

Senate Standing Committee on Finance and Public Administration
ANSWER TO QUESTION ON NOTICE
Prime Minister and Cabinet Portfolio
Department of Climate Change
Budget Estimates Hearing–May 2009

Written question reference: CC51a-c

Outcome/Output: Outcome 1, Output Group 1.1 – Response to Climate Change

Topic: Spending on consultants

Hansard Page: Not relevant for written QoN

Question: (Senator Johnston)

In the answers to the last Estimates questions, numbers CC12 a-b and CC13 a-b we were advised that the total cost of consultants used by the department in 2007-08 was \$2.4 million – but in 2008-09 it was estimated to blow out three-fold to \$7.39 million.

- a) Do you stand by these figures?
- b) Why has this figure jumped so alarmingly?
- c) What is the extra money being spent on?

Answer:

- a) Yes, the Department stands by the 2007-08 figure. The actual total departmental and administered consultancy spend for 2008-09 was \$11.7 million, up from the estimated full year spend of \$7.39 million as at February 2009.
- b) The increase in the consultancy spend from 2007-08 to 2008-09 is due to:
 - a part year effect in 2007-08 as the Department was established in December 2007 and only commenced operating in January 2008; and
 - increased activity levels in 2008-09 reflecting the priorities of the Government, requiring specialised consultancy services.
- c) The higher consultancy spend in 2008-09 primarily relates to the following activities:
 - developing and implementing the policy and legislative framework for the Carbon Pollution Reduction Scheme;
 - supporting the implementation of the National Greenhouse and Energy Reporting legislative framework;
 - establishment of the Australian Climate Change Regulatory Authority;
 - scoping studies and research assessing the impact of climate change on various regions; and
 - development of the climate change awareness advertising campaign.

All consultancies are procured in accordance with Commonwealth Procurement Guidelines.