

About the yearbook

Under current legislation the Registrar of Indigenous Corporations (Registrar) is not required to produce an annual report. However, the Registrar thinks it appropriate and desirable to publish a yearbook as an aid to those interested in ORIC's work.

This year, the structure of the yearbook has been given a facelift. Previous yearbooks have acted as a record of ORIC's roles and responsibilities as much as a record of its activities over each financial year. With an increasing electronic footprint in the form of its website—information about ORIC's role, policies and procedures is all available online—the Registrar has chosen to streamline this year's yearbook. Reducing the size of our yearbook also aligns with ORIC's commitment to the environment.

This year performance reporting and achievements are benchmarked against the 2009–10 business plan outputs and key performance indicators. A new section 'In the field' has been added, highlighting the face-to-face work that ORIC carries out across Australia, away from the Canberra office.



2009-10

Contents

About the Yearbook	i
1 Overview	1
Highlights 2009–10	2
Registrar’s overview	4
Staff	10
2 Performance reporting	15
Business plan 2009–10	16
Greater regulatory impact	17
3 In the field	45
ORIC local officer reports	46
4 Accountability	53
Freedom of information	54
Complaints about ORIC staff and contractors	54
Commonwealth Ombudsman	54
Legal services expenditure	54

Overview

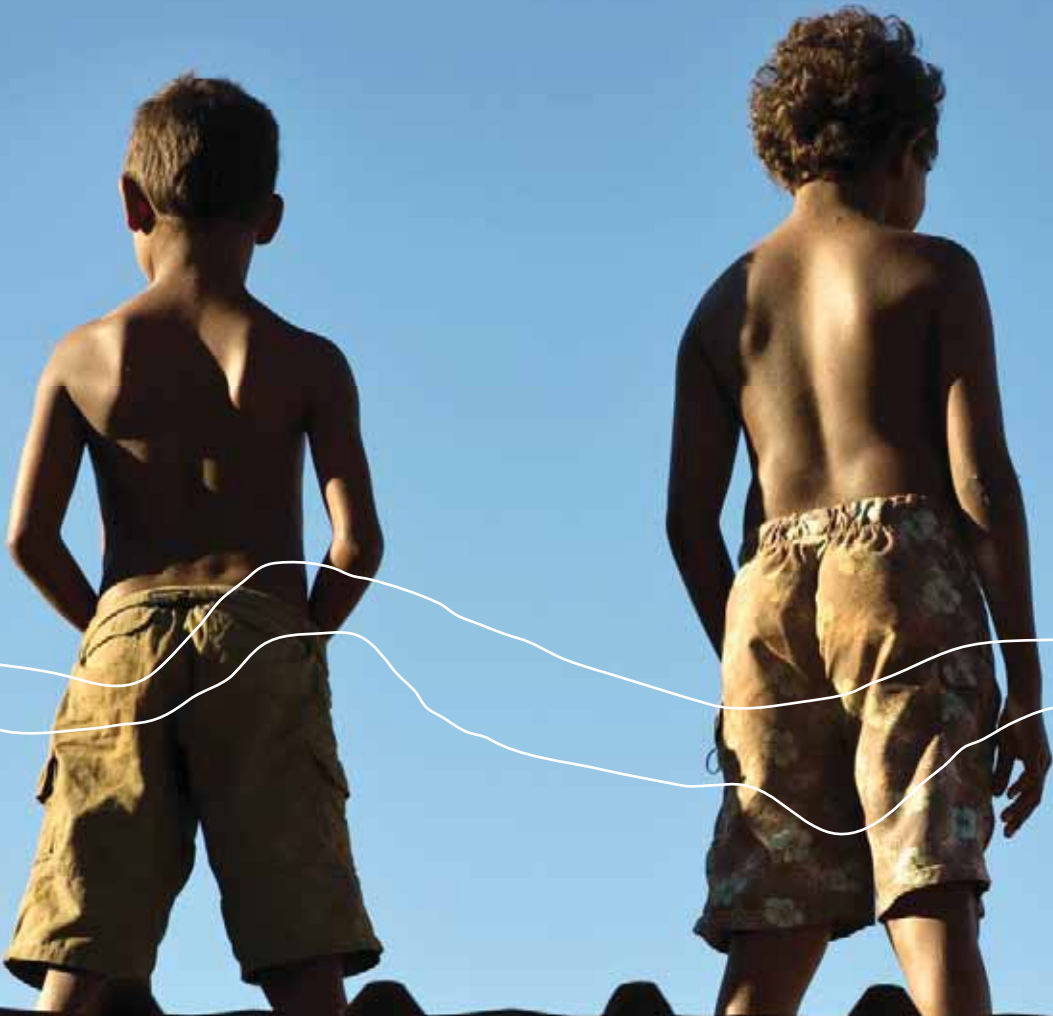
Highlights 2009–10
Registrar's overview
Staff



