

**SENATE STANDING COMMITTEE ON ENVIRONMENT,  
COMMUNICATIONS AND THE ARTS**

**FaHCSIA – ANSWERS TO QUESTIONS ON NOTICE**

**Inquiry into Forestry and Mining Operations on the Tiwi Islands  
Friday 14<sup>th</sup> August 2009**

**Hansard Page: ECA 6**

**Senator McDonald asked:** What interaction is there between the land council and its commercial operations with other FaHCSIA programs on the Tiwi Islands?

**Answer:** The Aboriginals Benefit Account (ABA), which is administered by FaHCSIA, provides ongoing financial support to the Tiwi Land Council for its operations. The ABA has also provided some assistance to the Land Council's commercial operations and details have been provided in the response to Senator Siewert's Question on Notice (Hansard Page Ref ECA 10).

No other FaHCSIA programs have provided financial support to the Tiwi Land Council and its commercial operation on the Tiwi Islands.

Please list all Branches/Offices/Consulted:

1. NT Territory Office

	<b>Action Officer:</b>	<b>Group Manager</b>
Name:	Mark Walker	Fiona Smart
Position:	Section Manager	
Branch/Group:	Indigenous Programs	Program Performance
Work phone number:	02 6121 4788	02 6121 4106
Mobile phone number:	0417 048 724	0408 023 920
<b>Cleared by Group Manager</b>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>	<b>Date:</b>
		<b>GM Initial</b>

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**Hansard Page:** ECA 10

**Senator Siewert asked:** How much from the ABA fund has been used to pay for what infrastructure on the Tiwi Islands? Can you give us details of what the projects were, how much they were and when they were?

**Answer:**

<b>Date Approved</b>	<b>GRANTEE</b>	<b>PURPOSE</b>	<b>AMOUNT APPROVED</b>
23 December 2003	Port Melville Pty Ltd	Construct a loin back port facility	\$4,295,000
15 September 2005	Tiwi Education Board	Infrastructure works, power, sewerage and internal road works of the Tiwi College	\$1,900,000
27 February 2006	Tiwi Land Council	Scoping study of Tiwi people's involvement in the expansion of the forestry industry on Tiwi Island.	\$66,592
29 March 2007	Tiwi Land Council	Tiwi Land Council Office Building at Pickertaramoor	\$298,000
12 October 2007	Tiwi Island Training & Employment Board	Construct a staff accommodation duplex at Nguuu	\$160,160
30 November 2007	Tiwi Education Board	Tiwi College Accommodation facilities (Family group homes, staff accommodation, administration building, landscaping and remediation of site contamination)	\$2,060,000
30 November 2007	Catholic Education Office Xavier Community Education Centre	Young Tiwi Women Centre	\$40,100

7 December 2007	Catholic Education Office	Upgrade of the Murrupurtiyanuwu Catholic School and Xavier Community Education Centre	\$2,465,000
23 September 2008	Catholic Education Office Xavier Community Education Centre	School Bus for Xavier Community Education Centre - Bathurst Island	\$44,741
24 October 2008	Tiwi Islands Shire Council	Purchase earthmoving and road building equipment	\$2,000,000
		<b>Total</b>	<b>\$13,329,593</b>

Please list all Branches/Offices/Consulted:

1. Northern Territory State Office

	<b>Action Officer:</b>	<b>Group Manager</b>
Name:	Greg Woodroffe	Fiona Smart
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		<b>GM Initial</b>

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**Hansard Page:** ECA 9

**Senator Crossin asked:** There is quite a small number of people—five or six—who may sit on the land council but who may also be a director of Tiwi Enterprises or a director of Pirntubula. Is there any legislation that you know of that forbids that happening? Is it legal, that you can actually be on the land council plus also be a director of the two companies that benefit from the assets of the land council?

**Answer:** Of the 40 members of the Tiwi Land Council, some members may be members or directors of other organisations which interact with the Land Council. The *Aboriginal Land Rights (Northern Territory) Act 1976* is silent on this issue and does not prohibit a person from being a member of a Land Council and simultaneously being a director of a company or organisation that has a relationship with the Land Council. FaHCSIA is unaware of any other legislation that may prohibit such an arrangement.

