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# PART 5

## Appendices

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# APPENDIX A

# ABORIGINALS BENEFIT

# ACCOUNT ANNUAL REPORT

# 2015–16

## Aboriginals Benefit Account overview

### Role and functions

The Aboriginals Benefit Account (ABA) is legislated under Part VI of the *Aboriginal Land Rights (Northern Territory) Act 1976* (the Land Rights Act) and is a special account for the purposes of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

The ABA receives and distributes monies generated from mining on Aboriginal land in the Northern Territory. Payments into the ABA are based on royalty equivalents which are determined by the estimated value of the statutory royalty payments. The ABA is public money.

The Minister for Indigenous Affairs allocates funds from the ABA to the four Northern Territory Land Councils (Northern Land Council, Central Land Council, Anindilyakwa Land Council and Tiwi Land Council) for operational purposes and to the Office of Township Leasing to cover the administration costs and upfront payments associated with township leases. The Minister also approves grants for the benefit of Aboriginal people living in the Northern Territory, taking into consideration the advice provided by the ABA Advisory Committee. Funds from the ABA are also distributed to Royalty Associations in areas affected by mining.

The major functions of the ABA are outlined in Figure 5.1.

Figure 5.1 Major functions of the Aboriginals Benefit Account

Function according to section of the Land Rights Act	Description
<b>Credits into the ABA, sections 62-63</b>	To receive the equivalent of mining royalty monies derived from mining operations on Aboriginal land in the Northern Territory, and such other income as outlined in section 63 of the Land Rights Act.
<b>Payments to Land Councils, subsection 64(1), in accordance with subsection 34(1)</b>	To make payments to the Northern Territory Land Councils as determined by the Minister to meet their administrative expenditure. The Land Rights Act requires the administrative expenditure of the Land Councils to be in accordance with proposed estimates of expenditure approved by the Minister.
<b>Payments to Royalty Associations, subsection 64(3)</b>	To make payments to the Land Councils for distribution to incorporated Aboriginal associations (Royalty Associations) in order to benefit those Aboriginal people who are affected by mining operations. These payments are directly linked to the amount of royalty equivalent monies received in respect of mining in the areas concerned. Royalty Associations receive 30 per cent of the royalty equivalents paid into the ABA. Relevant amounts must be paid within 6 months of receipt by the respective Land Council.
<b>Beneficial payments, subsection 64(4)</b>	To make payments to or for the benefit of Aboriginal people living in the Northern Territory. The ABA Advisory Committee provides advice to the Minister on these payments.
<b>Office of Township Leasing payments, subsection 64(4A)</b>	To make payments for acquiring and administering township leases approved under section 19A and leases approved under section 20CA of the Land Rights Act.
<b>Admin payments, subsection 64(6)</b>	To make payments to meet expenses associated with administering the ABA.

## Operating environment

The ABA is administered by the Department of the Prime Minister and Cabinet (PM&C) in accordance with the requirements of the Land Rights Act and the PGPA Act. The Minister for Indigenous Affairs, Senator the Hon Nigel Scullion is the responsible Minister.

In relation to PM&C's 2015-16 outcome and programme reporting structure, the ABA is part of Outcome 2: Indigenous.

The ABA Advisory Committee, established under subsection 65(1) of the Land Rights Act, plays an important role in advising the Minister on beneficial payments under subsection 64(4) of the Land Rights Act.

Following a sharp increase in 2008-09, royalty equivalent receipts into the ABA have fluctuated; falling until 2012-13 before recovering in 2013-14 and continuing the trend upwards in 2015-16. During the reporting period, applications for beneficial payments from the ABA have remained constant.

## Offices

The ABA is administered by PM&C's National Office (Canberra and Darwin) and the Regional Network in the Northern Territory. National Office is responsible for advising the Minister on the overall policy and financial management of the ABA, providing secretariat support to the ABA Advisory Committee and managing the ABA Community Stores Infrastructure

Project. The Regional Network in the Northern Territory is responsible for assessing ABA subsection 64(4) grant applications and managing the ABA subsection 64(4) grants.

## Strategic direction

During 2015-16, a key focus of the department was improving the operations and use of the ABA to ensure funding provides greater benefits to Aboriginal people in the Northern Territory.

