

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE – QUESTIONS ON NOTICE 2004-2005 BUDGET ESTIMATES HEARING

Outcome: CSIRO
Output Group: - CSIRO

DEST Question No. E231_05

Senator Carr provided in writing.

Question:

- (a) What period of time does the current EBA cover?
- (b) When does it expire?
- (c) Has CSIRO commenced planning for the next EBA?
- (d) Who will be conducting these negotiations?
- (e) What is the general percentage increase that CSIRO will pay staff during 2004/05 under the current EBA?
- (f) With an allowance made for the loss of the National Measurement Laboratory, the indexation for CSIRO is 1.75, or a little more, for the next three years. That is not enough next year to cover EBA commitments, is it?
- (g) I estimate that you roughly receive about \$9.8 million in indexation next year. Is that about right?
- (h) What will be the cost of meeting EBA commitments?

Answer:

CSIRO has provided the following response.

Enterprise Bargaining Agreement (EBA)

- (a) The CSIRO Enterprise Bargaining Agreement 2002 – 2005 operates for a period of 36 months from the date of certification.
- (b) The expiry date is 12 November 2005.
- (c) The Agreement provides that formal negotiations to replace the Agreement will commence no later than March 2005. Formal planning for the next Agreement has not commenced.
- (d) Consistent with our usual practice, we anticipate establishing a management team that will have responsibility for finalising the Agreement.
- (e) An increase of 5.5% is payable effective from 1 July 2004.
- (f) The rate of indexation on the appropriation in 2004-05 is less than the salary increase provided under the current EBA. Like other government agencies, CSIRO will make efficiency savings where possible to offset the impact of the salary increase. CSIRO has a

program of pursuing savings in the research support area in order to maximise the available funding for ongoing core research activities.

(g) That is correct.

(h) Based on total CSIRO actual salary expenditure in 2003-04 of \$522.1m, the EBA salary increase of 5.5% payable from 1 July 2004 is estimated to have an impact of approximately \$21.4m on base salary costs and \$7.3m on salary oncosts such as recreation leave and long service leave, totalling \$28.7m. The difference between the 2003-04 actual salary expenditure of \$522.1m and the 2004-05 estimated salary budget of \$533.6m is \$11.5m.

The difference between the above figures (\$28.7m and \$11.5m) is related to factors including: the transfer of National Measurement Laboratory staff to the Department of Industry, Tourism and Resources from 1 July 2004, as part of the formation of the National Measurement Institute; the transfer to CSIRO of staff from the Victorian Government's food research authority in April 2004; the accounting treatment requiring the recognition in 2003-04 of salary oncosts associated with the EBA salary increase; and the accounting treatment required for CSIRO staff associated with the CSIRO/New Zealand Forest Research Joint Venture established on 1 July 2004. (See also answers to E232_05 and E239_05.)