

# LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

## WRITTEN QUESTION

Mr Burke

to Chief Minister

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### Public Service Restructure

The government says its public service restructure will save \$4.4 million in 2002-03 (Mini Budget Paper No 3, Page 18):

1. What will be the source of those savings by component and value.
2. If attrition is to be the source of your savings from the public sector, does that mean that a recruitment freeze has been imposed on some agencies? If so which agencies are affected and what are the details of the freeze.
3. The government has identified \$15 million in savings in 2001-02 and \$35 million in 2002-03 from budget improvement measures. What will be the source of those savings by component and value.
4. What is the current size of the public service in terms of employees of all designations and what do you anticipate the figure being in 12 months time under the changes to the public service.
5. What staff levels have been set for each of the 18 agencies.
6. How many members of the public service are currently regarded as contract employees.
7. What allowance has been made for a public service pay rise in the calculation of the Mini Budget's Budget Improvement Measures.
8. What cost does the government expect to be incurred in changing stationary, uniforms, logos, pamphlets and the front counter areas to reflect your changes to the public service structure.
9. Labor's promises contained in Paper No 3 of the November Mini Budget commit the government to saving \$500,000 a year through REDUCED attrition in the health and education departments. How can savings be made by reducing attrition while at the same time using attrition to reduce the size of the public service.
10. Will the displaced former public service CEOs be expected to take a pay cut to reflect their reduced responsibilities.
11. Will the CEOs of the "18 super" departments be given a salary increase to reflect their increased responsibilities.

## ANSWER

### Question 1

Gross agency amalgamation savings of \$5 million (as set out in the table below) were identified from the November Mini Budget. These savings were offset by increased outlays of \$0.6 million necessary to give effect to the new Government's policies. Accordingly, Mini Budget Paper No. 3 indicated \$4.4 million in savings in 2002/03.

#### **Gross savings**

	<b>\$</b>
<b>Employment, Education and Training</b> (including OCPE)	<b>1,900,000</b>
<b>Business, Industry and Resource Development</b>	<b>980,000</b>
<b>Community Development, Sport and Cultural Affairs</b>	<b>950,000</b>
<b>Infrastructure, Planning and Environment</b>	<b>970,000</b>
<b>Department of Justice</b>	<b>240,000</b>

### Question 2

No. A recruitment freeze has not been in force in any agency. The weekly Government positions vacant advertisements are evidence of that. In fact, the Government has a commitment in place for 100 extra teachers, 100 extra nurses, 50 extra police and 16 extra firefighters during this term of government.

### Question 3

It is anticipated that the budget improvement measures were designed to deliver efficiencies and consequential savings. Details of the savings by agency were set out as part of the Mini Budget in November 2001. The responsibility for determining the way by which these savings were to be made lay with the Chief Executives of agencies, although the emphasis was placed on "back room" support functions in order not to compromise service delivery functions.

### Question 4

There were 14,377 FTE (averaged) employees in the NT Public Sector as at December 2001. As at December 2002, the figure was 14,397.

### Question 5

There are no staffing levels mandated for any agency. Chief Executives have discretion within their budget level to determine agency staffing levels.

#### Question 6

The total number of contract employees as at June 2002 was 2,656 (FTE) and at June 2003 was 2,672 (FTE). This comprises various categories of executive contract officers and limited tenure employees. These numbers are consistent with historical levels in recent years.

#### Question 7

Provision of 3% was included in the Budget for the programmed Public Sector pay rise.

#### Question 8

The costs were minimal. In many instances, existing stocks continued to be used and replaced as required.

#### Question 9

The high levels of turnover in past years in Health and Education have imposed significant costs on the Territory in terms of recruitment and training. As a consequence the focus has been upon the development of strategies that specifically target these categories of employment to reduce turnover in these areas with a consequential saving to the community.

There is no overall strategy to reduce the size of the public sector, but components of the workforce may change over time.

#### Question 10

Public Sector Chief Executive employment arrangements are regulated by contracts and the provisions of those contracts have been honoured.

#### Question 11

The conditions of employment for Chief Executives are contained in their executive employment contracts. Chief Executive employment arrangements are reviewed in accordance with the provisions of their contracts.