

**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

**Senator:** Senator the Hon Jan McLucas

**Question reference number:** 146

**Type of Question:** Written

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

**Number of pages:** 2

**Question:**

The Minister for Indigenous Affairs announced a review of the Indigenous Land Corporation and Indigenous Business Australia on 2 December 2013.

- a. Please table all correspondence between the Indigenous Land Corporation, Indigenous Business Australia and the Minister for Indigenous Affairs regarding the review and its terms of reference.
- b. Please table screen shots of all versions of the terms of reference that were placed on departmental and ministerial web pages. Please advise if there are any discrepancies between the versions of the terms of reference.
- c. Prior to receiving the Ernst and Young report on 17 February 2014, did the Department, the Minister or the Minister's office receive any earlier versions of the report from Ernst and Young, including in draft form? If yes, did the Department, the Minister, or the Minister's Office request any changes to any earlier versions that were received? Please list specific changes that were requested and any related correspondence between Ernst and Young, the Minister, the Minister's office and the Department.

**Answer:**

- a. Below is a table listing correspondence between the Minister for Indigenous Affairs, the Indigenous Land Corporation (ILC) and Indigenous Business Australia (IBA) regarding the review of the ILC and IBA and its terms of reference, up until 12 May 2014.

Consultation with third parties would be required prior to provision of the correspondence.

# Senate Finance and Public Administration Legislation Committee

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Additional Estimates 24-28 February 2014

### Prime Minister and Cabinet Portfolio

1 December 2013	Letter from Minister Scullion to Dr Casey (ILC and IBA)
6 December 2013	Letter from Dr Casey (ILC) to Minister Scullion
16 December 2013	Letter from Minister Scullion to Dr Casey (ILC)
20 December 2013	Letter from Minister Scullion to Dr Casey (ILC)
26 March 2014	Letter from Minister Scullion to Dr Casey (ILC)

- b. The following appears on the Department of the Prime Minister and Cabinet's website at <http://www.ilcibareview.dpmc.gov.au/terms-of-reference>. The entry was placed on the website on 6 December 2013 and has not been amended since that time.

### Terms of Reference

The review will consider and make recommendations on the following:

- a. The effectiveness of Indigenous Business Australia (IBA) and the Indigenous Land Corporation (ILC), as they are currently constituted, in driving Indigenous economic development through employment, training, business development, land acquisition and management and home ownership.
- b. The optimal structure and function of government effort to drive Indigenous economic development. This should include consideration of whether outcomes could be enhanced by integrating IBA and the ILC into a single entity.
- c. If a statutory body is considered the best approach, how to structure arrangements to ensure:
  - i. efficient administration and reduce red tape
  - ii. transparency and accountability of public funds
  - iii. appropriate powers of Ministerial direction or Government control

There is no intention to change, alter or take savings out of the Aboriginal and Torres Strait Islander Land Account, which funds the land acquisition and land management functions of the Indigenous Land Corporation.

Two media releases dated 2 and 9 December 2013 appear on the Minister for Indigenous Affairs' website at <http://www.nigelscullion.com/media-hub/indigenous-affairs/review-indigenous-business-australia-and-indigenous-land-corporation> and <http://www.nigelscullion.com/media-hub/indigenous-affairs/ilc-iba-reviewer-announced>, (copies attached).

- c. No earlier versions of the report were provided by Ernst and Young.



# **Media Release**

## **Minister for Indigenous Affairs**

### **Senator the Hon. Nigel Scullion**

Leader of the Nationals in the Senate  
Country Liberals Senator for the Northern Territory

Monday, 2 December 2013

## **Review into Indigenous Business Australia and the Indigenous Land Corporation**

The Australian Government will commence an independent review into Indigenous Business Australia and the Indigenous Land Corporation, Minister for Indigenous Affairs, Senator Nigel Scullion, announced today.

“Improving economic opportunities for Aboriginal and Torres Strait Islander people is essential if we are to close the gap on Indigenous disadvantage,” the Minister said.

“It has been said before that Indigenous Australians are land rich but dirt poor. We must link land to economic opportunity.

“The review will make recommendations about how we might improve the effectiveness of these two principal land and economic development statutory bodies, and how we can drive economic development in an integrated way through employment, training, business development, land acquisition and management as well as home ownership.

“It will explore the optimal structures for our efforts to drive Indigenous economic development and how duplication and overlap can be avoided.

“One issue is whether Indigenous economic outcomes can be enhanced by integrating the Indigenous Land Corporation and Indigenous Business Australia into a single entity.

“The former Government recognised overlap by appointing the same Chair and Deputy Chair for the two governing boards. The review will consider whether the links between these organisations need to be strengthened further.”

Senator Scullion said the review would also consider and make recommendations on how best to structure arrangements to ensure efficient administration and reduce red tape; transparency and accountability of public funds; and appropriate powers of Ministerial direction or Government control.

“The Aboriginal and Torres Strait Islander Land Account will not be part of the review,” the Minister said.

“It provides a stable revenue stream to fund Indigenous land acquisition and management activities and I will ensure that this is maintained,” the Minister said.



# **Media Release**

## **Minister for Indigenous Affairs**

### **Senator the Hon. Nigel Scullion**

Leader of the Nationals in the Senate  
Country Liberals Senator for the Northern Territory

Monday, 9 December 2013

## **ILC-IBA reviewer announced**

Federal Indigenous Affairs Minister, Senator Nigel Scullion, today announced that the Australian Government had engaged Ernst & Young to conduct the independent review of Indigenous Business Australia and the Indigenous Land Corporation.

The review, announced earlier this week, will make recommendations to the Government about how to improve the effectiveness of these two principal land and economic development statutory bodies.

It will also consider how we can drive economic development in an integrated way through employment, training, business development, land acquisition and management, as well as home ownership.

“Ernst & Young brings significant commercial experience, a strong knowledge of Indigenous issues and a deep understanding of effective public administration,” Minister Scullion said.

Details of the review and how public comment and submissions can be made, is available online at: <http://ilcibareview.dpmc.gov.au>

### **Terms of Reference**

The review will consider and make recommendations on the following:

- a) The effectiveness of Indigenous Business Australia (IBA) and the Indigenous Land Corporation (ILC), as they are currently constituted, in driving Indigenous economic development through employment, training, business development, land acquisition and management and home ownership.
- b) The optimal structure and function of government effort to drive Indigenous economic development. This should include consideration of whether outcomes could be enhanced by integrating IBA and the ILC into a single entity.
- c) If a statutory body is considered the best approach, how to structure arrangements to ensure:
  - i. efficient administration and reduce red tape
  - ii. transparency and accountability of public funds
  - iii. appropriate powers of Ministerial direction or Government control