

Outcome 4

Outcome Four seeks *the economic, social and cultural empowerment of Aboriginal and Torres Strait Islander peoples in order that they may freely exercise their rights equitably with other Australians.*

This outcome was transferred from the Aboriginal and Torres Strait Islander Commission (ATSIC) and reflected the former responsibilities of ATSIC.

The three outputs associated with this outcome were either no longer undertaken in 2004–05 or transferred to other agencies. Their status is:

- Output 4.1: Policy and Advocacy—Not undertaken in 2004–05, except through Regional Councils
- Output 4.2: Evaluation and Audit—Transferred to Department of Finance and Administration
- Output 4.3: Home Loans—Transferred to Indigenous Business Australia.

Departmental staff in ICCS supported Regional Councils in their continuing role to 30 June 2005.

Readers are referred to the ATSIC annual report for further information.

The department continued to support two measures/administered items:

- Aboriginals Benefit Account (ABA)
- Aboriginal and Torres Strait Islander Land Fund.

The 2004 Budget measure, Indigenous Women’s Development, is reported under Outcome 5.

A further measure affecting this outcome, Indigenous Australians—Better Service Delivery, relates to the Australian Government’s new arrangements in Indigenous affairs from 1 July 2004. The department’s role under the new arrangements is reported under Outcomes 3 and 5.

The Roma ICC says regular community meetings and a whole-of-community focus on an issue helped the Aboriginal people of Mitchell, a small town 600 km west of Brisbane, to develop their SRA.



Sharing a community's cultural history

The issue identified in Mitchell was that, with the passing of elders, knowledge of their history and stories would be lost. A lot of that community history was associated with the Yumba, a former reserve near the town.

The community came together to discuss their concerns, and decided what was the most important issue for them. A reference group then worked with the ICC and kept the community informed.

The Mitchell SRA will develop an Interpretive Walking Trail at the Yumba, so the Yumba story can be shared with school children, tourists and the local community.

When completed, the trail will be an important tourist attraction, helping the local community to generate income and provide life skills through training, work experience and employment.

Volunteers from the local CDEP will clean up and build the walking trail, and the community will promote the trail to local schools and tourist operators. They will also approach schools, local businesses and TAFE to organise training and work experience. Local Indigenous artists and storytellers will work with community members to record the Yumba story.

The Australian Government is providing funds to construct the trail and a caretaker's cottage and to record the Yumba story in language and art. The Government is also funding a Heritage Tourism Officer who will work with the caretaker to maintain the trail.

The negotiations were successful because the focus was on addressing the issue, not on who would get the funding, and the issue was of concern to the whole community, not just part of it.

Outcome 4—Administered items

ABORIGINALS BENEFIT ACCOUNT (ABA)

Figure 86: Performance information—ABA (March–June 2005)

MEASURES	RESULTS
<p>Quality: Adherence to provisions of Part VI of the <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> including:</p>	
<ul style="list-style-type: none"> ABA Income—Receipt of all moneys identified and calculated as payable to the ABA Special Account. 	<p>ABA income for the period covered in this report included:</p> <ul style="list-style-type: none"> royalty equivalent receipts totalling \$3 261 784 resources provided free of charge for the operations of the ABA Secretariat totalling \$189 085 interest earned on ABA investments totalling \$1 809 062. <p>The estimated price for administering this measure during the period covered by this report is \$24 056.</p>
<ul style="list-style-type: none"> ABA Expenditure—Distribution of statutory and discretionary moneys payable from the ABA Special Account in accordance with relevant guidelines, contractual obligations and tax laws. 	<p>Expenditure from the ABA for the period covered in this report included:</p> <p>Statutory payments</p> <ul style="list-style-type: none"> subsection 64(1) totalling \$1 304 714 subsection 64(3) totalling \$978 536 <p>Discretionary payments</p> <ul style="list-style-type: none"> subsection 64(4) totalling (\$92 307) subsection 64(6) totalling \$365 063. <p>No subsection 64(8) expenditure occurred.</p> <p>Loss on sale of investments totalled \$36 650.</p> <p>The estimated price for administering this measure during the period covered in this report is \$224 096.</p>
<ul style="list-style-type: none"> Advocacy—ABA Advisory Committee meetings held and diversity of views of the Committee ascertained and expressed in advices to the Minister. 	<p>The ABA Advisory Committee met on 19 May 2005 to discuss future directions of the ABA and to consider funding applications in order to advise the Minister in accordance with subsection 64(4) of the ALR Act.</p> <p>The estimated price for administering this measure during the period covered in this report is \$59 903. This figure includes sitting fees and travel costs for Committee members at a cost of \$18 496.</p>

