



Australian Government

**Department of Families, Housing,
Community Services and Indigenous Affairs**

Senator Claire Moore
Chair
Senate Community Affairs Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Senator

Clarification of evidence to the Additional Estimates Hearing

Friday 17 February 2012

I am writing to clarify certain aspects of the evidence I gave to the Community Affairs Legislation Committee during its examination of the Department of Families, Housing, Community Services and Indigenous Affairs Indigenous Outcome (Outcome 7) on 17 February 2012.

In an exchange with Senators Scullion and Siewert concerning the Aboriginals Benefit Account (ABA), I regret I may have caused some confusion regarding the cost to the ABA flowing from leases held by the Executive Director of Township Leasing (EDTL). The relevant discussion can be found at pages 32 & 33 of the *Hansard* of that date.

The Committee would be aware that under the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA) debits can be made from the ABA for acquiring and/or administering township leases held by the EDTL. In accordance with the ALRA, amounts equal to the income generated through the administration of township leases, such as payments of rent for sub-leases, are credited to the ABA thereby offsetting debits to the account.

In my evidence I said that the draw on ABA for operating expenses incurred during the early years of administration of a township lease is not intended to be offset by credits to the ABA (page 32 of the *Hansard* refers). I informed the Senators that the draw for operating expenses is only offset by credits to the ABA once an amount equal to the upfront rental amount is returned to the account. This answer was incorrect.

I should have said that under the existing township leases all operating expenses incurred from the commencement of a township lease are intended to be offset by credits to the ABA. This includes the operating costs incurred from the commencement of the township lease, including surveying costs. Accordingly, the intention of the current township leases is that over time the net draw on the ABA will be cost neutral, with traditional owners receiving any surplus income generated under the township leases.

With respect to other leases currently held by the EDTL, funds drawn from the ABA to meet ongoing operational expenses are not offset by credits to the account. However in these cases the ABA is not debited for any initial up-front rent payment.

Please accept that it was not my intention to mislead the committee and the error was made inadvertently.

I have taken several questions on notice on the above issues and have corrected the errors in the Department's response.

Please accept my apologies for the delay in notifying you of this error, which only came to light during preparation of responses to questions on notice.

Please do not hesitate to contact me if I can be of any further assistance.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Sally Moyle', written in black ink.

Sally Moyle
Branch Manager
Land Reform
Office of Remote Indigenous Housing Group
23 March 2012