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**UNTIL 2024-25 BUDGET FORMALLY RELEASED, THEN CLASSIFIED OFFICIAL**

## 2024–25 Budget Issues Brief no. 46

### **AVERAGE STAFFING LEVELS (ASL) – 2024-25 BUDGET COLLECTION**

#### **Key points**

- The Government has an ambitious agenda for Australia and an effective, efficient, and well-resourced public service is essential to successfully implementing the Government’s commitments to the Australian people.
- To achieve this, the Government continues to invest in the public service to deliver outcomes for Australians. This ensures the public service is positioned to do the job the Australian people expect, including delivering essential frontline services, protecting Australia’s borders and economic interests, and delivering the clean energy transition and the future made in Australia agenda.
- The Government is also delivering on its election commitment to reduce the public service’s reliance on external labour and returning core public service work back to the public service. In the 2024-25 Budget, building on the 2022–23 October Budget, the Government will deliver an additional saving of \$1.0 billion over four years from 2024–25 by continuing to reduce spending on external labour, bringing the total to \$4.0 billion.

#### **Key facts and figures**

- ASL data published in the 2024–25 Budget Paper No.4 shows that ASL levels in 2024–25 are expected to be 209,150 (refer Table 1).
- This primarily reflects:
  - the Government’s 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO) and 2024–25 Budget decisions to invest in frontline service delivery capacity and capability, resource critical programs, deliver the future made in Australia agenda, support Australia’s energy transition, and protect our national interests;
  - decisions by public service agencies to use public servants to deliver policies and programs rather than outsourcing these functions; and
  - additional conversions of external labour to ASL.
- The Government’s investments in service delivery have demonstrated clear benefits, including:
  - clearing the 41,799 backlog of veterans’ compensation claims in the Department of Veterans’ Affairs, which are now all allocated for processing.

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- resolving 500,000 claims from Services Australia’s claims backlog in just ten weeks due to 3,000 additional staff funded in the 2023-24 MYEFO.
- increasing compliance activity through more NDIS Quality and Safeguards Commission staff, resulting in additional banning orders being applied to disability support providers doing the wrong thing.
- blocking more than 300,000 attempts by cyber criminals to use Australians’ stolen identity documents through investments in the Credential Protection Register.
- speeding up environmental approval decisions under the *Environmental Protection and Biodiversity Conservation Act 1999*, with 84 per cent of approvals considered within the statutory timeframe, up from 46 per cent on average under the previous Government.

**Table 1: General Government Sector ASL: 2024-25 Budget as published in Budget Papers No.4**

	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
2022-23 March Budget	173,142	173,558	N/A	N/A
2022-23 October Budget	171,938	181,122	N/A	N/A
2023-24 Budget	N/A	181,062	191,861	N/A
2024-25 Budget	N/A	N/A	197,108	209,150

Significant ASL decisions

- In the 2024-25 Budget the Government is investing in essential public service staff for:

*Improving services and supporting Australians*

- Services Australia to ensure Australians can access critical payments, ensure the ongoing safety of Services Australia staff and customers, and to put MyGov on a more sustainable footing.
- the Department of Veterans’ Affairs to increase claims processing capabilities to meet increased demand so veterans receive services faster and when they need it.
- the Department of Health and Aged Care and the Aged Care Quality and Safety Commission to support implementing the New Aged Care Regulatory Framework and finalise the Commonwealth response to the Final Report of the *Capability Review of the Aged Care Quality and Safety Commission*.
- the Department of Health and Aged Care to strengthen Medicare, facilitate a sustainable ongoing national response to COVID-19, and secure primary health care services in rural and remote Australia.

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- the Department of Social Services to support the operation of the National Redress Scheme for survivors of institutional child sexual abuse.
- the Department of Employment and Workplace Relations to progress critical employment services reform through strengthened integrity, establish independent compliance mechanisms; and uplift online capability to meet increased demand for Workforce Australia Online services and telephone enquiries.
- the National Indigenous Australians Agency to establish the Remote Jobs and Economic Development Program, which will create 3,000 jobs in remote Australia and assist income support recipients move into paid employment over five years.
- the Australian Taxation Office to increase capability to bolster tax compliance and protect our taxation and superannuation systems against fraud.
- the Department of Finance, Services Australia, the Australian Taxation Office and supporting agencies including regulators, to expand the Digital ID system to advance Australia's digital economy.
- the Australian Digital Health Agency to deliver new digital solutions to improve service delivery and increase growth of My Health Record.

*Securing our region, building resilience and protecting Australians*

- the Australian Federal Police for capabilities such as training, cyber investigations and protective security services, including federal policing at Western Sydney International Airport.
- the National Emergency Agency to ensure the Agency can continue to deliver on the Government's crisis management activities, including disaster resilience, preparedness and responding to communities in need.
- the Department of Agriculture, Fisheries and Forestry to support effective delivery of drought and climate resilience outcomes through the Future Drought Fund.
- the Department of Climate Change, the Environment and Water to sustain water policy functions and to expand the oversight and independence functions of the Inspector General of Water Compliance.

