

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2012

30 May 2012

QUESTION: BET 463 - 469

Topic: Australian Valuation Office (ATO)

Hansard Page: Written (15/6/12)

Senator BUSHBY asked:

463. Can the AVO confirm how many officers went to the AVO think tank held in Darwin in the week commencing 4th June 2012?
464. Is this the same number of officers who were originally planned to attend? If not, why did the number of officers sent on the Senior Leadership Group Meeting change?
465. If the number of officers attending the Darwin Senior Leadership Group Meeting decreased, please provide reasons why the think tank was reduced in size and the saving made as a result of this decrease in officers travelling.
466. How many local AVO staff participated in the last Perth Senior Leadership Group Meeting event?
467. How many AVO staff in total participated in the last Perth Senior Leadership Group Meeting event?
468. At Budget Estimates, representatives from the AVO stated that a profit of \$3 million is anticipated for the organisation for this financial year. Is that figure still anticipated or has that outlook been revised?
469. In the financial year to date, has the AVO been advised at any time by its financial controllers that a financial loss is likely for the 2011/12 financial year? Is so, by whom?

Answer:

463. An AVO Senior Leadership Group meeting was scheduled to occur in Darwin in the week commencing 4 June 2012. It did not proceed.
464. The AVO's decision to cancel the Senior Leadership Group meeting in Darwin was based on a number of factors including:
- the recent recruitment process for key positions in the Northern Territory team (including the new Regional Manager) had not been completed. This prevented their attendance at the meeting and their introduction to AVO staff, key stakeholders and clients at the meeting
 - a further four regional managers were unable to attend the meeting, thereby reducing the effectiveness of the regional contribution
 - the attendance of some of the guest speakers and government clients had not been confirmed in the lead up to the meeting
 - the AVO's current focus on strategic cost savings where these do not adversely impact on expected client services levels.
465. The AVO's reasons for cancelling the Senior Leadership Group meeting are outlined in the response to BET 464 above. The AVO saved approximately \$74,600 as a result of the decision to cancel the meeting.

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466. Two local AVO managers attended all three days of the Perth Senior Leadership Group meeting. Five local office staff attended workshop sessions on the second day.
467. Twenty six AVO staff attended all three days of the Perth Senior Leadership Group meeting. Five Perth-based staff attended the sessions on the second day to interact with regional and national office managers. Varied meeting locations ensure that there is an enhanced understanding of local issues and challenges between all AVO staff – whether based in capital city offices or regions. Until the meeting held in March 2012, there had not been a senior leadership meeting held in Western Australia since 2009. This 2012 meeting enabled AVO senior leadership team to engage with staff based in Western Australia. It also provided AVO the opportunity to strengthen the relationship with the Perth branch of the Australian Property Institute in accordance with AVO's priorities to develop new valuation capabilities and increase its profile in the valuation industry.
468. At the Budget Estimates hearing, Second Commissioner Granger indicated that "as of April, it has a surplus of about \$3 million before income tax" (Hansard – Economics Legislation Committee – 30 May 2012 - page 143). This statement referred to the year-to-date surplus of the AVO, before income tax, as at 30 April 2012. This has now been revised down to \$2.1 million after fluctuations to income and expenditure.
469. At no time have the 2011-12 full-year financial forecasts for operating profit for the AVO indicated a financial loss.