

**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(101) Output: Aboriginal and Torres Strait Islander Services**

Senator O'Brien (L&C 121) asked:

In relation to the Aboriginals Benefit Account, how many times had the advisory committee met in the past two years to consider grant applications?

*Answer:*

The Aboriginals Benefit Account Advisory Committee met twice over the past two years, in December 2002 to consider policy issues, and in February 2003 to consider policy issues and grant applications.

Minister Ruddock attended both meetings.

**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(102) Output: Aboriginal and Torres Strait Islander Services**

Senator O'Brien (L&C 121) asked:

How much has the reserve in the Aboriginals Benefits Account grown by over the past two years?

*Answer:*

The term "reserve" is a term utilised to quantify the net worth, or the Equity of the Aboriginals Benefits Account (ABA) at a point in time. The Equity of the ABA is disclosed in its Statement of Financial Position. The Statement of Financial Position is included in the annual audited financial statements of the ABA disclosed in the Annual Report to Parliament.

At 30 June 2001, the reserve was \$57.7m. At 30 June 2003, the reserve was \$82.4m. Thus in the past two financial years, the reserve has grown by \$24.7m.

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(103) Output: Aboriginal and Torres Strait Islander Services**

Senator O'Brien (L&C 121) asked:

How many ABA grant applications have been received over the past two years?

How many have been approved?

How much funding has been released?

*Answer:*

The information sought is set out in the table below.

Year	Number of Applications Received	Number of Applications approved under subsection 64(4) of the <i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	Funds Released under subsection 64(4) of the <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> (including prior approvals)
2003-04 (to date)	1	Nil	\$447,265
2002-03	21	3	\$1,740,502
2001-02	6	5	\$1,936,890
<b>Total</b>	<b>28</b>	<b>8</b>	<b>\$4,124,657</b>

**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(104) Output: Aboriginal and Torres Strait Islander Services**

Senator O'Brien (L&C 122) asked:

What sort of Aboriginal Benefit Account grant proposals have been refused?

*Answer:*

No proposals have been refused. There are a number of proposals that were supported at the ABA Advisory Committee meeting in February 2003 for which the former Minister reserved his decision. That was because of the uncertainty surrounding the framework for making subsection 64(4) payments under the Aboriginal Land Rights (Northern Territory) Land Rights Act 1976. The current Minister, however, has decided because of the delay to consider these applications with a view to making a decision shortly. The applications that are now being considered relate to support for economic development activities, and for land and sea management projects.

**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(105) Output: Aboriginal and Torres Strait Islander Services**

Senator Crossin (L&C 122) asked:

Can you please provide a copy of the guidelines for the release of moneys or grants under the Aboriginals Benefits Account?

*Answer:*

Provided at **Attachment "A"** is a copy of the three-year Plan of Management for the Aboriginal Benefits Account (ABA), from 1 July 2001 to 30 June 2004, approved by Minister Ruddock in August 2001. The Plan provides guidance in respect of the amount of annual payments under subsection 64(4) of the *Aboriginal Land Rights (Northern Territory) Act 1976* (the Act), the requirement for a focus on outcomes, priority on funding for purposes including social and economic development, ceremonial and funeral expenses and land management, and the requirement for best practice accountability.

Funding assessment criteria were also developed, consistent with the three-year Plan of Management, to facilitate recommendations of payments under subsection 64(4) of the Act. A copy of the funding criteria is at **Attachment "B"**.

## ATTACHMENT A

### Aboriginals Benefit Account Plan for the Three Year Period 1 July 2001 to 30 June 2004.

1. The Aboriginals Benefit Account (ABA) equity will be maintained at a minimum level of \$46 million. This equity level represents an increase of \$11 million over the previous minimum level of \$35 million, set out in the former Financial Management Strategy for the ABA, and is to provide a buffer against falls in revenue.
2. The maximum draw on the ABA by the land councils under subsections 64(1) and 64(7) of the *Aboriginal Land Rights (Northern Territory) Act 1976*, will be approved up to the level of the draw approved for 2001/2002.
3. Comprehensive Performance Audits of the four land councils will be conducted in 2001/2002, with a view to assessing their effectiveness and efficiency in the carriage of their functions under the *Aboriginal Land Rights (Northern Territory) Act 1976*, and identifying their optimum resource base.
4. An outcomes based framework for the estimates process over three year cycles will be formulated in 2001/2002, recognising the Commonwealth Government's Accrual Budgeting Framework, to be implemented with effect from the 2002/2003 estimates year.
5. The ABA Advisory Committee will convene meetings to allocate payments to or for the benefit of Aboriginal people in the Northern Territory, of \$8.5 million in 2001/2002, and \$5 million per year in 2002/2003 and 2003/2004. These payments will be consistent with the purposes of the *Aboriginal Land Rights (Northern Territory) Act 1976*, subject to the approval of the Minister on the advice of the ABA Advisory Committee, and give priority to projects which promote social and economic development, assist traditional owners to manage Aboriginal land, and assist with ceremonial and funeral expenses. The payments must be administered through properly administered projects guided by fair and transparent policies, which are outcome focussed and include best practice accountability mechanisms.
6. Non Government sources of funding are to be identified to enable Land Councils to be able to perform their functions under the *Aboriginal Land Rights (Northern Territory) Act 1976*, including providing a legal basis to Land Councils to charge for performance of their functions in respect to economic development on Aboriginal land.
7. An annual review of the ABA Plan will be conducted with full involvement of the ABA Advisory Committee and the land councils, and a report submitted to the Minister for consideration as to whether or not any changes should be made to the Plan.

