

ADMINISTRATIVE SERVICES

Withdrawal from the direct provision of certain support services

Function: General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
1.5	-8.1	-11.8	-12.0

Explanation

This measure involves a major reduction in support service activity levels to other agencies through sale/outsourcing of various personnel, financial and general services. The measure will see the Department of Administrative Services progressively withdraw from the provision of such services.

This reform is consistent with the Government's policy of withdrawing from commercial services and will provide new opportunities for the private sector to provide these services in a contestable environment.

ADMINISTRATIVE SERVICES

Sale of the commercial arm of the Domestic Property Group (formerly known as the Australian Property Group)

Function: General Services, Asset Sales

Financial Implications (\$m)

	1997-98	1998-99	1999-00	2000-01
Administrative Services	13.3	8.7	1.5	1.5
Finance - costs of sales	0.5	0.0	0.0	0.0
Finance - proceeds of sale	nfp	nfp	nfp	nfp
TOTAL	nfp	nfp	nfp	nfp

Explanation

Following a review against the privatisation policy principles, the Government has decided to sell the commercial arm of the Domestic Property Group (formerly a stand-alone business known as the Australian Property Group). The principles recognise that purely commercial activities should not be retained within government when numerous alternative suppliers are available.

The outlays reported under the Administrative Services portfolio are for the handling of surplus staff and properties following the sale. Sales-related costs are reported under the Finance portfolio, as the sale will be undertaken by the Office of Asset Sales. The estimated proceeds of the sale are commercial-in-confidence and not for publication.

ADMINISTRATIVE SERVICES

Revised funding arrangements for the repair, maintenance and refurbishment of properties remaining in Commonwealth ownership

Function: General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-46.8	-52.2	-8.2	-29.7

Explanation

As a consequence of the Government's decision to divest the bulk of the commercial properties administered by the Department of Administrative Services, and to implement a revised funding arrangement for the few properties that are to be retained, the previous appropriation-based property funding arrangements are to be discontinued.

Under the new arrangements, the maintenance of buildings remaining in Commonwealth ownership is to be funded by retaining a proportion of gross rent in a trust account.

ADMINISTRATIVE SERVICES

Reduction in major capital works

Function: General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-13.0	0.0	0.0	0.0

Explanation

The reduction is due to the decision not to proceed with the refurbishment of Scarborough House, Woden ACT, because of the lack of committed tenants to occupy the building.

ADMINISTRATIVE SERVICES

Remove preset payments to fire brigades for callouts on Commonwealth properties

Function: Public Order and Safety

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-1.7	-14.9	-15.2	-15.5

Explanation

As a consequence of the Government's decision to divest the bulk of the commercial properties administered by the Department of Administrative Services, and to implement a revised funding arrangement for the few properties that are to be retained, the previous appropriation-based property funding arrangements can be discontinued.

Previously fire protection for Commonwealth-owned buildings was paid in bulk to State fire authorities. In future, fire protection will be paid from retained rent by individual building managers.

ADMINISTRATIVE SERVICES

Restriction to VIP transport (COMCAR) services to Members

Function: General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
9.4	4.1	4.1	4.1

Explanation

Following a review, revised arrangements have been introduced that provide Members and Senators with restricted COMCAR car with driver services. For most of the year, COMCAR will only operate from 7am to 8pm with a 6am to 12 midnight operation when Parliament is sitting, rather than a 24-hour service.

The operating subsidy provided in 1997-78 is \$1.7 million lower than required in 1995-96. This measure presents as an increase to outlays, however, because pending the outcome of the review mentioned above, no provision was included in the forward estimates for a continuation of the earlier operating subsidy. For 1997-98, the \$9.4 million comprises the operating subsidy plus a provision to finance redundancies.

By restricting the hours of operation and other operating arrangements, e.g. minimal dedicated drivers and no 'as directed' services, the costs of COMCAR will continue to fall. Because of this and earlier reform initiatives, there will be some redundancies.

In addition to this measure, COMCAR resources are being further reduced by a fall in Community Service Obligation outlays by some \$2 million a year to \$1 million in 1997-98.

ADMINISTRATIVE SERVICES

Annual Grants in Aid to community organisations

Function: General Research, Public Order and Safety, Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.1	0.1	0.1	0.1

Explanation

The Minister for Administrative Services has determined that four community organisations, i.e. the Royal Humane Society, the Australia and New Zealand Federation of Animal Societies, the Royal Society for the Prevention of Cruelty to Animals and the Australian Institute of Political Science should continue to receive annual grants in aid ranging from \$11,000 to \$23,000 a year. All the above agencies have been receiving grants over several years.

The cost of these grants are fully offset in the running costs of the Department of Administrative Services.

ADMINISTRATIVE SERVICES

Savings in running costs to fund annual Grants in Aid to community organisations

Function: General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-0.1	-0.1	-0.1	-0.1

Explanation

This measure fully offsets the cost of four grants to community organisations recommended by the Minister for Administrative Services described under the measure titled: 'Annual Grants in Aid to community organisations.'

ADMINISTRATIVE SERVICES

Provision of funding to the Australian Electoral Commission for the cost of the election of delegates to the Constitutional Convention

Function: Legislative and Executive Affairs

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
24.0	0.0	0.0	0.0

Explanation

The Constitutional Convention (Election) Bill 1997 provides for an election process, the total cost of which is estimated at \$36 million. Up to \$12 million of this cost, to prepare for the election processes, may be incurred during 1996-97 through access to the Advance to the Minister for Finance. The 1997-98 allocation will provide resources to conduct the election process itself. A separate, cross portfolio measure titled 'Organisation and conduct of the Constitutional Convention', in the Prime Minister and Cabinet portfolio, relates to the cost of the running of the convention itself.