ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Building lease costs - All Agency Indigenous Bodies

Senator: Senator the Hon Joe Ludwig

Question reference number: 329

Type of Question: Written

Date set by the committee for the return of answer: 11 July 2014

Number of pages: 7

Question:

- 1. What has been the total cost of building leases for the agency / department since Additional Estimates in February, 2014?
- a. Please provide a detailed list of each building that is currently leased. Please detail by:
- i. Date the lease agreement is active from.
- ii. Date the lease agreement ends.
- iii. Is the lease expected to be renewed? If not, why not?
- iv. Location of the building (City and state).
- v. Cost of the lease.
- vi. Why the building is necessary for the operations of the agency / department.
- a. Please provide a detailed list of each building that had a lease that was not renewed since Additional Estimates in February, 2014. Please detail by:
- i. Date from which the lease agreement was active.
- ii. Date the lease agreement ended.
- iii. Why was the lease not renewed?
- iv. Location of the building (City and state).
- v. Cost of the lease.
- vi. Why the building was necessary for the operations of the agency / department.
- b. Please provide a detailed list of each building that is expected to be leased in the next 12 months. Please detail by:
- i. Date the lease agreement is expected to become active.
- ii. Date the lease agreement is expected to end.
- iii. Expected location of the building (City and state).
- iv. Expected cost of the lease.

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- v. Has this cost been allocated into the budget?
- vi. Why the building is necessary for the operations of the agency / department.
- c. For each building owned or leased by the department:
- i. What is the current occupancy rate for the building?
- ii. If the rate is less than 100%, detail what the remaining being used for.

Answer:

Responses for the Indigenous Affairs agencies within the Prime Minister and Cabinet portfolio are provided below:

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Part a)

	Total cost of building lease	Date agreement is active from	Date agreement ends	Renewed?	Location	Cost	Why?	Leases not renewed since February, 2014?			
Aboriginal Hostels Limited	Information	Information not provided in the timeframe requested									
Anindilyakwa Land Council	\$98,000 inclusive of electricity and service charges Leased buildings include ALC offices and residential housing for employees. Lease agreements long standing Buildings located Groote Eylandt NT										
Central Land Council	Buildings are necessary to undertake day to day operations of ALC and house senior personnel recruited from off-Eylandt. Nil										
Indigenous Business Australia		N/A. IBA does not own or lease any buildings. IBA offices are located in individual tenancies and Indigenous Coordination Centres as previously reported at Senate Estimates 2013.									
Indigenous Land Corporation	\$368,017	01/01/2011	31/12/2014	Currently considering options	Canberra, ACT	\$115,055	Program delivery and corporate administration in accordance with statutory functions				
		01/05/ 2009	30/04/ 2019	Business decision to be made at time	Adelaide, SA	\$501,738	Program delivery and corporate administration in accordance with statutory functions				
		28/09/2012	27/09/ 2015	Business decision to be made at time	Adelaide, SA	\$25,153	Program delivery and corporate administration in accordance with statutory functions				

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	Total cost of building lease	Date agreement is active from	Date agreement ends	Renewed?	Location	Cost	Why?	Leases not renewed since February, 2014?
		01/08/2012	31/07/ 2016	Business decision to be made at time	Brisbane, QLD	\$179,233	Program delivery and corporate administration in accordance with statutory functions	
		16/02/ 2012	16/02/ 2022	Business decision to be made at time	Perth, WA	\$259,945	Program delivery and corporate administration in accordance with statutory functions	
Northern Land Council	Information	not provided in th	e timeframe req	uested				
Outback Stores Pty Ltd	\$65,707.04 Feb-May	08/05/2009 12/12/2011	08/05/2015	Renewing both	67 Pruen Road, Berrimah, Darwin, NT 9 Ghan Road, Alice Springs, NT	\$14,693.42 monthly \$1,733.34	The Darwin Support office supports all areas of the business, provides storage space as well as meeting rooms and all amenities for daily running of the business. The Alice Springs Support Office provides a hub closer to store locations for Area Managers, Operations team and a meeting place for directors.	N/A
Tiwi Land Council	\$15,600			No. Owner looking to sell	Knuckey Lagoon, NT	\$62,400	Houses the secretariat, provides adequate area for meetings	N/A
Torres Strait Regional Authority	\$81,347	Cairns Office Space – 1/11/2012	Cairns Office – 13/04/2015	Cairns Office – yes	Cairns Office – Cairns, QLD	Cairns Office - \$75,963 (2 years 5 month lease)	Cairns Office – To meet business needs	Nil buildings

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	Total cost of building lease	Date agreement is active from	Date agreement ends	Renewed?	Location	Cost	Why?	Leases not renewed since February, 2014?
		Level 1, Pearls Building – 1/02/2014 Aboriginal and Torres Strait Legal Services (ATSLS) Building – 20/06/2011	Pearls Building – 31/01/2016 ATSLS Building – 13/06/2014	Pearls Building – possibly – TSRA have a 2+2+2 lease and depending on business needs the lease may or may not be renewed. ATSLS Building – yes	Pearls Building – Thursday Island, QLD ATSLS Building – Thursday Island, QLD	Pearls Building – \$243,600 (2 year lease) ATSLS Building – \$260,388 (3 year lease)	Pearls Building – To meet business needs ATSLS Building – As part of TSRA's funding agreement with the Aboriginal and Torres Strait Islander Legal Service (QLD), TSRA are committing to lease office space for this organisation	
Wreck Bay Aboriginal Community Council	Nil.							

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Part b) and c)

	Expected leases in the next 12 months	Date agreement is active from	Date agreement ends	Location	Cost	Cost allocated in budget?	Why?	Occupancy rate			
Aboriginal Hostels Limited	Information no	Information not provided in the timeframe requested									
Anindilyakwa Land Council	Expected term	Lease of Cairns based office for ALC finance department, to be entered into within the next three months. Expected term 3 years. Expected cost \$35,000 (forecast in Section 64(1) budget allocation)									
	Building neces	sary for financ	ce department	operations and to ac	chieve economies	of scale in h	aving the finance department l	ocated in Cairns.			
Central Land Council	Nil										
Indigenous Business Australia	b. N/A c. N/A										
Indigenous Land Corporation	options wi	c. The Indigenous Land Corporations Canberra office lease expires in the next 12 months. The Indigenous Land Corporation is currently considering options with no decision made at this time.									
Northern Land Council	Information no	t provided in t	he timeframe	requested							
Outback Stores Pty Ltd	67 Pruen Road, Berrimah, Darwin, NT 9 Ghan Road, Alice Springs, NT	As above	As above	As above	\$176,321 annual \$20,800.08 annual	Yes	As above	100%			

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	Expected leases in the next 12 months	Date agreement is active from	Date agreement ends	Location	Cost	Cost allocated in budget?	Why?	Occupancy rate
Tiwi Land Council	Nil.							
Torres Strait Regional Authority	ATSLS Building	20/06/2014	19/06/2015	Thursday Island, QLD	\$80,600	Yes	As part of TSRA's funding agreement with the Aboriginal and Torres Strait Islander Legal Service (QLD), TSRA are committing to lease office space for this organisation for another 12 months	Gab Titui Cultural Centre - 100% Torres Strait Haus - 100% Land & Sea Management Unit and Native Title Office - 100% Cairns Office - 100% Pearls Building - 100%
Wreck Bay Aboriginal Community Council	Nil.							