An ABA Performance Framework was developed to allow the department and stakeholders to focus on performance management and to support reporting on inputs, outputs and outcomes from ABA expenditure, principally under subsection 64 (4) of the Land Rights Act. The Performance Framework promotes ongoing improvement and accountability and supports a transparent and robust decision making process.

The ABA Performance Framework builds on the ABA Risk Management Principles to provide the government and stakeholders with visibility on the benefits being delivered by ABA investment.

## Aboriginals Benefit Account performance 2015-16

### Year in review

Mining royalty equivalent receipts of \$206.860 million were credited to the ABA in 2015-16. This represents a 25.4 per cent increase on the level of 2014-15 receipts. Figures 5.2 and 5.3 summarise the ABA income and expenditure.

Expenditure on beneficial payments under subsection 64(4) decreased, from \$49.893 million in 2014-15 to \$43.908 million in 2015-16 (inclusive of mining withholding tax).

### Funding highlights

ABA beneficial grant funding under subsection 64 (4) of the Land Rights Act, contributes to the Government's objective in the following priority areas: creation of Indigenous jobs; ensuring children go to school; ensuring adults go to work; and the ordinary rule of law operates in Indigenous communities to ensure everyone is safe.

Projects supporting employment, training and cultural activities in the Northern Territory using ABA beneficial grant funding in 2015-16.

- ◆ Injalak Arts & Crafts Aboriginal Association Incorporated were granted \$881,166 for building a new screen print workshop and café adjacent to the existing Arts Centre, in Gunbalanya, West Arnhem Land. The Centre is an important sales outlet for over 200 artists and weavers. This grant will expand opportunities for artists and employment in hospitality.
- ◆ The Milingimbi and Outstations Progress Resource Association Incorporated (MOPRA) was provided with \$350,000 for the purchase of a barge to operate between Milingimbi and the Homelands communities to transport vehicles, machinery and equipment to assist with MOPRA's building, maintenance and environmental programmes. This barge will operate commercially, once Coxswain training of Ranger staff is completed.
- ◆ Dhimurru Aboriginal Corporation received grant funding of \$250,000 for the purchase of a vessel to enable Rangers to patrol Dhimurru's sea estates for crocodile management purposes, for removal of ghost fishing nets and to allow the transportation of land management equipment to remote offshore islands.

**Figure 5.2 Summary of Aboriginals Benefit Account income, 2014-15 and 2015-16**

	2014-15 \$'000	2015-16 \$'000
Royalty equivalents	164,967	206,860
Interest	16,855	16,394
Resources received free of charge	2,377	2,576
Lease rental income	1,615	2,228
Other income	66	263
<b>Total ABA income</b>	<b>185,880</b>	<b>228,321</b>

**Figure 5.3 Summary of Aboriginals Benefit Account expenditure (inclusive of mining withholding tax) 2013-14 and 2014-15**

	2014-15 \$'000	2015-16 \$'000
Payments to Land Councils for administrative purposes - <i>Land Rights Act</i> , subsection 64(1)	42,435	49,522
Payments to Land Councils for distribution to Royalty Associations - <i>Land Rights Act</i> , subsection 64(3)	49,489	62,057
Grant payments to or for the benefit of Aboriginal people in the Northern Territory - <i>Land Rights Act</i> , subsection 64(4)	49,893	43,908
Payments in relation to township leases and sub-leases - <i>Land Rights Act</i> , subsection 64(4A)	2,150	3,836
Administration (suppliers and employees including resources received free of charge) - <i>Land Rights Act</i> , subsection 64(6)	3,010	3,772
<b>Total expenditure</b>	<b>146,977</b>	<b>163,095</b>

- ◆ Community Stores Infrastructure Project were provided with grants of \$9,720,029 to improve food security in remote NT Indigenous communities by constructing three community stores in Peppimenarti (\$3,858,386), Bulman (\$4,043,461) and Pirlangimpi (\$1,818,182). Store construction work underway in Jilkminggan, Beswick, Canteen Creek, Epenarra, Yuendumu, Timber Creek, Barunga, Bulla, and Gunbalanya is expected to be completed in 2016-17.

## Fund Management and reporting framework

PM&C is responsible for ensuring the ABA complies with the Land Rights Act and relevant financial legislation. Section 64B of the Land Rights Act requires PM&C to keep accounts and prepare financial statements in respect of the ABA, as determined by the Minister for Finance. Section 64B also requires the Auditor-General to report on the financial statements to the Minister for Indigenous Affairs.

