

SENATE STANDING COMMITTEE ON ECONOMICS QUESTION
(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 93

Topic: Efficiency Dividend

Senator Bushby asked:

1. 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.
2. Will any agencies in your portfolio be seeking an exemption to implementing the efficiency dividend?
3. How do you think you will implement it? Give examples of the types of cuts you will make (i.e. no more pot plants in departmental buildings).
4. Will there be cuts to staff? If yes, give details.

Answer:

This response is limited to the ATO and does not include information relating to the broader Treasury portfolio.

1. Following advice from the Department of Finance and Deregulation (Estimates Memorandum 2010/41 dated 30 September 2010), agencies were advised not to implement the efficiency dividend at 1.25 per cent in the recent Mid Year Economic Forecast Update. The ATO will commence implementation of the dividend when advised by the Department of Finance and Deregulation.
2. No.
3. As with all savings or reduction measures, the ATO will attempt to apply efficiency savings to areas that will minimise the impact on taxpayer services and government revenue.
4. No.