

**FIFTH REPORT OF THE
PARLIAMENTARY JOINT COMMITTEE
ON NATIVE TITLE AND THE
ABORIGINAL AND TORRES STRAIT
ISLANDER LAND FUND:**

GOVERNMENT RESPONSE

**Annual Reports for 1994-95
Prepared Pursuant to Part 4A of the
Aboriginal and Torres Strait
Islander Commission Act 1989**

PREAMBLE

The Fifth Report of the Parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund related to annual reports for 1994-95 prepared pursuant to Part 4A of the *Aboriginal and Torres Strait Islander Commission Act 1989* (ATSIC Act).

The annual report of the Aboriginal and Torres Strait Islander Land Fund, including the financial statements, was prepared by the Aboriginal and Torres Strait Islander Commission (ATSIC), which has administrative responsibility for the Land Fund. The report was published as Appendix 14 of the ATSIC Annual Report.

The Indigenous Land Corporation (ILC) published a separate annual report, including the financial statements for the Corporation. They provided an overview of the operation of the Land Fund on the basis of its significance as a funding source, stating correctly that it was administered by ATSIC.

Both annual reports covered only the period of one month from 1 June to 30 June 1995, as the legislation only came into effect at 1 June.

The report contains two specific recommendations, and formal responses to those recommendations are attached.

The Committee made reference to the short-comings in ATSIC's administration of the Land Fund in relation to a draw down towards the end of the financial year and the reporting of that transaction.

ATSIC remains of the view that the payment to the ILC through the draw down arrangement (an advance and a draw down) facilitated the avoidance of an early redemption of an investment and thus a loss in revenue to the Land Fund.

ATSIC and ILC thank the Committee for very detailed comments on requirements for the annual reports, and the suggestions will be taken into consideration when compiling the respective 1995-96 reports.

The attached responses relate to recommendations 4 and 5. Recommendations 1, 2 and 3 are contained in the Committee's fourth report.

RECOMMENDATION 4

That the ILC and ATSIC coordinate their annual reporting on Land Fund matters to ensure consistency, completeness and accuracy.

The Government supports Recommendation 4 on the basis that cross referencing occur in the Aboriginal and Torres Strait Islander Land Fund report and the Indigenous Land Corporation report to identify the role of the other organisation, and the complementary reporting responsibilities. The cross referencing would be along the lines suggested by the Committee at para 3.2:

"In its next report, that for 1995-96, the ILC should ensure that it articulates fully the limitations of its reporting pursuant to Part 4A of the ATSIC Act and notes the legislative reporting requirements that should be covered by ATSIC's reporting at the Minister's direction"

Information about the structure of the Land Fund in the ILC report was not intended to be a repetition of reporting required by ATSIC.

The reporting requirements, together with references to the relevant sections of Part 4A of the ATSIC Act, have been clearly described in the 1995/96 annual reports of both the ILC and ATSIC.

RECOMMENDATION 5

That, pursuant to s.193I(1) of the Aboriginal and Torres Strait Islander Commission Act 1989, the Minister request a single coordinated annual report for 1995-96 about the administration of the Land Fund.

The Government does not support Recommendation 5, however in the interest of combining all relevant information in one document, the ILC has reproduced Appendix 11 of the 1995/96 ATSIC Annual Report which relates to the operation of the Land Fund, at Appendix 1 of their 1995/96 Annual Report .

We believe that it is important to stress to the Committee and other readers of annual reports that ATSIC and the ILC:

- have different responsibilities, roles and functions under the legislation;
- are accountable in different ways to (in some respects) different stake holders;
- are distinct legal entities;
- have separate administrative structures and processes; and
- have different reporting obligations under the Act.

The Government believes that coordination in Recommendation 4 will support the recognition of this separateness.

Advice from the Department of Finance, which is responsible for policy on annual reports of Statutory Authorities, is that there must be separate annual reports, although this should not necessarily preclude the publication of a single document encompassing both reports which has occurred in the production of the 1995/96 ILC Annual Report as noted above.