

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE – QUESTIONS ON NOTICE 2003-2004 SUPPLEMENTARY ESTIMATES HEARING

Outcome: CSIRO
Output Group: - CSIRO

DEST Question No. E590_04

Senator Carr asked on 5 November 2003.

Question:

- a) Using table 3 on page 39, we see that in 2001-02 a total of \$120.8 million was generated from non-government sources (private sector, overseas entities and IP), while a figure of \$125.9 million was earned in 2002-03. That represents an increase of a little more than 4%.

What was the percentage increase in business and commercialisation staff for the same period?

- b) What I am seeking is a table, over the past four years, showing the average revenue generated from non-government sources, per head of business and commercialisation staff.

In other words what is the ratio, expressed in dollars, between the number of business and commercialisation staff and non-government external earnings?

Answer:

CSIRO has provided the following response.

Annual Report : Finances 2

- a) In 2001-02, CSIRO's level of staff resources employed on business and commercialisation was 153.1 EFT. In 2002-03, CSIRO's level of staff resources employed on business and commercialisation was 187.3 EFT. The increase was 22.3%.

This increase was a result of the strategic decision taken by CSIRO to bolster CSIRO's skill base in the business development and commercialisation domain to capture the maximum benefit (which includes both public good and commercial outcomes) for Australia and CSIRO from the intellectual property generated by CSIRO's scientists.

(b)

	2000/01	2001/02	2002/03
Revenue generated from non-Govt sources	\$108.9m	\$120.8m	\$125.9m
Business Development and Commercialisation (equivalent full-time staff)	135.6	153.1	187.3
Revenue per equivalent full-time staff	\$0.80m	\$0.79m	\$0.67m

Any year by year comparison of the number of business development and commercialisation staff and revenue from non-Government sources is of limited value for the following reasons:

- These revenues reflect both a mixture of sources and a range of services being provided by CSIRO.
- Any comparison relates current financial year commercialisation costs to the revenues received concurrently, whereas the business development and commercialisation resources are directed towards both current and future technology transfer activities. It should also be noted that, as a strategic investment in the longer-term future of the Organisation, it will also take some time for the impact of these new initiatives to be realised.
- The revenues are not segmented as to whether the relevant activity was solely a contract research service (with the client paying for all rights), or was in relation to a co-investment activity, or was in relation to a license for exploitation of existing IP.
- Any comparison implies that the purpose of the commercialisation activity is solely to produce revenues whereas a very significant function of this activity is to provide for effective technology transfer of CSIRO's intellectual property and research and development activities to commercial and public users
- Business development and commercialisation staff are involved with a far broader range of activities than just those associated with CSIRO's revenue from non-Government sources.