AUSTRALIAN METEOROLOGICAL AND OCEANOGRAPHIC SOCIETY INC.
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Submission from the Australian Meteorological and Oceanographic Society (AMOS) to the Joint Committee of Public Accounts and Audit (JPAA) Inquiry into the effects of the ongoing efficiency dividend on smaller public sector agencies

AMOS supports professional meteorologists and oceanographers engaged in research and services within and for Australia. Weather and climate services are provided by professional scientists to almost all sectors of the Australian economy and range from severe weather warning services through the monitoring of climate change. Research, technological infrastructure development and service delivery development are needed to continue to provide services demanded by a changing economy. Examples of the range and type of service upgrades requested by the community include severe weather warning services delivered using improved high-speed communications, radar images available over the Internet, improved water services particularly in times of drought, more targeted seasonal climate forecasts and regional climate change information. These are all examples of services that would not have been possible 15 to 20 years ago.

AMOS wishes its comments to be considered against the following terms of reference:

- TOR 2: whether the efficiency dividend is now affecting the capacity of smaller agencies to perform core functions or to innovate;
- TOR 5: 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
- TOR 6: 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.

In Australia, the main government research and service agencies involved in atmospheric science including weather forecasting and climate change monitoring and research are the Bureau of Meteorology, CSIRO, the Centre for Australian Weather and Climate Research (CAWCR) and the Antarctic Division. CAWCR is relatively new and is a partnership between the Bureau of Meteorology and CSIRO. It was established, in a time of ongoing resource constraints due partly to the continuing imposition of efficiency dividends, to attempt to ensure that Australia remains a world leader in climate, weather and oceans research so that it can meet the severe weather and climatic challenges that continue to confront Australia.

Against this backdrop, it is believed that ongoing (continuing) efficiency dividends can be very difficult for service agencies and need careful management. Examples of difficulties that arise include:
-- continuous year after year dividends do not facilitate major system upgrades which are by nature episodic;
-- if efficiency dividends continue for long enough, eventually a service agency encounters major problems in delivering services that meet community expectations;
-- efficiency dividends do not recognize the major demand for wider and more relevant climate change information that has occurred in recent years and is continuing;
-- efficiency dividends may undermine value added products and services being developed by other government agencies on the basis that the primary government services will be continued.

The Bureau of Meteorology has suffered disproportionately from the ongoing efficiency dividends because over the same time these have been imposed, there has been an enormous increase in demands from all levels of government and from the public for wider, more accurate, more timely information products and forecasts and a huge new demand for information on and detailed monitoring of climate change. Since the mid-1970s, the permanent staff of the Bureau of has declined from about 1800 to about 1000, as a result of the application of efficiency dividends. During this time the population of Australia has increased by over 60% and populations have moved into new regions with different and sometimes greater meteorological risks (e.g., the tropical cyclone regions of northern Australia). Weather warning requirements for safety of life purposes have also increased in geographic area as more people work in risky environments such as offshore oil platforms. As a result of the efficiency dividends, the Bureau has had to reduce the number of radiosonde observations it makes each day; these are important for forecast accuracy and for monitoring and understanding climate change and Australia's extreme climate variability. Another consequence of the efficiency dividends is that the Bureau has been unable to properly maintain to a high standard automatic weather stations in remote locations, including offshore locations that are critical for severe weather monitoring and monitoring incipient weather systems. Whilst technological change, the improvement of atmospheric models, and the dedication and hard work of Bureau staff to some extent mask these problems, the continuing imposition of efficiency dividends over many years has hindered improvements in the capacity of the organisation to provide the warnings and services required to protect Australian lives and property.

AMOS recognises that technology provides opportunities for improved efficiencies in delivering many weather- and climate-related services, and that governments should encourage agencies to invest in efficiency improving technologies. Nevertheless, AMOS believes that smaller service agencies such as those providing weather and climate services suffer disproportionately from ongoing and recurring efficiency dividends in an environment where community demands are

high and growing, and where it is absolutely essential for safety of life and property that high professional standards are maintained. AMOS suggests that an agency-by-agency approach to managing efficiency improvements would be more effective than across the board, one size fits all efficiency dividends.

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