

ANNUAL REPORT 2008-2009

"Land in the State of New South Wales was traditionally owned and occupied by Aborigines.

Land is of spiritual, social, cultural and economic importance to Aborigines.

It is fitting to acknowledge the importance which land has for Aborigines and the need of Aborigines for land.

It is accepted that as a result of past Government decisions the amount of land set aside for Aborigines has been progressively reduced without compensation."

**PREAMBLE TO THE ABORIGINAL
LAND RIGHTS ACT 1983.**



New South Wales
Aboriginal Land Council

www.alc.org.au

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Description: Dancers perform a special tribute to mark the 25th Anniversary of the proclamation of the ALRA as part of the 2008 Annual Deadly Awards held at the Sydney Opera House.

Photo [Page 13]: Elaine Pelot -Syron

**LIBERATE AND
EMPOWER
ABORIGINAL
PEOPLE IN
NEW SOUTH
WALES THROUGH
ECONOMIC AND
SOCIAL
INDEPENDENCE**



**New South Wales
Aboriginal Land Council**

OFFICE OF THE CHAIRPERSON

31 October 2009

The Hon Paul Lynch
Minister for Aboriginal Affairs
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

We present to you the New South Wales Aboriginal Land Council Annual Report for the year ended 30 June 2009, in accordance with the provisions of the NSW Aboriginal Land Rights Act 1983, the Public Finance and Audit Act 1983 and the Annual Reports (Statutory Bodies) Act 1984.

Yours sincerely

Bev Manton
Chairperson
New South Wales Aboriginal Land Council

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BEV MANTON

Chairperson's Introduction

This report marks my second full calendar year and second full financial year as the duly elected Chairperson of the New South Wales Aboriginal Land Council.

It has been a difficult, challenging but, ultimately, rewarding year.

I often think the more we do in Aboriginal Affairs, the more that needs to be done.

I'm sure I am not alone!

In that regard the 2008-2009 financial year brought its fair share of personal, political and operational difficulties, challenges and highlights.

Chief among the personal highlights was my re-election as Chairperson.

I was humbled, honoured and excited to be elected as the first woman Chairperson of NSWALC at our first Board meeting in Sydney on May 30, 2007.

I was doubly so when re-elected by my fellow Councillors for a further two year term in May, 2009.

The decision to re-nominate was taken after much deliberation and counsel with family and community.

All things considered, I took the view there was, and still is, much unfinished business ahead of us in spite of the significant strides we as a Council, and as an organisation, had taken to improve the socio-economic conditions of our people during our initial term.

My closest advisors felt I could make my best contribution by seeking a second term at the helm of NSWALC.

Thankfully a majority of my fellow Councillors agreed and re-elected Deputy Chairperson Tom Briggs and I to our respective positions.

Council has faced a number of tough decisions and challenges this year, particularly given the negative impact of the global financial climate on the earning capacity of the Statutory Investment Fund.

I'm again pleased to report, however, NSWALC's Governing Council has ended the year as it began; as a unified force for positive change and progress within the land rights network and beyond.

It will surprise no-one to hear we do not always agree on strategies, timing, and tactics but we are at one on the crucial need to maintain a united focus in our core task of improving the well being of our people.

And, each Councillor continued to bring a unique perspective to our deliberations during this period on the multitude of local, regional, state, national and international issues we have dealt with at our formal Council meetings, our Board retreats, regional forums, training sessions and workshops.

I look forward to continuing our important work together during the remainder of our term.

I'm sure I speak for all of them in nominating NSWALC's Statewide Conference of Local Aboriginal

Land Councils in March as one of the chief operational highlights of the reporting period.

It was the first time in seven years that NSWALC has been able to convene such a conference.

The Conference attracted more than 250 delegates from the network of 121 Local Aboriginal Land Councils from across the State, representing a majority of the Aboriginal Nations of NSW. As you will read later, the Conference broke new ground.

It provided a rare and welcome opportunity for the elected representatives of First Nations from across the State to come together and network over three days on the wide range of issues which face Aboriginal people and their elected organisations as they work to improve the social, political, economic and cultural well being of their constituents.

NSWALC Councillors facilitated and led discussion in most sessions on a wide range of key policy, planning, operational and advocacy issues.

Forums for our Elders and our Youth were held at a NSWALC State Conference for the first time. They were considered a Conference highlight by many attendees, including myself.

This success triggered Council's subsequent decision to formally establish Elders and Youth Advisory Committees. I look forward to working with them in the new financial year.

The Conference also provided an opportunity for NSWALC to distribute copies of its draft Community Land and Business Plan and a draft Funding and Financial Obligations Policy.

Delegates were also provided an exposure draft of the *Aboriginal Land Dealings Amendment Bill 2009* and a Background Paper on Constitutional Reform, including a draft Charter of Aboriginal Rights which you will find reproduced in this document.

The impeccable planning, organisation and management of Conference was a tribute to the dedication, commitment and drive of Chief Executive Officer, Geoff Scott and NSWALC staff.

It was just one of a number of major projects conducted by Mr. Scott and his small team on behalf of Council during the reporting period.

In my view the tensions inherent in a unique representative structure such as NSWALC are often overlooked in the normal hurly burly of day to day operations.

It takes skill, commitment, dedication and a clear and cool head to manage those tensions and to maintain focus. We are blessed with a management team, led by Mr. Scott and his Deputy, Norman Laing, who manage to do so.

Council has directly expressed its gratitude to Mr. Scott, his senior management team, and all staff for the professional, efficient and courteous manner in which they engage with Council and our Local Aboriginal Land Councils.

I'd like to take this opportunity to again publicly thank them in this regard.

Before turning to other issues I'd also like to take this opportunity on behalf of all delegates to publicly thank the Wanaruah people and the Mindaribba Land Council on whose land the State Conference was convened.

There was a unanimous view at Conference that NSWALC should convene such gatherings a lot more often.

This Council is committed to holding two in our term. Preliminary planning is already underway for another in 2011.

I have previously noted in this space that the election and induction of a Governing Council in 2007 heralded a new beginning and a new era for the New South Wales Aboriginal Land Council and the land rights network.

The Council has again been acutely conscious throughout this reporting period that we were elected at a crucial time in the history of land rights, particularly with the new governance, structure and representation changes to the *Aboriginal Land Rights Act* along with the crucial land dealing amendments.

Council members remain acutely conscious of the enormous responsibility we have to our people. We have been determined to ensure we deliver.

I believe we have done so again in this reporting period.

The renewed sense of purpose and direction within the organisation continued to gain impetus.

The Council has again been acutely conscious throughout this reporting period that we were elected at a crucial time in the history of land rights, particularly with the new governance, structure and representation changes to the Aboriginal Land Rights Act along with the crucial land dealing amendments.

It is reflected on every page of this report.

It was, perhaps, best exemplified in comments from the Minister for Aboriginal Affairs, Paul Lynch, when he introduced the *Aboriginal Land Dealings Amendment Bill 2009* in the NSW Parliament just as this reporting period ended.

The Minister noted NSWALC's pivotal role in the development of the bill.

NSWALC, he said, had provided insight and skill into assessing what measures would be serviceable and effective for Aboriginal land councils in the complex system of land dealing approvals and implementation.

Council and staff worked hard with the Government, the Opposition and minor parties and all other stakeholders, to ensure the amendments served the best interest of Aboriginal people.

Council looks forward to working with the land council network in the new reporting period to bed down the new land dealings regime and unlock the full economic potential of our hard won land base and ensure the benefits flow to our communities.

The Minister accurately described the legislation as a coming together of the rights agenda and the development agenda.

It is now our job to ensure we maximise the opportunities presented by the new provisions which, in my view, will greatly increase the workability of the Act.

Council also looks forward to working with the land rights network, and all other stakeholders, to shape a further suite of consequential amendments

in the new financial year to further improve the workability of the Act.

NSWALC's new purpose and direction can also be gauged by the progress reported in these pages on our work with both State and Commonwealth Government to assist in bridging the gap between our constituents and their fellow Australians.

While we have a long way to go I'm buoyed by the progress made this year, and that projected for next year, in our partnership with the State Government to deliver safe drinking water and sewerage systems in our discrete communities.

Council was concerned the \$200 million partnership might fall victim to the cuts foreshadowed in the November mini-budget just as the project was getting off the ground.

So much so, I wrote to Premier Rees seeking confirmation the project would be quarantined given its vital importance to raising the living standards of so many of our people.

Thankfully, it was.

Solid progress has since been made in this reporting period.

We have also had occasion during the reporting period to write to the Premier and his Ministers to seek negotiated outcomes on the logjam in land claim determinations.

The High Court decision in the Wagga land claim was a significant victory for the land rights movement in NSW.

But it came at a high financial and administrative cost for the taxpayers of NSW, both Aboriginal and non-Aboriginal, and our self funded land rights network.

It is our considered view that many of the undetermined land claims can be settled by negotiation rather than litigation, at a significant financial saving to all, with a consequent acceleration in the current time lag in determination.

As this reporting period ended we had also opened up a new dialogue with the State Government, and other stakeholders, on the protection of Aboriginal culture and heritage, triggered, in part, by proposed amendments to the *National Parks and Wildlife Act*.

Council is concerned at the ongoing destruction of our culture and heritage in the absence of an Aboriginal Heritage Commission. We must be allowed to control our own culture and heritage.

This is the core position we will be taking into our advocacy work in this regard in the new year.

Reform, it seems, never sleeps.

It is my hope that all of the above has illustrated that Council continues to work to the key strategies, core values and commitment to outcomes which are outlined in our Corporate and Business Plans.

We seek to do so to provide leadership, guidance and support to the Aboriginal people of New South Wales in the pursuit of sustainable cultural, political, social and economic rights.

The Plans provide our “road map” for renewal and reform and, importantly, re-emphasise that our principal clients are the Local Aboriginal Land Councils throughout the State.

They set out our key corporate priorities, such as advocacy and rights, strong leadership and governance, community health and well being, community development and planning, learning and development, and wealth generation and commerce.

They commit Council to work with all relevant stakeholders to ensure the safety, health and well being of Aboriginal people.

While the difficult economic times have forced us to cut our financial cloth during this reporting period, and will do so during the next, Council and management have framed our budgets to ensure we continue to maintain core funding and administrative support to LALCs.

We have also sought to maintain our support to worthy and necessary projects such as the Water and Sewerage Initiative and our Education Endowment Fund which has now assisted more than 200 students to pursue their goals and aspirations.

We are confident we have struck a sustainable and productive balance in our budgets between the funding of new initiatives and prudent financial planning to further improve the efficiency and effectiveness evident in NSWALC and the Land Council network in recent years.

The evidence is to be found in these pages.

I commend this document to you.



Bev Manton
Chairperson



GEOFF SCOTT

Report by the Chief Executive Officer

This report is my third as Chief Executive Officer of the New South Wales Aboriginal Land Council.

The end of this reporting period marked my sixth calendar year working in a number of Executive positions within the organisation and a lifetime of work in and around the New South Wales land rights network.

The changes, at both the operational and political level, in each of the past six years, have been immense.

Each new year has brought new reforms, new challenges, new directions.

In many respects this reporting period has been no different.

What was different, however, was our ability to bring many of the key players in the land rights network together at one venue for three days to discuss the ongoing reform agenda, consider our challenges, and chart new directions.

I agree wholeheartedly with Chairperson Manton's observation that NSWALC's Statewide Conference was the operational highlight of the reporting period.

It provided an all too rare opportunity for the Governing Council, NSWALC Management, LALCs and other major stakeholders to discuss and debate our joint purpose and direction.

NSWALC also used the opportunity to circulate a draft of its new Business Plan together with a

proposed LALC Funding and Financial Obligations policy which was later approved by the Minister.

The new simplified two tiered funding policy is tied to a new LALC Management Support System, a diagnostic tool to better assess the performance of LALCs across five key operational areas.

A key task during this reporting period, as in previous years, has been to ensure all staff worked closely with Council and the land rights network to seek sustainable outcomes against the strategies outlined in both the NSWALC Corporate and Business Plans.

This will continue to be a key task in the new reporting period but Conference provided an opportunity for key staff to work directly with delegates from LALCs across the State, particularly in assisting LALCs to increase their capacity.

Two Board/Management retreats were held during the reporting period.

These assisted Council and senior members of staff to develop strategies and goals designed to increase the efficiency and effectiveness of their interaction and ability to work as a team.

The performance of NSWALC's Statutory Investment Fund, and its impact on our ability to fund key initiatives, was a major focus for Council and management throughout the year.

I have noted in this space in each of the past two years that despite sound management and

investment strategies NSWALC and the land rights system remain at the whim of the domestic and international financial markets.

This was never more evident than in the latter half of the previous reporting period as the international financial meltdown cut a swathe through investment markets.

It saw the value of the Statutory Investment Fund drop to \$620.6 million at 30 June 2008.

At the end of this financial year the value of the Fund stood at \$526.8 million.

This represents a decrease of \$93.8 million as the share market meltdown continued to pound local and international equities.

It could have been worse.

The write-down in the value of the fund during this reporting period was minimised by the prudent, low risk, investment strategy which had been adopted by the previous Council, the former Administrators, and the current Council.

The challenge facing NSWALC in this reporting period was to maintain its efforts to use the gains from land rights to continue to create intergenerational wealth and to continue to develop sustainable benefits which contribute to the financial and cultural needs and wants of Aboriginal people in New South Wales.

The Executive team worked closely with Council and NSWALC's Investment Committee to rise to this challenge by taking a number of significant decisions, including the establishment of an internal Funds Management Unit.

The work of the Unit is detailed later in this Report.

It has been a missing link in our management structure.

The Unit has provided NSWALC with the in-house capacity and expertise to significantly improve its management and control of its key assets, including our Statutory Investment Fund, the economic lifeblood of our self funded land rights network.

As you will read later the Unit has allowed Council and management to take greater control of our investment portfolio and chart its performance against comparable funds operated by the NSW Treasury.

Despite the continuing negative returns, the NSWALC fund, as you will read later, performed well in

The majority of increases in NSWALC's forecast expenditure for the 2009-2010 financial year, and beyond, are primarily a direct result of transactional costs flowing from Government-initiated amendments to the ALRA and the ongoing cost of litigation to defend our rights to land.

These continue to hamper our efforts to significantly rein in recurrent expenditure.

comparison with the TCorp funds.

As regular readers of this document would be aware NSWALC is currently required under Section 150 of the *Aboriginal Land Rights Act (1983)* to maintain the value of the Fund above a benchmark of \$485 million.

NSWALC has long argued that the benchmark is artificial, the relevant section is far from straightforward, and does not allow NSWALC much flexibility in difficult economic times to ensure compliance with this section of the legislation.

We have been in discussion with the State Government since late 2008 to repeal this section and replace it with a Spending Rule which would seek to maintain the Fund's core worth but allow NSWALC more flexibility in managing its assets in line with its key philosophy to increase the value of the fund for successive generations.

In essence this would see a limit on expenditure to five per cent of the fund balance.

We were in discussions with the Minister for Aboriginal Affairs, Minister Lynch, on our proposals in relation to the Spending Rule as this reporting period ended.

We hope to gain his endorsement for the proposed amendment and have it included in a package of consequential amendments to the ALRA in the new financial year.

The practical philosophy driving stewardship of the Fund is the need to provide for the future as well as the present.

NSWALC is required to adopt a trustee, fiduciary and custodianship role which emphasises sustainability to ensure funds are there for our children and their children's children.

I noted in this space last year that Aboriginal people will never again see the generosity delivered by this legislation. We must not squander the asset base now at our disposal.

The economic conditions in this reporting period have only served to reinforce this conviction.

NSWALC's Governing Council, and management, are all too aware of this.

The required draw down from the Investment Fund to meet operational costs next year is forecast to be \$34.8 million which would fall well within the proposed spending rule.

Council has been conscious to ensure the organisation cuts its financial cloth to meet the leaner economic climate.

In that regard Council has asked the management team to reduce recurrent expenditure where, and when, possible.

It is conscious, however, of the increasing transactional costs which are being imposed on the self funded land rights system from ongoing amendments to the ALRA, including an anticipated new land dealings regime to be introduced during the next reporting period.

The majority of increases in NSWALC's forecast expenditure for the 2009-2010 financial year, and beyond, are primarily a direct result of transactional costs flowing from Government-initiated amendments to the ALRA and the ongoing cost of litigation to defend our rights to land.

These continue to hamper our efforts to significantly rein in recurrent expenditure.

The imposition by the Parliament of increasing administrative and procedural costs on the land council system also undermines the capacity of the system to progressively increase the real benefits flowing to Aboriginal people.

In this regard, Council wisely maintained funding levels to LALCs across the network during the reporting period despite the financial pressures placed upon it.

Council assured State Conference delegates that cuts to the global funding for LALCs was not on its agenda.

The future financial and operational sustainability of the land rights network will, however, be a major issue for the network in the new financial year, as flagged at Conference.

The combination of the Act and the efforts of many people, both Aboriginal and non Aboriginal, has delivered a solid foundation for the future but the financial, operational and political sustainability of the system is the key issue, not just in the new financial year, but over the next 25 years.

It is essential that we adopt long term plans and strategies to ensure our sustainability.

My key task as CEO of NSWALC is to ensure, under direction from the Governing Council, we have those plans and strategies in place.

Council also maintained its support for its landmark initiatives, the Education Endowment Fund and the partnership agreement with the State Government on water and sewerage.

Progress on both during this reporting period is highlighted later in this report along with a range of other initiatives.

NSWALC also maintained its strategies to build capacity across the network through its capacity development plan.

I also took the opportunity to realign a number of reporting functions within the NSWALC staffing structure to better assist LALCs in both operational and policy areas.

I have made it clear to staff throughout this reporting period that the structure of our organisation needs to remain flexible to adapt to our ever changing operational landscape.

The staff complement remained relatively stable throughout the period following the major administrative restructure of recent years.

Council has, however, requested that management place a freeze on all new non-essential staff appointments until economic conditions improve.

While NSWALC has a merit-based employment strategy it is pleasing to note the continuing increase in Aboriginal employment within the organisation.

Almost half of the senior management team comprises Aboriginal staff.

I noted at the beginning of this introduction that I have worked within the NSWALC Executive for six years.

I have witnessed the organisation build from strength to strength in that time.

We are now fully engaged with all key stakeholders in land rights in NSW, at all levels, having finally re-emerged from the dark years of administration.

We are now a fully-functioning peak representative organisation.

We have our governance policies and procedures about right.

Our counsel is increasingly sought, and acted upon, at the parliamentary, political and policy levels both within and outside the land rights system.

All of this is reflected in these pages.

Next year will bring new reforms, new challenges, new directions.

