

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
ADDITIONAL BUDGET ESTIMATES 2012-13

Prime Minister and Cabinet Portfolio

Department/Agency: Australian National Audit Office

Outcome/Program:

Topic: Making the Public Service more efficient

Senator: Ryan

Question reference number: 46

Type of question: Written

Date set by the committee for the return of answer: Tuesday, 2 April 2013

Number of pages: 2

Question:

- a. Please provide an update of the savings achieved 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).
- b. In addition, please provide the following detail:
 1. Can you quantify the estimated savings for each year over the forward estimates for reductions in air travel?
 2. Has there been a reduction in business flights? What are the estimated savings for each year over the forward estimates?
 3. Has there been a reduction in the use of external consultants and contractors? Has this impacted on the Department/agency, and how? What are the estimated savings for each year over the forward estimates?
 4. Provide an update of moving recruitment advertising online. Is any recruitment still in printed materials, and if yes, why? What are the estimated savings for each year over the forward estimates?
 5. Has the department/agency reduced its printing costs? If no, why not? Have printing costs increased, and if yes why and how much? Has the five per cent savings target been achieved – if yes, how, or if it will not, why not? What are the estimated savings for each year over the forward estimates?

Answer:

- a. The ANAO continues to actively monitor costs and pursue efficiencies where practicable. Question (b) provides further information on each of the areas covered in the media release by the Minister for Finance and Deregulation and Special Minister of State.
- b.
 1. The ANAO complies with the Department of Finance and Deregulation's rules pertaining to travel including obtaining best fare of the day for travel domestically and internationally. The volume of ANAO travel will be determined on the basis of the

audit program requirements. The ANAO is investigating travel alternatives, including the use of videoconferencing technology.

2. Staff travel entitlements are established under the ANAO Enterprise Agreement 2011-14 and SES common law contracts. There are no proposed changes to travel entitlements during the life of these agreements.
3. The ANAO continues to actively monitor and limit the use of consultants and contractors where practicable, noting that a substantial portion relates to contract audit arrangements to assist with workload peaks and the need for specific audit skills. Contract audit arrangements are reviewed prior to contract expiration to identify whether internal capacity and appropriate skills are available to undertake future audits using existing ANAO resources. While it is not possible to estimate the extent of savings over the forward estimates of these initiatives, the ANAO expects to contain contract expenditure at levels similar to the previous financial year.
4. All recruitment advertising has been placed through the Media Placement Agency (Adcorp) in line with the Department of Finance and Deregulation's Guidelines. The majority of recruitment advertising is placed online and is not supplemented with print media. The ANAO will continue to utilise print advertising where there is a demonstrated need, such as advertising in specialist media to attract Indigenous applicants.
5. During the 2011-12 financial year the ANAO used competitive tendering processes to establish more favourable rates under a printing contract. This contributed to the ANAO reducing printing costs from \$0.85 million in 2010-11 to \$0.77m in 2011-12, and will continue to assist the ANAO in achieving savings targets over the forward estimates. The ANAO is continuing to investigate whether investment in online distribution methods can further reduce printing costs, while maintaining accessibility of ANAO reports for key constituents. At this stage, it is not possible to estimate savings until the extent of online distribution is known.