

Please consider the long-term impact of reducing Australia’s independent research capabilities, noting that all the benefits we receive in our modern way of life we owe to research performed by the generations prior. Don’t dry up that river.

Parliamentary Submission

Inquiry: Funding and Resourcing for the Commonwealth Scientific and Industrial Research Organisation (CSIRO)

Committee: Senate Standing Committees on Economics

Date: 29th December 2025

Executive Summary

CSIRO is experiencing the most significant contraction in a decade, with 300–350 research roles being cut following >800 positions lost in the preceding 18 months. These changes risk undermining public-good science. Notably, the Environment Research Unit (ERU) is bearing a disproportionate share, up to ~150 of the 350 proposed job losses (~20% of ERU total staff) - precisely in the part of CSIRO that responds to national priority challenges—especially climate change, water security, and environmental resilience.

The Government’s 17th December 2025, MYEFO announcement of an additional \$233 million for CSIRO over two years is welcome but not a long-term solution to structural underfunding, rising science costs, and aging infrastructure with needs estimated at \$80–\$135 million annually for the next decade. Without durable resourcing, workforce losses and capability erosion will persist undermining Australia’s sovereign science capability.

A multi-year, inflation-indexed base appropriation uplift; ring-fenced public-good science funding (including ERU); sovereign capability guarantees; and targeted measures to retain mid-career and senior researchers are recommended.

Nature of Recent and Proposed Job and Program Cuts in CSIRO

In 2025 CSIRO announced cuts of 300–350 FTE research positions, citing a “critical inflection point” where funding has not kept pace with rising research costs; this came after >800 positions were removed over the prior 18 months.

Further headcount reductions possible: At Senate Estimates (4 Dec 2025), CSIRO advised that additional cuts may be required to fund long-term infrastructure underinvestment (\$80–\$135 million annually), depending on budget trajectory. Disproportionate impact on Environment Research Unit (ERU): Public reporting indicates ~150 roles (circa 20% of ERU) could be cut, focusing reductions on climate, water, and oceans research.

The CEO has noted appropriation value growth of ~1.3% per year over 15 years, while CPI averaged ~2.7% and the cost of science rose faster, leading to sustainability challenges despite no nominal budget cuts. While the \$233 million MYEFO boost (17 December 2025) may stabilize some activities, sector leaders caution that one-off injections cannot fix structural issues: infrastructure renewal needs, the real decline in appropriations, and volatile program funding all impede recruitment/retention of researchers who require stable, multi-year support to deliver impact.

Importance of Public Funding for Public-Good Science and Sovereign Science Capability

Public-good science addresses market failures—activities essential to national welfare but unlikely to attract industry co-funding or immediate commercial returns (e.g., climate system observations, biodiversity monitoring, drought resilience research). When base appropriations lag inflation and science costs, these programs are first to be de-prioritised, weakening Australia’s long-term sovereign science capacity. Sector bodies and experts highlight that just-in-time or one-off funding does not deliver secure, long-term capability. The Australian Academy of Science and ATSE both criticised the lack of forward-looking investment necessary to protect strategic research capacity and underpin productivity. Moreover, independent analyses show that Australia’s public R&D investment as a share of GDP remains below OECD averages, and CSIRO’s funding as a share of GDP has declined over decades, intensifying pressure on public-good research.

Sovereign capability—the ability to generate, retain, and deploy knowledge and technology in the national interest—depends on strong public research institutions and sustained investment across the R&D pipeline. Science & Technology Australia stresses the need for aligned and stable funding to ensure local innovation is translated domestically and to avoid dependence on overseas solutions, particularly in advanced technologies (AI, critical minerals, biosecurity, climate adaptation). Academic experts emphasise that sovereign research capacity is central to economic resilience and security; governments must underwrite public-good basic research to generate the “sea of ideas” from which industry can draw. Sustained capability is crucial to the Government’s Future Made in Australia ambitions.

Priority Science Areas: Climate Change Pace, Impact and Mitigation; Water Security; Adaptation

CSIRO’s ERU deliver essential decision-support for governments, industries and communities, including water security science, adaptation planning, climate risk tools, and marine/ocean observations. For example, ERU’s research informs Murray–Darling Basin policy and deploys new tools such as managed aquifer recharge and water banking for future drought resilience. CSIRO’s adaptation work extends internationally

(e.g. DFAT–CSIRO alliances), focusing on agriculture, livelihoods and water under changing climates—evidence of the expertise and platforms Australia relies on domestically and shares regionally. At the state level, CSIRO partnerships (e.g., with the Goyder Institute) are advancing adaptation projects—directly supporting primary industries, wetlands, and regional water resilience under observed declines in rainfall and recharge and sustained drought in Southern Australia. Curtailing ERU capability precisely when extreme events, drought and flood risk, and ocean warming accelerate would degrade national readiness and policy evidence bases, contradicting the Government’s stated priorities in climate adaptation and environmental protection.

Burden of Proposed Cuts on the Environment Research Unit

Multiple reports indicate that ERU could lose ~150 positions (~20%), significantly more than proportional to overall reductions. Such a cut would directly impact research in climate, environment oceans and water, areas where industry co-funding is limited and public-good imperatives are strongest. This concentration of cuts has prompted calls from civil society and scientific organisations to halt the reductions, warning of harm to farmers, communities, and national resilience.

Recommendations

A. Stabilise and Strengthen Base Appropriations

1. Multi-year, inflation-indexed uplift to CSIRO’s base appropriation to match real science cost growth, with an explicit infrastructure renewal line (~\$80–\$135 million p.a. for 10 years) to avoid workforce cuts tied to capital needs.
2. Establish a Public-Good Science Fund within CSIRO (ring-fenced) to support long-horizon, non-commercial environmental research, insulating ERU and related programs from market volatility.

B. Safeguard Sovereign Science Capability

3. Legislate a Sovereign Science Capability Charter for CSIRO: minimum capability thresholds in climate, environment, water, biosecurity, data/AI, energy, with Australian data sovereignty and local translation pathways as conditions of funding.
4. Create cross-portfolio mechanisms (Industry, Education, Environment) to align CSIRO programs with national priorities while preserving independence in science portfolio decisions.

C. Immediate Actions on ERU

5. Suspend ERU reductions pending independent review of national climate and water security needs; maintain staffing to deliver seasonal outlooks, flood/drought risk assessments, and marine/ocean monitoring.

6. Provide bridge funding to ERU programs directly serving states and regions ensuring continuity of water security and climate adaption science.

Conclusion

CSIRO's ability to deliver public-good science and sovereign capability requires predictable, adequate funding commensurate with the rising cost of science and infrastructure renewal. The current trajectory of workforce reductions—especially in the ERU—conflicts with Australia's climate and environmental priorities and will have downstream impacts on communities, industries and national resilience. A structured, multi-year resourcing framework—not episodic supplements—will secure CSIRO's mission and Australia's science future.