

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Budget Estimates Hearings, 25-26 May 2005

Question: F5

Outcome: 1, Output: 1

Topic: Application of the Defence Efficiency Dividend

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Senator Sherry asked:

What types of expenditure are included in the calculation of the Department of Defence efficiency dividend?

Answer:

The Department of Defence (Defence) efficiency dividend (ED) is applied to civilian and non-operational expenditure only. The types of expenditures applicable include civilian staff not involved in intelligence, capability acquisition or research and development, and their associated operating costs. The ED will be phased in at a rate of 0.25 per cent each year commencing in 2005/06 and increasing until it reaches the level applicable to other agencies.