

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2012-13
13 February 2013

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Making the Public Service more efficient

REFERENCE: Written Question – Senator Bushby

QUESTION No.: AI-112

Please provide an update of the savings achieved through pursuing further efficiencies in the way the public service operates (see media release by the Minister for Finance and Deregulation and the Special Minister of State of 25 September 2012 at:

http://www.financeminister.gov.au/media/2012/mr_1982012.html).

In addition, please provide the following details:

- (i) Can you quantify the estimated savings for each year over the forward estimates for reductions in air travel?
- (ii) Has there been a reduction in business flights? What are the estimated savings for each year over the forward estimates?
- (iii) Has there been a reduction in the use of external consultants and contractors? Has this impacted on the Department/Agency, and how? What are the estimated savings for each year over the forward estimates?
- (iv) Provide an update of moving recruitment advertising online. Is any recruitment still in printed materials, and if yes, why? What are the estimated savings for each year over the forward estimates?
- (v) Has the Department/Agency reduced its printing costs? If no, why not? Have printing costs increased, and if yes why and by how much? Has the five per cent savings target been achieved – if yes, how, and if no, why not? What are the estimated savings for each year over the forward estimates?

ANSWER

DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

The Department is currently working through its planning and budgeting processes for 2013-14 to 2016-17. Estimated savings against items (i) to (iv) have not been quantified and will be managed within each division across the department. Discretionary spending will continue to be monitored and a number of initiatives have been implemented.

In respect of travel initiatives, some restriction of business class travel and the roll out of video conferencing across the Department have been implemented.

The use of external contractors and consultants will continue to be closely monitored and managed across the department. The majority of future recruitment advertising will be undertaken online.

Printing costs will be reduced by the introduction of streamlined procurement practices that seek to reduce expenditure. The Department is undertaking a proactive transition from printed publications to digital publications and implementing new methods of online distribution. Where printed products are produced, a complimentary digital publishing strategy will be considered with the aim of reducing the volume of hard copy production.

AUSTRALIAN INSTITUTE OF ABORIGINAL AND TORRES STRAIT ISLANDER STUDIES (AIATSIS)

The Institute is currently working through its planning and budgeting processes for 2013-14 to 2016-17. Estimated savings against items (i) to (iv) have not been quantified and will be managed within each programs across the Institute. Discretionary spending continues to be monitored and a number of initiatives have been implemented.

In respect of travel initiatives, some restriction of business class travel and the roll out of video conferencing across the Institute have been implemented.

The use of external contractors and consultants will continue to be closely monitored and managed across the Institute. The majority of future recruitment advertising will be undertaken online.

A primary output of the Institute is the dissemination of information. Integral to this it's Aboriginal Studies Press, Native Title Unit and our Research Unit which all produce publications. The Institute is moving toward printing on demand and digitalised material.

AUSTRALIAN INSTITUTE OF MARINE SCIENCE (AIMS)

AIMS has an ongoing program to find efficiencies in its operations and is currently working through its planning and budgeting processes for 2013-14 – 2016-17. The outcomes of these will be incorporated into the 2013-14 Portfolio Budget Statement.

As Australia's tropical marine research agency, AIMS undertakes research activities across northern Australia and hence travel is a core component of its operations. Because of this AIMS has continually strived to use best fare options to reduce costs and also participates in the whole of government travel arrangement. Video conferences are used where possible to reduce the need for travel.

AIMS has also outsourced appropriate activities and used the internet to transfer documents and provide online recruitment advertising for many years and for the last two years has used government arrangements for its mobile and telephone plans. Based on this AIMS does not anticipate any significant future efficiency gains.

AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION (ANSTO)

ANSTO has always strived to keep discretionary costs to a minimum and concerted efforts have been made to reduce, and in some cases hold, all areas of discretionary spending such as printing and travel.

In respect of travel initiatives, some restriction of business class travel and major upgrades of video conferencing across the Organisation have been implemented. In addition ANSTO is reviewing the Department of Finance and Deregulation Whole of Government Travel contract for implementation.

The use of external contractors and consultants will continue to be closely monitored and managed across the organisation on a month by month basis. ANSTO primarily uses online media to advertise recruitment actions, unless it is considered competitively necessary to use a print attraction strategy.

Printing costs will be reduced by the introduction of streamlined procurement practices that seek to reduce expenditure. ANSTO is undertaking a proactive transition from printed publications to digital publications and implementing new methods of online distribution. Where printed products are produced, a complimentary digital publishing strategy is considered with the aim of reducing the volume of hard copy production.

AUSTRALIAN RESEARCH COUNCIL (ARC)

The ARC is currently working through its planning and budgeting processes for 2013-14 to 2016-17.

Estimated savings against items (i) to (iv) have not been quantified but will be managed across the agency. Discretionary spending will continue to be monitored and a number of initiatives have been implemented.

In respect of travel initiatives, some restriction of business class travel and the roll out of video conferencing across the ARC have been implemented where appropriate.

