

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

Prime Minister and Cabinet Portfolio

Department/Agency: Australian National Audit Office

Outcome/Program:

Topic: Public Service Efficiency

Senator: Ryan

Question reference number: 79

Type of question: Written

Date set by the committee for the return of answer: Friday, 30 November 2012

Number of pages: 2

Question:

1. Please detail how the department/agency will achieve savings over the forward estimates 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).
2. In addition, please provide the following detail:
 - a) How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?
 - b) What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?
 - c) How will the use of external consultants and contractors be reduced? How will this impact on the Department/agency? What are the estimated savings for each year over the forward estimates?
 - d) How will the department/agency manage moving recruitment advertising online? Will all future recruitment advertisement be online only? If not, explain why. What are the estimated savings for each year over the forward estimates?
 - e) How will printing costs be reduced? Explain if and how the department/agency will reduce its printing costs by five per cent, or if it will not, why not? How will it be determined what documents will no longer be printed? What are the estimated savings for each year over the forward estimates?

Answer:

1. The ANAO continues to actively monitor costs and pursue efficiencies where practicable. Question 2 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.
2.
 - (a) The ANAO complies with the Department of Finance and Deregulation's rules pertaining to travel including obtaining the best fare of the day for travel domestically and internationally. The volume of ANAO travel can vary depending on the audit

program thereby making it difficult to reliably estimate savings over the forward estimates.

- (b) Staff travel entitlements are established under the ANAO Enterprise Agreement 2011-14 and common law contracts. There are no proposed changes to travel entitlements during the life of this agreement.
- (c) 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. It is not practicable to reliably estimate potential savings over the forward estimates at this stage.
- (d) 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.
- (e) Based on a recent survey of Parliamentarians, the ANAO has recognised an increased demand for documents to be provided online. The ANAO is investigating whether investment in online distribution methods can reduce printing costs over the forward estimates, while maintaining accessibility of ANAO reports for key constituents. During the 2011-12 financial year the ANAO used competitive tendering processes to establish more favourable rates under a printing contract that will also assist the ANAO in achieving the five percent savings target.