

// FROM THE REGISTRAR  
YEAR IN REVIEW







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REGISTRAR

OFFICE OF THE REGISTRAR OF  
INDIGENOUS CORPORATIONS

## YEAR IN REVIEW

The past year has been full of challenges but also full of achievements.

We have raised the bar with the number and quality of the services we provide to Aboriginal and Torres Strait Islander corporations and this has been widely welcomed. Equally though, we have also increased the expectations on our corporations with respect to compliance. But it is not compliance for the sake of compliance; it is about working together to improve the credibility of Aboriginal and Torres Strait Islander corporations and the accuracy and reliability of our public database. We have made compliance easier by removing up to 30 per cent of the information that previously had to be supplied by a corporation as part of its annual reporting to the Registrar and we have provided more field officers on the ground to assist with reporting.

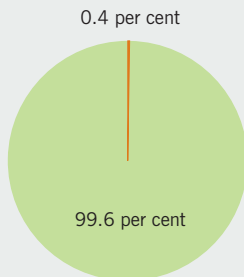
The upcoming year will also be an important year for ORIC as we plan to release more innovative services to address the special needs of corporations and to target higher levels of compliance.

Aboriginal and Torres Strait Islander corporations have diverse functions—from providing health care and power supply to simply holding land—and many have multiple functions. Most corporations are located in remote areas and are publicly funded. However, some generate substantial private income—for example, corporations linked to mining compensation or to the Aboriginal and Torres Strait Islander arts industry. Many hold significant community assets that were funded publicly and are now held privately by the corporations.

In an environment of constant change and in difficult circumstances Aboriginal and Torres Strait Islander corporations continue to provide important services and leadership to their members and communities. To their dedicated directors and staff I express my gratitude and look forward to working with them again during the year ahead.



The transition banner graphic from the website



## End of the CATSI Act transition period

The culmination for ORIC this past financial year was the successful end to the transition period under the CATSI Act. Aboriginal and Torres Strait Islander corporations had two years from July 2007 to transition to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). A lot of ORIC's external communications, such as fact sheets, newsletters and radio ads, were aimed at getting the message out to corporations. The message to corporations was clear—make sure you make the necessary changes to your rule books to reflect the internal governance processes of your corporation before the deadline.

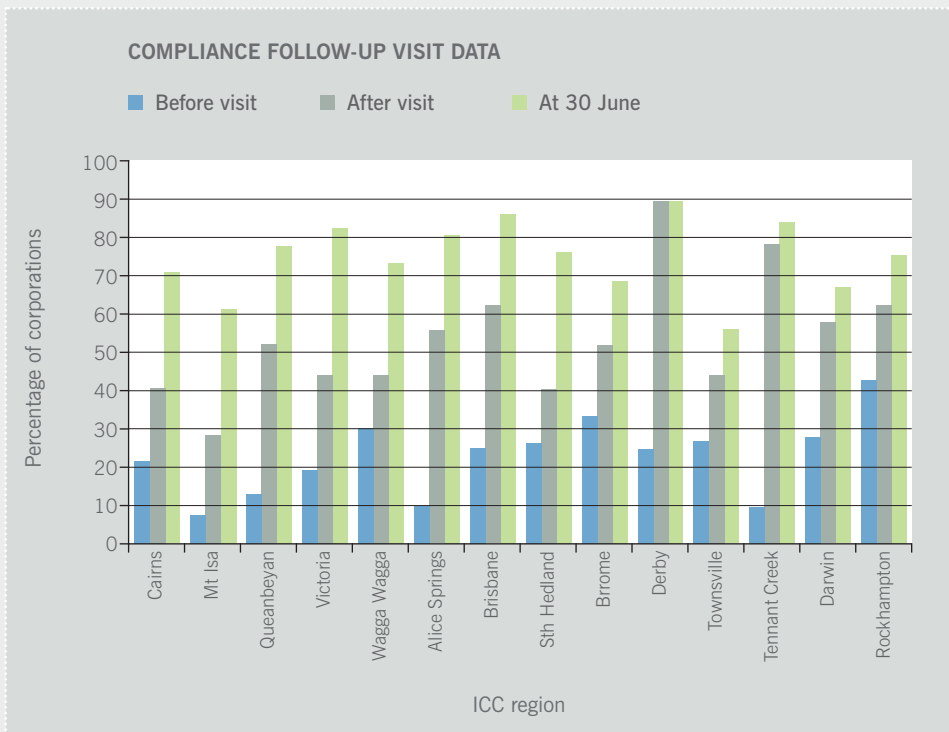
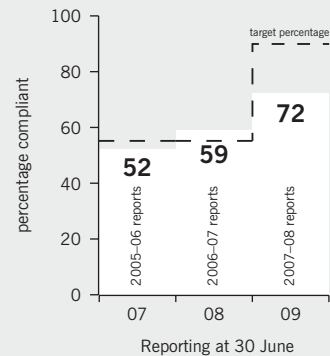
Corporations that couldn't meet the 30 June deadline were helped with Registrar-initiated rule books. These rule books were based on ORIC's *Rule book—condensed* and the corporation's existing constitution. Copies of these rule books were sent to all corporations between mid-June and mid-July. They are available on ORIC's website at [www.oric.gov.au](http://www.oric.gov.au).

By 30 June 2009, 99.6 per cent of Aboriginal and Torres Strait Islander corporations had completed the transition.

