



Australian Government

Office of the Registrar of Indigenous Corporations



2013–14
YEARBOOK

© Commonwealth of Australia 2014

ISSN 2204-2393

ISBN 978-1-925054-24-8 (Print)

ISSN 2204-2415

ISBN 978-1-925237-16-0 (Online)

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968* no part may be reproduced by any process without written permission from the Office of the Registrar of Indigenous Corporations (ORIC). Requests and inquiries concerning reproduction and rights should be addressed to the Section Manager, Communications, ORIC, PO Box 2029, Woden ACT 2606.

Please be aware that this publication may contain the names and images of deceased people. The Registrar strives to treat Aboriginal and Torres Strait Islander culture and beliefs with respect. We acknowledge that to some communities, it is distressing to show images of people who have passed away.

Produced by ORIC, November 2014

Cover image: Landscape, outskirts of Kununurra | Lorrie Graham

Inside photographic images:

Pages i, ii, iv, 2, 3, 8, 9, 15, 24, 29, 55, 63, 83 from the Department of the Prime Minister and Cabinet | Indigenous photo collection

Page 45 © Barengi Gadjin Land Council Aboriginal Corporation RNTBC

Page 48 © Lhere Artepe Aboriginal Corporations RNTBC (LAAC)

Pages 35, 36, 37, 40 © Istock photo

Page 81 © Kerstin Styche

All other images © ORIC

ORIC VISION

STRONG CORPORATIONS, STRONG PEOPLE, STRONG COMMUNITIES

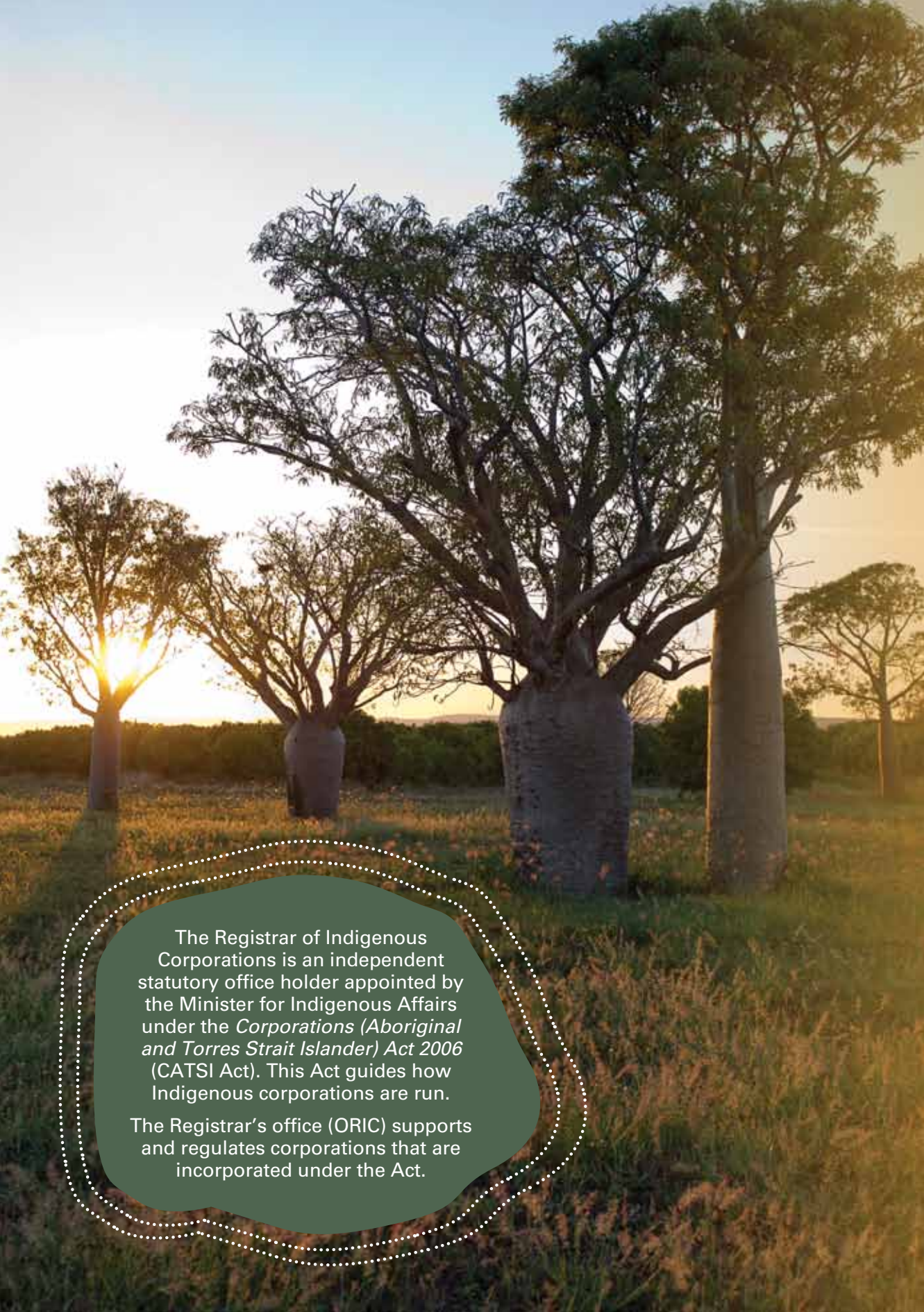
Aboriginal and Torres Strait Islander corporations are important in communities and Australian society. In recognition of this, the Office of the Registrar of Indigenous Corporations (ORIC) will continue to increase public confidence in the standards of corporate governance and viability of Aboriginal and Torres Strait Islander corporations.

