

CHAIRPERSON'S report



On behalf of the Board, I am pleased to report on the achievements of the Indigenous Land Corporation (ILC) for 2005–2006.

This year has been extremely gratifying as it has built strongly on last year's commitment to strengthen the ILC's involvement in training and employment provision for Indigenous people, particularly in the pastoral and tourism industries. Three hundred and nine people obtained work in the ILC's businesses, 194 of whom were Indigenous. The ILC is operating two significant training programs at Crocodile/Welcome Station on Cape York

Peninsula, and Home Valley Station in the East Kimberley. At each station, Indigenous trainees live on site and participate in accredited training programs in the pastoral and tourism sectors that will provide them with the necessary skills to move into full-time employment, either in the ILC's businesses or in mainstream industries. Having visited both properties, I am encouraged to see the positive changes in attitudes, health and self esteem.

During the year, the Board felt strongly that there needed to be reform of CDEP and income-support schemes to ensure that Indigenous people took up full-time job opportunities when they arose and, in doing so, could not automatically return to the social security system if that full-time work was still available. The ILC's experience has been that many positions on offer through its businesses have been filled by non-Indigenous workers and, in some instances, overseas backpackers, when they should be filled by local Indigenous workers. The ILC Board is pleased that during the year the Australian Government implemented changes to the CDEP system that require participants to take up employment opportunities when they arise.

The ILC continues to take a lead role in training and employment opportunities for Indigenous people in the pastoral industry across Australia. This year, the Board agreed to extend the successful Indigenous Pastoral Program (IPP) in the Northern Territory (NT) for a further five years, with extra ILC funding of \$2.68 million. This program is supported by the NT Government, the Northern and Central Land Councils and the Department of Employment and Workplace Relations. The support of the NT Cattlemen's Association in this major initiative is critical, and I am pleased to see such an important industry player fully behind it. One of the IPP's most important aims is to establish five training centres across the NT so that Indigenous people gain the skills necessary to secure employment in the NT's pastoral industry. Over a ten-year period, the aim is to have approximately 1,000 Indigenous people placed in employment in the NT pastoral industry.

The IPP demonstrates the ILC's commitment to a whole-of-government, strategic partnership approach across its broad spectrum of activities throughout Australia. In fact, 60% of the ILC's projects involve one or more Australian and/or state government agencies. The ILC has major joint-funding agreements with the

Department of Agriculture, Forestry and Fisheries through the FarmBis program. It has allocated \$7 million of matching funding over three years with the Department of the Environment and Heritage for the expansion of the Indigenous Protected Areas program, and continues joint funding of the Prime Minister's Award-winning Kimberley Indigenous Management Support Service.

The ILC also pursued the significant strategic purchase of the former Redfern Public School (RPS) in close cooperation with the NSW Government. With the Redfern-Waterloo Authority and its Minister, the Hon Frank Sartor, the ILC was able to negotiate an off-market purchase of the former RPS for \$14.8 million. The school and adjacent land will be transformed into a National Indigenous Development Centre (NIDC) that will focus on sporting, educational and cultural programs. The 1.6 hectare site will be redeveloped to include a training field, swimming pool and basketball/netball facilities, as well as the relocation of the Redfern Police and Citizens' Youth Club to a new building. Peak Indigenous sports development organisations will gain badly-needed accommodation and training facilities. The National Aboriginal Sports Corporation Australia and the Lloyd McDermott Rugby Development Team will relocate to the NIDC. The Exodus Foundation Tutorial Centre will operate from a purpose-built classroom within the Centre, providing up to sixty local Indigenous students with intensive literacy, numeracy and behavioural skills programs. The Indigenous-owned and managed Murawina Child Care Centre will continue to operate its long-term day care and pre-school from a refurbished facility at the site. It will also incorporate a 100-bed hostel facility for Indigenous sporting and development groups visiting Sydney. It is envisaged that 5,000 Indigenous people from across Australia will stay in the accommodation each year. The redevelopment will be finished in the 2008–2009 financial year, and will play a significant role in the rejuvenation of Redfern's, and particularly Indigenous people's, self esteem.

