

# our clients



PHOTO: Participants at the Introduction to Corporate Governance Workshop held in Canberra.

## Overview of Indigenous corporations

### Profile of corporations incorporated with ORAC

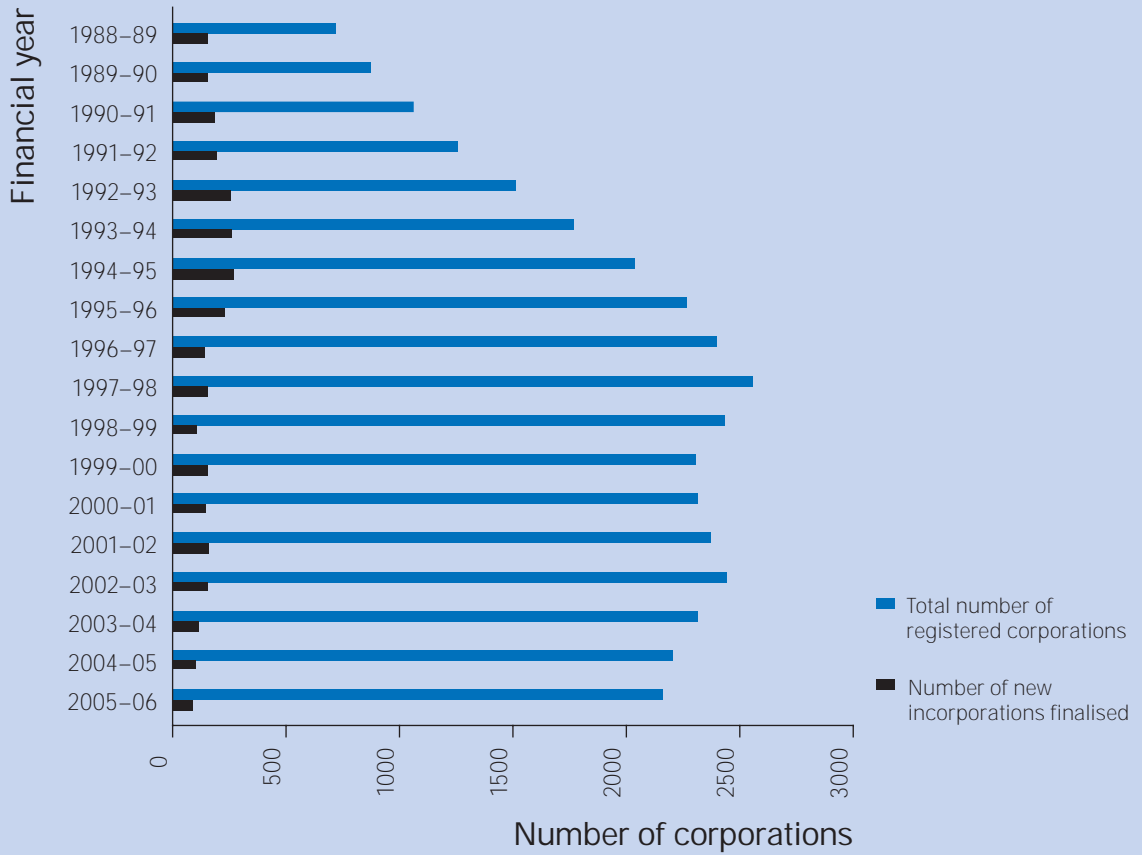
At 30 June 2006, 2529 corporations were registered under the ACA Act. This is a targeted reduction of 2 per cent in line with an emphasis on ‘responsible and necessary incorporation’. After rapid growth in Indigenous corporations under the ACA Act in the early 1990s, the number of incorporations annually remained steady for some years and has now started to decline (see Figure 5 and Table 1). It is estimated that at least as many Indigenous corporations are incorporated under other legislation. However, some of these corporations are interested in transferring to ORAC when the new Corporations (Aboriginal and Torres Strait Islander) Act commences, to gain the benefits of ORAC’s support and preventative work.

Corporate functions are diverse, from providing services such as health care and power supply to simply holding land, and many corporations are multifunctional.