ABOUT THE YEARBOOK

Although not required by legislation to produce an annual report the Registrar of Indigenous Corporations (the Registrar) believes it is helpful to publish a yearbook to inform and update all clients and stakeholders about ORIC's work.

The content of this yearbook aligns with the *ORIC strategic plan 2011–14* and ORIC's operational areas.



A photograph of several baobab trees in a field at sunset. The sun is low on the horizon, creating a warm, golden glow. The trees have thick, grey trunks and sparse, dark foliage. The foreground is filled with tall, dry grasses.

The Registrar of Indigenous Corporations is an independent statutory office holder appointed by the Minister for Indigenous Affairs under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). This Act guides how Indigenous corporations are run.

The Registrar's office (ORIC) supports and regulates corporations that are incorporated under the Act.

CONTENTS

1	OVERVIEW	1
	Highlights 2013–14	1
	Registrar's summary	2
	Senior management	10
	ORIC staff	12
	Business plan 2013–14	12
	The organisational structure	14
2	REGULATION AND REGISTRATION	15
	Corporation reporting compliance	16
	Registration and support services	20
	Dispute management.....	25
	Complaints assistance	30
	Regional operations	34
	Regulation.....	42
	Investigations and prosecutions	50
3	ORIC SERVICES	55
	Helping corporations to recruit staff.....	56
	Electronic systems	58
	Call centre operation.....	60
	LawHelp	61
4	GOVERNANCE SUPPORT	63
	Training	64
	Communications and research	74
	Volunteering	80
	NAIDOC week 2014	82
5	ACCOUNTABILITY	83
	Freedom of information.....	84
	Complaints about ORIC staff.....	84
	Commonwealth Ombudsman.....	84
	Legal services expenditure.....	85



OVERVIEW

HIGHLIGHTS 2013–14

Regulation and registration

- 2,227 (95.7 per cent) corporations met their statutory reporting obligations—compared to 2,122 (95.50 per cent) in 2012–13
- 52 per cent of corporations lodged their annual returns electronically, up from 46 per cent in the previous year
- 38 disputes resolved, down from 52 in the previous year, possibly reflecting an increase in corporate governance standards
- 163 new corporations registered
- 46 formal examinations completed
- 11 special administrations started and 10 ended
- 32 corporations were prosecuted for failing to lodge their annual reports
- landmark decision by the Federal Court with significant orders secured in *Registrar v Damien Matcham*
- other significant achievements in investigation and prosecution matters (both ongoing and finalised)

