

**ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE**  
**ANNUAL REPORT HEARINGS 2015-16**

**ChemCentre**

**Hon Alanna Clohesy asked:**

I refer to Significant Issues Impacting The Agency on Page 28 of ChemCentre's 2015-16 Annual Report, and ask:

- 1) What was the nature of the commercial fee-for-service business offering that was withdrawn due to staff constraints?

Answer: The business in question involved the analysis of workplace drug testing samples for a range of clients; in particular low cost, high throughput samples associated with the requirements of Australian Standards AS4308 (urine) and AS4760 (oral fluid), for which other service providers existed, both private and government. Other parts of this work were retained and expanded where ChemCentre could demonstrate that it provided value to the organisation either in terms of sustainable revenue, the creation of scientific knowledge or community benefits.

- 2) What was the actual or likely financial benefit of this offering had it not been withdrawn?

Answer: The projected revenue for the workplace drug testing service reported in the 2015-16 Budget papers amounted to approximately \$240,000; not taking into account the costs of this service provision. With service costs being far in excess of \$240,000 p.a. at the point of withdrawing from the service, the financial benefit to ChemCentre in providing this service was considerably less than the revenue being generated. In addition to this, there was increasing pressure from other providers, with a lower cost base driving revenue downwards and decreasing the service's profitability for ChemCentre. These financial implications and the need to ensure delivery of services to key government clients, at a time of staff number restrictions, underpinned the decision to modify the scale of these services that could be provided.

- 3) What is the name of all positions at ChemCentre which remained vacant during the staff freeze after the incumbent officers left?

Answer:

**Executive/Business and Corporate Services**

Communications and Outreach Officer

**Forensic Science Laboratory**

Laboratory Technician Team Leader — Racing Chemistry

Chemist (Scientist) — two positions

Senior Laboratory Technician

Laboratory Technician