

Senate Standing Committee on Community Affairs

QUESTIONS ON NOTICE Additional Estimates 2012-2013

Outcome 2 - Schools and Youth

DEEWR Question No. CA0039_13

Senator Scullion asked in writing

Question

Northern Territory Hostels

With the budget available, are you able to confirm that you will still build three hostels with a total of 152 beds? Does the figure of \$16 million for the Wadeye Hostel include operational expenses? Please provide estimates of the operational budget each year for the next 5 years. Can you confirm that the calculations for the budget for the three hostels did not originally include staff housing? A consultant (Greg Gibbs) was employed to undertake community consultation in regard to the Wadeye Hostel. • What was the purpose of the consultancy? • What prompted the department to undertake the consultancy? • When did the consultancy commence? Please provide a breakdown of the 'just over \$600,000' in costs referred to by DEEWR at Senate Estimates incurred on the proposed Garrthalala Hostel. Are the students boarding at the Wadeye hostel from Wadeye eligible for the same Abstudy allowances as students from other areas? Do differing levels of Abstudy support for students at Wadeye have any financial implications for the operational expenses of the hostel? Could you provide details of the financial impact? Three hostels were due to be completed by the end of 2010. Please explain why, as of February 2013 only one has been completed?

Answer

With the budget available, are you able to confirm that you will still build three hostels with a total of 152 beds?

As we said at the time of the announcement, our commitment was to deliver up to 152 beds across the facilities and we are continuing to work towards that.

Does the figure of \$16 million for the Wadeye Hostel include operational expenses?

No. Ongoing funding of \$2.5 million per annum is appropriated through the *Indigenous Education (Targeted Assistance) Act 2000* for the operation of the three NT Boarding Facilities.

Please provide estimates of the operational budget each year for the next 5 years.

The Commonwealth has entered into a contract with Aboriginal Hostels Limited (AHL) to manage the Wadeye Boarding Facility until 30 June 2013.

For the period 1 July 2012 to 30 June 2013, AHL has been provided with \$2.99 million to commence the operation and cover all operational costs of the Wadeye Facility. The current contract ceases on 30 June 2013 and DEEWR and AHL will commence negotiations in the coming weeks around extending that contract.

Can you confirm that the calculations for the budget for the three hostels did not originally include staff housing?

That is correct. However, given that there were insufficient qualified staff available within the Wadeye community who could be employed at the facility, it was decided that staff housing would need to be built in order to ensure qualified staff could be attracted to work in the boarding facility. This approach is consistent with the establishment of government facilities in remote communities elsewhere.

A consultant (Greg Gibbs) was employed to undertake community consultation in regard to the Wadeye Hostel. What was the purpose of the consultancy? What prompted the department to undertake the consultancy? • When did the consultancy commence?

DEEWR did not employ Mr Gibbs to undertake community consultations in regard to the Wadeye hostel.

Please provide a breakdown of the 'just over \$600,000' in costs referred to by DEEWR at Senate Estimates incurred on the proposed Garrthalala Hostel.

Purpose	Amount (GST incl)
Consultant travel	\$7,277.60
East Arnhem community consultations	\$70,000.00
Garrthalala scoping exercise	\$78,232.00
Technical Feasibility Study	\$86,075.00
Supplementary Feasibility Study	\$44,110.00
Study of Ground Water availability	\$24,684.00
Value Management process	\$55,300.00
Feasibility Study into the viability of constructing a hostel in East Arnhem	\$154,740.91
Application for Authority Certificate	\$8,681.00
Land Survey	\$71,125.00
Total direct grants to external organisations	\$600,225.51

Are the students boarding at the Wadeye hostel from Wadeye eligible for the same Abstudy allowances as students from other areas? Do differing levels of Abstudy support for students at Wadeye have any financial implications for the operational expenses of the hostel? Could you provide details of the financial impact?

All ABSTUDY applications are independently assessed for eligibility by Centrelink. Students from Wadeye who have been accepted to board at the facility have been assessed as being eligible for the full ABSTUDY entitlements (paid directly to Aboriginal Hostels Limited).

To the best of the Department's knowledge, there are no financial implications for the operational expenses of the hostel arising from the payment of ABSTUDY allowances.

Three hostels were due to be completed by the end of 2010. Please explain why, as of February 2013 only one has been completed?

This question has been asked and answered at several Estimates hearings.