Figure 86 *continued*

MEASURES	RESULTS
<ul style="list-style-type: none"> Ministerial Services pertinent to ABA—95 per cent of submissions, reports and briefs prepared within the required timeframe. 	<p>Approximately six Ministerial and Parliamentary briefings were processed by the ABA Secretariat during the period covered by this report.</p> <p>The estimated price for administering this measure by the ABA Secretariat during the period covered by this report is \$30 411.</p>
<ul style="list-style-type: none"> Continuous Growth in ABA Equity Level—Investment of funds in accordance with the ABA Investment Strategy in securities prescribed by the <i>Financial Management and Accountability Act 1997</i>; reviews and updates of financial management strategies to ensure that the ABA is well targeted and viable over the long term. 	<p>The ABA's equity level increased by \$2 710 027 during 2004–05 and its investment holdings increased by \$2 437 473.</p> <p>In 2004–05, the ABA implemented a strategy to sell its floating rate note and fixed bond holdings. The sale of these investments was completed by April 2005.</p> <p>The ABA maintained the disaggregation of its investment portfolio into the Growth Fund and Liquid Fund.</p> <p>The estimated price for administering this measure during the period covered by this report is \$63 247.</p>

Objective

The Aboriginals Benefit Account (ABA) is established by Part VI of the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALR Act). Its major functions are:

- to receive the equivalent of mining royalty moneys derived from mining operations on Aboriginal land in the Northern Territory, and such other income as outlined in section 63 of the ALR Act
- to make payments under section 64 of the ALR Act
 - to Aboriginal land councils in the Northern Territory in the proportions determined by the Minister for Immigration and Multicultural and Indigenous Affairs (the Minister) to meet their administrative costs
 - to Aboriginal land councils for distribution to incorporated Aboriginal associations, communities or groups in order to benefit those Aboriginal people who are affected by mining operations
 - for the benefit of Aboriginals living in the Northern Territory. In this regard, the Minister is advised by an Advisory Committee
 - as directed by the Minister, in accordance with the provisions of section 64 of the ALR Act.

Description

The ABA is a Special Account of the Commonwealth administered for the purposes of the *Financial Management and Accountability Act 1997* (FMA Act). During the

year under review, the ABA was administered by ATSIC until its abolition on 24 March 2005, when the account transferred to the OIPC within the department. The ABA Secretariat is located within OIPC's Northern Territory State Office.

As required by section 64B of the ALR Act, the ABA tables in Parliament a separate annual report for 2004–05 together with audited financial statements. This report will contain performance information for all measures for the full financial year. Following is a summary report for the period of the department's administration: 24 March 2005 to 30 June 2005.

The ABA maintains an output costing system that aligns with the measures listed in the performance figure above (first column). The price of administering each output/measure is derived from an activity-based costing system where the apportionment of subsection 64(6) of the ALR Act direct and indirect costs across ABA outputs/ measures is based on various cost drivers, including the time officers spend on activities under each output/measure.

Analysis of performance

ABA income

Royalty equivalent income during the period was \$3 261 784 derived from non-uranium mining operations on Aboriginal land in the Northern Territory.

Resources received free of charge by the ABA Secretariat were as follows:

OIPC/DIMIA:	\$
Office rent/office services	14 505
Information technology	7 302
Staff salaries and related costs	139 519
Superannuation	26 259
ANAO:	
Audit fees	1 500
Total resources free of charge	<u>189 085</u>

Interest earned on ABA investments was:

	\$
Bills of exchange	423 584
Interest bearing deposits	1 279 062
Floating rate notes	11 900
Fixed bonds	20 959
11 am call	<u>73 557</u>
Total interest	<u>1 809 062</u>

ABA expenditure

Statutory payments

Statutory expenditure disaggregated by land council was:

