



Australian Government

Office of the Registrar of Indigenous Corporations

# yearbook 2010-11



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Please be aware that this publication may contain the names and images of deceased people. The Registrar strives to treat Aboriginal and Torres Strait Islander culture and beliefs with respect. We acknowledge that to some communities, it is distressing to show images of people who have died.

Produced by ORIC, October 2011





Artist at Ngaruwanajiri, Ngulu community, Northern Territory. Courtesy FaHCSIA collection.



Gunbalanya community, Northern Territory. Courtesy FaHCSIA collection.



## About the yearbook

Under current legislation the Registrar of Indigenous Corporations (the Registrar) is not required to produce an annual report. However, the Registrar thinks it appropriate and desirable to publish a yearbook as an aid to those interested in ORIC's work.

This yearbook will cover our 2010–11 business plan that identified five priority areas in line with the Australian Government's commitment to closing the gap in Indigenous disadvantage and includes important sectors and remote service delivery. It also reports on our regulation and support activities.

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Patsy Kelly, weaves outside the Gunbalanya Arts Centre, Northern Territory. Courtesy FaHCSIA collection.





Numbulwar community, Northern Territory. Courtesy FaHCSIA collection.



# Overview



Milingimbi community school, Northern Territory. Courtesy FaHCSIA collection.

# Highlights 2010–11

## Firsts for ORIC

- first ever criminal conviction for non-compliance with reporting requirements under the CATSI Act (Western Desert Puntukurnuparna Aboriginal Corporation)
- first ever warrant for books and records issued (Yuendumu Women's Centre Aboriginal Corporation)
- first ever civil penalty proceedings (Ngukurr Progress Aboriginal Corporation)
- first ever use of power to call a general meeting of members (Carnarvon Medical Service Aboriginal Corporation)
- first ever reporting compliance of 100 per cent (corporations on the APY lands)

## Regulatory functions

- increased reporting compliance rate—96 per cent compared with 92 per cent in 2009–10
- resolved 77 disputes
- registered 187 new corporations compared with 163 new corporations last year
- started nine special administrations and ended 16
- completed 72 formal examinations
- conducted a review of ORIC's decentralised services

## Support services

- launched two new services—ORIC recruitment assistance (ORA) and LawHelp
- delivered 137.5 training days to 838 participants from 325 corporations with a satisfaction rating of 99.8 per cent

## Other initiatives

- delivered the second successful corporate governance event in Alice Springs
- published *Strong corporations, strong stores, strong communities* looking at financial trends of Aboriginal and Torres Strait Islander corporations that own community stores
- released the second top 500 report—based on the income of Aboriginal and Torres Strait Islander corporations, provided as part of their annual reporting
- increased Aboriginal and Torres Strait Islander employment at ORIC to 35 per cent—from 28 per cent in 2009–10 and 17 per cent in 2007–08

# Year in review

Another productive year has passed with a number of good outcomes for Aboriginal and Torres Strait Islander corporations. This yearbook gives a more detailed look our achievements and challenges.

There were a number of firsts for ORIC as mentioned in our Highlights section and further on in the yearbook—all with good outcomes. We also prioritised five areas this year in our business plan, discussed in more detail below and in section 2—Performance reporting.

## Strengthening corporations

### Compliance

ORIC has continued to build on international best practice benchmarks with 96 per cent of our corporations meeting their reporting requirements under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act)—up from 92 per cent last year. A highlight was when Aboriginal corporations in the Anangu Pitjantjatjara Yankunytjatjara (APY) lands achieved a reporting compliance rate of 100 per cent for the first time.

## Regulation and registration

ORIC completed 72 formal examinations of corporations in 2010–11.

Special administrators were appointed to nine Aboriginal and Torres Strait Islander corporations where external



intervention was required to help with building stronger governance and leadership practices.

Throughout the year, 187 new corporations were registered under the CATSI Act, compared with 163 in the previous year.

## Governance support

### New regional office and local officers

A review of ORIC's decentralised services resulted in the opening of a permanent regional office in Alice Springs on 31 March 2011. Bob Turner was appointed as regional manager and George Donaldson as senior officer. This office will provide a longer term presence in central Australia.

In 2010–11 ORIC had local officers in Umuwa, South Australia; Kununurra, Western Australia and in Coffs Harbour, New South Wales. The presence of ORIC local officers has greatly improved the reporting compliance of corporations in these regions and has also helped to promote the role of the Registrar and the benefits of the CATSI Act.

## New services and products

LawHelp was officially launched on 22 November 2010 at Parliament House by the Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin and the Attorney-General, Robert McClelland. LawHelp is a pro bono legal scheme established by ORIC and the Australian Government Solicitor. It helps Aboriginal and Torres Strait Islander corporations to access quality legal assistance. Some of Australia's top legal firms are listed on the LawHelp panel. They provide their time and expertise free of charge.

## Dispute management

Requests for complaints assistance and dispute management remained high in this financial year. ORIC's accredited mediators have used their expertise in corporate governance to help resolve 77 disputes in 2010–11.

## Governance training

There was an increased demand for corporate governance training in 2010–11 with ORIC delivering training to a record 838 participants despite floods and cyclones in affected areas earlier in the year.

ORIC also maintained its partnerships with state departments in Victoria, South Australia, New South Wales and Western Australia.

## Staff secondment

In May this year, the senior management of ORIC took the opportunity to volunteer their time at several of our corporations.

ORIC staff often get the chance to go out into communities and work with corporations. These opportunities are always highly valued. Making face-to-face contact with the directors, staff and members of our corporations is an important part of our work.

The senior managers found the experience particularly rewarding. It gave them insight into the daily activities of our corporations. It also gave them the opportunity to provide hands-on help with the issues facing corporations.

## The year ahead

The year ahead will have its own unique challenges. We have made enormous progress over the past four years and it is time to reflect. This year will therefore largely be a year of consolidation for ORIC.

Thank you to my staff who have worked tirelessly to provide support and services to all our corporations. The results speak for themselves.

Anthony Beven  
October 2011

# Staff

## Senior management

The Registrar and senior management  
as at 30 June 2011.



Anthony Beven  
REGISTRAR



Joe Mastrolembo  
DEPUTY REGISTRAR  
Regulation and Registration Branch



Michael Cullen  
GENERAL COUNSEL



Brendan Moyle  
A/g BRANCH MANAGER  
Governance Branch



Maureen Colley  
DIRECTOR  
Training Section



Caroline Joske  
DIRECTOR  
Strategic Project Delivery Section



Peter Armstrong  
DIRECTOR  
Regulation Section



Lisa Hugg  
DIRECTOR  
Communications and Policy Section



# ORIC staff

The Registrar was supported by 60 full-time and six part-time staff—equating to 64 full-time equivalent staff—as at 30 June 2011. There were 40 female and 26 male staff. Twenty-three staff (35 per cent) identified as Aboriginal or Torres Strait Islander—an increase of seven per cent from 30 June 2010.

ORIC remains committed to reconciliation. This means recruiting more Aboriginal and Torres Strait Islander staff and providing career pathways. During 2010–11 ORIC developed a cultural competence framework for all ORIC staff, regardless of cultural background. The framework aims to ensure that all ORIC staff have the ability to work with and achieve outcomes for Aboriginal and Torres Strait Islander people. The framework will be implemented in 2011–12.



Above: Masepah Banu receiving his scholarship.  
Below: Registration and Reporting staff with their Australia Day awards.



# Staff achievements

## 2010 Rebecca Gregory scholarship

ORIC's Masepah Banu was awarded a scholarship by the Australian Institute of Management (AIM) NSW and ACT. AIM ACT General Manager and judging panel member, Greg Field, said Masepah impressed the panel with his ability to balance his involvement in various external committees that represent the interests of Indigenous Australians with his role at ORIC.

## Australia Day awards

The exceptional work of ORIC's Registration and Reporting staff was recognised on Wednesday, 2 February at FaHCSIA's awards ceremony for the 2011 Australia Day Recognise and Appreciate People Scheme (RAPS).

The RAPS awards recognise staff who daily make a solid and worthwhile contribution to FaHCSIA's effectiveness and business outcomes, resulting in one of the following:

- a significant impact within FaHCSIA (the way we work)
- a significant impact on FaHCSIA results (the work we do)
- demonstrated excellence in public service.

ORIC's Registration and Reporting staff were recognised for significant productivity improvements over the last four years. In 2007 ORIC took, on average, 60 days to process documents and inquiries. This average decreased in 2007–08 with ORIC processing 4078 documents and inquiries in 9.8 days. In 2009–10 ORIC processed 8899 documents and inquiries in an average of 2.19 days. The staff were also instrumental in increasing reporting compliance from 59 per cent in 2006–07 to 96 per cent in 2009–10.

The ORIC staff recognised were:

- Lorraine Rogge
- Luba Neiden-Bach
- Casey Lee
- John Berkman
- Judy Appo
- Katherine Oldfield
- Masepah Banu
- Theresa Berkman
- Mavis Napatali
- Karen Nicholson
- Joanne Collins
- Carly Chapman
- Tremaine Richardson.





# Performance reporting

# Business plan 2010–11

ORIC had five priority areas aligned with the Australian Government's commitment to closing the gap in Indigenous disadvantage, including important sectors and remote service delivery sites.

## Decentralising services

During 2010–11 ORIC conducted a review of its decentralised services program.

The key focus of this review was to assess ORIC's current approach to providing decentralised services and introduce a program that uses the most effective ways of delivering ORIC services and functions in remote and regional locations.

The key finding of the review was that there was strong support for ORIC to continue and expand its decentralised services. The review concluded that ORIC's capacity to improve the governance of corporations was substantially improved by providing a more decentralised service and recommended a combination of permanent regional offices and time-limited local offices over the next two to five years.

As a result of this review, ORIC opened a permanent regional office in Alice Springs in March 2011 to provide a longer term local presence in central Australia.

The regional office operates as an autonomous office predominately providing on-the-ground services to corporations in the Alice Springs region, but also assisting Canberra staff with priority work in other Northern Territory and central Australia locations, including Tennant Creek and the Anangu Pitjantjatjara Yankunytjatjara (APY) lands.

ORIC also decided to continue its local officer program on a temporary basis in Umuwa (SA), Coffs Harbour (NSW) and Kununurra (WA).