I look forward to working in the new financial year with our elected representatives and staff at all levels of the land rights system to ensure we continue to build on the rights which have been hard won over the past two decades.



Geoff Scott

Chief Executive Officer

NEW SOUTH WALES ABORIGINAL LAND COUNCIL



COUNCIL STRUCTURE AND MEMBERSHIP

The New South Wales Aboriginal Land Council's elected arm consists of nine Councillors democratically elected by registered voting members of Local Aboriginal Land Councils.

They are elected to serve a four year term.

The positions of Councillor are established under the *NSW Aboriginal Land Rights Act, 1983* (as amended) with salaries determined by the Statutory and Other Offices Remuneration Tribunal for Public Office Holders.

The Council itself elects its Chairperson and Deputy Chairperson at the first meeting of Council following the election of Councillors.

Both hold office for a term of two years and are eligible (if otherwise qualified) for re-election.

As reported last year a secret ballot for these positions was conducted under the auspices of the Registrar of the ALRA, Mr. Stephen Wright, on the first day of the first meeting of the newly elected Governing Council on May 30, 2007.

The ballot resulted in the election of Central Coast Region Councillor, Ms. Bev Manton, as Chairperson.



A fresh ballot was conducted for both the Chairperson and Deputy Chairperson positions on May 14, 2009. This saw Cr Bev Manton re-elected as Chairperson and Cr Tom Briggs re-elected as Deputy Chairperson.

Northern Region Councillor, Mr. Tom Briggs, was elected Deputy Chairperson.

The initial term for both the Chairperson and Deputy Chairperson were due to end on May 30, 2009.

A fresh ballot was conducted for both positions on May 14, 2009.

Ms Manton was re-elected Chairperson.

Councillor Briggs was re-elected as Deputy Chairperson.

Their current terms are now due to expire at the next full Council election in 2011.

The Role of Councillors

The role of a Councillor is, as a member of the governing body of the NSWALC:

- To direct and control the affairs of the Council in accordance with the Act; and
- To participate in the allocation of the Council's resources for the benefit of Aboriginal people; and
- To participate in the creation and review of the Council's policies and objectives; and
- To review the performance of the Council in the exercise of its functions and the achievement of its objectives.

In addition, the role of a Councillor is:

- To represent the interests and respond to the concerns of Local Aboriginal Land Council members; and
- To facilitate communication between the Local Aboriginal Land Council members and the New South Wales Aboriginal Land Council.

The Council is supported in its work by a Head Office, located in Parramatta, and a Zone office structure established in three regional centres (Dubbo, Queanbeyan, Coffs Harbour) and Sydney.

The NSWALC administration is headed by a Chief Executive Officer with the delegated authority of the Council to assume responsibility for all aspects of the day to day operation of the Council's affairs.

Councillor Profiles

Following are short profiles of each of the nine members of the Governing Council:



Central Coast Region

Bev Manton
Chairperson

A member of the Worimi nation, Ms Manton, is a strong and respected advocate for community development, particularly in relation to employment, housing, health and education.

Involved with NSWALC since its inception, Bev is a founding member of the Karuah Local Aboriginal Land Council and worked as the LALC Co-coordinator for four years before being elected to NSWALC.

She represents her people on a number of Boards including the Worimi Conservation Lands, Aboriginal Community Environment Network and the Northern Alliance.



Northern Region

Tom Briggs
Deputy Chairperson

Tom is a member of the Gumbainggir nation and has lived and worked in the Armidale District most of his life. He is a member of the Dorrigo Plateau Local Aboriginal Land Council.

He previously worked with the Department of Education, Employment and Training for twenty years, gaining extensive experience in human resources and training issues. He is a former councillor with the Aboriginal Torres Strait Islander Commission and the New South Wales Aboriginal Land Council and the Armidale City Council.

He is Chair of the NSW Aboriginal Justice Advisory Council and has a degree in administrative leadership.



Sydney/Newcastle Region

Roy Ah-See

Roy is a Wiradjuri man who was born and bred on Nanima Reserve, near Wellington. He is a member of the Darkinjung Local Aboriginal Land Council.

He has previously worked at the NSW Aboriginal Housing Office and various government departments as a policy officer.

He worked at NSWALC as a policy officer before being elected.

Roy has a Bachelor of Arts Degree (Social Welfare).

Councillor Profiles



Wiradjuri Region

Craig Cromelin

Craig, an artist, is a descendant of the Ngiyampaa people of south west New South Wales.

A former cotton picker, carpenter, welder, he describes himself as a “jack of all trades.” He is a member of the Murrin Bridge Local Aboriginal Land Council.

Craig has held several managerial positions, including Chairperson of the Murrin Bridge Aboriginal Advancement Corporation, the Murrin Bridge Local Aboriginal Land Council and the Wiradjuri Regional Land Council.



North West Region

Steve Gordon

Steve has been involved with Aboriginal affairs for about 35 years both in a voluntary and professional capacity. A member of the Brewarrina Local Aboriginal Land Council, he was the first Aboriginal Ombudsman in New South Wales and in June 1997, was the first Aboriginal representative to address the NSW State Parliament.

In 2002 he was voted national NAIDOC Person of the Year. He was a former Commissioner with the now defunct Aboriginal and Torres Strait Islander Commission.

He lives in Brewarrina where he has served as a Shire Councillor.



South Coast Region

Neville “Jack” Hampton

A Yuin man, Jack, has been active in Aboriginal Affairs for more than 40 years. Before his election to NSWALC he was engaged in Aboriginal employment consultancy work at Mission Australia.

He also recently worked with his wife of 46 years, Eileen, to mentor Aboriginal Students in Hostels after more than 30 years work with Jervis Bay National Park.

He has a Bachelor Degree in Adult Education and is a former deputy chair of Wreck Bay Aboriginal Community Council and former Treasurer of Nowra Local Aboriginal Land Council, of which he is still a member.

Councillor Profiles



North Coast Region

Patricia Laurie

Patricia, a Yaegl woman and member of the Bundjalung nation, has been active in Aboriginal Affairs for more than two decades and has been involved with the NSWALC network since its formation 24 years ago. She is an accredited Community Planning and Trained Mediator.

She is Deputy Chairperson of the Northern Alliance representing four regions and 38 Local Aboriginal Land Councils (LALCs) and was Treasurer for nine years of the Far North Coast Regional Council.

She is a member of the Birrigan Gargle Local Aboriginal Land Council at Yamba.



Western Region

William Murray

William is a member of the Nari Nari nation and was born in Balranald.

He has spent most of his life in the Wilcannia area. William has previously held positions on the New South Wales Aboriginal Land Council and the Murdi Paaki Regional Council.

He has enjoyed a long involvement with various Aboriginal organisations.

He is an active member of the Wilcannia Local Aboriginal Land Council.



Central Region

Stephen Ryan

Stephen is a Wiradjuri man who lives in Dubbo. Stephen has worked in a range of areas such as family violence and land management.

He has held several managerial and elected positions and has worked for NSW NTS in Native Title for 5 years.

He is a former chairman and current member of the Dubbo Local Aboriginal Land Council.

Stephen believes it is important that NSWALC focuses on securing land given its spiritual, social, cultural and economic importance to Aboriginal people.

COUNCILLOR ATTENDANCE AT MEETINGS 2008-2009

Number of Meeting Days Eligible to Attend—28

Councillor	No. Meeting Days	No. Attended Eligible To Attend	Notes
R. Ah-See	28	26	One Day: Leave of Absence - Personal. One Day: Leave of Absence - Regional.
T. Briggs	28	24	One Day: Leave of Absence - Personal - Ill health. Three Days: Leave of Absence - Regional.
C. Cromelin UN	28	25	Two Days: Leave of Absence to attend Indigenous forum. One Day: Leave of Absence - Out of phone range for 225 th Extraordinary meeting.
S. Gordon	28	18	Eight Days: Leave of Absence - Illness. Two Days: Leave of Absence - Personal.
J. Hampton	28	28	Full attendance.
P. Laurie UN	28	22	Two Days: Leave of Absence to attend Indigenous Forum. Two Days: Leave of Absence - Personal. Two Days: Leave of Absence - Ill health.
B. Manton	28	28	Full Attendance.
W. Murray	28	20	Five days: Leave of Absence: sorry business. One Day: Leave of Absence - Personal. Two Days: Leave of Absence - Ill health.
S. Ryan	28	25	Two Days: Leave of Absence - Ill health. One Day: Leave of Absence - Sorry business.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

This report covers the activities and financial dealings of the New South Wales Aboriginal Land Council for the period 1 July 2008 to 30 June 2009.

The report includes the financial and other reports required under the NSW Government's *Annual Reports (Statutory Bodies) Act 1984* and also provides a summary and highlights of our activities and achievements during that period.

As recorded in last year's Annual Report, the Council had been in the hands of a Government appointed-all functions Administrator from 20 November 2003 until the election on May 19, 2007 of a nine-member Governing Council and the declaration of the poll four days later.

The normal functioning of Council is described throughout this report in terms which assume a model of elected representative members collectively setting policy direction, with an experienced CEO and skilled team of senior managers, administering the support systems to assist local Aboriginal communities to achieve economic and social independence.

For the benefit of new readers, it is important to place in context the way in which this organisation came into being, what the Land Council system in New South Wales is designed to do, and how it goes about doing it.

Who We Are and What We Do

The New South Wales Aboriginal Land Council is the peak Aboriginal representative body in New South Wales.

It was first established in the late 1970's to assist in the fight for land rights.

It is a common misconception that the New South Wales Aboriginal Land Council was established as a direct result of the passage of the *Aboriginal Land Rights Act (NSW)* in 1983.

This is not the case.

A non-statutory NSW Aboriginal Land Council was established in 1977 as a specialist Aboriginal lobby on land rights.

It was formed when over 200 Aboriginal community representatives and individuals met for three days at the Black Theatre in Redfern to discuss land rights.

The organisation was formally constituted as a statutory corporation with the passage of the *New South Wales Aboriginal Land Rights Act* in 1983.

The purposes of the Act are as follows:

- To provide land rights for Aboriginal persons in New South Wales;
- To provide for representative Aboriginal Land Councils in New South Wales;
- To vest land in those Councils;
- To provide for the acquisition of land, and the management of land and other assets and investments, by or for those Councils and the allocation of funds to and by those Councils; and
- To provide for the provision of community benefit schemes by or on behalf of those Councils.

These should be read in conjunction with the preamble to the Act, which states:

- Land in the State of New South Wales was traditionally owned and occupied by Aborigines;
- Land is of spiritual, social, cultural and economic importance to Aborigines;

- It is fitting to acknowledge the importance which land has for Aborigines and the need of Aborigines for land; and
- It is accepted that as a result of past Government decisions the amount of land set aside for Aborigines has been progressively reduced without compensation.

The Constitution, Objects and Functions of NSWALC are set out in Part 7 of the ALRA.

These essentially give the New South Wales Aboriginal Land Council (NSWALC) the mandate to provide for the development of land rights for Aboriginal people in NSW, in conjunction with a network of Local Aboriginal Land Councils through:

- Land acquisition either by land claim or purchase;
- Establishment of commercial enterprises and community benefit schemes to create a sustainable economic base for Aboriginal communities;
- Maintenance and enhancement of Aboriginal culture, identity and heritage (including the management of traditional sites and cultural materials within NSW).

NSWALC also acts as an advisor to, and negotiates with, Governments, and other stakeholders, to ensure the preservation of Aboriginal land rights.

As the peak Aboriginal representative body in NSW, it is charged with managing a Statutory Investment Fund, valued at \$526.8 million at June 30, 2009. It also oversees the development and management of a significant Aboriginal owned land estate.

The total area granted under the ALRA at the end of this financial reporting period was 81,813 hectares, or around one per cent of the New South Wales land area. It has a value conservatively estimated at just over \$800 million.

Some estimates put the value of the land at more than two billion dollars.

Added to this are properties acquired by purchase or other transfer of land (such as former missions/reserves) into LALC ownership.

Our Clients

The principal client of NSWALC is a network of 121 Local Aboriginal Land Councils which collectively manage the range of support services delivered at local level to their communities.

These services include housing, legal affairs, employment, training and property acquisition and management.

This reporting period has resulted in ongoing changes to the governance and structure of all LALCs.

Both LALCs and NSWALC have expended substantial time and resources bedding down these changes.

Further substantive amendments, particularly in relation to future land dealings, are anticipated during the next reporting period.

NSWALC has continued to refine its management structure during this reporting period, and will do so in the next, to accommodate the legislative changes and to continue to restructure its distributed support for Local Aboriginal Land Councils.

The organisation has also continued to work within the five key objectives of its Business Plan in 2008/2009.

They commit the organisation to:

1. Provide leadership to influence the policy of government and other stakeholders to preserve Aboriginal culture and heritage and create economic, social and cultural improvements for Aboriginal people;
2. Create a network of fully functional, transparent, well governed Local Aboriginal Land Councils;
3. Assist LALCs acquire and develop assets to become financially viable;
4. Improve the internal operations of NSWALC;
5. Maximise the return on the investment portfolio while maintaining an acceptable capital risk profile.

Strategies and actions have been refined to assist the Purpose, Objectives, and Key Performance Indicator targets in the Plan.

Responsibilities for implementation are assigned at a work unit level.

The NSWALC Business Plan was being replaced as this reporting period came to a close with a NSWALC Community, Land and Business Plan, 2009-2012 as prescribed in the ALRA.

The Community, Land and Business Plan was being developed, and will be implemented, in accordance with the requirements of Division 5 of the *Aboriginal Land Rights Act 1983* (as amended).

The relevant sections of the Act (s137a-d) set out the requirements for the preparation and implementation of the Plan.

NSWALC is required to ensure the Plan must contain, amongst other things, the objectives and strategy of the Council for:

- The acquisition, management and development of land and other assets;
- The provision and management of community benefit schemes;
- The carrying out of business enterprises and investment;
- Aboriginal culture and heritage.

The Plan must also detail the development or acquisition of human resources and skills to implement the proposals and timelines for the achievement of proposed strategies and proposals in the Plan together with particulars of the assets and liabilities of the Council.



NSWALC's Corporate Plan 2008-2012 was adopted by Council in March 2008 and released to coincide with the 25th Anniversary of the proclamation of the Land Rights Act in New South Wales in June 2008.

NSWALC Corporate Plan

It will be fully implemented in the new reporting period in conjunction with the NSWALC Corporate Plan 2008-2012 which was adopted by Council in March 2008 and released to coincide with the 25th anniversary of the proclamation of land rights in New South Wales in June 2008.

NSWALC's overarching aim is to work in accordance with the key strategies outlined in both plans to provide leadership and guidance to the Aboriginal people of New South Wales in the pursuit of sustainable cultural, political, social and economic rights.

The documents set out in plain English what NSWALC is, what we do, and what we seek to achieve.

In her introduction to the Corporate Plan, Chairperson Manton said she and her fellow Councillors were conscious of their collective responsibility as the duly elected representatives of the peak Aboriginal organisation in NSW.

"We stand united in our role as community leaders and advocates on issues directly affecting our people today and in the future," she added.

"As an elected Council we rely on the views, concerns and circumstances of our people in the vast and diverse Aboriginal communities throughout NSW for guidance in our desire to work for social equality and justice.

"We aim to build upon the foundations already set in place by those who came before us.

"We are committed to securing a sustainable and equitable future for our people. To do so, we must be innovative and proactive in pursuing our goals.

"We recognise the fundamental importance of working with governments and other key stakeholders in all sectors of the community without compromising our cultural or corporate identity.

"This Corporate Plan sets out our strategic framework. It outlines the critical success factors driving our organisation.

"In essence, it is the road map for our organisation.

"It allows us to navigate a path towards creating an inclusive society in which Aboriginal people enjoy sustained cultural, social and economic empowerment."

The Chief Executive Officer, Geoff Scott, noted in his introduction that NSWALC was committed to ensuring a better future for all Aboriginal people in New South Wales by ensuring a strong collaboration between the work of the elected Board, those of Local Aboriginal Land Councils and respective staff.

Such a sustained cooperative relationship, combined with effective leadership and good governance, illustrates our collective commitment to achieving our corporate aims and objectives, he added.

"NSWALC acknowledges and respects the diverse range of problems and issues that confront individual Aboriginal Land Councils, their members and communities," he continued.

"We have identified a set of corporate priority areas in line with this. These are set out in this document.

"NSWALC seeks to deliver a range of cultural, social, economic and political outcomes against these priority areas. We are strongly committed to the continued development of all Aboriginal Land

Councils, their Boards and their staff through quality service, advice and support.

"A dedicated and united effort is required on the part of our elected Council, Local Aboriginal Land Councils and all staff to achieve this."

Local Aboriginal Land Councils

Both plans re-emphasise the fact that the principal client of NSWALC is the network of Local Aboriginal Land Councils which are located across 9 regions throughout New South Wales.

As mentioned earlier there are currently a total of 121 Local Aboriginal Land Council registered across the State. This structure is designed to achieve the highest degree of representation and participation for Aboriginal people.

Each LALC elected its own Board under changes to the ALRA which came into effect on July 1, 2007.

LALC Boards, staff and members are encouraged to access advice, information and support from the NSWALC in relation to all aspects of land rights.

The Act established the land council structure in a way that has sought to achieve a high degree of participation and involvement by every Aboriginal person in the affairs of their local community.

The on-going priority for NSWALC is to ensure that all of our Local Aboriginal Land Councils are afforded timely advice and direction on matters relevant to the Aboriginal Land Rights Act, and supported through high level training and development to build their capacity to strategically plan and manage their affairs at their local level.

A complete list of Local Aboriginal Land Councils is located at Appendix 1.



Delegates representing the Local Aboriginal Land Councils of the Wiradjuri Region at the Statewide Conference in March 2009.

Other Stakeholders

The Plans also acknowledge that NSWALC deals with a range of government, non-government and private sector stakeholders in carrying out its functions.

The nature and extent of our dealings with relevant stakeholders vary from time to time.

They are often dependent on what function each stakeholder represents and their significance to the operations of NSWALC and Local Aboriginal Land Councils.

The New South Wales Aboriginal Land Council is committed to working with all relevant stakeholders to improve outcomes for our people.

Council has resolved to:

- Maintain and strengthen existing partnerships with our LALC network to optimise performance and maximise potential for economic, social and cultural growth and prosperity at the local level;
- Maintain and strengthen existing partnership arrangements with our government and non-government stakeholders to optimise performance and maximise the potential for economic, social and cultural growth and

prosperity across all regions throughout NSW;

- Maintain and strengthen existing partnerships arrangements and develop new partnership arrangements with private sector stakeholders to optimise performance and maximise the potential for economic, social and cultural growth and prosperity across all regions throughout NSW.

