

**Senate Standing Committee on Economics**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Innovation, Industry, Science and Research Portfolio  
Additional Estimates Hearing  
26 February 2009

---

**AGENCY/DEPARTMENT:** INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

**TOPIC:** Gershon Review

**REFERENCE:** Written Question – Senator Abetz

**QUESTION No.:** AI-21

What impact will the Gershon Review have on your department/agency?  
How much money will be saved?  
Will you be required to return any money to Budget for 2009-10?

**ANSWER**

The Government has endorsed the implementation of all recommendations from the Gershon review and the Department will be working with the Australian Government Information Management Office (AGIMO) where appropriate on the implementation of the various recommendations.

Two recommendations directly relate to the Department's operations in 2009-10.

Recommendation 5.3.1 requires the Department to reduce its Business as Usual (BAU) spending on Information and Communication (ICT) by 15 per cent over two years, 5 per cent in 2009-10 increasing by 10 per cent to 15 per cent in 2010-11. The Department has identified a number of savings initiatives to meet these targets and these savings initiatives will not substantially disrupt the delivery of services within or by the Department.

Recommendation 5.4.24 requires the Department to reduce the total number of ICT contractors by 50 per cent. This reduction is to occur over the next 3 years 10 per cent (2009) 15 per cent (2010) 25 per cent (2011). Where an ongoing resource requirement exists that is currently being provided by a contractor we will advertise these positions for permanent filling. We expect an ongoing requirement for contractors where a specialist skill is required and for projects with a clearly defined end date.

We expect savings of approximately \$1.2m in 2009-10 and \$3.5m in 2010-11.

Yes, we will be required to return approximately \$1.2m to Budget in 2009-10.