## Strengthening corporate governance

### Compliance visits

In the second half of the financial year there was a focus on implementing a compliance plan to help corporations comply with reporting requirements under the CATSI Act. For the first time compliance teams were sent to 14 areas around Australia to provide corporations with face-to-face assistance in lodging reports. This was the key to reporting compliance increasing from 59 per cent to 72 per cent.



### Public register

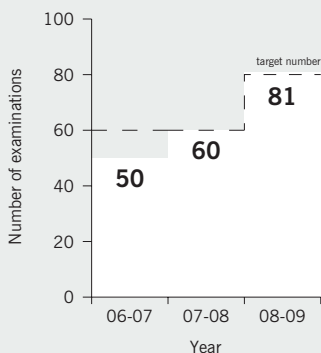
The increase in reporting compliance has substantially improved the accuracy and reliability of data contained in the public register. It now contains more information about corporations and more up-to-date information. All of this is available free of charge from the public register.



## *New corporate governance training program*

In 2009 ORIC's Training Section developed a new corporate governance training program, Building Strong Stores, in partnership with the Northern Territory Government and the Community Stores Unit of FaHCSIA. The program was developed to improve the governance capacity of FaHCSIA-licensed stores in the Northern Territory. Indigenous leaders from stores in and around Alice Springs, Tennant Creek, Katherine and Darwin attended the workshops.

In 2009–10 ORIC intends to expand its training partnerships to include more regions across Australia. Having developed a successful program for stores, we will also be looking at opportunities to develop similar training aimed at other sectors.



## *Formal examinations*

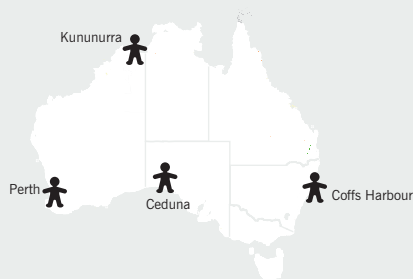
The office conducted 81 formal examinations of Aboriginal and Torres Strait Islander corporations to assess their governance and financial position and offer support in problematic situations. This was a 35 per cent increase from the previous year.



Participants of the Diploma of Business (Governance) course in Cairns, Queensland, undertaking group activities.

## Out-posted officer trial

ORIC has been trialling staff out-postings in various locations since March 2008. The long-term aim of the trials is to use the most effective ways of delivering ORIC services and functions in remote and regional locations.



The trials contributed to:

- assisting corporations to transition to the CATSI Act
- increasing the reporting compliance of corporations
- increasing the number of corporations registered under the CATSI Act
- promoting the role of ORIC and benefits of the CATSI Act.

ORIC officers were out-posted in Kununurra (March–December 2008), Ceduna (July–November 2008), Perth (November 2008–February 2009) and Coffs Harbour (from February 2009 onwards).

In 2009–10 ORIC will focus on out-posting officers in some of the 29 sites identified in the Council of Australian Governments' Remote Service Delivery National Partnership, particularly in areas where corporations are delivering essential services to communities.

## Staff

### *New organisational structure*

In last year's yearbook an organisational restructure was announced to deliver the following new functions:

- mediation and dispute resolution
- a modernised call centre operation
- investigations and prosecutions
- planning and research.

These changes were implemented on 1 July 2008 and they are reported on in more detail in the relevant sections of this yearbook.

### *Complaints about ORIC staff and contractors*

ORIC responds to complaints about its staff and contractors in accordance with *Policy statement 3: Complaints about the Registrar's staff and contractors*. ORIC tries to respond promptly, thoroughly and with sensitivity to complaints. During 2008–09 two complaints about staff and contractors were received. The complaints have been resolved.

## The year ahead: where we want to go

ORIC has already started to implement its business plan for 2009–10. The two key pillars of ORIC's business plan are:

- greater regulatory impact
- improved internal efficiency.

Under these two key pillars, ORIC will continue to deliver tangible outcomes to our corporations over the next 12 months. ORIC, for example, will be strengthening the corporate governance knowledge base and skills sets of corporations through new training products and materials and better ways of communicating with our corporations.

Compliance with the law will remain a primary focus for ORIC in 2009–10 and we will be aiming to increase compliance from 72 per cent to 90 per cent. In the second half of 2009 we will concentrate our push for reporting compliance on large corporations, undertaking compliance activities against those corporations that do not report by 31 December 2009.

ORIC will be investigating further ways to reduce dispute-related corporate failure, leveraging off our new mediation and dispute resolution service. Our research indicates that a major cause of corporate failure is internal dispute. The sooner assistance can be provided the greater the chance that failure can be avoided.

We intend to issue a number of research papers to provide a better understanding of the circumstances in which Aboriginal and Torres Strait Islander corporations operate and the issues they face.

With a strong commitment to service delivery, ORIC is keen to improve its internal business processes—that is, the way we do business. For example, we will be engaging and consulting widely with our corporations to reduce unnecessary reporting. ORIC will also be implementing a stakeholder engagement plan by the end of 2009, including establishing an advisory group. ORIC's detailed business plan for 2009–10 can be found on p. 12 of the yearbook.

Finally, I would like to thank all of ORIC's staff for their dedication and commitment over the last 12 months. They have been asked to deliver more and do it more efficiently, and they have delivered admirably.

I am looking forward to the year ahead. With the support of ORIC's dedicated staff, we will continue to work towards increasing the number of corporations registered under the CATSI Act, increasing reporting compliance, making sure that corporations have sound governance and operational practices in place and resolving problems in corporations. We will uphold our vision, 'Strong corporations, strong people, strong communities'.



**Anthony Beven**  
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