

**Senate Standing Committee on Finance and Public Administration**

**ANSWERS TO QUESTIONS ON NOTICE**

**Prime Minister and Cabinet Portfolio**

**Department of the Prime Minister and Cabinet**

Additional Estimates 23-27 February 2009

**Question: PM45a-i**

**Outcome 1, Output 1**

**Topic: Audit of electricity, water and energy use in Commonwealth departments**

**Hansard Page: Written Question**

**Date set by the committee for the return of answer: 9 April**

**Senator Ryan asked: On 23 November 2007 the then Leader of the Opposition, in an article in the Herald Sun, promised to "*Hold a national audit of electricity, water and energy use in all Commonwealth departments...*"**

- a) **What is the progress of the Government's promised audit of electricity, water and energy use in each and all Commonwealth departments?**
- b) **Has it been completed?**
- c) **When was it commenced?**
- d) **If not, when it is expected to commence?**
- e) **When is it expected to conclude?**
- f) **Have any external parties been commissioned to manage, undertake or support this process?**
- g) **If so:**
  - a. **How were such commercial arrangements undertaken?**
  - b. **Was an open tender used to select the external party?**
  - c. **What is the cost of such engagements?**
- h) **What are the outcomes of the audit thus far?**
- i) **What cost savings and reductions in electricity, water and energy use have been achieved thus far?**

**Answer:**

Response to parts (a)-(e):

Two reports have been recently released on energy use in Commonwealth departments.

The *Energy Use in Australian Government's Operations* report for 2006-07 was released by Minister Garrett on 5 March 2009. This report was released under the Energy Efficiency in Government Operations policy, which requires departments and agencies to report their organisations' energy performance each year.

On 29 March 2008, the Government announced that the Australian National Audit Office (ANAO) was undertaking a performance audit to assess and report on the progress being made by government agencies in achieving better practice in green

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office procurement and sustainable office management. The audit surveyed a total of 63 agencies, and the audit report was subsequently tabled by the ANAO on 11 March 2009.

#### Response to parts (f)-(g):

No external parties have been commissioned to manage, undertake or support any of these processes to date.

#### Response to parts (h)-(i):

The *Energy Use in Australian Government's Operations* report for 2006-07 found that energy consumption (not including Defence Operations, which continues to decline) had increased by 2.1 per cent since 2005-06. This was primarily attributable to factors such as increased staffing numbers and building area (staff numbers across the Australian Government increased by 6.3 per cent over the same period, while area increased by 7.5 per cent) and improved data availability. Consequently, energy efficiency has improved – in office spaces the Australian Government used less energy per person and per square metre in 2006-07 than in 2005-06.

The ANAO report concluded, on balance, that while some agencies have made progress towards more sustainable practices, there is a wide disparity of performance across agencies. The report estimates that, if agencies could reduce their energy consumption, \$75 million per annum could be saved from the Australian Government's energy budget.