The reporting framework for 2015-16 (Figure 5.4) is aligned with the major functions of the ABA, as described in Figure 5.1.

Figure 5.4 **Aboriginals Benefit Account activity reporting framework**

### Administration of the ABA

1: Credits into the ABA

2: Debits out of the ABA

2.1: Payments to land councils

2.2: Payments to royalty associations

2.3: Beneficial grant payments

2.4: Office of Township Leasing payments

2.5: Administration payments

3: ABA secretariat and policy

4: Management of the ABA and its investment portfolio

## Aboriginals Benefit Account activities 2015-16

### Credits into the Aboriginals Benefit Account

Section 63 of the Land Rights Act requires the Commonwealth to credit to the ABA royalty equivalent monies, equivalent to the royalties received by the Commonwealth or the Northern Territory for mining on Aboriginal land in the Northern Territory.

Subsection 62(3) of the Land Rights Act requires interest received from the investment of ABA funds to be credited into the ABA. The interest earned from investments is receipted directly into the ABA's bank account. Figure 5.3 details interest earned for the year, as well as royalty equivalent income, resources received free of charge and lease rental income.

The majority of resources required for the administration of the ABA were provided free of charge by PM&C. Resources provided free of charge represent staffing costs associated with the management of the ABA but not reimbursed to the department by the ABA. Resources provided free of charge are included as revenue in Figure 5.2 and expenses in Figure 5.10.

Financial statement audit services are provided free of charge to the department by the Australian National Audit Office.

### Royalty equivalent receipts

Under the *Northern Territory (Self-Government) Act 1978*, all Commonwealth interests in minerals in the Northern Territory (other than a prescribed substance within the meaning of the *Atomic Energy Act 1953*) are vested in the Northern Territory. Title to those substances to which the *Atomic Energy Act* refers, principally uranium, remains vested in the Commonwealth.

Royalties from uranium mining on Aboriginal land are paid to the Australian Government Department of Industry and Science, and royalties from non-uranium mining on Aboriginal land are paid to the Northern Territory Treasury.

Following advice from these bodies and any necessary determinations made by the Minister, special appropriations are made from the Consolidated Revenue Fund to enable funds equivalent to the amount of royalties received from mining on Aboriginal land in the Northern Territory to be credited to the ABA. Advice is provided regularly by the Northern Territory Department of Treasury and twice yearly by the Australian Department of Industry and Science. Figure 5.5 details uranium and non-uranium royalty equivalents credited to the ABA for 2014-15 and 2015-16.

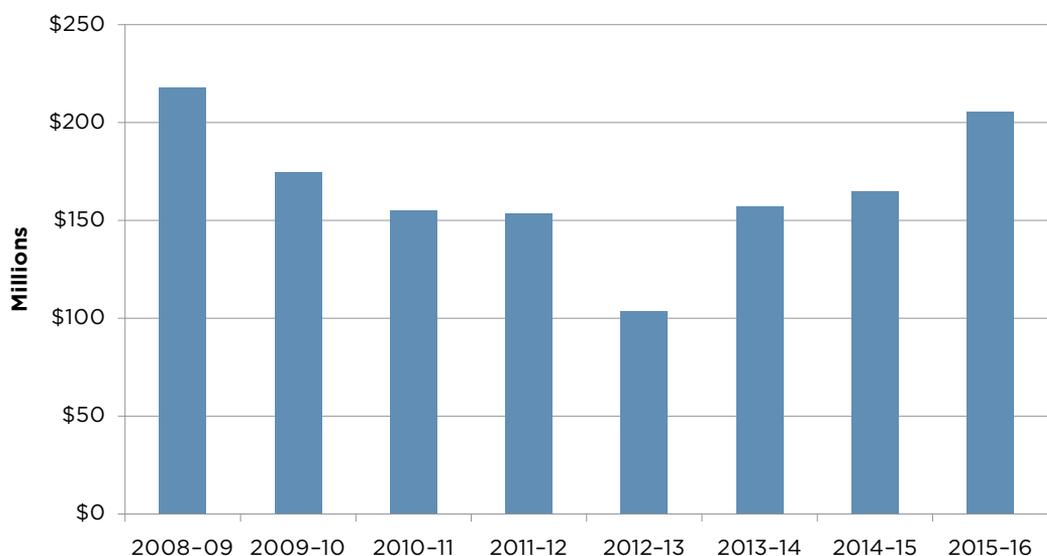
Figure 5.5 **Royalty equivalent receipts, 2014-15 and 2015-16**

	2014-15 \$'000	2015-16 \$'000
Uranium royalties	5,980	8,189
Non-uranium royalties	158,987	198,671
<b>Total royalty equivalents</b>	<b>164,967</b>	<b>206,860</b>

ABA royalty equivalent income is volatile because it is subject to profits recorded by individual mines, which are influenced by global commodity markets.

