



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

**Reference: Effects of the ongoing dividend on smaller public sector agencies**

WEDNESDAY, 22 OCTOBER 2008

CANBERRA

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**JOINT STATUTORY**  
**COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT**  
**Wednesday, 22 October 2008**

**Members:** Ms Grierson (*Chair*), Mr Georgiou (*Deputy Chair*), Senators Mark Bishop, Boyce, Bushby, Feeney and Lundy and Mr Bevis, Mrs Bronwyn Bishop, Mr Bradbury, Mr Briggs, Mr Butler, Ms King, Mr Neumann and Mr Robert

**Members in attendance:** Senator Lundy and Mrs Bronwyn Bishop, Mr Georgiou, Ms Grierson and Mr Robert

**Terms of reference for the inquiry:**

To inquire into and report on:

The effects of the ongoing efficiency dividend on smaller public sector agencies, including:

- whether the efficiency dividend has a disproportionate impact on smaller agencies, including whether or not smaller agencies are disadvantaged by poorer economies of scale or a relative inability to obtain funding for new policy proposals;
- whether the efficiency dividend is now affecting the capacity of smaller agencies to perform core functions or to innovate;
- what measures small agencies are taking to implement the efficiency dividend, and the effect on their functions, performance and staffing arrangements;
- any impacts of the efficiency dividend on the use by smaller agencies of “section 31” agreements to secure non-appropriation receipts (eg through user charges and cost recovery) —noting that these receipts are not subject to the efficiency dividend;
- how application of the efficiency dividend is affected by factors such as the nature of an agency’s work (for example, cultural, scrutiny, or regulatory functions) or the degree of discretion in the functions performed by smaller agencies; and
- if appropriate, alternatives to an across-the-board efficiency dividend to encourage efficiency in the Commonwealth public sector, including consideration of whether certain agencies should be exempted from the efficiency dividend, or whether the rate of the dividend should vary according to agency size or function.

For the purposes of its inquiry the Committee defines “smaller agencies” as those with an operational budget (that is to say, departmental as distinct from administrative appropriations) of \$150 million per annum or less.

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**Committee met at 11.05 am**

**CHAIR (Ms Grierson)**—I declare open this meeting. This is the final public hearing of the Joint Committee of Public Accounts and Audit for its inquiry into the effect of the efficiency dividend on small agencies. Today the committee will hear from the Family Court of Western Australia via teleconference. This agency brings a unique perspective on the efficiency dividend in that it is the only Australian Family Court that is federally funded but administered by a state government. We will also be hearing from the Australian Nuclear Science and Technology Organisation, ANSTO, about its concerns that the application of the efficiency dividend may compromise the safety of assets such as the OPAL reactor.

Before beginning, I advise witnesses that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege.

[11.06 am]

**CARREN, Mr Liam Michael, Manager, Strategic Business Services, Department of the Attorney General, Family Court of Western Australia**

**CROSTHWAITE, Mr Andrew, Principal Financial and Resources Analyst, Department of the Attorney General, Family Court of Western Australia**

**JONES, Mr Gavan Raymond, Director, Higher Courts, Department of the Attorney General, Family Court of Western Australia**

*Evidence was taken via teleconference—*

**CHAIR**—I welcome representatives from the Family Court of Western Australia. I invite you to make a brief opening statement before we proceed to questions.

**Mr Jones**—Firstly, I wish to thank the committee for providing the Family Court of Western Australia with the opportunity to discuss this important issue. I have been following the committee proceedings, and it is apparent that many of the issues encountered by small Commonwealth agencies also ring true for the Family Court of Western Australia. Like many other small agencies, the Family Court of Western Australia is an agency which fulfils a unique and specific role. Our role is the provision of family law services in Western Australia.

The court has an annual budget of approximately \$16 million, including funding from all sources, and employs 121 full-time equivalents, including judicial officers. The Family Court of Western Australia has experienced difficulty in meeting the efficiency dividend each year. Consistent with the comments made by many of the agencies which have so far appeared before the committee, the experience of the Family Court of Western Australia is that there are two main drivers which contribute to the difficulty in meeting the annual efficiency dividend. The first significant factor is the high fixed cost base of the Family Court of WA. Currently, it is estimated that the fixed costs represent 48 per cent of the court's expenditure, from which the court has great difficulty in achieving cash savings. The second significant factor is the difficulty which has been experienced in accessing funding through the new policy proposals process in the budget environment. This particular issue has already been raised by a number of other agencies and discussed at length by the committee.

The Family Court of Western Australia takes its budget management seriously and continues to make genuine efforts to increase efficiency and to operate within its budget. I would like to provide the committee with a couple of examples of what we have been doing to efficiently manage operations. The first example is the introduction of the child related proceedings model. This initiative was implemented at the Family Court of WA in 2006 and resulted in a fundamental change to the way proceedings in the Family Court are conducted. Under this new case management model, the court attempts to resolve family disputes in child related proceedings at the earliest possible intervention, and individually case manages these matters. Ultimately the purpose of this initiative is to produce a better outcome for users of the Family Court of Western Australia and to reduce the likelihood of participants returning to court. While

this initiative has not resulted in cash savings to the court, I use it as an example of where the court has sought to reallocate its resources to improve the quality of its services. In many ways this can be considered an efficiency measure as, amongst other things, it seeks to reduce the revolving door syndrome and to reduce repeat appearances before the court.

The second example I would like to use is the introduction of digital recording equipment, in 2006-07, in all courtrooms of the Family Court. As a result of this initiative, all court proceedings are now recorded and stored digitally. This allows judicial officers to quickly and easily review proceedings from their desktop computer when making decisions. Previously, if a judicial officer needed to review proceedings, a typed transcript of all proceedings needed to be produced. The introduction of this technology has saved judicial and administrative time and has also reduced the cost to the court of producing transcripts, as in many cases typed transcripts are no longer required. In cash terms, this has saved the court approximately \$30,000 per annum in reduced transcript production costs. The notional value of judicial and administrative time has not been calculated and it does not result in a direct cash saving.