Most groups incorporated under the ACA Act are located in remote areas (55 per cent), as Table 2 and Map 1 show, and are publicly funded. However, some generate substantial private income—for example, corporations linked to mining compensation or to the Indigenous arts industry. Many hold significant community assets that were funded publicly and are now held privately by the corporations. See Figure 6 and Table 4 for the number of corporations, by income and assets, at 30 June 2006.

During 2005–06 corporation numbers fell overall, largely because of falls recorded in Queensland and NSW of 10 per cent and 3 per cent respectively. This was due to the program undertaken by ORAC to deregister corporations no longer needed, and falling numbers of new corporations (see Attachment 10, p. 63). Breakdowns of locations of ACA Act corporations by Indigenous Coordination Centre (ICC) regions are shown in Table 3 and Map 1.

**Figure 5: Registered and new corporations, by year, 1988-89 to 2005-06**



**Note:** The number of registered corporations is the total number of corporations registered less the total number deregistered.



**Table 1: Registered and new corporations, by year, 1988-89 to 2005-06**

Financial year	Total number of registered corporations		Number of new incorporations finalised	
1988-89	843		180	
1989-90	1024		181	
1990-91	1244		220	
1991-92	1474		230	
1992-93	1772		298	
1993-94	2076		304	
1994-95	2389		313	
1995-96	2654		265	
1996-97	2816		162	
1997-98	2999		183	
1998-99	2853		128	
1999-00	2703		183	
2000-01	2709		171	
2001-02	2783		187	
2002-03	2861		183	
2003-04	2713		134	
2004-05	2585		120	
2005-06	2529		102	



PHOTO: Participants taking a break during an information session.

**Table 2: Location of corporations, by remoteness and state/territory, 2005–06**

State	Major cities	Inner regional	Outer regional	Remote	Very remote	Unknown	Total 2005–06	Total 2004–05	Change	% change
	ACT	16	3	-	-	-	0	19	19	0
NSW	78	158	126	27	15	0	404	415	-11	-3%
NT	-	-	92	268	261	0	621	603	18	3%
QLD	60	79	173	58	141	0	511	569	-58	-10%
SA	17	3	21	4	18	0	63	60	3	5%
TAS	-	14	3	2	-	0	19	19	0	0%
VIC	21	22	33	-	-	-	76	74	2	3%
WA	113	26	88	192	389	0	808	782	26	3%
Unknown						8	8	44	-36	-82%
Australia	305	305	536	551	824	8	2529	2585	-56	-2%
Percentage of total	12%	12%	21%	22%	33%	0%	100%			

