

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2012-2013

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: General

Topic: Public Service Efficiencies

Senator: Ryan

Question reference number: F67

Type of question: Written

Date set by the committee for the return of answer: Friday, 30 November 2012

Number of pages: 2

Question:

Please detail how the department/agency will achieve savings over the forward estimates through pursuing further efficiencies in the way the public service operates (see media release by the Minister for Finance and Deregulation and the Special Minister of State of 25 September 2012 http://www.financeminister.gov.au/media/2012/mr_1982012.html).

In addition, please provide the following detail:

- a) How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?
- b) What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?
- c) c) How will the use of external consultants and contractors be reduced? How will this impact on the Department/agency? What are the estimated savings for each year over the forward estimates?
- d) How will the department/agency manage moving recruitment advertising online? Will all future recruitment advertisement be online only? If not, explain why. What are the estimated savings for each year over the forward estimates?
- e) How will printing costs be reduced? Explain if and how the department/agency will reduce its printing costs by five per cent, or if it will not, why not? How will it be determined what documents will no longer be printed? What are the estimated savings for each year over the forward estimates?

Answer:

Refer to response provided for Supplementary Budget Estimates F62.

In answer to the specific questions raised:

- a) The department will further contain air travel as far as practical, refer to Supplementary Budget Estimates F62 for estimated savings for each year over the forward estimates.
- b) All air travel by SES officers between Canberra, Sydney and Melbourne must be taken at economy class, preferably using the best fare of the day.
- c) Refer to Supplementary Budget Estimates F62.
- d) In accordance with the Non-Campaign Recruitment Advertising Policy, effective 1 July 2012, the department has already transitioned to using only online advertising for recruitment. COMCAR driver positions will continue to be advertised in local community papers as typically the candidate pool comes from local communities of retired or semi-retired people.
- e) Refer to Supplementary Budget Estimates F62.

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ANSWERS TO QUESTIONS ON NOTICE
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Finance and Deregulation Portfolio

Department/Agency: Australian Electoral Commission

Outcome/Program:

Topic: Public Service Efficiencies

Senator: Ryan

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Answer:

- a) The AEC will manage air travel expenditure by rigorously assessing all requests for travel based on the requirement for the travel to be undertaken, value for money and available budget. The AEC will manage travel budgets on an ongoing basis and manage within existing resources.

b) Business class air travel is limited on domestic flights to SES and for non-SES where a business case can be presented and supported by either the Deputy Electoral Commissioner or the Electoral Commissioner. International travel must be approved by either the Deputy Electoral Commissioner or the Electoral Commissioner.

Travel requests that involve business class travel will also be rigorously assessed based on the requirement for the travel to be undertaken, value for money and available budget. The AEC will manage travel budgets on an ongoing basis and manage within existing resources.

The AEC also expects to achieve savings on business flights through greater use of video conferencing to conduct meetings.

c) The use of external consultants and contractors is determined on a case-by-case basis and are only employed where existing AEC employees do not have the required skills and capacity. The AEC will continue to manage the expenditure on external consultants and contractors in light of this. The AEC will manage the use of external consultants and contractors on an ongoing basis and manage within existing resources.

d) The AEC used on line advertising as an adjunct to APS Jobs and newspaper advertising for much of last financial year. AEC managers were satisfied with the response from the market and have accepted the move to online advertising for major metropolitan centres. Given the dispersed nature of the AEC, regional newspapers may be used from time to time where managers identify a specific need based on past recruitment activity/results.

Estimated annual saving of \$12,000.

e) The AEC undertakes a limited hard copy print run for most publications. People are directed to soft copies on the intranet/internet. For example, for the upcoming election the AEC will direct candidates to its website for information that has previously been printed. Refer to response F69 for more information.

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2012-2013

Finance and Deregulation Portfolio

Department/Agency: ComSuper
Outcome/Program:
Topic: Public Service Efficiencies

Senator: Ryan
Question reference number: F67
Type of question: Written
Date set by the committee for the return of answer: Friday, 30 November 2012

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Please detail how the department/agency will achieve savings over the forward estimates through pursuing further efficiencies in the way the public service operates (see media release by the Minister for Finance and Deregulation and the Special Minister of State of 25 September 2012 http://www.financeminister.gov.au/media/2012/mr_1982012.html).

