

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 13-16 Feb 2012

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1.4 Support Services for Government Operations

Topic: Efficiency dividend

Senator: Senator Ryan

Question reference number: 84

Type of Question: Written

Date set by the committee for the return of answer: 30 March 2012

Number of pages: 2

Question:

1. How will the efficiency dividend applied in the 2011-12 Mid-Year Economic and Fiscal Outlook be implemented in your agency/department?
2. What percentage of your budget must be cut?
3. Will any staff positions be cut to meet the efficiency dividend? If yes, provide details of where the positions are located, the classification, whether the position is ongoing or not.
4. Please list where and what spending has been reduced to meet the efficiency dividend.

Answer:

1. The one-off efficiency dividend of 2.5 per cent announced in the Mid-Year Economic and Fiscal Outlook (MYEFO) is applicable from 2012-13. The department will review expenditure and manage the efficiency dividend accordingly. The review will take into account the government's policy decision announced at MYEFO that it expects agencies to find savings in a range of areas including:

- reductions in the use of consultants and contractors;
- replacing domestic and international travel with the use of the Government's virtual meeting (telepresence) facilities;
- reductions in agency spend on hospitality and entertainment;
- minimising media and advertising expenditure;
- reductions in printing and publication expenditure; and through
- more efficient and consistent delivery of training.

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2. 2.5 per cent.
3. Please refer to the response to Question 1.
4. As the efficiency dividend is not the only change in the department's budget, it is difficult to isolate the impact to particular areas.