The use of external contractors and consultants will continue to be closely monitored and managed across the ARC. The majority of future recruitment advertising will be undertaken online.

Printing costs will be reduced by the introduction of streamlined procurement practices. The ARC is undertaking a proactive transition from printed publications to digital publications and implementing new methods of online distribution. Where printed products are produced, a complimentary digital publishing strategy reduces the volume of hard copies.

AUSTRALIAN SKILLS QUALITY AUTHORITY (ASQA)

ASQA is currently working through its planning and budgeting processes for 2013-14 to 2016-17. Estimated savings against items (i) to (iv) have not been quantified but will be managed across the agency. Discretionary spending will continue to be monitored and a number of initiatives have been implemented.

Having commenced operations on 1 July 2011 ASQA is still in its establishment phase and it is not possible to provide a savings estimate at this time. ASQA is actively working to identify opportunities to achieve efficiencies across its operations. In relation to the specific areas mentioned ASQA has:

- i) Equipped all offices with video conferencing facilities that reduce the need for air travel for face-to-face meetings.
- ii) Three Commissioners and 2 SES officers are eligible to fly business class. Flights are only taken where absolutely necessary.
- iii) ASQA closely monitors the use of external consultants and contractors and utilises these providers only where absolutely necessary.
- iv) ASQA currently undertakes the majority of its recruitment advertising online. Only the most senior or specialized roles are advertised using other media.

ASQA rarely prints documents and preferences the use of digital publications and online distribution via its website. Where printing is required ASQA is seeking to reduce print costs through efficient procurement practices.

COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)

In respect of travel initiatives, the CSIRO participates in the whole of government preferential arrangements secured by the Department of Finance and Deregulation through the use of nominated travel services providers. Further reductions will be achieved by increased awareness of cost saving travel arrangements such as advantages of booking early and using “best fare of the day” bookings. The CSIRO will also continue its focus on the increasing use of video-conferencing wherever possible to reduce the need for travel. However, whilst savings will be achieved, travel remains a core component of the CSIRO’s research and development activities. A significant portion of travel that relates to direct science activities is also funded from non-appropriation sources as part of contracted work arrangements. Economical and effective planning and budgeting for travel related activities will continue as part of normal business requirements.

In general CSIRO staff do not travel business class. In those cases where business class is required formal justification is required. Whilst not significant, it should be noted that business class travel can become an entitlement if it was a negotiated component of a staff member’s employment contract.

The use of external contractors and consultants will continue to be closely monitored and managed. The CSIRO already uses online advertising for staff recruitment. Recruitment processes particularly for experienced staff in areas of high expertise such as research scientists, may also continue to involve other media if considered necessary to reach the appropriate available capability market. As these strategies have been in place for some time, further improvements and hence savings will be very limited.

The CSIRO has in place a print device consolidation project. This project has reduced the number of printers and modernised the fleet, included the negotiation of cheaper print charges per page, and standardised printers with the objective of achieving the Government target ratio of 14 staff to one device, noting that the Government target goes to 20:1 in 2015. Currently CSIRO scans documents for accounts payable and accounts receivable processing and has in place electronic record keeping practices and systems. Printing costs for external publications are already being minimised through strategies for digital publications and implementing new methods of online distribution. As these strategies have been in place for some time, further improvements and hence savings will be very limited.

IP AUSTRALIA

IP Australia will finalise its budget for 2013-14 in the context of the Portfolio Budget Statements preparation early in 2013. Estimated savings against items (i) to (iv) have not been quantified, however, IP Australia will continue to focus on limiting any increase to administrative costs given the variability in revenues under the cost recovery budget model in operation for the agency.

In respect of travel initiatives, there have been some restrictions on business class travel and IP Australia promotes video conferencing where this is feasible.

The use of external contractors and consultants does depend largely on the cycle for capital expenditure on software development and systems modernisation, however, it will be closely monitored in the business as usual aspects of IP Australia's operations.

IP Australia only places domestic recruitment advertisements on-line.

IP Australia has recently implemented electronic application services which will result in an increase in digital receipt, storage and reproduction that will lead to significant savings in printing costs as new systems are brought online.

TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY (TEQSA)

TEQSA is currently working through its planning and budgeting processes for 2013-14 to 2016-17. Estimated savings against items (i) to (v) have not been quantified. Discretionary spending will continue to be monitored and a number of initiatives have been implemented.

TEQSA has restrictions on business class travel and will limit travel costs by adherence to the lowest practical fare of the day, implementation of electronic travel management systems, and use of video and teleconferencing.

As TEQSA enters its second year of operation there will be a lower reliance on external contractors and consultants for set up and establishment functions. These expenses will continue to be closely monitored and managed.

As from the 2012-13 financial year the majority of recruitment advertising will be undertaken online.

TEQSA has a policy of only printing when government guidelines require hard copy distribution. TEQSA uses its website as a key communication platform and publishes all information, guides and forms online. Where printed products are produced, a complementary digital publishing strategy is considered with the aim of reducing the number of hard copies.