



Overview



Anthony Beven, visiting communities in Tom Price, WA

Highlights 2011–12

Regulatory functions

- ➔ 96.21 per cent of corporations met their statutory reporting obligations—the highest number in ORIC’s history—compared to 96 per cent in 2010–11
- ➔ 42 per cent of corporations lodged their annual returns electronically, up from 18 per cent in the previous year
- ➔ 95 disputes resolved
- ➔ 173 new corporations registered
- ➔ 11 special administrations started and nine ended
- ➔ 61 formal examinations completed

Support services

- ➔ published *At the heart of art—a snapshot of Aboriginal and Torres Strait Islander corporations in the visual arts sector*
- ➔ released the third top 500 report—based on income provided by Aboriginal and Torres Strait Islander corporations as part of their annual reporting
- ➔ issued 44 media releases
- ➔ delivered training to 629 participants from 154 corporations with a satisfaction rating of 100 per cent
- ➔ increased Aboriginal and Torres Strait Islander employment at ORIC to 37.1 per cent

Other initiatives

- ➔ increased the number of participating lawyers and law firms on ORIC’s pro bono legal service panel, LawHelp, to 11
- ➔ conducted the second ORIC client survey

Registrar's review

Five years on

When I was appointed Registrar at ORIC on 1 October 2007, there were very clear-cut priorities on the table. At the time the focus was on improving the corporate governance and accountability of Aboriginal and Torres Strait Islander corporations and helping with the transition to the new legislation.

Now, five years on and into my second term, it is appropriate to reflect on the highlights, the goals reached and the challenges ahead.

It is also appropriate to note that ORIC is currently in the midst of an independent organisational review. It is a good time to reflect on how we do business, what we've done well and what we can do better to improve on the efficiency and effectiveness of our service delivery model. The report's key recommendations will be considered and implemented by 1 February 2013.



Achievements

Looking at the achievements in the past five years, the stand outs would have to be the successful completion and the implementation of ORIC's electronic document processing system (ERICCA) and the launch of the database to help corporations lodge online. This has significantly reduced compliance costs and the need for corporations to lodge paper forms with ORIC. ERICCA has now been up and running since July 2008. We have made a series of enhancements since then and currently our online lodgment for corporations' annual returns stands at 42 per cent, showing a steep increase over the years.

Another great success has been our out-posted officer trial program. ORIC now has an ongoing program of local officers, including our Alice Springs office, which operates as an autonomous office. These local officers have made a great difference in ORIC's reporting compliance rate with their face-to-face visits and visibility in the relevant communities—currently Cairns, Coffs Harbour, Perth and Alice Springs. This program was started when the Council of Australian Governments' Remote Service Delivery National Partnership identified 29 priority sites and communities.

Over the five years we have also successfully delivered on some new and important functions and services, such as a dispute management and complaints handling function, a modernised call centre, an investigations and prosecutions function, a dedicated research function, an ORIC recruitment assistance service as well as a pro bono legal service, LawHelp (currently with 11 participating law firms). All of these are discussed in detail in this yearbook. We set out to deliver these functions back in 2008 and they are now up and running and making a difference to our most important clients—Aboriginal and Torres Strait Islander corporations.

The main challenges facing Aboriginal and Torres Strait Islander corporations remain location and business sustainability. Those challenges have not changed—they still revolve around communications, transport, sustainable funding, reliability of supply and

demand, infrastructure, resources and access to business acumen and training—all of which affect the ability to maintain compliance and services to members and clients. I believe that ORIC has gone a long way in meeting those challenges—by our type of services and the way in which we deliver those services. The results are most visible in the fact that our training packages are sought after and highly rated by our clients and that our corporations' reporting compliance has gone from 52 per cent in 2006–07 to 96.2 per cent this financial year.

ORIC also finalised and implemented a Reconciliation Action Plan in 2008. Since then we have been contributing to the FaHCSIA RAP. As part of the 'Opportunities' section of the RAP, ORIC set a target to employ 30 per cent Aboriginal and Torres Strait Islander staff as a total of all staff at a consistent level with opportunities at all levels. Currently 37.1 per cent of ORIC staff identifies as Aboriginal or Torres Strait Islander.

Our research arm has contributed to a more in-depth understanding of the sectoral and financial issues affecting Aboriginal and Torres Strait Islander corporations and is proving, with the public register, to be an invaluable and unique source of collected data particular to ORIC corporations and the various sectors they deliver services in. Details about the research findings are available in this publication and also on the ORIC website.

Challenges

ORICs priorities haven't changed much in the five years, but the environment has and the challenges are looking different.

During 2011–12 ORIC had to apply additional resources to its investigations and prosecutions function, and had to access specialist resources from the Australian Government Solicitor to meet workload pressures in this area. There are a number of high-profile investigations and prosecutions currently before the courts.

Another key challenge for ORIC has been the greater call on resources because of ongoing changes in the approach to service delivery in Aboriginal and Torres Strait Islander communities and how that is funded. A continued move towards mainstreaming and regionalisation of service delivery for remote communities and away from funding for community organisations is affecting the solvency and long-term viability of many community-based Aboriginal and Torres Strait Islander organisations. Interestingly, ORIC's recent research publication reporting on the top 500 Aboriginal and Torres Strait Islander corporations has revealed an emerging trend in the top 20 corporations with self-generated funds overtaking government funding. This is a very encouraging picture and one that we will monitor over the short and medium term.

Some of the risks and challenges facing Aboriginal and Torres Strait Islander corporations are discussed in more detail in the top 500 report.

