

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 31 May to 2 June 2005

**Question: Bud 30**

**Topic: ASIC – Efficiency Dividend**

**Hansard Page: Written**

Senator Carr asked:

1. What financial impact will the increased efficiency dividend have on your Department/agency this financial year and in the out years?
2. The increase in the efficiency dividend was announced in last year's elections, what plans have you made to meet it?
3. What will this mean for staff numbers?
4. Will any specific programs be cut? Please specify which ones and the size of the estimated savings?
5. Will any core functions be affected by these savings measures?
6. How will meeting the efficiency dividend affect your graduate recruitment plans?
7. How will meeting the efficiency dividend affect your ability to retain experienced staff?

Answer:

1. From and including 2005-06 the efficiency dividend was increased from 1% to 1.25%. This resulted in a reduction in the appropriation budget of the following amounts
  - a. 2005-06 \$0.512 million;
  - b. 2006-07 \$1.004 million;
  - c. 2007-08 \$1.501 million; and
  - d. 2008-09 \$1.501 million.

2 & 3 The details of how ASIC will meet the efficiency dividend are currently being considered in the context of the business planning process for 2005-06 which is presently under way.

4. The Commission has not made a formal decision on how the funding cut will be applied. Any decision will be applied in the context of the 2005-06 Business Planning process which is not yet complete.

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5. The Commission has not made a formal decision on how the funding cut will be applied. Any decision will be applied in the context of the 2005-06 Business Planning process which is not yet complete.
6. There is no impact.
7. No impact as ASIC recognises the importance of attracting and retaining appropriately skilled and qualified staff and remuneration levels are set accordingly.