

## QUESTION ON NOTICE – PAEC 2011-12 – ATTORNEY-GENERAL

### Attorney-General's Portfolio

- Please provide a breakdown of how the Department will incorporate the savings from the previous government, the new initiatives savings as part of the election commitment and the measure to offset the GST reduction (*Page 6 of the Attorney-General's portfolio transcript*)

#### Response:

#### 1.1 Previous Government's Savings

The table below reflects the impact over the forward estimates period of savings imposed by the previous government since 2007-08, and the allocation between the Department and Victoria Police.

DEPARTMENT and VICTORIA POLICE				
EFFICIENCY SAVINGS	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
2007-08 LFS 3 Efficient Government DOJ Agency Savings <sup>1</sup>	25.728	25.728	25.728	25.728
2007-08 LFS 3 Efficient Government Victoria Police Savings <sup>1</sup>	1.297	1.297	1.297	1.297
<b>Sub-Total LFS 3 Efficient Government Savings 2007-08<sup>1</sup></b> (As per 2007-08 BP3)	<b>27.025</b>	<b>27.025</b>	<b>27.025</b>	<b>27.025</b>
2007-08 Post Budget DOJ Agency Efficiency Savings <sup>2</sup>	3.441	3.441	3.441	3.441
2007-08 Post Budget Victoria Police Efficiency Savings <sup>2</sup>	0.071	0.071	0.071	0.071
<b>Sub-Total Additional Efficiency 2007-08<sup>2</sup></b> (Approved Post 2007-08 Budget Publication)	<b>3.512</b>	<b>3.512</b>	<b>3.512</b>	<b>3.512</b>
2008-09 DOJ Agency Efficiency Savings	6.250	6.250	6.250	6.250
2008-09 Victoria Police Efficiency Savings	6.250	6.250	6.250	6.250
<b>Sub-Total Budget Efficiency Savings 2008-09</b> (As per 2008-09 BP3)	<b>12.500</b>	<b>12.500</b>	<b>12.500</b>	<b>12.500</b>
2009-10 DOJ Agency efficiency savings	15.000	15.000	15.000	15.000
2009-10 Victoria Police efficiency savings	15.000	15.000	15.000	15.000
<b>Sub-Total Budget Efficiency Savings 2009-10</b> (As per 2009-10 BP3)	<b>30.000</b>	<b>30.000</b>	<b>30.000</b>	<b>30.000</b>
2010-11 DOJ Agency efficiency savings	33.457	52.094	52.094	52.094
2010-11 Victoria Police efficiency savings	17.543	26.906	26.906	26.906
<b>Sub-Total Efficiency Savings 2010-11</b>	<b>51.000</b>	<b>79.000</b>	<b>79.000</b>	<b>79.000</b>
Total Previous Government savings since 2007-08 – DOJ Agency	<b>83.876</b>	<b>102.513</b>	<b>102.513</b>	<b>102.513</b>
Total Previous Government savings since 2007-08 - Victoria Police	<b>40.161</b>	<b>49.524</b>	<b>49.524</b>	<b>49.524</b>
<b>Total Previous Government Savings since 2007-08</b>	<b>124.037</b>	<b>152.037</b>	<b>152.037</b>	<b>152.037</b>

<sup>1</sup> Includes Labor Financial Statement 3 (LFS 3) Efficient Government as well as CBD office growth and grants duplication savings that were announced in the 2007-08 Budget.

<sup>2</sup> Includes Victorian Managed Insurance Authority (VMIA), State Purchasing Contract and grants reallocation savings that were announced post the 2007-08 Budget.

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### 1.2 Current Government Savings and measures to offset the GST reduction.

As part of the Government's Better Financial Management policy, the Government announced a number of Government election commitment savings initiatives to be imposed on departments. The share of these election commitment savings allocated to the Justice Portfolio is \$41.466m per annum ongoing, by 2014-15.

In addition to election commitment savings, the Justice Portfolio has also been allocated savings of \$22.210m ongoing by 2014-15 to support the measures to offset the GST reduction.

<b>TOTAL DEPARTMENT and VICTORIA POLICE</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011-12 Election Commitment Savings - DOJ Agency	23.063	23.588	24.173	24.741
2011-12 Election Commitment Savings - Victoria Police	15.640	15.975	16.360	16.725
<b>Sub-Total Election Commitment Savings</b>	<b>38.703</b>	<b>39.563</b>	<b>40.533</b>	<b>41.466</b>
2011-12 Measures to offset the GST reduction - DOJ Agency	12.100	12.100	12.100	12.100
2011-12 Measures to offset the GST reduction - Victoria Police	8.600	9.910	10.010	10.110
<b>Total Measures to offset the GST reduction</b>	<b>20.700</b>	<b>22.010</b>	<b>22.110</b>	<b>22.210</b>
<b>Total Savings DOJ Agency</b>	<b>35.163</b>	<b>35.688</b>	<b>36.273</b>	<b>36.841</b>
<b>Total Savings Victoria Police</b>	<b>24.240</b>	<b>25.885</b>	<b>26.370</b>	<b>26.835</b>
<b>Total Savings</b>	<b>59.403</b>	<b>61.573</b>	<b>62.643</b>	<b>63.676</b>

The following table provides the breakdown by portfolio of the current government savings.