Figure 5.6 shows section 63 receipts from royalty equivalents transferred into the ABA in the past eight years.

Figure 5.6 **Section 63 royalty equivalent receipts transferred to the Aboriginals Benefit Account, 2008-09 to 2015-16**



## Debits out of the Aboriginals Benefit Account

### Aboriginals Benefit Account expenditure in 2015-16

Figure 5.3 provides a summary of total ABA expenditure in 2014-15 and 2015-16.

### Payments to Land Councils for administrative expenses

Figure 5.7 lists ABA monies paid in 2014-15 and 2015-16 to the four Northern Territory Land Councils to meet their administrative costs.

### Payments to Royalty Associations

Under subsection 64(3) of the *Land Rights Act*, 30 per cent of the royalty equivalent monies must be paid to each Land Council in the area in which a mining operation is situated. These monies are distributed to Aboriginal organisations (Royalty Associations) in those areas affected by mining operations.

Figure 5.8 lists payments made in 2014-15 and 2015-16 to Land Councils for distribution to Royalty Associations.

**Figure 5.7 Subsection 64(1) payments (net of mining withholding tax) to Land Councils for administrative costs, 2014-15 and 2015-16**

Land Council	2014-15 \$'000	2015-16 \$'000
Northern Land Council	18,592	22,638
Central Land Council	16,278	18,211
Tiwi Land Council	2,179	2,875
Anindilyakwa Land Council	3,754	3,893
<b>Total</b>	<b>40,803</b>	<b>47,617</b>

Note:  
Further details can be found in Part 4, financial statements.

**Figure 5.8 Subsection 64(3) payments (net of mining withholding tax) to Land Councils for distribution to Royalty Associations, 2014-15 and 2015-16**

<b>Land Council</b>	<b>2014-15 \$'000</b>	<b>2015-16 \$'000</b>
Northern Land Council	10,906	15,472
Central Land Council	5,344	17,532
Anindilyakwa Land Council	30,866	26,571
Tiwi Land Council	394	0
<b>Total</b>	<b>47,510</b>	<b>59,575</b>

Note:

Further details can be found in Part 4, financial statements.

## Beneficial payments

Under subsection 64(4) of the Land Rights Act, the Minister can make payments for the benefit of Aboriginal people living in the Northern Territory.

The ABA Advisory Committee advises the Minister on these payments.

Figure 5.9 lists expenditure under subsection 64(4) for 2014-15 and 2015-16.

**Figure 5.9 Subsection 64(4) expenditure - beneficial payments (net of mining withholding tax), 2014-15 and 2015-16**

<b>Subsection 64(4) beneficial payments</b>	<b>2014-15 \$'000</b>	<b>2015-16 \$'000</b>
Total beneficial grant payments	48,521	42,770

## Office of Township Leasing

Under the Land Rights Act, administration costs and upfront payments associated with township leases and other leases administered by the Executive Director Township Leasing are drawn from the ABA. This legislative arrangement reflects that reformed land arrangements in townships on Aboriginal land can assist with better service delivery and improved housing management, and both facilitate home ownership and increase economic development for landowners and other residents.

Costs associated with the administration of the ABA and the Office of Township Leasing are captured respectively under

subsections 64(6) and 64(4A) of the Land Rights Act. Figure 5.10 provides a breakdown of administration and Office of Township Leasing expenses for the ABA for 2014-15 and 2015-16, including consultancy services and services provided free of charge to the ABA.

Expenditure for this purpose represents 3.4 per cent of the total ABA drawdown for 2015-16.