Highlights 09–10

Regulatory functions

- » achieved in excess of 90 per cent reporting compliance for Aboriginal and Torres Strait Islander corporations, an increase of more than 20 per cent from the previous year
- » successfully piloted a dispute resolution model which was developed in consultation with the National Native Title Tribunal
- » registered 163 new corporations. This is an increase of over 20 per cent from the previous year
- » appointed special administrators to 12 corporations to assist with governance problems
- » commenced 77 formal examinations of corporations to assess their governance and compliance with the CATSI Act



- » introduced exemptions to the reporting requirements under the CATSI Act to reduce the compliance burden on all Aboriginal and Torres Strait Islander corporations.

Support services

- » extended the ORIC local officer program to include Umuwa (SA), Hobart (Tas.), Cairns (Qld.), Alice Springs and Katherine (NT), Geraldton (WA) and Coffs Harbour (NSW)
- » facilitated three Certificate IV in Business (Governance) courses in Karratha, Perth and Darwin and one Diploma of Business (Governance) in Cairns
- » delivered five Building Strong Stores workshops in Alice Springs, Tennant Creek, Katherine and Darwin in partnership with the Department of Families, Housing, Community Services and Indigenous Affairs
- » developed a new recruitment and retention service for corporations to attract, manage and keep quality staff
- » published a healthy corporation checklist, a new resource tool to help corporations to self-assess their compliance against their rule book and with the law.

Other initiatives

- » established an Aboriginal and Torres Strait Islander advisory group consisting of high profile corporation directors to provide views and inform decisions on issues affecting corporations
- » published the *Analysing Indigenous corporate failure* research paper, which provides an evidence-based approach to help inform ongoing support to corporations exhibiting early warning signs of failure
- » released the top 500 report, which provides useful information on the largest Aboriginal and Torres Strait Islander corporations
- » increased Aboriginal and Torres Strait Islander employment at ORIC to 28 per cent—up from 17 per cent in 2007–08.

Registrar's overview



Anthony Beven
REGISTRAR

Welcome to the 2009–10 ORIC yearbook—a new and more focused look at the achievements and challenges met by ORIC over the past year.

We continued to improve the quality of our services to support Aboriginal and Torres Strait Islander corporations and achieved some important milestones. The level of compliance by corporations with the reporting requirements under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) increased by 20 per cent to an all time high of 92 per cent.

ORIC also successfully piloted a new dispute resolution model and expanded our partnerships with national law firms, state/territory

governments, other non-government organisations and communities.

In 33 years of regulating Aboriginal and Torres Strait Islander corporations ORIC has developed an extensive database of information on the activities and governance of corporations. In 2009 ORIC commissioned a study into the Aboriginal and Torres Strait Islander corporations that failed between 1996 and 2008. The study looked at what factors contribute to corporate failure and the symptoms that are indicators of possible failure. The study was the first of its kind and the final report was released in April 2010. Titled *Analysing key characteristics in Indigenous corporate failure*, it revealed the importance of early support and intervention and has provided an empirical basis for developing future ORIC support services.

