

**Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Innovation, Science, Research and Tertiary Education Portfolio  
Supplementary Budget Estimates Hearing 2012-13  
17 October 2012

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**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.:** SI-134

Please detail how the department/agency will achieve savings over the forward estimates 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 [http://www.financeminister.gov.au/media/2012/mr\\_1982012.html](http://www.financeminister.gov.au/media/2012/mr_1982012.html)).

In addition, please provide the following detail:

- (i) How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?
- (ii) What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?
- (iii) How will the use of external consultants and contractors be reduced? How will this impact on the Department/agency? What are the estimated savings for each year over the forward estimates?
- (iv) How will the department/agency manage moving recruitment advertising online? Will all future recruitment advertisement be online only? If not, explain why. What are the estimated savings for each year over the forward estimates?

How will printing costs be reduced? Explain if and how the department/agency will reduce its printing costs by five per cent, or if it will not, why not? How will it be determined what documents will no longer be printed? 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 its 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.

### **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 early in early 2013.

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 mediums 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. The 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.

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 that seek to reduce expenditure. 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 must be considered with the aim of reducing the volume of hard copy production.

### **AUSTRALIAN SKILLS QUALITY AUTHORITY (ASQA)**

Having commenced operations on 1 July 2011 ASQA is still in its establishment phase; as such providing a savings estimate at this time is difficult. 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)**

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. As such economical and effective planning and budgeting for travel related activities will continue as part of normal business requirements. CSIRO is still in the process of finalising its budget across the forward estimate period.

As mentioned above, travel remains a core component of research and development activities. In this regard the CSIRO does receive external funding for travel related activities which on occasions will include business class for overseas trips and particularly where researchers must prepare and give presentations within hours of reaching their destination. 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 CSIRO is still in the process of finalising its budget across the forward estimate period.

The use of consultants and contractors are managed carefully as part of the CSIRO policy with formal justification and senior manager approval required. Depending upon need, flexibility around the use of contractors to replace staff on relatively short term leave and long leave such as maternity leave and long service leave, may be required and is assessed on a case by case basis. It should also be noted that where CSIRO has a collaborative research agreement with a third party, then such payments may also reflect as direct contract or payments. As these strategies have been in place for some time, further improvements and hence savings may be limited. The CSIRO is still in the process of finalising its budget across the forward estimate period.

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 is still in the process of finalising its budget across the forward estimate period.

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. As these strategies have been in place for some time, further improvements and hence savings will be very limited. CSIRO is still in the process of finalising its budget across the forward estimate period.

## **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 some 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.