QTON No. 9

Legislative Assembly for the Australian Capital Territory
Standing Committee on Public Accounts and Administration

Inquiry into Annual and Financial Reports 2023-24

Answer to question taken on notice

Asked by: MR ED COCKS MLA

Addressed to: MR ANDREW BARR MLA, CHIEF MINISTER

In relation to: EMPLOYEE EXPENSES IN THE PUBLIC SERVICE

Hearing: 12 February 2025
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Transcript provided: 17 February 2025
Answer Due: 24 February 2025

Mr Andrew Barr MLA took on notice the following question(s):

Mr Cocks: I want to go to overspends in employee expenses in the public service. So for example, CMT reported a $30 million increase in employee expenses, but this was alongside a 4.7 per cent decrease in staff. Can you explain what is happening there? Why have we seen an increase in employee expenses with a decrease in staff?

Ms Leigh: I think I would need to take that on notice, Mr Cocks. The decrease in staff would probably be a point in time for an annual report, and during that financial year, we had some changes. So some areas moved out of CMTEDD into another area, so the staffing is the last day of the year normally, whereas the expenditure would have been across the 12 months. That may explain it, but I would need to check for you.

Mr Cocks: Okay. If you could, and if you could also provide a breakdown of the specific factors that contributed to the increase in expenses. And I am also interested in whether there were any redundancy payments related to any staff reductions during the period.

Mr Barr: We will take that on notice for you.

Mr Cocks: Okay. And I am also interested in how the costs are categorised, I guess, within the overall employee expenses figures and if it was not just moving staff from one agency to another, what actually drove the reduction in staff numbers?

Ms Leigh: Yes. We will take that on notice. I think what I said is probably the answer, but I would rather check.

Mr Cocks: Okay. And on redundancies, have there been any redundancies outside of the senior executive across the public service?

Ms Leigh: I cannot tell you every detail. There has not been any significant major process of redundancies, but whether there have been individual ones.

Mr Cocks: Perhaps on notice, you would be able to provide the number of redundancies offered in the reporting period?

Ms Leigh: Sure.

Mr Barr: Yes. We can do that.

Ms Leigh: We can do that.

ANDREW BARR MLA: The answer to the Member's question is as follows:

- Staffing figures published in the annual report capture the number of full-time equivalent (FTE) staff in the last pay period of the financial year.
- As staff levels can fluctuate throughout the financial year, average FTE can provide better measure when assessing the relationship between the number of staff and related costs. Average staffing numbers were higher in 2023-24 compared to 2022-23.
- The increase in employee expenses also reflects pay increases under new Enterprise Agreements finalised during the financial year. Information on these agreements can be found on the ACTPS Employment Portal: https://www.cmtedd.act.gov.au/employment-framework/for-employees/agreements
- The decrease in staffing numbers between financial years largely relates to the transfer of ACT Property Group functions from CMTEDD to Major Projects Canberra (now Infrastructure Canberra) in December 2024. A total of 141 FTE were moved as part of this transfer.
- A breakdown of CMTEDD employee expense costs by category for the 2023-24 financial year is provided in the *Chief Minister, Treasury and Economic Development Directorate Annual Report Volume 2.1*, page 34.
- CMTEDD made termination/ redundancy payments in accordance with the Public Sector Management Act totalling $0.746 million during the 2023-24 financial year as disclosed in the employee expense costs by category (*Chief Minister, Treasury and Economic Development Directorate Annual Report Volume 2.1*, page 34).
- Across the ACT public Service there were 23 non-executive staff who accepted a voluntary redundancy in 2023-24.

Approved for circulation to the Standing Committee on Public Accounts and Administration

Signature: Date: 3.3.25

By the Chief Minister, Andrew Barr MLA