ORIC services

- 18 applications through ORIC's recruitment assistance service (ORA) and 11 senior corporation management positions filled (up from 17 and 10 respectively from last year)
- 58 corporation jobs advertised free of charge on the ORIC website through 'corporation jobs'
- 9,228 telephone calls seeking information and advice received through ORIC's call centre
- 19 LawHelp applications received of which 13 approved and referred to some of Australia's top law firms (acting pro bono)

Governance support

- training delivered to 1,015 participants from 194 corporations across Australia with a satisfaction rating of 91.1 per cent
- Certificate IV in Business (Governance) in Canberra over four one-week blocks. Seventeen students started and all 17 successfully completed
- helped facilitate the Stronger Futures in the Northern Territory—Enhancing Communities program
- redeveloped the ORIC website for improved accessibility and capability
- fifth top 500 report (for the financial year 2011–12) released
- 37 media releases issued
- strong staff participation in ORIC's volunteer program



Looking back at 2013–14

After the federal election in September 2013 ORIC, for the first time in six years, had a new minister. I would like to thank the Hon Jenny Macklin MP, the former Minister for Families, Housing, Community Services and Indigenous Affairs, for her strong support for ORIC over many years. That support was important as ORIC transformed itself into a modern corporate regulator after the commencement of the CATSI Act in 2007. It was again important in 2012–13 during the debate over the regulation of not for profits.

I also want to thank Senator the Hon Nigel Scullion, the current Minister for Indigenous Affairs, for his support. Minister Scullion officially launched the CATSI Act in July 2007 and has always backed the role of ORIC. Announcements by the Minister since his appointment have raised the profile of ORIC and will ensure that ORIC has a greater impact on improving the effectiveness and accountability of the Aboriginal and Torres Strait Islander corporate sector.



(Above) The Hon Jenny Macklin MP at the launch of LawHelp. (Right) Senator the Hon Nigel Scullion visits ORIC's Canberra office



Operational

In operational terms, it has been another busy year and there have been important achievements in both regulation and service delivery.

The two-year proceedings against Mr Damien Matcham in the Federal Court were concluded in February 2014 when significant penalties and orders were made against the former CEO. The case was notable not only because Mr Matcham was held to account for his wrongful actions but because an important precedent was set. In future, errant directors and CEOs will be left in no doubt about what they can expect if they breach their duties. I was pleased to see that the case was widely covered in the media.

For the fourth year in a row reporting compliance by Aboriginal and Torres Strait Islander corporations exceeded 95 per cent. In addition, the highest number of corporations in ORIC's history lodged their reports—2,227 corporations. Not only is reporting compliance now embedded above 95 per cent, corporations are also reporting earlier and, more than ever, they are choosing to lodge online. Something that started as a key business priority for ORIC in 2007 is now regarded simply as 'business as usual'.

But it is not all about regulation. About 50 per cent of ORIC's resources are dedicated to providing support services to Aboriginal and Torres Strait Islander corporations. An obvious example is ORIC's highly regarded corporate governance training.

In 2013–14 my office delivered training to more participants and more corporations than in any other year of its 36 years of operation. This is a significant achievement and one that I and the staff of ORIC's Training Section are rightly proud.

Significant progress was made in 2013–14 towards establishing a broader presence for ORIC in regional areas. Easier access to services and more face-to-face contact with ORIC officers have been for some time high priorities for Aboriginal and Torres Strait Islander corporations. A move in this direction also emerged as a strong recommendation from ORIC's 2012 independent organisational review. My intention, as staff numbers in ORIC's Canberra office reduce through natural attrition, is to increase ORIC's regional presence. By 30 June 2014 ORIC had successfully established a further three offices outside of Canberra (making six altogether, as well as a temporary office in Adelaide).

Staff

ORIC's staff have always been passionate about the work they do and I would like to thank them for their contribution in meeting ORIC's key performance indicators (KPIs) and objectives.

As at 30 June 2014, 39.6 per cent of ORIC's staff identified as Aboriginal or Torres Strait Islander. I would like to see this percentage continue to increase as these staff members play an important role in framing the services that ORIC delivers and in maintaining connections with communities.

Corporations, people and communities are ORIC's main focus. In view of this a staff occasion that stands out for me over the year was one that brought all three elements together. In February 2014 my staff and I had the great privilege of meeting and hearing from some of the directors of the Kinchela Boys Home Aboriginal Corporation and the Coota Girls Aboriginal Corporation, the latter just newly registered under the CATSI Act. The directors spoke movingly of their treatment in institutional care.

