

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2016-17

Finance Portfolio
18 October 2016

Department/Agency: Department of Finance

Outcome/Program: 1/1.1

Topic: Allocation of efficiency dividend

Senator: Gallagher

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Question:

Senator GALLAGHER: It is already allocated; this is about the decisions to allocate. I think you indicated you had answered on notice before how the efficiency dividend was being applied across individual agencies. Have you answered that post-budget?

Ms Huxtable: I might have to go back and look.

Senator GALLAGHER: Could you just have a look?

Ms Huxtable: I was answering about the exemptions and partial exemptions. We have certainly taken on notice before the whole framework in which the efficiency dividend operates. To be honest, I am not sure if we have actually allocated the efficiency dividend yet, but we can take that on notice and I will get back to you. Those officials are not here anymore.

Senator GALLAGHER: Were the national institutions considered as part of that exemption from the efficiency dividend?

Ms Huxtable: There has not been any change.

Senator Cormann: Because we have it available, we will again put on notice for you the list of exemptions.

Answer:

Under the Australian Government's devolved financial management framework, responsibility for managing entity operations and resources, including the allocation of the efficiency dividend is a matter for individual entities.

The efficiency dividend published in the 2016-17 Budget measure *Public Sector Transformation and the Efficiency Dividend* was allocated to the Contingency Reserve at that time. It will be allocated to individual entities through the 2016-17 Mid-Year Economic and Fiscal Outlook update. There have been no changes to the method of allocating the efficiency dividend to existing eligible individual entities.

The table below lists those entities that have a full or partial exemption from the ongoing efficiency dividend.

Entity	Exemption
Australian Broadcasting Corporation	100 per cent of funding is exempt
Special Broadcasting Service Corporation	100 per cent of funding is exempt
Safe Work Australia	100 per cent of funding is exempt
Office of National Assessments	100 per cent of funding is exempt
Office of the Inspector-General of Intelligence and Security	100 per cent of funding is exempt
Department of Defence	89 per cent of funding is exempt
Australian Institute of Marine Science	88 per cent of funding is exempt
Australian Nuclear Science and Technology Organisation	85 per cent of its funding is exempt
Commonwealth Scientific and Industrial Research Organisation	70 per cent of its funding is exempt
Australia Council	In relation to grants to major performing arts organisations
Department of Immigration and Border Protection	In relation to Coast Watch contractual arrangements for surveillance aircraft and helicopters; and the Import Processing Charge
Australian Maritime Safety Authority	In relation to funding for Search and Rescue activities and aircraft contracts
National Disability Insurance Agency	In relation to funding for the Reasonable and Necessary Care and Support for Participants Program, and Community Inclusion and Capacity Development Grants program