

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Supplementary Budget Estimates 19-23 October 2015

Prime Minister and Cabinet Portfolio

**Department/Agency:** Department of the Prime Minister and Cabinet  
**Outcome/Program:** Outcome 2: Indigenous  
**Topic:** Cooperative, mutual and member-owned firms

**Senator:** Senator Nick Xenophon  
**Question reference number:** 160  
**Type of question:** Written  
**Date set by the committee for the return of answer:** 4 December 2015

**Number of pages:** 2

**Question:**

If an Aboriginal Coop wants to keep its Coop structure how does the exemption process work?

**Answer:**

Organisations seeking an exemption should lodge an application within the six month transition period, as soon as practical once an offer of funding has been made. Applications must be submitted using the Strengthening Organisational Governance - Exemptions Policy and Application Form available on the Department of the Prime Minister and Cabinet's (PM&C) website or through the nominated PM&C funding agreement manager.

Exemptions will be considered where an organisation can demonstrate at least one of the following:

1. That grant funding received from the Indigenous Affairs Group within PM&C is a small portion of its total revenue, and as such changing incorporation status may unfairly impose additional requirements on its operations and business model.
2. It is required to incorporate under specific non-Commonwealth legislation as part of its licensing arrangements or funding received through other sources.

Applications will be considered on a case-by-case basis, and will take into consideration information demonstrating that the organisation is well-governed, high-performing and low risk.

The authority to issue exemptions lies with the Minister for Indigenous Affairs with advice provided by PM&C. The Minister may choose to delegate this authority.

More detailed information, including the Assessment Framework, is available in the Strengthening Organisational Governance - Exemptions Policy and Application Form, available on the PM&C website.

Exemption applications have been received from two cooperatives – one in Western Australia and one in Victoria. As at 10 November, these organisations' exemption applications were being assessed by the Department of The Prime Minister and Cabinet.