

Appendix 4

Answers to Questions on Notice from Indigenous Business Australia

31 May 2012

Community Affairs Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
INDIGENOUS BUSINESS AUSTRALIA
11 May 2012

Topic: IBA

Question No: 1

Hansard Page: CA8

Senator Scullion asked:

How was the decision made to hold the Conference on the Gold Coast? Was Canberra the cheaper option for the Conference?

Answer:

The Deloitte Report stated that, the then Acting Assistant General Manager of Equity and Investments, had delegated authority under the *Aboriginal and Torres Strait Islander Act 2005* to approve expenditures of up to \$100,000.

The Acting Assistant General Manager of Equity and Investments convened an informal committee of Equity and Investments team members to consider possible venues for the Conference to be held from 31 October to 3 November 2011. Following this, a preliminary budget was prepared setting out the estimated costs of hosting the Conference in Alice Springs, Townsville or the Gold Coast.

As a result of the preliminary budget, the Gold Coast option was considered the most cost competitive venue. Favourable rates had been quoted for conference facilities and accommodation at the Gold Coast venue.

Upon being informed of the proposal to host the conference at the Gold Coast, the Chief Executive Officer asked the Acting Assistant General Manager of Equity and Investments to assess how the costs compared against hosting the Conference in the Canberra region.

The estimate for Canberra was only prepared for the purposes of a high level comparison with other venues.

The estimate, reproduced in the Deloitte Report, indicates that the cost of hosting the Conference in the Gold Coast, as set out in the estimate, was comparable with hosting the Conference in the Canberra region. As indicated in the Deloitte Report the Gold Coast was also considered to be a neutral location.

When informed about the proposal to hold the Conference at the Gold Coast, the Chief Executive Officer made enquiries to satisfy himself that the relative cost effectiveness of the Gold Coast had been considered.

The Acting Assistant General Manager of Equity and Investments had the necessary delegation to approve the expenditure and approved the Gold Coast as the venue for the Conference, acting under this authority.

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Topic: IBA

Question No: 2

Hansard Page: CA9

Senator Scullion asked:

How many IBA investment branch personnel actually run businesses where the lessons learnt at Movie World can be put into practice?

Answer:

Eleven IBA Equity and Investments personnel are involved in the acquisition or management of tourism and hospitality related businesses. Many of these personnel hold directorships on the boards of the entities through which IBA holds its financial interest.

Movie World offered the opportunity to experience food and beverage, retail and merchandising, and tour and ticketing operations. IBA has a financial interest in 9 active tourism or hospitality related businesses across Australia, and is in the process of settling another 3 tourism related businesses. Of the 9 active businesses, all maintain food and beverage operations, 5 maintain retail and merchandising operations, and 3 offer tours for which an understanding of ticketing and related facilities is relevant.

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Topic: IBA

Question No: 3

Hansard Page: CA9

Senator Scullion asked:

Please provide a copy of the minutes of the Board meeting where Dr Casey allegedly raised her conflict of interest with the Board?

Answer:

The Deloitte report states at page 9: “Dr Casey told us that, in 2009, she declared to the Board a perceived conflict of interest due to her distant family connection to a current Tjapukai employee, Mr David Hudson”.

Dr Casey told IBA directors about her distant relationship with David Hudson, General Manager of Tjapukai Aboriginal Cultural Park (Tjapukai), and also her childhood connection to Cairns, at a Board meeting in 2009. Dr Casey did not, and still does not, consider that this relationship gives rise to a material personal interest under the *Commonwealth Authorities and Companies Act 2005*.

The IBA Board again discussed Dr Casey’s potential conflict of interest in relation to Tjapukai at its 66th meeting in September 2010. The Board resolved that Dr Casey did not have a material personal interest to declare. A copy of the relevant extract from those minutes is attached. The minutes of this meeting are also attached at Appendix R to the final Report of the Independent Investigation into anonymous allegations provided to the Department of Families, Housing, Community Services and Indigenous Affairs by Deloitte Touche Tohmatsu.

In addition to any declarations that are made at a Board meeting each Board Director signs an annual standing Declaration of Personal Interest.

The Deloitte report found no evidence of any conflict of interest by Dr Casey in relation to Tjapukai.

Extract of Board Minutes dated 14 September 2010 (Meeting 66)

5. Declaration of Material Personal Interests (Agenda Item No. 1)

Dr Casey invited the Board to declare any material personal interests arising from the Agenda. There were two declarations, both having been made by the Directors concerned following the circulation of the meeting agenda and prior to the despatch of Board papers to Directors:

Ms Cooms declared that she may have a material personal interest in the Minjerribah Camping, Stradbroke Island agenda item (10(b)(ii)) because she comes from the area.

Mr Trust indicated that he may have a material personal interest with the Tiwi Island Project agenda item (10(b)(iii)) because he is a Board member of the ILC.

There was brief discussion about Dr Casey's involvement with Tjapukai. It transpires that any advice Dr Casey offered the business was done so on a 'no payment' basis.

The Board:

1. **AGREED** that Ms Cooms had a material personal interest in the Minjerribah Camping, Stradbroke Island agenda item and that she should excuse herself from the meeting during any discussion of the matter.
2. **AGREED** that Mr Trust did not have a material personal interest in the Tiwi Island Project agenda item.
3. **AGREED** that Dr Casey did not have a material personal interest in the Tjapukai agenda item.

COMMERCIAL IN CONFIDENCE

Community Affairs Legislation Committee
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Topic: IBA

Question No: 4

Hansard Page: CA10

Senator Scullion asked:

Would Dr Casey be prepared to release the Powerhouse Email account?

Answer:

The Department of Families, Communities, Housing and Indigenous Affairs engaged Deloitte Touche Tohmatsu to conduct an independent forensic investigation into various anonymous allegations concerning officers of IBA. Deloitte determined the methodology for its investigation.

IBA provided Deloitte with full access to all documents, all witnesses and its IT system. All emails between Dr Casey, directors of IBA and IBA Executives are available on the IBA email system. Deloitte had full access to these emails.

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Topic: IBA

Question No: 5

Hansard Page: CA11

Senator Scullion asked:

Was the comparison of costs for the Conference carried out before or after Estimates?

Answer:

The cost comparison for all conference venues, including Canberra was completed before the Conference (31 October to 3 November 2011). The budget comparison spreadsheet was created in July 2011 and last amended on 27 October 2011. This is before the date of the Conference and the Senate Estimates hearing of 17 February 2012.