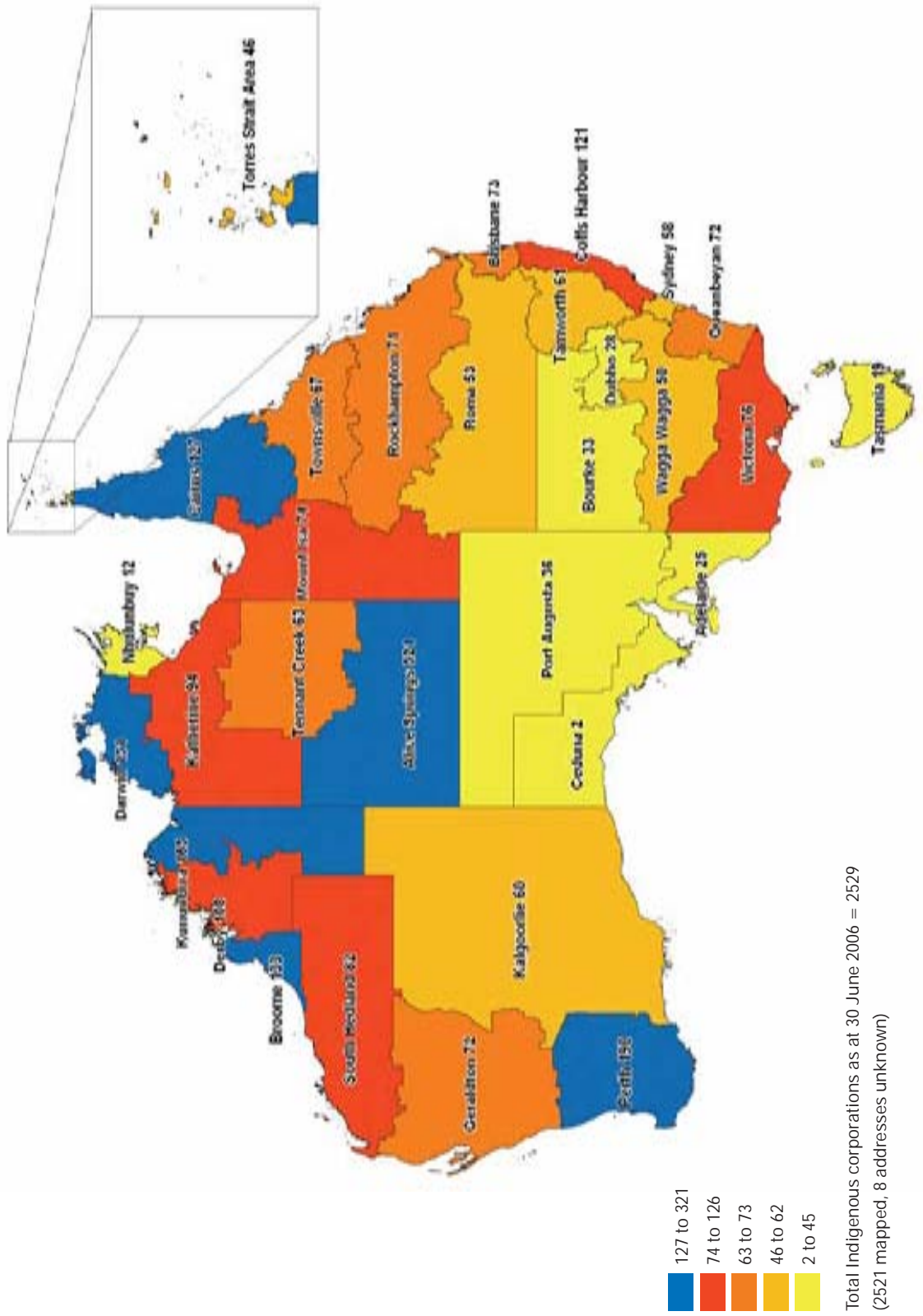
**Table 3: Location of corporations by ICC regions at 30 June 2006**

ICC region	Number of corporations	State	% total
Bourke	33	NSW	1.30%
Tamworth	61	NSW	2.40%
Coffs Harbour	121	NSW	4.80%
Dubbo	28	NSW	1.10%
Sydney	58	NSW	2.30%
Wagga Wagga	50	NSW	2.00%
Queanbeyan	72	NSW	2.90%
Darwin	131	NT	5.20%
Nhulunbuy	12	NT	0.50%
Katherine	94	NT	3.70%
Tennant Creek	63	NT	2.50%
Alice Springs	321	NT	12.70%
Mount Isa	74	QLD	2.90%
Cairns	127	QLD	5.00%
Townsville	67	QLD	2.70%
Rockhampton	71	QLD	2.80%
Roma	53	QLD	2.10%
Brisbane	73	QLD	2.90%
Port Augusta	36	SA	1.40%
Ceduna	2	SA	0.10%
Adelaide	25	SA	1.00%
Tasmania	19	TAS	0.80%
Victoria	76	VIC	3.00%
Broome	133	WA	5.30%
Kununurra	163	WA	6.50%
Derby	108	WA	4.30%
South Hedland	82	WA	3.30%
Geraldton	72	WA	2.90%
Kalgoorlie	60	WA	2.40%
Perth	190	WA	7.50%
Torres Strait Area	46	TSRA	1.80%

**2521**

Note: Total Indigenous corporations as at 30 June 2006 = 2529  
(2521 listed, 8 addresses unknown)