Our Values

They also outline NSWALC's core values.

NSWALC recognises and respects the diversity of the Aboriginal people of NSW and their communities.

We do, however, share a number of core values. We seek to act in accordance with these values.

These include:

- Returning land to the Aboriginal people of NSW;
- Protecting culture and heritage;

- Seeking the provision of adequate services and resources for our people and communities;
- Seeking to ensure safe communities and social equality through areas such as education and employment;
- Upholding the inherent right of all Aboriginal people to freely participate culturally, socially, economically and politically in all sectors of the community;
- Ensuring long term opportunities and sustainability are available to all.

NSWALC seeks to work within these core values to:

- Perform our functions in a culturally appropriate manner and respect community diversity;
- Lead by example in the conduct of all of our operations by seeking to ensure integrity, honesty, respect and transparency in all of our dealings with our communities;
- Be accountable, wherever possible, to our clients and stakeholders;
- Uphold the principles and values of social justice;
- Be responsive to the aspirations and needs of NSW Aboriginal people and continually advocate the need for real and sustainable outcomes;
- Actively pursue the recruitment and professional development of dedicated Aboriginal staff;
- Respect and value the diversity and contributions of all NSWALC staff.

Delivering Outcomes

Both Plans also contain a key commitment to delivering outcomes.

They commit the organisation to take a leading role in improving the lives of our people through sound stewardship, advocacy and economic empowerment.

In accordance with our corporate priorities, our values, and the responsibility that we have been entrusted with by our people and our communities, we seek to:

- Assist in ensuring Aboriginal people in New South Wales enjoy a sustainable social and cultural environment by seeking to close the gap on poverty and improve health and living standards through tightly targeted community benefit schemes and evidence based advocacy;
- Target and increase our advocacy towards relevant State and Federal government bodies or agencies, particularly funding agencies;
- Assist our people in having access to, and contributing towards, a sustainable economic environment, including appropriate education and training and sustainable employment; and
- Promote safe and secure environments for our people and communities.

CORPORATE PRIORITIES

The Corporate Plan sets out NSWALC's key corporate priorities along with the outcomes we seek to achieve. They are:

Advocacy and Rights

As the peak representative body, NSWALC has the responsibility to pursue cultural, social and economic independence for Aboriginal people.

NSWALC is committed to improving the first nations status for Aboriginal people and ensuring that fundamental human rights are recognised and sustained.

We will continue to work for:

- The return of culturally significant and economically viable land
- Seek to influence policy and reform agendas of the NSW and Commonwealth governments through leadership and reliable evidence-based advice and research.
- Continue to provide advocacy and support in attaining and upholding fundamental human rights for Aboriginal people both nationally and internationally.

Strong Leadership and Governance

NSWALC is committed to strong leadership, good governance, integrity and accountability in all Aboriginal organisations in NSW.

We will continue to develop, promote and maintain a highly efficient, financially robust and professionally managed organisation.

NSWALC seeks to lead by example in all sectors of the community focusing on good governance, leadership and accountability.

In this crucial area we seek to:

- Lead by example throughout our organisation and network
- Demonstrate efficient and effective services in day-to-day operations of the organisation.
- Ensure ethical and responsible decision-making practices throughout the organisation and network.

- Maintain efficient and effective policies and procedures applicable to the entire network.
- Provide training and development opportunities to enhance career progression for all NSWALC and LALC staff.
- Be regarded in the wider community as an employer of choice.

Productive and Meaningful Partnerships

NSWALC is committed to the pursuit of strong, productive and meaningful partnerships with all relevant stakeholders.

We believe this can assist in delivering opportunities for economic, social and cultural growth and prosperity for Aboriginal people across all regions throughout NSW.

In this respect NSWALC will continue to:

- Identify and develop strategic partnership opportunities for economic, social and cultural growth and sustainability.
- Strengthen existing partnerships and arrangements in both public and private sectors.
- Develop training and development strategies which enhance the capacity of LALCs and their members to effectively engage in successful partnership arrangements with government, non-government and private sector stakeholders at the local community level.

Community Health and Well-Being

NSWALC is appalled by the poor health, well being and lack of opportunity in our communities and the 17 year-gap in life expectancy between our people and the general population. It will maintain and strengthen its advocacy to ensure meaningful personal and community health outcomes are achieved throughout all regions of NSW.

We will do so by:

- Promoting Aboriginal community health and well-being as a critical priority and vigorously advocate the need for genuine reform.
- Actively contribute to annual Aboriginal

community network health and well-being reviews and audits at both the state and national level.

- In collaboration with the LALC network and health providers, facilitate productive health and well-being partnerships to enhance performance outcomes at the local community level.
- Seek to improve access to social services for the LALC network.

Land, Cultural Heritage and Environmental Management

Land claims are core business for NSWALC. Land is the only form of compensation for dispossession now available under the *NSW Aboriginal Land Rights Act*.

NSWALC will continue to focus on working with Local Aboriginal Land Councils to acquire cultural and economically viable land and to ensure the prudent management and development of that land.

We will do so by:

- Developing a business case for the return of all Aboriginal sites in NSW.
- Developing guidelines that identify, protect and preserve cultural heritage in accordance with the traditional customs, obligations and responsibilities of individual Traditional Owner groups throughout NSW.
- Establish an effective communications process to monitor all land developments to ensure the culturally proficient identification, protection and preservation of all cultural heritage sites across all regions of NSW.
- Provide advice, support and direction to Local Aboriginal Land Councils in developing a culture and archival centre for NSW.

Community Development and Planning

NSWALC has a social and statutory obligation to develop and enhance the capacity of Local Aboriginal Land Councils. We will continue to provide guidance and support to all Local Aboriginal Land Councils in their process of identifying specific management, planning and development needs.

We will do so by:

- Conducting annual local network training.
- Establishing community planning and business development partnership arrangements with local governments, industry and businesses.
- Actively promoting Aboriginal home ownership strategies.
- Promoting the need to develop an Aboriginal Housing Loan System to provide affordable and manageable home loans to increase Aboriginal home ownership.

Innovation, Learning and Continuous Improvement

NSWALC will maintain a proactive approach to learning and continuous improvement. We will continue to research and develop modern and innovative methods in this area to deliver real outcomes which strengthen our communities and the capacity of Aboriginal people.

NSWALC is committed to:

- Pursuing additional funding from external sources to grow and strengthen the financial capacity of NSWALC's Education Endowment Fund and to advocate for further educational opportunities for Aboriginal people ;
- Monitor performance outcomes linked to NSWALC's Education Endowment Fund, particularly in relation to the provision of scholarships; and
- Seek and retain professional and committed people in our workplace.

Wealth Generation and Commerce

NSWALC and the land council network is self funded. We are committed to ensuring commercial and financial sustainability by engaging in sound commercial and business opportunities underpinned by independent professional advice.

NSWALC aims to work in collaboration with all relevant industries to maximise financial, employment and capacity building opportunities for all Aboriginal people and their communities.

We will do so by:

- Seeking to maximise financial returns and growth of the NSWALC Statutory Fund through prudent management ;
- Developing community-based Aboriginal Employment Strategies ;
- Promote the development of initiatives to enhance Aboriginal employment and training outcomes ;
- Monitor the business and industry environment to identify suitable and viable commercial enterprise opportunities for Aboriginal people ;
- Pursue partnerships with key industry groups to build commercial and economic sustainability for Aboriginal people.

We aim to ensure:

- Aboriginal people of NSW will be living more sustainable livelihoods through improved access to essential social services.
- NSWALC will be an effective advocate, actively participating in setting the policy agenda for the Aboriginal people of NSW.
- Aboriginal people of NSW will benefit economically, socially and culturally as a result of productive partnerships established and sustained by NSWALC and our stakeholders.
- NSWALC will have contributed to significant advances in rights and status.
- NSWALC will have contributed to safe and healthy communities.
- There will be an increased Aboriginal people's presence in the commercial and political environment.
- NSWALC will have assisted in all Local Aboriginal Land Councils taking full control of and responsibility for their economic, social and cultural affairs.

Commitment and Vision

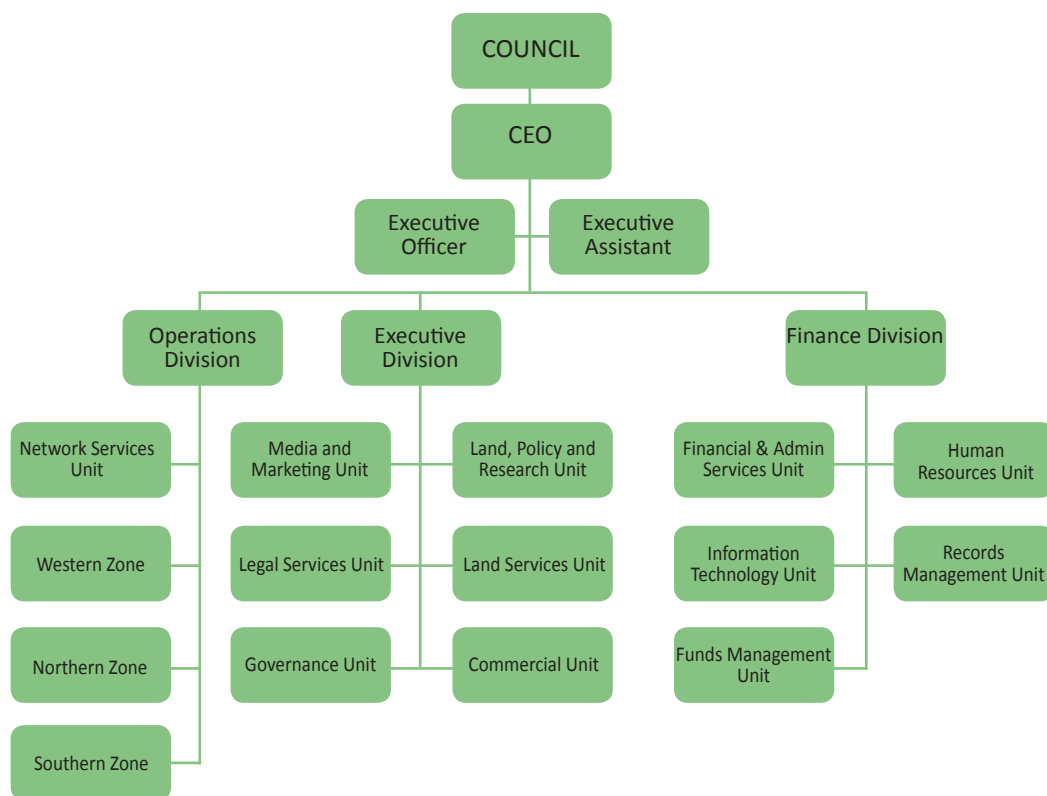
The Corporate Plan ends with a commitment to ensure Council works with all relevant stakeholders to improve the safety, health and well being of Aboriginal people in NSW.

It says that by 2012, we believe NSWALC will have made a significant contribution to bringing about an inclusive society where Aboriginal people are truly represented and empowered culturally, socially and economically.

NSWALC will seek to lead by example.

We will do so by demonstrating a professional and unified commitment to working with our communities and stakeholders to develop equitable commercial outcomes and opportunities aimed at addressing past injustices and alleviating the social and economic disadvantage that continue to affect our people.

Organisation Structure



The administrative arm of NSWALC has been arranged in functional areas relating to the core business of the Council, particularly Land Rights, Investment, support to the Land Council network and policy and advocacy.

As mentioned earlier, strategic priorities in recent years, as well as structures, have been determined in response to the requirements of long-awaited amendments to the ALRA.

These have included the *Amendment Act* (2001) which was finally proclaimed (with Regulations) on 25 October 2002 and the Aboriginal Land Rights Amendment Act 2006 which passed through both Houses of the NSW Parliament on December 4, 2006 and was proclaimed (with Regulations) on February 7, 2007

A further set of Regulations, largely affecting the future operations of Local Aboriginal Land Councils, were proclaimed in July 2007.

The organisational structure of the administrative arm has undergone significant change in recent years and this work continued during the reporting period.

This entailed simplifying and strengthening the corporate structure to boost support for the Governing Council and LALC's.

As at 30 June 2009, the actual staffing level, including Councillors, was 114 persons with 33 staff members working in the Zone Offices. This represents a slight increase on actual staff numbers (104) at the close of the previous reporting period.

More than 50 per cent of NSWALC staff are Aboriginal employees.

Executive

During 2008/2009, the NSWALC had four positions at the Senior Executive Level. Those positions were Chief Executive Officer, Deputy Chief Executive Officer, Chief Operating Officer and Senior Finance Officer.

The Chief Executive Officer, Mr Geoff Scott, was appointed to the position by NSWALC's Governing Council on November 12, 2007.

The Deputy Chief Executive Officer, Mr. Norman Laing, was appointed to his position on December 6, 2007.

The other two senior executive positions were occupied by Ms Margaret Palmer, who took up the position of Chief Finance Officer in June 2005, and Mr Malcolm Davis who took up the permanent position of Chief Operating Officer in March 2006.

All retained those positions throughout this reporting period.

A number of positions at the Executive Level were also established and filled during the reporting period as part of the on-going restructure of the organisation.

These included the appointment on February 12, 2009 of Mr. Chadwick Pocock to the position of Senior Investment Officer.

Mr Scott said the appointment of Mr Pocock would provide NSWALC with the in-house capacity and expertise to significantly improve its management and control of key assets, including NSWALC's Statutory Investment Fund.

His responsibilities would include maximising the return on funds managed by NSWALC in accordance with the investment policies of the organisation and providing direction to, and managing, a small Funds Management Unit.

Mr Pocock reports directly to the Chief Executive Officer and NSWALC's Governing Council.

Mr Scott also announced the appointment during this reporting period of Mr David Lee to his office in the role of Executive Officer.

Mr Lee would be responsible for providing strategic advice and executive support to both the CEO and NSWALC Executive across a range of issues.

As mentioned in his introduction, Mr Scott made it clear to all staff that he wanted to ensure the organisational structure remained flexible enough to accommodate operational change as the need arose.

Finance and Administration Division

The Finance and Administration Division is a core operational hub within NSWALC.

As reported last year it was created as part of the ongoing restructure of NSWALC with five units integral to the effective and efficient operation of the organisation.

They were Finance, Administration, Human Resources, Information Technology and Records Management.

The Finance and Administration Units were merged late in this reporting period under the management of Finance and Administration Manager, Rattigna Khannara.

The Division continues to work under the supervision of the Chief Finance Officer, Ms Margaret Palmer, to provide a wide range of financial and administrative services to NSWALC's Governing Council, its management and staff, and Zone Offices in their dealings with Local Aboriginal Land Councils.

Ms Palmer has overall responsibility for each Unit within the Division.

They have the following functions and responsibilities:

Finance and Administration Unit

- Strategic and operational planning and budgeting;
- Asset Management;
- Financial and management reporting and accounting services;
- Statutory and regulatory compliance;
- Fleet Management;
- Purchasing;
- Funeral grants;
- General administration;

The Unit is also responsible for the ongoing review of financial policies and procedures to ensure they are effective and comply with statutory and regulatory legislation.

The provision of accurate and timely reports is an important part of the Unit's functions to enable

NSWALC's Governing Council and management to make informed financial and administrative decisions.

The Unit has in place a number of important reporting tools to monitor and report on NSWALC's performance against its key performance plans, strategies and targets.

Human Resources

This Unit, under the management of Mr. Geoff Binns, provides an extensive range of services to the organisation, including the co-ordination of all recruitment and selection processes.

It also undertakes the ongoing review of policies, procedures and practices to ensure the organisation is following best practice and meeting its legislative and industrial relations requirements.

The Unit's additional key responsibilities include:

- All functions in relation to payroll, leave entitlements and conditions of employment;
- Advice and counselling on a range of personnel issues;
- Award interpretation and Industrial Relations matters;
- Occupational Health and Safety and Workers Compensation;
- Maintenance of Human Resource and Establishment records;
- Management of the Performance Planning System;
- Co-ordinating Professional Development and study assistance;
- Providing advice and assistance with organisational structural changes.

In addition to Mr. Binns the Unit is staffed by Rose Gordon and Diane Lee.

Information Technology

The Information Technology Unit provides in-house support and management of all technology and information system needs to the NSW Aboriginal Land Council.

The Unit also provides recommendations and support on emerging technologies and industry best practice.

Information and Communications technology is vital to enable the efficient and effective operation of NSWALC and the land rights networks, particularly given the number of outlying offices.

NSWALC's small ICT team is managed by the Director, Information Technology, Mr. Lee Netana.

The Unit's prime responsibilities include:

- Business Continuity and Disaster Recovery;
- ICT Strategy;
- Maintenance of Core ICT Infrastructure;
- Telecommunications;
- Enterprise Applications and Data Warehousing
- Support of desktop & laptop environments;
- Network Integrity and Security;
- Project Management of ICT Projects.

Records Management Unit

As noted in previous reports, the Records Management Unit was established at NSWALC in response to a number of Inquiries which found the organisation had a poor history of official record keeping.

The Unit is responsible for the security and ongoing access to the New South Wales Aboriginal Land Council's corporate history in a timely and efficient manner and to ensure best practice in electronic document management.

It is also responsible for ensuring prompt, efficient and accurate service to our customer base across the organisation and to create a better understanding of Records Management practice throughout NSWALC.

Records Management is now considered to be an integral business function within NSWALC to ensure the effective and efficient capture of the organisation's corporate and cultural history.

The Unit had come under the auspices of the Information Technology Unit up until late 2006 when it was decided to split the two given the specialised nature of records management.

This reporting period has seen the Unit continue to be managed by Mr. David Lawrence with the additional employment of a dedicated Mail and

Scanning officer, Ms Cassie Potts. The Records Officer position is now occupied by Mr. John Toth.

The main functions of the Unit are:

- To securely house and provide ongoing access to the New South Wales Aboriginal Land Council's corporate history in a timely and efficient manner;
- To create a better understanding and practice of Records Management across the organisation;
- To ensure prompt, efficient and accurate service across the organisation.

Commercial Unit

This Unit has been operating since April 2004 and provides an increasingly broad range of services to NSWALC and the LALC network.

The principle functions and responsibilities of the Unit include:

- Land dealing issues, including the appraisal of all land dealing applications submitted to NSWALC by LALCs;
- Financial and operational management of NSWALC's property assets, including its Head Office at 33 Argyle Street Parramatta;
- Specialised management of NSWALC's rural holdings including cropping and cattle programs;
- Commercial advice and assistance to all areas of NSWALC.

Since its formation the Commercial Unit has engaged appropriately qualified and experienced personnel with a broad range of skills capable of providing professional and timely advice to NSWALC and guidance to LALCs.

