

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Aboriginal Hostels Limited

Outcome/Program: Aboriginal Hostels Limited

Topic: Staffing and budget

Senator: Senator the Hon Jan McLucas

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Type of Question: Written

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Question:

1. According to the AHL Outcome expense Statement, Table 2.1: Budgeted Expenses for Outcome 1 shows a decrease in staffing levels from 406 in 2013-14 to 396 in 2014-15. Can the department account for the change in staffing levels? Where within AHL will these staff be cut from?
2. According to the 2014-15 Portfolio Budget Statement for Prime Minister and Cabinet, AHL is budgeting for an overall net increase of \$0.4 million in expenses in 2014-15. At the same time, AHL is budgeting for a decrease in total revenue from government of \$0.3 million in 2014-15.
 - a. How much of the \$0.3 million funding reduction accounts for the Government's 2.5 per cent efficiency dividend?
 - b. What is the extent and purpose of any remaining funding reduction once the efficiency dividend is taken into account?
 - c. How will this funding reduction be applied across AHL programmes, grants and administration? Please detail all affected staff, governance and administration processes, programmes, grants and assets.
 - d. What is the reason for the increase in expenses in 2014-15?

Answer:

1. Aboriginal Hostels Limited (AHL) has reported total reductions in their staffing level by 10 in 2014-15. This is due to two processes:
 - a. As a part of general business when AHL divest and reinvest in facilities, small movements in staff numbers occur.
 - b. A small voluntary redundancy program is currently underway. This is likely to affect under 10% of total AHL staff.

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- a. The decrease of \$0.3 million in AHL's funding is attributed to the Government's 2.5 per cent efficiency cut.
- b. None, the decrease in total revenue from Government is only from the efficiency dividend.
- c. The \$0.3 million reduction in revenue from government has been applied across AHL's operations.
- d. AHL's total expenses have decreased by \$1.918 million from 2013-14 to 2014-15.