In 2005–2006, the ILC continued to meet its statutory responsibilities to assist Indigenous people to achieve cultural, social, environmental and/or economic benefits through the acquisition and management of land. It reviewed the National Indigenous Land Strategy in early 2006 and made minor changes to reflect the new *Aboriginal and Torres Strait Islander Act 2005*. During the review, the Board restated its resolve that proposed acquisitions must demonstrate viability and sustainability, with applicant groups required to clearly demonstrate their commitment and capacity to achieve benefits. This year, eight properties were acquired and thirty seven new land management projects were approved. Four properties were divested to Aboriginal corporations, including one former ATSIC property that was transferred to the ILC last year.

In February 2006, because of changes to the Australian Government Ministerial arrangements, Indigenous Affairs was removed from the Immigration and Multicultural Affairs portfolio and transferred to Families and Community Services. As a result, the ILC's Minister changed from



An artist's impression of the new National Indigenous Development Centre planned for Redfern.



Families, Community Services and Indigenous Affairs Minister the Hon Mal Brough.

Senator the Hon Amanda Vanstone to the Hon Mal Brough, Minister for Families, Community Services and Indigenous Affairs. This also meant that the ILC's portfolio department became the Department of Families, Community Services and Indigenous Affairs (FaCSIA), which is now responsible for administering the Aboriginal and Torres Strait Islander Land Account (the Land Account). During 2006, the ILC developed strong working relationships with Minister Brough and Dr Jeff Harmer, the Secretary of FaCSIA. It is appropriate that, in presenting the ILC's 2005–2006 Annual Report, I take the opportunity to thank Senator Vanstone for her support of the ILC and its important work during her time as Indigenous Affairs Minister.

As mentioned in last year's Annual Report, the ILC has significant concerns regarding the amount of income it earns from the Land Account. A payment of \$23.8 million was made on the last business day of the 2005-2006 financial year. However, the issues of the realised real return, appropriate indexation factor and the definition of a "bank deposit" have yet to be resolved. I have raised these issues with the Secretaries of the Department of the Prime Minister and Cabinet and FaCSIA, and they have given me an assurance that the ILC's concerns will be addressed next financial year. In essence, the Land Account has grown to approximately \$1.5 billion and its return to the ILC will be well below projected forecasts. This matter must be resolved to ensure the ILC's long-term sustainability.

The property remediation program instituted for 108 properties purchased before July 2002 (both divested and ILC-held) was again significantly progressed during the year. The program aims to ensure that these properties are capable of providing genuine benefits to Indigenous people. The key areas of focus are to continue to assist in the development of property management plans and instituting governance and other training programs. At 30 June 2006, almost \$8 million had been committed to the program and a target date of the 2007-2008 financial year has been set for finalising the program.

In October 2005, I welcomed the Minister's appointment of two new Directors to the ILC's Board: Mr Max Gorrings and Mr Ian Trust. Max Gorrings brings a lifetime of knowledge and experience in the pastoral industry. Ian Trust brings a wealth of experience in Indigenous affairs, particularly community governance and education. Mr Gorrings' and Mr Trust's contributions to the Board this year have been invaluable and I look forward to their continuing participation next year.

