

EDUCATION, SCIENCE AND TRAINING

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

Outcome: CSIRO
Output Group: CSIRO

DEST Question No. E227_04

Senator Carr asked on 4 June 2003.

Question:

- (a) You have previously advised that a number of scenarios were under consideration, including divisional cuts of 5% and 10%, for 2003/04.
What decision has now been made for each division?
Please provide division by division details?
- (b) Can you confirm that all divisions are now required to find external funding as part of CSIRO research projects?

Answer:

CSIRO has provided the following response.

Revenue generation

- (a)
 - o All research in CSIRO is conducted in its Divisions of which there are twenty. This includes research associated with new initiatives such as Emerging Science and Flagships.
 - o During the course of the 2003/04 budget process, CSIRO modelled a range of budget scenarios for funding its research needs and in particular the resourcing of the Emerging Science and Flagship initiatives. CSIRO ultimately adopted a 10% across the board (ie. all Divisions) re-allocation scenario to assist the resourcing of the Emerging Science and Flagship initiatives.
 - o The outcome of this process will see approximately \$42m of resources re-allocated from existing Divisional research activities to Divisional research associated with the Flagship (\$24.3m) and Emerging Science (\$13.7m) initiatives. It is important to note that there will be no change in the aggregate resources available to Divisions as a result of this process. Final allocations to individual Divisions for some of these initiatives are yet to be completed however that process is expected to be finalised by the end of July 2003.
 - o In addition to the reallocation of resources described above CSIRO's Divisions will receive an aggregate increase in appropriation funding in 2003/04 of approximately \$29.5m (6.05%) over that forecast for 2002/03. \$20m of that increase is new money from the Government associated with the implementation of the Flagship initiative. In addition to increased appropriation resources, Division based research activities will be further expanded as a result of the \$28.7m (10.06%) budgeted increase (over that forecast for 2002/03) in external goods and services revenue.
- (b)
 - o There is no CSIRO wide policy (financial or otherwise) that requires individual research projects to find external earnings. Divisions budget for external earnings according to the nature of the research they are conducting. This includes appropriation funded strategic research, co-investment research with industry or

research partners or consulting and contract research. The mix of these types of research and funding mechanisms varies from Division to Division.