

**Department/ Agency:** Australian Taxation Office

**Question:** BET 2099-2106

**Topic:** Staffing Reductions

**Reference:** Written - 12 June 2014

**Senator:** Ludwig

**Question:**

2099. How many staff reductions/voluntary redundancies have occurred from Additional Estimates in February, 2014 to date?
- What was the reason for these reductions?
  - Were any of these reductions involuntary redundancies? If yes, provide details.
2100. Are there any plans for further staff reductions/voluntary redundancies? If so, please advise details including if there is a reduction target, how this will be achieved, and if any services/programs will be cut.
- If there are plans for staff reductions, please give the reason why these are happening.
2101. Are there any plans for involuntary redundancies? If yes, provide details
2102. How many ongoing staff left the department/agency from Additional Estimates in February, 2014 to date? What classification were these staff?
2103. How many non-ongoing staff left department/agency from Additional Estimates in February, 2014 to date? What classification were these staff?
2104. What are the voluntary redundancy packages offered? Please detail for each staff level and position.
2105. How do the packages differ from the default public service package?
2106. How is the department/agency funding the packages?

**Answer:**

2099. From 1 March 2014 to 31 May 2014, there have been 766 staff reductions, including 448 voluntary redundancies (includes the Australian Valuation Office, Tax Practitioners Board and Australian Charities and Not-for-profits Commission).

a.

<b>Reason for staff reductions 1 March 2014 to 31 May 2014</b>	
Resignation	96
Age Retirement	56
Deceased	3
End Contract	121
Voluntary Redundancy	448
Involuntary Redundancy	2
Invalidity retirement	17
Movement to other Agency	20
Termination of Probation	3
<b>Total</b>	<b>766</b>

b. Yes, there were two involuntary redundancies.

2100. and a. Under the former government, total staffing reductions of 4,700 were to occur over the forward estimates period to 2017-18. This included a reduction of 900 in 2013-14, 500 in 2014-15, 1,600 in 2015-16, 1,200 in 2016-17 and 500 in 2017-18. To

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achieve a net saving of \$142.8 million over the forward estimates the Government will bring forward existing ATO staff reductions originally planned for 2015-16 resulting in a net reduction of 3,000 full time equivalents by October 2014. The Commissioner has assured the Government that these savings will pose no risk to revenue collection.

A range of workforce management options are being utilised to reach our affordable levels, including natural attrition, redeployment, careful vacancy management, more efficient job and work design (including management structures), business as usual redundancies, and an expression of interest process for voluntary redundancies.

2101. No.

2102. From 1 March 2014 to 31 May 2014, 622 ongoing staff, both full-time and part-time left the ATO (includes the Australian Valuation Office, Tax Practitioners Board and Australian Charities and Not-for-profits Commission).

<b>Classification of ongoing staff who have left the ATO between 1 March 2014 to 31 May 2014</b>	
<b>Classification</b>	<b>Total</b>
Valuer	16
APS1	12
APS2	23
APS3	100
APS4	73
APS5	42
APS6	103
EL1	162
EL2.1	58
EL2.2	22
SES1	10
SES2	1
<b>Total</b>	<b>622</b>

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2103. From 1 March 2014 to 31 May 2014, 144 non-ongoing staff left the ATO (includes the Australian Valuation Office, Tax Practitioners Board and Australian Charities and Not-for-profits Commission).

<b>Classification of non-ongoing staff who have left the ATO between 1 March 2014 to 31 May 2014</b>		
<b>Type</b>	<b>Classification</b>	<b>Total</b>
<b>Temporary (includes non-ongoing employees with specified term contracts, specified hours and irregular/intermittent (casual) employees)</b>	APS1	53
	APS2	71
	APS3	11
	APS5	1
	APS6	3
	EL1	4
	EL2.1	1
<b>Total</b>		<b>144</b>

2104. Due to the high numbers (over 1,200 potential exits as at 23 June 2014) and the fact that not all have formally accepted a voluntary redundancy and/or exited the organisation at this stage, a further breakdown of this information is not possible and/or would be an unreasonable diversion of departmental resources.
2105. The ATO complies with the requirements of the National Employment Standards for the APS General Employment conditions awards and the APS model clauses including the entitlements for voluntary redundancies (4 to 48 weeks) and retention periods of 7 or 13 months.
- The ATO package differs in the following areas:
- Offer of alternate retention period - where an employee can accept a reduced salary so they can stay to the end of their retention period rather than have the retention period reduced by the employee's redundancy pay entitlement under the National Employment Standards.
  - Support for excess employees (varies from agency to agency) including reimbursement of financial and career planning etc.
2106. The ATO's commitment is that we will self-fund our staff reduction. With regards to the closure of the Australian Valuation Office (AVO), \$7.4 million additional appropriation was received in 2013-14 (as part of the 2014-15 Federal Budget process) towards funding AVO redundancies. The assistance was based on a Department of Finance determined amount of \$42,000 per redundancy.