

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES 2016-17**

Finance Portfolio  
5 May 2016

**Department/Agency:** Department of Finance

**Outcome/Program:** 1/1.1

**Topic:** Indigenous Land Corporation –budget measure and concessional loan

**Senator:** Wong

**Question reference number:** F9

**Type of question:** Hansard Proof, F&PA Committee, Pages 46-47, 5 May 2016

**Date set by the Senate for the return of answer:** Wednesday, 14 September 2016

**Number of pages:** 2

**Question:**

**Senator WONG:** Senator Scullion raised it with you before he essentially started to talk to other people about it?

**Senator Cormann:** He raised it with me before putting a formal proposal into the budget process.

**Senator WONG:** About when was that?

**Senator Cormann:** I would have to take that on notice; I am not trying to be unhelpful but the whole budget process—

...

**Senator WONG:** What due diligence was undertaken prior to the loan being approved?

**Senator Cormann:** We might have to take that on notice.

**Senator WONG:** Did Finance engage in any due diligence?

**Senator Cormann:** Finance was involved in the process in the appropriate way. It is a budget measure. I have got to take on notice what—

**Senator WONG:** They are two different questions, aren't there? There is the budget measure then there is the actual approval of the loan. Who approved the loan?

...

**Senator WONG:** Okay, that is clear. Who is the approver?

**Senator Cormann:** I might have to take this on notice. From memory, ultimately, I have to give approval, as does the Treasurer, in relation to this particular measure.

...

**Senator Cormann:** The Minister for Indigenous Affairs, ultimately, has to get final approvals for terms and conditions from the Minister for Finance and the Treasurer. I will check this and, if there is anything else that I need to add to this, I will compliment my answer.

**Answer:**

The Minister for Indigenous Affairs formally requested consideration of the loan in September 2015.

The Department of the Prime Minister and Cabinet undertook due diligence to inform the proposal to provide the loan to the Indigenous Land Corporation. The Department of Finance reviewed this proposal in line with usual practice for all Budget measures.

The decision to enter into the loan was a decision of Government in the Budget context. Terms and conditions for the loan were agreed with the Treasurer and Finance Minister, and the loan was executed by the Minister for Indigenous Affairs.