



Improving accountability and increasing returns from Indigenous assets

PORTFOLIO: EMPLOYMENT AND WORKPLACE RELATIONS

Why is this important?

- There are a range of organisations and incorporated entities currently managing Indigenous-held assets and land, including Indigenous Community Trusts.
- Examples of Indigenous-held assets include portfolio investments, businesses and buildings.
- While there are some examples of good practice, generally Indigenous people are not benefiting significantly from assets and land being managed on their behalf.
- The measure will provide better access to economic development opportunities through building the skills of Indigenous people to more effectively manage these assets.
- The measure will:
 - support the development of best-practice models that promote transparency and accountability and increase returns, and possible regulatory change to improve the management of Indigenous assets
 - support the development of strategies to build capacity and educate trustees and beneficiaries to enable more Indigenous Australians to benefit from these assets.

Who will benefit?

- More effective asset management will enable Indigenous individuals, families and communities to use their existing assets to achieve economic independence.
- Increasing the awareness and understanding of the rights and responsibilities of trustees and beneficiaries will enable Indigenous people to make more informed choices about the use of their assets.

What funding is the Government committing to the initiative?

- Funds will be expended as follows:
 - development of best-practice models to increase Indigenous Community Trusts' transparency, accountability and economic outcomes (\$0.4 million)
 - implementation of improvements through a communications strategy, educational activities and possible legislative change (\$1.8 million over four years).

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What have we done in the past?

- The Australian Government has amended the Northern Territory Aboriginal Land Rights Act to make royalty associations more accountable and payments to individuals more transparent.
- We have also replaced the outdated Aboriginal Councils and Associations Act with a more rigorous and accountable legislative regime for Indigenous corporations.
- Preliminary research has been undertaken to analyse the nature of Indigenous Community Trusts and how they operate.
- This research identified shortcomings in the operation of trusts, including:
 - lack of transparency and accountability of trusts
 - lack of awareness and understanding of the rights and responsibilities of trustees and beneficiaries.

When will the initiative conclude?

- This measure will conclude on 30 June 2011.