Map 1: Location corporations by ICC region as at 30 June 2006

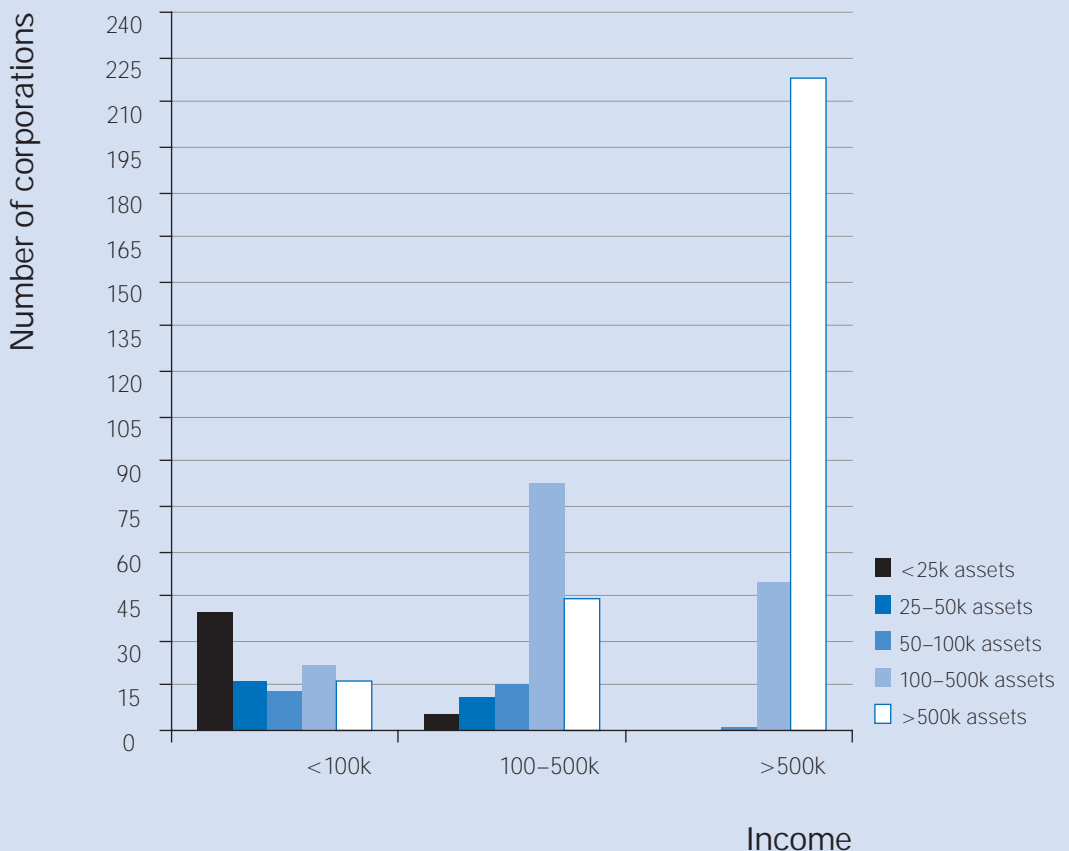


Total Indigenous corporations as at 30 June 2006 = 2529  
(2521 mapped, 8 addresses unknown)

## Income of corporations

Figure 6 and Table 4 show the wealth of 537 Indigenous corporations with ORAC where full details of income and assets are known. Those corporations with significant incomes usually also have significant assets. Analysis by ORAC indicates that most corporations under the ACA Act are small to medium in their income, assets and number of employees. However, a growing number are large in that they have substantial income (see Attachment 11, p. 68). Also, a number have little income and substantial assets. These findings have implications for many aspects of ORAC's work, especially legislative reform and risk management.

Figure 6: Number of corporations by income and assets as at 30 June 2006





**Table 4: Number of corporations by income and assets as at 30 June 2006**

		Assets					total
		<25k	25–50k	50–100k	100–500k	>500k	
Income	<100k	40	17	13	22	17	109
	100–500k	6	11	15	83	44	159
	>500k	0	0	1	50	218	269
total		46	28	29	155	279	537

**Notes:**

1. Income = total grant plus other income : assets = total of current plus non-current assets
2. Income and assets are for the financial year 1 July 2004 to 30 June 2005 since financial annual returns for 2005–06 are not due until 31 December 2006