Despite the efforts of the Family Court of Western Australia in managing its resources, the cumulative impact of the efficiency dividend over a number of years has resulted in the gradual erosion of the court's funding base. The impact of the efficiency dividend has been a significant contributing factor to the current funding position of the court. In 2007-08 total cash expenses exceeded budget, which comprised Commonwealth funding and court fee revenue, by \$1.27 million. This resulted in all available cash reserves being exhausted, with the Family Court of Western Australia carrying a cash deficit of \$200,000 at 30 June 2008. I note these figures are slightly different from those which were provided to the committee on 14 July 2008. The differences are as a result of revisions made following the final annual audit of expenditure. Needless to say, the Family Court of Western Australia has a serious funding problem. Having said that, it needs to be recognised that the Commonwealth Attorney-General's Department is currently undertaking a funding review of the Family Court of Western Australia. This review has the potential to establish a new base funding position for the court.

Overall, many of the difficulties experienced by the Family Court of Western Australia in servicing the efficiency dividend are similar to those experienced by other small agencies. However, unlike many other small agencies which have appeared before the committee, the Family Court of Western Australia is not a traditional small agency funded through a department's departmental appropriations source. The Family Court of Western Australia has been established as a state court which is currently administered by the Western Australian Department of the Attorney-General. Funding for the court is provided by the Commonwealth in accordance with the funding agreement signed in 1976. Due to this, the Family Court of Western Australia is not directly funded as a Commonwealth small agency but rather receives its funding through an administrative appropriation provided by the Commonwealth Attorney-General's Department. This funding arrangement appears to be fairly unique. It may be that there are other small agency operations which are funded through an administrative appropriation subject to the efficiency dividend, but I thought it would assist the committee to know of this particular arrangement. In this context, the committee may wish to consider small agencies that are currently subject to the efficiency dividend and which rely on administrative appropriation sources. Once again, I thank the committee for the opportunity to discuss this issue and we would be happy to answer any questions the committee may have.

**CHAIR**—Thank you very much for that opening statement. It is a very intriguing one for us and we are very pleased you presented today because it is very different, as you have said. I want to ask a couple of things. Has your application for funding review ever been done before by the Family Court of Western Australia?

**Mr Jones**—We had a review of the workload back in 2003 which gave us some additional funding for an additional magistrate and judicial resources. It did not look at our baseline funding at that particular time. The current review that has been undertaken by the Commonwealth Attorney-General's Department is the first of its kind.

**CHAIR**—From the evidence from other agencies it could be assumed that most agencies do not like to ask for a review in that it acknowledges there are some problems. What brought you to the point where you have had to ask for a review so that your base funding could be looked at?

**Mr Carren**—I think the court was in a position where it was forced to. All available cash funding sources were exhausted and the annual expenditure was far in excess of the funding sources.

**CHAIR**—In your submission you state that your 1976 agreement—and you referred to that today—does not make any mention of the efficiency dividend. Firstly, could you provide us with a copy of that agreement?

**Mr Jones**—Yes, we can.

**CHAIR**—Have you ever formally applied for an exemption from the dividend?

**Mr Carren**—Not to my knowledge.

**CHAIR**—Has that been raised as part of the new base funding or the funding review?

**Mr Carren**—Yes, it has. We have had discussions at officer level.

**CHAIR**—The outcome of the review would be either a new base funding—but you would still have the efficiency dividend applied—or could the outcome be that you would be exempted from it?

**Mr Carren**—We are not aware of what the outcome may be.

**CHAIR**—Do you think all those options are on the table?

**Mr Carren**—All I can say is that the state would hope that those options are on the table and the state would hope that those options are being considered.

**CHAIR**—Have you formally requested any extra funding to meet any additional expenditure, as apparently is within your agreement?

**Mr Carren**—Yes, we have.

**CHAIR**—You say that you have had difficulty getting new policy proposal moneys. Have you ever applied for those as part of the Family Court within the court system?

**Mr Jones**—We made applications last year, which formed part of the Attorney-General's submission, where we got some funding for Indigenous family liaison officers.

**CHAIR**—The digital recording initiative that you say is an innovation—does that link into the benchbook? I know judges have that access to the benchbook.

**Mr Jones**—No, they are two separate systems.

**Mr GEORGIU**—It seems to me that you have got in quite a bit of financial strife generally and it is not really emanating from the efficiency dividend. Is that the case?

**Mr Carren**—I would say that the efficiency dividend has been one of the prime contributing factors to the court's financial situation. It is probably the predominant reason for the court being in its financial situation.

**Mr GEORGIU**—Is it or isn't it the predominant issue?

**Mr Carren**—It is the predominant issue. It is the main issue that the court is in the current situation that it is in.

**CHAIR**—You are saying you did run at a deficit in 2006-07 and 2007-08, and you would say that is directly related to the efficiency dividend?

**Mr Carren**—There are a whole lot of factors that contribute to the financial health of a jurisdiction. If you looked at all of the drivers, ups and downs, there are a whole lot of reasons there. Certainly the state would say that the main reason for the situation it is in is related to the efficiency dividend.

**Mr ROBERT**—The representative of the Family Court of Australia on 20 August made a statement that pretty much said that you guys were in debt to the tune of about \$1.5 million for IT services to the Family Court of Australia. Is that correct?

**Mr Jones**—The IT services for our operational base is called Casetrack. Up until three years ago we had never made a contribution towards that. We are thankful that the Family Court of Australia have supported us over the years. In the last three financial years we have made a small contribution at their request. It is still nowhere near the actual cost of running Casetrack and the licensing of Casetrack. We are hopeful that, as part of our funding review, we will be able to come up with a formal agreement with the Family Court of Australia for the provision of IT services.

**Mr ROBERT**—Considering that three years ago you started to provide an amount of money for the system, was your base budget increased to account for those increases or those new costs?

**Mr Jones**—We found it from efficiency savings within the court, from the baseline funding.

**Mr ROBERT**—Considering the efficiency dividend is entering its 20th glorious year, at what stage did the dividend cease to be about efficiencies and just become cuts?

**Mr Jones**—I am sorry, I am not quite sure I understand the question.

**Mr ROBERT**—I will rephrase it. The efficiency dividend has been around for 20 years. The original intent as per Prime Minister Hawke's second reading speech was that the Commonwealth should receive some of the savings from productivity improvements from new technology, new efficiencies and new management approaches. That was the overarching intent of the efficiency dividend. We are now in its 20th year. I am just trying to get a view from you about whether you still believe that the efficiency dividend as a policy is actually forcing you to achieve efficiencies or is it now just about you making cuts? If it is just about you making cuts and there is no more efficiency, no more blood to wring out of the stone, at what stage did it cease to be about efficiency and start becoming cuts? Was it this year? Was it last year? Was it 10 years ago?