They have brought to NSWALC extensive experience in property development, commercial and residential management, financial, commercial and strategic management and business and planning skills.

During this reporting period the Unit comprised Director, Julie Van Agten, two commercial analysts, Julia Fawcett and Vanessa Chau, property officer, Jarrod Chapman, and an administrative assistant, Stephanie Kershaw.

Ms. Chau recently joined the Unit. She brings with her over a decade of experience as a specialist property legal advisor.

Her experience and knowledge of complex property matters has proved invaluable to NSWALC in the short time she has been with the organisation.

Her appointment has proved timely given that the proposed amendments to the land dealing provisions of the ALRA will become effective early in the new financial year. It is anticipated the new provisions, and the increasing accent on land development in this phase of land rights will increased administrative workloads in the Unit.

It is anticipated this will necessitate the engagement of additional Unit staff in the next reporting period.

Network Services

This is the core operational and compliance arm of NSWALC.

It is responsible for ensuring a comprehensive range of services is provided to the organisation and the land rights network.

It does so through the ongoing development and implementation of operational processes and procedures.

These are designed to guide the operations, and seek to fulfill the aspirations, of the network of 121 Local Aboriginal Land Councils, of which 118 are fully functional.

Network Services must monitor the compliance of Local Aboriginal Land Councils with their statutory reporting obligations to the Government under the ALRA.

This can be a difficult and complex task given the number of LALCs and the number of legislative changes in recent years. Compliance statistics are outlined later in this report.

Network Services works hand in hand with NSWALC's small network of Zone offices on a continuous improvement program in relation to LALC compliance with the legislation while assisting LALCs build their capacity in delivering community benefits from their land base.

As noted earlier the Zone offices are located at Coffs Harbour, Dubbo, Queanbeyan and Sydney.

The major activities and achievements of each Zone are reported upon separately later in this document.

There are four Units within Network Services: the Compliance and Evaluation Unit, Interventions Unit, Training and Development Unit and the Operational Policy Unit.

All report directly to NSWALC's Chief Operations Officer, Mr. Malcolm Davis.

It should be noted that the Director of Network Services position was abolished at the beginning of this reporting period.

The former occupant of this position, Mr. Bob Davis, was appointed to head up the newly created Land, Policy and Research Unit.

He took up his duties on the first day of this reporting period.

Compliance and Evaluation Unit

This Unit primarily provides ongoing support to NSWALC's Governing Council, management and Zone offices in delivering services to Local Aboriginal Land Councils.

The Unit is responsible for:

- Quality Assurance on Local Aboriginal Land Council compliances with the statutory regulations and NSWALC's funding policies;
- Quality Assurance on evaluations of reports from the Local Aboriginal Land Councils;
- Maintenance of an effective and efficient Compliance and Funding Database, which accurately records the compliance history of Local Aboriginal Land Councils;
- Business Intelligence Applications for use by both Network Services and Local Aboriginal Land Councils to assist them meet their compliance obligations;
- The submission of comprehensive half yearly Breach and Allocation Reports to the Minister of Aboriginal Affairs as prescribed in the ALRA; and
- The submission of comprehensive Breach and Allocation Report to the Councillors.

The Intervention Unit

This Unit plays a pivotal role in NSWALC's management and co-ordination of LALCs found to be non compliant with their obligations under the ALRA.

It co-ordinates the provision of papers to NSWALC's Governing Council on the proposed appointment of Investigators or Administrators to LALCs.

Should either be appointed, the Unit is then tasked with managing and monitoring the appointment together with the Department of Aboriginal Affairs (DAA).

The Unit provides professional support to the land council network from a diverse selection of professional service providers when all other mechanisms to assist a LALC have been exhausted and the LALC remains dysfunctional.

Work performed by the Unit includes, but is not limited to:

- Liaison with the Department of Aboriginal Affairs to develop, implement, and maintain a strategy to create a schedule of approved Administrators and Investigators for appointment within Local Aboriginal Land Councils (LALC's) as required;
- Preparation of relevant documents for internal and external stakeholders recommending an appropriate course of action in each case;
- Administration of the policies and procedures which govern the appointment of investigators and administrators in consultation with relevant personnel;
- To provide internal and external stakeholders with a point of contact regarding intervention into a LALC; and
- To process and track remuneration and expenses submitted for services provided by Investigators or Administrators.

Training and Development Unit.

This Unit provides an extensive range of training and development services to the broad and diverse network of land councils across NSW.

Its services are aimed at improving governance and achieving sustained improved efficiency and effectiveness in all Land Council operations.

The Unit's duties include:

- Co-ordinating the creation and implementation of the NSWALC Capacity Development Plan, which includes training strategies and plans for the NSWALC Board and staff and LALC Boards and their staff;
- Ensuring NSWALC meets its statutory obligations in relation to provision of mandatory governance training pursuant to sections 65 and 107 of the ALRA;
- Provision of support to the NSWALC Board, staff and LALCs on all relevant training and development issues;
- Monitoring, evaluating and reporting on the rate of training and development activities and development and management of improvement strategies as required;
- Working in collaboration with the Zone Offices to develop and implement data collection and collation methodologies which meet business and reporting requirements on training and development activities across the LALC network;
- Ensuring that any NSWALC training policies and practices are ethical and comply with the NSWALC Code of Conduct, anti-discrimination and occupational health and safety legislation, and promotion of equal employment and access in accordance with agreed Government policy;
- Establishing and maintaining a broad network of Training and Development Providers to ensure NSWALC has the ability to develop and implement a broad range of training and development activities to meet legislative requirements;
- Identification and development of strategies to enable NSWALC to obtain external funding and/or related assistance to support the provision of training initiatives to the Network;
- Ensuring that all written advice provided to NSWALC's Governing Council, management and Zone staff complies with probity, statutory and NSWALC policy and procedures;
- Providing the Chief Operating Officer and other senior staff with strategic advice on emerging training and development issues within and outside of NSWALC; and
- Managing the Training and Development cost centres.

During this reporting period the responsibility for NSWALC staff training was transferred from the Human Resources Unit to the Training and Development Unit.

The consolidation of all training activities into one Unit resulted in greater efficiency in the use of resources and increased co-ordination of internal training and development activities.

Operational Policy Unit

The core business of this Unit is to assist NSWALC in the management of operational reforms which impact on the Local Aboriginal Land Council network arising from changes to the ALRA, Commonwealth Government projects, and NSWALC's involvement in projects initiated under the NSW State Plan by the Department of Aboriginal Affairs.

The OPU aims to assist NSWALC's Governing Council manage the statutory reform process within deadline and achieve satisfactory and effective results for LALCs and affected Aboriginal communities.

The OPU aims to increase NSWALC's input into planning for human services, housing and infrastructure matters within the "whole of government approach" to Aboriginal Affairs adopted within NSW and by the Federal Government.

The current range of responsibilities of the Operational Policy Unit includes:

- Developing policy to assist NSWALC in the approval of existing social housing schemes. The policy must now take into account the National Partnership on Remote Indigenous Housing and its accompanying Commonwealth/State Implementation Plan as well as the Sector Reform Strategy promoted by the NSW Aboriginal Housing Office;
- Program Management of the Walgett Repair and Maintenance project;
- Program Management of the jointly funded Subdivision project which aims to facilitate the subdivision of former Aboriginal missions and reserves;
- Providing input into working groups led by the Department of Aboriginal Affairs that are associated with initiatives developed under Priority F1 of the NSW State Plan.

The work of the OPU has been carried out during most of the reporting period by two officers, while five staff positions are approved under the current staffing structure.

A recruitment drive to fill the additional positions has so far failed to attract the calibre of applicants required.

A former NSWALC employee, Mr. Phillip Duncan, was appointed to the Unit on a short term basis in March 2009.

Mr. Duncan has brought a wealth of knowledge and experience to NSWALC having worked in a range of government agencies with particular experience in the natural resources area.

Zone Offices of NSWALC

As reported earlier NSWALC had previously provided support to LALCs directly through a network of Branch Offices.

Lack of depth of skilled resources at the Branch level contributed in part to the decision to consolidate the 11 Branch Offices into Zone Offices, each with the resources to adequately service the particular needs of the LALCs in their Zone.

The Zone offices all became fully operational in December 2004 and gradually consolidated their operations with the ALC network during the current reporting period.

The recruitment of Zone staff with considerable experience in Aboriginal Affairs complemented the range and depth of skills brought to the organisation in the staff appointments during the reporting period in Head Office.

Legal Services Unit

The Legal Services Unit (LSU) came into being in January 2002 as a discrete entity. It was fully staffed during this reporting period, allowing much of NSWALC's legal work to be conducted in house.

The Unit comprised a Principal Legal Officer, Senior Legal Officer, Legal Officer and one administrative assistant at the end of this reporting period.

The Principal Legal Officer, Ms. Lila D'souza, is the manager of the Unit.

The Senior Legal Officer is Ms. Nicole Courtman and Mr. David Goodenough is the Legal Officer.

The administrative assistant is Ms. Madhu Gopal.

Four volunteer legal interns, Ms. Rachael Taylor, Ms. Elizabeth Sercombe, Ms Christine Ernst and Mr. Seker SB, were also placed in the Unit during this period as part of the Aurora Project, which is run by the University of New South Wales.

All interns provided invaluable assistance on a number of projects and legal matters.

During this reporting period the Unit continued to provide NSWALC with a wide variety of legal services across the full range of the organisation's functions to further its aims and objectives in an effective, strategic, timely and commercial manner.

These included:

- Undertaking the ongoing management and resolution of a high number of legal matters, reducing the reliance upon, and cost of, external solicitors and barristers;
- Providing closer supervision of matters briefed out to ensure a co-ordinated and strategic approach to matters and to reduce unnecessary duplication;
- Delivering legal training to NSWALC Councillors and staff as part of the Unit's risk management strategy. This included training on the *Aboriginal Land Rights Act (NSW) 1983*, Administrative Law principles, Native Title, contracts, record keeping obligations, conflict of interest, confidentiality, legal professional privilege, the *Ombudsman Act 1974*, the *Protected Disclosures Act 1994*, the *Independent Commission Against Corruption Act 1988* and the *Freedom of Information Act 1989*;
- Overseeing all NSWALC legal risk management issues.

Corporate Governance Unit

This Unit was originally established in the 2004/05 financial year to provide an improved focus on corporate governance within NSWALC and the network following a succession of inquiries, reports and reviews of the organisation, the operations of the Act and the performance of land councils.

Many of these raised a number of concerns about the governance of the Land Council system and the handling of complaints. NSWALC has always responded positively and constructively, within the limits of its resources, to external scrutiny and criticism of its operations.

Many of the shortcomings identified by investigations have been administrative in nature and, while perhaps identifying a failure to meet modern best practice standards, have not been indicative of malpractice or corruption.

Rather, they have been symptomatic of administrative overload and lack of capacity. The formation of this unit was a further step to improve internal governance procedures at NSWALC and in the wider land rights network.

The principal stakeholders for the Unit are the elected Council, the CEO and a range of internal units and external agencies.

The Unit worked to eight core objectives during the reporting period which included Board Governance, Risk Management, Complaints Handling, External and Internal Accountability.

There are three operational areas within the Unit. They are: Internal Audit, Complaints and the Secretariat.

Internal Audit

In February, 2009, Ms. Margaret Paheerathan joined NSWALC as Internal Audit Manager. She immediately assumed responsibility for the organisation's internal and external accountability processes.

The overall purpose of the Internal Audit function is to assist the Audit and Risk Management Committee in increasing the awareness of internal audit and corporate governance issues across NSWALC including the Zones and Local Aboriginal Land Councils and to provide the basis for NSWALC annual internal audit programs.

Complaints

The Corporate Governance Unit (CGU) manages NSWALC's response to complaints it receives regarding the Land Council Network.

However, as NSWALC has limited authority to deal with complaints, many matters are necessarily referred to other more appropriate agencies. Details of complaints received and actioned are set out later in this report.

Council Secretariat

Council Secretariat is the focal contact point between the elected Council and the NSWALC Executive and staff.

It is responsible for managing and facilitating all Board meetings and works closely with the CEO and senior management to ensure all Council resolutions are implemented effectively and efficiently. It also provides direct executive and administrative support

to the Chairperson.

The Secretariat is also responsible for quality control and co-ordination of Ministerial and other high level briefs as directed by the CEO.

The Director of Governance, Ms. Gina Georgiou, left NSWALC in April, 2009. A replacement was expected to be appointed in the new financial year.

Land, Policy and Research Unit

This unit combines NSWALC's core business of land rights and policy and research which underpins the organisation's strategic policy and advocacy work.

Land Services Unit

The Land Services Unit plays a pivotal role in the researching, lodgment and monitoring of land claims on behalf of NSWALC and Local Aboriginal Land Councils.

The Unit also maintains a register of all land held by NSWALC and Local Aboriginal Land Councils in line with NSWALC's obligations under s106(2)(g) of the ALRA.

A full appreciation of the work of this Unit requires an understanding of what the *Aboriginal Land Rights Act (NSW) 1983* is all about.

The Act is based on the principle that the provision of land rights is fundamental to Aboriginal self determination and autonomy.

It seeks, in part, to provide an economic base for Aboriginal self-determination.

This depends on providing a viable land base,

A primary function of NSWALC, enshrined in the legislation, is to acquire, manage and develop land to assist meet the social, spiritual and economic needs of the Aboriginal people of New South Wales.

The NSWALC may make a claim for land on its own behalf or on behalf of one or more Local Aboriginal Land Councils.

The Unit is staffed by Senior Land Rights Officer, Terry Millott, Senior Land Claims Officer, Robert Keed and Land Claims Officer, Ms. Marie Potts.

Mr. Millott and Ms. Potts are two of NSWALC's longest serving officers.



Senior Land Rights Officer, Terry Millott with a copy of a new guide to the land claim process which was produced by NSWALC with assistance of the Office of the Registrar.

Policy and Research Unit

The Policy and Research Unit plays a key role in researching and monitoring government policies which may impact on Aboriginal people in New South Wales at the national, state and international level.

It provides high level advice to NSWALC's Governing Council, management and LALCs on how they might influence positive reform in the development and implementation of such policies from an Aboriginal perspective.

The Unit has a particular focus on monitoring developments and providing advice on matters related to culture and heritage and management of natural resources.

It seeks to maintain an effective dialogue with NSW government departments and agencies, in consultation with NSWALC's Governing Council, through its involvement with various bureaucratic committees and advisory bodies

The Unit also co-ordinates NSWALC's international engagement strategies and working relationships with the United Nations and other networks.

It is also responsible for overseeing the NSWALC approval processes for LALC Community Land and Business Plans.

During this reporting period the Unit was staffed by a Policy Co-ordinator, Mr. Jason Field, Senior Policy Officers, Clare McHugh, and Sylvie Ellsmore, Senior Project Officer, Susan Becchio and Policy and Research Officer Troy Lancaster.

The Unit also employed two part time Policy and Research Officers, Sharon Close, Alexandra Russ through the reporting period and Neva Collins (until September 2008).

The Unit also employed a number of students through its Student Intern Research Program.

The Unit's staff all reported to the Director, Land, Policy and Research, Mr. Bob Davis.

Media and Marketing Unit

The Media and Marketing Unit has an important role in the ongoing development and promotion of NSWALC and the land rights network.

Its joint aim is to improve the profile of the organisation and to facilitate improved communication within the Land Council network and the broader community by seeking to increase awareness about the importance of land rights and attendant issues.

This underpins the advocacy work of NSWALC's Governing Council, staff and Local Aboriginal Land Councils.

The Unit's formal functions and responsibilities include:

- Providing strategic advice and briefings on media and marketing issues to Councillors, Local Aboriginal Land Councils and senior staff;
- Media monitoring;
- Initiating positive stories and responding to inquiries and requests for information from mainstream and independent media, the community and government bodies;
- Liaising with media, community and government organisations;
- Organising public and internal events and promotional activities;
- Producing NSWALC publications, posters, flyers and online services.

The Unit employs two seasoned journalists, Mr. Roy Tatten and Mr. Peter Windsor who bring a wealth of experience and knowledge in media and policy issues on land rights and Aboriginal Affairs issues to the organisation.

Both work in a part time capacity.

The Unit was also assisted in its strategic focus during the reporting period by former Media and Marketing Director, Mr. Brian Johnstone.

The marketing and information effort is conducted by a small team in NSWALC's Aboriginal Resource Centre comprising Ms. Betty Thoms, Ms Sarah Puckeridge, Mr. Phillip Mundine and Ms Coral See, whose primary responsibilities are reception and switchboard duties. All are long term NSWALC employees.

All report to the Director, Media and Marketing, Mr. John Paul Janke.

THE YEAR IN REVIEW

The various operational areas of NSWALC conduct regular internal reviews of their operations, as well as being subject to external review by a range of bodies, particularly the NSW Audit Office.

A review of operations and a summary of achievements during the reporting period can be found in this section of the Report.

The achievement section begins with a report on a number of the major initiatives of NSWALC's Governing Council set against the prevailing political and economic climate as this reporting period ended.

Closing the Gap

As noted in this space last year these three words have become a permanent fixture of daily debate on Aboriginal Affairs, especially since the election of the Rudd Labor Government in November 2007.

The Rudd Government came to power with a promise to use evidence based policy to seek to close the socio-economic opportunity and attainment gap, as well as the life expectancy gap between Aboriginal and non Aboriginal people.

It set a number of key objectives to close the gap on Indigenous disadvantage. They are:

- To close the life expectancy gap within a generation;
- To halve the gap in mortality rates for Indigenous children under five within a generation;
- To halve the gap in reading, writing and numeric achievements within a decade.

NSWALC believes every Australian would hope they are achieved.

However, NSWALC remains convinced the targets remain heroic and are yet to be matched by long term Commonwealth funding commitments in New South Wales to programmes framed in response to evidence based research and policies.

In the meantime it took decisions, in an uncertain economic climate, to maintain its \$30 million Education Endowment Fund and to formally enter into a 50-50 partnership with the State Government which has seen the commitment of more than \$200

million over the next 25 years to improve the water and sewerage services in more than 60 discrete Aboriginal communities around the State.

Council considered both initiatives, along with others outlined below, to be vital to working with State and Commonwealth Governments to seek to close the gap and to ensure it worked to the key objectives in its Corporate and Business Plans.

Aboriginal Communities Water and Sewerage Program

The NSW Aboriginal Land Council is working in partnership with the NSW Government to improve the water and sewerage services in selected Aboriginal communities.

Together they will invest over \$200 million over the next 25 years on maintenance, operation and repairs in approximately 60 Aboriginal communities across NSW.