## ORIC Alice Springs regional office

Bob Turner was appointed as the regional manager for the Alice Springs office. The office was expanded in mid-April when another senior officer, George Donaldson, started.

The office has only been open for a short period but has already achieved results with improved reporting compliance levels across the region. Several groups and corporations have approached the office for support and assistance on a range of issues, such as meeting compliance requirements, incorporating or transferring under the CATSI Act or help with rule book changes.

The Alice Springs staff are also liaising with other stakeholders in other federal government departments, the Northern Territory Government, land councils and a range of community sector organisations. This has improved the coordination of responses to governance issues in the region.

ORIC will continue to provide corporation support and training through the regional office.



Bob Turner and George Donaldson at the Alice Springs regional office.

## ORIC local officers

The ORIC local officer program continued to provide support services to Aboriginal and Torres Strait Islander corporations in both regional and remote areas.

Compliance levels continued to improve in regional areas where ORIC is represented by a local officer.

### Umuwa, South Australia (Caroline Joske)

#### Reporting compliance: 100 per cent

Aboriginal corporations in the APY lands achieved a reporting compliance rate of 100 per cent for the first time with the help of Caroline Joske, a local ORIC officer.

Caroline was located at Umuwa from February 2010 to May 2011.

The remarkable first-time reporting compliance of 100 per cent was a significant achievement for such a remote region.

All CATSI Act corporations on the APY lands complied with reporting requirements by April 2011.



### Case study: corporations in the APY lands

During the year ORIC also focused on helping corporation directors on the APY lands with meeting procedures and record keeping. Notice periods are now observed and quorums regularly checked during meetings. Members of corporations are referring to their rule books when disputes arise and following the correct procedures.

The remote service delivery (RSD) communities of Mimili and Amata have benefitted from the presence of an ORIC local officer, who worked closely with the communities' government business managers (GBMs).





APY lands, South Australia. ORIC.



## Kununurra, Western Australia (Chris Smyrna-Jones)

### Reporting compliance: 93 per cent

There was a large demand for ORIC services in Kununurra, especially requests to help with annual general meetings. There were also several requests for ORIC to attend board meetings and help directors to improve the governance of their corporations and to better understand their roles and responsibilities.



Access to corporate governance training is always difficult in remote areas. ORIC conducted an Introduction to Corporate Governance workshop in Kununurra from 17–19 May 2011 with attendance from across the region.

ORIC's local officer in Kununurra, Chris Smyrna-Jones reported:

*There has been a very strong interest from directors who are willing to learn more and wanting the kind of information and service ORIC offers. The perception of ORIC is very positive and it is seen as a government department that corporations want to work with. Training has especially been well received. People love the courses and the training materials and the trainers used by ORIC. At first most of the calls were around disputes, now most are requests for more formal training.*

## Case study: Jardamu Women's Group Aboriginal Corporation

Jardamu Women's Group Aboriginal Corporation is located in the remote Kimberley town of Wyndham.

The corporation was funded to provide a safe house service at Wyndham but became insolvent when another

Indigenous corporation successfully tendered for the service.

The corporation was in the unique position of owning outright the safe house facility although the State Housing Commission had a caveat on the property.

The corporation was caught in a dilemma of having debts of up to \$100 000 and no income. The board took the difficult decision of winding the corporation up.

Chris Smyrna-Jones was able to work with the board to establish that although the corporation had to sell the property to repay its debts it did not wish to see the loss of the venue as a safe house to the local community. Chris helped the board negotiate with the State Housing Commission for the purchase of the property.

The corporation has also undertaken to repay its debts and requested that any surplus funds be used for future maintenance of the building. This has been a very successful outcome for the Wyndham community.





Gunbalanya, Northern Territory. Courtesy FaHCSIA collection.



Mulan, Western Australia. ORIC.

## Coffs Harbour, New South Wales (Christian Lugnan)

### Reporting compliance: 99 per cent

Many of the corporations in the region lodged their annual returns through ORIC's online lodgment facility. Some corporations, however, prefer face-to-face assistance in completing and lodging their returns. ORIC's local officer based in Coffs Harbour, Christian Lugnan, conducted field visits to many corporations to provide assistance. This approach also provided the corporations with an opportunity to ask questions about governance.



### Case study: Toronto Aboriginal Corporation

One particular group, based in the Hunter Valley of Newcastle, was interested in registering with ORIC. The Toronto Aboriginal Corporation was established to build a community centre for the local Aboriginal community. A number of meetings were held by ORIC over a few months with community members to discuss what the rule book of the corporation would look like, particularly its objectives and membership criteria.



Members of the corporation appreciated the one-on-one support ORIC could offer as it made the process of registration much quicker and easier for them. The corporation is now up and running with the members working towards the building and opening of their new community centre.

## Measuring the effectiveness of services and regulatory functions

A framework has been developed to measure just how effective the services are that ORIC provides to corporations. The framework includes a combination of quantitative and qualitative measures. One of the main objectives of this project is to gather information that can be used by ORIC to improve the delivery of services to Aboriginal and Torres Strait Islander corporations, people and communities. Another objective is to ensure that relevant information is collected to effectively monitor ORIC's performance.

One of the key elements of the framework is an online client survey that will run for three months each year to seek feedback directly from members, directors and CEOs of corporations. People who have helped Aboriginal and Torres Strait Islander corporations with their reporting requirements will also be encouraged to submit their views.

ORIC's first online survey was launched in July 2011 and ran until the end of September 2011.

## LawHelp

LawHelp is a pro bono legal scheme designed to assist not-for-profit Aboriginal and Torres Strait Islander corporations registered under the CATSI Act. It was set up by the Registrar, with the support of the Australian Government Solicitor, volunteer lawyers and major Australian legal firms, in response to a clear need.

Between 1 July 2010 and 30 June 2011 there were eight participating lawyers and law firms on the LawHelp panel:

- Allens Arthur Robinson
- Australian Government Solicitor (AGS)
- Blake Dawson
- Clayton Utz
- Jackson McDonald
- Minter Ellison Lawyers
- Peter Tree SC—Derwent and Tamar Chambers, Tasmania
- Williams, Love and Nicol

Most corporations registered under the CATSI Act are located in remote or very remote parts of Australia and do not have ready access to quality legal services.

ORIC received its first LawHelp application in July 2010. The LawHelp scheme was well underway by the time it was officially launched on 22 November 2010 by Jenny Macklin, Minister for Families, Housing, Community Services and Indigenous Affairs and Robert McClelland, the Attorney-General.

During the year 19 applications were received. Fourteen of these applications were approved and successfully referred to some of Australia's top law firms.

The LawHelp assessment panel consists of three members—the manager of pro bono services from the Australian Government Solicitor, a lawyer formerly from ACT Legal Aid (now in community services) and an Aboriginal lawyer from the Department of Health and Ageing. ORIC manages the LawHelp secretariat and provides administrative support.

Corporations registered under the CATSI Act can apply to LawHelp for assistance with a range of legal matters, from basic tax issues to drafting employment contracts to interpreting the law. The scheme cannot, however, help with matters already funded by government such as native title or criminal matters, legal action in any court or tribunal, or matters that could conflict with the interests of the Australian Government. LawHelp can only help corporations not individuals.

LawHelp application forms and guidelines are available at [www.oric.gov.au](http://www.oric.gov.au) or by emailing [LawHelp@oric.gov.au](mailto:LawHelp@oric.gov.au) or by phoning our freecall number on 1800 622 431 (not free from mobiles).

## Governance audit: native title and health

At the beginning of 2010–11, two governance audits were identified by the Registrar as part of ORIC's 2010–11 business plan. These were:

- a governance audit into the health sector
- a governance audit into the native title sector.

The aims of these projects were to report on the standard of corporate governance and financial management of corporations in these sectors, in particular to identify what worked well and what needed to improve. ORIC also wanted to develop a governance rating system that could be applied to corporations in these sectors that had been the subject of an examination by ORIC under section 453-1 of the CATSI Act.

Preliminary work was completed on both audits; however, as a result of other priorities during the year the audits have been postponed.

# Recruitment, retention and succession service for corporation staff

In February 2011 the ORIC recruitment assistance (ORA) program was implemented as a further step in the ORIC recruitment and retention strategy. ORA offers recruitment assistance to corporations registered under the CATSI Act to fill vacant senior positions.

Historically, ORIC corporations have faced significant governance challenges in meeting their employment needs, including unsatisfactory recruitment processes, variable quality of staff, remoteness and high turnover rates.

The ORA program encourages best practice and aims to build capacity by helping corporations recruit and keep suitable staff.

ORA can help corporations to:

- develop a job package
- advertise the position
- evaluate applicants
- set up the interview process
- prepare the selection report
- prepare template employment contracts.

Corporations remain responsible for all decisions in the recruitment process, including who to recruit and negotiating salary packages. ORIC only provides assistance and guidance in the process, but does not make decisions on behalf of individual corporations.

ORIC provides its services to eligible corporations free of charge. However, the successful corporations are expected to meet all the costs of recruitment and advertising.

As part of the ORA service ORIC has published a series of short, handy guides on explaining the recruitment process, drafting a successful job ad and developing useful interview questions. ORIC has also published template employment contracts grouped by state and territory, and summaries of employment conditions and relevant industry awards. These were developed under LawHelp by the Australian Government Solicitor.

The South-West Aboriginal Medical Services Aboriginal Corporation (SWAMS) was the first corporation to make use of ORA. Here is their story.

## Case study: SWAMS story

In April SWAMS applied to ORIC for assistance to recruit a new CEO. Tom McDonald, the corporation's contact person was largely responsible for the smooth process. Gloria Jackson and Roseanne Mirto (ORIC staff) travelled to Bunbury in June to provide secretariat and scribing services during the interviews.

The result was a thorough and transparent recruitment process with all the relevant documentation in place. SWAMS appointed Dr Glen Power to the position of CEO. A good outcome for the corporation in finding the best person for the job.



South-West Aboriginal Medical Services Aboriginal Corporation

Front row: Gloria Khan (Chair), Dean Colbung (Director)

Back Row: Grace Ley (Regional Director WA Country Health Services), Gloria Jackson (ORIC)





# Regulation and support

## Corporation reporting compliance

Reporting compliance by corporations increased from 92 to 96 per cent in 2010–11 with 18 per cent of corporations lodging documents electronically.

