

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: ATO

Question: SBT 2028-2037

Topic: Staffing reductions

Reference: written - 31 October 2014

Senator: Ludwig

Since Budget Estimates in June, 2014:

Questions:

2028. How many staff reductions/voluntary redundancies have occurred?
a. What was the reason for these reductions?
2029. Were any of these reductions involuntary redundancies? If yes, provide details.
2030. Are there any plans for further staff reductions/voluntary redundancies? If so, please advise details including if there is a reduction target, how this will be achieved, and if any services/programs will be cut.
2031. If there are plans for staff reductions, please give the reason why these are happening.
2032. Are there any plans for involuntary redundancies? If yes, provide details
2033. How many ongoing staff left the department/agency? What classification were these staff?
2034. How many non-ongoing staff left department/agency from? What classification were these staff?
2035. What are the voluntary redundancy packages offered? Please detail for each staff level and position
2036. How do the packages differ from the default public service package?
2037. How is the department/agency funding the packages?

Answer:

2028. From 1 June 2014 to 31 October 2014, there were 2,884 staff reductions, including 2,066 voluntary redundancies.

a.

Reason for staff reductions 1 June 2014 to 31 October 2014	
Age Retirement	75
Dismissal	8
Deceased	7
End/termination contract (temp staff)	401
Voluntary Redundancy	2,066
Involuntary Redundancy	88
Invalidity	36
Movement to other Agency	35
Resignation	168
Grand Total	2,884

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2029. From 1 June 2014 to 31 October 2014, there were 88 involuntary redundancies.

2030. A reduction of 1,700 FTE is required by 2017-18. The ATO Commissioner has assured the Government that this reduction will pose no material risk to revenue collection.

A range of workforce management options are being utilised to reach our affordable levels, including natural attrition, redeployment, careful vacancy management, more efficient job and work design (including management structures), business as usual redundancies, and an expression of interest process for voluntary redundancies.

2031. See above.

2032. No.

2033. From 1 June 2014 to 31 October 2014, 2,394 ongoing staff left the ATO.

Classification	Total
Valuer	41
Graduate	3
APS1	23
APS2	103
APS3	342
APS4	285
APS5	207
APS6	482
EL1	596
EL2.1	199
EL2.2	84
SES1	26
SES2	3
Total	2,394

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2034. From 1 June 2014 to 31 October 2014, 490 non-ongoing (includes non-ongoing employees with specified term contracts, specified hours and irregular/intermittent (casual) employees) staff left the ATO.

Classification	Total
APS1	344
APS2	122
APS3	17
APS4	1
APS6	2
EL2.1	2
EL2.2	1
SES1	1
Total	490

2035. The ATO complies with the requirements of the National Employment Standards for the APS General Employment conditions awards and the APS model clauses including the entitlements for voluntary redundancies (4 to 48 weeks) and retention periods of 7 or 13 months.

2036. The ATO package differs in the following areas:

- Offer of alternate retention period - where an employee can accept a reduced salary so they can stay to the end of their retention period rather than have the retention period reduced by the employee's redundancy pay entitlement under the National Employment Standards.
- Support for excess employees (varies from agency to agency) including reimbursement of financial and career planning etc.

2037. The ATO's commitment is that we will self-fund our staff reduction. With regards to the closure of the Australian Valuation Office (AVO), \$7.4 million additional appropriation was received in 2013-14 (as part of the 2014-15 Federal Budget process) towards funding AVO redundancies. The assistance was based on a Department of Finance determined amount of \$42,000 per redundancy.