As previously reported NSWALC's Governing Council resolved at its 219th meeting in March, 2008 to enter into this historic partnership.

The Aboriginal Communities Water and Sewerage Program, was formalised in an Agreement signed by the Chairperson of NSW Aboriginal Land Council, Bev Manton, and the NSW Premier, Nathan Rees, on 18 December 2008.

This initiative was taken following a review of the water and sewerage facilities in a number of Aboriginal communities.

That review found:

- The drinking water and sewerage services in many discrete Aboriginal communities are poor;
- They do not meet the basic standards expected in the wider community.
- There are inadequate skills and funding available to the communities for the ongoing operation and maintenance of these facilities;
- The operation, maintenance and monitoring of these systems was inadequate;
- The flow of effluent into houses is not uncommon;
- This situation puts the health of these communities at risk.



The Aboriginal Communities Water and Sewerage Program was formalised in an Agreement signed by the Chairperson of NSW Aboriginal Land Council, Bev Manton, and the NSW Premier, Nathan Rees, on 18 December 2008.

Council took the view that it had to do whatever it could to assist both State and Federal Government to help close the gap.

Council's decision to commit such long term funding meant the NSW Government would commit similar funds for the first time ever.

Program Management

The NSW Office of Water (formerly Department of Water and Energy) within the Department of Environment, Climate Change and Water has been appointed as program manager of the Aboriginal Communities Water and Sewerage Program.

The eligibility of communities and implementation of the program is overseen by a Steering Committee comprising representation from:

- NSW Aboriginal Land Council;
- Department of Human Services (incorporating the former Department of Aboriginal Affairs and Aboriginal Housing Office);
- Local Government and Shires Associations;
- NSW Water Directorate;
- NSW Health;
- Department of Premier and Cabinet;
- Treasury; and
- NSW Office of Water.

Only communities that are classified as discrete NSW Aboriginal communities that are permanently occupied with the community responsible for water and sewerage within its boundary are eligible to be part of the program.

The program provides funding for:

- routine operations and maintenance;
- backlog maintenance to return existing infrastructure to full operational efficiency;
- emergency maintenance to repair or replace equipment;
- preparation of water and sewerage management plans; and
- capital funding for new infrastructure.

The roll out of the program commenced in 2008-09 and will continue for another 6 to 12 months.

Expenditure in this first year was \$0.7 million and will be significantly higher in future years as the program gains momentum.

Local water utilities/local councils have the expertise to deliver these services and will be approached first to determine if they wish to participate and have the resources to deliver these services.

Program delivery will be a partnership between NSW Aboriginal Land Council (NSWALC), Local Aboriginal Land Councils (LALCs), local water utilities (LWU) and NSW Office of Water.

NSWALC and the LALCs will see an improvement in the water supply and sewerage services in Aboriginal communities and local water utilities will be able to provide the services to Aboriginal communities without having to cross subsidise the costs.

Progress so far

Site visits are held at each eligible community to ascertain the existing situation, identify any shortcomings and plan for the works and services needed.

These discussions are held at the community and are hosted by the local Aboriginal land council. All relevant stakeholders are invited to attend. A proposal is then sought from a service provider, usually the local water utility/local council, for the long term operation and maintenance of these systems.

By 30 June 2009 a total of 31 site visits had been held with eligible Aboriginal communities covered by the program.

It is pleasing that the local water utilities involved in all 31 visits have indicated a willingness to provide the water and sewerage services under this program.

In most cases it was found local water utilities were not able to provide a proposal for long term operation and maintenance until they have a clear understanding of the water and sewerage systems in the Aboriginal communities.

The NSW Office of Water therefore introduced interim arrangements with a number of local water utilities/local councils or other service providers to take responsibility for the operation and maintenance on an interim basis for up to six months until they gained a clear picture of the condition of the water and sewerage systems.

A proposal for long term responsibility for operation and maintenance will then be sought.

Approvals have been given for backlog works and/or routine operation and maintenance at 12 of these communities.

Another seven communities were found to already receive full water and sewerage services from the local water utility the same as the services provided to the wider local community.

Of the other 12 communities visited six have a current service arrangement through a Department of Aboriginal Affairs funded program.

An agreement with the appropriate local water utility will be negotiated to assume responsibility once the current arrangement expires.

Negotiations are continuing in relation to the other remaining communities but none have immediate water or sewerage problems.

There has been a very positive response from the Aboriginal communities to the implementation of this program and particularly where immediate corrective works were needed or interim services have been established.

Representatives from NSWALC, Toomelah LALC, Moree Plains Shire Council, the NSW Office of Water and other relevant stakeholders at the initial site visit to Toomelah as part of the Aboriginal Communities Water and Sewerage Program.



Timely action at Toomelah

During the initial site visit to Toomelah a significant operational problem was evident from the amount of surface water around the sewage pump station and the strained noise of the sewage pump.

Moree Council found a broken riser pipe in the pump station causing recirculation and a broken water main in the near vicinity of the pump station which was providing a constant supply of water to the sewage pump station.

One of the two sewage pumps was constantly tripping out due to overload and the other pump was operating almost continually.

The pumps were repaired and as a result total failure and costly replacement were avoided due to this fortunate and timely inspection.

Electricity bills and water disinfection costs were also substantially reduced through rectification of these system faults.

Moree Plains Shire Council agreed to operate and maintain the systems on an interim basis and has corrected other faults including the repair of the high lift water pump.

Council has also responded to a number of other operational faults and the reliability of the systems has improved significantly.

New water tank for Cummeragunja

At Cummeragunja a ground tank, that held the potable supply sourced from the Victorian town of Barmah had constant serious leaks causing both the loss of valuable potable water and the need to source additional water to meet the community's needs.

Murray Council made the appropriate arrangements for the tank to be replaced.

Other corrective actions were taken on both the water and sewerage systems to prevent further operational problems and to improve site safety and security.

Positive response to system problems at Walhallow

The Liverpool Plains Council were engaged to undertake a condition assessment of the water and sewerage systems at Walhallow.

Although not directly engaged to provide an interim operation and maintenance service council were very responsive to a number of system failures and made the appropriate repairs in order to maintain the services and protect public health.

Private sector involvement

Since Clarence Valley Council were heavily committed to existing water and sewerage projects and were not able to provide staffing for the operations and maintenance of the water and sewerage systems at Malabugilmah and Baryulgil Square in the short term, a private service provider was engaged for six months to ensure the water and sewerage systems continue to operate satisfactorily and appropriate vegetation management is undertaken.

This arrangement will enable the long term operation and maintenance needs of these systems to be fully assessed and an appropriate longer term service provider arrangement to be negotiated.

The Future

A total of \$8.479 million has been allocated to this program in the 2009-10 financial year.

Site visits will be arranged for the remaining communities to ascertain the existing situation, identify any shortcomings, and plan for the works and services needed.

A Service Agreement template is now available that will enable long term service arrangements to be negotiated.

This standard agreement will spell out responsibilities for all parties and identify the service level requirements on which the funding approval will be based.

The program manager will continue to negotiate with local water utilities/local councils to undertake backlog maintenance and establish long term operation and maintenance agreements.

The program manager will identify any capital works necessary at any of the communities to enable the water and sewerage service levels to be raised to the required standard.

The program also provides for the preparation of water and sewerage management plans for each of the eligible communities.

A workshop was held at Toomelah in June 2009 as an initial test of the template to be used for the development of these plans.

Similar workshops will be held at two more communities after which the template and outcomes will be reviewed.

Following any required amendment of the template the water and sewerage management plans will be progressively rolled out to all eligible communities.

This program is providing a valuable insight into just how much work, commitment and co-ordination will be required to “close the gap,” in other vital areas of much needed infrastructure in discrete Aboriginal communities in NSW.

NSWALC’s Governing Council received regular briefings on the progress of this vital program throughout the reporting period and will continue to closely monitor its progress in the new financial year.

Survey of Missions and Former Reserves

As reported last year NSWALC’s Governing Council had also agreed to commit to a 50-50 funding partnership with the Commonwealth Government to survey Aboriginal reserves and former missions.

At present virtually none of these Reserves has a formal town plan or easily accessible records in terms of the layout of essential services infrastructure.

A total of \$6 million was committed to this project.

The surveys were designed to enable individual grid plans to be produced which would remove a major impediment to any future proposals to subdivide individual blocks on these communities to allow for home ownership.

Details of progress on this project can be found in the achievements section from the Operational Policy Unit.

Education Endowment Fund

NSWALC’s Governing Council made a unanimous decision at its 216th meeting on October 24, 2007 to segregate \$30 million from within the Statutory Investment Fund to fund the NSWALC Education Endowment Fund.

The scholarship fund is financed each year from the interest generated from those funds.

The Council anticipated this would provide up to two million dollars in scholarship monies each year in perpetuity, allowing up to 200 scholarships to be offered each year.

Chairperson Manton said at the time NSWALC acknowledged that education was the primary responsibility of the New South Wales Government with the Commonwealth Government providing a strategic and funding role with specific Aboriginal education initiatives.

“Without detracting from those responsibilities, NSWALC has taken the view that we should carefully consider an investment in the education of our people by assisting in the creation of a new generation, and successive generations, who are better educated and can take advantage of opportunities to create a more productive life path,” Ms Manton added.

“We do not believe this support should replace existing benefits available to Aboriginal people in NSW but should supplement the available resources through special initiatives and by generating greater community involvement in assisting those who wish to pursue their education.

“One way of doing this is to provide scholarships and other financial support for our people in need and for those who show additional promise.”

The endowment fund is aimed at providing on-going support and benefits for Aboriginal people across the entire spectrum of educational opportunities, including mature age students.

Awards under the scheme are open to all eligible Aboriginal people in NSW and provide opportunities for study at primary and secondary schools, higher learning institutions, colleges and universities.

Scholarship monies provided vary with the circumstances of the individual.



Roy Ah-See, Councillor for the Sydney/Newcastle Region displays the NSWALC Education Endowment Fund Application form for 2009. The inaugural round of scholarships saw nearly \$400,000 in financial assistance distributed to some 119 recipients across the State. The second round, announced in June 2009, saw 128 scholarships awarded.

The eligibility criteria cover financial need, academic performance, connection with the Aboriginal community, commitment to the field of study and leadership potential.

A supplementary focus of the scheme, in conjunction with educational institutions and business, is to connect Aboriginal people with job and career opportunities in key areas of Aboriginal development.

The scheme also has a strong community focus by encouraging communities to get behind students. It also allows students to attend boarding schools, where appropriate, and give them a greater chance to stay at school and qualify for tertiary study.

Fund Administration

The Fund has been administered by Charities Aid Foundation, a not for profit organisation. It also administers NSWALC's Freddie Fricke Scholarship which has been targeted at tertiary students since its launch in 2002.

CAF has been responsible for the full administration of both funds, the application processes, financial

management of the income from the funds, and all associated due diligence and legal compliance.

A NSWALC Scholarship Management Committee oversees the implementation of the Scholarship funds. The Committee comprises Councillors Manton and Ryan, the Chief Executive Officer, Mr. Scott, Deputy CEO, Mr. Laing, and three representatives from CAF.

Scholarships

The inaugural round of scholarships saw nearly \$400,000 in financial assistance distributed to some 119 recipients across the State.

The second round, announced in June 2009, saw 128 scholarships awarded.

These will allow the recipients to pursue their studies in a range of fields including medicine, teaching, science, health, community services and trade courses.

Four Freddie Fricke Scholarships were also awarded during the reporting period.

The Education scholarships are the first major community benefits scheme to be offered by NSWALC under the new provisions of the *Aboriginal Land Rights Act* which were reported upon last year.

Indigenous Leadership Centre

As mentioned in the Chairperson's introduction the issue of generational renewal is a major one for NSWALC and all Aboriginal organisations in the future.

In this regard, NSWALC also entered into a partnership with the Canberra-based Australian Indigenous Leadership Centre during the reporting period to ensure Aboriginal people throughout NSW could gain access to vital leadership qualifications.

The partnership was announced by Chairperson Manton and the AILC's Chief Executive Officer, Ms Rachelle Towart in April, 2009.

Ms Towart said it was pleasing to have one large self funded Aboriginal organisation such as NSWALC assist another Aboriginal owned corporation.



(L-R) Gloria Clarke, Rodney Cain, Brendan Richards and Dulcie Cook were supported with scholarships from NSW Aboriginal Land Council and to undertake a certificate course at the Australian Indigenous Leadership Centre in Canberra.

The AILC was an Indigenous company formed in 2001 and provided Australia's only accredited course in Indigenous Leadership as well as non-accredited short courses in specific leadership skills.

She said a NSWALC Certificate IV level scholarship would be advertised throughout the land council network and would be awarded to those who had already completed lower level certificate courses but wanted to further develop their leadership skills and knowledge.

The course covered core leadership attributes, such as Indigenous leadership, culture and history.

It also covered areas such as governance, ethics, financial literacy and how to engage with key stakeholders, networking and mentoring, as well as conflict resolution and goal setting.

Chairperson Manton said NSWALC welcomed the opportunity to fund additional scholarship places through the initiative.

There was a demand from many employed in the Local Aboriginal Land Council network to improve their leadership skills. The initiative would provide that opportunity.

NSWALC contributed a grant of \$90,000 to the initiative during the reporting period.

Parliamentary Inquiry into Overcoming Aboriginal Disadvantage

As noted in last year's report the Minister for Aboriginal Affairs, Mr. Lynch, provided a reference to the NSW Legislative Council Standing Committee on Social Issues to conduct a wide ranging Inquiry to consider the impact of health, education, employment, and housing on Aboriginal disadvantage.

The Committee was asked to conduct an audit of national, state and international policies and programmes and to seek a meaningful assessment of their effectiveness in closing the then estimated 17-year life expectancy gap.

The Inquiry was tasked with producing an interim report to the NSW Parliament by June 30, 2008 with a final report to be tabled in November 2008.

NSWALC welcomed the appointment of the Inquiry as a timely opportunity for Aboriginal people and organisations to present evidence based submissions to demonstrate the successes and failure of relevant policies and programmes.

Chairperson Manton, a number of her fellow Councillors, NSWALC staff and LALC elected representatives and staff appeared before the Committee to give evidence during its hearings.

Council also resolved to prepare a detailed submission to the Inquiry.

It noted, for instance, that none of the amendments to the Aboriginal Land Rights Act over the past 25 years had appreciably increased the accountability of government to Aboriginal people in New South Wales.

As reported last year the Committee's Chairperson, Labor MLA, Ian West, tabled its 318-page interim report in the State Parliament on June 27, 2008.

Mr. West said the life of Aboriginal people remained dramatically lower than that of non-Aboriginal people despite many good policies and programs and a genuine commitment to address Indigenous disadvantage.

The Committee had identified wide gaps in all outcome areas.

The message from "this Inquiry so far is that there must be significant reform to the delivery of services to Aboriginal people if the gap between the circumstances of Indigenous and non Aboriginal Australians is to be overcome," he added.

"It is vital to build effective partnerships with the Aboriginal community, and for communities to have real ownership of programs and outcomes."

NSWALC circulated the draft report to the land council network and resolved to respond in detail to the Inquiry's interim report in the first period of the new financial year ahead of the Committee's final report in November 2008.

As foreshadowed in this space last year a formal submission was lodged with the Committee in September 2008 on behalf of NSWALC's Governing Council

The 86-page submission provided a situation report on the current state of land rights in NSW and raised a number of threshold questions regarding the future of the system.

It called on the Committee to recommend a new political and financial relationship between NSWALC, on behalf of the land rights network, and the State and Federal Governments by illustrating the need

for a new overarching rights-based partnership agreement between the parties.

It noted, for instance, that none of the amendments to the *Aboriginal Land Rights Act* over the past 25 years had appreciably increased the accountability of government to Aboriginal people in New South Wales.

It also asked the Committee to note that the return of land into Aboriginal ownership has been the sole form of compensation available under the Act for our dispossession for the past decade but validly claimed Crown land "has been returned to our people at a snail's pace."

Council expressed the hope to the Committee the public release of the submission would assist in stimulating a much wider appreciation in all sections of the community about what land rights is designed to achieve and, just as importantly, what it is not.

It noted the land rights system in NSW celebrated the 25th anniversary of the proclamation of the *Aboriginal Land Rights Act 1983* (as amended) on June 10, 2008.

However there were many "in the Aboriginal community, particularly our young people, who still have little more than a basic interest, or understanding, of the legislation, and what flows from it, including the powers and functions of the New South Wales Aboriginal Land Council."

"There is even less interest, or understanding, within the general community," it added.

"It may also assist members of the NSW Parliament gain a better understanding of the land rights system and the demonstrated will of NSWALC to work with all tiers of government to "close the gap," mindful of the political, statutory, and financial constraints placed upon it.

"The compensatory regime enshrined in the *Aboriginal Land Rights Act* is a vehicle for the expression by our people of self determination and self governance.

"It has delivered significant and valuable assets to the Aboriginal Land Council network and has provided our people with a degree of economic influence.

"But one fundamental point needs to be appreciated.

"Land Rights was never introduced as a panacea for all of the social, economic, political and cultural ills of our people.

"It is not, and was never intended to be, a magic bullet in this regard.

"It was, as then Aboriginal Affairs Minister Frank Walker pointed out when he introduced the legislation in 1983, a crucial "first step" to remedy 200 years of dispossession.

"The compensatory regime is just beginning to deliver real socio-economic benefit from the land base which has been accrued over the past quarter century.

"NSWALC's Governing Council has demonstrated a preparedness to use the compensation monies from land rights to assist the State and Commonwealth Government's finance major infrastructure projects to assist in closing the gap and improve the health and well being of Aboriginal people in NSW.

"We have done so in good faith.

"It should be noted, however, that a series of seven major rounds of amendment to the legislation (from 1986 through to 2006) has shifted more and more of the transactional cost of land rights, and some aspects of service delivery, from State and Federal Governments onto the self-funded land council system.

"The limited socio-economic benefits now being gained, and to be further gained, from the wealth generated through land rights should not be used by State or Federal Governments as a reason to shirk their responsibilities to provide long term funding for basic infrastructure and essential services to our people.

"It must also be acknowledged that:

- None of the amendments to the legislation over the past 25 years have appreciably increased the accountability of government to Aboriginal people in New South Wales.
- The return of land into Aboriginal ownership has been the sole form of compensation available under the Act for the past decade but validly claimed Crown land has been returned to our people at a snail's pace.
- This robs Aboriginal people, and their representative organisations, of the ability to

use that land to deliver real socio-economic benefits back to our people and to further assist Governments in their efforts to "close the gap."