**Mr Carren**—I think that is an issue about government policy, and I do not think it is appropriate for officers to comment on that. That is my understanding of my role in this proceeding.

**Mr ROBERT**—I think it is totally appropriate for you to comment on it. I am simply asking you as an agency. Government have actually put an impost on you, saying: 'Here is your budget and we're going to take X amount of it back again because we want you to find efficiencies out of that.' The question is: are you still able to find efficiencies to meet that efficiency dividend or are you simply cutting services that you need but can no longer fund?

**CHAIR**—Could I just add that this question has been asked to most agencies, and many agencies have pinpointed a time when they considered it a cut. Some said it was approaching now, some said it had already occurred and some said it occurred a long time ago. So it certainly would not be out of order for you to answer that question.

**Mr GEORGIU**—If you are able.

**Mr Carren**—Okay. The court was unable to meet the efficiency dividend, in my opinion, two years ago and started to come into a position where its expenditure well exceeded its annual funding sources. At this point, as we previously mentioned, the court is in a cash deficit position and does not have any other options really in terms of meeting the efficiency dividend in the coming four months.

**Mrs BRONWYN BISHOP**—I am looking at the same question. The concept of the efficiency dividend has been around for 20 years and, looking at it specifically with regard to a court, I am intrigued to know when a court became an agency. And what happened to the doctrine of the separation of powers?

**Mr Jones**—The Family Court of WA is appropriated by line item in the Commonwealth Attorney-General's budget statements and I presume—I do not know—we are treated like a small agency in that context.

**Mrs BRONWYN BISHOP**—Actually, it is a little more serious than that. You are a curious animal in the way you are funded and the way you are established, I suppose, and different from the way it is established in other states. But it also applies to the High Court and the Federal Court and the AAT. Maybe I can wear the AAT being an agency, but I have a great deal of difficulty in describing a court as an agency. I am wondering if you have ever challenged that.

**Mr Jones**—No, the Family Court of WA has never challenged it.

**Mrs BRONWYN BISHOP**—Have you ever thought of it?

**Mr Jones**—No.

**Mrs BRONWYN BISHOP**—Do you think of yourselves as a court or an agency?

**Mr Carren**—I think that the judiciary would certainly hold the view that you mentioned, that they see themselves as not an agency. Then there are the administration functions, which perhaps are seen a little bit differently.

**Mrs BRONWYN BISHOP**—So the appropriation is for the payment of administration only?

**Mr Carren**—No, the appropriation is for judicial costs and administration.

**Mrs BRONWYN BISHOP**—Does that include judicial salaries?

**Mr Carren**—That includes judicial salaries.

**Mrs BRONWYN BISHOP**—It would be a hard ask to apply an efficiency dividend to their salaries, wouldn't it?

**Mr Carren**—Yes, it would.

**Mrs BRONWYN BISHOP**—Has anybody ever tried?

**Mr Carren**—The efficiency dividend is applied to judicial salaries in this agreement already.

**Mrs BRONWYN BISHOP**—So their salaries are discounted?

**Mr Carren**—The overall value of the grant is discounted, and part of the grant is judicial salaries.

**CHAIR**—For the benefit of Hansard, would each witness speaking identify who they are each time, if possible.

**Mr Carren**—Certainly.

**Mrs BRONWYN BISHOP**—Are you telling me you have actually lessened the salary of judges? I thought judges' salaries were set separately.

**Mr Carren**—No, the judges' salaries are not lessened. There is one total value for the Family Court appropriation and part of that is the judicial salaries. The efficiency dividend is applied to the whole value and, conceptually, the judicial salaries are in that base. The efficiency dividend we have to find cannot be found from judicial salaries, unless an appointment is not made on a retirement, so we just have to find those equivalent savings from the administration.

**Mrs BRONWYN BISHOP**—It is an interesting one, isn't it? Do you feel that it is unfair to put an efficiency dividend on courts? Do you think it is improper?

**Mr Jones**—I suppose the answer to that is really about government policy.

**Mrs BRONWYN BISHOP**—Again, what happened to the doctrine of the separation of powers? That sounded like a Joh Bjelke-Petersen answer.

**Mr Jones**—The answer to the question is that it makes it extremely difficult for the court to function, and that is indicated in our financial auditor's statement.

**Mrs BRONWYN BISHOP**—That is called ducking the question.

**CHAIR**—One of the suggestions you make is that non-discretionary spending—you have said 48 per cent of your funding is salaries et cetera; things that are fixed commitments—be exempt from the efficiency dividend. Is that your preferred position or just one of the possible positions you would have?

**Mr Jones**—My preferred position is that we would be totally exempt.

**CHAIR**—You are talking about cuts to services. Senator Lundy has a question she would like to ask.

**Senator LUNDY**—I am interested in your ability to comply with the *Protective Security Manual*, and related security policy requirements by the Commonwealth, as a result of the impact of the efficiency dividend on your budget.

**Mr Jones**—The security provisions for this building are provided as part of the lease arrangements with the Commonwealth for the building.

**Senator LUNDY**—What about in relation to your information technology services? Do you know whether or not you comply with all of the requirements of the *Protective Security Manual* relating to information technology?

**Mr Jones**—I do not know the answer to that. Casetrack, our IT system, is supported by the Family Court of Australia and I presume that if they comply then we would comply because we share the same system.

**CHAIR**—Could you elaborate on the services you think you have had to reduce and the impact that is having, particularly on regional Australia, because Western Australia, as you understand, is a huge state. Could someone elaborate on the direct cuts to services or reductions to services and particularly those in regional areas?

**Mr Jones**—One of the real issues that we have is the provision of Family Court counselling services. Up until last year our counsellors used to travel to regional WA. We have had to cut back their services significantly and to reduce the times that they travel to rural WA, which obviously is not providing the service that we would like to provide to residents living outside Perth.

**CHAIR**—How many Relationships Australia or those types of officers does Western Australia have?

**Mr Jones**—Off the top of my head, I think it is five.

**CHAIR**—Are they all in Perth?

**Mr Jones**—No, they are not. They are scattered throughout WA.

**CHAIR**—Are there other services that have been reduced or cut?

**Mr Jones**—We have rationalised our circuit work to regional WA, and we only travel there if significant matters are listed. The other one that I would like to comment on is in relation to the child related proceedings model. We only operate that in Perth because we cannot operate it in rural WA. We would like the opportunity, and as part of our funding review we have put it in our submission, to cater for that model to be available to everyone living in WA.