**Funding Assessment Criteria (Amended)**

The subsection 64(4) proposals must:

- (a) Be consistent with the requirements of the current Plan of Management for the ABA;
- (b) Fall within the broad categories of Land Management, Social and Economic Development and Ceremonial Activities;
- (c) Have the support of the ABA Advisory Committee and the Chairperson;
- (d) Represent value for money, and provide clear, measurable outcomes;
- (e) Demonstrate the applicant's organisational capacity;
- (f) Not duplicate funding from other agencies, nor supplement the Land Councils to perform their functions already being funded for from their ongoing approved estimates of expenditure;
- (g) Contribute to economic development of Aboriginal communities in the Northern Territory; and
- (h) Ensure public accountability and independent evaluation.

**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(106) Output: Aboriginal and Torres Strait Islander Services**

Senator Crossin (L&C 123) asked:

When was the last time the ABA guidelines were reviewed or overhauled?

*Answer:*

New funding criteria were developed in 2001 in respect to applications for funding under subsection 64(4) of the *Aboriginal Land Rights (Northern Territory) Act 1976* (the Act). A copy of these criteria is provided in ATSI's answer to question no. 105.



**QUESTION TAKEN ON NOTICE**

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(107) Output: Aboriginal and Torres Strait Islander Services**

Senator O'Brien (L&C 123) asked:

How many Indigenous employees does Indigenous Festivals of Australia have?

*Answer:*

We are informed that, as of 27 February 2004, Indigenous Festivals of Australia had one Indigenous employee.

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(108) Output: Aboriginal and Torres Strait Islander Services**

Senator Crossin asked:

1. Which CDEP projects have now had financial administrators called in to run them in the past 2 years?
2. Can we have a list of them by state or territory?
3. What has been the main reason for CDEP problems discovered by investigations - fraud, incompetent financial management or other?
4. In how many has fraud been the cause?
5. Is there any evidence to show that ATSI officials have ignored warnings about such problems as suggested in the Australian of 31/12/2003 P1?
6. Is there a known figure of written off debts from these programs?
7. Is the report on the review of CDEP available - in November estimates it was stated it should be presented to the Board in December?
8. Was this just an administrative review or was it broader?
9. Has there been any interim discussion or planning of CDEP changes?
10. Are you aware of any plans to change CDEP to make it more flexible in terms of trying to produce real employment outcomes?
11. Can you tell us how many smaller CDEP projects have now amalgamated in the hope of improved efficiency and viability?
12. In the Northern Territory how many remote communities have had the CDEP numbers reduced in the last twelve months?
13. How many CDEP places have been transferred to urban CDEP programs?
14. How many of the 1000 places quarantined for Domestic Violence and Substance Abuse programs have now been allocated? Is there a breakdown of locations and numbers?
15. Is it known how much of the problem with failing CDEP's is simply lack of understanding of tax requirements such as GST/BAS?
16. Is part of the problem confusion between the 2 organisations, ATSI and ATSI as suggested by Klynton Wanganeen in the Australian of 31<sup>st</sup> December? What is the

role of each of these in CDEP?

17. In November estimates Mr Stacey stated that a submission for funding from NT Traditional Credit Union was being considered. Did they get funding?

*Answer:*

1. Between February 2002 and February 2004 14 CDEP organisations experienced major difficulties with governance and financial management.

Of the 14 CDEPs which experienced difficulties (refer table below), 3 are now operating effectively and the vast majority of participants on the remaining CDEPs have transferred into larger Regionalised or Corporate CDEPs.

