

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates – 25–26 February 2009

**Question: aet 66**

**Topic: Jobs Within the Australian Public Sector**

**Hansard Page: E109-110 (25 February 2009)**

**Senator ABETZ asked:**

**Senator ABETZ**—Briefly, do you agree that the efficiency dividend is costing jobs in the Australian Public Service?

**Senator Conroy**—That is a very broad question.

**Senator ABETZ**—That is a very easy question and a very short answer.

**Senator Conroy**—I am not sure I have the answer across the whole of the public sector, so I will happily take that on notice.

**Senator ABETZ**—In broad terms is it costing jobs?

**Senator Conroy**—I will happily take that on notice.

**Answer:**

There is no correlation between the efficiency dividend and staffing levels across the Australian Public Service.

The efficiency dividend does not directly affect the overall level of government spending. Rather, it is an integral part of the devolved financial management framework. It operates as a mechanism by which the Australian Government is able to demonstrate public service efficiencies arising from improvements in management and administrative practices. It also allows the Australian Government to share in these gains by returning a portion to the budget for redirection to higher priority activities.

The efficiency dividend has been an ongoing part of the budget framework since the 1986-87 Budget. While the Department of Finance and Deregulation did not commence collection of staff level data until 2001-02, average staffing levels are at a higher level now than they were at that point in time.