Compliance with the law remained a primary focus for ORIC in 2010–11. Under the CATSI Act corporations are required to submit certain reports to ORIC annually according to their registered size and income. Reports for 2009–10 had to be lodged by 31 December 2010.

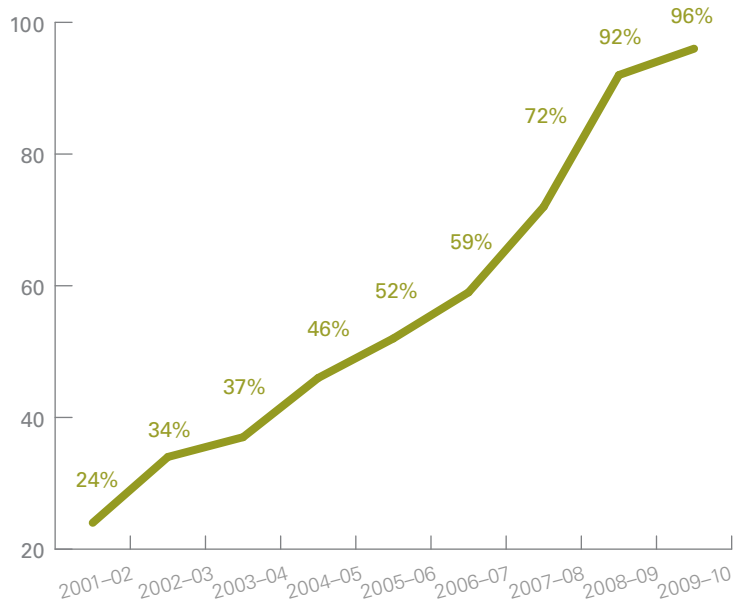
ORIC undertook a reporting compliance follow-up program, which resulted in 96 per cent of corporations lodging their reports for 2009–10. This result is the highest reporting compliance rate ever achieved by ORIC—4 per cent higher than the previous year.

Higher compliance means that members, communities, creditors and government agencies have greater confidence in the public information maintained by the Registrar about corporations.

Key activities of the reporting compliance follow-up program included:

- a communication strategy to deliver key messages and guidance about reporting compliance—this strategy included advertisements in Aboriginal and Torres Strait Islander newspapers, notices and messages on the ORIC website and reminders placed in ORIC publications, as well as email and mail reminders to corporations
- targeting key groups and specific sectors—such as registered native title bodies corporate, native title representative bodies and corporations helped by resource agencies operating in remote regions
- face-to-face visits—13 regional and remote regions that had poor annual reporting compliance rates were targeted by ORIC’s compliance follow-up teams; the primary aim was to offer face-to-face help to corporations but also to develop their capacity to complete the reports in future years
- telephone follow-up of corporations in breach—corporations that did not submit the required reports by the due date were targeted for telephone reminders
- warning notices issued—corporations that did not respond to reminders were issued with formal warning notices.

Figure 1: Reporting compliance, 2001–02 to 2009–10



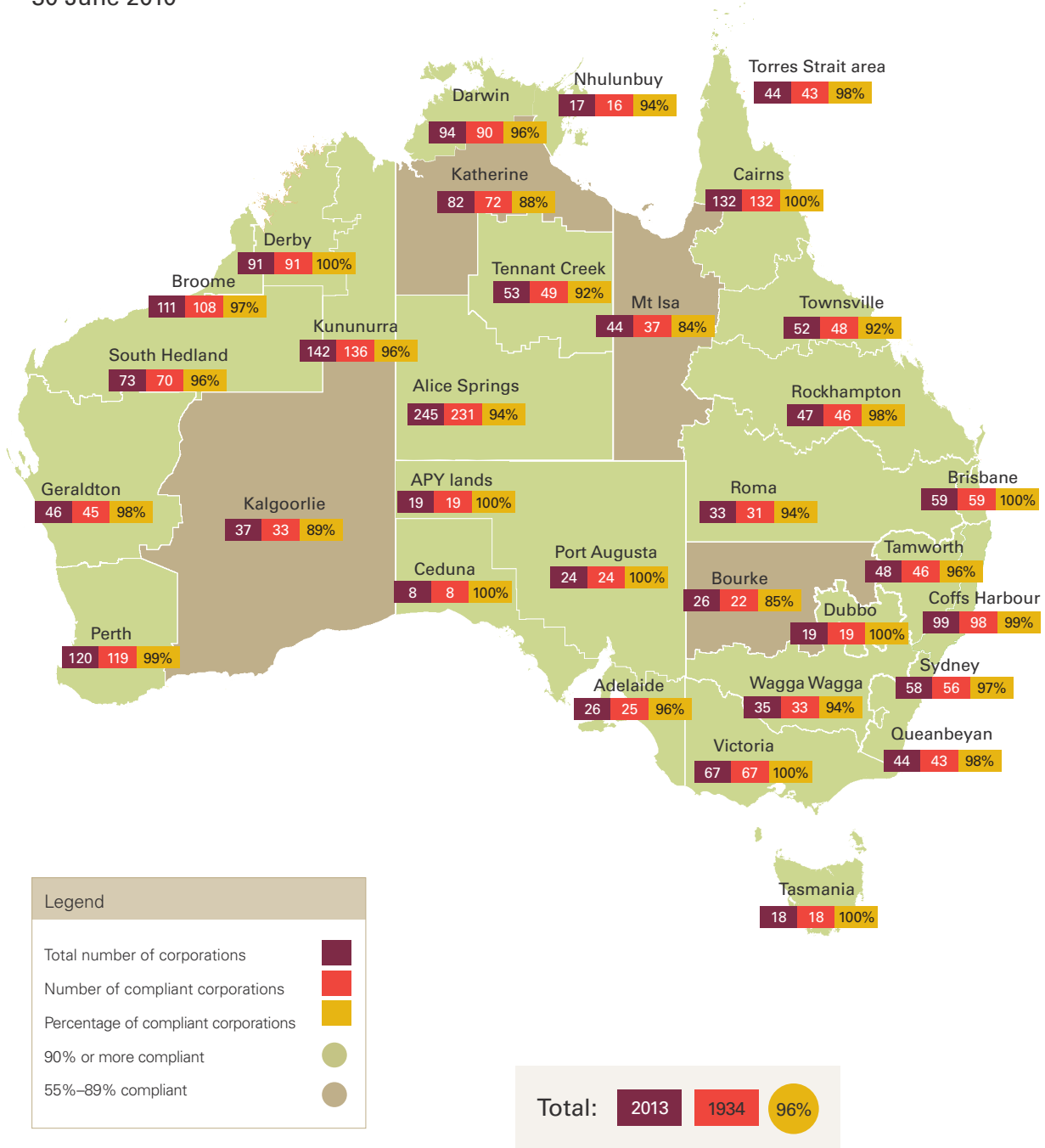
Note: This figure illustrates the effect of ORIC’s focus on reporting compliance. ORIC achieved the highest ever level of reporting compliance for the 2009–10 reporting year.

### Consequences of not reporting

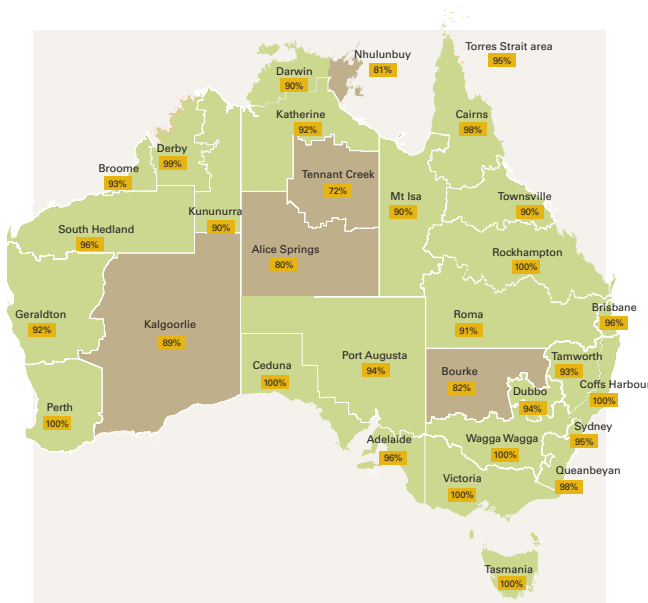
During the year ORIC deregistered 111 corporations that remained in longstanding breach or that requested voluntary deregistration.

The reporting compliance follow-up program was also supported by a prosecution program. Prosecution action was initiated against 50 medium and large corporations that did not lodge required reports. The prosecution program in 2011–12 will focus on all corporations, regardless of size, that do not lodge their reports.

Figure 2: Reporting compliance status by region, at 30 June 2011 compared to 30 June 2010



Note: Total number of corporations required to provide 2009–10 reports is 2013. This number is different to the total number of registered corporations (2286) as it is based on corporations registered at 31 December 2009 and excludes corporations under liquidation or being deregistered.



## 2008–09 reports Status at 30 June 2010

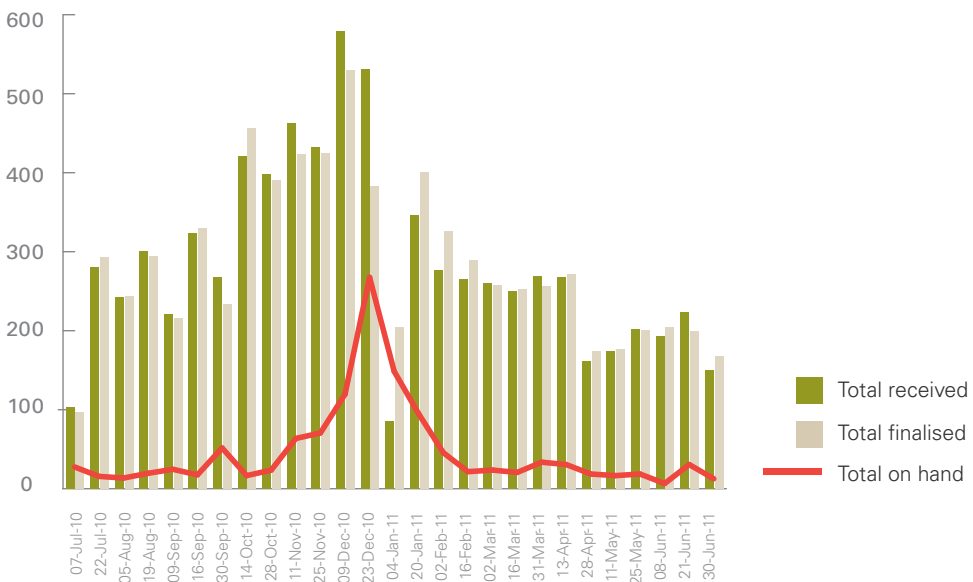
Total: 1953 1800 92%

## Registration and reporting services

ORIC provides a range of registration services to Aboriginal and Torres Strait Islander corporations.