Kinchela Boys Home Aboriginal Corporation (ICN 4223)

Coota Girls Aboriginal Corporation (ICN 7993)

A highlight of the year was ORIC's February 2014 staff meeting at the National Museum of Australia (NMA) that featured special guest speakers, former residents of the Kinchela Boys Home for Aboriginal Boys (1924–1970) and the Cootamundra Domestic Training Home for Aboriginal Girls (1912–1986). They shared with ORIC staff their experiences of growing up in two of Australia's harshest institutions.

Kinchela Boys Home, which was located near Kempsey on the mid-north coast of New South Wales, was a state-run 'training farm' for Aboriginal boys removed from their families between 1924 and 1970.

The forcible removal of Aboriginal children from their families is one of the bleakest and saddest parts of our recent history, and it has had profound consequences through the generations.

The Cootamundra Girls Home opened in 1912 in the former Cootamundra Hospital, New South Wales. Aboriginal girls, who had been forcibly removed from their parents, were placed at the home until they were old enough to be sent out to work as domestic servants.

With quiet dignity the 'Kinchela boys' and 'Coota girls' told their stories. For ORIC staff it was a powerful and affecting experience. The former



Together outside the National Museum of Australia. The 'Kinchela boys' and the 'Coota girls' were in Canberra at the Registrar's invitation to talk to ORIC staff about their experiences growing up in institutions

residents, now in their 60s, 70s and 80s, carry permanent emotional scars as a result of their brutal and shameful treatment—but it is important that people know what they went through so 'it can never happen again'.

Following the presentation ORIC staff and special guests explored the NMA together, taking particular interest in the original front gates from the boys home which, in 2012, the Kinchela Boys Home Aboriginal Corporation donated to the NMA. The museum also holds *Areyonga Paddock* by Albert Namatjira which the artist presented to the 'Coota girls' in 1957. For many years it hung in the main dormitory.

NOTE: The Kinchela Boys Home Aboriginal Corporation helps members of the Stolen Generations to take control of their futures.

The Coota Girls Aboriginal Corporation was registered under the CATSI Act in December 2013. Its aim is to lend practical and emotional support to former residents of the Cootamundra Domestic Training Home for Aboriginal Girls (1912–1968) and to members of their families.

For more information about these corporations see ORIC's spotlight on story at: www.oric.gov.au/publications



Some of the 'Coota girls' showing with their hands 'from little things big things grow'.
Left to right: Aunties Doreen Webster, Rose Atkinson, Isabel Reid, Lorraine Peeters, Shirley McGee, Katey Bryant, Wilma Moran and (*seated*) Faye Moseley



'Kinchela boys' addressing the ORIC staff (*left to right*) Uncles Cecil Bowden, Manuel Ebsworth and Richard Campbell

Litigation

In 2013–14 ORIC continued to pursue criminal and civil matters through the courts. Below is a list of significant outcomes that also includes details of the proceedings against Mr Damien Matcham:

- The former CEO of Katungul Aboriginal Corporation Community and Medical Services, Mr Damien Matcham, was ordered to pay compensation and fines of \$1.2 million plus court costs, and was disqualified from managing Aboriginal and Torres Strait Islander corporations and companies registered with the Australian Securities & Investments Commission (ASIC) for 15 years. The Federal Court proceedings against Mr Matcham began in January 2012.
- The former directors of Dunghutti Elders Council Aboriginal Corporation withdrew their application to the Administrative Appeals Tribunal (AAT) to review the 2011 decision to appoint a special administrator to the corporation. The legal battle with the former directors began in March 2011 and went to the Federal Court, the Full Federal Court on three separate issues, the High Court and the AAT.
- Ms Sandra Gail Newman, the former manager of Orana Aboriginal Corporation, was sentenced to 15 months imprisonment, to be released on a two-year good behaviour bond after serving five months in jail.
- Mr Tony Gray, the former chairperson of Durri Aboriginal Corporation Medical Service, was sentenced to 12 months imprisonment, wholly suspended upon his entering a good behaviour bond for 12 months. Mr Gray was also ordered to pay \$4,406.55 in compensation to Durri Aboriginal Corporation Medical Service.
- Ms Leigh Kerkhoffs, the former chairperson of the Aboriginal and Torres Strait Islander Corporation for Welfare Services (known as ATSIC Welfare Services) was banned for five years from managing Aboriginal and Torres Strait Islander corporations and companies registered with the Australian Securities & Investments Commission (ASIC), ordered to pay compensation of \$31,414.17 to ATSIC Welfare Services and fined \$50,000.
- Mr John Berto, the former CEO of Thamarrurr Regional Authority Aboriginal Corporation, was disqualified from managing companies or Aboriginal and Torres Strait Islander corporations for two years.
- Annual reporting prosecutions: a total of 32 corporations were prosecuted for failing to lodge their annual reports with fines imposed amounting to \$75,450.