**CHAIR**—That model is available in other Family Court registries around Australia as well.

**Mr Jones**—It is.

**CHAIR**—But it is, in my understanding, human resource intense. However, you are suggesting to us that the long-term gains in terms of stopping that revolving door syndrome should be measured and taken into account—is that right?

**Mr Jones**—That is correct. We have had a preliminary review of the model which provides, I suppose, the basis of a more longitudinal study, which we will undertake over the next two years.

**Mr GEORGIU**—What do you define as being non-discretionary expenditure?

**Mr Crosthwaite**—The way we have categorised that is fairly similar, I think, to the way the Family Court did in their supplementary submission to the committee. We are counting our fixed expenses: the rent of the building; the maintenance on the building; the outgoings associated with the building such as electricity, rates, gas, cleaning et cetera; our insurance costs; judicial salary, leave and superannuation; the motor vehicles which are attached to the judiciary; and any FBT liabilities that are attached to those judicial benefits. So, essentially, it is the fixed judicial costs and our fixed property costs, and that is 48 per cent of our actual expenditure in 2007-08.

**Mr GEORGIU**—Okay. Thank you.

**CHAIR**—Is that an unusual arrangement with the building trust fund? I am not aware of other family courts having a building trust fund.

**Mr Carren**—We really cannot comment on trust accounts that other agencies have. The trust account that we closed down was in operation in relation to a Commonwealth contract that I understand applied to all Commonwealth law courts buildings. There was a trust account associated with that contractual arrangement and that has now been closed down.

**CHAIR**—When I asked you before about extra funding requests you did say that you were successful in that Indigenous grant. Is that right?

**Mr Jones**—Yes, that is correct.

**CHAIR**—Do you feel free to ask for a review of your base funding at any time or do you think it gets to the stage where an agency is in trouble and therefore their situation is reviewed after the event?

**Mr Carren**—All I can say is that we have asked for a review once and that request has been granted.

**CHAIR**—If there are no more questions, we thank you for appearing today and we look forward with interest to the outcome of your request. We thank you for assisting us with our inquiry. The interest that has been shown is very encouraging for us. If we do have any further questions, can we put them to you in writing?

**Mr Jones**—Yes. You can put them into us in writing.

**CHAIR**—We will try very hard not to because we know those efficiency dividends are cutting into resource levels. Thank you very much.

**Mr Jones**—Thank you very much. We will forward a copy of the 1976 agreement to your committee.

**CHAIR**—Thank you. We would appreciate that and we will accept your opening statement as a submission.

**Mr Jones**—Excellent.

**CHAIR**—You did not add anything extra in that, so that is all right. Thank you very much.

**Mr Jones**—Thank you very much.

[11.37 am]

**CAMERON, Dr Ron, Acting Chief Executive Officer, Australian Nuclear Science and Technology Organisation**

**CUBBIN, Mr Douglas, Acting Chief of Operations and Chief Financial Officer, Australian Nuclear Science and Technology Organisation**

**CHAIR**—I welcome representatives from the Australian Nuclear Science and Technology Organisation. Before I ask you if you wish to make a brief opening statement, I will just clarify for Mr Robert that you are an agency that has a budget above what we would normally consider that of a small agency. However, you have suggested to us that you have a very special function, and our terms of reference mean we are interested in comparative information so we do need to do some of these comparisons to see the impact on larger agencies as well. We are trying to be inclusive of that and this is part of the Department of Innovation, Industry, Science and Research's submission as well, so we are very happy that you have asked us for this special briefing. Do you wish to make a brief opening statement before we proceed to questions?

**Dr Cameron**—Thank you. ANSTO owns and operates a number of major capital assets on behalf the Australian government which form an essential part of Australia's research infrastructure. All 37 universities in Australia and New Zealand use these facilities, and access to the major facility, the OPAL research reactor, is free based on the quality of research. ANSTO welcomes the key role it performs on behalf of Australia; however, one consequence of this large asset base is that approximately 85 per cent of our expenditure is fixed, with a large portion of that due to operating and maintenance costs associated with those assets. ANSTO is of course also subject to strict safety and security regulations, compliance with which imposes additional costs to which we cannot and would not want to apply reductions or curtailment.

A comprehensive pricing review undertaken jointly by ANSTO and the then Department of Finance and Administration in 2000-01 emphasised the need to maintain ANSTO's appropriation and to recognise that the imposition of an efficiency dividend on ANSTO was inequitable and inefficient. We were therefore exempted from the efficiency dividend until the 2008-09 budget, when an efficiency dividend of two per cent was imposed. This efficiency dividend was applied to ANSTO's total appropriation and not just to the agency's running costs. In that regard, I have to note that the submission of the Department of Finance and Deregulation to this committee was in error with regard to ANSTO when it stated that ANSTO was exempt from the two per cent efficiency dividend.

The calculation of the parameter adjustment for inflation is also a matter of considerable importance to us. For example, ANSTO's operational costs in the 2008-09 year are increasing by between six and eight per cent, while at the same time our parameter adjustment was 2.2 per cent. This is not a novel event. In previous years the increasing difference between the parameter adjustment and our cost increases has been absorbed by undertaking efficiencies and reducing overheads, to the extent possible, although there has inevitably been an impact on our activities—for example, a reduction in some maintenance spending across the organisation and, more fundamentally, a reduction in our research across the spectrum.

The inadequacy of the parameter adjustment has in fact operated as a de facto efficiency dividend over that period of time. Taken together, the costs and loss of income associated with the OPAL reactor shutdown, the imposition of the efficiency dividend and other budgetary cuts and the inadequacy of the parameter adjustment meant that ANSTO faced a total deficit of around \$16 million for 2008-09. Given the large proportion of our costs which were fixed and the safety and regulatory considerations outlined above, such a deficit could not be addressed without significant cuts in staff numbers. We have therefore been forced to cut approximately 80 positions or eight per cent of our workforce. This has impacted most significantly on our research programs, given the fixed nature of so many of our facility costs. That is all I wanted to say by way of an introductory statement.

**CHAIR**—You make points that have already been made and you have reinforced some points made by other agencies. Certainly, as members of parliament, we are concerned when you state that reducing asset related funding has the potential for your agency to compromise safety. Could you elaborate on this and tell us some of the safety concerns. I note that you say you are reducing maintenance—we would hope you would get that right. So please elaborate for us.

