

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

16 February 2012

Question No: AET 932 - 936

Topic: Efficiency dividend (ATO)

Hansard Page: Written

Senator Bushby asked:

932. How will the efficiency dividend applied in the 2011-12 Mid-Year Economic and Fiscal Outlook be implemented in your agency/department?
933. What percentage of your budget must be cut?
934. Will any staff positions be cut to meet the efficiency dividend?
935. If yes, provide details of where the positions are located, the classification, whether the positions are ongoing or not. (This question refers to AET 934).
936. Please list where and what spending has been reduced to meet the efficiency dividend.

Answer:

932. The ATO employs a range of strategies to assist in balancing its budget each year, including managing the effect of the existing, ongoing 1.5% efficiency dividend and the additional 2.5% efficiency dividend for 2012-13.

The ATO is monitoring recruitment and overall staffing levels to maintain a sustainable workforce and is also reviewing and prioritising its capital investment plans for 2012-13.

The ATO will continue to manage staffing levels through natural attrition ensuring that any recruitment activities source staff of appropriate levels and employment types (for example, casual) for the work required. This will strengthen the flexibility of the ATO's workforce, giving us the opportunity to meet performance targets and commitments, whilst maintaining reasonable levels of responsiveness.

The ATO maintains a focus on administrative spending to ensure that a balanced end of year position is achieved. Focus areas include:

- accommodation holdings
- competitive procurement processes
- discretionary supplier expenditure, including travel and consultancies, and
- considering the requirement to fill the roles left vacant by departing staff (natural attrition)
- reviewing the required APS classifications required for work types to ensure the right level for the right work

- containing the number of non-ongoing and casual staff and utilising them to focus on seasonal workload peaks
- review and reduce supplier expenditure wherever possible
- garnering efficiencies from previous investments and using lean methodologies to improve productivity.

Focusing on these strategies enables the ATO to target savings to minimise the impacts on core service delivery, compliance activities and revenue collection commitments.

933. Please refer to the response provided in AET 815.

934. Please refer to the response provided in AET 879.

935. No decisions have been taken regarding specific staffing reductions including location or classification. Please refer to AET 879 for latest analysis.

The ATO uses a range of strategies to maintain appropriate levels of staff including:

- considering the requirement to fill roles left vacant by departing staff (natural attrition)
- reviewing the APS classifications required for work types to ensure the right level for the right level
- containing the number of non-ongoing and casual staff and utilising them to focus on seasonal workload peaks
- reviewing and reduce supplier expenditure wherever possible
- garnering efficiencies from previous investments and using lean methodologies to improve productivity.

The ATO continues to monitor recruitment and overall staffing levels with a view to maintaining a sustainable workforce.

936. The ATO has not made any specific changes to its budget in order to implement the efficiency dividend. The ATO's focus areas include:

- accommodation holdings
- competitive procurement processes
- discretionary supplier expenditure, including travel and consultancies
- considering the requirement to fill the roles left vacant by departing staff (natural attrition)
- reviewing the required APS classifications required for work types to ensure the right level for the right work
- containing the number of non-ongoing and casual staff and utilising them to focus on seasonal workload peaks
- review and reduce supplier expenditure wherever possible
- garnering efficiencies from previous investments and using lean methodologies to improve productivity.