

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
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AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Proposal to join the National Measurement Institute with ANSTO

REFERENCE: Question on Notice (Hansard, 31 May 2017, page 100-101)

QUESTION No.: BI-5

Senator KIM CARR: Has there been some discussion about the National Measurement Institute moving from the department to ANSTO?

Dr Paterson: I think I should pass that to the secretary.

Ms Beauchamp: Of course in any agency or large department, as we normally do, we look at periodically reviewing some of our functions. There has been a number of reviews in consultation with many stakeholders on the National Measurement Institute. We are looking at their budget and at their capability, efficiency and effectiveness, and really at the long-term sustainability and robustness of that organisation. We are looking at, potentially, a range of options on how we might make sure that it is fit for purpose for the future and is long-term sustainable. So we have been looking at the options that we might consider, particularly around skills and capability and like functions—so grouping those together. ANSTO has come up as an option to look at but there are other options that are being looked at as well. We have not yet finalised anything. We are in very preliminary discussions. It is an internal process and no advice has been put to government yet.

Senator KIM CARR: Who initiated this proposal?

Ms Beauchamp: The department initiated the proposal.

Senator KIM CARR: When do you expect to be in a position to provide advice to government?

Ms Beauchamp: We are going to go through a process of consultation and looking at the options. So probably in the next few months we might be in a position to have formed some ideas after adequate consultation with various staff and stakeholders.

Senator KIM CARR: What is the rationale for it?

Ms Beauchamp: What any organisation should do is periodically review its functions and look at it, as I said, in the context of budget sustainability, long-term sustainability and look at what is coming over the hill in terms of business models, skills and capability. I think it is robust program management to look at reviews of the functions that you have responsibility for.

Senator KIM CARR: There are savings involved?

Ms Beauchamp: The idea is not to save but to make sure that we are using government funding wisely.

Senator KIM CARR: What is the synergy between ANSTO and the National Measurement Institute?

Ms Beauchamp: I might let Dr Paterson talk about some of the technical skills and capability, but certainly in terms of measurement science and some of the skills and capability there are some like issues there.

Dr Paterson: Thank you. ANSTO is responsible for a scientific standard of measurement—the becquerel; it is the measure of radioactivity. That is under an agreement that we have with the Chief Metrologist. ANSTO has for many years looked after the becquerel for Australia because of the competence that we have in that area. More broadly, if you oversummarise our scientific capabilities, we have physics capabilities, we have chemistry capabilities and we have biology capabilities. It is my understanding from the meetings that I have had over the years with NMI that there is a good alignment of physics, chemistry and biology activities, but that has not been studied in any detail by ANSTO.

Senator KIM CARR: I am familiar with the National Measurement Institute. They have a number of functions, and obviously protecting Australia's weights and measures is one them. That goes beyond what ANSTO does. They also have responsibilities for drug testing. What synergies do you have with drug testing?

Dr Paterson: We have not done a detailed back-to-back analysis of all of these organisational elements. As a secretary has indicated, this is very early in the piece and I would not want to prejudge any of the assessments that are made or the options that are put forward.

Senator KIM CARR: This is a cost-shifting exercise—is it not?

Ms Beauchamp: It is certainly not a cost-shifting exercise. It would be remiss of me and the leadership group if we did not look at making sure we had our functions that were fit for purpose in the future and that we were looking at long-term sustainability and looking at efficiency. As I said, no decisions have been made so we are just going through the process of looking at our options.

Senator KIM CARR: What other options are being considered then?

Ms Beauchamp: We are not ruling anything in or out.

Senator KIM CARR: What other options are being considered?

Ms Beauchamp: Of course we are looking within the portfolio.

Senator KIM CARR: What other agencies are you thinking of amalgamating the National Measurement Institute with?

Ms Beauchamp: We have not got to the issue of deciding whether or not to amalgamate with any other organisation. The National Measurement Institute, as you know, is a division within the department and we are looking at ensuring that it is on a sustainable footing budgetwise, and that the skills and capability—

Senator KIM CARR: Isn't that a responsibility of government, as a statutory function, to ensure that the agency is on a sustainable footing?

Ms Beauchamp: I think I have a role in ensuring that it is operating as effectively and as efficiently as possible to meet government objectives.

Senator KIM CARR: That is true; however, there is a responsibility of government to ensure that we are able to maintain a fundamental role of the Commonwealth in weights and measures.

Ms Beauchamp: As I mentioned earlier, we are in the—

Senator Sinodinos: Sorry, Secretary, but I do not think anybody here, certainly at the ministerial level, is saying that we are going to somehow abrogate our responsibilities in this space. We really are jumping to conclusions here. My recollection is that early on, when I became the minister, there was some discussion about taking to cabinet potential options about the NMI and its future, but it seems to me that we need to do proper analysis, thus creating a sustainable future, and to do that as a minister and as cabinet you get advice from departments.

Senator KIM CARR: Sure, but there are some serious capital works problems for the National Measurement Institute, aren't there? The buildings for instance; they have got a problem with their buildings.

Ms Beauchamp: I just want to reiterate: there has been no change in government policy and the like on this matter. We are looking at a range of options to ensure the organisation is sustainable. When you talk about capital, you are talking about capital for the department and how it manages its capital budget, of which NMI is a part.

Senator KIM CARR: When was this proposal first canvassed with ANSTO?

Ms Beauchamp: I would have to take on notice when we first raised it, but, as I said, they are very preliminary discussions; it is very early days. We have been looking at what synergies there might be in grouping like functions together.

ANSWER

The earliest formal meeting where we can confirm this issue was discussed was on 22 March 2017, attended by representatives of ANSTO, NMI and the department.