

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

Prime Minister and Cabinet Portfolio

Department/Agency: Australian Public Service Commission

Outcome/Program: Cross Portfolio

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: 3

Question:

1. Please detail how the department/agency will achieve savings over the forward estimates through purchasing 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:

How will reductions in air travel spending be achieved? What is the estimated savings for each year over the forward estimates?

What restrictions will be implemented for business flights? What are the estimated savings for each year over the forward estimates?

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?

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?

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 Australian Public Service Commission (APSC) operates within a balanced budget and adjusts spending across its activities as required to, wherever possible, sustain the core business as usual activities and provide some capacity to respond to changes in priorities or emerging issues. Prudent management and timing of resources, for example staffing arrangements, supplier commitments and payments, and broad expense reduction management initiatives such as the use of whole of government procurement should allow the Commission to operate within budget. As a small agency with a modest appropriation budget there is no single set of expense items that can be reduced whilst maintaining operational effectiveness to meet the tight budget constraints. The APSC is examining all of its expense items to identify savings to meet the requirements of the efficiency saving requirement.
2. As part of the 'proposal to spend public money' approval process, the purpose and requirement to travel is assessed by the Delegate. Travel is undertaken when alternate forms of engagement and information exchange, such as via the use of tele-conferencing technology, will not achieve the required business need objective(s).

The Commission Travel Policy requires all staff to travel on the best fare of the day for short haul domestic trips. Business class, on a best fare of the day basis, is only to be used for international and by the Senior Executive for long haul domestic travel.

As a small agency with limited discretionary funding, the use of external consultants and contractors is by necessity, prudently managed. Noting that external consultants and contractors are engaged in limited circumstances, for example, where the required expertise is not available within the Commission; an independent opinion or advice is required; or a short term project or activity is required within a tight timeframe that cannot be absorbed by a work team. As future projects and activities arise and it is practical to reprioritise or defer the work, on hand existing staff will be reassigned in lieu of engaging external consultants and contractors.

Line area operating budgets are managed by adjusting spending within a balanced budget across its activities as required to, wherever possible, sustain the core business as usual activities and provide some capacity to respond to changes in priorities or emerging issues. In maintaining a balanced budget it is expected that a reduction in expenditure on consultants or travel costs would be occurring as required, however this cannot be quantified for the 2012-13 financial year.

The Commission currently recruits almost exclusively online, and has done so since July 2011. Any decision to place a recruitment advert in other than online media will be a strategic decision based on the circumstances. It is highly likely that this will be an extremely rare event. As the Commission has only a small and sporadic use of recruitment (in any medium) the possible savings cannot be quantified.

The Commission has in place a range of measures that have contributed to a reduction in printing costs. Such as:

- availability, from the Commission website, e-versions of publications that users can “print on demand”
- reduced range of publications that are produced and circulated in hardcopy and subject to limited print run(s) e.g. numbers of copies produced
- implementation of an electronic records management systems which has reduced the number and volume of paper based records
- double sided black and white printing is set as default on printing devices
- purchase of recycled paper with a minimum 60% recycled content
- implementation of the Whole of Government Stationery and Office Supplies (SOS) Panel Arrangement is expected to provide an estimated \$15k per annum and ongoing cost benefit on the previous procurement of paper arrangements.