"The Auditor General recently reported that more than \$1 billion worth of land has been validly granted to Aboriginal people in New South Wales but has not been transferred because the Lands Department processes are so slow.

"Ongoing claims for land are also often the subject of protracted, costly, and unnecessary legal dispute.

"The ability to claim land is also frustrated by the inability of NSWALC and the land council network to access the relevant State Government database.

"All of the above run contrary to the spirit, if not the letter, of the *Aboriginal Land Rights Act*."

Objects, Functions and Funding

The submission said a clear understanding of the objects, functions and funding of the New South Wales Aboriginal Land Council were "essential to a full understanding of how the land rights system operates in New South Wales, the socio-economic opportunities it has, and can generate, and the political and financial constraints within the system."

"This is particularly so in relation to the ability of land rights to act as an effective and sustainable springboard for better service delivery to improve the lives of Aboriginal men, women and children," it continued.

"As noted in the Committee's Interim Report the objects of the New South Wales Aboriginal Land Council are to be found in Section 105 of the ALRA.

"They are:

- (a) To improve, protect and foster the best interests of Aboriginal persons within New South Wales; and
- (b) To relieve poverty, sickness, suffering, distress, misfortune, destitution and helplessness of Aboriginal persons within New South Wales.

"At face value these objects would appear to provide NSWALC a wide ambit of responsibility to improve the health and well being of our people.

"They obscure a number of facts.

"NSWALC and the land council network have no statutory power to keep Governments (State or Federal) accountable for programs designed and delivered with the aim of improving the health and well being of our people

"No specific statutory mechanism exists for us to do so.

"No funding was provided for the socio-economic and welfare roles that were originally assumed in the legislation, and by those who framed it.

"Twenty five years on, no such social benefits or welfare funding has ever been provided.

"Inevitably, the land council system has been subjected over this time to increasing demands for non-land related services.

"It has borne the brunt of cost and responsibility shifting from all tiers of Government.

"Just as inevitably, the NSWALC, Local Aboriginal Land Councils, and, to a lesser extent, the legislation are all unjustifiably blamed for the lack of progress in improving the socio-economic outcomes for Aboriginal people in New South Wales.

"This point cannot be over-emphasised, particularly given the cloud of ignorance which constantly hangs over the land rights system.

"Another problem is the assumption that at the local level, Aboriginal communities will act in a way that fits a Western model of community interest.

"Apart from failing to acknowledge the general lack of capacity at the community level this assumption also denies the existence of internal social and political systems that differentiate small Aboriginal communities from their non-Aboriginal counterparts.

"The Act thus came into existence against a background of:

- Well intentioned but poorly defined motives.
- A confused and conflated set of unrealistic expectations of what limited land rights could achieve.
- Structural shortcomings and a poor understanding of the dynamics of small Aboriginal communities.

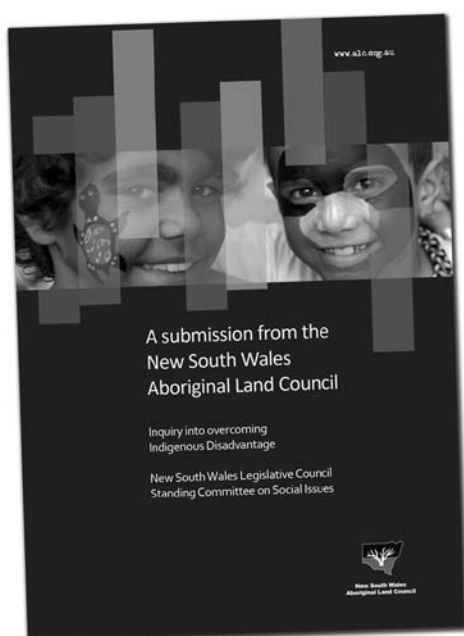
"This situation largely prevails today."

NSWALC's Mandate

The submission pointed out that the New South Wales *Aboriginal Land Rights Act 1983* (as amended) merely provided the New South Wales Aboriginal Land Council (NSWALC) a mandate to provide for the development of Land Rights for Aboriginal people in NSW.

NSWALC could do so through:

- Land acquisition either by land claim or purchase;
- To facilitate business enterprises to create a sustainable economic base for Aboriginal communities and to, ultimately, act as a steward on community, land and business plans to be adopted by Local Aboriginal Land Councils.



In September 2008 NSWALC lodged a formal 86-page submission with the NSW Legislative Council Standing Committee on Social Issues for the Parliamentary Inquiry into Overcoming Aboriginal Disadvantage.

In addition, NSWALC acted as an advisor to the Minister for Aboriginal Affairs on matters relating to Aboriginal land rights.

However, the submission noted, its "advice" is largely external to the internal workings of Government, both State and Federal.

"NSWALC and the land council network is accorded no meaningful and overarching place at the decision table in assisting to devise or implement government policy or programs in Aboriginal Affairs," it continued.

"For example, we are accorded:

- No opportunity to provide the normal co-ordination comments routinely sought from each government department on Cabinet submissions on Aboriginal Affairs;
- No input to working papers in the NSW Government's collaborative approaches with the Commonwealth through the Council of Australian Governments (e.g. the Ministerial Council of Aboriginal and Torres Strait Islander Affairs);
- No access to the Chief Executives Committee which drives the implementation of policy and service delivery priorities within the New South Wales State Plan.

"We can play a pivotal role in vastly improved delivery of services to our people.

"NSWALC has the potential to be a "critical insider," in a new relationship with Government, both State and Federal, based on mutual trust, respect and, above all, accountability.

"The Governing Council has already demonstrated its ability to be taken into the confidence of Government, and to respect that confidence, particularly in relation to those matters which require the observance of Cabinet or Commercial-in Confidence.

"We have demonstrated our ability to respond to that situation.

"We have demonstrated we are, and can continue to be, part of the solution.

"This is best evidenced by the negotiating process which led to the partnership agreement recently entered into between NSWALC and the State Government to provide joint long term recurrent

funding for the maintenance and monitoring of water and sewerage infrastructure in more than 60 discrete communities across the State.

"This has led to the commitment of more than \$100 million of Aboriginal compensation monies to assist in closing one gap in the struggle to improve the health and well being of our people, in addition to the commitment of a similar amount of taxpayer's monies from the State Government.

"The NSWALC Governing Council has accepted its responsibilities in this regard.

"State and Federal Governments should now do likewise.

"In essence we are asking both Governments to turn on the tap, politically and financially.

"We would request the Social Issues Standing Committee recommend a new policy of mutual accountability be developed between these parties as a key lynchpin in a combined and continuing attempt to close the gap, particularly in life expectancy, educational attainment, and employment outcomes."

A New Political Relationship

On the political level, the submission argued, "there needs to be an end to the political lip service around the word partnership."

"We seek a concrete commitment to true partnerships between all tiers of Government and peak Aboriginal organisations tied to a recognition of Aboriginal rights," it continued.

"No specific rights-based agreement, or apparatus, currently exists which allows organisations such as NSWALC, a legitimate platform in their dealings with the New South Wales Government or the Federal Government.

"The current key whole of government documents and objectives on Aboriginal Affairs in New South Wales are:

- the New South Wales State Plan;
- Two Ways Together: The NSW Aboriginal Affairs Plan 2003-2012;

- The Overarching Agreement between the New South Wales Government and the Commonwealth on Aboriginal Affairs;
- The key objectives of the COAG Indigenous Reform Working Group.

"None explicitly recognise the authority of organisations such as NSWALC.

"None are rights-based.

"The capacity of the New South Wales Land Council and the land rights network to effectively influence their scope, direction, or outcomes, is severely limited despite a written commitment in most to work in partnership with Aboriginal people and their representatives."

The submission noted that a number of other submissions lodged with the Inquiry had proposed that unless Aboriginal rights "are fully recognised and fully integrated into policies, plans, programs and services intended to improve outcomes for our people, there can be only limited gains from attempts to overcome disadvantage."

"The submission urged the Committee to pay particular attention to those views and the principles of self determination, which have never been given full policy expression at the State or Federal level, in framing its final recommendations to Government later this year."

It pointed to a historical precedent for a rights based approach.

This involved the overarching agreement between the New South Wales Government, NSWALC and ATSIC which "provides a counterpoint to the current Overarching Agreement between the New South Wales and Commonwealth Government's."

A New Financial Relationship

NSWALC further submitted that long term funding commitments on housing and essential infrastructure were required, particularly from the Federal Government.

The Rudd Government had established an appropriate vehicle, Infrastructure Australia, to do so.

Funding for long term housing and infrastructure projects for Aboriginal communities in Australia's most populous states should be the number one

priority for projects flowing out of Infrastructure Australia.

It further argued that the water and sewerage partnership entered into between the State Government and NSWALC has set a precedent for long term funding commitments to tackle "seemingly intractable problems to improve the health and well being of our mutual constituents."

"It should be noted that this agreement, which will be funded for at least 25 years, has been struck without any financial commitment from the Commonwealth Government...."

It noted NSWALC's ability to fund new and innovative ways to financially assist both State and Federal Government's to "improve the health and well being of our people is hampered only by our ability to generate sufficient funding beyond our statutory constraints and our ability to manage and develop our land for the benefit of our people."

Service Delivery

The submission also pointed out the New South Wales Aboriginal Land Council possessed no statutory responsibility, or power, for the delivery of services to Aboriginal people in New South Wales.

"We do, however, assume political responsibility as the State's peak representative body," it continued

"We wholeheartedly concur with the view expressed in the Committee's Interim Report that the method and adequacy of service delivery to Aboriginal people in NSW is in need of improvement.

"We note that Aboriginal people from a broad spectrum of geographic and social circumstances have told the Committee of the need for effective consultation and have emphasised the need for communities to have a greater input in deciding what services are required and the most effective method of delivery.

"This view accords with frequent representations made to NSWALC on service delivery from within the land rights network.

"NSWALC endorses the Committee's view that there is a lack of clarity in leadership and responsibility for service delivery to our people.

"We further endorse its view that the way services are provided to our people has a significant impact on the ability of those services to address disadvantage.

"Current funding levels are sorely inadequate.

"NSWALC notes the Committee's view that Federal funding does not currently reflect the fact that a large proportion of Aboriginal Australians reside in the urban areas of New South Wales.

"This view is wholeheartedly endorsed.

"There is a fundamental need for a new approach to the funding and provision of service delivery in New South Wales to counter the current disconnect between those who receive those services and those who are charged with funding and delivering them.

"This view was reflected in evidence before the Committee from NSWALC Deputy Chairperson Tom Briggs, highlighted in the Committee's Interim Report.

"Councillor Briggs emphasised the point that the first priority of Government should be to develop an effective relationship with Aboriginal communities before it starts to implement programs and services.

"He is not a lone voice.

"Many Aboriginal representative voices, including his fellow Councillors, consider there is a massive gap between government service provision and community needs.

"There needs to be far greater recognition by State Government agencies of peak Aboriginal representative organisations in the delivery of service to communities and individuals.

"NSWALC would request the Committee recommend a Service Delivery Partnership Agreement be negotiated as soon as is practicable between the New South Wales Government, the Commonwealth Government and the New South Wales Aboriginal Land Council, as the State's peak Aboriginal representative body.

"The State-based representatives from a new National Indigenous Representative Body could be brought into the Agreement, on behalf of the Commonwealth, should the Rudd Government establish such a body outside of the existing Aboriginal representative structure in New South Wales.

"We would remind the Committee that a NSW Service Delivery Partnership Agreement was signed in November 2002 as part of the New South Wales Government's whole of government response to Aboriginal Affairs issues.

"The parties to the agreement were NSWALC, ATSIC and the New South Wales Government.

"The Agreement was signed by the then Premier Bob Carr, then ATSIC Chairperson Geoff Clark, the three NSW ATSIC Commissioners, then NSWALC Chairperson Les Trindall, Secretary, and two other NSWALC office bearers.

"There needs to be far greater recognition by State Government agencies of peak Aboriginal representative organisations in the delivery of service to communities and individuals."

"The Agreement was an essential element of the proposed whole of government response enshrined in Two Ways Together, the "new plan," for Aboriginal Affairs announced by then Premier Carr in February 2001.

"A reference to the need for, and importance, of this document can be found in the introduction to the Two Ways Together Report in June 2005.

"It is instructive, in light of subsequent events, to revisit that document, particularly its description of Two Ways Together as a new plan "by which Aboriginal people and the New South Wales Government will work together through partnership. The NSW Government recognises that Aboriginal people know best the needs of their community."

"While this remains the central focus of Two Ways Together all reference to the Service Delivery Partnership Agreement between the Government and the peak Aboriginal representatives bodies was dropped, without explanation, from the Two Ways Together Report on Indicators 2007."

The duration of the agreement was for a period of three years.

It was developed by the parties “in recognition of the comparative disadvantage of Aboriginal and Torres Strait Islander peoples within NSW.”

The agreement identified how the parties would work together in such a partnership, with a focus on improving existing structures, relationships and governance, in order to work towards better outcomes for Aboriginal and Torres Strait Islander peoples in NSW.

The document held the promise of “greater co-ordination of, and collaboration between, the NSW Government, ATSIC and NSWALC.”

The document’s vision was that “Aboriginal and Torres Strait Islander peoples in their own communities, and through their representative bodies, will play the lead role setting directions and developing solutions and approaches to address issues affecting Aboriginal and Torres Strait Islander communities.”

Key principles included the recognition of the right to self determination and the recognition of NSWALC and ATSIC as being democratically elected Indigenous bodies with a key role in decision making and a fundamental role in advising the NSW Government on the needs and aspirations of Aboriginal and Torres Strait Islander peoples in New South Wales.

This said, the parties acknowledged the existence and validity of other Aboriginal and Torres Strait Islander representative and peak groups in New South Wales and acknowledged the role in decision making and provision of policy advice to the NSW Government that these groups play by virtue of their expertise and responsibilities.

The document recognised that one of the key factors in self determination and improved outcomes for Aboriginal and Torres Strait Islander peoples is “building on the development of the skills, knowledge and competencies of Aboriginal and Torres Strait Islander people, communities and organisations.”

The agreement contained a commitment to accountability and to evaluating the “impact of this agreement and its effect on co-operation between the parties.”

It also established protocols to work in partnership and with mutual respect, including co-operation “through the sharing of information.”

The four priorities listed in the Agreement included “building on the existing capacity of Aboriginal and Torres Strait Islander peoples, their organisations, and their community representative structures to make decisions about issues that affect their well being.”

The agreement committed the parties to establishing a Partnership team to oversee the implementation and monitoring of the agreement “to meet two or more times a year for the duration of the agreement.”

The Partnership Team would be convened by the NSW Premier’s Department and membership “will comprise representatives at the Director General level from the NSW Government, and the senior elected representatives of ATSIC and the NSW Aboriginal Land Council.”

The agreement also provided that the parties “may agree to jointly establish other working arrangements as required to assist in the implementation and monitoring of this agreement.”

The agreement also stated “the Partnership Team will provide an annual report regarding progress towards achieving the Agreement’s priorities to the ATSIC NSW State Advisory Committee, the NSW Aboriginal Land Council and the Premier.”

It was further agreed priorities would be developed and implemented through an action plan which allocated implementation responsibilities to named lead agencies and detailed specific actions to be taken.

All parties were held jointly responsible for undertaking actions in the Action Plan. Lead agency responsibility was allocated for the purpose of ensuring one agency co-ordinated and reported upon the activity.

The agreement stipulated that NSWALC and ATSIC be involved in all actions with particular government agencies identified under each priority area. (NSWALC was allocated lead agency status in one key area—building the capacity of Aboriginal community organisations.)

NSWALC submitted that the Partnership agreement was clearly intended as an “overarching” commitment from the NSW Government to work

with NSWALC and ATSIC in recognition of the founding principles of self determination of both organisations and the need to build capacity at individual, community and organisational level.

“It contained a clear recognition of the inherent rights of Aboriginal and Torres Strait Islanders as the first peoples of Australia that were never ceded and that exist in addition to citizenship rights.

“It is clear from a reading of the Partnership Agreement and Action Plan that the principles enshrined in it, and its proposed implementation, provided:

- a practical and political vehicle for both NSWALC and ATSIC to hold the NSW Government to the stated commitments in the Agreement;
- A recognition of Indigenous rights;
- A clear and unequivocal signed commitment to improving the well being of Indigenous people, their families and their communities.

“Unfortunately the politics of the day subverted the purpose and intent of the agreement.

“It was never fully implemented despite the negotiation of a detailed Action Plan.”

A copy of the Partnership Agreement and the Action Plan were attached to the submission for the Committee’s consideration.

NSWALC “respectfully” requested the Committee compare that agreement and action plan with the current Overarching Agreement on Aboriginal Affairs between the New South Wales Government and the Commonwealth Government 2005-2010 which was partially cited in the Committee’s Interim Report.

“As noted in the Interim Report,” the submission continued, “the current Overarching Agreement ‘builds on and complements’ existing bilateral agreements and is underpinned by the National Framework of Principles for Delivering Services to Indigenous Australians, endorsed at the COAG meeting on June 25, 2004.”

“The Interim Report further noted that this agreement sets out strategic approaches for joint and innovative action in partnership with communities.

“But, with respect, the agreement goes much further.

“Under the sub-heading Working Together the published document contains a commitment that both governments will:

- Work jointly on service planning and delivery and investment in Aboriginal communities;
- Review and re-engineer programmes and services to achieve more flexible arrangements;
- Work in partnership with Aboriginal people and their representatives.

“Under the sub-heading Integrated Approach for Aboriginal Service Planning and Delivery on page 4 there is a commitment that both governments will ‘implement an integrated model of working together and in partnership with Aboriginal communities.’

“A peak steering body, ‘called the Intergovernmental Aboriginal Affairs Group, will be established that will provide a way for both governments to jointly develop a strategic framework in which implementation will occur.’”

This group would comprise “senior officials of the New South Wales Government from the Premier’s Department, the Cabinet Office and the Department of Aboriginal Affairs, and of the Australian Government, from the Department of the Prime Minister and Cabinet and the Office of Indigenous Policy Co-ordination.

The Group would seek advice from Aboriginal people in developing this framework, including through existing structures established under Two Ways Together.”

The document further stated: “The Governments will provide adequate resources to support capacity at the local and regional levels. The governments will work with Aboriginal people to determine arrangements for Aboriginal consultation and representation.”

Consistent with COAG principles, the agreement cited the encouragement, “wherever possible,” of Aboriginal community representation at the local, regional and state level processes.

NSWALC submitted that the Howard Government’s policy of not recognising or resourcing Aboriginal representative organisations, and its subsequent

abolition of the Aboriginal and Torres Strait Islander Commission, meant the meaningful exclusion of elected Aboriginal representatives from this important agreement.

