around \$8 in agricultural gross value added,” Dr Greenville said.

“Total agricultural R&D funding in 2020-21 was \$2.20 billion, with an average annual growth rate of 4.35 per cent from 2011-12 to 2020-21,” Dr Greenville said.

According to Dr Greenville, private-sector funding has been growing at a faster rate than public-sector funding.

“Private sector funding has grown at an average annual rate of 5.63 per cent from 2005-06 to 2021-22, exceeding the 2.02 per cent annual growth rate of public sector investment,” Dr Greenville said.

“The private sector has increased its share of total agricultural R&D funding from 29 per cent in 2005-06 to 42 per cent in 2020-21. While this is welcome news, one note of caution is that a lot of private sector investment relies on underpinning,

publicly funded R&D.

R&D investment enables the delivery of new technology and knowledge into the Australian agricultural system and ABARES has confirmed the importance of R&D to the sector.