This document was created in response to a Freedom of Information request made to CSIRO.

FOI Number: FOI2016/5

Date: 9 February 2016

Request: “Information about the communications between Chief Executive Larry Marshall's office and both the Prime Minister's Office and the office of Industry Minister Christopher Pyne relating to the proposed cuts to staff in the Oceans & Atmosphere and Land & Water divisions for the period two weeks prior to Dr Marshall's February 4 email to staff about the 350 job cuts over two years.”

Document(s): 1

For more information, please refer to CSIRO's FOI disclosure log at www.csiro.au/FOILog
Minister for Industry, Innovation and Science

For Information

Subject  
CSIRO 2016 STRATEGIC RESEARCH PRIORITISATION OUTCOMES

Urgency  
N/A

Recommendations
That you:
1. note the information in this brief

Signature:  
Christopher Pyne

1. Noted / Please discuss

Contact Officer:  
Kimberley Shrives  
Ph: (02) 6276 6682

Clearance Officer:  
Larry Marshall  
Ph: (02) 6276 6621

Key Points:
- CSIRO actively assesses its research portfolio including through an annual planning process to ensure that the science in which it invests is aligned to meeting the biggest challenges facing Australia.
- In undertaking this process through the second half of 2015, CSIRO was mindful of ensuring its resources were best positioned over the next four years to focus on those areas of strategic importance to the nation, provide sustainable revenue streams, and achieve our new Strategy objectives and KPI targets by 2020.
- This process culminated in a series of strategic business unit reviews (or “deep dives”) focused on each of CSIRO’s business units. The high-level outcomes of this process are summarised at Attachment A, by business unit.
- These decisions will see an increase in digital capability within CSIRO, to support research that will position Australian industry to harness the growing digital economy, including in industries such as agriculture and health. CSIRO will also increase investment in traditional industries, such as minerals and mining, in order to make them more profitable and sustainable through bringing innovative technology to market.
- Overall, these directional changes are a refresh and redirection of capability in CSIRO, not a cut to staffing levels. Although CSIRO has announced that there will be approximately 350 redundancies over the next two years, the organisation is also planning to appoint new staff so that by the end of this process there will be no significant change in CSIRO’s total staffing levels.

Background:
- See Attachment A.

Regulatory Implications: NO.

Consultation: YES.
- CSIRO has alerted officials from the Department of Industry, the Department of Environment and the Department of Prime Minister and Cabinet to these changes.

Attachments:
Attachment A: Background
BACKGROUND

Note that the number of positions listed are indicative at this stage and work is currently being undertaken to finalise the exact impact.
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<tr>
<th>Business Unit</th>
<th>FTE Impact</th>
<th>Rationale / Additional Information</th>
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<tbody>
<tr>
<td>Land and Water</td>
<td>Loss: up to 100 redundancies (indicatively 75 in 2015/16, 25 in 2016/17) offset in part by 35 potential new positions</td>
<td>Impacted area: Changes will be concentrated in the “Liveable, Sustainable and Resilient Cities” program, the “Biodiversity Ecosystems Knowledge and Services” program, and the “Adaptive Social and Economic Systems” program (exact breakdown being determined). Why: CSIRO recognises that these areas have either been struggling to achieve sufficient industry support or are relatively mature areas of science. CSIRO believes that some of these areas of science can be better delivered by the university sector. What won’t be impacted: These changes will not impact the CSIRO’s recent commitments to support the development of Northern Australia, for example through its transport logistics capability in the “Liveable, Sustainable and Resilient Cities” program. This capability (e.g. TRANSIT) is unique to CSIRO and will be maintained. Furthermore, work in relation to improving the energy efficiency of the built environment</td>
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<td>Oceans and</td>
<td>Loss: up to 100 redundancies</td>
<td>This change is likely to be concentrated in two research programs “Oceans and Climate Dynamics” and “Earth Systems Assessment”.</td>
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<td>Atmosphere</td>
<td>across 2015/16 and 2016/17,</td>
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<td>offset in part by 25 potential</td>
<td>Why: O&amp;A will reduce its focus on climate research to focus on areas more closely linked to innovation and the growth of Australia’s industrial sector. Over the past few years CSIRO through O&amp;A and its predecessors together with international partners in the scientific community have proven that climate change is real which has been documented by the CSIRO participation and authorship in the IPCC series of reports. This work was largely funded by government programs that have now concluded (ACCSP, PACCSAP), and ongoing funding for this work is now provided at a reduced level within the NESP program. CSIRO believes there are nowadays others within the Australian research community such as the academic sector, better placed to continue the majority of this fundamental research. CSIRO will refocus its efforts on working more closely with its</td>
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<td>new positions</td>
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<td>Industry partners on shorter term impacts and applied adaptation strategies</td>
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<td><strong>Location impact:</strong> largest site impacts from these changes will be in Yarralumla, Aspendale and Hobart.</td>
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<td><strong>What won’t be impacted:</strong> CSIRO is involved in five out of the six NESP hubs, and currently leads the Earth Systems and Climate Change Hub. CSIRO will work closely with its partners to ensure it minimises the impacts of the above changes. CSIRO aims to continue to fulfil its NESP contractual obligations and is currently reviewing a way to achieve this.</td>
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<td>CSIRO will also be investing in research that will: enhance our understanding of cumulative impacts of Blue Economy developments (e.g., fisheries and resource projects) and onshore resource projects (e.g., mines and coal seam gas) to minimise their impacts and inform their social license to operate; and, explore the feasibility, potential, risks and costs of climate interventions (also known as geo-engineering). Investment will also be made in building autonomous marine platforms to make a step change in our understanding of the oceans and developing improved fisheries management strategies for the global market.</td>
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