It also noted that the agreement contained a commitment that it be “jointly reviewed after three years.”

The agreement, between the Lemna Government and the Howard Government, had been announced in April 2006 so NSWALC assumed it was due to be reviewed in April 2009.

In NSWALC’s view it was null and void, both practically and politically, and needed to be re-negotiated and replaced by a new overarching agreement which took account of the current policy and political settings.

Any new overarching agreement negotiated between the two Governments should include NSWALC as an equal partner.

NSWALC’s submission also canvassed a wide range of other issues.

These included:

- The ongoing destruction of Aboriginal culture and heritage in the absence of an Aboriginal Heritage Commission;
- The current status of land claims and Aboriginal land management;
- The financial sustainability of the self funded land rights network;
- Social housing;
- The representation of Aboriginal people in mainstream politics, including the need for an Aboriginal Electoral Information and Education Service to be re-established by the Federal Government;
- The need for a National Representative Body to be established to replace ATSIC;
- The Federal Government’s intervention into NT Aboriginal communities and the potential impact of such policies being pursued in New South Wales.

In the conclusion, NSWALC informed the Committee it had lodged its submission in the “fervent hope it demonstrates our abiding commitment to principles and practicalities.”

It said the land rights legislation in New South Wales was one of the best models so far devised in Australia.

It was not without its flaws but these were being progressively attended to.

As a result the Act was being strengthened in its ability to deliver real and lasting benefits to Aboriginal people in New South Wales.

NSWALC did, however, worry about the cost and responsibility shifting which had been outlined in its submission and would ask the Committee to “take our submissions in this regard into consideration in deliberations on your final report in November.”

“We believe there needs to be further fundamental and lasting change,” it continued.

“...We hope the Committee’s further deliberations and final report will assist in moving forward the debate about what needs still to be done to close the gap—or, in our view, to bridge the gulf.

“NSWALC is committed to working with all parties in the New South Wales Parliament to this end.

“We would ask the Committee to be mindful of all of the key themes which have underlined the social justice aspirations of Aboriginal people across Australia in framing its final report.

“They are:

- Self-determination, and the ability and resources to develop our communities on the principal basis of Aboriginal knowledge, customs and aspirations;
- Ongoing recognition of our status as the original owners of this land;
- Full equality of treatment for Aboriginal people, equitable access to Government programs and adequate resources to combat and overcome our disadvantage;
- Compensation for our dispossession

“There has been no lack of expression of good intent from all Governments.

“Unfortunately, significant results have not followed.

“We are committed to assisting in achieving such results and, in so doing, vastly improving the health and well being of our communities.”

The Committee's Final Report

The Committee's final report was released in November, 2009.

A Whole of Government Response to its twenty three recommendations was tabled out of session in the NSW Parliament in May, 2009 by the Minister for Aboriginal Affairs, Mr. Lynch.

At the beginning of the response the Minister said the "NSW Government is open to new ideas and approaches to improving the unacceptable conditions faced by many Aboriginal people in NSW."

However the Committee's recommendations, and the Government's response, reflected none of the key issues or recommendations contained in the NSWALC submission, and that of other Aboriginal organisations.

There was no mention of the need for any new agreements or partnerships to be struck with Aboriginal representative organisations.

The report essentially opted for the status quo with changes around the margins of the State Plan and the Two Ways together program.

The Government confirmed in the Parliament late last year that the Overarching Agreement between the NSW Government and the Commonwealth Government was being re-negotiated.

It rejected the view that NSWALC or any other Aboriginal representative organisation should be a party to that agreement.

The Government felt Aboriginal participation on the Co-ordinating Committee overseeing the Two Ways Together program was sufficient representation.

NSWALC will continue its advocacy on these issues in the new financial year.

Aboriginal Electoral Reform

Despite the disappointing outcome of the Inquiry NSWALC was in a position in May 2009 to publicly welcome the Commonwealth Government's budget announcement to essentially re-establish the Indigenous Electoral Information Service abolished by the Howard Government.

The Special Minister for State, Senator John Faulkner, announced an extra \$13 million in funding would be

provided to the Australian Electoral Commission to improve the electoral enrolment and participation of Aboriginal people.

The funding, he said, was designed to close the gap in areas of Aboriginal disadvantage by improving the enrolment and participation of the first Australians.

Chairperson Manton welcomed the announcement and said the restoration of the service would be welcomed by Aboriginal people in NSW.

Land Rights Amendment Bill 2009

One legislative development during the reporting period provided a stark illustration of the ability and preparedness of the NSWALC Governing Council, senior management and advisors to adopt the role of "critical insider," and work closely with the State Government, and other stakeholders, to improve outcomes for Aboriginal people.

Council, management and advisors worked closely throughout the reporting period to assist the Government draft significant and important amendments to the *Aboriginal Land Rights Act (NSW)* to provide for a new land dealings regime.

This was acknowledged by Minister Lynch when he introduced the Aboriginal Land Rights Amendment Bill into the NSW Legislative Assembly on June 26, 2009.

Mr. Lynch told Parliament he considered the key to success in Aboriginal Affairs was to "work in partnership with the Aboriginal people of New South Wales."

"This bill and its preparation demonstrate the value of that partnership," he added.

"The New South Wales Aboriginal Land Council has had a pivotal role in the development of this bill.

"The Council has provided insight and skill into assessing what measures will be serviceable and effective for Aboriginal land councils in a complex system of land dealing approval and implementation."

Minister Lynch said development of the bill had been "an intensive policy development process over the last year," which had been led with "passion, vigour, precision and good humour," by the Registrar of the ALRA, Mr. Stephen Wright.

He thanked Council through Chairperson Manton, who was in the Chamber, and acknowledged the contribution of Mr. Scott, Mr. Laing, Ms. D'Souza and NSWALC's external legal advisors.

The Minister took the opportunity of re-emphasising the fundamental importance and scope of the legislation by quoting Justice Michael Kirby's description of it in the High Court judgment on the Wagga land claim.

In his judgment, Justice Kirby had said, in part:

"Against the background of prolonged, deep seated, reinforced and, ultimately, widely accepted discrimination in the law against the rights to traditional lands of the indigenous peoples of Australia, the objects evident in the Land Rights Act could fairly be described as little short of revolutionary.

"The discriminatory common law principle that lay at the source of the denial to indigenous people in Australia to rights to land existed despite the fact that such recognition was accorded to the land rights of the settlers and their successors.

"There was a further fundamental correction to this principle some years after the Land Rights Act was adopted, notably in the decision of this court in Mabo v Queensland and Wik People v Queensland.

"However the contextual consideration of these decisions does not, in any way, diminish the important shift in direction in the law of New South Wales achieved by the enactment of the Land Rights Act...."

The Minister said the amendments in the bill would provide "clearer and more certain processes for Aboriginal land councils when they deal with, dispose of, or develop land."

This would "reinforce the beneficial and remedial nature of the Act," facilitate greater economic development for Aboriginal communities while giving greater prominence to the consideration of Aboriginal culture and heritage in relation to land dealings.

He outlined the main provisions of the bill and said the new regime would "significantly increase the confidence of the development industry and the market to engage in property development with Aboriginal land councils."

In conclusion the Minister said the bill reflected what

he regarded as "the coming together of both the rights agenda and the development agenda."

"Over the last decade and a half there have been times when various participants in public debates have placed those agendas in opposition to each other," he said.

"That never made sense to me, and it is fundamentally illogical."

Chairperson Manton welcomed the introduction of the legislation to the Parliament in a public statement on behalf of NSWALC.

She said NSWALC's Governing Council believed its provisions would significantly increase the workability of the Act.

It was "another necessary and significant step in the evolution of the Act."

Chairperson Manton said it was refreshing to hear the Minister acknowledge that Aboriginal land councils and communities could pursue a rights agenda and economic development agenda at the same time.

She noted an exposure draft of the bill had been presented to each Local Aboriginal Land Council at the Statewide Conference convened by NSWALC in March.

NSWALC's Governing Council looked forward to the speedy passage of the legislation and to "working with the land rights network within a new land dealings regime to improve the economic and social outcomes for Aboriginal people across the State."

The bill was still before the Parliament as this reporting period ended. It was expected to pass through the Parliament early in the new financial year with the support of the Liberal-National coalition and minor parties.

The Year Ahead

The bedding down of the new land rights regime will be a major focus for Council and the land rights network in the new financial year, as will Council's focus on working with the State and Commonwealth Government on the projects outlined above.

NSWALC's Governing Council has taken the view the partnerships with the State and Commonwealth Governments, although limited, do present an historic opportunity for NSWALC to use some of the limited financial gains from land rights to help affected communities, and Local Aboriginal Land Councils, over the next quarter of a century to close the gap.

It has expressed the hope these decisions send a clear message to all other stakeholders that the Council is prepared to actively use its financial resources, and political and strategic advocacy functions, to take practical long term steps to increase the health and well being of Aboriginal people.

It has shown a preparedness to do so independently, or in partnership with governments, but is clearly limited by its financial base, dependent as it is on international monetary markets in the current economic climate, and its ability to successfully add to the network's land bank.

Council's endorsement of the agreements is consistent with the objects of NSWALC as set out in the ALRA and with major elements of the NSWALC Corporate Plan and Community, Land and Business Plan.

They commit NSWALC to work with all relevant stakeholders to improve outcomes for Aboriginal people and to maintain and strengthen existing partnerships with our LALC network to optimise performance and maximise the potential for economic, social and cultural growth at the local level.

They also commit Council to maintain and strengthen existing partnership arrangements with government and non government stakeholders to optimise performance and maximise the potential for economic, social and cultural growth and prosperity across all regions of NSW.

The core values set out in those documents, as noted earlier, include seeking the provision of adequate services and resources for Aboriginal people and communities and ensuring long term opportunities and sustainability are available to all.

They also state that NSWALC, as the peak representative organisation in NSW, seeks to take a leading role in improving the lives of Aboriginal people.

It will work to ensure they enjoy a sustainable social and cultural environment by seeking to close the gap on poverty and improve health and living standards through tightly targeted community benefit schemes and evidence-based advocacy.

Corporate priority four of the Plan — Community Health and Well Being — commits Council to maintain and strengthen its advocacy to ensure meaningful personal and community health outcomes are achieved throughout all regions of NSW by, among other things, promoting Aboriginal community health and well being as a critical priority.

There can be few more critical priorities than the provision of basic safe drinking water and sewerage systems, improved services and facilities, and better education outcomes.

Further details on the specific activities of NSWALC's Governing Council are contained within the achievements section for the Governance and other Units throughout this report.

Before we turn to a review of operations and achievements within NSWALC across the network during the reporting period, and look at planned activities in the new financial year, there was one major event which brought the land rights network together during this reporting period.

It was a Statewide Conference.

Statewide Conference

NSWALC convened the State Conference of Local Aboriginal Land Councils in the Hunter Valley from March 3-5, 2009.

The Conference broke new ground.

It attracted more than 250 delegates from the network of 121 Local Aboriginal Land Councils from across the State. They represented a majority of the Aboriginal Nations of NSW.

The delegates discussed and debated a wide range of key policy, planning, operational and advocacy issues.

Forums for our Elders and our Youth were held at a NSWALC State Conference for the first time.

Plenary sessions included discussion and debate on the sustainability of the land rights network, culture



The 2009 State Conference of Local Aboriginal Land Councils broke new ground. It attracted more than 250 delegates from the network of 121 Local Aboriginal Land Councils from across the State. They represented a majority of the Aboriginal Nations of NSW.

and heritage, NSWALC's Corporate and Community Land and Business Plans, Future Directions and Initiatives, the proposed land dealings legislation and constitutional reform, including a Bill of Rights and a Charter of Aboriginal Rights.

Copies of the draft NSWALC Community Land and Business Plan, a draft Funding and Financial Obligations Policy and the Aboriginal Land Dealings Amendment Bill 2009 were provided to delegates.

Concurrent workshops were convened on Social Housing, Future Amendments to the *Aboriginal Land Rights Act*, the Two Ways Together program, and a range of economic development Issues.

Aboriginal Peak organisations, State and Federal Government Departments and other Agencies that provide targeted programs and services to Aboriginal communities also exhibited their products and programs for the first time at a NSWALC State Conference.

NSWALC also provided an information stall on its products, services and programs, including Land Claims, the Education Endowment Scholarship Fund and the joint Water and Sewerage Initiative with the NSW Government.

It also took the opportunity the Conference provided to "take the temperature," of the network on a range of major issues through a written survey of all delegates.

Above all, the Conference provided a rare opportunity for the elected representatives of First Nations from across the State to come together and network over three days on the wide range of issues which face Aboriginal people and their elected organisations as they work to improve the social, political, economic and cultural well being of their constituents.

NSWALC Councillors facilitated, and led discussion, in most sessions.

Chairperson Manton opened proceedings by inviting the Councillor for the Sydney-Newcastle region, Roy Ah-See, to extend an initial Welcome to Country on behalf of the Wanaruah people and the Mindaribba Land Council on whose land the State Conference was being held.

An official Welcome to Country was given later in the morning by Uncle Tommy Miller, a Wanaruah elder and Deputy Chair of Mindaribba LALC.

Chairperson Manton then delivered a short opening speech in which she noted it had been "seven long years since we last assembled at a State Conference."

"We have come a long way since then," she added.

"Many of us are that little bit older....and hopefully a whole lot wiser.

"Sadly many who have worked to secure our rights

are no longer with us and I'd now ask everyone to join me in a minute's silence and reflection in memory of them."

Following the observation of a minute's silence, Chairperson Manton acknowledged and welcomed the presence "of so many LALC Board members and staff here today along with a number of former Councillors."

"I'd also like to acknowledge and welcome the representatives from other peak bodies and Government department and agencies," she added.

"I know that many of you have travelled far and wide to be here.

"I thank you for taking the time, and making the effort, to do so.

"Your attendance here today confirms my view that the land rights network is undergoing a renaissance.

"I mentioned earlier that we had come a long, long way since the last State Conference in 2002. I will have a fair bit to say about that progress in the plenary session to follow.

"For the moment let me simply say I feel both honoured and privileged to be officially welcoming all of you here today as Chairperson of the New South Wales Aboriginal Land Council.

"As I have moved around talking to delegates ahead of today's opening I have sensed a feeling of great anticipation, and expectation, among many of you about the next few days.

"Rarely do we have an opportunity to bring so many of our Brothers and Sisters together.

"We have done so with one goal in mind.

"To ensure all of us can freely discuss and debate the opportunities and challenges we have before us now....and those which lie ahead.

"All of us come to this conference with our own views on what land rights have delivered, what they still can deliver, and what they should deliver.

"I can assure you my fellow Councillors and I —together with NSWALC staff under the leadership of Geoff Scott — have worked extremely hard to ensure all delegates have the opportunity to freely share those views over the next few days.

"We are looking for full, frank and informed debate.

"Deputy Chairperson, Councillor Tom Briggs, will shortly provide you with an overview of the conference and the desired outcomes.

"Before he does so I'd ask all delegates to note the conference theme:

"Be Informed.

"Be Involved.

"Be Inspired...and work together for change.

"In setting the agenda it was the earnest hope of all Councillors that this conference will better inform you about what NSWALC is doing.....and we will be doing.

"Just as importantly.....it will better inform us, NSWALC staff and your fellow LALC delegates, as to what you are doing.

"We would hope that all delegates will feel free to involve themselves in all of the proceedings.

"It is our hope we will all find much over these next few days, both individually, and collectively, to inspire us.

"It is our hope that all delegates will head home with a better sense of where we are collectively, and, more importantly, how we can all work better together in our ongoing struggle for the recognition of our inherent rights as the first peoples of this State.

"In closing, let me make this clear.

"This Council has never made a secret of the inherent tensions which can be, and are created, between NSWALC's advocacy role and its compliance role under the *Land Rights Act*.

"We need to continue to all work together to manage these tensions.

"It is our hope the proceedings over the next few days will help ease existing tensions and reduce the potential for new ones.

"It is my firm belief, and that of my fellow Councillors, that the election of the current Council, particularly after such a long period of administration, has brought a new sense of purpose and direction to NSWALC and the land rights network.

"I'm sure you will hear a lot over the next few days about examples of NSWALC's power.

"I hope you will also hear a lot about the power of our example, especially about our core business, particularly land rights.

"As a Worimi woman I have had an active life long commitment to improving the economic, social and cultural well being of our people.

"I draw on that knowledge and experience every day in my present position.

"I learned a long time ago that you should never forget where you come from.

"With that in mind, I am acutely conscious, each and every day, of all of those who have come before us, some of whom I see sitting before me today.

"In closing I want to take this opportunity to formally and sincerely acknowledge the building blocks put in place by all former NSWALC Councillors and LALC representatives who have worked over the past 26 years to build land rights in NSW as we know it today.

"It is our collective duty to work together for change and continue to build on their hard won gains.....to create a brighter and better future for all of those who will follow."

Overview of Conference and Desired Outcomes

NSWALC Deputy Chairperson Tom Briggs acknowledged Country, all LALC representatives and delegates from the Elders and Youth forums.

Councillor Briggs said the attendance of "so many at this Conference, from both within and outside the land rights network, is a vote of confidence in the strength of the network here in New South Wales,"

"I'm pleased to report we have representation from almost every LALC in the network."

Councillor Briggs said NSWALC would be providing all LALCs with a published record of conference deliberations.

He hoped that record would reflect that all delegates would leave the Conference with:

- An increased sense of unity and common purpose;
- A clear roadmap for the next 25 years of land rights, and land management, to ensure we take full advantage of the *Land Rights Act*—the sole compensatory regime which is now

available to all of us;

- A clearer vision of the complex issues, and pressures, we need to address, and to overcome, to sustain our self funded land rights network in our ongoing struggle to improve the economic, social, and cultural health and well being of our people and in the ongoing struggle for recognition and rights;
- A clearer vision of the complex issues, and pressures, bearing down upon the management of the investment fund which assists in supporting and sustaining all of us;
- A clearer vision of the direction of NSWALC and the policies and procedures which have been developed, and are being developed, which seek to instill and sustain a culture of clear and fair compliance across the network;
- A clearer vision of the ever increasing economic, administrative and social pressures on the LALC network;
- A greater appreciation and understanding of the political, social and economic environment in which we all operate.

NSWALC Councillors then introduced themselves, acknowledged country, and the delegates from each of their regions.

Each session of conference provoked intense debate and discussion.

Conference turned away from discussion on operational policies and procedures in the final session of the first day to participate in a panel discussion on Constitutional Reform, including a Bill of Rights and a Charter of Aboriginal Rights.

