

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Budget Estimates 2017 - 2018

Prime Minister and Cabinet Portfolio

Department/Agency: Indigenous Land Corporation
Outcome/Program: Outcome 2:
Topic: Divestment of Leases

Senator: Dodson

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Question:

Senator DODSON: How many properties are waiting to be divested by the ILC?

Ms Button: Fifty-one.

Senator DODSON: How long have they been sitting there?

Ms Button: I would have to take that on notice. I can get you a list of the 51 properties and the dates they were acquired.

Senator DODSON: Okay. Can you give me also some indication—you have mentioned the number of things: governance, capacity and so on. But can you give me some indication of what is holding up that process of divestment to whomever—the individual areas that you are talking about? That would be useful as well. And what are you doing to try to expedite that process? Obviously this whole fund was set up to benefit Indigenous people. Properties were bought. If they are not being divested then the capacity for those people to get the benefit of that is being limited. And now we have a new system, it seems, where the stock associated with those properties is now put into a different category where people have to find the financial resources in order to buy back that stock that was initially bought, subject to the improvements et cetera. If you could give me some answers on that, I would be very happy.

Answer:

The ILC currently holds title to 51 properties. Five of the current 51 have been approved for divestment and are awaiting the formal transfer of titles.

Therefore the ILC holds 46 properties that it is yet to divest. A number of these properties are part of an aggregation (multiple titles or neighbouring properties). On this basis the 46 properties represent 41 future divestments.

Twenty-seven properties have been held for more than 10 years including six transferred to the ILC from ATSIC, and 21 purchased by the ILC. In relation to these 27 properties the following points should be noted:

- seven are scheduled for divestment within the next 12 months
- 10 require the identification of future Indigenous title-holding bodies. The ILC is working with relevant Native Title Representative Bodies or Prescribed Bodies Corporate in

relation to six of these; it is working with other local Indigenous organisations to source future title-holding bodies for the remaining four.

- 17 are currently leased and/or part of an active divestment strategy.

Most of the 27 long-term-held properties were purchased under the ILC's early and developing approaches to land acquisition and divestment.

Over recent years, the ILC has adopted a different approach, focusing on:

1. greater due diligence at the acquisition stage which includes ensuring the prospective land-owning group is well placed to take ownership of the property within a 1–3 year period
2. purchasing properties with an eye to immediate divestment
3. divesting properties in a shorter period.

The success of this approach is evident in the small number of properties (four) acquired since 2012 that are yet to be divested. It should be noted that of these four: one is a complex historical property gifted to the ILC, and two are properties that were returned to the ILC following the Indigenous land-owning corporation's being wound up or placed in special administration. The return of these properties ensured the properties were not lost from the Indigenous Estate.

The ILC is currently working actively with 34 Indigenous groups towards divestment. This work is focused on supporting groups to achieve the requirements of divestment, including evidence of:

- strong and stable governance arrangements
- a history of good financial management
- future financial security
- experience in managing the property, sustaining land-owner obligations, using the property for its intended purpose, and deriving Indigenous benefits
- a secure and viable model to manage, use and care for the property in the future
- the ability to continue to derive Indigenous benefits from ownership of the property.

Questions relating to the status of livestock owned by the ILC when properties are divested are answered in QoN 73.

ATTACHMENT

ILC-held properties to be divested

Year	Property	Year	Property
1997	1. Mimosa, Gayndah, QLD	2007	28. Wurangura St, Newman, WA
			29. Curedale St, WA
			30. Avondale Park, WA
1998		2008	31. Old Sister Kate's Health and Wellbeing Centre (Bush Block), WA
			32. Taylor St, Coen, QLD
			33. Shepard St, Coen, QLD
			34. Mossman Gorge Centre, QLD
1999	2. Karunjie, WA	2009	
	3. Durack River, WA		
	4. Home Valley Station, WA		
2000		2010	35. Fish River, NT
			36. Weipa Hostel, QLD
			37. Gibbagunya, WA
			38. Banka Banka, NT
2001	5. Bollanolla, NSW	2011	39. Mindanao (Banana properties), QLD
	6. Menera, NSW		40. Somerset (Banana properties), QLD
	7. Warraparinga, SA		41. Tiamby (Banana properties), QLD
	8. Old Pooncarie, NSW		42. Ayers Rock Resort, Yulara, NT
2002	9. Jinchilla Gardens, NSW	2012	43. Clontarf Campus, Perth, WA
	10. Crocodile Station, QLD		
	11. Welcome Station, QLD		
	12. Falbala Farm, VIC		
2003	13. Peach Tree Centre, Nambucca Heads, NSW	2013	
	14. Laverton Town Block, WA		
2004	15. Roelands Farm and Village, WA	2014	
2004	16. Jumbun Farm, QLD	2015	44. Panatana, Tas.
2005	17. Trelawney, NSW	2016	45. Weilmoringle, NSW (re-acquisition)
	18. Ground Floor, Black Theatre Building, Redfern, NSW		
	19. Level 1, Black Theatre Building, Redfern, NSW		
	20. Wawu Dinbi, Mossman Gorge, QLD		
	21. Merepah, QLD		
	22. St Mary's, NT		
2006	23. Abercrombie St, Redfern, NSW	2017	46. Dick Ward Drive, Coconut Grove, NT (re-acquisition)
	24. Merriman, Brewarrina, NSW		
	25. NCIE, Redfern, NSW		
	26. Carranya, WA		
	27. Murray's Lagoon, Kangaroo Island, SA		