**Dr Cameron**—Clearly, applying safety, security and regulation are our top priorities. What I said—and if it was not clear I will say it again—is that we would not in any respect seek to reduce those. They remain absolutely important to us and we will ensure that we maintain the highest standards of safety in the operation of our plant. When we talk about the reduction in maintenance spending, that is generally related to building maintenance. That is just issues of replacement and renewal; it does not apply to our major assets, and certainly not to our nuclear assets. They remain separate from all of that, and we would not in any respect apply reductions there.

**CHAIR**—That is reassuring. However, the contracts for security and ongoing maintenance are of special concern. Do you organise those contracts yourself or are they organised by the lead agency?

**Dr Cameron**—There was a cabinet decision some time ago which required us to use the Australian Federal Police as our agency to provide security and they continue to do that. We have, of course, seen a significant increase in their costs over time. That related particularly to the case where it used to be the Australian Protective Services, which was amalgamated with the Australian Federal Police, and that caused some differences in agreements and salaries and so we saw a one-off increase in cost. In terms of other maintenance activities we have a maintenance organisation—a campus services group on site—that does maintenance. We outsource most of our non-core activities in terms of maintenance.

**CHAIR**—And do you try to drive down costs on that?

**Dr Cameron**—We do. In fact, this year we are hoping to put all our maintenance out as one contract and we will be going through that tendering process over the next few months. We hope that will create some flexibility. We are, however, conscious that agencies which have done this in the past have had quite good responses from outsource groups but you get a sort of ‘A team’ for the first year and you get a ‘B team’ for the second year, so we have to be careful that we do not get services declining over that period of time.

**CHAIR**—I think that is an interesting experience for you to share with us. What percentage of your expenditure is related to fixed costs and, in particular, what percentage is related to compliance with safety and security regulation?

**Mr Cubbin**—Our fixed costs are about 85 per cent of our total costs.

**CHAIR**—Why is that so high? We have never come across an agency that has been at that level.

**Mr Cubbin**—Around 50 per cent of our costs are labour costs so the only way we can reduce those costs is to reduce head count, which we were forced to do in the last budget round. Around 25 per cent of our costs are depreciation. Then we have costs such as security, fuel for the facility and utilities et cetera and we basically incur those costs straight up.

**CHAIR**—Do you pay for the AFP service?

**Mr Cubbin**—Yes, we do.

**Dr Cameron**—We pay about \$5 million a year for that service. It increases at around six to eight per cent per year and it has been doing that pretty consistently. The issue with the AFP—and I know they have been working very hard to see how they can get around this—is that if there were no competitive neutrality process applied to the Australian Federal Police that would mean their costs to us could come down. Since there is really no choice for us there is not a competitive neutrality issue so that is an issue we have been trying to work through with them. I think it is probably worth saying again that the nature of the organisation is that something like 50 per cent of our budget just goes to operating facilities before we even use them, as it were.

**CHAIR**—How much can you recover in terms of the universities that you service et cetera. Is that a fee-for-service model?

**Dr Cameron**—No. I think the model we use is the right model. It is the model used internationally. The government funded us on a whole-of-government basis to build our facilities and therefore those facilities should be available to all researchers, so we do not charge. The only thing required is for them to go through a research quality assessment process to make sure we are getting good research done. Other than that, their access to our facilities is essentially free.

**CHAIR**—Do you have any income from any other service provision?

**Dr Cameron**—Yes, we do. When we operate our reactor, for example, we irradiate isotopes to produce nuclear medicines, and selling nuclear medicines is around a \$20 million business.

**CHAIR**—Are we making a profit on that, or are we doing it on a cost recovery, or a cost recovery plus something?

**Dr Cameron**—No, we do not make a profit on it. It is cost recovery minus, in our case. I think we have to understand that a lot of what we provide for radiopharmaceuticals is on a national interest basis.

**CHAIR**—Yes, of course.

**Dr Cameron**—If you looked at it as a straight commercial case you would not do it. For instance, there is quite a need for iodine 123 for treatment of certain diseases in children. We only produce a few hundred doses but they are a very important few hundred doses. We do not make any money on that. We probably make a loss in each dose but, nevertheless, we think it is part of what the government funds us to do.

**CHAIR**—Yes, and I know our PET scanner people from Newcastle sing your praises.

**Mr ROBERT**—Looking at your budget, 15 per cent is not fixed, which is about \$34 million, yet the government has actually sought to put the two per cent efficiency dividend across the entire budget. Given that eight years ago discussions between you and the then Department of Finance and Administration resulted in them actually getting rid of the efficiency dividend applying to you, why do you think the government has sought to put the two per cent across the entire budget for this year?

**Dr Cameron**—As we understand it, that was just a government policy decision to apply it to all agencies. I do not think there was an individual consideration of agencies in that process.

**Mr ROBERT**—Let us take that as read. That two per cent across your budget amounts to about \$4½ million, although if you just look at the non-fixed costs—that is, the 15 per cent of your budget, \$34 million—it is actually an efficiency dividend of about 7½ per cent that is put across you. Then if you look at your cost increases or your primary increase of about two to 2½ per cent and your real cost increases of, let us say, eight per cent, it is actually about a 15 per cent efficiency dividend that has been put across you for this financial year. What is your cunning plan to deal with that 15 per cent increase in cost?

**CHAIR**—That is a dorothy dixer.

**Dr Cameron**—I think there is no cunning plan. We have worked very hard at efficiencies, and our operational costs have gone down over that period of time even though our activities have expanded. But this year we had to accept that we could not cover all of the deficit, so we have just completed a restructuring. We have had to let go 80 people from the organisation.

**Mr ROBERT**—Was the loss of those 80 people an efficiency measure? That is, were those 80 people you did not need? Did you have an eight per cent slush of people or did you actually cut functions?

**Dr Cameron**—We have actually cut programs. We have particularly cut our research programs, because unfortunately, due to the nature of our fixed space, in some respects our research has had to become discretionary. It is the only thing we have that we are able to adjust. About half of those went from our operational side and about half went from our research side. On the research side, it was a matter of saying we will not do these programs any longer.

**Mr ROBERT**—So which programs are you not going to do? What capability is the nation missing out on because you have cut 80 staff?

**Dr Cameron**—They related to a range of issues in our materials area. For example, we closed down a number of programs that were there to support Australian industry, relating to problems with materials in power stations and things of that nature.