### Subsections 64(6) and 64(4A) administrative payments

Figure 5.10 **Departmental administration, subsections 64(6) and 64(4A) expenditure (exclusive of GST), 2014-15 and 2015-16**

<b>Departmental administration expenditure and expenditure under subsections 64(6) and 64(4A)</b>	<b>2014-15 \$'000</b>	<b>2015-16 \$'000</b>
<b>Departmental administration expenditure</b>		
Resources provided free of charge	2,377	2,576
<b>Subsection 64(6) payments</b>		
Committee members sitting fees/superannuation	74	51
Consultancy services	0	0
Committee meeting expenses	0	0
ABA Stores Infrastructure Project	559	584
<b>Subsection 64(4A) payments</b>		
Office of Township Leasing administrative expenses	1,445	2,027
Payments for township leases	692	1,809
<b>Total administrative costs of the ABA</b>	<b>5,147</b>	<b>7,047</b>

## Consultancy services

There were no consultancy services used by the ABA in 2015-16.

## Mining withholding tax

Under the *Income Tax Assessment Act 1936*, payments made from royalty equivalents credited to the ABA are subject to Mining Withholding Tax at a rate specified in the *Income Tax (Mining Withholding Tax) Act 1979*. In accordance with the *Taxation Laws Amendment Act (No. 3) 1994*, the current rate of tax applied to payments of Mining Withholding Tax is 4 per cent.

From 1 July 2003 the Australian Taxation Office determined the ABA to be a large Pay-As-You-Go (PAYG) withholder. Mining Withholding Tax liabilities on payments made are paid on or before due dates in accordance with the PAYG withholding for large withholders guide issued by the Taxation Office. Figure 5.11 shows the total Mining Withholding Tax for 2014-15 and 2015-16.

## Total equity

Figure 5.12 lists the ABA's closing balances on 30 June in 2015 and 2016 as disclosed in the financial statements on an accrual basis, excluding future commitments.

Figure 5.11 Mining withholding tax, 2014-15 and 2015-16

Mining withholding tax	2014-15 \$'000	2015-16 \$'000
Mining Withholding Tax expenditure for the year	4,996	5,525

Note:

Further details can be found in Part 4, financial statements.

Figure 5.12 Total equity, at 30 June

Total equity	2014-15 \$'000	2015-16 \$'000
Balance carried forward from previous year	475,907	514,810
Income minus expenses - surplus	38,903	65,226
Closing balance as at 30 June	514,810	580,036

Note:

Further details can be found in Part 4, financial statements. Total equity excludes future commitments.

## Management of the Aboriginals Benefit Account and its investment portfolio

The ABA investment strategy is focused on cash-flow requirements, preservation of the fund and management of risk. Monies that are surplus to immediate requirements are invested under section 58 of the PGPA Act.

To minimise the risk of any loss, section 58 of the PGPA Act restricts the

investment of public money to a limited number of specific low-risk investments such as government bonds, state and territory bonds, term deposits and negotiable cash deposits with a bank.

Figure 5.13 shows the term deposits that the ABA had with Australian banks on 30 June in 2015 and 2016.

**Figure 5.13 Aboriginals Benefit Account investment portfolio at 30 June**

	2015 \$'000	2016 \$'000
Interest bearing deposits	490,840	551,500
<b>Total ABA investment portfolio</b>	<b>490,840</b>	<b>551,500</b>

Note:

Further details can be found in Part 4, financial statements.

## ABA Advisory Committee

The ABA Advisory Committee (the committee) is established under subsection 65(1) of the Land Rights Act to advise the Minister on beneficial payments under subsection 64(4) of the Land Rights Act. In 2015–16 the committee provided input to policy and programme development, formulated advice to the Minister in relation to beneficial payments on 125 applications for funding worth \$100 million.

As at 30 June 2016 the committee was chaired by Mrs Patricia Brahim and consisted of 14 members elected by the four Northern Territory Land Councils.

During 2015–16 the Minister announced reforms to the operation of the committee including the introduction of independent members. These reforms seek to bring expertise in land management, business or financial management to the committee.

# APPENDIX B

## ABORIGINAL AND TORRES STRAIT ISLANDER LAND ACCOUNT ANNUAL REPORT 2015-16

### Aboriginal and Torres Strait Islander Land Account overview

#### Role and functions

The Aboriginal and Torres Strait Islander Land Account (ATSILA) was established by subsection 5(3) of the Financial Management Legislation Amendment Act 1999, and is continued in existence by section 192W(1) of the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act). The ATSILA is a Special Account for the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

ATSILA was established to recognise that many Indigenous people will be unable to assert native title rights because they were dispossessed of their lands and therefore cannot demonstrate the continuous connection with land necessary to prove native title.