They include:

- ➔ the difficulty that organisations experience to effectively restructure (scale down) or close down their operations in a short period of time and maintain solvency when funding changes. Increases in insolvencies are leading to an increase in the workload of ORIC in special administrations, examinations, prosecutions, mediation and complaints
- ➔ an increase in the number of defunct corporations being deregistered
- ➔ managing subsidiaries, land leases or trusts.

The year ahead

ORIC has identified the following key priorities for its work in 2012–13. These priorities are aligned to the *ORIC strategic plan 2011–14*.

Independent organisational review

As already mentioned, during 2012–13 ORIC will commission an independent organisational review to assess the efficiency and effectiveness of its service delivery model. The review will examine ORIC's organisational structure, benchmark ORIC performance and productivity against like agencies, and assess the behaviours and attitudes that ORIC values and how it can better integrate them into our work.

Ensuring ORIC staff's ability to deliver

ORIC will continue its cultural competency program to ensure we have suitably skilled and experienced staff working to deliver programs and services that meet the cultural needs of Aboriginal and Torres Strait Islander people and corporations.

I will continue to focus on our Aboriginal and Torres Strait Islander recruitment and retention strategy to maintain a rate of at least 35 per cent.

Regulation and compliance

We will continue to effectively regulate corporations and monitor compliance under the CATSI Act. Our key measures in the coming year will be to maintain a reporting compliance rate of over 90 per cent, conduct 55 examinations

during the year, complete special administrations within six months while ensuring successful outcomes and operational corporations for members and their communities.

Training

We will continue to provide high-calibre corporate governance training and education. In this coming financial year we will also implement a new mentoring and support program for high-risk and significantly funded corporations. ORIC's nationally accredited and sought after Certificate IV in Business (Governance) and Diploma in Business (Governance) will be implemented and delivered around Australia.

Website redevelopment

Our external website is also currently being reviewed and redeveloped to ensure our website is WCAG 2.0 * compliant and continues to deliver accessible and essential information to our stakeholders and corporations.

* WCAG is the internationally recognised benchmark for website accessibility. It takes all disabilities into account, including visual, auditory, physical, speech, cognitive and neurological disabilities. WCAG 2.0 identifies techniques to create and manage web content in ways that are more accessible to people with disabilities—for example, through technologies like screen readers.

Investigations and prosecutions

Our investigation activity focuses on early identification and timely investigation of poor conduct; and then taking the necessary action against illegal activity. It is our aim to ensure the successful prosecution and appropriate legal outcomes for key matters before the courts and all investigations matters currently in progress.

Review of the CATSI Act

To ensure the legislation remains relevant, up to date, and continues to meet the needs of Aboriginal and Torres Strait Islander people, we will complete a limited review of the CATSI Act before the end of this financial year.

FaHCSIA key priority for 2012–13: reduce Indigenous disadvantage

In the coming year, ORIC will contribute to this key FaHCSIA priority by:

- ➔ working with FaHCSIA and other government agencies to achieve meaningful outcomes for Aboriginal and Torres Strait Islander corporations
- ➔ working with FaHCSIA to provide policy advice to government on governance issues relating to Aboriginal and Torres Strait Islander corporations and undertake research on Aboriginal and Torres Strait Islander corporate governance issues and sectors
- ➔ promoting economic participation by Aboriginal and Torres Strait Islander people through corporations controlled and owned by Aboriginal and Torres Strait Islander people to reduce welfare dependency and engaging Aboriginal and Torres Strait Islander people in developing solutions

- ➔ ensuring long-term sustainable benefits for native title holders by providing support, advice and training to native title corporations, taking regulatory action where poor governance or breaches of the CATSI Act are identified in native title corporations; and ensuring fees charged by RNTBCs for a range of negotiations are fees that may be charged—by giving opinions on certain fees when requested to do so under the Native Title Act
- ➔ helping corporations operate in an effective, sustainable and accountable manner
- ➔ undertaking regulatory action (for example examinations and special administrations) by focusing on high-risk and significantly funded corporations.

ORIC—an industry leader

ORIC has a reputation as a strong, helpful and proactive regulator that has achieved a lot in the last 35 years. It is also a leader in the Commonwealth in improving internal and external engagement with Aboriginal and Torres Strait Islander people. The CATSI Act gives us the ability and responsibility to make sure corporations are set up for success.

We are consistently aware of the fact that the majority of corporations want to do the right thing and with the expertise, experience and dedication of my staff, we are there to help corporations do the thing right.

Anthony Beven
October 2012

Senior management

The Registrar and senior management
as at 30 June 2012



Anthony Beven
REGISTRAR



Joe Mastrolembo
DEPUTY REGISTRAR



Lisa Hugg
SECTION MANAGER
Communications and Research



Peter Armstrong
SECTION MANAGER
Regulation



Michael Cullen
GENERAL COUNSEL



Catherine Turtle
A/g SECTION MANAGER
Training



Graeme Pert
SECTION MANAGER
Investigations and Prosecutions



ORIC staff

The Registrar was supported by 56 full-time and 6 part-time staff—equating to 55.7 full-time equivalent staff—as at 30 June 2012. There were 34 female and 28 male staff. Twenty-three staff (37.1 per cent) identified as Aboriginal or Torres Strait Islander—an increase of 1.8 per cent from 30 June 2011.



Some of ORIC's staff



ORIC staff at work





ORIC staff member, Ruth Jones, working in Canberra



ORIC training session, Yagbani Aboriginal Corporation, Goulburn Islands, NT