**Mr ROBERT**—So which particular programs did you close down?

**Dr Cameron**—We closed down some programs and curtailed others. For example, in our climate research we were looking at a number of ways to understand past climate change. One of the things you can do in understanding past climate change is to look at ice cores, because they give you a history of the climate. You can look at tree rings. You can look at various things. We decided we could not look at that range anymore, so we have concentrated on the ones we thought would provide the best information and cut the others.

**Mr ROBERT**—So are you saying that you are cutting your scientific advice on climate change to the government?

**Dr Cameron**—We are actually cutting some of our research that might have provided useful information.

**Mr ROBERT**—Right. What other programs have been cut?

**Dr Cameron**—The area of research that took the largest cut was probably our materials research. We have been cutting down some programs where we used to collaborate with overseas agencies to actually develop more advanced materials for particular uses, particularly those for operating in high-temperature environments.

**Mr ROBERT**—What programs have you curtailed?

**Dr Cameron**—Our curtailed programs have been across the range. We have curtailed some of our research that we were doing for new radiopharmaceuticals and we have curtailed some of the work which we were doing in our atmospheric modelling, understanding the behaviour of the lower atmosphere. There is one in each of those areas that we can talk about. We have tried to handle that in the best way we can. We have worked on the basis that we would not cut core programs, things we thought were essential to the organisation or to what we should be doing. But, inevitably, some of our programs with universities have been cut.

**Mr ROBERT**—So the radiopharmaceuticals program has been curtailed. What is the end state of that program? What are you hoping to achieve through it?

**Dr Cameron**—The radiopharmaceuticals program has had not so much a cut as a lack of growth. We had intended to have growth in that area.

**Mr ROBERT**—That, sir, is a cut!

**Dr Cameron**—The intention of the radiopharmaceuticals program is, for example, to look at what the next PET isotope is that we would expect to use. We have been looking at some programs to understand better the diseases of ageing, in particular whether we can get diagnostic compounds that will help us to slow the progression of Parkinson's and Alzheimer's in patients.

**Mr ROBERT**—What impact will this cut actually have on future treatments for those particular ailments and so on?

**Dr Cameron**—Generally, it is a delay in a program that we might have wanted to push ahead more quickly. It just means we prioritise more strongly. We do those things that we think we can achieve best impact quicker. We will have to put some of those programs on the backburner until we have the capability to fund them again.

**Mr ROBERT**—It is a little disturbing to hear research into Parkinson's and other diseases associated with the term 'put on the backburner'. You have also curtailed the atmospheric modelling program. What is the intent and outcomes of the atmospheric modelling?

**Dr Cameron**—The atmospheric modelling program used particularly the movement of radon in the atmosphere to understand all those near-surface processes. That is important in developing models of climate change, climate behaviour and weather patterns et cetera.

**Mr ROBERT**—So, once again, there is a curtailment in expenditure on research for advice to the government on climate change.

**Dr Cameron**—Whether it was advice to the government or whether it just goes into other organisations who actually use modelling results, yes.

**Mr ROBERT**—Has the government provided any advice to you as to the impact of this cut and the impact of the advice through?

**Dr Cameron**—No, not yet.

**Mrs BRONWYN BISHOP**—You said you have not cut back on your core research. I would be interested to hear a description of that, and also whether some of the core research, or some of the research you have curtailed or cut, was contract research, or whether it was blue-sky research?

**Dr Cameron**—What I mean by core research is that our major asset as an organisation is our research reactor, and the utilisation of that research reactor is really key to the future of ANSTO and realising the future opportunities from having a modern, state-of-the-art research reactor. We have not curtailed any of the programs of work for use of the neutron beam instruments, for example. They have been kept going. We have not made any cuts to the group that operates the reactor and provides the utilisation for that. We made it very clear that they would be kept separate from any cuts.

**CHAIR**—Before you progress to the next part of your answer, is the OPAL reactor fully operational at present? It was down for quite some time.

**Mrs BRONWYN BISHOP**—I was coming to that.

**CHAIR**—Sorry, I will leave it with you, then.

**Dr Cameron**—The other areas we really regard as core in our research are activities which, first of all, enable us to maintain the awareness of nuclear materials, because we need to understand how the reactor is operating and be able to deal with issues that might come up operationally. We have really maintained a lot of our radiopharmaceuticals research even though we have not been able to move forward into some of our growth. We have maintained quite strongly our program of work in water research. The understanding of water—being able to trace water flows, pollution, coastal erosion and air pollution—is work which we do for state governments, EPAs and others, and we have continued that. And obviously we have had to keep our safety and security areas, which are core to the organisation, intact from any cuts.

**Mrs BRONWYN BISHOP**—And I asked you about contract and blue-sky research.

**Dr Cameron**—I think as an organisation we tend to be towards the applied end anyway. When we talk about blue-sky research, we often either rely on universities or work with universities which are doing this discovery type research. We have a little bit ourselves but most of ours is targeted towards particular problems. We have a problem that we are trying to look at and we are applying nuclear techniques to look at that problem.

**Mrs BRONWYN BISHOP**—Do you do that for a fee or do you self-initiate?

**Dr Cameron**—We do both. We have contract research as well and I do not think any of our contract research has been affected. For example, we do quite a lot of contract research with BHP Billiton in looking at minerals industry and the extraction processes to get better efficiencies for the extraction of copper or other minerals or uranium et cetera, so that contract research has gone ahead likewise on the grant income that we were part of. If we were part of an ARC grant, we have continued all our commitments that we had in place. I suppose that is the best way to put it.

**Mrs BRONWYN BISHOP**—I want to go to that contract research, because you said that you develop isotopes and make \$20 million a year which is cost recovery less a bit. That comes from the use of the reactor. But presumably in doing contract research for BHP Billiton, you would charge a good healthy fee.

**Dr Cameron**—Yes.

**Mrs BRONWYN BISHOP**—I think it would be a fair comment to say that OPAL has not been a successful installation.

**Dr Cameron**—I do not think I would agree with that, but I am happy to debate that one with you.

**Mrs BRONWYN BISHOP**—All right. Is it working full-time now?

**Dr Cameron**—Yes, it is.

**Mrs BRONWYN BISHOP**—How long did it not work for?

**Dr Cameron**—We had a period of about 10 months when it was shut down due to a fuel problem. I must point out that fuel is a consumable. It is a thing we put in the reactor and take out again. The design of the fuel was not optimal, so we had a problem with those fuel elements. It was not a problem with the reactor itself. It was a problem with a fuel that we burn up to take it out again. Nevertheless, we had to deal with that issue. It needed a redesign of the fuel. That redesign was done in about three months but after that it took about six months to get regulatory approvals before we could restart, so all in all we were down for about 10 months. That fuel problem has been solved and the fuel is now working well.

