



GOLDFIELDS LAND AND SEA COUNCIL

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13 April 2018

Ms Ann Palmer
Secretary
Senate Finance and Public Administration Legislation Committee

By email: to fpa.sen@aph.gov.au

Dear Ms Palmer,

GLSC Submission to Inquiry into the provisions of the Aboriginal and Torres Strait Islander Amendment (Indigenous Land Corporation) Bill 2018; Aboriginal and Torres Strait Islander Land and Sea Future Fund Bill 2018; and Aboriginal and Torres Strait Islander Land and Sea Future Fund (Consequential Amendments) Bill 2018

Thank you for the invitation to provide a submission on any issues in relation to the above Bills.

I will confine my submission to one critical concern that arises in relation to the **Aboriginal and Torres Strait Islander Land and Sea Future Fund Bill 2018**.

I note that the report of the Land Account Advisory Panel on future management of the Land Fund was convincing and the Panel's Recommendations, in my view, were sensible and realistic. I support their proposals – essentially, to broaden range of acceptable investment types, define an acceptable risk appetite as 50% growth asset allocation and a long term target return of CPI + 3.1%, guarantee a consistent payment of \$45m in (2010) real terms to the ILC, dispense with additional payments to the ILC other than on periodic review at times of real growth in the LF balance, and place management of the Land Fund investments with the Future Fund Management Agency.

Whilst the ILC might find the option of securing regular additional funds from the LF attractive, this option is not compatible with maintenance of the LF as a fund in perpetuity. Should the ILC find from time to time that the demand for land acquisition and management support is well in excess of the regular stipend it receives from the LF, it can of course put its case to the government for additional specific purpose appropriations of funds in the annual budget context, without affecting the established ILC/LF framework.

I note that the draft Bill does not place any limitation on the provision of additional payments to the ILC from the Aboriginal and Torres Strait Islander Land and Sea Future Fund. In my view, this is a

critical flaw with the Bill, and one that could see the erosion of what was always intended to be a fund sustained in perpetuity for the benefit of Aboriginal and Torres Strait Islanders who, through circumstances beyond their control, could not sustain a claim to native title.

Instead, the Explanatory Memorandum notes that “The intention is that additional payments to the ILC which are derived from the ATSILSFF will be made only where the payments will not impact the sustainability of annual payments”. In other words – trust us, we plan to do the right thing, but don’t wish to confine ourselves to doing the right thing in the legislation.

In my view, good intentions are not enough. I would prefer to see the recommendation of the Land Account Advisory Panel reflected in the legislation.

Yours sincerely,

Hans Bokelund
Chief Executive Officer