In 2010–11 ORIC received 7536 documents and inquiries from corporations and the public and these were completed in an average time of 2.61 business days per activity.

Figure 3: Monthly work activities, 2010–11



**Table 1: Registration and reporting services, 2002–03 to 2010–11**

|  | 02–03 | 03–04 | 04–05 | 05–06 | 06–07 | 07–08 | 08–09 | 09–10 | 10–11 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Registration and support services</b>     |       |       |       |       |       |       |       |       |       |
| Incorporations                               |       |       |       |       |       |       |       |       |       |
| Applications received                        | 211   | 160   | 120   | 110   | 107   | 116   | 148   | 172   | 176   |
| Total applications actioned during the year* | 205   | 143   | 134   | 123   | 143   | 108   | 133   | 188   | 197   |
| Applications approved                        | 183   | 134   | 120   | 102   | 111   | 84    | 125   | 163   | 187   |
| Applications refused                         | —     | —     | —     | 1     | 2     | 5     | 0     | 6     | 7     |
| Application lapsed/withdrawn                 | 22    | 9     | 14    | 17    | 30    | 19    | 8     | 17    | 3     |
| Constitution change requests                 |       |       |       |       |       |       |       |       |       |
| Requests received                            | 138   | 122   | 116   | 92    | 126   | 97    | 411   | 187   | 166   |
| Total requests actioned during the year*     | 127   | 114   | 131   | 127   | 160   | 85    | 400   | 220   | 174   |
| Requests approved                            | 94    | 106   | 112   | 92    | 124   | 55    | 376   | 204   | 164   |
| Requests refused                             | 22    | 4     | 4     | 9     | 5     | 30    | 24    | 14    | 10    |
| Requests lapsed/withdrawn                    | 11    | 4     | 15    | 20    | 31    | —     | 0     | 0     | 0     |

\*Some services finalised during the financial year were initiated in the previous year.

Table 1: cont.

|  | 02–03 | 03–04 | 04–05 | 05–06 | 06–07 | 07–08 | 08–09 | 09–10 | 10–11 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Registration and support services</b>               |       |       |       |       |       |       |       |       |       |
| Name change requests                                   |       |       |       |       |       |       |       |       |       |
| Requests received                                      | 20    | 26    | 27    | 11    | 5     | 12    | 48    | 24    | 29    |
| Total requests actioned during the year*               | 16    | 18    | 25    | 15    | 27    | 9     | 45    | 25    | 30    |
| Requests approved                                      | 8     | 14    | 18    | 9     | 16    | 6     | 38    | 23    | 28    |
| Requests refused                                       | 2     | —     | 2     | 0     | 1     | 3     | 7     | 2     | 2     |
| Requests lapsed/ withdrawn                             | 6     | 4     | 5     | 6     | 10    | —     | 0     | 0     | 0     |
| Change of corporation contact and officer details      |       |       |       |       |       |       |       |       |       |
| Change requests received                               | n/a   | n/a   | n/a   | n/a   | n/a   | 345   | 853   | 640   | 738   |
| Change requests applied to the public register         | n/a   | n/a   | n/a   | n/a   | n/a   | 284   | 803   | 636   | 721   |
| Annual general meeting extensions and other exemptions |       |       |       |       |       |       |       |       |       |
| Matters finalised                                      | —     | 104   | 137   | 197   | 162   | 97    | 236   | 312   | 348   |
| Written inquiries received                             |       |       |       |       |       |       |       |       |       |
| Inquiries finalised                                    | 622   | 634   | 682   | 882   | 897   | 919   | 1080  | 3427  | 2919  |

\*Some services finalised during the financial year were initiated in the previous year.

## Snapshot

**187 new corporations** were registered during 2010–11 compared with 163 during 2009–10. This is the highest number of new corporations registered during a year since 2002–03.

**2919 written inquiries** were finalised during 2010–11—involving requests for registration assistance, requests for information, inquiries support and referrals.

**721 change of corporation contact and officer** details were entered into the public register.

**348 annual general meeting extensions and other exemptions** were granted by the Registrar during 2010–11 under the CATSI Act. This reflects the Registrar's ongoing flexible approach to the special circumstances and needs of Aboriginal and Torres Strait Islander corporations.

# ERICCA

The Electronic Register of Indigenous Corporations under the CATSI Act (ERICCA) is used by ORIC to help with the administration of the CATSI Act.

It includes two online public registers—the Register of Aboriginal and Torres Strait Islander Corporations and the Register of Disqualified Officers. It also allows corporations to lodge forms with ORIC online.

## Lodging electronically

In 2010–11, 18 per cent of all forms were lodged electronically with ORIC by 2713 active online users.

This represents a significant increase from 2009–10, when six per cent of all forms were lodged electronically with ORIC by 410 active online users.

Twenty-seven per cent of all general reports were lodged electronically, again a significant increase from last year.

ORIC's online lodgment website <https://online.oric.gov.au> makes lodging forms easier and more convenient for corporations.

During 2010–11 many system upgrades and enhancements were made to ERICCA. Four additional online forms have been made available to corporations. This means that 17 prescribed forms under the CATSI Act are now available online, helping corporations to update their public information and/or submit change requests.

ORIC's electronic forms are:

- general report
- notification of a change to corporation address/contact details
- notification of a change to corporation officers' details
- list of names and addresses of members
- exemptions (eight forms)
- application for registration (general)
- request to change corporation rule book
- request to change corporation name
- voluntary deregistration
- application for reinstatement.

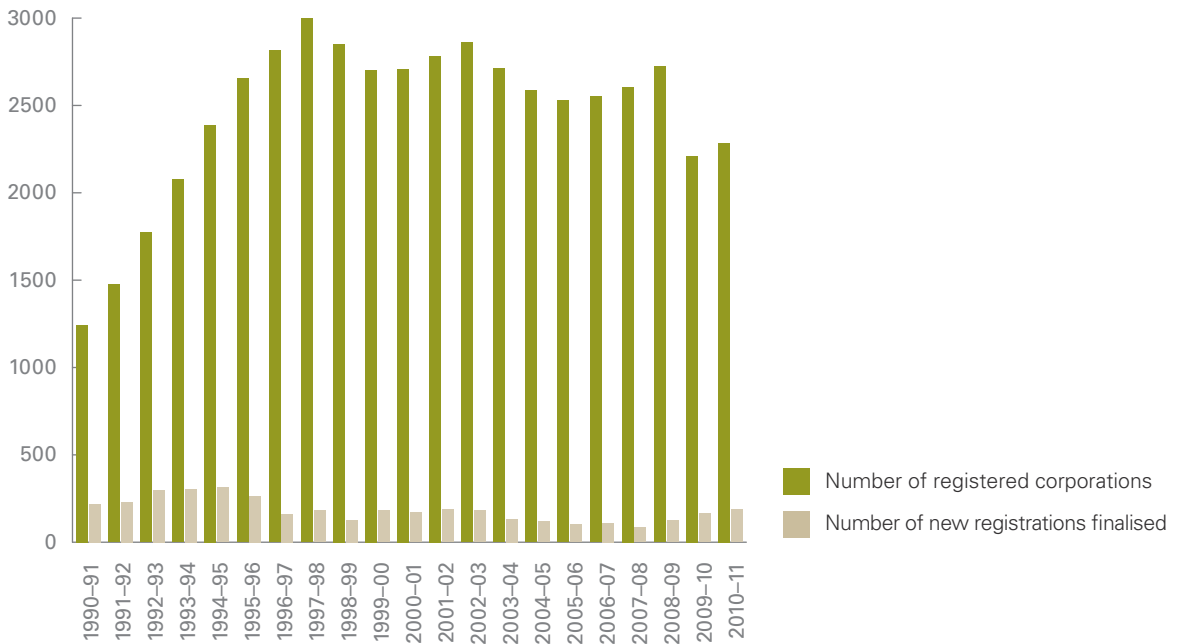


## Profile of corporations registered with ORIC

As at 30 June 2011, 2286 corporations were registered under the CATSI Act.

There were 187 new registrations during the financial year, which is the highest number of new registrations since 2002–03. This included 17 transfers from other incorporating legislation, such as state and territory associations legislation.

**Figure 4: Registered and new corporations by year, 1990–91 to 2010–11**



Note: The number of registered corporations is the total number of corporations registered less the total number deregistered.

**Table 2: Registered and new corporations 1990–91 to 2010–11**

| Year      | Number of registered corporations | Number of new registrations finalised |
|-----------|-----------------------------------|---------------------------------------|
| 1990–91   | 1244                              | 220                                   |
| 1991–92   | 1474                              | 230                                   |
| 1992–93   | 1772                              | 298                                   |
| 1993–94   | 2076                              | 304                                   |
| 1994–95   | 2389                              | 313                                   |
| 1995–96   | 2654                              | 265                                   |
| 1996–97   | 2816                              | 162                                   |
| 1997–98   | 2999                              | 183                                   |
| 1998–99   | 2853                              | 128                                   |
| 1999–2000 | 2703                              | 183                                   |
| 2000–01   | 2709                              | 171                                   |
| 2001–02   | 2783                              | 187                                   |
| 2002–03   | 2861                              | 183                                   |
| 2003–04   | 2713                              | 134                                   |
| 2004–05   | 2585                              | 120                                   |
| 2005–06   | 2529                              | 102                                   |
| 2006–07   | 2552                              | 111                                   |
| 2007–08   | 2605                              | 84                                    |
| 2008–09   | 2723                              | 125                                   |
| 2009–10   | 2210                              | 163                                   |
| 2010–11   | 2286                              | 187                                   |

**Table 3: Location of registered corporations by regions as at 30 June 2011**

| Region        | Total       |
|---------------|-------------|
| Adelaide      | 33          |
| Alice Springs | 289         |
| Bourke        | 28          |
| Brisbane      | 69          |
| Broome        | 116         |
| Cairns        | 159         |
| Ceduna        | 10          |
| Coffs Harbour | 124         |
| Darwin        | 112         |
| Derby         | 93          |
| Dubbo         | 25          |
| Geraldton     | 54          |
| Kalgoorlie    | 40          |
| Katherine     | 89          |
| Kununurra     | 149         |
| Mount Isa     | 58          |
| Nhulunbuy     | 24          |
| Perth         | 136         |
| Port Augusta  | 31          |
| Queanbeyan    | 52          |
| Rockhampton   | 52          |
| Roma          | 38          |
| South Hedland | 79          |
| Sydney        | 64          |
| Tamworth      | 51          |
| Tasmania      | 21          |
| Tennant Creek | 56          |
| Townsville    | 60          |
| Torres Strait | 51          |
| Victoria      | 78          |
| Wagga Wagga   | 45          |
| <b>Total</b>  | <b>2286</b> |

## Examinations

Under section 453-1 of the CATSI Act the Registrar has the power to examine the books of an Aboriginal and Torres Strait Islander corporation at any time.