	Subsection 64(1)	Subsection 64(3)
Northern Land Council	720 202	550 665
Mining Withholding Tax (MWT)	30 008	22 944
<i>Sub-total Northern Land Council</i>	<u>750 210</u>	<u>573 609</u>
Central Land Council	438 384	388 729
MWT	18 267	16 198
<i>Sub-total Central Land Council</i>	<u>456 651</u>	<u>404 927</u>
Tiwi Land Council	62 626	-
MWT	2 609	-
<i>Sub-total Tiwi Land Council</i>	<u>65 235</u>	<u>-</u>
Anindilyakwa Land Council	31 313	-
MWT	1 305	-
<i>Sub-total Anindilyakwa Land Council</i>	<u>32 618</u>	<u>-</u>
Total subsection 64(1) and 64(3)	<u>1 304 714</u>	<u>978 536</u>

Discretionary payments: Subsection 64(4)

In late 2004, the government committed to making up to \$50 million available from the ABA, under subsection 64(4) of the ALR Act, for a Regional Economic Development Strategy designed to improve the economic situation of Indigenous people in the Northern Territory. Implementation of the strategy has advanced, with a number of funding proposals received. The necessary viability assessments and due diligence reviews of these proposals were progressed during the year, as a precursor to Ministerial consideration.

Subsection 64(4) expenditure for 24 March to 30 June 2005 shows a negative figure of (\$92 307) which is attributed to the write back of surplus grant funds and a change in the calculation of Mining Withholding Tax obligations on grant liabilities as at 30 June 2005.

Subsection 64(6) expenditure was:

Staff:	\$
—Salaries and related expenses	133 820
—Superannuation	26 259
—Workers compensation premiums	5 699
	<hr/> 165 778
ABA Advisory Committee members:	
—Sitting fees	3 297
—Superannuation	296
Total employee expenses	<hr/> 169 371
	<hr/>
Total supplier expenses	<hr/> 195 692

The supplier expenses figure of \$195 692 includes expenditure of \$115 222 for consultancies. Of this, \$65 492 relates to viability assessments and due diligence reviews on funding proposals received and \$49 300 on evaluations of land council estimates of expenditure and related administration matters.

Advocacy: ABA Advisory Committee

Twenty-two funding proposals (totalling \$74 147 673) were tabled at the ABA Advisory Committee meeting on 19 May 2005. Of these, 12 applications totalling \$25 314 250 were supported by the ABA Advisory Committee. The remaining ten were deferred for consideration at a future meeting.

At the time of this report, the above applications had not been considered by the Minister.

Ministerial services

A significant proportion of the costs allocated for administering this measure relate to various reviews by consultants on land council estimates of expenditure and administration matters. Fifty per cent of such costs (totalling \$24 606) are allocated to this measure as the outcomes of the reviews are required for Ministerial briefings.

ABA equity level and investment

Equity level

The ABA's equity level grew by \$2 710 027 mainly due to the receipt of royalty equivalents of \$3 261 784 and interest income of \$1 809 062. Significant expenditure during the period related to statutory expenditure of \$2 283 250 under subsections 64(1) and 64(3) of the ALR Act.

Investments

An audit conducted by the Australian National Audit Office (ANAO) of the Investment of Public Monies in 2003–04 identified that the ABA held, at 30 June 2004, investments that did not meet the definition of an ‘authorised investment’ under section 39 of the FMA Act. As a consequence, the ABA sold its floating rate note and fixed bond investments. A decision was also made to sell a capital indexed bond. A net loss of \$36 650 was realised for the period covered in this report; however, over the entire 2004–05 year, a gain of \$564 486 was realised on investments sold.

At 30 June 2005, the ABA Investment Portfolio comprised:

<i>Liquid Fund</i>	\$
11 am call account	1 275 000
Interest bearing deposits	34 300 846
Bills of exchange	6 700 000
Subtotal	<u>42 275 846</u>
 <i>Growth Fund</i>	
Bills of exchange	22 970 000
Interest bearing deposits	50 855 198
Subtotal	<u>73 825 198</u>
 Balance of Invested Funds at 30 June	 <u>116 101 044</u>

Liquid Fund investments are utilised for cash-flow purposes, whereas the Growth Fund comprises longer term investments.

Independent professional advice is sought on the portfolio’s return and performance for each financial year against appropriate benchmarks. This performance information is provided in the ABA 2004–05 annual report.