Another initiative announced by ORIC in 2009–10 was the establishment of an Aboriginal and Torres Strait Islander advisory group consisting of high-profile corporation directors. The group provides valuable feedback on our services from a corporation's perspective: what is working and what isn't, and what we can do better.

Strengthening corporations

Compliance

The 20 per cent rise from 72 per cent to 92 per cent in the number of corporations meeting their reporting requirements under the CATSI Act was significant for ORIC. Reporting compliance under the CATSI Act now meets international best practice benchmarks.

In 2002 compliance was only 24 per cent and in 2007 it was still only 52 per cent. The recent increase in compliance has led to significant improvements in the accuracy and reliability of ORIC's public database on corporations.

The effectiveness of our compliance work was underpinned by exemptions we introduced to reduce the information required in annual reports by almost 30 per cent and the strengthening of our enforcement activity and support services. We provided more face-to-face assistance and education to corporations in the preparation and lodgment of annual reports and commenced an intensive campaign promoting the benefits and ease of lodging reports through ORIC's online lodgment facility, which commenced in July 2008. In 2009–10 approximately 6 per cent of all documents were lodged electronically with ORIC.

Regulation and registration

ORIC commenced 77 formal examinations of corporations in 2009–10. Examinations are a way for ORIC to assess a corporation's governance and compliance with the CATSI Act and address any concerns before they become serious or terminal for the corporation.

Special administrators were appointed to 12 Aboriginal and Torres Strait Islander corporations where external intervention was required to help with building stronger governance and leadership practices. The vast majority of these appointments were made by ORIC at the request of the directors and in all cases the corporations were returned to the members in a stronger position after a short period.

In 2009–10 lodgments with, and inquiries to, ORIC increased by 60 per cent and were completed in a reduced average time of just 2.19 business days.

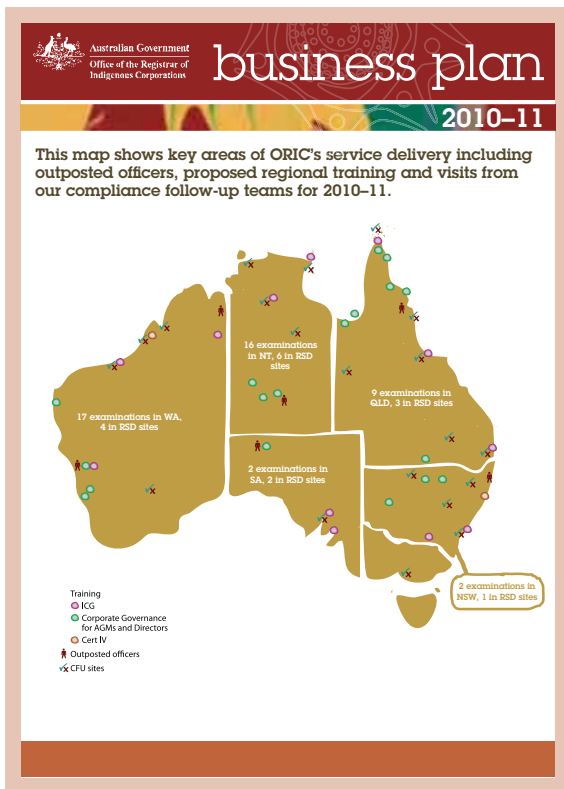
Throughout the year, 163 new corporations were registered under the CATSI Act, an increase of over 20 per cent from the previous year.

Governance support

Local officers

One way that ORIC is improving its support services to Aboriginal and Torres Strait Islander corporations is through the expansion of our local officer program. Our response to the growing need for building strong governance and improving the capabilities of directors and members has seen the local officer network expand to include Umuwa and Katherine in the Northern Territory, Cairns in Queensland, Coffs Harbour in New South Wales, Geraldton in Western Australia and Hobart in Tasmania.

