

EDUCATION, SCIENCE AND TRAINING

**SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE
2004-2005 ADDITIONAL ESTIMATES HEARING**

Outcome: CSIRO
Output Group: CSIRO

DEST Question No. E505_05

Senator Carr asked on 16 February 2005, EWRE Hansard page 42.

Question:

REVIEW OF TEXTILES AND FIBRE TECHNOLOGY

Senator Carr - "Do you have a copy of the review findings that you could table"

Dr Garrett - Yes, I believe that would be appropriate. I will check with my colleagues and get back to you."

Answer:

CSIRO has provided the following response.

Review of CSIRO Textile & Fibre Technology

The following are the recommendations of the Review Committee (Attachment A).

Recommendations of Review Committee

The Review makes the following recommendations for CSIRO's future investment in wool and textiles R&D:

- a. That TFT be retained as an independent business unit.
- b. That TFT's share of CSIRO's appropriation not be reduced from current levels.
- c. That the Division continue to devote a significant proportion of its effort to wool research, but re-evaluate its current focus on medium micron wool to take advantage of increasing opportunities in the expanding fine micron wool market.
- d. That the Division continue to take advantage of opportunities to leverage its existing expertise to carry out research benefiting other portions of the Australian textile and fibre industries, most notably technical textiles and cotton.
- e. That the Division take immediate action to reduce its fixed cost base of \$9.5m per annum as part of a strategic program to free up appropriation revenue for increased research activity. Areas that were suggested for closure (in order of priority) are:
 - Early Stage Processing (Topmaking): Estimated to cost ~ \$4m per annum but with little scope for generating significant scientific breakthrough.
 - Dyeing and Finishing: The plant is maintained in order to carry out fee-for-service work and is not critical to TFT's R&D. However, local small businesses depend on the facility, so care must be taken in a transition to closure.
- f. That the Division actively investigate closer collaborative links with Canesis and Woolmark, initially on a project basis, including pitching joint projects to AWI in the short to medium term. Over time, TFT will increase its understanding of its major competitors and establish whether a genuine value proposition exists for a structural collaborative initiative (e.g. JV or merger).
- g. That TFT moves to establish closer links with genetic research in Livestock Industries.
- h. That CSIRO establish a skill-based Divisional Advisory Committee to assist the Division in engaging the wool and textile industries.
- i. That a new Chief be appointed at the conclusion of the current Chief's term.
- j. The Division requires significant cultural change in the short term, so strong leadership is of vital importance. Given the unique challenges it faces, the Division requires a proactive Chief with a strong commercial background who both understands and is credible to the wool and textile industries and who can increase the visibility of the Division.
- k. That CSIRO engage wool growers' bodies at the highest level to encourage them to reconsider their requirement that all AWI funding be contestable, a requirement that effectively precludes an umbrella funding agreement between AWI and TFT. In the shorter term, the Division must continue to build a strong strategic alliance with AWI.