

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

20-21 November 2013

Question: SBE 76

Topic: Staff reduction

Hansard Page: 112

Senator PRATT asked:

Senator PRATT: Commissioner Jordan, you made some statements today anticipating the need for the Australian tax office to reduce its staff. The figure spoken of is 900 personnel, which is a fairly significant number. Can that figure be broken down by number of ongoing and non-ongoing staff?

Mr Jordan: I will ask Ms Curtis, the head of ATO People, to address that. I am not sure that we have that particular figure.

Ms Curtis: The 900 figure that is quoted there is actually an FTE figure, so we would not be able to break that down in ongoing or non-ongoing staff. That is the figure that we would be looking to reduce the agency by the end of the financial year. And the letter that went out said that it is up to that figure.

Senator PRATT: So it is not a head count; it is a full-time equivalent count.

Ms Curtis: Yes.

Senator PRATT: Has there been an assessment yet of where these jobs will come from? Which locations around the country will they come from?

Ms Curtis: There has not been an assessment of where the positions will come from. We just wanted to let staff know that we think that this is likely number for the reduction. And, as we have said in the message, we will be providing further information as more information becomes available to us.

Senator PRATT: So it is not possible to anticipate at all at this stage whether it is likely to be an even spread across the country or whether there are specific locations that are more likely to—

Mr Leeper: There are some areas where we can say that there will be particular impacts. Some of the reduction that we think is warranted this year is driven by decisions to discontinue functions, such as the government's announced abolition of the Minerals Resource Rent Tax, the administration of which is based heavily in Perth and two other locations, Melbourne and Brisbane. That is an example. There are some changes to superannuation. Those will probably account for two-thirds of the initial adjustment in dollars but not in staffing terms. It would not be anywhere near 600 in staffing terms. It will probably be around 200.

Senator PRATT: Are you able to determine the quantity of staff that relate to the discontinuation of programs is versus the whole quantum of 900?

Mr Leeper: I have dollar figures here. I would need to take numbers on notice.

Senator PRATT: Okay. What is the total dollar figure versus the dollar figure attached to those discontinuing programs?

Answer:

Reductions associated with repeal or changes to legislation, as at 9 December 2013, are approximately \$41.1 million or 290 FTE.