Examinations and special administrations

ORIC conducted 46 formal examinations and completed 10 special administrations, with the special administration at Bawinanga Aboriginal Corporation (which ended on 30 June 2014) by far the biggest and most challenging. The examinations and special administrations proactively addressed governance and financial issues within corporations and are an important part of ORIC's work.

Website

In April 2014 ORIC launched an upgraded, new look website, www.oric.gov.au. Accessibility standards have been improved and the website now has an enhanced capacity to host a high standard information service. It goes without saying that a good 'user friendly' website is vital to an agency such as ORIC as a source of accurate reliable information and governance support tools.

Staff achievements

In November 2013 ORIC staff member Casey Lee (Registration Section) and George Donaldson (Alice Springs Regional Office) achieved a Certificate IV in Training and Assessment. They are now qualified Cultural Appreciation Program (CAP) facilitators. CAP is an initiative under the 2013–15 Aboriginal and Torres Strait Islander Workforce Strategy that focuses on building individual skills, knowledge and appreciation of Aboriginal and Torres Strait Islander history, cultures and issues.



The Registrar with George Donaldson showing the Certificate IV in Training and Assessment. (Right) Graduates Casey Lee and George Donaldson



In early December 2013 three ORIC staff members graduated from their respective development programs—Luke Styche (Investigations and Prosecutions Section) and Isabel Carpinter (Complaints Section) (*centre and right*) graduated from the Indigenous Australian Government Development Program while Nattie Bong (also Complaints Section) graduated from the Australian Public Service Commission Indigenous Pathways Program

The year ahead 2014–15

ORIC is committed to taking a strong regulatory approach combined with quality support and capacity building services. This will remain a priority in 2014–15.

For a number of years ORIC has assisted Aboriginal and Torres Strait Islander organisations to transfer their registration to the CATSI Act. This will take on a greater focus in the coming year following Minister Scullion's announcement of 7 August 2014. In this the Minister stated that all Aboriginal and Torres Strait Islander organisations that receive grants from his department in excess of \$500,000 must be incorporated under the CATSI Act.

Complaints to ORIC about corporations have consistently increased over the past five years as awareness of ORIC's regulatory functions has expanded. Maintaining adequate resources within ORIC to properly address these complaints will be another priority. It is essential that ORIC is able to continue to manage any rise in complaints to meet the expectations of those raising concerns with ORIC.



The Prime Minister, Tony Abbott, with ORIC staff (*from left to right*: Ruth Jones, Joe Mastrolembo and Lea McEachern). Mr Abbott visited the Department of the Prime Minister and Cabinet at Centraplaza, Canberra, in September 2013

Overall ORIC's key priorities for 2014–15 are to:

- **reduce red tape** in annual reporting and meeting requirements, particularly for corporations whose sole activity is holding land. This process has already begun. Streamlining the process for transferring to the CATSI Act will also be prioritised.
- work with government to implement **stronger organisational governance within corporations receiving significant government funding**.
- continue to **strengthen the working relationships with Aboriginal and Torres Strait Islander communities** by providing more resources in regional locations.
- **enforce the law** through early identification of wrongdoing and taking appropriate action.
- encourage **regulation and compliance** under the CATSI Act through close monitoring and examinations.
- continue **capacity development** by supporting corporations through high quality education and training programs.
- contribute to sector knowledge through **publications and analysis**.
- continue to invest in **people** to improve ORIC's ability to deliver.

