

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012

Question: E12-090

OUTCOME 0: Whole of Portfolio

Topic: MAKING THE PUBLIC SERVICE MORE EFFICIENT

Type of Question: Written Question on Notice

Number of pages: 2

Senator: Senator Boyce

Question:

- a) 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:

- b) How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?
- c) What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?
- d) 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?
- e) 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?
- f) 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:

- a) The Department of Health and Ageing is undertaking a range of efficiency and cost reduction measures to be within its budget. Sources of budget reduction include the Strategic Review as well as whole of government efficiency measures. The Department does not hypothecate specific cost reductions to each efficiency measure. The Department is pursuing all of the measures outlined in the media release of 25 September 2012. The Department is also undertaking a number of initiatives to achieve

efficiencies including building on the recently completed program of consolidation of 158 grant programs rolled into 18 flexible funds, implementation of a hosted grants management solution, improved management of data holding in an Enterprise Data Warehouse and establishment of a Portfolio Shared Services Centre (PSSC). The Department is also in the first wave of government parliamentary workflow solutions.

- b) The Department has reduced its travel expenditure through the introduction of video conferencing facilities in January 2012. The Department incorporates these saving and future savings into the forward estimates but does not specifically budget in the forward estimates by this class of expenditure.
- c) The Department's procedures on air travel require:
- approvals should only be given for travel if there is a demonstrated business need and alternatives (e.g. video conferencing) are not as effective or appropriate;
 - best possible value for money must be sought i.e. use of flexible fares.
 - non SES staff to travel economy; and
 - SES staff who have an entitlement to business class are encouraged to fly economy on short flights (less than 1 hour).

The Department does not specifically budget in the forward estimates by classes of air travel.

- d) The Department manages the use of consultants and contractors through the internal business planning process and monitoring year to date and forecast expenditure by the Chief Financial Officer.

The Department is managing the cost of this class of expenditure across the forward estimates consistent with its budget and the ongoing delivery of government programs and services.

- e) The Department of Health and Ageing is following the Department of Finance and Deregulation's Non-Campaign Recruitment Advertising Policy which came into effect on 1 July 2012. The Policy mandates the use of online recruitment advertising and restricts the use of advertising in major daily newspapers. Vacancies will be advertised online except for positions which are hard to fill. The Department does not specifically budget in the forward estimates by this class of expenditure.
- f) Printing and publishing cost reductions are being achieved through the closer monitoring of hard copy printing and stationery, better use of online communication and reduction in White Pages listings. The Department does not specifically budget in the forward estimates by this class of expenditure.