

CHAPTER 5

COMMITTEE VIEW

5.1 The committee considers the three bills examined in this inquiry will make a significant contribution to improving the governance and accountability of Indigenous corporations. It is clear, however, that many Indigenous corporations are poorly resourced and will require significant support in order to make this transition. The committee is concerned that the existing budget allocation of the Office of the Registrar for Aboriginal Corporations for education and training may not be sufficient to meet the needs of the 2,600 existing Indigenous corporations.

5.2 The parties who made submissions to the inquiry raised a number of well-founded concerns about the provisions of the 2005 Bill. The committee is of the view that the Transitional Bill and the draft Parliamentary Amendments will address many of the concerns raised during the course of its inquiry.

5.3 The committee considers the two-year transitional period to bed down the new regulatory regime under the bills will allow all parties involved to monitor the impact of the new measures and identify matters that might require refinement. The committee draws attention to the concern that requests for directors to call a general meeting should be limited to voting members and not left open to non-voting members. While the committee notes that the relevant provision will not apply during the transition period, it considers there is a case for linking the right of members to request general meetings to voting rights.

5.4 The committee has formed the view that the bills provide sufficient flexibility to enable the Registrar to address any conflict between directors' and reporting duties applicable to representative bodies incorporated under the 2005 Bill and the duties of representative bodies under the Native Title Act. However, the committee considers that the government should closely monitor the interaction of the bills with other legislation, particularly the Native Title Act. In view of its sensitivity, the committee considers the government should at the end of the two-year transition period report to the Parliament on the practical interaction of the bills with other legislation.

Recommendation 1

5.5 The committee recommends that the government should monitor funding to assist corporations with the transition to the new regime and make provision in the 2007-08 budget to increase this funding if necessary.

Recommendation 2

5.6 The committee recommends the government consider restricting to voting members the right of members to request directors call a general meeting and amend sections 201-5 and 201-10 of the 2005 Bill accordingly.

Recommendation 3

5.7 The committee recommends the government monitor the practical interaction of the bills with other legislation, particularly the Native Title Act, and at the end of the two-year transition period report to the Parliament on this matter.

Recommendation 4

5.8 Subject to the preceding recommendations, the committee recommends that the Senate pass the bills.

Senator Marise Payne

Chair