<b>Region</b>	<b>Organisation</b>	<b>Grant Controller appointed</b>	<b>What happened to the participants</b>
Northern Areas SA.	Iwara Kutju (Cooberpedy)	31/8/2002	Transferred to Bungala
Bourke NSW.	Gundabooka AC (Bourke)	April 2002	Transferred to Murdi Paaki Regional Enterprise Corp
Bourke NSW	Pulkurra (Goodooga)	29/11/02	Transferred as above
Wagga Wagga NSW	Condobolin	19/9/2003	Transferred to another CDEP, awaiting formation of new regional CDEP
Wagga Wagga NSW	Wandoo (Albury)	15/9/03	As above
Wagga Wagga NSW	Baiyai (Orange/Bathurst)	June 2003	Will transfer to new regional CDEP
Tamworth NSW	Armidale CDEP	February 2004	Continues to operate under strict conditions - Grant Controller appointed
Kununurra WA	Kununurra Region Econ AC (KREAC)	21/11/03	Still operating
South Hedland WA	Ngalikuru Ngumarnta AC	3/02suspended and re-instated	Still operating
Melbourne VIC	Bunyarnda CDEP Co-op (Lake Tyers)	Feb 2002	44 of 83 transferred to another CDEP.
Roma QLD	Toowoomba AC	August 2003	Transferred to another CDEP
Roma QLD	Warrego	28/11/02	Transferred to another CDEP
Roma QLD	Bidjara CDEP	1/12/2003	CDEP transferred to a service provider
Brisbane QLD	Brisbane Council of Elders	February 2004	Continues to operate under strict conditions - Grant Controller appointed

2. Yes, see the table above.

3. Most problems currently encountered by CDEP organisations arise from the complexity of business management (including governance) and financial accountability. Most CDEP organisations are small scale community based organisations that may have multiple functions. Many operate in areas where attracting professional staff or even accessing professional skills is difficult, and where there may

be no alternative service providers.

4. There have been instances of financial mismanagement and/or corruption in some CDEP organisations. These are on record and are part of the history of CDEP but the majority of problems identified have been poor business and financial management. However, given the size and significance of the scheme in Indigenous Australia, and the challenges for organisations operating in remote areas, these instances have been relatively few, and it is not fair or reasonable to promote them as distinguishing features of CDEP.

5. There is no evidence to show that ATSI officials ignored warnings of financial mismanagement or fraud. In relation to the relatively rare cases of corruption or culpable mismanagement, the agency has established a new and expanded Investigation and Compliance Branch. A new ATSI Ethics Committee is also overseeing the investigation of allegations of fraud and other serious complaints.

6. Yes, \$225,000 has been identified. Most funding deficits have been met by sale of assets or from generated income savings.

7. The Review of CDEP was a progressive policy development process and not a specific program or project review. The ESP Board Committee, which has responsibility for this policy area, met in February and finalised their CDEP policy position in readiness for presentation to the Board of Commissioners March meeting.

8. The review formulated an ATSI, Community Development & Employment Policy (CD & EP) position which ATSI has not had before. In formulating the policy ATSI reviewed all aspects of the programs performance and application over the past 25 years, past formal reviews, workshops and meetings and used that information to formulate ATSI CD & EP Policy. The resultant policy is being tabled for consideration at the March 2004 Board of Commissioners meeting.

9. ATSI's Economic and Social Participation Board Committee has distributed discussion papers and held workshops over a two year period. ATSI and ATSI have broadly consulted and informed of CD & EP policy and the move to contracts in 2004-05 as they will affect all current grantees.

10. CDEP is a very flexible program that operates in a variety of situations from remote Australia to urban areas. It has always had multiple benefits: it provides employment and training for individuals; community development; is a low risk business incubator, and is a means of delivering other government programs. ATSI has been proactive in strengthening linkages with mainstream programs and service providers.

The intention of the CD & EP position is to clarify and prescribe employment outcomes where these are possible, via participation in CD & EP and better linkages between CD & EP to training, employment services and other services such as personal support, training account and other employment assistance which CD & EP participants may have not enjoyed equal access to in the past. Where labour markets are more limited the outcomes can be tailored to using the program to achieve local labour market outcomes whereby local jobs are able to be undertaken by local people with the skills and training to enable them to do so. Where there is no labour market beyond this, the program is designed to achieve sustainable community outcomes.

11. In recent years ATSIC-ATSIS has been sponsoring internal reforms including rationalisation of CDEP organisations and their amalgamation into larger regional or corporate CDEPs, to achieve administrative efficiencies. There have been 25 amalgamations throughout Australia: 8 in the Northern Areas Region (Port Augusta), 8 in the Broome Region, 9 in Kalgoorlie Region, and 6 in the Bourke Region. Three other Regional Offices (Cairns, Rockhampton and Wagga Wagga) have also advised that CDEPs within their Regions have commenced discussions and negotiations to examine benefits of mergers.

12. In the past 12 months 27 CDEPs in the Northern Territory have had a reduction in numbers due to non-utilisation of the CDEP places, conversely 15 CDEPs have had an increase in allocated CDEP places.