An examination is a review of the corporate governance and financial management of the corporation. It checks if the corporation is being governed in accordance with its rule book and the CATSI Act; and whether the directors are complying with their obligations under the rule book and the CATSI Act.

An examination checks that proper financial records are kept and that proper procedures are in place to manage the corporation's financial affairs. An examination also reports on the current financial position of a corporation.

Examinations contribute towards the intent of the CATSI Act as a special measure to advance and protect the interests of Aboriginal and Torres Strait Islander people and their respective cultures. It is an important measure particularly where a corporation is publicly funded, provides essential services or community infrastructure, or holds interests in native title.

ORIC's policy statement 25: *Examinations* sets out more detailed information about examinations. The policy statement is available on the ORIC website at [www.oric.gov.au](http://www.oric.gov.au).

ORIC completed 72 formal examinations of corporations in 2010–11 as set out in the following table.

**Table 4: Examinations by state/territory, 2010–11**

| Location by state            | Number of corporations |
|------------------------------|------------------------|
| Australian Capital Territory | 0                      |
| New South Wales              | 7                      |
| Victoria                     | 1                      |
| South Australia              | 5                      |
| Western Australia            | 24                     |
| Northern Territory           | 22                     |
| Queensland                   | 13                     |
| Tasmania                     | 0                      |
| <b>Total</b>                 | <b>72</b>              |

The 2010–11 examination program focused on the sectors as outlined in the following table.

**Table 5: Examination program by sector, 2010–11**

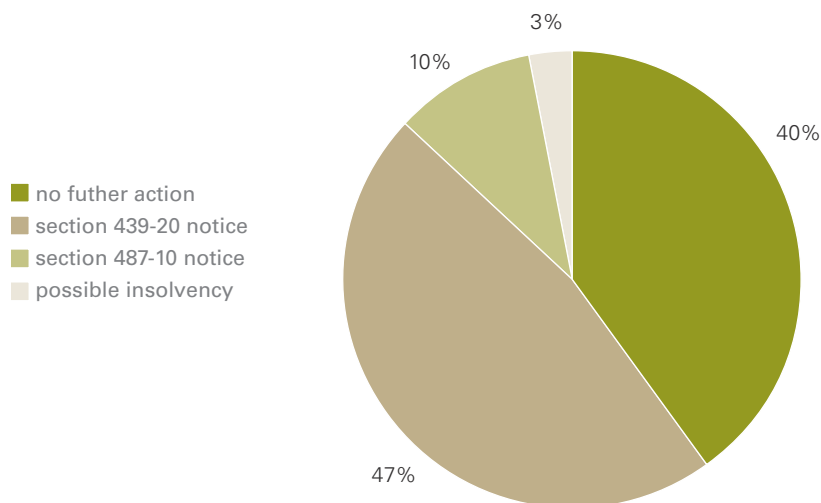
| Sectors                                     | Number of exams |
|---|-----------------|
| Health (including aged care and child care) | 16              |
| RSD sites                                   | 11              |
| Native title                                | 13              |
| Community stores                            | 7               |
| CDEP  | 5               |
| Community councils                          | 5               |
| Housing                                     | 4               |
| Business                                    | 4               |
| Land management                             | 3               |
| Art centres                                 | 2               |
| Other                                       | 2               |
| <b>Total</b>                                | <b>72</b>       |

## Outcomes of examinations

Of the 72 examinations conducted in 2010–11, the outcomes were as follows:

- 29 corporations (40 per cent) were operating well and required no further action, they were sent a management letter
- 34 corporations (47 per cent) required rectification of less serious matters which were settled through the issue of a compliance notice under section 439-20 of the CATSI Act
- 7 corporations (10 per cent) had serious findings and were issued with notices under section 487-10 of the CATSI Act to show cause why the corporations should not be placed under special administration
- 2 corporations (3 per cent) were asked to seek advice about a possible insolvent position.

Figure 5: Outcomes of examinations by percentage, 2010–11



## Case study: Emama Nguda Aboriginal Corporation

The Emama Nguda Aboriginal Corporation was incorporated on 30 June 1994. It is based in Derby, Western Australia and has 53 members and seven directors.

The main activities of the corporation include managing CDEP for the Mowanjum Aboriginal Corporation (MAC) and working in partnership with MAC to deliver job network services and a variety of training courses aimed at securing permanent employment for Aboriginal people. This partnership trades under the name of Derby Workforce Services and is quickly establishing a reputation as a leading service provider.

The corporation currently owns and manages a number of properties, including:

- two houses used to accommodate staff and/or consultants
- an administration office
- a workshop used for the maintenance and storage of corporation equipment
- an aquaculture workshop used for the production and sale of mud crabs
- a training and skills centre used by Derby Workforce Services.

Emama Nguda also has memorandums of understanding with Mt Gibson Iron and WA Country Health Service for Indigenous work experience programs.

The corporation was identified for examination as part of the Registrar's annual rolling program of examinations. The examination found that the standard of corporate governance and financial management practices were quite strong and that the corporation was in a sound financial position and trading viably.

ORIC issued the corporation with a management letter after the examination.





Top: Beagle Bay, Western Australia. Courtesy FaHCSIA collection.

## Special administrations

A special administration is a form of external administration unique to the CATSI Act. It is a special measure that addresses the unique role and circumstances of Aboriginal and Torres Strait Islander corporations.

Special administrations enable the Registrar to provide early proactive regulatory assistance when corporations experience financial or governance difficulties.

Special administrations are quite different to receiverships, liquidations or voluntary administrations under the *Corporations Act 2001*, which are usually driven by the interests of creditors.

Before a corporation is placed under special administration it is accorded natural justice through a show cause procedure. The corporation is invited to respond and say why it should not be placed under special administration. The length of time a corporation has in which to show cause to the Registrar will depend on the circumstances of a particular corporation, but it is the usual practice of the Registrar to allow at least 14 days.

Every special administration usually aims to achieve one or more of the following outcomes:

- restore good operational order to the corporation—usually when the corporation is not complying with a provision of the CATSI Act or its rule book, is experiencing financial difficulties or there is a dispute within the corporation

- restructure the corporation—for example, where the directors or members ask the Registrar to intervene to review the governance structures of the corporation or restructure its business.

The grounds for special administrations are broad. They are not restricted to insolvency or the inability to pay a debt. Section 487-5(1) of the Act outlines the grounds on which the Registrar can determine to place a corporation under special administration.

### Number of corporations placed under special administration

At the start of 2010–11, nine special administrations continued on from the previous year, nine new special administrations were started and 16 ended during 2010–11, leaving two special administrations in progress as at 30 June 2011.

Four of the new special administrations (44 per cent) in 2010–11 were started after the directors asked ORIC for assistance.

Fourteen of the 16 special administrations (88 per cent) that ended during 2010–11 resulted in the corporation being handed back to members' control.

**Table 6: Corporations where new special administrators were appointed, 2010–11**

| Date appointed | ICN  | Corporation  | Special administrators       | Date ended    | Outcome                            |
|----------------|------|--|------------------------------|---------------|------------------------------------|
| 2 July 2010    | 4733 | Alyawarr Ingkerr–wenh Aboriginal Corporation                 | Peter McQuoid                | 31 Dec 2010   | Handed back to members' control    |
| 13 July 2010   | 44   | Mulan Aboriginal Corporation                                 | Austin Taylor<br>Stuart Reid | 26 Nov 2010   | Handed back to members' control    |
| 28 July 2010   | 3255 | Woodgamia CDEP Aboriginal Corporation                        | Barry Jameson                | 29 April 2011 | Liquidator appointed 13 April 2011 |
| 4 Sept 2010    | 2151 | Yamatji Media Aboriginal Corporation                         | Barry Jameson                | 31 March 2011 | Amalgamated to CTAC ICN 7534       |
| 4 Oct 2010     | 3170 | Larrakia Nation Aboriginal Corporation                       | Geoffrey Finch               | 1 April 2011  | Handed back to members' control    |
| 23 Dec 2010    | 195  | Central Highlands Aboriginal Corporation                     | Glen Walker                  | 11 June 2011  | Handed back to members' control    |
| 23 Dec 2010    | 1084 | Ramingining Homelands Resource Centre Aboriginal Corporation | Austin Taylor<br>Stuart Reid | 3 May 2011    | Liquidators appointed 3 May 2011   |
| 2 Feb 2010     | 594  | Angkerle Aboriginal Corporation                              | Andrew West                  |               | In progress as at 30 June 2011     |
| 1 March 2011   | 3649 | Karlka Nyiyaparli Aboriginal Corporation                     | Jack James                   |               | In progress as at 30 June 2011     |

**Table 7: Corporations with special administrations continuing from 2009–10**

| Date appointed | ICN  | Corporation   | Special administrators          | Date ended     | Outcome  |
|----------------|------|---|---------------------------------|----------------|--|
| 19 Feb 2010    | 1430 | Sandhills Advancement Aboriginal Corporation                | Andrew Bowcher                  | 30 August 2010 | The corporation was amalgamated with ICN 169 to become the Sandhills Advancement Foundation for Aboriginal Affairs (Aboriginal Corporation) (ICN 4770) |
| 10 May 2010    | 157  | Mungullah Community Aboriginal Corporation                  | Barry Jameson                   | 31 March 2011  | Handed back to members' control  |
| 17 May 2010    | 285  | Kuwinywardu Aboriginal Resource Unit Aboriginal Corporation | Barry Jameson                   | 31 March 2011  | Amalgamated to CTAC ICN 7534   |
| 17 May 2010    | 2005 | Seven Oaks Aboriginal Corporation                           | Barry Jameson                   | 31 March 2011  | Amalgamated to CTAC ICN 7534   |
| 17 May 2010    | 2768 | Pelican Resources Aboriginal Corporation                    | Barry Jameson                   | 31 March 2011  | Amalgamated to CTAC ICN 7534   |
| 17 May 2010    | 3056 | Yamatji Wirriya Aboriginal Corporation                      | Barry Jameson                   | 31 March 2011  | Amalgamated to CTAC ICN 7534   |
| 17 May 2010    | 3239 | Carnarvon Aboriginal Corporation                            | Barry Jameson                   | 31 March 2011  | Amalgamated to CTAC ICN 7534   |
| 7 June 2010    | 34   | Orana Haven Aboriginal Corporation                          | Andrew Bowcher<br>Tim Gumbleton | 8 March 2011   | Handed back to members' control  |
| 18 June 2010   | 1574 | Divurrurru–Jaru Aboriginal Corporation                      | Andrew West                     | 3 Dec 2010     | Handed back to members' control  |





Orana Haven, New South Wales. ORIC.

