



## Dunghutti Elders Council placed under special administration

The Registrar of Indigenous Corporations, Mr Anthony Beven, has placed the Dunghutti Elders Council (Aboriginal Corporation) RNTBC under special administration. Mr Tim Gumbleton and Mr Andrew Bowcher from the New South Wales firm, RSM Bird Cameron, were appointed as the joint and several special administrators.

The appointment was made on Friday, 2 September 2011 after the High Court of Australia rejected an application by the corporation for an injunction to prevent the Registrar from placing it under special administration.

‘The corporate governance and financial management of the corporation have been of concern for a long time,’ Mr Beven said.

On Wednesday, 31 August Justice Foster of the Federal Court also dismissed an application by the corporation for an injunction against the Registrar.

In his decision Justice Foster said, ‘the [Registrar] has a statutory duty to ensure that corporations ... comply with the provisions of the [CATSI Act] and that native title compensation funds are spent wisely in the interests of the Indigenous people for whose benefit the compensation was paid. There is significant public interest in ensuring that native title compensation funds, which, after all, are funds raised by government through taxation, are spent wisely and in the interests of the people for whose benefit they were paid’.

Justice Foster also said, ‘The history of the present litigation demonstrates that the incumbent directors of the [corporation] have consistently endeavoured to answer the [Registrar’s] concerns by legalistic manoeuvres rather than by fully and frankly addressing those concerns’.

Mr Beven said, ‘After six months of litigation it is now time to move on and get the corporation back on track for the benefit of all Dunghutti people. The special administrators will protect the corporation’s assets, review the membership of the corporation and put in place strong governance and financial processes’.

### Background

The corporation was paid \$738 000 and \$6.1 million respectively in 1997 and 2010 by the New South Wales Government as compensation for the extinguishment of Dunghutti native title at Crescent Head in New South Wales.

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5 September 2011  
ORIC MR1112-09