

Responsible Government Spending

Issue

- All Departments are being asked to identify savings and reduce spending. This initiative is government wide and adjustments are being phased in.

Context

- Budget 2023 proposed that departments reduce spending in travel, professional services, discretionary operations and transfer payments with a target to achieve \$4.3B in ongoing savings.
- Budget 2024 announced a second phase whereby departments would partially cover the increasing operational costs through savings in operational spending primarily through attrition of staff. The target for this second phase is \$1.3B in ongoing savings.

Key Updates

- There are no proposed savings related to Veteran programs or services.
- The Department's contribution to Phase 1 was \$11.5M in ongoing savings and primarily resulted from reduced spending in Travel and Professional Services.
- In November 2024, departments submitted their savings proposals for consideration. It is anticipated that decisions will be made early in 2025 and could be publicly announced as part of the Main Estimates for 2025/26.