Local officers are working with regional and remote corporations to establish best practice governance arrangements by helping with reporting compliance, building relationships and promoting the role of ORIC and the benefits of the CATSI Act. In 2010–11 we will look at a long-term approach to our local officer network and incorporating it into the way we work.



New services and products

ORIC continues to support corporations, introducing several new and innovative services and products in 2009–10 such as:

- » the healthy corporation checklist—a new resource tool to help corporations to self-assess their compliance against their rule book and with the law
- » Corporation jobs—allows corporations to advertise their vacant positions on the ORIC website free of charge
- » policy statements—a suite of policy statements about how ORIC interprets and applies the CATSI Act.

ORIC also began work on a new pro bono legal service to provide free legal advice to corporations registered under the CATSI Act. Developed in partnership with the Australian Government Solicitor and some of the leading private law firms across the country, the new legal service is available from 1 July 2010.

Mediation and disputes

ORIC's mediation and dispute resolution service that was introduced in 2008 has now reached a level of maturity that is seeing it make a real difference in the resolution of disputes. In 2009–10, 78 corporations accessed the service, an increase of 73 per cent from 2008–09.

The service successfully piloted a new dispute resolution model developed in consultation with the National Native Title Tribunal and key stakeholders for specific governance disputes identified around native title.


Governance training

ORIC is widely acknowledged as the leading provider of corporate governance training for Aboriginal and Torres Strait Islander people and organisations. There is a strong commitment from ORIC to maintain this position and we are constantly developing new products and updating our existing products and programs.

In 2009–10 ORIC undertook a major review of its accredited training products to ensure they still meet industry standards and the needs of Aboriginal and Torres Strait Islander corporations. From this independent external review the Certificate IV in Business (Governance) and Diploma of Business (Governance) will be strengthened and improved from 2011.

The year ahead

We continue to encourage and support the diverse functions of Aboriginal and Torres Strait Islander corporations in the constantly changing environment in which they operate.



Australian Government
Office of the Registrar of
Indigenous Corporations

business plan

2010-11

ORIC has identified five priority areas for its work in 2010-11. These priorities are aligned with the Australian Government's commitment to closing the gap in Indigenous disadvantage and include important sectors and remote service delivery sites.

1. Decentralising services

ORIC has an ongoing program of outposting officers in regional areas to provide services directly to corporations. In 2010-11 ORIC will review its approach to providing a presence in regional areas.

4. Governance audit —native title and health

ORIC will undertake targeted governance audits of corporations holding native title or delivering health services. Information gathered will be used to benchmark native title and health corporations against other Aboriginal and Torres Strait Islander corporations. This will help provide insight into the characteristics of these two very important sectors.

2. Measuring the effectiveness of services and regulatory functions

ORIC will improve the way it measures the effectiveness of its services and regulatory functions.

5. Recruitment, retention and succession service for corporation staff

ORIC will take a more proactive role in helping corporations with the recruitment of key staff. This will include help with recruiting, interviewing, selecting and appointing employees.

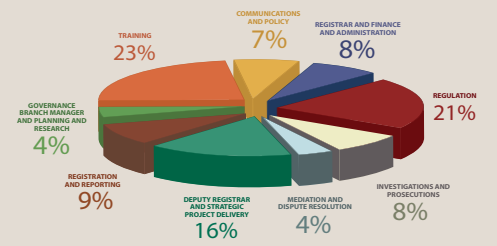
3. LawHelp

ORIC will launch LawHelp, a service connecting corporations with legal advice either free of charge or at minimal cost.

Not-for-profit corporations will be able to apply for legal advice on contracts, intellectual property and employment law.

An independent assessment panel will consider applications before referring them to a law firm to provide advice.

