

Senate Finance and Public Administration Legislation Committee

**ADDITIONAL ESTIMATES – 9 FEBRUARY 2010
ANSWER TO QUESTION ON NOTICE**

Human Services Portfolio

Topic: Staffing levels

Question reference number: HS38

Senator: RYAN

Type of question: Written

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Number of pages: 4

Question:

- a) What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?
- b) What are the current staffing levels for SES and non-SES officers?
- c) What have been the changes in staffing levels since November 2007?
- d) Why have these changes occurred?
- e) What have been the budgetary implications?
- f) What, if any, functions have been sacrificed?
- g) Has there been a target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this?
- h) Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?

Answer:

Department of Human Services

- a) The cash flow statements in the respective annual reports identify total expenditure as:
 - Department of Human Services (DHS), including the Child Support Program (CSP) - \$415,779,000 (page 106 of the 2008-09 Annual Report).

DHS		
Expenditure on Staffing (\$)		
SES	Non-SES	Total
11,426,569	404,352,431	415,779,000

CRS Australia		
Expenditure on Staffing (\$)		
SES	Non-SES	Total
601,343	120,637,657	121,239,000

- b) As at 9 February 2010, DHS (including the CSP and CRS Australia) had a SES Headcount of 66 and a non-SES Headcount of 6,683.
- c) DHS (including CSP), staffing levels from 1 November 2007 to 9 February 2010 have decreased by 87 (from 4,787 to 4,700).
CRS Australia staffing increased by 22 during the period 1 November 2007 to 9 February 2010 (from 2,055 to 2,077).
- d) The change in numbers is a reflection of the normal business cycle and includes additional elements such as natural attrition, new program funding and the integration of DHS with CSP.
- e) The affordable staffing of DHS is determined by the funding provided by the government. This is shown in table 2.1 of the 2009-10 PBS. The budgetary implications for CRS Australia are nil.
- f) No functions have been sacrificed, however, in DHS there has been a rationalisation of corporate functions to reduce duplication.
- g) There is no target for staff reductions to achieve savings.
- h) For DHS (including CSP and CRS).

Financial Year	Total VRs Offered
2007-08	4
2008-09	4

There have been two voluntary redundancies given in the past 20 months. These have both been in relation to positions becoming redundant due to restructures.

There are no plans to impose involuntary redundancies under the provisions of the DHS or CRS Australia Collective Agreements.

Centrelink

a)

Centrelink Expenditure on Staffing (\$)		
SES	Non-SES	Total
17,996,979	1,756,666,290	1,774,663,268

- b) The total Centrelink SES staffing number effective 1 March 2010 is 84. The total non-SES staffing number is 26,951.
- c) The total Centrelink SES staffing number effective 30 November 2007 was 86. The total non-SES staffing number was 27,415. Therefore there has been a reduction in staffing of two SES and 464 non-SES employees between 30 November 2007 and 1 March 2010.

d) & e)

Centrelink funds its service delivery capability to anticipated customer workloads. Centrelink funding is varied based on changes to customer numbers and as such they are carefully monitored on an ongoing basis with adjustments made to Centrelink's network budgets as necessary.

f) No functions have been sacrificed.

g) There has been no target for staff reductions to achieve savings.

h) This financial year 190 employees have been offered a voluntary redundancy, and one employee has been offered an involuntary redundancy. These offers have been made as part of standard business practice which will continue in the future.

Medicare Australia

a) The total expenditure on staffing for 2008-09 (as reported in the 2008-09 Annual Report) was \$374,226,000. The breakdown for SES and non-SES is as follows:

Medicare Australia Expenditure on Staffing (\$)		
SES	Non-SES	Total
11,553,000	362,673,000	374,226,000

b) At as 9 February 2010, Medicare Australia had a staffing profile of 5,695 employees at the non-SES level and 54 employees at the SES level.

c) At 1 November 2007, Medicare Australia had 6,009 non-SES employees and 68 SES employees— a total of 6077. The changes in staffing level are therefore a reduction of 314 non-SES employees and 14 SES employees.

d) Medicare Australia adjusts its staffing numbers to reflect changes to workload and productivity. Medicare Australia continuously reviews and improves its operations and the continued growth of electronic business, nationalisation of business operations and financial management, and continued engagement in service delivery reform has resulted in improved productivity, performance and more cost effective operations.

e) While staff numbers have decreased, salary increases payable under the Medicare Australia certified agreement since November 2007 have led to an overall increase in the actual expenditure on employee expenses during this period.

f) No functions have been sacrificed and Medicare Australia has continued to take on new business during this period.

g) There is no target for staff reductions to achieve savings.

h) A small number of voluntary and/or involuntary redundancies has occurred as a result of organisational change where positions have become excess to business requirements. The total number of staff that have separated via

redundancy since November 2007 is 25 including staff at both the SES and non-SES levels.

It is likely that redundancies will occur in future on the same basis, that is positions may become excess to business requirements.