

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Budget Estimates 2017 - 2018

Prime Minister and Cabinet Portfolio

Department/Agency: Indigenous Land Corporation

Outcome/Program: Outcome 2:

Topic: Funding of the National Congress of Australia's First People

Senator: Dodson

Question reference number: 80

Type of question: FPA Friday 26 May 2017, page 14

Date set by the committee for the return of answer: 7 July 2017

Number of pages: 2

Question:

Senator DODSON: I have three fundamental questions, just to get clarity around the congress. First, can you tell me what, if any, funding is provided to the congress for its core operations? Second, can you tell me what funding is provided to the congress in the transition that you said was very generous—so what is the quantum of all of this? Third, what is the funding in relation to the consultations for the Redfern Statement forums that the congress has been engaged, as I understand it, to undertake? There is a lot of discussion around the congress and a lot of confusion. We just need some monetary figures—

Senator Scullion: One and three can be answered at another—

Senator DODSON: so that we know what we are doing.

Senator Scullion: One of the three can be answered at another aspect, because I can assist that ILC do not have that. But in terms of the translation—

Mr Maher: The second question was the quantum of the relocation package.

Senator DODSON: Yes.

Ms Button: I can take it on notice to get you the full breakdown, but there has been over \$180,000 in rent abatement provided to congress. There is a \$65,000 relocation and rental assistance package provided.

Senator SIEWERT: Can you give us what is the relocation—

Mr Maher: We will send this to you.

Ms Button: And then, in addition to that, there has been over a number of years significant below-market rent, which on average has been around 40 per cent below market rent. So we can do some calculations on that and give you a total picture of the amount of financial assistance given to congress over the number of years.

Answer:

The National Congress of Australia's First Peoples (Congress) transitioned out of their expired commercial lease at Level 1, Black Theatre Building (BTB) on 15 May 2017.

The ILC provided the following package to assist Congress relocate to Canberra:

1. Rent abatement from 1 December 2016, valued at approximately \$83,500.
2. Waiver of current outstanding outgoing invoice, valued at \$9,000.
3. Relocation costs to the maximum value of \$10,000.
4. Contribution to minor fit-out requirements at 5 Lancaster Place, to a maximum of \$5,000 (noting that furniture would be relocated from the BTB tenancy).

5. Twelve months rental assistance to support Congress to take up occupancy at its preferred location of 5 Lancaster Place, to a maximum amount of \$40,000.
6. Waiver of make-good provisions under the current commercial lease, representing an estimated \$100,000 saving to Congress.

The ILC's offer to waive make-good provisions included an offer to remove and relocate to Canberra all 'removable items' such as workstations, desks, petitions, furniture. This offer would have allowed Congress to (i) save a quoted \$150,000 in building expenses; and (ii) retain all items which it could sell and/or reuse.

The offer was made in good faith noting that Congress would not benefit from a return on its \$150,000 outlay, on the basis that they would not be able to sell or reuse demolished floors, walls, etc.

Therefore ILC assistance offered to Congress amounted to more than \$240,000, including:

1. \$147,500 cash equivalent assistance directly to Congress
2. \$100,000 to \$150,000 savings to Congress by not having to make good on its tenancy.

This package was taken up by Congress, apart from accepting the waiver of the make-good provision under the commercial lease.

In addition to the above assistance package, the ILC has provided Congress with commercial rent rates in the Black Theatre Building well below the market rate.

Congress has been paying \$334 per square metre compared to a market average of \$674 per square metre; Congress's rent was therefore some 49 per cent below market rate.