If ORIC addresses these priorities in the next year I believe my office will go a long way to achieving the goal of strong corporations, strong people, and strong communities.



Anthony Beven

November 2014



SENIOR MANAGEMENT

The Registrar and senior management as at 30 June 2014



Anthony Beven
REGISTRAR



Joe Mastrolembo
DEPUTY REGISTRAR



Michael Cullen
GENERAL COUNSEL



Gerrit Wanganeen
A/g SECTION MANAGER
Registration, Complaints and
Dispute Management Section



Peter Armstrong
SECTION MANAGER
Regulation Section



Lisa Hugg
SECTION MANAGER
Communications and
Research Section



Graeme Pert
SECTION MANAGER
Investigations and
Prosecutions Section



Catherine Turtle
SECTION MANAGER
Training Section



ORIC staff, November 2013

ORIC STAFF

The Registrar's work was carried out by 48.76 full-time equivalent staff as at 30 June 2014. There were 29 female and 24 male staff members. ORIC had seven part-time staff and two staff on long-term leave. Twenty-one staff (39.6 per cent) identified as Aboriginal or Torres Strait Islander—an increase of 1.9 per cent from 30 June 2013.



Several ORIC staff attended the National Sorry Day Bridge Walk in Canberra, 23 May 2014

BUSINESS PLAN 2013–14

The Registrar identified six key priority areas in the ORIC business plan 2013–14 to align with the *ORIC strategic plan 2011–14*. These priorities concerned improving public confidence in the standards of corporate governance and viability of Aboriginal and Torres Strait Islander corporations registered under the CATSI Act.

In line with the business plan and the Registrar's core functions, ORIC has continued to regulate corporations effectively and monitor compliance under the legislation. It has also demonstrated a strong commitment to delivering high-quality services to its prime audience (corporations) and other stakeholders (government, funding bodies and the general public) consistent with ORIC's vision, aims and values.



1. Education and training

ORIC supported corporations through its active, well-targeted and high-quality corporate governance training program across Australia.

2. Stronger organisational governance for organisations receiving funding

ORIC worked with funding bodies to strengthen the governance of organisations receiving significant funds for the delivery of Aboriginal and Torres Strait Islander services and programs.

3. Regulation and compliance

Effective regulation and ensuring compliance with the CATSI Act remained a central focus.



4. Investigations and prosecutions

Strong activity in the area of investigations concentrated on the early identification of wrong doing and was followed up with appropriate action by the Registrar.



5. Organisational review recommendations

Seven of the 13 recommendations outlined in an independent organisational review of ORIC's efficiency and effectiveness have been implemented. The main recommendation—to reshape ORIC to allow a greater presence in the regions and a smaller central office in Canberra—has largely been achieved.

6. Improving the ability to deliver

ORIC regional offices have been set up in Darwin and Broome (and temporarily in Adelaide), complementing those already established in Alice Springs, Perth, Cairns and Coffs Harbour.

Where possible, Canberra-based jobs that became vacant over the year were reassigned to the regions.

'I have always believed that getting ourselves out into the regions is the best way to serve our corporations. Face-to-face contact is key.'