The ATSILA was credited over a ten year period from 1994 with direct appropriations and became a self-sustaining capital fund from 30 June 2004. ATSILA had a balance of \$2 billion as at 30 June 2016, full details of the ATSILA 2015-16 Financial Statements are included in Part 4.

The purpose of ATSILA is to make payments to the Indigenous Land Corporation (ILC), an independent statutory authority established under the ATSI Act to assist Aboriginal and Torres Strait Islander people to acquire and manage land.

## Operating environment

Since 2010, the ATSI Act requires that a minimum annual payment of \$45 million be made to the ILC, indexed in each subsequent year according to the Consumer Price Index. The minimum payment will be made in all years, even if the amount paid would reduce the real capital value of ATSILA. This is to ensure a certain and regular funding stream for the ILC to allow it to carry out its legislated functions.

In addition to the minimum amount, the ATSI Act allows for the payment of additional amounts to the ILC from ATSILA in years where the actual balance of ATSILA is greater than that required to maintain its real capital value.

Figure 5.14 details the payments made to the ILC since the amendments were made to the ATSI Act in 2010.

## Investments of the Land Account

For the financial year 2015-16, investment activities were undertaken by departmental officials in accordance with section 58 of the PGPA Act as required by section 192W(3) of the ATSI Act and in compliance with an Investment Policy agreed between ATSILA's Consultative Forum and the department's Chief Financial Officer, who is the Finance Minister's Delegate for the purposes of the PGPA Act.

The investment objectives are to achieve a return on the investments, which will preserve the capital value of the fund in real terms and cover the annual payment to the ILC. This equates to a return of at least the CPI +2.6 per cent per annum.

Figure 5.14 **Summary of payments to ILC 2010-2016**

Year	Annual payment \$'000	Additional payment \$'000	Total payment \$'000
2010-11	45,000	-	45,000
2011-12	46,395	4,939	51,334
2012-13	47,462	18,440	65,902
2013-14	48,553	3,910	52,463
2014-15	49,865	-	49,865
2015-16	50,712	-	50,712

Allowable investments under section 58 of the PGPA Act include conservative low-risk investments such as government bonds, semi government bonds (state or territory) and term deposits with a bank. The ATSILA's investments are comprised of term deposits with Australian banks as at 30 June 2016.

Figure 5.15 provides the return on investments for the 2012-13 year onwards.

Figure 5.15 **Return on investments**

Year	Revenue \$'000	Return on Investments %
2012-13	95,685	5.05
2013-14	79,382	4.11
2014-15	69,834	3.57
2015-16	59,724	3.02

## Consultative Forum

The ATSI Act requires the establishment of a consultative forum on investment policy of the ATSILA to meet at least twice each financial year (section 193G). The ATSILA's Consultative Forum comprises the department's Chief Financial Officer and two ILC Directors elected by the ILC Board. The purpose of the Consultative Forum is to discuss the investment policy of the Land Account. Four meetings of the Consultative Forum were held in 2015-16, the first on 1 October 2015, the second on 14 December 2015, the third on 11 March 2016 and the fourth on 16 June 2016.

# APPENDIX C REGISTRAR OF INDIGENOUS CORPORATIONS REPORT 2015-16

The Registrar of Indigenous Corporations is an independent statutory office holder who administers the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). The Registrar's role is to register and regulate Aboriginal and Torres Strait Islander corporations registered under the CATSI Act.

The total number of registered corporations as at 30 June 2016 was 2,781, including 156 registered native title bodies corporate. During 2015-16 there were 177 new corporations registered under the CATSI Act. Of these, 25 were existing entities that transferred to the CATSI Act from other incorporation legislation.

The Registrar works with Aboriginal and Torres Strait Islander people to strengthen the capability and governance of corporations and to empower members and directors to take an active role in the management of their corporations.

During 2015-16 the Registrar provided a range of information and advice on the CATSI Act and how to run corporations. This included fact sheets, information guides, policy statements, templates and other resources. The Registrar also:

- ◆ processed 9,473 documents and inquiries
- ◆ provided corporate governance training to 865 people from 208 corporations
- ◆ finalised 748 complaints involving corporations
- ◆ finalised 34 disputes involving corporations.