Outcome 4—Administered items

ABORIGINAL AND TORRES STRAIT ISLANDER LAND FUND

Figure 87: Performance information—Aboriginal and Torres Strait Islander Land Fund

MEASURES	RESULTS
Quality:	
Investment of funds in accordance with the investment strategy of the Consultative Forum to maximise the return on funds in securities prescribed by the <i>Financial Management and Accountability Act 1997</i> .	See below

A full report, as required by section 193I of the *Aboriginal and Torres Strait Islander Act 2005*, follows on the next page. This report is accompanied by audited financial statements.

Aboriginal and Torres Strait Islander Land Fund Account

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

Objectives

To provide a secure stream of income to the Indigenous Land Corporation (ILC) in perpetuity to provide economic, environmental, social and cultural benefits for Aboriginal people and Torres Strait Islanders by assisting in the acquisition and management of an Indigenous land base.

To retain the real value of the Aboriginal and Torres Strait Islander Land Fund.

Establishment

The Aboriginal and Torres Strait Islander Land Fund Account (the Land Fund), together with the ILC, was established in 1995 by the *Land Fund and Indigenous Land Corporation (ATSIC Amendment) Act 1995*. It is now established by the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act). This report is required under subsection 193I(1) of the ATSI Act and is for the full financial year.

Financial arrangements

Between 1995–96 and 2003–04 (ATSIC Act ‘Category A years’), the Australian Government made an annual appropriation of \$121 million (indexed to 1994 values) to the Land Fund. The Land Fund was to be built up to become a self-sustaining capital fund by 30 June 2004. Approximately 63 per cent of the annual appropriation was to be invested to build the capital base of the Land Fund. The remaining 37 per cent was to be administered by the ILC for its statutory land acquisition and land management responsibilities and for associated costs.

From the beginning of 2004–05, government allocations to the Land Fund ceased and the ILC received the realised real return on investments of the Land Fund in the previous year on the last working day of the financial year.

It is envisaged that the capital base will be sufficient for the annual earnings to replace the government appropriation making it a perpetual fund.

Structure of the Land Fund

From 1 January 1998 the Land Fund became a Reserved Fund within the Commonwealth Public Account. From that date moneys placed in the Land Fund must be invested in accordance with subsection 39(10) of the *Financial Management and Accountability Act 1997* (FMA Act). On 1 July 1999 the *Financial Management Legislation Amendment Act 1999* converted the Land Fund Reserve to a Special Account under subsection 20(1) of the FMA Act. As a consequence, the Land Fund Reserve became known as the Land Fund Account.

The Land Fund and its investments were administered by ATSIC under delegation from the Minister for Finance and Administration under subsection 193F(1) and (2) of the ATSIC Act until 30 June 2003. Following the creation of the Executive Agency Aboriginal and Torres Strait Islander Services (ATSIS) on 1 July 2003, the Chief Finance Officer (CFO) of ATSIS was appointed as the Minister's Delegate for that purpose by the Minister for Finance and Administration, effective from 1 July 2003.

This arrangement continued until the *ATSIC Amendment Act 2005/Aboriginal and Torres Strait Islander Act 2005* came into force on 24 March 2005, when responsibility for the administration of the Land Fund transferred to the department.

Delegation from the Minister for Finance and Administration under the ATSIC Act was with the Acting Chief Executive Officer, ATSIS and Acting CFO, ATSIS until 23 March 2005. From 24 March 2005, the delegation was to the department's Chief Financial Officer and Director, Financial Management and Reporting.

Effects of ANAO performance audits

The Australian National Audit Office (ANAO) published two reports in 2004–05: the *Management of Special Appropriations* and the *Investment of Public Funds*. Both reports impacted on the Land Fund.

In the *Management of Special Appropriations* report, the ANAO concluded that the Land Fund had been over-credited during the years 1995–96 through 2003–04 inclusive. The over-crediting was caused by incorrect indexation factors (as required by subsection 193D(1) of the then ATSIC Act) being applied to the annual appropriation amount. On the basis of the ANAO calculations, the Land Fund reported a payable back to the Official Public Account (OPA) in the 2003–04 financial statements of \$15 789 359, being \$11 569 382 of principal and \$4 219 977 of interest.

Further refinement of the calculations occurred prior to the repayment of the OPA of the amount of over crediting taking further account of the provisions of subsection 193D(1) of the ATSIC Act.