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Answer:

ComSuper has put in place a range of measures aimed at achieving savings over the forward estimates. These include savings from outsourcing the administration of the Public Sector Superannuation Accumulation Plan (PSSap), consolidating its office accommodation and other general efficiencies.

a) Travel is only undertaken where it represents efficient, effective, economical and ethical use of Commonwealth resources. ComSuper complies with the Commonwealth's policy of the Lowest Practical Fare for Official Domestic Air Travel. The ComSuper Travel Policy requires staff to consider cost effective alternatives such as teleconference or video conferencing as alternatives to air travel.

ComSuper undertakes a minimal amount of air travel. As such, it would be an unnecessary diversion of resources to estimate the savings associated with air travel.

b) Please refer to a).

c) ComSuper will engage contractors and consultants only where the required skills are not available in ComSuper and where it represents an efficient, effective, ethical and economic use of Commonwealth resources. This is consistent with ComSuper's existing practices and will have no adverse impact on the agency. It is not possible to provide an estimate of projected savings because the number of consultants and contractors that may need to be engaged throughout the current financial year cannot be fully determined.

d) ComSuper has moved to the government requirement to advertise jobs online. Since 1 July 2012 we are no longer using print media for recruitment advertising. ComSuper will continue to comply with this requirement, ensuring that all recruitment is online only. As there has been a period of downsizing accompanied by a recruitment freeze, it is not possible to forecast reliable estimates of savings at this time.

e) ComSuper has already implemented a range of savings measures to reduce overall printing costs. In relation to internal printing, during 2011-12, ComSuper replaced its printer fleet with a more efficient set of Multi-Functional Devices that require staff to "Swipe to Print". ComSuper does not record data on printing in a way that readily allows detailed answers to be provided. To attempt to provide this level of detail would involve a significant diversion of departmental resources. In general, for internal printing, ComSuper has reduced its paper consumption by 25 per cent and equipment maintenance and support costs by 43 per cent since the introduction of these devices. We estimate a further saving of 3 per cent over the course of the 2012-13 financial year.

ComSuper also produces printed material for member communications including annual member statements and, where necessary, publications to meet statutory reporting obligations such as ComSuper's Annual Report to Parliament. During 2012-13, ComSuper plans to further reduce printing costs through exploring alternate methods of member communications including, where practicable, electronic media. Estimated savings for forward estimates are dependent on the success and rate of take-up of such initiatives and, as such, are yet to be determined.

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Finance and Deregulation Portfolio

Department/Agency: Commonwealth Superannuation Corporation

Outcome/Program:

Topic: Public Service Efficiencies

Senator: Ryan

Question reference number: F67

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Answer:

CSC has a budget process and monitors spending against it on a monthly basis.

- a) CSC has its own travel policy in place (see response to F90).

- b) See (a). Flights are booked on the basis of business needs. Savings have not been estimated.
- c) Consultant and contractors are only retained on the basis of business needs. Savings have not been estimated.
- d) Most recruitment is currently advertised online. Not all future recruitment advertising will be online. CSC may still use non-online advertisements to capture specific audiences. Savings have not been estimated.
- e) Printing is done on the basis of business needs (see response to F69). Electronic documents and filing are used wherever possible. Savings have not been estimated.

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Finance and Deregulation Portfolio

Department/Agency: Future Fund Management Agency

Outcome/Program:

Topic: Public Service Efficiencies

Senator: Ryan

Question reference number: F67

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Answer:

The costs of operating the Agency and making investments of the Future Fund are met from the assets of the Future Fund. The Agency maintains close oversight and control of its costs, including an annual review of the budget by the Board of Guardians.

- a) Air travel expenditure is monitored by management and all travel must be approved by the relevant manager. The Agency has an ongoing process of reviewing travel requests.
- b) The Agency's policy is that all travel within Australia and New Zealand must be at economy class for all staff. Travel to other destinations may be in Business Class. All travel is subject to the value for money and best fare requirements of the travel procurement requirements.
- c) In accordance with its legislation and business model, the Agency uses external advisers, consultants and investment managers. All external arrangements are considered on the basis of the expected costs and benefits and the availability of suitably skilled resources.
- d) The Agency's recruitment advertising costs are modest and we already make use of online advertising sources to a large extent. We expect to continue to use online advertising extensively, using print advertising only where this is expected to be beneficial to the identification of suitable candidates.
- e) The Agency does not print significant volumes of material. Where printing is required, we will continue to source appropriate providers in accordance with the Commonwealth procurement rules.