

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 3107

Topic: Staffing reductions (APRA)

Written: 5 March 2014

Senator BUSHBY asked:

3107. In relation to the implementation of efficiency dividends and other funding reductions, can the agency advise if it has been planning more of a reduction on the staffing side or the non-staffing side, relative to the agency's respective share of its overall cost base?

Answer:

3107. The Australian Prudential Regulation Authority (APRA) proactively manages its priorities and resources to operate within the overall approved budget level. With approximately 75 per cent of APRA's cost base relating to staffing costs the imposition of efficiency dividends does have an impact on the level of staff resources. Changes in staff levels have been managed through natural attrition and vacancy management.

The imposition of efficiency dividends upon APRA does not contribute to the overall government bottom line as the efficiency dividend savings are passed on to regulated financial institutions through reduced levies.