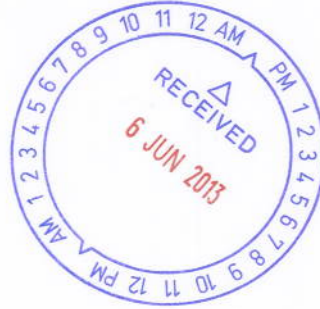




Australian Government
Indigenous Land Corporation



5 June 2013

Senator Claire Moore
Chair
Community Affairs Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Senator

At Senate Estimates hearings on 15 February 2013 questions were raised about the National Centre of Indigenous Excellence Ltd (NCIE), in particular about matters associated with a \$12,000 contribution by NCIE toward a statue of Lionel Rose and appointments to the NCIE Board.

Senator Scullion variously described the events as "*wrongdoing*" and "*smacking of corruption*" (Hansard, Community Affairs Legislation Committee, 15 February 2013, page 31) and asked if the ILC would undertake to investigate the matter. I agreed to have a look at the issue. Subsequently, the Chair of the ILC also asked me for a report on the matters.

Following enquiries into the allegations I have found that, on the evidence and information available to me, the suggestion there is some linkage between the statue issue and the decisions on NCIE Board appointments is implausible. A number of factors support this conclusion:

- There is almost two years between the events
- Lobbying of the kind queried by Senator Scullion was denied by all parties
- The majority of the ILC Board had no knowledge of the Lionel Rose statue issue until it was raised in the Senate hearings. That is, they were unaware of the events and issues at the time they took decisions on the composition of the NCIE Board.

One other matter has arisen from my enquiries which causes me to seek to clarify advice given to the Committee on this matter during the hearings. In response to a question from Senator Scullion about the NCIE CEO's authority and delegation to provide such a donation, the Committee was advised that: "*He did act outside of his authority with regard to that decision*" (Hansard, Community Affairs Legislation Committee, 15 February 2013, page 31). My enquiries suggest the issue is not as clear cut as that, but rather a matter of interpretation. My enquiries confirm that the NCIE CEO acted within his financial delegation. What was questioned was whether a contribution to the Lionel Rose statue was consistent with the purposes of the NCIE. The (then) ILC CEO formed the view it was inconsistent with the purposes of the NCIE and that would appear to have been supported by at least one of the NCIE Co-Chairs. However, the views/concerns do not seem to have been clearly communicated to the NCIE CEO, either orally or in writing.

Accordingly, as the matter was not clearly raised, discussed and resolved it is unreasonable to leave on the public record an unqualified statement that the NCIE CEO acted outside authority.

Yours sincerely

BRUCE GEMMELL
Acting Chief Executive Officer