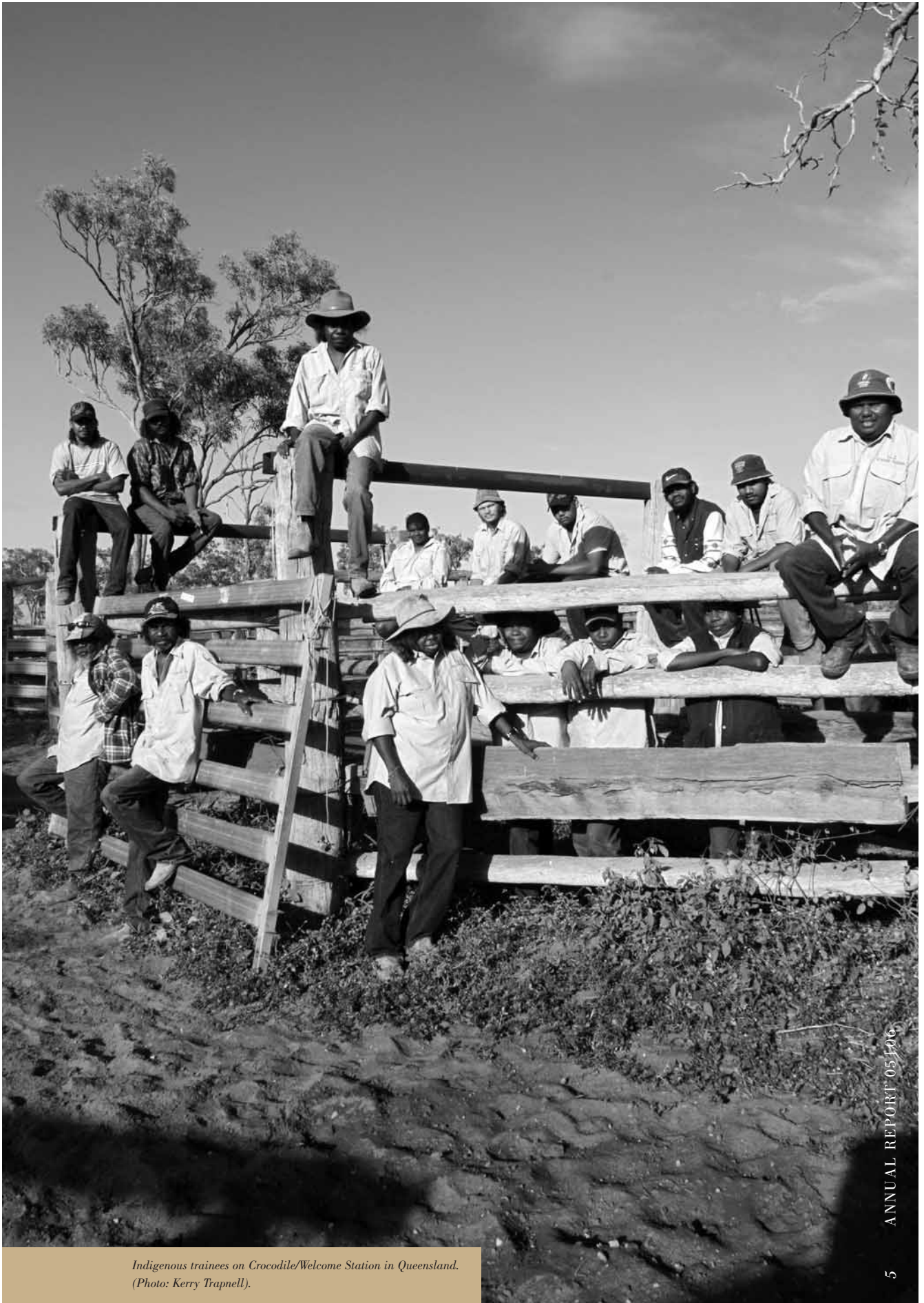
I also take this opportunity to thank my fellow Board members for their ongoing energy and commitment, as well as those applicants who work constructively with the ILC to help meet their land acquisition and land management needs. Finally, I would like to thank the ILC's General Manager, Mr David Galvin, and the staff of the ILC for their continued commitment and hard work in ensuring the proper performance of the ILC and the provision of effective assistance to our stakeholders.

Shirley McPherson

Chairperson



At the launch of the National Indigenous Development Centre plans were: (from left) NSW Aboriginal Affairs Minister Milton Orkopolous, ILC Chairperson Ms Shirley McPherson, Redfern-Waterloo Minister Frank Sartor, the Rev. Bill Crews and Heffron MP Kristina Keneally.



*Indigenous trainees on Crocodile/Welcome Station in Queensland.
(Photo: Kerry Trapnell).*