

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2005-2006 SUPPLEMENTARY ESTIMATES HEARING

Outcome: CSIRO
Output Group: CSIRO

DEST Question No. E704_06

Senator Wong asked on 2 November 2005, EWRE Hansard page 46.

Question:

Senator Wong – What other savings targets do you have for the current financial year and the out years, and next three years?

Mr Whelan – In the organisation's strategic plan for 2003-07, on page 101 we set out a target financial scenario out to 2006-07. In 2003-04 we expect to make savings of \$4million, in 2004-05 \$15million, in 2006-06 \$20million and in 2006-07 \$34million. We have taken a range of initiatives since that time to generate those savings. We have touched on two of those this morning: the research support services review and procurement, and we have also implemented an enterprise wide IT platform in the last 12 months.

Senator Wong – Are you able to get me on notice a disaggregation of those savings targets you have just read out.

Mr Whelan – Certainly where we have specific measures in place I can contribute those to those measures; where not, there would be a gap, and that is a function of further strategy development in the organisation needing to be undertaken.

Answer:

CSIRO has provided the following response.

Savings Targets

The organisation's 2003-07 Strategic Plan did not outline specific savings targets for individual efficiency initiatives. However the organisation has implemented the following strategies with associated savings:

National Procurement Contracts – approximately \$5m p.a. in savings. This includes:

- National Telecommunications Services
- National Printer, Photocopier and Consumables
- Office Supplies and Stationary
- Fine Chemicals
- Bulk Chemicals
- Laboratory Ware
- Electricity Supply

Creation of Enterprise Information Technology Support Platform, 'CSIRO IT' led to savings of approximately \$6m p.a.

Repairs and maintenance, and property management efficiencies from the establishment of a regional repairs and maintenance program and review of National Facility Depreciation arrangements led to savings of approximately \$6m p.a.

The Research Support Services Review will lead to an estimated reduction of between 20 and 25% of \$150m baseline support costs within three years of implementation, with progressive implementation over that time.