## Case study: Orana Haven Aboriginal Corporation

Orana Haven Aboriginal Corporation was incorporated on 25 October 1979 under the CATSI Act. It is one of the oldest Aboriginal and Torres Strait Islander corporations.

The corporation operates from premises at Gongolgon located approximately 50 km south of Brewarrina and 100 km south-west of Bourke in Western New South Wales.

Orana Haven manages a residential rehabilitation centre to help Aboriginal and Torres Strait Islander people deal with substance addiction. The centre offers a range of medical and support programs.

The service is funded primarily by grants provided by the Office of Aboriginal and Torres Strait Islander Health (OATSIH), NSW Health and Aboriginal Hostels Limited (AHL). Program support services are provided by corporation staff supported by local drug, alcohol and medical service providers operating in the region.

On 6 May 2010 the Registrar received a request from the corporation's directors asking for the appointment of a special administrator.

Mr Andrew Bowcher and Mr Tim Gumbleton from the New South Wales firm, RSM Bird Cameron, were subsequently appointed as joint and several special administrators for the corporation on 7 June 2010.

After nine months the main outcomes of the special administration were:

- services restored
- a clinical program that is in line with best practice standards
- a group of high-quality directors with a balance of core skills
- directors supported by a clinical advisory board
- experienced manager was employed with excellent knowledge about managing this type of service
- premises were up to acceptable standards.

As at 30 June 2011 there was a full complement of clients in residence at Orana Haven.



# Litigation

## Reporting requirements under the CATSI Act

Each year medium and large corporations registered under the CATSI Act are required to submit a general report, a financial report and an audit report to the Registrar, unless they receive an exemption. Reports must be lodged between 1 July and 31 December every year.

## Court cases

Four corporations based in Queensland and in Western Australia were successfully prosecuted in 2010–11 for not lodging their general report, their financial report and an audit report. In each case the courts handed down fines and court costs against the corporations.

A further seven medium corporations have had charges laid against them for not lodging their reports. A further 26 medium corporations are facing charges in the coming months.

## Western Desert Puntukurnuparna Aboriginal Corporation

The Western Desert Puntukurnuparna Aboriginal Corporation (WDPAC) was the first corporation to be criminally convicted by the courts for failing to lodge the corporation's annual reports.

WDPAC is a large corporation located in Port Hedland. Less than one per cent of large corporations failed to comply with their reporting obligations in 2008–09.

## Ngukurr Progress Aboriginal Corporation

The Registrar has launched a civil penalty action against four former directors and an employee of the Ngukurr Progress Aboriginal Corporation. The Registrar is alleging various breaches of directors' duties, including not acting in the best interest of the corporation when seeking to access the funds of the corporation's store.

This matter was part heard in the Northern Territory in early August 2011 and a further hearing is set down in Canberra in November 2011. The Registrar is seeking an order disqualifying the five from managing Aboriginal and Torres Strait Islander corporations.

## Dunghutti Elders Council Aboriginal Corporation

The Dunghutti Elders Council Aboriginal Corporation RNTBC commenced civil proceedings in the Federal Court of Australia against the Registrar.

The corporation challenged the validity of a notice issued to it on 11 February 2011 asking the directors to show cause why the corporation should not be placed under special administration. On 14 April 2011 the Federal Court dismissed the application.

The corporation unsuccessfully appealed this decision to the Full Federal Court and to the High Court of Australia.

## Other

### **Carnarvon Medical Service Aboriginal Corporation**

On 10 May 2011 the Registrar, for the first time ever, used his powers under section 439-10 of the CATSI Act to call a general meeting of members of the Carnarvon Medical Service Aboriginal Corporation.

The general meeting was called to consider a motion to remove all directors of the corporation. A new board of directors was elected.

The corporation has since gone from strength to strength. It recently received accreditation from Australia's most respected accreditation body, Australia General Practice Accreditation Limited (AGPAL), for demonstrating the quality and safety of its practice.

# Dispute resolution

## Complaints assistance

ORIC treats corporation complaints as a priority.

During 2010–11 ORIC received 622 complaints. On average, 91 per cent of straightforward complaints were actioned within two working days; 96 per cent of detailed complaints were finalised in an average of five days, while 90 per cent of the most complex complaints were resolved in an average of 27 days.

Trends in managing complaints showed that corporation members are most concerned when directors do not provide information that is timely and useful. In particular, they want their annual general meetings to provide information on finances, to be assured that their corporation's assets and income are being used to further the objectives of the corporation and they want a real opportunity to appoint the directors.

ORIC's complaints assistance empowers members and directors through increased knowledge of their rights and responsibilities under the CATSI Act. The CATSI Act and corporation rule books provide members and directors with a range of powers that they can exercise to ensure the corporate health of their corporation.

## Dispute management

Requests to ORIC for help with disputes remain high. During 2010–11 ORIC helped to resolve 77 disputes.

Historically, disputes have been a significant cause of corporate failure. ORIC aims to reduce the instances of corporate failure from poorly managed disputes.

Well-managed disputes can improve the resilience of a corporation. ORIC works with parties in dispute to design a response most suited to the corporation's needs.

Services offered by ORIC include dispute management workshops, informal advice on dispute management, conferencing and small group problem solving; mediation; and attending, calling and chairing general meetings.

# Training

Training is part of the Registrar’s regulatory function to provide public education programs to improve the corporate governance of Aboriginal and Torres Strait Islander corporations.

ORIC’s training programs are centred on a commitment to increase corporate governance knowledge, skills and accountability within corporations. Training is available to directors, members and key staff by way of residential training in ORIC’s Managing in Two Worlds (MITW) program; and in workshops delivered in community through corporation-specific programs.

The MITW program includes:

- Introduction to Corporate Governance (ICG) workshops held over three days
- an accredited Certificate IV in Business (Governance) which is delivered in four one-week blocks
- an accredited Diploma of Business (Governance) which is delivered in five one-week blocks
- Building Strong Stores (BSS) which is a three-day program designed specifically for corporations that manage a community store.

Corporation-specific training (CST) is provided to individual corporations that request training. It is usually held at a corporation’s premises or within the community. CST is delivered over one or two days. The range of CST workshops includes:

- pre-incorporation doorway training (including transfers and amalgamations) provides information on the CATSI Act requirements and processes for an organisation

to become incorporated under the CATSI Act

- rule book design and re-design which is targeted at helping corporations to develop a rule book under the CATSI Act
- corporation/post-administration governance training that addresses specific governance issues a corporation may have; post-administration training focuses on the underlying issues that led to the special administration
- general meetings training that provides practical information on preparing for and holding a general meeting of a corporation.

## Percentage of clients satisfied with services provided

ORIC has seen an increase in the level of demand for governance training, with 838 people attending ORIC’s programs across Australia.

The aim for 2010–11 was to deliver training to 115 corporations with a satisfaction rating of 90 per cent. In actual fact, ORIC delivered a total of 137.5 training days to 325 corporations with a satisfaction rating across all programs of 99.8 per cent.

**Table 8: Satisfaction rating of participants in governance training**

|              | Estimate | Actual |
|--------------|----------|--------|
| Corporations | 115      | 325    |
| Participants | 475      | 838    |
| Satisfaction | 90%      | 99.8%  |

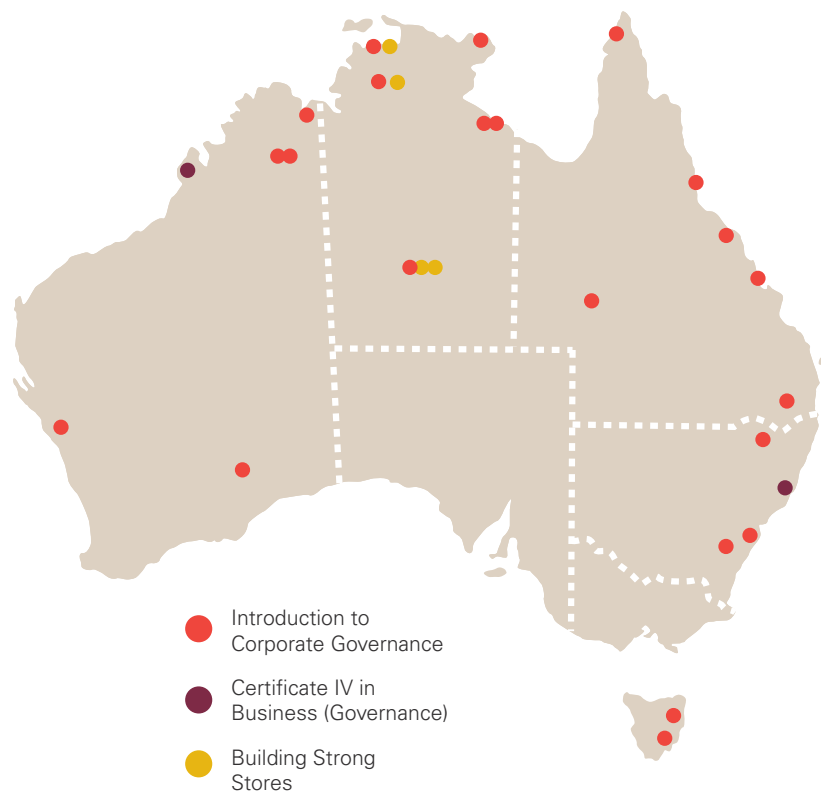
## Introduction to Corporate Governance

The ICG workshops introduce key concepts and principles of good corporate governance for Indigenous corporations. This program is the prerequisite for the accredited Certificate IV in Business (Governance).

