

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Registrar of Indigenous Corporations

Outcome/Program: Registrar of Indigenous Corporations

Topic: Corporate governance in the corporate sector

Senator: Senator Cory Bernardi

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Question:

How has the strong regulatory approach combined with support and capacity building services led to improvements in corporate governance within the Aboriginal and Torres Strait Islander corporate sector?

Answer:

Over the past six years there have been significant improvements in the corporate governance of Aboriginal and Torres Strait Islander corporations. For example:

- corporation reporting compliance has increased from 59 per cent in 2007 to over 95 per cent in 2013;
- the number of corporations issued with compliance notices by the Registrar of Indigenous Corporations to correct breaches of the legislation or their constitutions has declined by over 50 per cent in the period from 2009-10 to 2012-13; and
- disputes involving Aboriginal and Torres Strait Islander corporations has declined by almost 50 per cent from 2011-12 to 2012-13.

Full statistics are available in *Snapshot of ORIC* released by the Minister for Indigenous Affairs, Senator the Hon Nigel Scullion, on 25 October 2013.

These indicators of corporate governance health are attributed to a combination of enforcement action and a wide range of support and capacity building activities.

Enforcement outcomes

- So far in 2013–14 the Registrar has achieved prosecution outcomes in 36 criminal matters and three civil matters. Five of these involved action against directors and officers of corporations (two criminal and three civil).

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Support and capacity building services

- The Registrar has increased the provision of corporate governance training to directors, members and key staff of Aboriginal and Torres Strait Islander corporations. In 2012-13 the Registrar delivered 86 free corporate governance training workshops to 897 participants from 198 corporations—the highest on record.
- New functions and services have been developed to meet the changing needs of Aboriginal and Torres Strait Islander corporations. These include a dispute management and complaints handling function, a modernised call centre, an investigations and prosecutions function, a recruitment assistance service as well as a pro bono legal service, LawHelp.
- A new service delivery model has been implemented that has transferred staff and resources from Canberra, with a focus on remote and regional areas (currently Adelaide, Alice Springs, Cairns, Darwin, Broome, Perth and Coffs Harbour).

Three successive client surveys have showed a continuous improvement in client satisfaction with the services provided by the Registrar. The feedback received from the surveys has been used to develop and implement measures to improve the delivery of services.