How ORIC's money will be spent in 2010-11



Category	Percentage
TRAINING	23%
REGULATION	21%
DEPUTY REGISTRAR AND STRATEGIC PROJECT DELIVERY	16%
GOVERNANCE BRANCH MANAGER AND PLANNING AND RESEARCH	4%
REGISTRATION AND REPORTING	9%
INVESTIGATIONS AND PROSECUTIONS	8%
REGISTRAR AND FINANCE AND ADMINISTRATION	8%
COMMUNICATIONS AND POLICY	7%
MEDIATION AND DISPUTE RESOLUTION	4%

We will prioritise five areas in 2010–11. An expanded regional program will mean a greater presence in regional and remote areas to provide services directly to corporations through local officers and a regional office. ORIC will also formally launch its new service LawHelp to assist corporations in need of legal advice. This is an exciting new initiative.

ORIC will also launch a new suite of services to assist corporations to recruit and retain good quality staff, building upon the existing Corporation jobs service.

How we measure the effectiveness of our services and regulatory functions will also be addressed in 2010–11.

ORIC will also undertake governance audits of two key sectors in the following year: the health and native title sectors. This will enable the office to gain an insight into the characteristics these sectors possess and the issues they collectively face to enable ORIC to tailor any future corporate governance training and other targeted services.

Further research will also be undertaken by ORIC in conjunction with the Australian National University into accountability practices in corporations. Our annual Top 500 report will also be released detailing the important part that Aboriginal and Torres Strait Islander corporations play in communities and the national economy.

My sincere thanks to all directors and members for their commitment and dedication to their corporations' business and governance. Finally, I would like to thank my dedicated staff and our partners for their continued hard work and commitment to building strong corporations, strong people and strong communities.

The heart of our work is our engagement with Aboriginal and Torres Strait Islander people and corporations, which is based on the principles of mutual respect, cooperation and mutual responsibility.

I look forward to 2010–11, and anticipate another exciting year for our corporations. We will continue to provide innovative, high-quality support services and products and professional regulatory processes.

A handwritten signature in black ink, appearing to read 'Anthony Beven', is centered on the page. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Anthony Beven
January 2011

Staff

Senior management team

The Registrar and senior management as at 30 June 2010



Anthony Beven
REGISTRAR

Joe Mastrolembro
DEPUTY REGISTRAR
Regulation and Registration Branch

Michael Cullen
GENERAL COUNSEL

Nathan Boyle
BRANCH MANAGER
Governance Branch



Maureen Colley

DIRECTOR
Training Section

Sayuri Piper

**ACTING
DIRECTOR**
Communications
and Policy
Section

**Peter
Armstrong**

DIRECTOR
Regulation
Section

Jodie Goddard

DIRECTOR
Investigations
and Prosecutions
Section

Justin Toohey

DIRECTOR
Mediation and
Dispute
Resolution
Section

ORIC staff

The Registrar was supported by 61 full-time equivalent staff as at 30 June 2010 (41 per cent male and 59 per cent female).

As at 30 June 2010, 28 per cent of ORIC staff identified as Aboriginal or Torres Strait Islander—up from 17 per cent in 2007–08.

ORIC is committed to providing development opportunities to all staff. This year a secondment and short-term transfer strategy was enacted to provide staff with opportunities for personal and professional development, new skills and cultural two way learning.

ORIC staff are also encouraged to participate in the Aboriginal and Torres Strait Islander mentor program. Participants learn more about themselves, meet new people, share ideas, develop new skills and gain unique experiences.

ORIC remains committed to reconciliation. This means recruiting more Aboriginal and Torres Strait Islander staff so that decision-making in the organisation reflects the diversity of ORIC's clients.



ORIC staff photo at the National Museum of Australia

In recognition of ORIC's work as part of reconciliation, ORIC received an award from the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) for its commitment to increasing employment and improving workforce outcomes for Aboriginal and Torres Strait Islander people within FaHCSIA.



ORIC staff members (left to right): Simon Gatley, Walter Dorrington and Luke Evans with Department Secretary Jeff Harmer and FaHCSIA staff members Sharon Barnes, Megan Smith and Geoff Richardson