ORIC's new ICG training materials were rolled out in 2010–11. The program contains seven modules covering the essential elements for good corporate governance. The content is specifically designed for participants who may have literacy, language and numeracy issues or for whom English may not be their first language.

Many workshops had to be rescheduled due to floods and cyclones in the early part of 2011. Despite this, ORIC delivered 22 ICG workshops across Australia. This is a significant increase from previous years; up from six in 2009–10. A total of 436 people participated in an ICG, representing 225 corporations, as indicated on the following map and in the following table.

Figure 6: Map of training delivered, 2010–11



**Table 9: Introduction to Corporate Governance, 2010–11**

| Date                     | Location             | Corporations | Participants |
|--------------------------|----------------------|--------------|--------------|
| September 2010           | Geraldton, WA        | 18           | 19           |
| September 2010           | Bamaga, NT           | 14           | 23           |
| October 2010             | Katherine, NT        | 22           | 23           |
| October 2010             | Borrooloola, NT      | 8            | 22           |
| October 2010             | Fitzroy Crossing, WA | 18           | 17           |
| November 2010            | Rockhampton, Qld     | 10           | 24           |
| December 2010            | Toowoomba, Qld       | 15           | 29           |
| March 2011               | Moree, NSW           | 9            | 20           |
| April 2011               | Hobart, Tas.         | 8            | 15           |
| April 2011               | Borrooloola, NT      | 7            | 9            |
| April 2011               | Canberra, ACT        | 0            | 14           |
| May 2011                 | Darwin, NT           | 14           | 26           |
| May 2011                 | Redfern, NSW         | 7            | 22           |
| May 2011                 | Kununurra, WA        | 6            | 23           |
| May 2011                 | Townsville, Qld      | 13           | 28           |
| May 2011                 | Nhulunbuy, NT        | 4            | 15           |
| 31 May to<br>2 June 2011 | Mt Isa, Qld          | 6            | 13           |
| June 2011                | Alice Springs, NT    | 9            | 21           |
| June 2011                | Cairns, Qld          | 13           | 28           |
| June 2011                | Launceston, Tas.     | 8            | 14           |
| June 2011                | Kalgoorlie, WA       | 8            | 21           |
| June 2011                | Fitzroy Crossing, WA | 8            | 10           |
| <b>TOTAL</b>             |                      | <b>225</b>   | <b>436</b>   |

Notes:

- The Canberra ICG was primarily for ORIC staff.
- The Kununurra ICG was held in partnership with the ICC in Kununurra and Miriuwung Garjerrong Yirrgeb Noong Dawang Aboriginal Corporation in May 2011.
- The Mt Isa ICG was in partnership with the Queensland Department of Employment, Economic Development and Innovation.
- The Fitzroy Crossing ICG in June 2011 was held in partnership with the Marra Worra Worra Aboriginal Corporation as part of ORIC's commitment to the Fitzroy Valley local implementation plan.



## Building Strong Stores

The Building Strong Stores (BSS) program was specifically designed to help management committees and directors with the corporate governance of their community stores. In partnership with the Community Stores Unit of FaHCSIA, ORIC delivered four BSS workshops as summarised in the next table.

**Table 10: Building Strong Stores, 2010–11**

| Location                        | Participants | Corporations |
|---------------------------------|--------------|--------------|
| Alice Springs, 16–18 March 2011 | 7            | 2            |
| Alice Springs, 22–25 March 2011 | 15           | 10           |
| Katherine, 20–22 April 2011     | 28           | 9            |
| Darwin, 11–13 May 2011          | 31           | 10           |

## Certificate IV in Business (Governance)

ORIC funded two Certificate IV courses in Broome and Port Macquarie. Participants for the Broome course were from Western Australia while those for the Port Macquarie course came from Queensland and New South Wales. Because of flooding in the areas, ORIC had to postpone the start of both these programs, which meant that only two weeks of the four-week program were completed in 2010–11. Participants will complete their Certificate IV in 2011–12.

**Table 11: Certificate IV in Business (Governance), 2010–11**

| Location                               | Enrolments |
|--|------------|
| <b>Broome</b>                          | <b>13</b>  |
| Block 1: 28 March to 1 April 2011      |            |
| Block 2: 17–20 May 2011                |            |
| Block 3: 25–29 August 2011             |            |
| Block 4: 29 August to 2 September 2011 |            |
| <b>Port Macquarie</b>                  | <b>15</b>  |
| Block 1: 14–18 March 2011              |            |
| Block 2: 19–13 May 2011                |            |
| Block 3: 11–15 May 2011                |            |
| Block 4: 15–19 August 2011             |            |

## Diploma of Business (Governance)

ORIC did not sponsor a diploma course in 2010–11. ORIC and Innovation and Business Skills Australia (IBSA) are reviewing the course and strengthening the qualification with a view to delivering an improved course in 2011–12.

## Corporation-specific training

In 2010–11 ORIC extended this program to include workshops on annual general meeting support, including the rules around calling and holding general meetings.

**Table 12: Corporation-specific training, 2010–11**

| Workshops  | Participants | Corporations |
|--|--------------|--------------|
| Pre-incorporation doorway services (including transfers and amalgamations) | 65           | 4            |
| Rule book design and redesign  | 26           | 3            |
| Corporate and post-administration support                                  | 78           | 16           |
| AGM support  | 124          | 46           |
| Total  | 293          | 69           |

## Partnerships

ORIC has entered into training partnerships with a number of state and territory governments as follows:

### Victorian partnership

ORIC has had a partnership with Aboriginal Affairs Victoria and Consumer Affairs Victoria since 2006. The current memorandum of understanding (MOU) was re-signed on 12 March 2010 for another three years. ORIC continues to provide the Victorian partners with a non-exclusive licence to use the MITW training packages and provide funding for participants from Tasmania to attend training in Victoria on a case-by-case basis. In 2010–11 the Victorian partnership provided training to 121 participants.

### South Australian partnership

The MOU with the Aboriginal Affairs and Reconciliation Division (AARD) of the Department of Premier and Cabinet is still under negotiation. Under this MOU, ORIC would provide AARD with a non-exclusive licence to use ORIC's training materials. All funding for workshops in South Australia would be met by AARD.

### New South Wales partnership

An MOU with New South Wales Fair Trading was signed in October 2010. Under this MOU, ORIC committed to fund and deliver two workshops and one Certificate IV in NSW. These programs were available to NSW-registered associations. As a result of this MOU, ORIC held two ICG workshops, one in Moree and the other in Redfern. A Certificate IV program was also started in early 2011 in Port Macquarie.

### Western Australia partnership

An MOU with the Department of Indigenous Affairs Western Australia and Department of Commerce Western Australia was signed in September 2010. Under this MOU, ORIC committed to fund and deliver three workshops and start one Certificate IV in WA. These programs were available to WA-registered organisations. As a result of this MOU, ORIC held workshops in Geraldton and Kalgoorlie. A Certificate IV in Broome started in early 2011.

## Highlights

### Review of governance qualifications

In 2010–11 Innovation and Business Skills Australia (IBSA) and ORIC worked in partnership to review ORIC's two business governance qualifications: the Certificate IV in Business (Governance) and the Diploma of Business (Governance). IBSA and ORIC agreed to work together to enhance and strengthen the qualifications to meet the needs of Indigenous corporations and the vocational education and training system.

Registered training organisations on ORIC's accredited training panel were consulted on the content, format and use of the learning guides and their feedback was considered in the new product.

Stage one of the review focused on the relevant literature and consultations with key stakeholders. Face-to-face meetings were held with corporations, community organisations, education institutions and government agencies in Port Augusta, Broome, Derby, Fitzroy Crossing, Alice Springs, Coffs Harbour, Cairns and Melbourne.

A National Program Reference Group comprising representatives from training authorities, Reconciliation Australia, Aboriginal Affairs Victoria and the Office of the Premier and Cabinet South Australia met regularly to review the progress and to discuss the packaging and content of the new qualifications.

In December 2010 the National Quality Council endorsed the Certificate IV in Business (Governance) BSB41910 and the Diploma of Business (Governance) BSB50710 qualifications that will come into effect in January 2012.

### Local implementation plans

ORIC had responsibility under local implementation plans for governance training in the remote service delivery sites of Fitzroy Valley and the Bardi Jawi region. The following work was undertaken in these regions in 2010–11.

#### Fitzroy Crossing

A community meeting was held in Fitzroy Crossing on Monday, 16 May 2011 to discuss the governance and training needs of the communities in the region. Sixteen community representatives attended from local corporations. As a result of this meeting and other discussions with Marra Worra Worra Aboriginal Corporation, it was identified that the groups had different training needs and this would best be met by providing both an Introduction to Corporate Governance (ICG) workshop and corporation-specific training (CST).

An ICG was held from 20–22 June 2011 in Fitzroy Crossing. Five women and seven men participated in the workshop ranging in age from the mid-twenties to mid-sixties. Participants held various positions, such as chairperson, director or member.

The training included the key features of corporate governance— understanding corporate structures, roles and responsibilities of directors, members and staff and the separation of powers, good decision making and conducting successful meetings.

The CST workshop was attended by 12 participants from six corporations. The training program was tailored to meet the requirements of the participants and focused on the separation of powers and role and responsibilities of directors, members and staff within the corporations that attended the training workshop.

### **Bardi Jawi**

ORIC facilitated two rule book design workshops in the Bardi Jawi region and provided corporation-specific training to one corporation. A governance audit was also conducted on the Dampier Peninsula to determine the governance training needs of the corporations in the region. All the corporations identified similar training needs which included directors' roles and responsibilities, understanding the rule book, running meetings, understanding finances and good decision making.

