Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Innovation, Industry, Science and Research Portfolio Additional Estimates Hearing 2010-11 23 February 2011

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Funding cuts

REFERENCE: Question on Notice (Hansard, 23 February 2011, E44)

QUESTION No.: AI-17

Senator COLBECK—Minister, you are now quite famously quoted as saying, 'I would not say anyone's job is safe.' Could you give us a sense of the implications of the funding cuts across the department for departmental staffing?

Senator Carr—I will ask the acting secretary, who is dealing with that matter, as to the implications of the reductions that have been announced.

Ms Weston—We have started to look at that in the department. A number of other factors are coming together for us to look at. We are not in a position to say what the impact will be in full, but we are looking at it. I say that because obviously some programs have been closed—the Green Car Innovation Fund, for instance—and there will be some natural attrition, of course, and we have to work out how that will fit in with our current profile.

Senator COLBECK—It is a significant reduction in throughput and programs, obviously, so that would be expected to have a fairly major impact.

Ms Weston—As I said, we are looking at it. I am not in a position to advise the minister on that at the moment.

Senator COLBECK—So you do not know when you might have that information sorted out? **Ms Weston**—We have a budget process coming up, so we probably want to look at it in the light of that as well.

Senator COLBECK—But these cuts have been announced and made, and you would quite rightly—as you are—be looking at who is needed to do what in the department. The budget is four months away.

Ms Weston—That is right, but the budget may or may not bring other measures and we need to factor that into whether we move people around and how that all fits in.

Senator COLBECK—How far down the track will it be before you have this worked out? **Ms Weston**—I cannot commit to that at the moment. It is certainly something we have started work on.

Senator COLBECK—I will ask you to take that on notice and see whether you can come back within the time frame for taking questions on notice and give us some response as to what you think the impacts might be. Obviously we will have another discussion in May after the budget to pursue that further, but I would have thought.......

Senator COLBECK—I was not necessarily expressing a concern that numbers would be cut; I was asking whether, with the significant cut in programs of over \$1 billion, there would be any reduction in the number of staff required to carry them out. I would have thought that was appropriate.

Senator CAMERON—You do not need to explain it to me.

Senator COLBECK—The inference you made about my question was that I was worried about reduction in numbers in the department. I was more concerned about responsible management of

taxpayers' funds and employing the appropriate number of people to conduct the business of government with the funding that was available. So I think we are at odds with our intentions there, Senator Cameron. I think it just goes to demonstrate that government cannot tell us what their reductions in staffing might be with \$1 billion worth of cuts, and you are looking to maintain big government.

Senator Carr—What you have been told is that the department will provide you with advice as it is available. The Cleaner Car Rebate did not have any staffing implications as far as I am aware. The LPG changes will have minimal implications for this portfolio in terms of processing of additional claims. And with regard to the Green Car Innovation Fund we have to see, because a number of contracts are still to be managed and \$130 million or so of the fund is still to be administered. The combination of those two measures will have differing effects on the staffing profile.

Senator COLBECK—You could have told me that in the first place. That is a much better answer than the one I got originally.

Senator Carr—I have just answered now.

Senator COLBECK—We have been on this for five or 10 minutes. You could have given me that answer at the outset. I am quite happy to accept that in some elements you are still working it out, particularly the Green Car Innovation Fund. But the other elements you have given me now, on which there are no implications for the department—that is fine—

Senator Carr—So you do not want anything on notice?

Senator COLBECK—Absolutely_I would like to have on notice that information as it is finalised. It would have been very easy to give me some of the information you have just given me now at the outset of the process......

ANSWER

The implications of funding cuts and their impact on the allocation of resources within the Department of Innovation, Industry, Science and Research are considered as part of the Department's business planning and budgeting process. The recent cuts to a number of the Department's administered programs will be considered along with variations in funding for other programs and decisions announced as part of the 2011-12 Budget.

An early assessment of recent funding cuts indicates that there will not be a significant short term impact on staff.