Australian Agricultural Innovation Systems at the Crossroads

‘The view from the ground: What do the customers want or need?’
A viable farming business, is a multi million dollar business.

Agricultural businesses are currently offering a very low return to capital.

In many cases the financial risk growers’ are now taking has doubled or tripled over the last 10-15 years.

The return to management in agriculture has never been higher.
Income to costs

Farm Income Vs Farm Costs: 1988 - 2012
Northern NSW
Crop & Mixed Livestock
Annual Income > $400,000

Data analysis prepared by AgProfit
Income to costs

Income & Costs
Wimmera 1997 - 2012

- Employed Labour
- Finance Costs
- Farm Input Costs
- Machinery Costs
- Farm Income

Source: ORM Data

[Graph showing income and costs from 1997/98 to 2011/12 with various costs categories]
Growers’ want access to timely, statistically valid and independently interpreted information.

The most valuable information to growers is delivered in the context of the farming system, not as information in isolation.

The information pathway is no longer linear. Growers want information delivered differently than in the past, and increasingly online.

They also want it “now”........... like everyone else.
The Conductor
Management ability

- Labour
- Lawyer
- Accountant
- Financier
- Grower
- Agronomists
- Input suppliers
- Marketer
- Information
An individual grower's time and resource allocation is driven by their perception of value. The more value the more resources.

Growers are skeptical by nature, there is no one way to engage them all, so don't have one approach to them.

Always need to make the case for change to move a grower.

“Too much” information is as frustrating as not enough.
## Influencers of practice change

In the context of practice change, the following influencers were investigated:

<table>
<thead>
<tr>
<th>Influencer</th>
<th>Major Influence</th>
<th>Minor Influence</th>
</tr>
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<tbody>
<tr>
<td>Fee for service adviser</td>
<td>52%</td>
<td>26%</td>
</tr>
<tr>
<td>Retail agronomist</td>
<td>41%</td>
<td>35%</td>
</tr>
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<td>Grower group/forum</td>
<td>37%</td>
<td>43%</td>
</tr>
<tr>
<td>Field days</td>
<td>37%</td>
<td>42%</td>
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<td>Local leading growers</td>
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<td>44%</td>
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<tr>
<td>Grains publications</td>
<td>29%</td>
<td>53%</td>
</tr>
<tr>
<td>Grower/adviser updates</td>
<td>27%</td>
<td>52%</td>
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<td>GRDC info</td>
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<tr>
<td>Radio</td>
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<tr>
<td>Govt depr</td>
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<td>46%</td>
</tr>
</tbody>
</table>

*(Base: split sample; all respondents)*
Future issues

There has been a gap in the development of skilled agronomic advisors.

The current advisor models (commercial & private) are flawed. Farming systems and agronomy information is easily copied.

The current farming system is built around herbicide use. However there is little apparent investment in new chemistry. Current actives are under threat and herbicide resistance is a growing issue nationally.
The market will determine who will succeed in the future. Be they researcher, advisor or growers.

Farmers want information. "Just in time, not just in case".

If R&D is not adopted or practice change implemented, then has the R&D delivered value to its stakeholders?
Thank you