As a result of this audit, ORIC is considering training opportunities for Dampier Peninsula corporations in 2011–12.

### **Induction of training panel members**

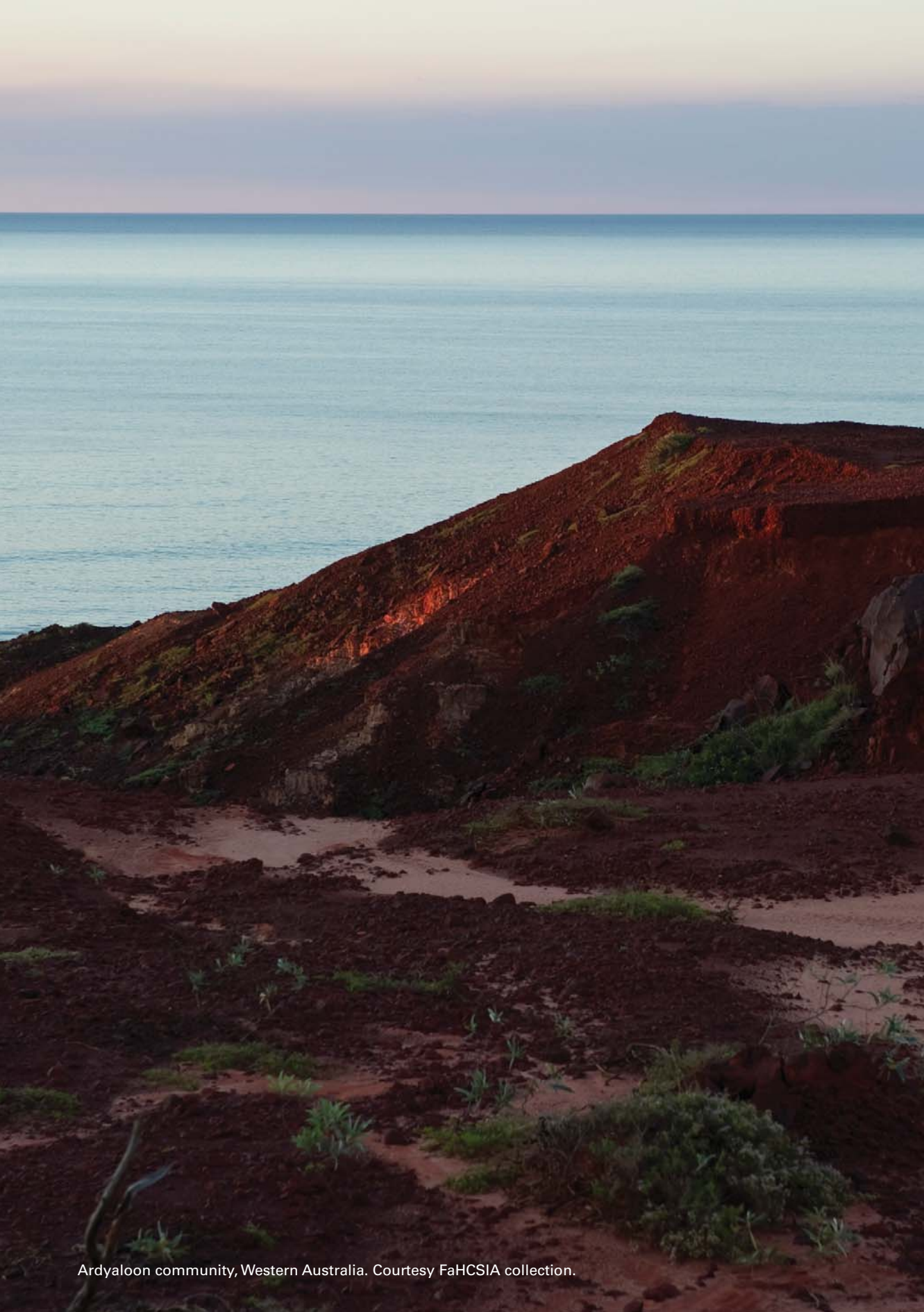
Twenty-one panellists attended a 1.5 day induction program for panellists who were successful in registering on ORIC's training panel.

### **Pilot governance workshop**

A pilot governance program was developed for corporations that receive mining royalties. A workshop under the program was delivered in Karratha, Western Australia with seven directors. An ongoing training program is being developed.



Certificate IV graduation, Perth 2010. ORIC.



Ardyaloon community, Western Australia. Courtesy FaHCSIA collection.



# Other initiatives



# Research

## The top 500 Aboriginal and Torres Strait Islander corporations

The second top 500 report was published in December 2011 and provided an analysis of the top 500 corporations registered under the CATSI Act. Corporations were ranked according to their income for 2008–09.

The report highlighted growth in the total income generated by the top 500, up \$101 million from 2007–08 to \$1.18 billion in 2008–09. The top 500 corporations also held a total of \$1.22 billion in assets.

The 2008–09 report included a case study of one of the top 500 corporations. The Arnhem Land Progress Aboriginal Corporation (ALPA) provides community stores to communities in Arnhem land. ALPA is Aboriginal-owned and controlled.

ALPA was registered as a Northern Territory association, but transferred to the CATSI Act in 2008. To support the transition, the Registrar of Indigenous Corporations and ORIC staff worked with ALPA to develop a rule book for the corporation and its members.

The Top 500 report can be downloaded from the ORIC website at [www.oric.gov.au](http://www.oric.gov.au).

## The practice of accountability in Australian Indigenous corporations

In partnership with the Australian National University (ANU), ORIC was awarded an Australian Research Council linkage project over a period of three years. ORIC will contribute a total of \$90 000 over the three years as well as in-kind support.

The main objective of this project is to evaluate how Aboriginal and Torres Strait Islander corporations can improve their accountability to government and to the Aboriginal and Torres Strait Islander communities they represent.

The research for the project is conducted by a post-doctoral fellow and a PhD scholar from the ANU. They have just completed the first year of research, collecting data directly from their meetings with corporations as well as by extracting information contained in ORIC's databases. This information will be analysed during the second year of the project (2011–12).

## Corporate governance event

The 2010 Indigenous corporate governance event was held at the Alice Springs Desert Park on Thursday, 28 October. The day's activities included a trade fair, a seminar by the Arts Law Centre of Australia on a new intellectual property rights toolkit, and a discussion forum. It was the second event of its kind hosted by ORIC and an opportunity to bring together a wide range of people to discuss some of the issues facing Aboriginal and Torres Strait Islander corporations.

The discussion forum—the main feature of the day—included topics, such as the competing demands on corporation directors, how to engage young people in governing roles, and overcoming barriers of language, culture and remoteness. The facilitator, journalist Kerry-Anne Walsh, directed many of the toughest questions to a panel and ORIC staff.



Above: Walter Dorrington and Caroline Joske staff ORIC's table at the trade fair.

Below: Drum Atweme, a local drumming group performed at the ORIC corporate governance event.



# Spotlight on

Every month ORIC features a good news story on its website about a CATSI Act corporation. ORIC encourages corporations to share their special projects, awards or any interesting story.



July 2010: Gapuwiyak Culture and Arts Aboriginal Corporation



August 2010: Geraldton Yamatji Patrol Aboriginal Corporation



November 2010: Tjanpi Desert Weavers



December 2010: Mari Yerta Men's and Young Men's Aboriginal Corporation



March 2011: Groote Eylandt Bickerton Island Enterprises Aboriginal Corporation



April 2011: Ngurra Bu Aboriginal Corporation



September 2010: Gurriny Yealamucka (Good Healing) Health Services Aboriginal Corporation



October 2010: Circular Head Aboriginal Corporation



January 2011: ORIC's partnership with the Australian National University



February 2011: Deadly Sista Girlz Aboriginal Corporation



May 2011: Bumma Bipperra Media Aboriginal and Torres Strait Islanders Corporation



June 2011: Mungabareena Aboriginal Corporation



Milingimbi community, Northern Territory. Courtesy FaHCSIA collection.



# Accountability

## Freedom of information

In 2010–11 there were substantial amendments to the *Freedom of Information Act 1982* (FOI Act).

More details about the reforms can be found on the Office of the Australian Information Commissioner's (OAIC) website at [www.oaic.gov.au](http://www.oaic.gov.au).

Significant changes were made to the Registrar's website to implement OAIC's model webpage, including an FOI disclosure log and the Information Publication Scheme.

Four FOI requests were made to the Registrar between 1 July 2010 and 30 June 2011. Five requests were finalised. One request was in progress at 30 June 2011 and a decision is under review.

## Complaints about ORIC staff

ORIC responds to complaints about its staff and contractors according to policy statement 3: *Complaints about the Registrar's staff and contractors*. ORIC tries to respond promptly, thoroughly and with sensitivity to complaints. During 2010–11, eight complaints about staff and contractors were received. All complaints were resolved.

## Commonwealth Ombudsman

In 2010–11 ORIC received two section 8 letters from the Commonwealth Ombudsman under the *Ombudsman Act 1976* in which the Ombudsman requested information to help investigate the complaints. The issues raised in the letters were responded to within the agreed timeframes and the Commonwealth Ombudsman advised that no further investigation was warranted.

# Legal services expenditure

Table 13 is a statement of legal services expenditure by ORIC for 2010–11. The legal services expenditure is also included in the annual report of FaHCSIA in compliance with paragraph 11.1(ba) of the Commonwealth’s Legal Services Directions 2005.

**Table 13: ORIC’s legal services expenditure, 2010–11**

|  |                     |
|--|---------------------|
| <b>Total internal legal services expenditure (GST inclusive)</b> | <b>\$262,521.87</b> |
| Australian Government Solicitor                                  | \$72,926.98         |
| Minter Ellison   | \$32,610.16         |
| <b>Total professional fees paid</b>                              | <b>\$105,537.14</b> |
| <br>   |                     |
| Counsel briefs   | \$59,672.20         |
| Other disbursements on external legal services                   | \$4,384.28          |
| <b>Total external legal services expenditure (GST inclusive)</b> | <b>\$169,593.62</b> |
| <br>   |                     |
| Number of male counsel briefed                                   | 4                   |
| Value of briefs to male counsel                                  | \$59,672.20         |
| Number of female counsel briefed                                 | 0                   |
| Value of briefs to female counsel                                | 0                   |







