

ALIGNMENT TO AUSTRALIAN GOVERNMENT R&D PRIORITIES

Dairy Australia is one of 13 rural Research and Development Corporations and Companies (RDCs) who partner with the Australian Government and the agricultural, fisheries and forestry industries. The Australian Government matches industry expenditure on R&D, dollar for dollar up to a limit of 0.5 per cent of each industry's Gross Value of Productions (GVP). In 2006/07, this partnership invested \$16 million in the dairy industry.

To guide the RDCs' investment strategies, industry and stakeholders are consulted to help develop the Australian Government's R&D priorities. The new Rural Research and Development Priorities introduced in 2007 build on those first introduced by the Australian Government in 1994 and complement the Government's National Research Priorities. They take into account the recommendations of several policy reviews, including the 2006 Agriculture and Food Policy Reference Group Report (better known as the Corish Report). That report emphasised that innovation and leading edge R&D were the foundations for the long-term success of agricultural and food industries.

The new Rural Research and Development Priorities aim to foster innovation and guide R&D effort in the face of continuing economic, environmental and social change. The rural sector needs to be well positioned to respond to and manage change to maintain and improve its long-term profitability, competitiveness and sustainability.

Climate variability and climate change have been included within these Priorities for the first time. This reflects the emphasis the Australian Government puts on the significant risk that climate change poses for the agricultural sector.

The Rural R&D Priorities and corresponding National Research Priorities and Dairy Australia key strategies and outcomes are shown in Chart 7 on the following page. Dairy Australia's three objectives and its activities are informed by, aligned and contribute to the achievement of these priorities.

Chart 7: Dairy Australia's alignment to Australian Government Research Priorities

RURAL R&D PRIORITIES	NATIONAL RESEARCH PRIORITIES	DAIRY AUSTRALIA STRATEGIC PRIORITIES
<p>Productivity and Adding Value Improve the productivity and profitability of existing industries and support the development of viable new industries</p>	<p>Promoting and maintaining good health through strengthening Australia's social and economic fabric and preventive healthcare (healthy food production)</p>	<p>Objective 1</p> <ul style="list-style-type: none"> <input type="checkbox"/> Protect and increase farm business margins, profitability and confidence
<p>Supply Chain and Markets Better understand and respond to domestic and international markets and consumer requirements and improve the flow of such information through the whole supply chain, including to consumers</p>		<p>Objective 2</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ensure farm and processing sectors remain internationally competitive <input type="checkbox"/> Shift emphasis from growing volume milk markets to maintaining and growing markets for higher margin products and components <input type="checkbox"/> Improve demand for dairy products at premium to alternatives <input type="checkbox"/> Ensure industry access to product mix options to maximise returns <input type="checkbox"/> Attract ongoing and new industry investment
<p>Natural Resource Management Support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable</p>	<p>An environmentally sustainable Australia</p>	<p>Objective 3</p> <ul style="list-style-type: none"> <input type="checkbox"/> Maintain and enhance the dairy industry's reputation as a valuable contributor to the Australian economy and wider community, and as a responsible user of valuable resources <input type="checkbox"/> Dairy recognised (by government and the community) as an efficient, responsible user of resources and inputs <input type="checkbox"/> Co-ordinate an integrated industry response to issues associated with climate change and variability
<p>Climate Change and Climate Variability Build resilience to climate variability and adapt to and mitigate the effects of climate change</p>		
<p>Biosecurity Protect Australia's community, primary industries and environment from biosecurity threats</p>		
SUPPORTING THE RURAL RESEARCH AND DEVELOPMENT PRIORITIES		
<p>Innovation Skills Improve the skills to undertake research and apply its findings</p>	<p>Safeguarding Australia</p>	<p>Foresight and analysis of emerging issues</p>
<p>Technology Promote the development of new and existing technologies</p>	<p>Frontier technologies for building and transforming Australian industries</p>	<p>Accelerate the transfer and commercial application of knowledge and innovation for dairy farming and manufacturing</p>