

EDUCATION, SCIENCE AND TRAINING

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

Outcome: CSIRO
Output Group: - CSIRO

DEST Question No. E232_05

Senator Carr provided in writing.

Question:

[Addressed to individual Divisional Chiefs]

How large is your division?

How many sites around Australia?

Is the number of research staff increasing in your division?

How many retrenchments, and retirements or fixed term contracts that will not be renewed are being considered or implemented in your division?

What will be the cost to your division of meeting EBA commitments during 2004/05?

Have you had any discussions, either within the Division or with the CSIRO executive on how this increased cost will be met?

Have you considered cutting back on staff numbers, or on research programs, to meet this cost?

Have you any strategy to migrate research programs into the favoured Flagships in an attempt to access that funding?

In the light of the current government's determination to marginalise public good research and emphasise commercial research at all costs, what success do you think you will have in placing important public good research in the Flagships in an attempt to continue this work?

Ignoring the Flagship program for the moment, what is the future viability of your division?

What is the appropriation for your Division?
How does that compare with three years ago?

What percentage of your funding comes from the Appropriation?
How does this compare with three years ago?

How many business and commercialisation staff are there in your division?
How does this compare with three years ago?

Answer:

CSIRO has provided the following response.

The questions have been reordered and numbered, as some responses are addressed in tabular form.

1. How large is your division? See Attachment A.
2. How many sites around Australia? See Attachment A.
3. Is the number of research staff increasing in your division? See Attachment A.
4. What is the appropriation for your Division? How does that compare with three years ago? See Attachment A.
5. What percentage of your funding comes from the Appropriation? How does this compare with three years ago? See Attachment A.
6. How many business and commercialisation staff are there in your division? How does this compare with three years ago?

See Attachment A. Please note that these FTE numbers are indicators of capability within each Division – there may be more people within the Division who spend a proportion of their time on Business Development and Commercialisation activities.

7. How many retrenchments, and retirements or fixed term contracts that will not be renewed are being considered or implemented in your division?

Please see answer to question E218_05, which provides details of redundancies and resignations by Division (and location) for 2001-02, 2002-03 and 2003-04. This level of detail is not yet available for the 2004-05 year.

8. What will be the cost to your division of meeting EBA commitments during 2004/05?

The cost of meeting EBA commitments during 2004/05 is similar across all CSIRO divisions and business units. 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 E231_05 and E239_05.)

9. Have you had any discussions, either within the Division or with the CSIRO executive on how this increased cost will be met?

The management of the organisation's salary and wages costs was a key feature in developing the 2003/07 strategic plan and associated financial forecasts. The plan includes strategies to reduce overhead and procurement costs to realise savings for investment into the organisation's science base, which given close to 58% of those costs are salary related, includes the funding EBA commitments.

10. Have you considered cutting back on staff numbers, or on research programs, to meet this cost?

This salary increase applies to all staff employed by CSIRO and the number of staff engaged in research activities is not expected to decrease in 2004-05. (See also answer to E239_05.)

11. Have you any strategy to migrate research programs into the favoured Flagships in an attempt to access that funding?

Flagship research activity is aligned to the achievement of specific outcomes. In some instances existing research activity or capability is strongly aligned to the achievement of these outcomes and is integrated into the Flagship program. These decisions are made on a Flagship-by-Flagship basis and are the focus of regular discussions between Flagship Directors, Chiefs and research program leaders.

12. In the light of the current government's determination to marginalise public good research and emphasise commercial research at all costs, what success do you think you will have in placing important public good research in the Flagships in an attempt to continue this work?

All of CSIRO's activities are focused on generating impact for the good of Australia. The Flagship Programs are designed to address critical challenges facing the nation and trying to divide the "good" they are generating into public and private benefit is an artificial construct.

In layman's terms, it is clear that addressing issues of national water use, the sustainability of national energy supply, the utilisation of ocean based resources and the prevention of disease are all focused on the greater public good of Australia. These outcomes will be delivered through four of the six Flagships.