On the basis of indexation factors as per subsection 193D(1), the correct amount of over-crediting was determined as \$16 859 958. This is dissected as follows:

Figure 88: Over crediting amounts

Column	1	2	3	4	5	
Year	Amount credited (\$)	ANAO calculation of authorised	ANAO calculation of unauthorised	Actual unauthorised amount (4)	Difference	
					1-2	3-4
1996-96	123 178 000	122 452 000	726 000	484 000	242 000	
1996-97	126 750 000	126 003 108	746 892	620 568	126 324	
1997-98	129 792 000	128 775 176	1 016 824	1 139 980	-123 156	
1998-99	133 686 000	131 350 679	2 335 321	2 460 940	-125 619	
1999-00	136 359 000	132 401 484	3 957 516	3 821 690	135 826	
2000-01	139 223 000	134 255 104	4 967 896	4 697 631	270 265	
2001-02	141 451 000	139 088 287	2 362 713	2 082 718	279 995	
2002-03	143 997 000	142 148 229	1 848 771	1 423 248	425 523	
2003-04	146 695 000	145 986 231	708 769	129 183	579 586	
Total	1 221 131 000	1 202 460 298	18 670 702	16 859 958	1 810 744	

The \$16 859 958 was subsequently verified by the Department of Finance and Administration as being the correct amount of over-crediting, and the amount was repaid to OPA.

As the \$16 859 958 was a total of the effect of over-crediting for the Land Fund, the ILC and ATSIC, the repayment was as follows:

Land Fund principal	\$10 432 046
ILC principal	\$6 236 344
ATSIC principal	\$191 568
Total principal	\$16 859 958

In addition, \$3 915 121 of interest earned on the over-crediting between 1 July 1995 and 30 June 2004 was calculated as relating to the over-crediting. This was also paid to the OPA.

Between 30 June 2004 and the repayment date, a further \$364 405 of interest was earned by the Land Fund on the over-credited principal and interest, which was also paid to the OPA.

The Department of Finance and Administration has subsequently confirmed that all amounts owing have been paid to the OPA.

As the ANAO figures were impounded in the 2003–04 financial statements, the difference between these figures and those required to be compliant with the ATSI Act are reflected in the 2004–05 statements.

This resulted in the following adjustments in 2004–05:

Figure 89: Difference between ANAO calculations 2003–04 and revised calculations

	ANAO calculation in 2003–04 statements	Revised calculation	Impact on 2004–05 statements
Principal	11 569 382	10 432 046	1 137 336
Interest	4 219 977	3 915 121	304 856
Total	15 789 359	14 347 167	1 442 192

The Investment of Public Funds report found that \$415 540 684 of the then \$1 417 836 351 of investments did not fit within the categories of investments allowed under section 39 of the FMA Act, in that they were not deposits with banks. No definition was provided in the report as to what constituted a deposit with a bank, nor is there an agreed definition in the FMA Act or elsewhere.

With some residual uncertainty as to the final definition of what constitutes a deposit with a bank under the FMA Act, the Land Fund has chosen to invest in government-backed securities or negotiable or tradable certificates of deposit, until the matter is resolved.

The Consultative Forum (see below) agreed to sell the investments classified by the ANAO as non-compliant so long as there was no net loss on the sale of the group as a whole. The investments in question were sold with a net profit of \$810 041.

Consultative Forum

The Minister has appointed a Consultative Forum (section 193G of the ATSI Act) to consider the investment policy of the Land Fund, comprising nominated ILC Directors, other appointees of the Minister, and the Delegate of the Minister for Finance and Administration. The forum met on two occasions in 2004–05. The members of the Consultative Forum during the year were:

- David Baffsky, Director, ILC
- Shirley McPherson, Chairperson, ILC
- Michael Fileman, Acting CFO, ATSI (1 July 2004 to 30 May 2005) and Director, Financial Management and Reporting, DIMIA (1 June 2005 onwards) and Delegate of the Minister for Finance and Administration.

Realised real return

As noted above, 2004–05 was the first year in which there was no government appropriation to the Land Fund, and the realised real return of the Land Fund was calculated and paid to the ILC on the last working day of 2004–05. The realised real return was calculated as being \$4 038 109. This was based on a nominal return of 4.12 per cent and a discount rate of 3.8 per cent.

