

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

**Budget Estimates**

5 June 2013

**Question: BET 993-998**

**Topic: Public Service Efficiencies (ATO)**

**Written**

**Senator BUSHBY asked:**

993. Please provide details of the amended operational efficiencies your agency will make as per the 2013-14 Budget Measure 'Public Service efficiencies' (see 2013-14 Budget Paper No. 2, page 108).
994. In addition, please provide the following detail:
- a. Can you quantify the estimated savings for each year over the forward estimates for savings achieved by implementing more efficient management structures, through a reduction in expenditure on staff across the Executive Level (EL) 1 and 2, and Senior Executive Service (SES) levels?
  - b. Can you quantify the estimated savings for each year over the forward estimates for savings achieved by revising down the occupational density target for all new leases, buildings and major fit-outs undertaken by agencies from 16 square metres per occupied workpoint down to 14 square metres?
995. Has there been a reduction in business flights?
- a. What are the estimated savings for each year over the forward estimates?
996. Has there been a reduction in the use of external consultants and contractors?
- a. Has this impacted on the department/agency, and how?
  - b. What are the estimated savings for each year over the forward estimates?
997. Provide an update of moving recruitment advertising online.
- a. Is any recruitment still in printed materials, and if yes, why?
  - b. What are the estimated savings for each year over the forward estimates?
998. Has the department/agency reduced its printing costs?
- a. If not, why not?
  - b. Have printing costs increased, and if yes, why and by how much?
  - c. Has the five per cent savings target been achieved – if yes, how, or if it will not be achieved, why not?
  - d. What are the estimated savings for each year over the forward estimates?

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**Answer:**

993. The ATO's savings announced as part of the 2013-14 Budget Measure, Public Service Efficiencies, are set out in the table below:

**Table 1: Public Service Efficiency Savings**

2012-13	2013-14	2014-15	2015-16	2016-17
-\$14.752m	-\$21.061m	-\$17.850m	-\$15.999m	-\$0.685m

Considerable work is being done by the ATO to plan for spending reductions to achieve these savings, including continuing to focus on the following areas:

- maintaining a strong message of thrift and tight budget management throughout the ATO and encouraging productivity improvement
- harvesting savings from past investments in new IT systems as they mature
- reviewing and reducing supplier expenditure
- reducing staff numbers through natural attrition
- containing the number of non-ongoing and casual staff and the duration of their contracts, utilising them to focus on seasonal workload peaks
- reviewing APS classification levels required for work types to ensure the right level for the right work.

Whilst these priorities will continue across the forward estimates, other strategies will be considered if required.

994. a. Refer to Department of Finance and Deregulation's response – F10 – Senate Estimates, 29 May 2013.
- b. In June 2013 the Department of Finance and Deregulation provided advice to the ATO regarding property savings to be achieved from revisions to the occupational density target for leases that expire on or beyond 1 July 2013. The estimated savings for 2013-14 and the forward estimates are set out in the table below.

**Table 1: Occupational Density Savings**

2013-14	2014-15	2015-16	2016-17
-\$1.589m	-\$0.789m	-\$1.320m	-\$1.824m

995. Yes, in 2012-13 to 31 May 2013 business class bookings have reduced by 19 per cent and the associated expenditure by \$5.21m compared with the same period in 2011-12.

- a. It is expected there will continue to be a reduction in both business class bookings and expenditure over the forward estimates.

996. Please refer to SBT 342 – October 2012.

997. Please refer to SBT 343 – October 2012.

998. Please refer to SBT 344 – October 2012.