



**Senate Finance and Public Administration Legislation Committee
2024-25 Supplementary Budget Estimates – 8 November 2024**

Opening Statement

Dave Chalmers AO, CSC, Chief Executive Officer

I would like to begin by acknowledging the Ngunnawal and Ngambri peoples and pay my respects to their Elders past and present. I thank the Committee for the request for Aboriginal Hostels Limited (AHL) to appear at today's hearing.

Since our previous Committee appearance, AHL has continued to deliver on our purpose of providing culturally safe and affordable resident-centred services that improve the quality of life and access to economic opportunities for First Nations people – just as we have done for more than 50 years.

As our 2023–24 Annual Report noted, during the year, almost 19,000 people stayed with us and many of our hostels were regularly at full capacity. We achieved 80 per cent occupancy for the year (which was 8 per cent higher than our target), we also increased our occupied bed nights to 433,838 (representing an 8 per cent increase on the previous year). These occupancy results demonstrate the strong and growing demand for AHL's services in the community.

The Government's 2023-24 Budget commitment for 2 years of additional funding¹ for AHL was welcome recognition of the continuing importance of our services. The funding allocation this year will support us to undertake much needed maintenance and capital works at our hostels, to continue to improve our hostel meal service, to better recognise the contributions of our hostel managers and to improve hostel security. The additional funding also provided for an independent review (led by the National Indigenous Australians Agency) of our business model, which was completed in early 2024. The review identified measures to support the company's long-term financial viability. We remain committed to ensuring we can continue to provide a home away from home for First Nations people for future generations to come.

In terms of other results last financial year, we met all our performance measures. Key performance highlights include:

- AHL's achievement of an overall resident satisfaction rating of 94 per cent in the 2024 Resident Satisfaction Survey – this independent survey found that in general, hostel residents agreed that they felt welcome, safe and that their culture was respected at our hostels.
- Achieving a strong First Nations employment rate of 44 per cent.
- Contributing to economic development, with \$2.9 million worth of procurement from 44 First Nations businesses.

¹ \$20.8 million over 2 years through the 2023–24 Budget (Closing the Gap – further investment measure), with funding ceasing at the end of 2024-25.



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As these results show, the Government's investment in AHL contributes to improved outcomes for First Nations people in multiple areas, it also represents value for money. Results of soon to be released work to quantify AHL's economic and social impacts has shown that for every dollar invested in AHL's services, we return over \$5 in value to governments and residents.

Looking ahead, AHL will look to continue to deliver key activities that have meaningful impact in improving the quality of life and economic opportunities for First Nations people.

I thank the Committee and welcome your questions.