

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

20 – 21 October 2010

**Question: SBT 39**

**Topic: Efficiency Dividend**

Senator Bushby:

Has your portfolio started implementing the Government's savings election commitment of a maintaining the annual efficiency dividend on departmental expenses at 1.25 per cent? If not, why not? If yes, give details.

Will any agencies in your portfolio be seeking an exemption to implementing the efficiency dividend?

How do you think you will implement it? Give examples of the types of cuts you will make.

Will there be cuts to staff? If yes, give details.

**Answer:**

The efficiency dividend election commitment is proposed to come into effect from 1 July 2011. The Treasury will manage the impact of this in the lead up to, and post, 1 July 2011.

No.

The Treasury will assess its budget and apply the efficiency dividend through continuing efficiency measures and productivity gains. This could be through the better use of technology, reducing non-essential activities including travel and consultancy costs, and where appropriate, this may flow through to changes in staff numbers.

See above.