Please list all Branches/Offices/Consulted:

- 1.
- 2.

	<b>Action Officer:</b>	<b>Group Manager</b>
Name:	Mark Walker	Fiona Smart
Position:	Section Manager	
Branch/Group:	Indigenous Programs	Program Performance
Work phone number:	02 6121 4788	02 6121 4106
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		<b>GM Initial</b>

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**Hansard Page: ECA 12**

**Senator Birmingham (Chair) asked:** It might be good if we could circulate a copy of the broad review amongst the membership (Office of Evaluation and Audit (Indigenous Programs) *Performance Audit of the Northern Territory Land Councils*).

Would you summarise the findings of the broad review as to the transparency and accountability of the arrangements as they have evolved under the Land Rights Act.

**Answer:** The Executive Summary of the Office of Evaluation and Audit's report has been provided at **Attachment A**. The entire report can be found at the Department of Finance and Deregulation's web page at: <http://www.finance.gov.au/oea/publications-and-reports.html>

Please list all Branches/Offices/Consulted:

1.

	Action Officer:	Group Manager
Name:	Mark Walker	Fiona Smart
Position:	Section Manager	
Branch/Group:	Indigenous Programs	Program Performance
Work phone number:	02 6121 4788	02 6121 4106
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Cleared by Group Manager	Yes <input type="checkbox"/> No <input type="checkbox"/>	Date: GM Initial

**Office of Evaluation and Audit (Indigenous Programs) *Performance Audit of the Northern Territory Land Councils***

**Key Findings**

10. The findings of this report are based on audit field work conducted with each of the Land Councils between February and March 2007. Circumstances and findings relating to some Land Councils have changed since then.

**Performance of Land Councils**

11. The Office found a lack of coherent, useful data to support accurate analysis and comparison of Land Council performance. The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) introduced a new performance framework (the Outcome/Outputs Framework) in 2006 which had not been in use long enough for the Office to assess its effectiveness; however the Office found an absence of Key Performance Indicators (KPIs) for the Outcome/Outputs Framework. The Office also found that the priorities and work of the Land Councils is changing from focusing on land claim activities to land use activities.

**Corporate Governance of Land Councils**

12. Corporate governance was considered to be in a generally good state. The larger Land Councils demonstrated more robust corporate governance systems, with their corporate governance training material for Councillors considered best practice amongst Land Councils. However, neither the NLC nor the CLC ensured they owned the intellectual property for the training material. That said, the Office identified a number of improvements in corporate governance across the Land Councils that could be initiated.

Notably, the Office found a lack of transparency surrounding Land Councils' dealings with external commercial entities they established to promote economic development, including Councillor appointments and positions within these entities. Identification of traditional owners by smaller Land Councils could also be improved through developing accurate and up to date traditional owner registers.

**Administration of Land Councils**

13. The Office found that efficient and effective administration of the Land Councils has been inhibited by the budgetary process. The deficit funding approach undertaken by FaHCSIA for ABA funding is not an optimal approach. It provides an incentive for Land Councils to maintain the status quo, even as their priorities are changing, due to a fear of losing existing funding. The Office also found that Land Councils should attempt to recover all costs associated with negotiating, managing and monitoring Land Use Agreements (LUAs) from parties seeking agreements instead of absorbing such costs.

## **Identification of better practices within Land Councils**

14. In undertaking this audit, the Office identified a number of practices by Land Councils which were effective and worthy of consideration by other Land Councils. In particular, the following practices were noted:

- The development of the governance training and induction materials for Full Council members by the NLC and the CLC. The materials are clear, concise and tailored to the needs of the Aboriginal Councillors.
- The creation of the Aboriginal Associations Management Centre (AAMC) by the CLC supporting Aboriginal Associations on a fee for service basis.
- The implementation of a Managers' Training Program by the TLC aimed at identifying and developing Aboriginal people to take over leadership positions within the Land Council.