

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 1/1.1

Topic: Cuts to Commonwealth Staffing Levels

Senator: Cormann

Question reference number: F5

Type of question: Hansard, F&PA Committee, pages 22-23, 18 October 2011.

Date set by the committee for the return of answer: Friday, 2 December 2011

Number of pages: 1

Question:

Senator CORMANN: Since December 2010, which is when this advice was given, by how much have you cut Commonwealth staffing levels, Minister?

Senator Wong: Staffing levels?

Senator CORMANN: Yes.

Mr Tune: We would have to take that on notice.

Senator Wong: We would have to take that on notice.

Mr Tune: The advice was given in August 2010, actually.

Senator CORMANN: There was an update.

Mr Tune: That was MYEFO; is that what you are talking about?

Senator CORMANN: Yes, that is right.

Mr Tune: Okay, we will have to take that on notice and get back to you.

Answer:

The Government does not make direct decisions about staffing levels, but influences the overall size of the public sector through decisions about changes in funding levels provided through new spending and savings decisions. In broad terms, APS staffing levels are affected by the total amount of departmental funding provided to agencies and choices made by agency CEOs in determining their mix of staffing as against other inputs.

On an underlying cash basis, savings announced in the 2011-12 Budget totalled \$21.681 billion over five years from 2010-11 (*Budget Paper 1, Statement 3*, page 3-14 refers). Of this \$22 billion, approximately 20 per cent – or \$4.1 billion – was a reduction in departmental funding, including \$460.3 million in 2011-12. The Government's strong expectation is that agencies will continue to meet the efficiency dividend without resorting to forced redundancies, or reduced services to regional Australia. We will require agencies to report on their efficiency measures.

The 2011-12 Budget papers indicated that, in comparison to the 2010-11 financial year, average staffing levels (ASL) across the Government sector were expected to increase by 1,104 ASL (0.4 per cent) in 2011-12 to 262,995 ASL across the General Government Sector (*Budget Paper 1, Statement 6*, page 6-51 refers). This increase represents the lowest year-on-year increase in ASL since data was first collected and published in 2001-02.