

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

17 October – 18 October 2012

Question: SBT 321-326

Topic: Public Service Efficiency (ACCC)

Written: Received from Committee – 26 October 2012

Senator BUSHBY asked:

321. Please detail how the department/agency will achieve savings over the forward estimates through pursuing further efficiencies in the way the public service operates (see media release by the Minister for Finance and Deregulation and the Special Minister of State of 25 September 2012 http://www.financeminister.gov.au/media/2012/mr_1982012.html).

In addition, please provide the following detail:

322. How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?

323. What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?

324. How will the use of external consultants and contractors be reduced? How will this impact on the Department/agency? What are the estimated savings for each year over the forward estimates?

325. How will the department/agency manage moving recruitment advertising online? Will all future recruitment advertisement be online only? If not, explain why. What are the estimated savings for each year over the forward estimates?

326. How will printing costs be reduced? Explain if and how the department/agency will reduce its printing costs by five per cent, or if it will not, why not? How will it be determined what documents will no longer be printed? What are the estimated savings for each year over the forward estimates?

Answer:

321. The ACCC continues to review its funding position and is seeking to find efficiencies across the organisation through reductions in budget allocations, reviews of red tape and prioritisation of activities. Savings targets have been set against key cost areas including staffing (reducing average FTE from 807 to a target of 745), consultancy (15% reduction), and travel (15% reduction). Funding levels will determine the level of enforcement and consumer protection activities the agency can undertake into the future.

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322. The ACCC has reduced travel budgets in 2012-13 by 15% and has undertaken a review to identify any further efficiencies and associated savings that could be realised in addition to the budget cut. This includes ensuring maximum savings are obtained through earlier booking of travel, minimising overnight travel and maximising the use of video conferencing arrangements. The 15% cut in travel budgets is expected to produce savings in the order of \$588 000 in 2012-13.
323. SES officers have been asked to ensure flights on the east coast of Australia (ie less than 3 hours) be undertaken via economy class travel. This is expected to produce savings in the order of \$400 000 per annum.
324. The ACCC has reduced consultancy budgets in 2012-13 by 15% and undertaken a review to identify any further efficiencies and associated savings that could be realised in addition to the budget cut. However the nature of the ACCC's operations requires expert external assistance and as such there is limited opportunity to reduce this item further. The 15% cut in consultancy budgets is expected to produce savings in the order of \$958 000 in 2012-13.
325. The ACCC is compliant with the requirements imposed by the Department of Finance and Deregulation's "Non-Campaign Recruitment Advertising Policy" (the Policy), effective 1 July 2012. Pursuant to the Policy, any external recruitment advertising that is now required is placed online. While the Policy provides for certain exceptions for print media such as indigenous, local, regional or rural media, or where an Agency Head approves press advertising for a Senior Executive Service role, this would only occur in exceptional circumstances.

The estimated savings for each year over the forward estimates, based on the recruitment advertising costs for the financial year 2011-12 and the projected costs for the current financial year, will be in the vicinity of \$50 000 per annum.

326. The ACCC is committed to reducing its reliance on print communications, and has initiated a number of projects that aim to consolidate, reduce and retire the number of publications produced by the ACCC.

The ACCC website is the preferred communication channel for publications. Work is continuing within business areas and using market research information to determine the usage and necessity of publications and look for ways of reducing the spend on printed publications. Web content is being reviewed to ensure it is concise, written in plain English and easily found on the site.

Those products requiring hard copies to satisfy Parliamentary reporting requirements are scrutinised to ensure only minimal quantities are produced.

Publications targeted towards audiences with limited internet access are being reviewed to see if the size of the publication can be reduced, for example using shorter fact sheets and guides that are less expensive to produce and distribute.

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Print on demand options are also being considered to reduce print spending and also to reduce warehousing costs associated with the storage of the publications.

New publications, where deemed necessary, are being kept as short as possible and produced in line with a distribution strategy to ensure targeted distribution and strategically assessed print runs.

A 15% per annum reduction in printing costs has been targeted. The 15% reduction in printing costs is expected to produce savings in the order of \$70 147 in 2012-13.