



Advice to Relevant Unions

Advice in accordance with Clause 3(a), Schedule 3 of the CSIRO Enterprise Agreement

Business Unit: CSIRO Materials Science and Engineering

Date: 18 June 2014

Contact for further information:

Details of the circumstances causing the potential redundancy situation

The CSIRO Annual Directions Statement (ADS) (2014), has provided direction for prioritization of research across CSIRO leading to potential impacts on CSIRO Materials Science and Engineering (CMSE) research capability in 2014-2015. CMSE has recently undertaken a comprehensive review of its research capability areas in light of the ADS and the funding gap due to increased costs and limited funding available including appropriation funds and external earnings.

CMSE/New Minerals Flagship (MF) will have a labour budget that will be reduced by approximately \$11.7M due to a combination of: a reduced, realistic external earnings target (reduce by \$7.5M), reduced appropriation (\$1.2M) and the reduced use of CMSE/MF capability by other flagships such as the closure of P- Health Brain Health research (- 9 FTE), reductions in non-MF TCPs (8 FTE) and liquid fuels (- 4 FTE) this alone resulting in an estimated \$3M reduction.

The changes to available revenue means that CMSE can no longer support the level of research staff that we have had in recent years, necessitating strategic closures and reductions in selected areas.

This process does not address potential staffing changes to Research Management, Administration and related positions as a consequence of the impacted officer processes under the Integrated Reform Program (IRP).

The proposed approach is to conduct the process in two "Phases". These include: Phase 1 - Closures/withdrawals impacting up to 17 staff. This Phase will be closely followed by Phase 2 – Reductions impacting up to 60 staff – a total of approximately 78 staff. This Clause 3A application applies to Phase 1.

Impact of the proposed change upon science, research capabilities and/or support for these areas.

Focussed closures (Phase 1) of research delivered by CMSE capability means that there is a need to reduce research capability in 2014/15 of approximately 17 FTEs across the following areas:

- Capability Area 1: Polymer & Molecular Materials
- Capability Area 2: Bio Sciences
- Capability Area 3: Devices, Systems & Engineering
- Capability Area 4: Surfaces & Nanosciences

The anticipated number of officers affected and their level, functional area and location.

Note: Where the provision of this information will allow an individual officer to be identified, all but the identifying information has been made available.

The anticipated number and classifications of Officers likely to be affected are:

Phase 1:

Area	Research	No of staff	No of expected	Location
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	Program	impacted	redundancies	
1	Polymer & Molecular Materials	4 RS 2 RP	5	Clayton
2.	Bio Sciences	1 RS 3 PDF	1	Parkville
3.	Devices Systems & Engineering	5 RS 3 RP	8	Clayton & Highett
4.	Surfaces & Nanosciences	1 RS 2 RP	3	Clayton
			17	

The method of identifying potentially redundant officers.

Discussions have been held at Business Unit Level and with other relevant Capability and Portfolio Leaders (Research Program Leaders, Research Directors, Theme Leaders respectively) to ensure that the appropriate areas have been identified based on on-going requirements. Likely future deployment opportunities of affected groups continue to be explored with the relevant leaders.

In the science capability areas, a framework to assess science impact has been developed and implemented. This has identified the teams with the highest and lowest impact which includes alignment with the strategy and engagement with industrial partners to provide the required external income.

Consultation will be ongoing with the Staff Association. Where redundancy is the likely method to manage the financial impacts Schedule 3 of the Enterprise Agreement will be followed. Where reductions occur across a group of impacted officers Schedule 3 paragraph 5 (a) – (c) will be applied for the identification of potentially redundant officers.

Throughout the process staff will be reminded of the option for Voluntary Redundancy Substitution (VRS) and staff already registered on the VRS register will be reviewed.

Following all staff communication, local change management plans will be developed for each impacted site.

The expected consultation process / timeline is as follows:

Action	Date	Responsibility
Business Case 1 submission	Week commencing 16 June 2014	Chief HRM
Approval to proceed with planning for restructuring	Week commencing 16 June 2014	GE Environment; GM HR Services
Consultation with flagships and other key internal stakeholders	Commenced and continuing to late August 2014	Chief/Director; Deputy and Research Directors
Communication with Staff Association outlining our intention to commence communication and consultation processes regarding potential restructuring	Week commencing 16 June 2014	Chief; HRM
Communication and consultation with all staff in regard to divisional outcome and possible impact: {Note: Initial communication occurred 2 June 2014}	From 2 June 2014 - ongoing	Chief/Director Deputy Chiefs Program Leaders/Research

<ul style="list-style-type: none"> Chief's communication to all staff including process Site and/or program level communication Invitation for and receipt of input, feedback and possible mitigation strategies Invitation to register for Redundancy substitution 		Directors, Site leaders (as appropriate) (Supported by HR)	
Finalisation of feedback and input from staff and stakeholders; Assessment of divisional impact and final outcomes and decisions	By end June 2014	DMT	
Communication with Staff Association Clause 3a	Week commencing 23 June 2014	Chief/Director HRM	
Communication of outcomes and decisions to staff, stakeholders and union <ul style="list-style-type: none"> Chief's communication to all staff Site and/or program level communication discussion as required 	July/August 2014	Chief/Director Research Directors (Supported by HR)	
Communication and consultation with staff possibly directly impacted Consideration of possible mitigation strategies etc	2 June 2014 & ongoing	Chief Deputy Chief Program Leaders Supported by HR	
Consideration of Voluntary Redundancy Substitution	Week commencing 16 June 2014 & ongoing	Research Directors supported by HR	
Individually impacted officer advised (first letter)	Phase 1: Week commencing 7 July 2014 Phase 2: Week of 21 July 2014	Research Directors supported by HR	
(Group) Impacted officers advised of process for assessment Opportunity for feedback on decision maker, process, timelines and input to process	Phase 1: Week commencing 7 July 2014 Phase 2: Week of 21 July 2014	Research Directors supported by HR	
Consideration of any new Voluntary Redundancy Substitutions	Ongoing	Research Directors supported by HR	
Individually impacted officer advised from Group processes (first letter)	Phase 1: Week commencing 7 July 2014 Phase 2: Week of 21 July 2014	Research Directors supported by HR	
Any other relevant information			
Nil.			

When completed this form should be forwarded to Sam Popovski at sam.popovski@cpsu.org.au