

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 90

Topic: Staff and Budget

Hansard Page: Thursday 6 June 2013, Page 71-72

Senator BUSHBY asked:

Senator BUSHBY: I will ask a couple of questions about the general state of your staff and budget. How many staff are currently employed at the Productivity Commission?

Mr Harris: Given how new I am—I have in my head a pretty clear definition—I will ask Mr Quinlivan to handle these things to start with.

Senator BUSHBY: Certainly.

Mr Quinlivan: The number fluctuates between 190 and 200. I think it is currently about halfway: 195 or thereabouts.

Senator BUSHBY: You say it fluctuates. Has it generally been around that over a number of years?

Mr Quinlivan: Last year and this financial year, that is right.

Senator BUSHBY: Does that reflect the historic numbers?

Mr Quinlivan: I think it is a little bit higher than it has been in the years previous to that. But it has always been in that vicinity—not larger and not much smaller.

Senator BUSHBY: Does it fluctuate in accordance with the workload that you have or in accordance with the budget that you are provided with, or do those somehow work together?

Mr Quinlivan: It fluctuates largely with the available budget, which is an appropriation. Our workload has two components: the main one is inquiries commissioned by the government and also studies of various kinds commissioned by the government; then, to the extent that we have resources available after working on those assignments from the government, we do our own internal research and publish that. Our workload is relatively constant because we supplement the commission work from the government with our own self-initiated research.

Senator BUSHBY: In terms of your budget allocation, have you had the efficiency dividend imposed on you as well?

Mr Quinlivan: Our appropriation has been treated in the same way as appropriations across the Commonwealth.

Senator BUSHBY: Given that your staffing numbers remain fairly constant or even slightly up, you have obviously managed that budget well. How have you managed to achieve the equivalent staff numbers while having to deal with the efficiency dividend?

Mr Quinlivan: We receive appropriation which is adjusted from time to time as you mentioned. We also receive money occasionally for specific things that the government is wanting us to work on and the most recent one was some carbon related work. You have plenty of notice for these things so for an agency where the only real expense is staff—that is the case with us, we spend very little money on things other than staff—we have an opportunity to manage to the budget.

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Senator BUSHBY: I would have thought that, given that your primary expense is staff, if you do have changes to your budget the only opportunity to deal with that is to make staffing changes which you appear to have managed to avoid.

Mr Quinlivan: Well, staff come and go, so you have natural attrition.

Senator BUSHBY: You appoint people at different levels, I guess.

Mr Quinlivan: That is right.

Senator BUSHBY: There is a mix, I guess.

Mr Quinlivan: And, as I said, we did receive an additional appropriation to do some work on carbon. So we have been able to manage quite well.

Mr Harris: I think the order of the magnitude of the savings is such that if you, for example, put on eight staff and you save two, you get a net six. I think that is what Mr Quinlivan is talking about. Those are the sorts of orders of magnitude that we are talking about here.

Senator BUSHBY: What is the size of your budget?

Mr Harris: About \$38 million.

Senator BUSHBY: Does that all come from government appropriations or do you have any of your own sources?

Mr Harris: There are some very, very negligible own source revenues so it overwhelmingly is a single appropriation.

Senator BUSHBY: How much do you make out of your own source?

Mr Quinlivan: I would have to take that on notice but it is a negligible amount. It is only in the hundreds of thousands.

Answer:

The Productivity Commission's Own Source Revenue for the last three years is:

2010-11:	\$ 0.3m
2011-12:	\$ 0.5m
2012-13:	\$ 1.1m (est)

The increase in 2012-13 primarily reflects one-off funding of \$ 0.5m from AusAID to meet costs associated with the Commission's involvement in 'twinning programs' with partners in APEC developing countries, as part of measures to assist in fostering structural reform in the region.