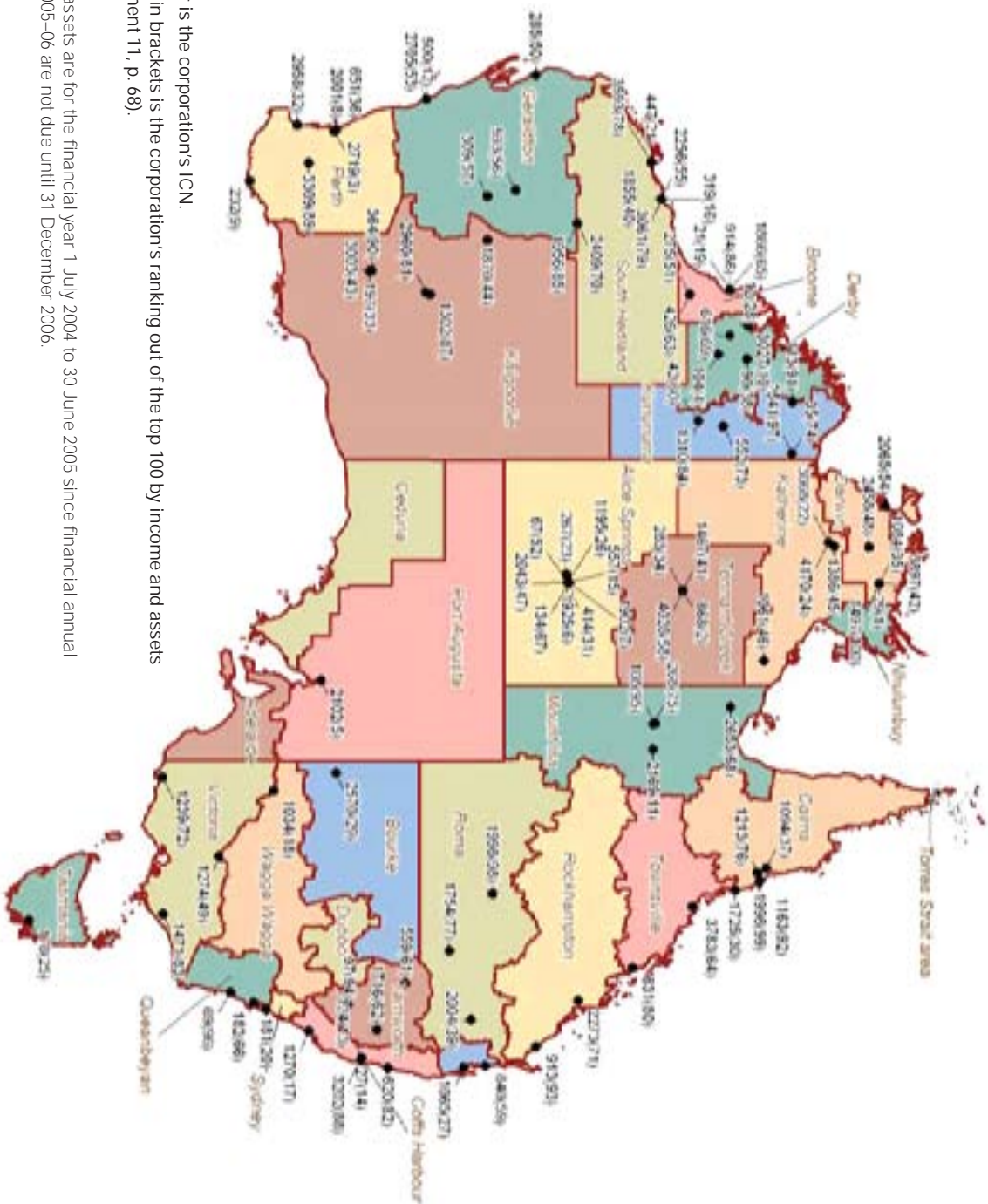
## Funding of corporations

The major known funding bodies of corporations under the ACA Act in 2005–06 were the Department of Employment and Workplace Relations, the Department of Families, Community Services and Indigenous Affairs, and the Office of Aboriginal and Torres Strait Islander Health (OATSIH) at the Department of Health and Ageing. The funding amounted to over \$400 million in total yearly grants.

Other sources of public funds include a wide range of Australian Government agencies and state/territory agencies, especially in Western Australia, Northern Territory and Queensland.

ORAC published a fact sheet for funding bodies during 2006 (see Attachment 13, p. 80). Also see Attachment 14, p. 84 for ORAC's policy to guide the use of the CATSI Act.

Map 2: Location of biggest 100 corporations by income for 2004-05 and assets as at 30 June 2006



First number is the corporation's ICN.  
 The number in brackets is the corporation's ranking out of the top 100 by income and assets  
 (see Attachment 11, p. 68).

**Notes:**  
 Income and assets are for the financial year 1 July 2004 to 30 June 2005 since financial annual  
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