13. No CDEP participant places have been transferred by the National program area to urban areas. However, CDEP participant places are distributed by ATSIC Regional Councils and there may be instances where urban CDEPs have demonstrated a need for extra places.

14. 924 to date – see attached Table which includes a breakdown by State, numbers and project (Attachment A).

15. In the main the problems encountered by CDEP organisations arise from the complexity of business management and financial accountability. Whilst it is understood that the paperwork associated with the FBT, the GST, taxation and superannuation can become burdensome, there is no evidence to suggest that a lack of understanding of tax requirements has been the sole reason for the failure of CDEP organisations. However the Australian Tax Office (ATO) has been approached to provide information sessions to Indigenous organisations on a range of taxation matters.

16. No. From the commencement of financial year 2003-04, ATSIS has been responsible for making funding decisions in respect of programs formerly administered by ATSIC. The Minister's Directions to the CEO of ATSIS require him to take all reasonable steps to ensure that the policies and strategic priorities of the elected arm (the ATSIC Board and the Regional Councils) are complied with, subject to any overriding Government policy. Thus, the elected arm continues to determine in broad terms how and where the budget for programs (\$967.41m) appropriated to ATSIS in 2003-04 will be spent.

This is an interim arrangement pending the outcome of the ATSIC Review by the Government.

17. Yes. Grant funding was approved by ATSIS in January 2004 and a letter of offer issued to the Traditional Credit Union. The Traditional Credit Union accepted the offer in February 2004.

## 2003-04 CDEP WORKING FOR FAMILIES BUDGET ALLOCATIONS

State	number of projects	Activity Description	places approved	start date
<b>Qld</b>	21 CDEPs	Resource Centre, Day Care Services, Playgroup Support, Vacation Care /After School Program, Women's Development Officer, Admin Support Officer Family Violence Action Plans, Community Initiatives, Community Legal Education Officers. Family Support Workers. Liaison Officers, Youth Activities, Alcohol & Substance Abuse Program, Community Patrols )/Employment Program, Community Police &FV Centre Night Patrols/Family Violence Issues	<b>323</b>	Estimated start date ranges from 19/01/2004 to 30/4/04
<b>Victoria</b>	1 CDEP	Support Workers	<b>10</b>	Start date 1/12/2003
<b>Northern Territory</b>	15 CDEPs	Juvenile Pre-court Diversionary Scheme Band/alternative Activities for those at risk, Night PatrolWomens Safe House, Youth Development Program, Gulf Health Service, Night Patrol, Womens Resource Centre, DV & Substance Abuse Councillors Will involve 2 host organisations (Larrakia Nation & Mission Australia) in Darwin. Plus Kunbarllanjja Comm Govt Council (300 km east of Darwin)	<b>131</b>	start date of 17/11/2003 to 5/3/2004
<b>South Australia</b>	10 CDEPs	Night Patrol /Playgroup Officer/Youth Support Officers, Support for Disabled victims, Disability Employment Program Targets Dom Violence victims or those at risk, Support services in lower Socio Economic Southern Adelaide Mt Gambier & Murray Bridge. Training Access and Services for Women and Youth. night patrol	<b>120</b>	Start date 1/12/2003 to May 2004
<b>Tasmania</b>	1 CDEP	Working for Families	<b>4</b>	Start date 19/1/2004
<b>WA</b>	State allocation	To improve Family wellbeing and reduce substance misuse. Mostly expanding the current range of intervention activities and reducing vandalism etc 2 submissions	<b>290</b>	2 Submissions Start date 1/7/2003 & March/April 2004
<b>NSW</b>	7 CDEPs	Referrals, implementation of initiatives and strategies Regional ACLO Trainees, Bourke Community Action Patrol, Regional Sport & Rec Trainees	<b>46</b>	Expected starting date of late Feb or mid March.

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING: 17 February 2004**

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS PORTFOLIO

**(109) Output: Aboriginal and Torres Strait Islander Services**

Senator Carr asked:

How many staff at the Aboriginal and Torres Strait Islander Service (ATSIS) are employed on AWAs?

Please provide figures for each staff classification, for each year of the past three years.

*Answer:*

The table below provides the details sought. The data has been collated as at 31 December in each of the years requested.

	SES Band 3	SES Band 2	SES Band 1	Exec Level 2	Exec Level 1	APS Level 6	APS Level 5	TOTAL
2003	1	6	27	42	6	5	1	88
2002	1	1*	19	47	7	4	1	80
2001	0	1*	21	44	3	4	0	73

\* Only one officer was substantive at this level during 2001 and 2002. Other officers were acting in other positions but had an AWA at their substantive level.