

## QUESTION TAKEN ON NOTICE

### ADDITIONAL BUDGET ESTIMATES HEARING: 9 FEBRUARY 2010

#### IMMIGRATION AND CITIZENSHIP PORTFOLIO

#### (136) Program : Internal Product

Senator Eggleston asked:

- (1) What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?
- (2) What are the current staffing levels for SES and non-SES officers? What is the breakdown by location?
- (3) What have been the changes in ASL since November 2007? Why have these changes occurred? What have been the budgetary implications?
- (4) In the case of reductions in staff numbers, how have these reductions been absorbed by the Department? What functions have been sacrificed and why?
- (5) Has there been a target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this?
- (6) Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?

Answer:

- (1) The Department of Immigration and Citizenship's total expenditure on staffing in 2008 – 2009 was \$617,384,000 (*Department of Immigration and Citizenship Annual Report 2008-09*, p. 297). The Migration Review Tribunal and the Refugee Review Tribunal expended \$30,474,000 on staffing over the same period (*Migration Review Tribunal and the Refugee Review Tribunal Annual Report 2008-09*, p. 103).
- (2) The current staffing levels for SES and non-SES officers and the breakdown by location are outlined in Table 1, Attachment 1.
- (3) The changes in ASL since November 2007 are outlined in Table 2 and Chart 1 at Attachment 2, along with explanation of the reason for these changes. Changes in ASL have been accounted for within the stated appropriations to the department.
- (4) Some of the reductions in departmental staffing numbers are attributable to the Global Economic Crisis and associated reductions in the Migration Program. A reduction in departmental staffing numbers also took place as a result of recommendations of the Financial Health Check review, which was established by the Secretary in April 2008 to strategically assess and reform DIAC business operations and staffing arrangements, in consultation with staff. The primary focus of this work was to identify business process improvements and efficiencies, better align our working arrangements to meet

the government's priorities (with a focus on service delivery), and responsibly meet the department's budgetary requirements.

Decisions about reductions in staffing numbers largely centred on improving the performance of the Service Delivery Network. It was recommended that, by consolidating a number of caseloads to harness efficiencies and improve the department's service to its clients, substantial savings could be achieved in 2008-09 and across the forward estimates.

A Ministerial decision was made to consolidate 457 caseloads in Sydney, Melbourne and Perth. The Financial Health Check Implementation Group held a series of workshops meetings and teleconferences with State and Territory Office managers and relevant policy areas to determine the appropriate placement of work across the network and to plan for transition.

At the beginning of 2009, in anticipation of the impact of a reduced budget for 2009-10, the department commenced proactive measures to position itself to responsibly meet its 2009 – 2010 fiscal obligations, while continuing to deliver quality services on behalf of government.

Across the department, measures to reduce costs have included a combination of natural attrition, voluntary redundancies, tighter controls over external recruitment, an increase in flexible work arrangements, and structural and operational changes.

In respect of voluntary redundancies, these have occurred where an employee has expressed interest in this outcome. Each one has been assessed on a case-by-case basis in the context of operational requirements, given the requirement to abolish the person's position in the event it proceeds.

- (5) Reduction was determined on a case-by-case basis; related duties were reviewed for reallocation or reprioritisation at the local workplace level. The same process has applied across the department in each work area, in assessing the appropriateness of recruiting staff to vacancies, or not, as they arise through natural attrition. The DIAC Portfolio Budget Statements project a reduction in Average Staffing Levels of 416 over 2009-10.
- (6) In 2009 -2010 the department had 150 voluntary redundancies. In 2008 – 2009 there were 336 voluntary redundancies, and in 2007-2008 there were 60 voluntary redundancies and two involuntary redundancies.

It is unlikely that significant numbers of voluntary redundancies will be offered in the near future. It is more likely that any downsizing of the organisation will be managed over time through ongoing controls over external recruitment, and the impact of natural attrition. This approach to reducing staff numbers has been in place for approximately eight months and has total salary costs trending in the right direction.