

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates Hearing 2014-15
23 October 2014

AGENCY/DEPARTMENT: Australian Institute of Marine Science

TOPIC: External Funding

REFERENCE: Question on Notice (Hansard, 23 October 2014, page 32)

QUESTION No.: SI-16

Senator WATERS: Thank you. I am coming back to your increased external funding. What level and from whom have you been able to receive that private investment?

Mr Gunn: I will turn to my colleague Mr Mead in that regard.

Mr Mead: We work across a range of sectors, various government programs and also external. The growth in the budget this financial year is primarily in the industry sector, and again primarily in the north-west of Australia, with work we are doing in the oil and gas sector. In the out years, as Mr Gunn alluded to, we forecast a budget. At this point in time only a proportion of the out years is contracted. So our efforts are there to retain that high level of external revenue, but we cannot confirm whether or not that will be the case at this point in time.

Senator WATERS: Could you perhaps take on notice just to provide me the detail of the level of the private investment? You said it was mostly from oil and gas in the north-west. I am interested in a bit more detail about that and then whatever the residual amount is from private sources as well.

Mr Mead: Can I just confirm you are after a breakdown of external revenue?

Senator WATERS: Yes.

Mr Mead: Your question was specific around what the change was.

Senator WATERS: I am after a breakdown. Pardon me for using the wrong term there.

Mr Mead: No, that is fine.

Senator WATERS: Thank you

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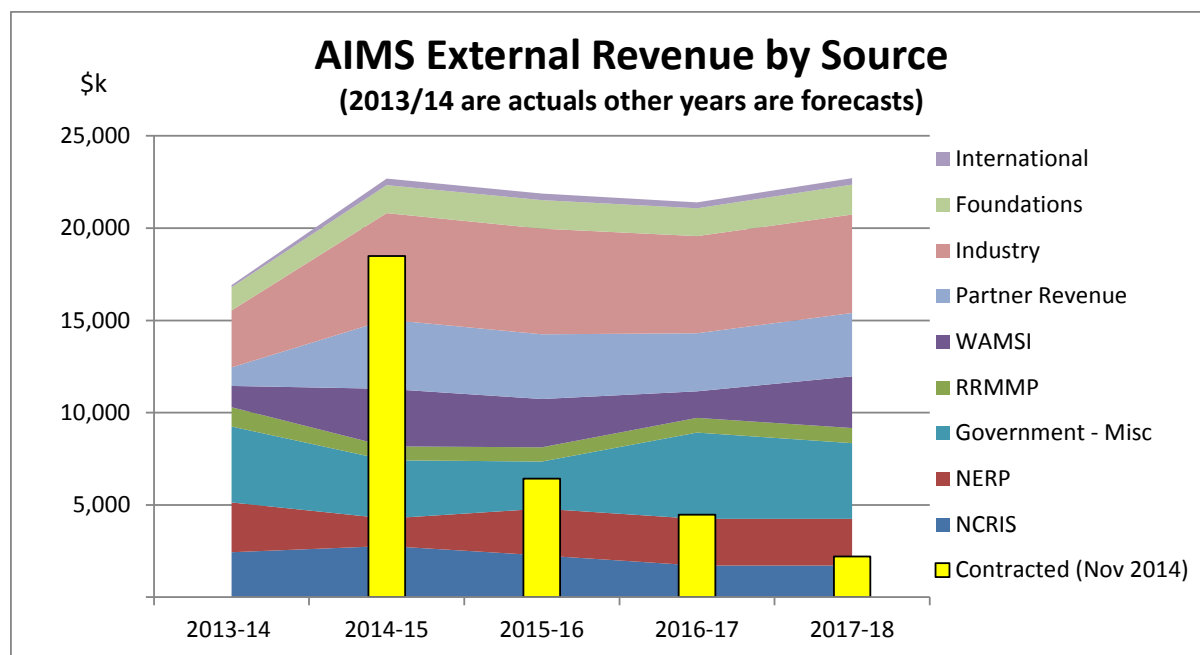
Mr Mead: No, that is fine.

ANSWER

As stated in Senate Estimates, the principal source of increased revenue is from the Oil and Gas Sector in the North-West of Australia. This is an area of increasing need and AIMS is working with industry to identify and implement research designed to support sustainable environmental development and operations. Additionally, AIMS continually seeks to grow non-government funded research revenue across all of the marine sectors which it supports, including ports, coastal industries, shipping and tourism.

The following graph details the 2013/14 actual outcomes along with the 2014/15 and out-year external revenue forecasts. It should be noted that approximately \$2m in revenue expected late in 2013/14 was delayed into early 2014/15 due to contracting and project establishment delays. As a result approximately \$4m of the revenue increase from 2013/14 to 2014/15 is not an actual “increase”, rather a reflection in the timing of revenue. This revenue volatility is an unavoidable outcome of the business environment within which AIMS operates.

Also shown is the level of revenue currently contracted. As can be seen the percentage contracted tapers into the out-years (as is the case in most R&D agencies, and indeed the business sector too). Hence, at this time, it is not feasible to categorically state if revenue growth will occur or which sector it is likely to come from.



Sector	Description
NCRIS	Revenue from the NCRIS program to fund the IMOS infrastructure operated by AIMS
NERP / NESP	National Environmental Research Program (transitioning to the National Environmental Science Program) revenue
Government - General	Typically many small research projects ranging from ARC to specific projects funded by government organisations. High in 2013/14 due to one off interim operating funding for the National Sea Simulator from CRIS
RRMMP	QLD State funding for GBR water quality monitoring
WAMSI	WA State funding of coastal marine science
Partner Revenue	Revenue that passes though AIMS and back to partners in projects where AIMS is the lead organisation
Industry	Coastal and offshore research with industries such as the Offshore O&G Sector, Ports and costal industries
Foundations	Australian and International foundation revenue
International	Non foundation internationally funded research