

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2015-16

Finance Portfolio
20 October 2015

Department/Agency: Department of Finance

Outcome/Program: 2/2.2

Topic: Functional and efficiency reviews

Senator: Gallagher

Question reference number: F40

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Question:

Senator GALLAGHER: In terms of the functional and efficiency reviews that are underway, my understanding is that there are eight underway—is that correct?

Ms Halton: That sounds about right.

Senator GALLAGHER: We can do them one by one here, or I am happy to take an update on notice. Can you tell me what is happening, when they are expected to be finalised and what the governance arrangements are for them—

Ms Halton: We will give you the updated list.

Senator GALLAGHER: It is really an update that I want, but if it could include how they are actually being conducted.

Ms Halton: We are happy to do that.

Answer:

There are six Functional and Efficiency Reviews currently underway. Functional and Efficiency Reviews of the following agencies are expected to be finalised in this financial year:

- Department of Agriculture and Water Resources;
- Attorney-General's Department;
- Australian Taxation Office;
- Department of Foreign Affairs and Trade;
- Department of Social Services; and
- Department of Environment.

Functional and Efficiency Reviews of the Department of the Treasury and the Australian Bureau of Statistics, announced in the 2015-16 Budget, will be undertaken in 2016.

Functional and Efficiency Reviews consider:

- Whether the agency needs to undertake a function (Does it align with the Commonwealth Government's role and forward priorities?)
- How well the agency undertakes the function (Can it be done more efficiently and effectively?)
- Is the agency the best organisation to deliver the function (Or can it be done better, whole or in part, by someone else?)

Further information on the Efficiency through Contestability Programme governance arrangements and the process for Functional and Efficiency Reviews can be found on the Department of Finance website at:

[http://www.finance.gov.au/sites/default/files/Contestability Programme Guidelines March 2015.pdf](http://www.finance.gov.au/sites/default/files/Contestability_Programme_Guidelines_March_2015.pdf)

The Independent Review Leader and responsible line agency are accountable for how the Review is conducted and the content of the Final Report. Queries relating to the progress of individual reviews should be directed to relevant agencies.