

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 137

Hearing: Supplementary Budget Estimates

Outcome: Corporate

Programme: Corporate Strategies Division

Topic: Portfolio Wide – Public Service Efficiencies

Hansard Page: N/A

Question Date: 27 November 2013

Question Type: Written

Senator Ludwig asked:

1. Has the five per cent savings target been achieved – if yes, how, or if it will not, why not?
2. What are the estimated savings for each year over the forward estimates?

Answer:

Assumptions applied in answering these questions

As the origin of the reference to a 5 per cent savings target is unclear, the Department and Portfolio Agencies have prepared this response based on the assumption that the 5 per cent savings target relates specifically to efficiency dividends and savings targets applied in 2013-14 and forward estimates.

Department of the Environment

1. The Department of the Environment (the Department) has reduced its expenditure in discretionary areas such as travel, consultants, contractors, recruiting costs and printing expenses over the past several years. In addition to closely managing discretionary expenditure items, long term savings are also being delivered through improving IT functionality and system processes.

Whilst these efficiencies continue to assist with managing reducing budgets, the Department also reduced staffing levels through a voluntary redundancy program which resulted in a reduction of 110 positions. This was supplemented by limitations on recruitment to ensure that only critical vacancies could be filled when they arose. The use of voluntary redundancies allowed the department to realign its staffing resources and workloads with the 2013-14 allocated budget and subsequent government priorities.

The department has been taking steps to prepare for a reduced budget in 2014-15. To address known budgetary pressures, the department has run a further voluntary redundancy round. As at 18 December 2013, there were 98 confirmed voluntary redundancies. This will place the department in a stronger position to conduct our operations within the allocated budget as it stands.

2. The estimated savings for the Department each year of the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
20,071	26,899	31,694

Murray-Darling Basin Authority

1. The Murray-Darling Basin Authority (MDBA) has achieved required savings via efficiencies and spending reductions in areas such as consultancies, printing and advertising.

2. The estimated savings for the MDBA each year of the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
470	1,091	1,648

Great Barrier Reef Marine Park Authority

1. The Great Barrier Reef Marine Park Authority (GBRMPA) was not required to meet a 5 per cent savings target. The additional 2.5 per cent efficiency dividend announced at the 2011-12 Mid Year Economic and Fiscal Outlook has been met from within the portfolio. GBRMPA has reduced its expenditure in discretionary areas such as travel, recruiting costs, stationery, major office machines and external printing expenses over the past several years.

2. The estimated savings for GBRMPA each year of the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
231	442	688

Climate Change Authority

1. The Climate Change Authority (CCA) will meet its savings targets via cost saving across all expense categories.

2. The CCA is unable to provide savings estimates each year over the forward estimates as it has no appropriation under the current forward estimates.

Clean Energy Regulator

1. The Clean Energy Regulator (CER) is managing its budget and resource allocation decisions in accordance with its available funding, including targeted savings applied through the application of efficiency dividends.

2. The estimated savings for the CER each year of the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
2,379	3,449	3,923

Bureau of Meteorology

1. The Bureau of Meteorology (BoM) is managing its budget and resource allocation in accordance with its available funding and has achieved required savings via efficiencies and spending reductions in areas such as travel, printing and advertising.

2. The estimated savings for BOM each year of the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
2,200	4,900	7,900

Director of National Parks

1. The Director of National Parks (DNP) has reduced its expenditure by ensuring adequate controls and scrutiny are applied to ensure costs are constrained as required, particularly for expenditure in areas such as travel, consultants, contractors, printing and repairs and maintenance.

Whilst these efficiencies continue to assist with managing reducing budgets, the DNP has also reduced staffing levels by limiting recruitment to ensure that only critical vacancies were filled when they arose.

The DNP is taking steps to prepare for a reduced budget in 2014-15.

2. The estimated savings for DNP each year and over the forward estimates is presented in the table below.

2014-15 \$000	2015-16 \$000	2016-17 \$000
1,495	2,031	2,972

Sydney Harbour Federation Trust

1. The Sydney Harbour Federation Trust (SHFT) being a self funded statutory authority has not been impacted by the most recent efficiency dividends. The SHFT has made significant saving measures during 2013-14 to ensure its ongoing sustainability. A number of discretionary programs were cut or deferred as well as savings in corporate overheads of 10 per cent.

2. The savings in discretionary programs and corporate overheads are continuing in our forward year estimates. These savings equate to approximately 7 per cent savings in our total expenses and are presented in the table below.

2014-15	2015-16	2016-17
\$000	\$000	\$000
589	590	601

National Water Commission

1. The National Water Commission (NWC) planning and budgetary processes provide for the establishment of its work program against its strategic priorities and within the level of resources available to meet those priorities, after budget savings. The Commission has established its work program in 2013-14 within available budget funding by adjusting the size and scope of its program activity and targeting savings in travel, consultancy and printing expenditure. The NWC will establish its future work program within the agreed forward budget estimates on the same basis as that employed in 2013-14.

2. The estimated savings for NWC each year and over the forward estimates is presented in the table below.

2014-15	2015-16	2016-17
\$000	\$000	\$000
84	190	296