**Mrs BRONWYN BISHOP**—With something as complicated as the contract for the reactor being installed, I would have thought that the contract would have contained benchmarks for delivery times and there could have been either payments made if they were ahead of schedule and penalties paid by the company if they were behind schedule. The question of what the cause of the fuel problem was is very important and the question of whether or not you are able to get compensation from the company who installed the reactor is also a very important point. Presumably, it would react very much on your bottom line.

**Dr Cameron**—Yes, that is true and I think we made the point that we had to deal with quite significant dollar issues last year. Nevertheless, that does not reflect in terms of the 2008-09 budget. That was dealt with last year.

**Mrs BRONWYN BISHOP**—Did you get compensation?

**Dr Cameron**—I think there are ongoing contractual negotiations between ourselves and the reactor vendor, and those have not yet been concluded.

**Mrs BRONWYN BISHOP**—So the answer is that you have not received it, which means it is relevant to this financial year because you are still negotiating.

**Dr Cameron**—There are two sides to that. One is that it is clearly the responsibility of the vendor to fix any problems. The contract is very clear, and any costs involved in fixing the problems are their costs. The second issue is whether it is possible for us to get business continuity insurance, and the answer is that that is an insurance claim issue not an issue for the reactor vendor.

**Mrs BRONWYN BISHOP**—The contract did not have benchmarks in it for meeting deadlines and being penalised if they do not meet them and so on?

**Dr Cameron**—Yes, it does. It certainly does.

**Mrs BRONWYN BISHOP**—There was no such thing as a contract?

**Dr Cameron**—No, there are liquidated damages in the contract.

**Mrs BRONWYN BISHOP**—Have they been paid?

**Dr Cameron**—The liquidated damages do not apply until a period of two years after first operation, because this is a complicated piece of machinery and we would expect to take two

years to fully commission it. The equivalent reactor in Germany took four years to commission and it was simpler than ours. So in the first two years there are not any business losses in the contract, but after two years those sorts of liquidated damages apply.

**Mrs BRONWYN BISHOP**—Would you expect to be able to get compensation for loss of business?

**Dr Cameron**—Compensation for loss of business will be an insurance claim with Comcover, not with our reactor vendor.

**Mrs BRONWYN BISHOP**—But there will be liquidated damages for failure to deliver on time?

**Dr Cameron**—There are liquidated damages for failure to deliver performance as defined in the contract.

**Mrs BRONWYN BISHOP**—How many contracts do you have with people like BHP Billiton?

**Dr Cameron**—We have quite a few. For instance, in the uranium mining industry we would probably have contracts with all the major players in the area.

**Mrs BRONWYN BISHOP**—You will tell me, presumably, that the cost that you charge them for doing this research is commercial-in-confidence.

**Dr Cameron**—We charge them full commercial rates.

**Mrs BRONWYN BISHOP**—Right. So without identifying which companies are paying for what, how much income did you lose from that source during the shutdown?

**Dr Cameron**—We really did not lose any income from that source because the people who are working, for instance, in our minerals area do not rely on the reactor per se for their work.

**Mrs BRONWYN BISHOP**—Have any of the retrenchments of the 80 positions impacted on that contract research?

**Dr Cameron**—No, they have not.

**Mrs BRONWYN BISHOP**—Do you identify that source of income as a profit centre in your annual report?

**Dr Cameron**—Yes, we do.

**Mrs BRONWYN BISHOP**—What figure is that?

**Mr Cubbin**—There is about \$6 million in income from that particular business.

**Dr Cameron**—And we have a number of other businesses that are similar. We have about \$14 million that we get from commercial income from that type of research and then there is about \$20 million that is from radiopharmaceutical sales.

**Mrs BRONWYN BISHOP**—So there was \$6 million and there was \$20 million. What was the middle figure?

**Dr Cameron**—The total income from commercial consultancy is about \$14 million, and that includes the \$6 million for our minerals area.

**Mrs BRONWYN BISHOP**—Does that business have a capacity to grow?

**Dr Cameron**—Yes, it has. The ANSTO minerals group has grown consistently over the last few years, and at the moment it has more work than it can cope with.

**Mrs BRONWYN BISHOP**—Does the efficiency dividend in any way limit the way in which you can grow that business?

**Dr Cameron**—No, it does not.

**Mrs BRONWYN BISHOP**—So your problem with the efficiency dividend is that you were exempted from the ongoing one but now you have been hit with the one right across all your costs.

**Dr Cameron**—Yes, and we have only a small area of our discretionary expenditure where we can apply it. So it unduly hits one particular area because that is the non-fixed bit of what we do.

**Mrs BRONWYN BISHOP**—When you tell me that it is 85 per cent of your income, what are we calling your income? Does that include all this contract work and the \$40 million that you get for additional work? Is that counted in as income, of which you say 85 per cent is fixed?

**Dr Cameron**—Yes, I think our number is something like \$200 million, of which \$40 million is capital type funding—mainly depreciation funding. So, of the \$150 million or \$160 million, another \$40 million is revenue which we earn ourselves, and that means that our appropriation is about \$110 million or \$120 million.

**Mrs BRONWYN BISHOP**—So does the efficiency dividend apply to the revenue that you have raised yourself?

**Mr Cubbin**—No.

**Dr Cameron**—No, it only applies to the appropriation.

**Mrs BRONWYN BISHOP**—With regard to the depreciation funding, is that the same depreciation funding bucket that was introduced by the previous government and that, for instance, the War Memorial has access to—and which they used, in fact, to pay their efficiency dividend out of? Is that the same rather generous depreciation funding that was put in place by the last government?

**Dr Cameron**—We distinguish very clearly between operational funding, which was our appropriation—that \$110 million—and our capital funding, which is mainly depreciation. We do not take any operational money out of capital funding.

**Mrs BRONWYN BISHOP**—But is that the source of the depreciation funding?

**Dr Cameron**—We see it as one sum of money, so I am not quite sure how the government finds—

**Mrs BRONWYN BISHOP**—Were you getting that sum of money for the last 10 years or did you suddenly get a new sum of money in the last coalition budget?

**Dr Cameron**—We get a sum of money related to our assets valuation. So we have our assets valued and, on the basis of that, there is depreciation money which is applied. On the additional money we got, obviously we have a new facility come on board, OPAL, so we had some extra depreciation funding attached to that.

