

**Senate Standing Committee on Economics**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Innovation, Industry, Science and Research Portfolio  
Budget Estimates Hearing 2008-09  
2-3 June 2008

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

**TOPIC:** Staffing –Efficiency Dividend

**REFERENCE:** Written Question – Senator Abetz

**QUESTION No.** BI-77

**Senator ABETZ**—Can I refer you to a question taken on notice. It is question AI-3. I asked you to provide us with classifications and areas where those staff positions might not be filled. That was in relation to the—

**Mr Paterson**—Efficiency dividend?

**Senator ABETZ**—Yes, appointment 4s or appointment 3s. Then the Chair intervened, saying, ‘The committee would appreciate if you could provide as full an answer as you can on notice.’ You answered: ‘I am happy to do that.’ I then got a six-line answer that does not refer in any way, shape or form to the classifications and areas which were, in fact, the substance of my question. Can we have another go at that question, please, and take it on notice again?

**Mr Paterson**—As I recall, during the quite extensive interchange we had on the last occasion in relation to the efficiency dividend and the impact on the portfolio, I indicated that there was a recruitment pause in place, that we had put that recruitment pause in place from the time that the outcome of the federal election was known because we knew that it was a commitment that we would have to honour and that we were doing a combination of things in reducing discretionary expenditure where that was possible, as well as holding back on recruitment to meet our obligations under the efficiency dividend. I did indicate at the time that it would be difficult to be precise in relation to the contribution of each particular element of meeting that efficiency dividend, that the obligation that was imposed upon me was to do so in the 2007-08 financial year, a year not yet concluded, but that I expected that we would meet our obligation. I continue to believe that we will meet that obligation. I indicated on the last occasion that at that time we had taken no decisions about how we would give effect to the obligation to meet the efficiency dividend in 2008-09 and beyond, on the basis that we had to await the outcomes of the budget process before we could reach any broad conclusions on that. I am happy to take you to the response to that issue now because I am in a better position to do so, but I think we answered that question to the best of our ability at the time the question was put. If you want me to reflect on that answer with the information we now have, because these are answers at a point in time—

**Senator ABETZ**—Of course they are.

**Mr Paterson**—I am happy to reflect on that question and the answer that I gave at the time and see if I can provide anything further to you.

## **ANSWER**

Decisions to not fill positions within the Department are made by different delegates dependent on the unique circumstances within their area of operation.

Three Divisions shed significant employee numbers due to budget decisions – Global Opportunities, eBusiness and AusIndustry. However, these reductions were largely due to the cessation of programs rather than the 2% efficiency dividend and it is not possible to isolate which positions are entirely due to the 2% efficiency dividend. Reductions are also attributed to an overall assessment made on priorities and resources allocated accordingly.

A summary of positions not filled during the Departments recent recruitment pause is attached.

**Summary of Classification and  
Positions not Filled**

<b>Division</b>	<b>Branch/Section</b>	<b>Classification</b>	<b>Number not filled</b>
<b>AusIndustry</b>	<b>Business development Branch</b>	<b>APS 5</b>	<b>2</b>
	<b>Innovation Branch</b>	<b>EL1</b>	<b>1</b>
		<b>APS 6</b>	<b>2</b>
<b>Questacon</b>	<b>Operations Branch</b>	<b>EL2</b>	<b>1</b>
<b>eBusiness</b>	<b>Services Branch</b>	<b>EL1</b>	<b>1</b>
<b>Global Opportunities</b>	<b>Manufacturing, Biotech &amp; ICT</b>	<b>EL1</b>	<b>2</b>
	<b>Resources and Environmental Technology</b>	<b>EL 1</b>	<b>2</b>
		<b>APS 5</b>	<b>1</b>
		<b>APS 4</b>	<b>1</b>
	<b>Marketing &amp; Online Support</b>	<b>SPA0 2</b>	<b>1</b>
		<b>PAO 3</b>	<b>1</b>
		<b>APS 6</b>	<b>1</b>
		<b>APS 4</b>	<b>1</b>
<b>Corporate</b>			<b>Nil</b>
<b>Manufacturing</b>			<b>Nil</b>
<b>NMI</b>			<b>Nil</b>
<b>Industry &amp; Small Business Policy</b>			<b>Nil</b>
<b>Innovation</b>			<b>Nil</b>
<b>Science &amp; Research</b>			<b>Nil</b>
<b>Total</b>			<b>17</b>