

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

16 February 2012

Question No: AET 874 - 880

Topic: Staffing (ATO)

Hansard Page: Written

Senator Bushby asked:

874. How many ongoing staff recruited this financial year to date? What classification are these staff?
875. How many non-ongoing positions exist or have been created this financial year to date? What classification are these staff?
876. This financial year to date, how many employees have been employed on contract and what is the average length of their employment period?
877. How many ongoing staff left in the year 2010-11? What classification were these staff?
878. How many non-ongoing staff left in the year 2010-11? What classification were these staff?
879. Are there any plans for staff reduction? If so, please advise details ie. reduction target, how this will be achieved, services/programs to be cut etc.
880. If there are plans for staff reductions, please give the reason why these are happening.

Answer:

874. The ATO (including the Australian Valuation Office, Tax Practitioners Board and Australian Business Register) has recruited 503 ongoing staff (both full time and part time) between 1 July 2011 and 31 January 2012:

| Classification | Total |
|----------------|------------|
| Not assigned | 37 |
| Cadet | 4 |
| Valuer | 5 |
| APS1 | 14 |
| APS2 | 20 |
| APS3 | 84 |
| APS4 | 99 |
| APS5 | 51 |
| APS6 | 89 |
| EL1 | 81 |
| EL2.1 | 18 |
| EL2.2 | 1 |
| TOTAL | 503 |

Note: 'Not assigned' is when the initial hire phase has been processed but they have not been placed in a position.

For details of the graduates recruited under the ATO's Graduate Program, refer to response to question AET 970.

875. 2,560 non-ongoing positions (including the Australian Valuation Office, Tax Practitioners Board and Australian Business Register) were **occupied** as at 31 January 2012.

Of these positions, 945 have been created since 1 July 2011.

| Classification | Total |
|----------------|--------------|
| Not assigned | 23 |
| Valuer | 3 |
| APS1 | 1,276 |
| APS2 | 1,122 |
| APS3 | 100 |
| APS4 | 11 |
| APS5 | 3 |
| APS6 | 8 |
| EL1 | 6 |
| EL2.1 | 2 |
| EL2.2 | 1 |
| SES1 | 3 |
| SES2 | 2 |
| TOTAL | 2,560 |

Note: 'Not assigned' is when the initial hire phase has been processed but they have not been placed in a position.

876. From 1 July 2011 to 31 January 2012, 255 employees have been employed on contract by the ATO (including the Australian Valuation Office, Tax Practitioners Board and Australian Business Register). The average length of their employment period is 347 days.

877. 1,241 ongoing staff left the ATO (including the Australian Valuation Office, Tax Practitioners Board and Australian Business Register) in 2010-11.

| Classification | Total |
|----------------|--------------|
| Cadet | 4 |
| Graduate | 4 |
| Valuer | 2 |
| APS1 | 5 |
| APS2 | 76 |
| APS3 | 254 |
| APS4 | 191 |
| APS5 | 123 |
| APS6 | 229 |
| EL1 | 210 |
| EL2.1 | 87 |
| EL2.2 | 32 |
| SES1 | 19 |
| SES2 | 5 |
| TOTAL | 1,241 |

878. 885 non-ongoing staff left the ATO (including the Australian Valuation Office, Tax Practitioners Board and Australian Business Register) in 2010-11.

| Classification | Total |
|-----------------------|--------------|
| APS1 | 486 |
| APS2 | 270 |
| APS3 | 116 |
| APS4 | 1 |
| APS6 | 4 |
| EL1 | 2 |
| EL2.1 | 4 |
| EL2.2 | 1 |
| SES1 | 1 |
| TOTAL | 885 |

879. Based on the ATO operating budget (including the Australian Valuation Office and Tax Practitioners Board) as published in the Portfolio Additional Estimates Statements 2011-12, the ATO currently expects that full time equivalent staff (FTE) will reduce by approximately 1,613 FTE over the next three years.

| Year | Average affordable FTE (estimate) | Change in FTE |
|----------------|--|----------------------|
| 2011-12 | 21,856 | |
| 2012-13 | 20,613 | -1,243 |
| 2013-14 | 20,243 | -370 |

The ATO is not planning to cut programs and intends to minimise impacts on services and other operational activities using a range of strategies including:

- reviewing and reducing supplier expenditure wherever possible
- testing priority to fill roles left vacant by departing staff (natural attrition)
- containing the number of non-ongoing and casual staff and utilising them to focus on seasonal workload peaks
- reviewing the required APS classifications required for work types to ensure the right level for the right work
- garnering efficiencies from previous investments and using lean methodologies to improve productivity.

880. Planned staffing reductions reflect the impact of a 9% payrise as part of the ATO's new Enterprise Agreement finalised with staff in December 2011 as well as other savings including efficiency dividends over the next three years. The ATO will need to reduce staffing levels in order to manage the proposed payrise and other savings within the available budget. Please refer to AET 879 for latest analysis.

In addition, staffing levels will need to reduce from 2013-14 when new policy funding for a number of Strategic Compliance budget measures ceases.