

CSIRO's Boss Shifting Ground

Last year, Geoff Garrett aborted a pre-arranged interview with Peter Pockley by declining to answer any questions. Now, at his request, he speaks without restrictions.

Well into the second half of his 5-year term as Chief Executive, Dr Geoff Garrett begins the interview by leaning his lanky frame over the table to say how he hopes “we can put the past behind us and make a new start”. He is earnestly making an effort to win friends.

He is most comfortable when speaking about the massive reorganisation he is pushing through CSIRO and the good “outcomes” he wants science to deliver. In this zone, Garrett is nothing if not enthusiastic. He was generous with his time and did not baulk at any questions.

His early tearaway approach seems somewhat tempered as the realities, especially the tightness of finance, are clouding the horizon. Adjustments in his rhetoric are also apparent. Perhaps he has been learning from disquiet, expressed internally and externally, over his style.

In last year's Strategic Action Plan (SAP), Garrett reaffirmed the bold goal he declared early in his first financial year (2000–01) of “growing” CSIRO's revenue from \$885 million to \$1.3 billion in 2006–07. This was going to distinguish his office by supporting several “Big Hairy Audacious Goals”. In the August 2003 update, however, the target has been pulled back to \$1.076 billion. After adjusting for the cancellation of the “capital use charge”, the effective drop is \$115 million.

The latest plan budgets for increases in government appropriations of 6% over 3 years – from \$541 million in the current year to \$573 million in 2006–07. Garrett claims that a 6.8% lift in funding in last May's Budget indicates that the government will look favourably on granting even more in future. The plan cannot predict more, though, especially as the government refused to reinstate CSIRO's triennial budget earlier this year, restricting CSIRO to its second annual allocation until the 2004–05 Budget next May.

The plan calls for “greater Federally funded support”, but no target was set. “I take personal responsibility for Federal government money increasing,” Garrett says. This includes tighter “focusing” of CSIRO's overall effort, mainly through six Flagships that will receive 40% of CSIRO's appropriation in 4 years, an enormous internal shift of priorities.

While the level of government support remains uncertain, realisation of the plan rests increasingly on a huge hike



Peter Pockley

Geoff Garrett pictured while declining to answer questions in August 2002, a tactic now reversed.

in external (non-government) earnings. For 2 years, Garrett has been trumpeting how these earnings will rise to pay for his big goals. He has described CSIRO as a “business” and has pumped money into expanding CSIRO's Business & Commercialisation staff while telling researchers that they must earn big bucks through consultancies and patents.

In the interview, Garrett foreshadowed a front page article that reinforced this drive when it was published a week later in the *Financial Review*. A PR coup, perhaps, but the article generated vigorous criticism by former CSIRO Entomology Chief, Dr Max Whitten, who said that it reflected on management's failure to understand CSIRO's history in generating national economic benefit without concentrating on commercialising intellectual property (IP).

It is puzzling, therefore, to have heard Garrett conceding “it would be a serious mistake” for Australian science to become reliant on increasing external money, and saying: “Revenue is only a coarse metric of our contribution to the nation. We need more taxpayers' money support.”

At the time of the interview the ink was dry on CSIRO's annual report for 2002–03. When tabled only hours after the *Financial Review* article, it revealed a decline in revenue from IP in real and relative terms from 2001–02. IP revenue dropped from \$16.9 million to \$13.8 million in 2002–03 before

adjusting downwards for inflation, yet the plan predicts it will reach \$73 million in 4 years. Meanwhile, staffing in Business & Commercialisation grew from 153 equivalent full-time positions in 2001–02 to around 170 in 2002–03. The total cost is not available.

THE SCIENCE ZONE

Invite Garrett to talk about the activity that is at the core of his responsibilities – scientific research – and he takes on a different persona to the can-do manager. When asked to describe what he considers are the most significant projects on his watch, Garrett speaks in brief, generalised terms: “The ability of the organisation to reflect on its focus, to look at work we’ve done in serving the health of the community, to consolidate services to the agricultural community in plants and livestock, in servicing environmental issues. For me, it’s been a learning curve of extraordinary dimensions, scope and magnitude of CSIRO’s contributions.”

Prompted to be specific, he reads dot points from a list in the SAP: enzymes derived from insects to remove pesticides from the environment; automatic vehicles for underground mining; detection and protection for prostate cancer; a Team Australia approach to national research priorities; bushfire prevention; beef tenderness; and climate modelling helping the Swiss to win the America’s Cup.

There are no big hits as the list runs out quickly and he passes the microphone to his Deputy Chief Executive, Dr Ron Sandland, who adds achievements by radioastronomers in measuring millimetre waves and by Dr Ezio Rizzardo in building polymers with predesigned molecular weights.

FACING THE CRITICS

Garrett has been accused of diffuse management-speak, but he seems to be refining his language. However, slogans still roll out. The SAP defines

“Six key change messages” thus: “Focus, Focus, Focus; Look Out!!!; Partner or Perish; Service from Science; One-CSIRO; and Go for Growth”.

Dr Michael Borgas, CSIRO Staff Association President, wrote in *conScience* last September (p.43) that members see the Flagships scheme “as massive managerial and bureaucratic enterprises that lack originality, the bedrock of productive research”. Garrett responds: “Michael was not knocking management, only expressing concerns about the level of government funding”.

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Asked why there seem to be few vocal champions of CSIRO when the organisation gets a bad press, as it has with regularity, Garrett reads some names praising CSIRO from a brochure on information and communication technology.

Would CSIRO’s “story” be told more effectively if he did not make senior appointments in public communications who lacked knowledge of science and a background in science media? Garrett declares: “Fair comment”.

Later, the search for a successor to the unqualified Communications Director, Di Jay, fell apart. Four weeks after the launch of CSIRO’s Preventative Health (P-Health) Flagship, former lawyer and CEO of the Tobacco Institute of Australia, Donna Staunton, was appointed for 3–4 months. In 1994 Staunton said: “I don’t think tobacco is addictive”. Tobacco is not one of the major health issues addressed by P-Health.

AMBITIOUS HEALTH GOALS

P-Health represents the most significant shift in CSIRO’s research priorities. Until now CSIRO has only worked on the margins of mainstream medical research in nutrition, food and its preservation. Now, under the directorship of Prof Richard Head in Adelaide, the new Flagship claims to be leading a “national plan to prevent disease” and to be “partnering” numerous institutions.

On first presenting the Flagships to government last year, the main pitch was economic: they would provide a benefit of \$125 billion. P-Health would “reduce the direct health care costs by 10%,” producing a “A\$5 billion saving per year” that “would translate into A\$20–50 billion in total economic benefit per year”.

The foundations for these projections came under criticism within CSIRO and have been dropped. Instead, there is pronounced emphasis on making money from patents, although without specifics or financial expectations. A worthy but ambitious goal has been retained in the push for popular acceptance: “Providing Australians with an extra 10 years of productive and enjoyable life”.

Head was invited to provide a detailed scientific base for these claims and to show, with examples of totally new research, how CSIRO would lead a national plan that necessarily involves clinical trials that are outside its remit. He was also asked about the lack of attention to the nation’s most critical problems in lifespan – with the indigenous population.

In contrast with Garrett’s openness, Head has said he won’t answer these and other questions until after this reporter can visit Flagship labs interstate. For now, an article commissioned by the Flagship is reproduced on page 32.

For more on P-Health’s research program see *Early Warning Focus on Health* (pp. 32–34). For more commentary on CSIRO issues see *Pockley’s Razor* (pp.44–45).