*Managing the economic transformation*

- the Department of Industry, Science and Resources and the Department of Climate Change, Energy, the Environment and Water to advance Australia's plans to become a renewable energy superpower.

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- the Department of Climate Change, Energy, the Environment and Water to implement priority reforms to reduce reliance on the energy grid.
- to Geoscience Australia to provide specialised capabilities in precompetitive geoscience data collection and analysis of ground water systems and resources to support increases in industry investment.
- the Department of Foreign Affairs and Trade and the Department of Finance to support the establishment of a Domestic National Interest Account as part of the future made in Australia agenda
- the Department of the Treasury to coordinate the development of the future made in Australia legislation and associated policy frameworks, including a new National Interest Framework and Community Benefit Principles, and consult on the proposed ‘new front door’ function.

Conversions of external labour

- In this Budget, the Government has continued its commitment to rebuild the public service and reduce its reliance on external labour.
- The public service is expected to convert 2,502 roles undertaken by external labour in 2024–25. This is in addition to the 3,314 undertaken in the 2023-24 Budget and 3,000 roles in Services Australia now being done by public servants instead of through outsourced arrangements. This means there are now 8,816 public service roles that have been created to replace work previously undertaken by contractors and consultants.
- This continued rebalancing of the workforce should not be considered an increase in the overall size of the government workforce. Rather, through conversions, the Government is reducing the reliance on the external labour workforce to deliver the work that should appropriately be done by APS staff.
- In this Budget, the Government is also delivering an additional savings of \$1.0 billion over four years from 2024–25 by further reducing spending on external labour through the measure *Savings from External Labour – Extension*. This builds on the 2022–23 October Budget measure *Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses*, which provided \$3.0 billion in savings over five years from 2022–23.
- The Government will also conduct a new Audit of Employment to measure and track how the public service is continuing to deliver on the Government’s commitment to reduce its reliance on external labour, coupled with targets under the Strategic Commissioning Framework, to bring core public service work back into the public service.

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**Table 2: New ASL from External Labour Conversions in 2024–25 by Portfolio**

<b>Portfolio</b>	<b>New ASL from external labour conversions in 2024–25</b>
Agriculture, Fisheries and Forestry	54
Attorney-General's	35
Climate Change, Energy, the Environment and Water	0
Defence	2
Education	2
Employment and Workplace Relations	13
Finance	0
Foreign Affairs and Trade	60
Home Affairs	326
Health and Aged Care	0
Industry, Science and Resources	74
Infrastructure, Transport, Regional Development, Communications and the Arts	16
Parliamentary Departments	0
Prime Minister and Cabinet	98
Social Services	1,822
Treasury	0
<b>Total</b>	<b>2,502</b>

- Only the new ASL created by Government decisions through the conversion process is included in Table 2 above.

**Key sensitivities**

- At the 2022–23 March Budget (under the previous Government), ASL levels in 2022–23 were estimated to be 173,558.

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**Background**

- ASL data is included in the Budget for the current financial year and the upcoming (Budget) year. ASL is not published in MYEFO, Final Budget Outcome, or Pre-election Economic and Fiscal Outlook, nor are the forward estimates years published.
  - ASL estimates are published for individual entities in their respective Portfolio Budget Statements.
- The ASL figures in the 2024–25 Budget comprise updated estimates for 2023–24 and the first published estimates for 2024–25.
- The ASL for the Australian Secret Intelligence Service, the Australian Security Intelligence Organisation, and the Australian Signals Directorate are not included in ASL Budget collections for reasons of national security. All three organisations are not included in the ASL tables in Part 2: *Staffing of Agencies* in Budget Paper No. 4.
- As part of the Government’s *Plan for a Better Future*, *Plan to Improve the Public Service*, and *Plan to Reduce Waste and Reinvest in the Australian Public Service*, the Government has undertaken a wide suite of APS related reforms, including:
  - reducing spending and reliance on contractors, consultants and external labour hire (collectively known as external labour).
  - conducting an audit of employment within the APS.
  - reinvesting in APS capability.
  - abolishing the ASL cap.
- In addition to ASL estimates published in Part 2: *Staffing of Agencies* in Budget Paper No. 4, the Australian Public Service Commission (APSC) and the Australian Bureau of Statistics (ABS) also publish estimates of the size of the public service. These are not directly comparable.
  - ASL is the average number of full-time equivalent employees, adjusted for work hours per person, who receive salary or wages, by General Government Sector agencies.
  - The APSC measures the number of ongoing and non ongoing employees, not adjusted for work hours per person, employed under the *Public Service Act 1999*.
  - The ABS measures the number of employees, not adjusted for work hours per person, engaged by the Australian Government. This includes Defence personnel and those employed outside of the *Public Service Act 1999*.