**Mrs BRONWYN BISHOP**—But that was similar to the more generous depreciation funding that other small agencies got?

**Dr Cameron**—I would assume so, but I do not know how other agencies are funded.

**CHAIR**—You said 80 positions had been forgone. What types of positions were they? Were they at the highest level in terms of high-tech jobs or were they across the board? What sorts of cuts did we see?

**Dr Cameron**—There were about 40 people out of our operational side and about 40 people out of our research side. Out of the research side, I think there were 26 who had PhDs.

**CHAIR**—You mentioned in your submission that you have been disadvantaged in terms of the new policy proposal process. Have you ever applied for a new policy proposal? What has been your experience in terms of new policy proposals?

**Dr Cameron**—In the last few years we have been relatively successful with new policy proposals. We had a new policy proposal to get some additional money recognising the extra cost for operating our reactor. We had a new policy proposal to refurbish some of our radiopharmaceutical area. We were successful with those. We had a couple of new policy proposals put in. One was to have a graduate program. The second was for some nuclear collaboration research with universities. As a result of the change of government the new policy proposal for the graduate program was withdrawn, as was the nuclear collaboration fund. The latter was about \$12½ million and the former was about \$6 million. We are committed to the graduate program so we will fund it anyway. But that money was actually withdrawn over the next three years from our appropriation. We have currently put in a new policy proposal which asks for additional appropriation funding to deal with our cost increases running at about six to eight per cent.

**Mr GEORGIU**—You said the new policy proposals were withdrawn. Were the proposals withdrawn or was agreement to them withdrawn?

**Dr Cameron**—They were agreed and they were in the forward estimates, and then they were reversed out of the forward estimates.

**Mrs BRONWYN BISHOP**—So the coalition agreed to it and the Labor Party took it back.

**Dr Cameron**—Yes, that is correct.

**CHAIR**—Were there actually finalised contracts drawn up or anything like that at that stage?

**Dr Cameron**—In terms of the graduate program we had gone through the graduate round and we had made the offers, so we were committed to employ those staff.

**CHAIR**—And you could not then?

**Dr Cameron**—We did.

**CHAIR**—Because you were already committed. So you had to pay for that yourself?

**Dr Cameron**—Yes.

**CHAIR**—The department of finance said that agencies that were currently exempt from the ongoing efficiency dividend would also be exempted from the one-off two per cent efficiency dividend, and that did not apply to you. Did you receive an explanation from the department of finance for why you are not exempt?

**Mr Cubbin**—No. We were just told at the end. We were told all along it was unlikely that we would be included. And then just prior to the budget we were told we were included and to factor it in.

**CHAIR**—Have you written and formally requested some clarification or explanation of that?

**Dr Cameron**—No, we have not.

**CHAIR**—It is something we can follow up.

**Dr Cameron**—It was a process that happened through the budget, so we are now just dealing with it.

**Mr GEORGIU**—It seems a bit odd, getting money rorted out of you that has been agreed to. I am just saying—

**CHAIR**—You are right. It is true.

**Mr GEORGIU**—Presumably, you have grown over the last decade—and then all of a sudden you hit the wall and start getting imposts put on you. Somebody up there must like you!

**CHAIR**—It is never personal.

**Mr GEORGIU**—We have both been in politics long enough to know it is never personal. Sometimes it is institutional, however.

**CHAIR**—I take your point. Obviously that is one of the reasons you have submitted today because this is a situation that you probably had not anticipated and were not able to prepare for and then you found you were subject to an additional burden.

**Mr GEORGIU**—How did you fund the graduates yourself?

**CHAIR**—Cut 80 jobs.

**Dr Cameron**—We just re-cut the budget, and when we re-cut the budget we had this deficit and then we looked to fill the deficit by restructuring.

**Mr GEORGIU**—Let me ask it differently. You get a proposal, you make offers, you are bound, and then you are in deficit because you do not receive the money, apart from other reasons, so you start firing staff to pay for students?

**Dr Cameron**—It is not really just the efficiency dividend that has caused us this issue.

**Mr GEORGIU**—No.

**Dr Cameron**—We have a compounding issue, of which the efficiency dividend is just one component.

**Mr GEORGIU**—I am after a specific point. You were told to go ahead—

**Dr Cameron**—We were committed and we had made offers. We not only think that we were committed but we think it is the right thing to do. An organisation needs to refresh and it needs young, new people coming in.

**Mr GEORGIU**—Not a problem; but did you fire people to pay for this?

**Dr Cameron**—In the end we let people go to cover this whole issue, rather than saying it was to do with this one or that one. It was a total issue thing.

**Mr GEORGIU**—Okay. Let me put it differently. You were given a go-ahead on two projects. You had the commitments for the projects which were withdrawn after you had entered into what you regarded as commitments to people and to your institutional interest in having new people flowing through. Then, to adjust to this, you had to let your own staff go. I put that as a Greek question. To adjust to this, did you have to let your staff go?

**Dr Cameron**—To adjust to the budget deficit as a whole, we had to let staff go.

**Mr GEORGIU**—How much were the two items that were withdrawn?

**Dr Cameron**—There was \$12.5 million, which was for collaborative research. Some of that was capital and other parts were to initiate programs with universities. We did not do any of that. That was not too big an issue for us because we could just not do that.

**Mr GEORGIOU**—Okay.

**Dr Cameron**—But the other one was a \$6 million graduate program, which we were committed to. The way it was structured was \$1 million this year, \$2 million next year and \$3 million the year after, and that money was withdrawn.

**Mr GEORGIOU**—Both lots were withdrawn?

**Dr Cameron**—Both lots were withdrawn, but the one that had an impost on us was the one we had committed to.

**Mr GEORGIOU**—Thank you. Who is the chairman now?

**Dr Cameron**—Of ANSTO? Ziggy Switkowski.

**CHAIR**—You are Acting CEO?

**Dr Cameron**—Yes.

**CHAIR**—Is that position going to be advertised?

**Mr Cubbin**—It is being recruited at the moment.

**Dr Cameron**—The previous CEO left in May and there is a recruitment process.

**CHAIR**—Thank you very much for being available today. I thank our witnesses for their cooperation and their submission to our committee. It is of great assistance to us. That concludes today's hearing.

Resolved (on motion by **Mr Robert**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

**Committee adjourned at 12.18 pm**