

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: 161

Type of question: Written

Date set by the committee for the return of answer: 4 December 2015

Number of pages: 1

Question:

What are some of the reasons why Aboriginal Coops are considering abandoning their Coop organisational structure in favour of incorporating under the type of organization suggested by CIASG 2.8.2.?

Answer:

Outside of the requirement to incorporate under Commonwealth legislation under the Strengthening Organisational Governance policy, the Department of the Prime Minister and Cabinet (PM&C) is unable to comment on why organisations, such as cooperatives, may decide to change their legal structure.

The Strengthening Organisational Governance policy is aimed at ensuring organisations receiving Australian Government funding to deliver Indigenous programmes have high standards of governance and accountability. Incorporation under Commonwealth legislation provides a robust regulatory framework and access to specialist assistance that helps improve public confidence in the security and delivery of services.

In administering the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act), the Office of the Registrar of Indigenous Corporations (ORIC) provides:

- advice for Indigenous groups on how to become corporations;
- assistance so that Indigenous corporations can understand, create and adopt their own rule book according to their needs and values;
- support services, advice and corporate governance training;
- public information about corporations;
- assistance to corporations with complaints; and
- mediation and dispute resolution services.