

**Senate Standing Committee on Economics**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Innovation, Industry, Science and Research Portfolio  
Budget Estimates Hearing 2008-09  
2-3 June 2008

---

**AGENCY/DEPARTMENT:** INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

**TOPIC: RENDEL FACILITY**

**REFERENCE: Question on Notice**

**QUESTION No. BI-103**

**Senator JOYCE** asked:

—What could be the possible loss to the Australian taxpayer by the placing of this facility in mothballs and what is the current value of the capital outlay on this facility on the books?

**Mr Whelan**—I would need to take a couple of those questions on notice, but I will seek to give you an answer. The facility is not currently fully utilised. A substantial part of the facility is unoccupied, and that is a

matter of concern for us. We have sought to have other people co-locate onto the site. To date that has not been successful. I cannot speculate as to what demand there may be for purchasing the site or leasing it from

CSIRO if that is the way we go. That is one of the things we will look at as we move forward with the implementation of these issues.

I would not want you to leave the hearing today thinking that this is an easy decision or somehow there will not be an impact. We do expect there will be a negative impact from the closure of this site, as we do from the closure at Merbein. What we are seeking to do is to try to minimise that.

**Senator JOYCE**—I understand what you are saying. I am really just going to the figures, because I think there should be an appropriation for a capital loss in your budget. The reality is that in a regional town there is not a great market for scientific laboratories, especially the biggest one of its kind in the southern hemisphere. What you are going to have is a great big white elephant sitting out there. That should be on the books, and I would like to know why it is not on the books?

**Mr Whelan**—As I indicated to you, the value of the facility is on the books, and I will take on notice its current value.

**Senator JOYCE**—If there are capital losses on the books, are you going to reach deeper into your so-called efficiency dividend to take more money out of the CSIRO?

**Senator Carr**—You have made an assertion. We will start from that proposition and we will take it from there.

**Senator JOYCE**—I will put it on notice and next time you present yourself here I will ask you again.

**ANSWER**

CSIRO has provided the following response.

The valuation for financial accounting purposes of the Rendel Laboratory, Rockhampton as at 30 June 2008 is \$10,686,000, comprising land \$3,200,000 and buildings \$7,486,000. The valuation was based on fair value (depreciated replacement cost). CSIRO had not yet obtained a professional valuation of the site for sale purposes as at 4 July 2008.