It is important to note, however, that application of research outcomes in the commercial domain is frequently critical. The achievement of national benefit, for example changes to energy generation practices by commercial providers, will be hugely beneficial in addressing CO₂ emissions. In other instances, the co-funding of research by commercial enterprises can substantially increase the likelihood that the outcomes of research will be applied by those stakeholders. A great deal of CSIRO's work, both in Flagships and in other areas of activity, exhibits such multi-faceted provision of public and private benefit, from wealth generation and employment growth in the private sector through to long term and wider national good via input to policy options for government.

In short, the view that somehow the existence of a commercialisation opportunity or co-funding of research inhibits the generation of "public good" impact is not accepted by CSIRO.

13. Ignoring the Flagship program for the moment, what is the future viability of your division?

The capability inherent in CSIRO's Divisions is a critical component of the national innovation system. It is also important that it is regularly reviewed both with respect to the quality of its science and the impact it generates. In this regard CSIRO has recently formalised its approach to science quality assessment into a rolling 3 year program that will see research capability in all CSIRO Divisions independently reviewed over that period. CSIRO will respond to the outcomes of those reviews as required. However, it is important to note that there are no predetermined plans to significantly adjust the research capability currently resident in CSIRO Divisions.

**Senate Estimates E232_05:
Attachment A, responses to
Questions 1 - 6 Agribusiness
and Health Group Divisions**

	1. How large is your division		2. How many sites around Australia?	3. Is the number of research staff increasing in your division?	4. What is the appropriation for your Division? How does that compare with three years ago?		What percentage of your funding comes from the Appropriation? How does this compare with three years ago?		6. How many business and commercialisation staff are there in your division? How does this compare with three years ago?			
	Total Revenue in 2003-04	Full Time Equivalents			"y"=yes, "n"=no	Percentage increase or decrease of staff 2001-02 to 2003-04	Current Approp	Vs 3 years ago	% of funding from Approp	v's 3 years ago	BD&C staff (2002-03)	Vs 3 years ago
	\$ 000						\$ 000	\$ 000			FTE	
Livestock - Australian Animal Health Laboratory	27,739	165.7	1	y	25	16,494	6,762	59%	42%			
Livestock exc Australian Animal Health Laboratory	43,776	302.7	7	y	26	29,840	20,713	68%	72%	8.0	7.0	
Health Sciences and Nutrition	22,809	173.4	2	y	20	17,381	14,775	76%	78%	3.7	5.6	
Plant Industry	74,908	617.9	12	n	-13	40,264	31,159	54%	51%	7.7	6.6	
Forestry & Forest Products	30,138	205.6	5	n	-13	15,927	16,673	53%	64%	6.5	5.0	
Food Science Australia	16,612	218.8	3	y	26	16,612	16,442			4.6	4.7	
AgriBus & Health Group Total	215,982	1,684.2	30	y	12	136,518	106,524	63%	64%	30.4	28.9	
Total CSIRO	882,813	5,965.7	112	y	6	568,646	504,015	64%	65%	185.3	136.5	

**Senate Estimates E232_05:
Attachment A, responses to
Questions 1 - 6 Environment
and Natural Resources Group
Divisions**

	1. How large is your division		2. How many sites around Australia?	3. Is the number of research staff increasing in your division?	4. What is the appropriation for your Division? How does that compare with three years ago?		What percentage of your funding comes from the Appropriation? How does this compare with three years ago?		6. How many business and commercialisation staff are there in your division? How does this compare with three years ago?			
	Total Revenue in 2003-04	Full Time Equivalents			"y"=yes, "n"=no	Percentage increase or decrease of staff 2001-02 to 2003-04	Current Approp	Vs 3 years ago	% of funding from Approp	v's 3 years ago	BD&C staff (2002-03)	Vs 3 years ago
	\$ 000						\$ 000	\$ 000			FTE	
Entomology	30,663	235.9	4	n	-14	16,432	15,520	54%	51%	4.0	4.0	
Sustainable Ecosystems	39,900	321.0	8	y	33	26,409	15,897	66%	70%	6.4	4.9	
Marine Research	39,390	324.2	3	y	38	24,948	23,427	63%	67%	2.8	2.8	
Atmospheric Research	20,877	136.7	2	n	-6	13,375	10,618	64%	68%	2.1	1.6	
Land & Water	57,203	428.1	7	n	-2	32,319	30,846	56%	58%	6.7	6.0	
Environment & Natural Resources Group Total	188,033	1,445.9	24	y	10	113,484	96,308	61%	63%	22.0	19.3	
Total CSIRO	882,813	5,965.7	112	y	6	568,646	504,015	64%	65%	185.3	136.5	

