

Senate Standing Committee on Education and Employment

**QUESTIONS ON NOTICE
Additional Estimates 2013-2014**

Agency - Fair Work Commission

Department of Employment Question No. EM0370_14

Senator Ludwig provided in writing.

Question

FWC - Building Lease Costs

What has been the total cost of building leases for the agency / department since September 7, 2013? 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. b. Please provide a detailed list of each building that had a lease that was not renewed since September 7, 2013. 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. c. 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. 2. Has this cost been allocated into the budget? v. Why the building is necessary for the operations of the agency / department. d. 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

1.a (i)-(v) See table on following page.

Address	Landlord	Status	Start date Lease	Date Lease Expires	Cost (1/11/13-28/2/14)
11 Exhibition Street, Melbourne	Private	Active ⁽³⁾	1/6/05	30/6/2018	
1 Collins Street, Melbourne	Private	Terminated	1/12/10	31/12/2013 ⁽¹⁾	
Sydney	Private	Active ⁽³⁾	1/7/12	30/6/2022	
Adelaide	Private	Active	1/07/08	31/12/2020	
Perth	Private	Active ⁽²⁾	1/02/10	31/01/2015	
Darwin	Private	Active	1/1/11	1/01/2016	
Canberra	Private	Active	1/6/13	31/05/2018	
Hobart	Commonwealth Law Courts	Active	MOU Arrangement with Department of Finance being developed.		
Brisbane	Private	Active	4/04/12	3/04/2017	
Total					\$2.659M⁽⁴⁾

(1) Following refurbishment to increase capacity at 11 Exhibition Street, Melbourne, the FWC exercised an option to terminate the lease early at this secondary property.

(2) The FWC entered into a binding heads of agreement prior to 7 September 2013

(3) The FWC subleases space to external parties in this tenancy

(4) Approximate costings on a cash basis, excluding amortisation of incentives, and straight lining of rental increases.

vi. The buildings are necessary for the operation of the Fair Work Commission to enable it to fulfill its functions as Australia's national workplace relations tribunal. Accommodation is used for hearings, conferences, members' chambers, and staff office accommodation.

1.b. Nil.

1.c. The renewal of the lease of the Perth premises is expected to be finalised in the next Quarter.

2. The Fair Work Commission has fully costed all leases. As the national workplace tribunal, a presence is maintained in each capital city. The Commission does not have occupancy rates for premises.