

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH AND AGEING PORTFOLIO**

**Additional Estimates 13 and 15 February 2013**

**Question:** E13-072

**OUTCOME 0:** Whole of Portfolio

**Topic:** Making the Public Service More Efficient

**Type of Question:** Written Question on Notice

**Senator:** Senator Boyce

**Question:**

- a) Please provide an update of the savings achieved 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](http://www.financeminister.gov.au/media/2012/mr_1982012.html)). In addition, please provide the following detail:
- b) Can you quantify the estimated savings for each year over the forward estimates for reductions in air travel?
- c) Has there been a reduction in business flights?
- d) What are the estimated savings for each year over the forward estimates?
- e) Has there been a reduction in the use of external consultants and contractors?
- f) Has this impacted on the Department/agency, and how?
- g) What are the estimated savings for each year over the forward estimates?
- h) Provide an update of moving recruitment advertising online.
- i) Is any recruitment still in printed materials, and if yes, why?
- j) What are the estimated savings for each year over the forward estimates?
- k) Has the department/agency reduced its printing costs? If no, why not?
- l) Have printing costs increased, and if yes why and how much?
- m) Has the five per cent savings target been achieved - if yes, how, or if it will not, why not?
- n) What are the estimated savings for each year over the forward estimates?

**Answer:**

- a) The Department of Health and Ageing is undertaking a range of efficiency and cost reduction measures to be within its budget. Sources of budget reduction include the Strategic Review as well as whole of government efficiency measures. The Department does not hypothecate specific cost reductions to each efficiency measure. The Department is pursuing all of the measures outlined in the media release of 25 September 2012. The Department is also undertaking a number of initiatives to achieve efficiencies including building on the program of consolidation of 158 grant programs rolled into 18 flexible funds announced in the 2011-12 Budget, implementation of a hosted grants management solution, improved management of data holding in an Enterprise Data Warehouse and establishment of a Portfolio Shared Services Centre. The Department is also in the first wave of government parliamentary workflow solutions.

- b) The Department has reduced its travel expenditure through the introduction of video conferencing facilities in January 2012. The Department incorporates these saving and future savings into the forward estimates but does not specifically budget in the forward estimates by this class of expenditure.
- c) Consistent with reduced travel expenditure there has been a reduction in business flights.
- d) The Department incorporates these savings into the forward estimates but does not specifically budget in the forward estimates by business flights.
- e) The Department manages the use of consultants and contractors through the internal business planning process and monitoring year to date and forecast expenditure by the Chief Financial Officer.

The Department is managing the cost of this class of expenditure across the forward estimates consistent with its budget and the ongoing delivery of government programs and services.

f) and g)

The level of external consultants and contractors is consistent with the Department's budget constraints, government deliverables and need for the expertise this class of resource brings to a number of reform programs, including IT based initiatives. The Department's forward estimates take account of these factors. Moreover the need for external consultants and contractors is reviewed annually through the Department's Business Planning process.

- h) From 1 July 2012, the Department of Health and Ageing has complied with the Department of Finance and Deregulation's Non-Campaign Recruitment Advertising Policy which mandates the use of online recruitment advertising and restricts the use of advertising in major daily newspapers.
- i) In line with the Department of Finance and Deregulation policy, vacancies will be advertised online, except for positions which are hard to fill.
- j) The Department incorporates savings into the forward estimates but does not specifically budget in the forward estimates by this class of expenditure.
- k) Yes.
- l) No.
- m) Yes. Printing and publishing cost reductions are being achieved through the closer monitoring of hard copy printing and stationery, better use of online communication and reduction in White Pages listings.
- n) The Department incorporates savings into the forward estimates but does not specifically budget in the forward estimates by this class of expenditure.