**Senate Estimates E232_05:
Attachment A, responses to
Questions 1 - 6 IT
Manufacturing & Services
Group Divisions**

	1. How large is your division?		2. How many sites around Australia?	3. Is the number of research staff increasing in your division?		4. What is the appropriation for your Division? How does that compare with three years ago?		What percentage of your funding comes from the Appropriation? How does this compare with three years ago?		6. How many business and commercialisation staff are there in your division? How does this compare with three years ago?	
	Total Revenue in 2003-04	Full Time Equivalents		"y"=yes, "n"=no	Percentage increase or decrease of staff 2001-02 to 2003-04	Current Approp	Vs 3 years ago	% of funding from Approp	v's 3 years ago	BD&C staff (2002-03)	Vs 3 years ago
	\$ 000					\$ 000	\$ 000			FTE	
Industrial Physics	23,067	167.6	4	n	-48	14,471	28,627	63%	71%	11.5	10.5
National Measurement Laboratory	14,650	93.7	2	y	3	11,640	9,690	79%	75%		
Textile & Fibre Technologies	20,640	187.2	2	y	14	11,198	12,004	54%	56%	5.0	5.0
Mathematical & Information Sciences	19,951	159.0	5	n	-39	13,281	27,592	67%	72%	16.2	11.4
ICT Centre	37,317	174.9		-	n/a	28,766		77%			
Manufacturing and Infrastructure Technology	73,788	460.8	6	y	68	48,401	52,640	66%	72%	16.2	21.4
Molecular Science	29,396	188.8	2	n	-20	19,896	19,598	68%	66%	9.9	7.2
Australia Telescope National Facility	28,376	140.5	4	y	13	18,595	12,362	66%	81%	0.7	0.2
IT Manufacturing & Services Group Total	247,184	1,572.4	25	n	-1	166,248	162,513	68%	70%	59.5	55.6
Total CSIRO	882,813	5,965.7	112	y	6	568,646	504,015	64%	65%	185.3	136.5

**Senate Estimates E232_05:
Attachment A, responses to
Questions 1 - 6 Sustainable
Minerals and Energy Group
Divisions**

	1. How large is your division?		2. How many sites around Australia?	3. Is the number of research staff increasing in your division?		4. What is the appropriation for your Division? How does that compare with three years ago?		What percentage of your funding comes from the Appropriation? How does this compare with three years ago?		6. How many business and commercialisation staff are there in your division? How does this compare with three years ago?	
	Total Revenue in 2003-04	Full Time Equivalents		"y"=yes, "n"=no	Percentage increase or decrease of staff 2001-02 to 2003-04	Current Approp	Vs 3 years ago	% of funding from Approp	v's 3 years ago	BD&C staff (2002-03)	Vs 3 years ago
	\$ 000					\$ 000	\$ 000			FTE	
Energy Technology	22,914	133.9	4	n	-10	16,219	14,503	71%	66%	1.8	1.0
Petroleum	18,734	116.0	3	y	8	10,765	9,902	57%	58%	11.1	5.7
Minerals	42,103	280.0	4	y	8	22,938	20,735	54%	61%	6.3	4.7
Exploration & Mining	32,120	217.9	5	y	2	17,570	18,148	55%	58%	3.6	2.0
Sustainable Minerals & Energy Group Total	115,871	747.8	16	y	2	67,492	63,288	58%	61%	22.8	13.4
Total CSIRO	882,813	5,965.7	112	y	6	568,646	504,015	64%	65%	185.3	136.5