<b>ATTORNEY GENERAL'S PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011-12 Election Commitment Savings	4.383	4.471	4.578	4.679
2011-12 Measures to offset the GST reduction	7.000	6.750	6.750	6.750
<b>Total Savings for the Attorney General's Portfolio</b>	<b>11.383</b>	<b>11.221</b>	<b>11.328</b>	<b>11.429</b>
<b>CONSUMER AFFAIRS PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011-12 Election Commitment Savings	0.329	0.335	0.343	0.351
2011-12 Measures to offset the GST reduction	1.000	1.000	1.000	1.000
<b>Total Savings for the Consumer Affairs Portfolio</b>	<b>1.329</b>	<b>1.335</b>	<b>1.343</b>	<b>1.351</b>
<b>CORRECTIONS PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011-12 Election Commitment Savings	3.185	3.249	3.326	3.399
2011-12 Measures to offset the GST reduction	1.000	1.000	1.000	1.000
<b>Total Savings for the Corrections Portfolio</b>	<b>4.185</b>	<b>4.249</b>	<b>4.326</b>	<b>4.399</b>
<b>CRIME PREVENTION PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011-12 Election Commitment Savings	0.075	0.076	0.078	0.080
2011-12 Measures to offset the GST reduction	0.000	0.000	0.000	0.000
<b>Total Savings for the Crime Prevention Portfolio</b>	<b>0.075</b>	<b>0.076</b>	<b>0.078</b>	<b>0.080</b>

<b>GAMING PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011 -12 Election Commitment Savings	0.496	0.506	0.518	0.530
2011-12 Measures to offset the GST reduction	0.000	0.000	0.000	0.000
<b>Total Savings for the Gaming Portfolio</b>	<b>0.496</b>	<b>0.506</b>	<b>0.518</b>	<b>0.530</b>
<b>POLICE AND EMERGENCY SERVICES PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011 -12 Election Commitment Savings	16.119	16.463	16.860	17.236
2011-12 Measures to offset the GST reduction	10.200	11.510	11.610	11.710
<b>Total Savings for Police and Emergency Services Portfolio</b>	<b>26.319</b>	<b>27.973</b>	<b>28.470</b>	<b>28.946</b>
<b>RACING PORTFOLIO</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
Election Commitment Savings	0.040	0.041	0.042	0.043
Measures to offset the GST reduction	0.000	0.000	0.000	0.000
<b>Total Savings for Racing Portfolio</b>	<b>0.040</b>	<b>0.041</b>	<b>0.042</b>	<b>0.043</b>
<b>CORPORATE (non-portfolio specific)</b>				
	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m
2011 -12 Election Commitment Savings	14.077	14.421	14.788	15.150
2011-12 Measures to offset the GST reduction	1.500	1.750	1.750	1.750
<b>Total Savings for Corporate (Non-Portfolio)</b>	<b>15.577</b>	<b>16.171</b>	<b>16.538</b>	<b>16.900</b>

### 1.3 Incorporating the savings

The 2007-08 Budget (BP3 pages 35, and 344) under the previous Government identified a range of savings areas including from:

- Government procurement
- Shared services
- Best practice grant administration
- Efficient management of the government vehicle fleet
- Advertising and consultancy expenditure
- Better integration of ICT services across government
- Limiting the future growth of head office management.

The 2008-09 Budget (BP3 page 358) refers to the achievement of general efficiencies as does the 2009-210 Budget (BP3 page 368).

The 2011-12 Budget (BP3 page 92) identifies for whole of Victorian government a range of election commitment savings initiatives including on:

- Consultants
- Government advertising

- External legal advice
- Public Service travel
- Government office floor space
- Supplies and consumables.

Against these specific savings areas the department considers how best to allocate and manage these savings minimising the impact on services to the community.

Mostly savings will be incorporated into the budget through efficiencies in corporate and head office functions and identification of savings in major contracts managed by the department, where efficiencies can be implemented through renegotiation.

By implementing these efficiency measures and spreading the election and GST reduction savings across the department, the department is aiming to fully realise the savings requirement without materially impacting on the level and quality of service delivery or policy development capacity.