

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 24-28 February 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Indigenous Land Corporation – NCIE

Senator: Senator Bridget McKenzie

Question reference number: 108

Type of Question: FPA, Friday 28 February 2014, page 30 & 31

Date set by the committee for the return of answer: 11 April 2014

Number of pages: 1

Question:

Senator McKENZIE: Before the auspice arrangements changed. Okay. We were talking about the \$6 million done earlier: what due diligence was undertaken by NCIE prior to the acquisition?

Mr Dillon: I would have to take that on notice.

Senator McKENZIE: We had \$6 million from an acquisition that we heard a great deal about over the last half an hour, but we do not have any idea about the due diligence that was done by NCIE around the change of an auspicings arrangement that they clearly had discussions about. You will take it on notice?

Answer:

As there was no purchase of assets or a business, no formal asset or business due diligence process was undertaken. The Koori Job Ready Program was novated from the New South Wales (NSW) Government to NCIE.

The novation of the Koori Job Ready Program involves the transfer of program funding, a licence agreement for the land involved and a deed of grant relating to assets being used in the Program.

All costs incurred by the Program are funded by the NSW and Australian Governments. Accordingly, the scope for financial liabilities arising from the novation of the arrangements is no greater than what is involved in applying for a grant.

NCIE engaged KPMG to assist in elements of the transition.