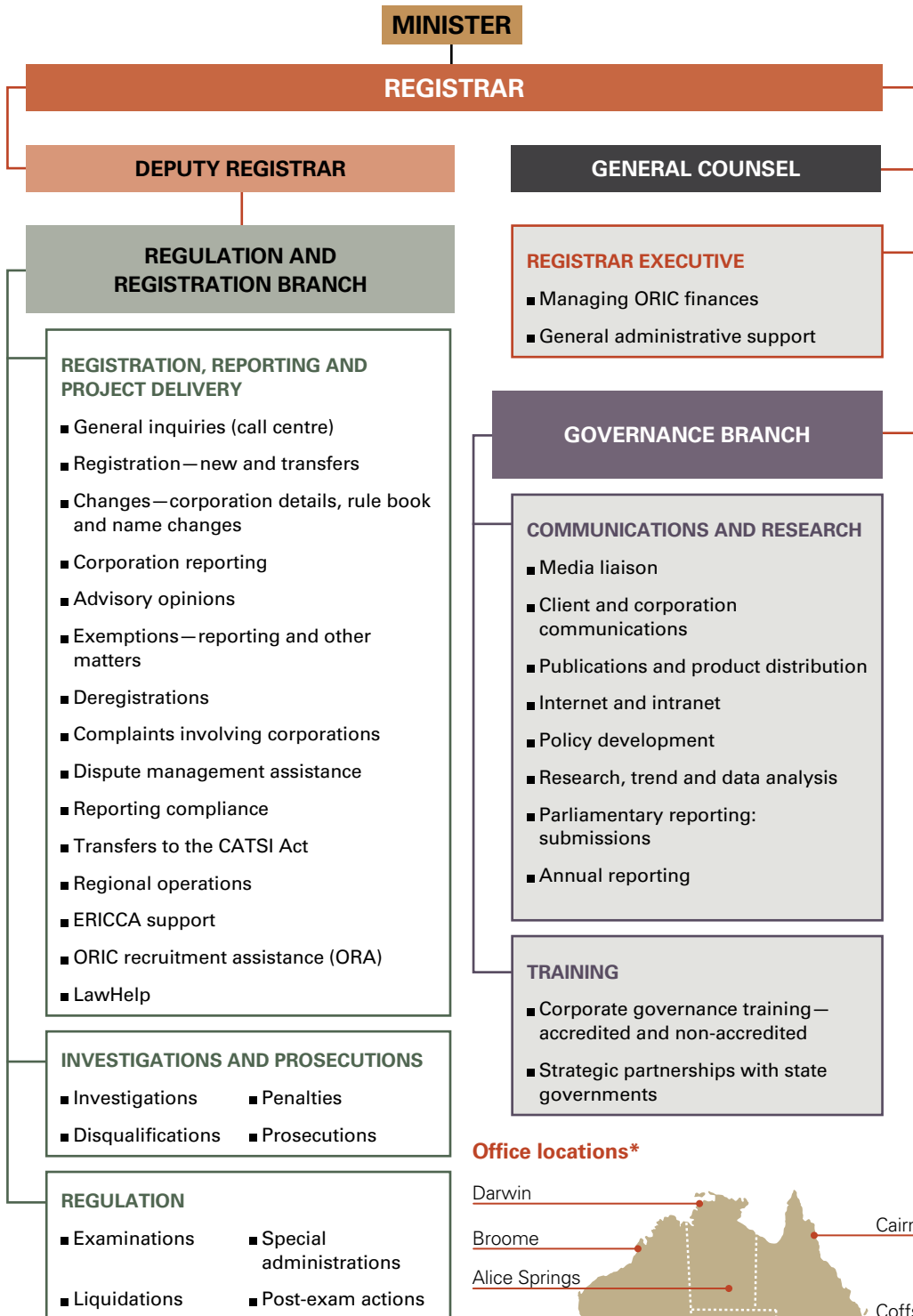
Anthony Beven, Registrar

Activities were also undertaken to develop and support ORIC staff to help them deliver high-quality services, including:

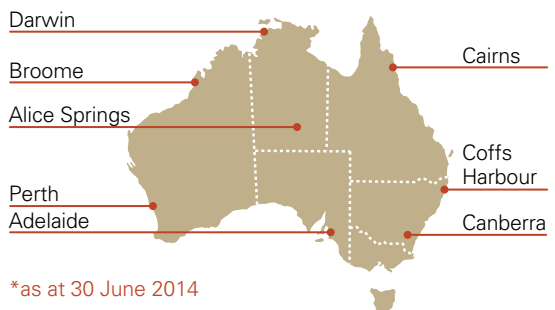
- fostering awareness of Aboriginal and Torres Strait Islander culture
- building understanding of the day-to-day difficulties that corporations may face through, for example, hands-on experience (volunteering at corporations)
- investing in targeted training to further develop knowledge and skills to perform ORIC functions
- redeveloping the ORIC website to make it easier to use.

Strong corporations, strong people, strong communities

THE ORGANISATIONAL STRUCTURE



Office locations*



*as at 30 June 2014