The calculation of the realised real return is performed using the indexation factor defined under section 193D of the ATSI Act. That section is as follows:

- (1) The indexation factor for a category A year is worked out using the following formula (and then rounded under subsection (3)):

$$\frac{\text{Sum of index numbers for quarters in first March year}}{\text{Sum of index numbers for quarters in second March year}}$$

where:

first March year means the period of 12 months ending on 31 March immediately before the category A year.

index number, for a quarter, means the implicit price deflator for gross non-farm product (trend) published by the Australian Statistician in respect of the quarter (ignoring any later number that may be published by the Australian Statistician in substitution for it).

second March year means the period of 12 months immediately before the first March year.

Indexation factor—category B year

- (2) The indexation factor for a category B year is worked out using the following formula (and then rounded under subsection (3)):

$$\frac{\text{Sum of index numbers for quarters in first June year}}{\text{Sum of index numbers for quarters in second June year}}$$

where:

first June year means the period of 12 months ending on 30 June immediately before the category B year.

index number, for a quarter, means the implicit price deflator for gross non-farm product (trend) published by the Australian Statistician in respect of the quarter (ignoring any later number that may be published by the Australian Statistician in substitution for it).

second June year means the period of 12 months immediately before the first June year.

Rounding the indexation factor

- (3) A result under subsection (1) or (2) must be rounded up or down to 3 decimal places (rounding up in the case exactly half-way between).

Change in statistical reference base

- (4) For the purposes of applying the formula component **index number** in subsection (1) or (2), if:
- (a) at any time, whether before or after the commencement of this subsection, the Australian Statistician has changed or changes the reference base for the implicit price deflator for gross non-farm product (trend);
- then:
- (b) after the change, only numbers published in terms of the new base are to be used.

On the basis of section 193D of the ATSI Act, the following indexation factor was determined:

Figure 90: Indexation factors

Column	1	2	3	4	5	6	7	8
Quarter	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Base year	2000-01	2000-01	2000-01	2001-02	2001-02	2001-02	2001-02	2002-03
Index factor as first published by ABS	104.3	104.6	105.7	104.1	104.8	106.2	107.4	105.7
Indexation factor after ABS rebase 1	101.8	102.6	103.3	101.0	102.0	103.2	104.5	
Indexation factor after ABS 2	99.1	99.7	100.3					
Factor applied	99.1	99.7	100.3	101.0	102.0	103.2	104.5	105.7
Discount factor for 2004-05 payment								
Indexation factor as per section 193D*				1.03824044				
Rounded as per section 193D(3)				3.80%				

* Calculated by the final factor in columns 5 through 8 inclusive over columns 1 through 4 inclusive.

The indexation factor was applied to the Land Fund earnings as follows:

Figure 91: Indexation factors applied to Land Fund earnings

Assets as at 30 June 2003	\$1 290 657 412
Add special appropriation 02/07/03	\$91 982 000
Revaluation	\$-106 400 109
Accrued interest & other receivables	\$-8 177 347
Assets as at 2 July 2003	\$1 268 061 956
Assets as at 30 June 2004	\$1 431 588 475
Revaluation	\$-83 202 765
Accrued interest	\$-13 752 124
Overcrediting repayable to the OPA	\$-14 347 167
Assets as at 30 June 2004	\$1 320 286 419
Nominal rate of return	4.12%
Indexation factor	3.80%
Real return	0.32%
Amount payable	\$4 038 109

The department interpreted 'realised real return' to be the return of the Land Fund that was manifested in cash in the year, adjusted on the basis of the discount rate under section 193D of the ATSI Act.

However, so as to ensure that all payments to the ILC are in accordance with the ATSI Act, the department has requested an audit under section 20 of the Audit Act by the ANAO of the correct interpretation of 'realised real return'.

Future investment strategy

The department has recommended that the Consultative Forum outsource the investment advisory services, investment management and custodial services through open tender. Should the Consultative Forum agree to this approach, tenders are expected to be requested in the first quarter of 2005-06.

Indigenous Land Corporation (ILC)

The ILC is an independent statutory authority within the Immigration and Multicultural and Indigenous Affairs Portfolio which uses the funds made available to it each year from the Land Fund. The ILC has responsibility for the acquisition and management of newly acquired Indigenous land and for existing indigenous held land in all states and territories. The ILC is obliged to table an annual report detailing its administrative structure and processes under subsection 193K(1) of the ATSI Act.