In 2015–16 the Registrar established a new regional office in Brisbane. This extends the network of officers in key regional locations with large concentrations of Aboriginal and Torres Strait Islander corporations. Other offices exist in Darwin, Alice Springs, Coffs Harbour, Broome, Perth and Cairns.

In October 2015 the Registrar, in partnership with the Business Council of Australia, launched a new online service that matches prospective independent directors to corporations—*Independent Directory*. This allows corporations to find skilled professionals to join their boards.

Corporations also had access to a range of other services:

- ◆ LawHelp—28 corporations sought free legal assistance from some of Australia’s leading law firms.
- ◆ ORIC recruitment assistance—10 corporations requested help in recruiting for senior roles.
- ◆ Corporation jobs—37 corporations advertised job advertisements for free on [www.oric.gov.au](http://www.oric.gov.au).

The Registrar aims for high reporting compliance rates because they ensure accurate and up-to-date information is available in the public Register of Aboriginal and Torres Strait Islander Corporations. The register is maintained by the Registrar and is available at [www.oric.gov.au](http://www.oric.gov.au). High reporting compliance also aids the Registrar to identify corporations at risk of corporate failure. Corporations have increased their reporting compliance from 24 per cent in 2001–02 to 97 per cent in 2015–16. The rate has been above 95 per cent for the past six years.

The Registrar has the power under the CATSI Act to examine the books of an Aboriginal or Torres Strait Islander corporation. This power is used to identify issues at an early stage and before they incur serious consequences for a corporation. An examination may be instigated as part of the Registrar’s rolling programme or in response to complaints or other concerns about a corporation. In 2015–16 the Registrar completed formal examinations of the governance standards and finances of 39 corporations.

When problems are identified the Registrar has a range of responses available depending on the circumstances. During 2015–16 the Registrar:

- ◆ issued compliance notices to 27 corporations requiring them to rectify specific governance problems and/or financial irregularities identified at their corporation

◆ used the unique power under the CATSI Act to appoint special administrators at 10 corporations to address serious governance and financial problems. Five special administrations were carried over from the previous financial year, while 11 special administrations were completed in 2015-16 with all successfully handed back to members' control. Four remained in progress as at 30 June 2016.

Enforcing the CATSI Act and taking action to address wrongdoing remained a priority. In 2015-16 the Registrar concluded 16 minor regulatory prosecutions against corporations that failed to meet their reporting obligations.

Since 2007-08 requests to the Registrar under the *Freedom of Information Act 1982* (FOI Act) have increased by 6,500 per cent and resources have

had to be diverted by the Registrar from other programs to meet the extra work. In June 2016 the Australian Information Commissioner made, upon an application by the Registrar, a declaration that a particular person was a vexatious applicant. The number of FOI requests that can be made by the person to the Registrar has been restricted for a period of 12 months.

The Registrar considers a range of factors to ensure that the exercise of his powers is focused on the most appropriate matters and that the finite resources of his office are directed appropriately. The Registrar's budget allocation for 2015-16 was \$8.38 million, down from \$8.95 million in the previous year (see Figure 5.16 below). As at 30 June 2016 the Registrar's work was performed by 46.6 full-time equivalent staff. Of these, 47.9 per cent identified as Aboriginal and Torres Strait Islander.

Figure 5.16 **Funding and expenditure figures for ORIC, 2015-2016**

Division	Total 2015-16 Budget	Total 2015-16 Expenditure	2015-16 Variance Surplus/(Deficit)
Office Of the Registrar of Indigenous Corps (ORIC)	\$8.380m	\$8.416m	(\$0.037m)

# APPENDIX D

## SUPPORTING THE NATIONAL AUSTRALIA DAY COUNCIL

The National Australia Day Council (NADC) is a Commonwealth owned, not-for-profit company within the Prime Minister's portfolio, subject to the reporting and accountability requirements in Chapter 3 of the PGPA Act and a company limited by guarantee under the *Corporations Act 2001*. NADC promotes the meaning of, and participation in, Australia Day and the Australian of the Year Awards. More information about NADC can be found

on the National Australia Day Council website ([www.australiaday.org.au](http://www.australiaday.org.au)). In 2015-16 the Government provided approximately \$3.8 million to NADC, administered through the department. NADC performed effectively during the year and provided acceptable financial, audit and progress reports on its funded activities within the timeframes stipulated in the grant funding provisions.