Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Industry Portfolio
Budget Estimates Hearing 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: CSIRO

TOPIC: CSIRO Redundancies

REFERENCE: Written Question – Senator Carr

QUESTION No.: BI-193

The budget papers reveal that CSIRO will receive once-off funding of \$32.2 million for 2013-14 to help fund redundancies. Please provide the eligibility criteria for accessing this funding, whether any limitations apply, whether the staff member being made redundant has be formally notified in financial year 2013-14 for CSIRO to access this funding and whether redundancies formally commenced after 31 June 2014 will be able to access the funding.

ANSWER

In 2013-14 the CSIRO was granted funding of \$32.2 million relating to the 2013-14 MYEFO measure 'funding for pre-existing measures affecting the public service' for the management of redundancies. The main criteria for accessing this funding were:

- a) where the agency faced running an operating loss as a result of the need to implement savings measures announced up to 2013 Pre-Election Economic and Fiscal Outlook (PEFO);
 and
- b) That the funding would only be used to fund redundancies which would reduce ongoing operating costs and place the agency on a sustainable financial footing; and
- c) The APSC would assess applications in relation to the agencies strategic workforce plan and both the Department of Finance and the APSC would make recommendations to the Minister of Finance.

\$7.7 million of this funding applies to CSIRO's 2013-14 program of redundancies. The CSIRO notified affected staff during 2013-14.

In addition, \$24.5 million of this funding will be applied to the management of staff reductions across the budget period, by way of creating a provision for redundancy costs in 2013-14 in accordance with the accounting standards. In May 2014, all CSIRO staff were informed of this ongoing redundancy program that will see most of the impacted employees leave the organisation during the 2014-15 financial year. The CSIRO is currently working on the detailed implementation of this program in accordance with the provisions of its Enterprise Agreement and impacted staff are being advised as soon as their positions are identified as being potentially surplus. Not all staff who ultimately leave through the program will have been 'formally notified' by 30 June 2014.