The session was facilitated by Sydney/Newcastle Region Councillor Roy Ah-See with panellists Professor Larissa Behrendt, Professor George Williams, and Tasmanian lawyer and activist Michael Mansell.

A background paper on Constitutional Reform and Human Rights, prepared by Professor Behrendt, had been included in information packs provided to delegates.

It set out the history of constitutional reform in Australia, the agenda for constitutional change, the pros and cons of a Bill of Rights, and a range of attendant issues.

The Paper made it clear that whatever the outcome of the current deliberations on a Bill of Rights it would not resolve the issue of a treaty.

It pointed out a Bill of Rights and constitutional protection are ways of strengthening the existing legal system. By contrast, the treaty would deal with the relationship between Aboriginal people and all other Australians.

Stronger constitutional and other legal protections would not annul any legal or moral responsibility for the failure to recognise Aboriginal sovereignty.

If Australia adopted a Bill of Rights or made changes to the Constitution that better protected the rights of Aboriginal people, the issue of whether a treaty should be signed with Aboriginal people would still remain to be answered.

There may be other ways of recognising Aboriginal rights in addition to a treaty, such as an Aboriginal Charter of Rights.

A Charter of Aboriginal Rights

The paper contained a draft Charter of Aboriginal Rights for the consideration of delegates. It was later distributed to the land rights network on behalf of Council for further consideration by the land rights network.

It is set out below to assist further consideration of its contents.

Self-Determination and Sovereignty

1. *We have the right of self-determination. Control by Aboriginal peoples over developments affecting them and their lands, territories and resources will enable us to maintain and strengthen their institutions, cultures and traditions, and to promote our development in accordance with our aspirations and needs.*
2. *We have the right to maintain and strengthen our distinct political, legal, economic, social and cultural institutions, while retaining our rights to participate fully, if we so choose, in the political, economic, social and cultural life*

of the Australian state.

3. *We have the right to participate in decision-making in matters that affect our rights, through representatives chosen by us in accordance with our own procedures. Australian governments must consult and cooperate with Aboriginal representative institutions in order to obtain our free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect us.*

Identity

4. *We have the right to determine our own identity or membership in accordance with our customs and traditions. We have the right to determine the structures and to select the membership of our institutions in accordance with our own procedures.*
5. *We have the right not to be subjected to forced assimilation or destruction of our culture. This means the right to be free from dispossession of land, actions seeking to deprive us of our cultural identities, forced assimilation or integration and from any forms of propaganda designed to promote or incite racial or ethnic discrimination directed against us.*
6. *We have the right to establish our own media and to have access to all forms of non-Indigenous media without discrimination. State owned media must reflect Aboriginal cultural diversity and encourage privately owned media to adequately reflect indigenous cultural diversity.*

Freedom from discrimination

7. *We have the right to be free from any kind of discrimination.*

Land and Resources

8. *We shall not be forcibly removed from our lands or territories. No right to land, culture or heritage can be taken away without the free, prior and informed consent of the Aboriginal*

peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return.

9. *We have the right to the lands, territories and resources that we have traditionally owned, occupied or otherwise used or acquired. We have the right to own, use, develop and control the lands, territories and resources that we possess by reason of our traditional ownership or other traditional occupation or use, as well as those which we have otherwise acquired.*
10. *We have the right to determine and develop priorities and strategies for the development or use of our lands or territories and other resources. Our free and informed consent must be obtained prior to the approval of any project affecting our lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources. Australia must provide effective mechanisms for just and fair compensation for any such activities, and appropriate measures shall be taken to mitigate adverse environmental, economic, social, cultural or spiritual impact.*
11. *Australia must give legal recognition and protection to our lands, territories and resources. This recognition must be conducted with due respect to our customs, traditions and land tenure systems.*
12. *We have the right to redress, restitution or fair and equitable compensation for the lands, territories and resources that we traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without our free, prior and informed consent.*
13. *We have the right to the conservation and protection of the environment and the productive capacity of our lands or territories and resources. Australia shall take effective measures to ensure that there is no storage or disposal of hazardous materials on our lands without their free, prior and informed consent.*

Laws, Customs and Culture

14. *Australia must give recognition to our laws, traditions, customs and land tenure systems.*
15. *We have the right to practice and revitalize their cultural traditions and customs. This includes the right to maintain, protect and develop the past, present and future manifestations of our cultures, such as archaeological and historical sites, artefacts, designs, ceremonies, technologies and visual and performing arts and literature.*
16. *Australia shall provide redress through effective mechanisms, which may include restitution, developed in conjunction with Aboriginal peoples, with respect to our cultural, intellectual, religious and spiritual property taken without our free, prior and informed consent or in violation of their laws, traditions and customs.*
17. *We have the right to practice, develop, control and teach our spiritual and religious traditions, customs and ceremonies. We have the right to the repatriation of their human remains and ceremonial and other cultural objects.*
18. *We have the right to the dignity and diversity of their cultures, traditions, histories and aspirations and these should be appropriately reflected in education and public information. We have the right to live in a society that promotes tolerance and understanding.*

Life, Safety and Security

19. *We have the right to be safe, the rights to life, physical and mental integrity, liberty and security of person. This includes being free from all forms of violence.*

Education, Employment, Health and Housing

20. *We have the right, without discrimination, to the improvement of our economic and social conditions, including, education, employment, vocational training and retraining, housing, sanitation, health and social security. Particular attention must be paid to the rights and special needs of our Elders, women,*

youth, children and persons with disabilities.

21. *We have the right to all levels and forms of education of the State without discrimination. We have the right to establish and control our own educational systems and institutions providing education in our own languages, in a manner appropriate to our cultural methods of teaching and learning. This includes learning our own culture and language.*
22. *We have the right to meaningful employment and must not be subjected to any discriminatory conditions of labour, employment or salary.*
23. *We have a right to the enjoyment of the highest attainable standard of physical and mental health.*
24. *We have the right to the highest attainable standard of housing and the conditions to ensure the highest attainable standard of environmental health. This includes the provision of culturally appropriate shelter, community infrastructure including the provision of buildings for schools and health services, running water, electricity and sewerage systems in our communities.*
25. *We have the right to engage in the economy and to be secure in our enjoyment of our own means of subsistence and development, and to engage freely in all our traditional, cultural and other economic activities. When we are deprived our means of subsistence and development, we are entitled to just and fair compensation.*
26. *We have the right to determine and develop priorities and strategies for exercising our rights to development. We have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting us and, as far as possible, to administer such programmes through their own institutions.*
27. *We have the right to our traditional medicines and to maintain our health practices, including the conservation of our vital medicinal plants, animals and minerals. We also have the right to access, without any discrimination, all social and health services.*

Traditional knowledge and intellectual property

28. *We have the right to maintain, control, protect and develop our cultural heritage, traditional knowledge and traditional cultural expressions, as well as the use of our sciences, technologies and cultures, including human and genetic resources, seeds, medicines, knowledge of the properties of fauna and flora, oral traditions, literatures, designs, sports and traditional games and visual and performing arts.*
29. *We also have the right to maintain, control, protect and develop our intellectual property over such cultural heritage, traditional knowledge, and traditional cultural expressions.*

Legal and Criminal Justice System

30. *We have the right to due process before the law and equality before the law when being dealt with by the Australian legal system.*
31. *We have the right to promote, develop and maintain our institutional structures and our distinctive customs, spirituality, traditions, procedures, practices and, in the cases where they exist, juridical systems or customs, in accordance with international human rights standards.*

Government's responsibility

32. *The rights in this Charter are the minimum standards for our survival, dignity and well-being. Australia, in consultation and cooperation with us, shall take the appropriate measures, including legislative measures and access to financial and technical assistance, to achieve the rights in this Charter.*

During the debate Professor Williams told delegates the current Federal Government's public consultation process on a Bill of Rights was an "opportunity to speak about what must be done to protect human rights."

He urged delegates to use the consultation process

and to tell their stories “in a way that relates to your position in society and what are the rights you believe you are currently missing. These are the things the Committee needs to hear.”

Elders and Youth

The second day of Conference began with a report back session from the Elders and Youth Forums which had been held concurrently with the plenary sessions on the opening day.

The session was facilitated by North Coast region Councillor Patricia Laurie with a report back to Conference from representatives from both Forums.

There was a consensus from each that Elders and Youth Advisory Councils to NSWALC should be established.

In his report back to Conference La Perouse youth delegate Chris Ingrey said the Youth forum had produced a number of recommendations in answer to the question of how LALC's and NSWALC could encourage young people to be involved in land council business.

Key recommendations included the proposed formation of a Youth Advisory Forum or Committees at local, regional and state levels to provide a voice for Youth.

The Forum felt young people had to be provided the ability to speak up at LALC meetings but infighting at LALCs, and a hesitation on their part to speak up, provided barriers to greater participation.



Ronald Stewart, aged 79, was one of the Elder delegates from Nowra. His granddaughter Jessica, aged 18, was a Youth delegate.

Isolation, the lack of a support network, the inability to attain full LALC membership before the age of 18, and a lack of understanding about land rights and the ALRA, were identified as barriers.

Youth leadership programs to support their involvement in LALCs could prove beneficial. It was suggested youth could partner with ALC Councillors.

Positive role models could also prove to be beneficial in assisting young people become more involved in the land rights system. There was a unanimous view among conference delegates that both Forums and the feedback from them was a major highlight of proceedings.

This was reflected in Chairperson Manton's closing address.

She told delegates she believed “the outcomes of those forums have given everyone, particularly NSWALC's Governing Council, much food for thought.”

“Those forums were only the beginning of our formal recognition that both need a more active role in the ongoing deliberations of Council and the network,” she added.

“It was a first step to the formation of an Elders Council and a Youth Council.”

She also noted that Ronald Stewart, aged 79, was one of the Elder delegates from Nowra. His granddaughter Jessica, aged 18, was a Youth delegate.

“Their presence and contribution here provides a telling demonstration of the enduring health and vitality of our land rights network,” she said.

Elders and Youth Committees

NSWALC's Governing Council resolved at its regular meeting in May to take the first steps to establish Elders and Youth Advisory Committees.

Chairperson Manton said Councillors had been discussing the structure and formation of the committees in their communities since the Statewide Conference.

The Council had agreed further discussions should be held at the regional level on their proposed shape and structure with a report back to the Governing

Council from each region ahead of a formal decision to establish the Committees.

Consultations were in progress as this reporting period ended with Councillor Ah See overseeing the formation of the Youth Advisory Committee and Councillor Laurie, the Elders Advisory Committee.

It is anticipated both Committees will be established in the new financial year with both seen as an important component of NSWALC's strategy to increase membership.

Under Section 110 of the ALRA NSWALC is required to use its "best endeavours," to increase the total number of voting members of Local Aboriginal Land Councils in the State by not less than 3 per cent each year for a period of five years.

It is also required to report on the steps taken to meet this target in its Annual Report.

NSWALC takes the view that all of the work outlined in this report, particularly its public advocacy on land rights, is designed to increase knowledge, interest and participation in the activities and membership of the land rights network.

The key theme of the Statewide Conference reflected this view.

Each Councillor is also active within their region on membership issues and Local Aboriginal Land Councils also actively seek to improve membership through their work with their local communities.

Land Tenure Reform

The third and final day of the Statewide Conference began with a keynote speech from the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Jenny Macklin.

Minister Macklin's address drew criticism from the conference floor when she formally announced the Commonwealth Government's desire to change Aboriginal land tenure in NSW.

She told conference secure land tenure underpinned the provision of mainstream public and community housing across Australia but housing on "Aboriginal land has never been put on that secure footing."

"The consequences of this can be seen across the country," she added.

"Houses that are unliveable because no-one takes

responsibility for repairs and maintenance; the absence of any incentive to collect the rent to help pay for repairs and maintenance; poor tenancy management where overcrowding isn't checked, and routine inspections are irregular or even non-existent; all conditions which have contributed to a general reluctance to invest in housing.

"With secure tenure arrangements in place government is accountable for the ongoing condition and maintenance of public housing.

"Secure tenure firmly places the responsibility at the feet of each housing authority or community housing organisation to provide a decent level of housing service just as mainstream public housing providers must do in the city.

"To put it simply, this is not about taking land away from Aboriginal communities; it's about making sure housing providers do their job.

"I have recently written to the New South Wales Housing Minister and to Housing Ministers elsewhere in Australia to set out the secure tenure requirements which will underpin our major COAG investment.

"There are three requirements.

"First, the government must have long term control over and access to public housing – and therefore responsibility - subject to the privacy of tenants.

"Governments will be able delegate this control and responsibility to community housing organisations which have the capacity to manage housing assets at public housing standards.

"Second, we must be able to put housing management reforms into place –better repairs and maintenance and ordinary tenancy agreements which protect tenants and clarify responsibilities.

"And third, any native title issues need to be resolved to ensure that construction and refurbishment can proceed as quickly as possible.

"This approach means that governments must treat Aboriginal land owners like any other land owners,

"If we want to build public housing on your land, we must negotiate a lease to do it.

"And you have the opportunity to negotiate the terms of those leases including boundaries, the restriction of development in special places and to require that any new investment proceeds in places where a lease has been agreed.

"Here in New South Wales, the *Aboriginal Land Rights Act 1983* provides clear processes for the leasing of land.

"Leases can be granted only if the Local Aboriginal Land Council agrees.

"And if the term of the lease is more than three years, the consent of the NSW Aboriginal Land Council is also needed.

"These provisions give you maximum flexibility to negotiate the terms and conditions while ensuring that the land owners remain in control of the process.

"Throughout this process there is no change to the underlying ownership.

"It remains communal Aboriginal land – but communal land on which Aboriginal people can benefit from the Government's ambitious housing investment."

Essentially, she told conference, "we are looking for leases that reflect the life of the asset we are building."

The Minister was reminded that she had stated in Parliament, while in opposition, that Labor did not believe the provision of housing should be contingent upon land tenure.

A number of delegates described the proposal as a Commonwealth land grab.

Minister Macklin said the Rudd Labor Government was not in "any way challenging or taking away anybody's title to land."

The Minister said governments needed to develop clear lines of responsibility and that would only come if we "have clarity of tenure."

Conference Close

NSWALC Chairperson Bev Manton began the close of proceedings with a short address.

She told delegates that in bringing the official proceedings of the Conference to a close she briefly wanted to "take you back to where we started."

"I spoke in the opening session of an underlying theme," she added.

"Be Informed. Be Involved. Be Inspired...to work together for change.

"It is my belief, and that of my fellow Councillors, that all delegates will be going home better informed.

"This, I'm sure you will agree, is a key outcome.

"All Councillors have learned much these past three days about the increasing pressures on the network.

"I would hope all LALC delegates will be going home with a better appreciation of the increasing pressures on NSWALC.

"We have certainly all been involved.

"In that regard.....I'd like to thank all delegates for their contribution to the wide ranging conference debate and discussion.

"It has certainly been robust and invigorating.

"It is also my hope that all of the information, discussion and debate has inspired a much greater understanding between all of us.

"It is clear we have many complex issues in front of us.

"We have much work to do together."

She reminded delegates of the desired outcomes outlined by Councillor Briggs at the outset and believed the record of conference would, in large measure, reflect that they had been achieved.

She also urged delegates to "keep the dialogue and debate going, particularly on issues such as the future sustainability of the network and social housing."

"That has to be the key outcome of this conference."

Chairperson Manton said Conference had sent a clear message on the need to address the payments to LALC Board members and the need for an award for LALC staff.

"We have also heard the message loud and clear on the need to progress the rights debate, including Treaty, arising out of general conference debate and the panel discussion on the proposed Bill of Rights," she added

"There are significant costs involved in organising a conference such as this.

"They impose a limit on the time we can spend on each and every issue.

"I believe the organisation and running of this

conference has once again demonstrated that the professionalism of our staff, under the guidance of Geoff Scott and his managers, has been taken to a new level.

"There are many glitches, big and small, at conferences such this.

"The staff have handled them, smoothed them out, and ensured conference has run, as much as possible, to the tight schedule.

"I sincerely thank all of the staff, on behalf of Council, for a job well done and would ask delegates to show their appreciation!"

In conclusion, she turned to the organisation and cost of the Conference.

"When reviewing a conference you always have to weigh the cost against the benefit and the things that could be done better next time," she said.

"I'm sure everyone will agree the benefits of this conference to all who attended has well outweighed the cost.

"We have learned lessons which will refine the organisation of our next conference.

"I'd like to finish on a note upon which I know we can all agree.

"NSWALC's Governing Council has listened to the unanimous view of all delegates...the need for more State conferences.

"We believe we should hold at least two in every term of Council, in addition to our regional forums.

"We are committed to doing so."

Deputy Chairperson Briggs said he had thoroughly enjoyed the past three days which "had been a long time coming."

He said he felt very privileged to be working for his people and "this had been one of the best State Conferences of the land rights network which I have attended."

Councillor Briggs said he felt a lot of LALCs had set a benchmark to move forward with a lot of positive work coming out of the Community Land and Business Planning process.

He was very impressed with the outcomes from the Elders and Youth forums and felt these needed to be formalised as an integral part of the governance network.

He said NSWALC and LALCs formed the most

powerful Aboriginal network in the Country when they sought to work together for their mutual benefit and he looked forward to working closely with the network to address priorities raised,

Councillor Patricia Laurie said she had spent 25 years as a LALC delegate, "fighting with Councillors and directing them and supporting them," at similar conferences. She now felt "very privileged to be a Councillor."

She felt that all LALCs were now more aware of what Councillors "were doing now and what they had planned for the future."

All Councillors were committed to continuing the Elders and Youth forums.

Councillor Laurie congratulated the conference co-ordinating team and the Secretariat team for their tireless efforts and praised Northern Zone staff "who had put in a lot of work towards the success of this Conference."

Sydney/Newcastle Region Councillor Roy Ah See said Conference had met all his expectations, particularly the passion, drive and commitment of delegates.

He expressed the hope that the expectations of LALC delegates had been met.

He thanked LALCs for travelling "far and wide to attend," and wished them a safe journey home. He echoed the sentiments of his fellow Councillors on the success of the Elders Forum and the Youth Forum.

Councillor Ah See acknowledged that the financial situation of the network may be "a bit rocky," but the network could boast sound advisors to provide necessary advice.

He also emphasised the need for a co-ordinated approach at the regional level to express solidarity when dealing with Government.

He said he had been encouraging this approach in his region with success.

South Coast Regional Councillor Jack Hampton thanked all delegates and the assistance he had received from members of the Southern Zone office.

Wiradjuri Region Councillor Craig Cromelin thanked the Wanaruah people for their hospitality and said that it had been a "great honour" to attend as a Wiradjuri man, a Councillor and to meet and talk to so many delegates.

He thanked and paid his respects to his fellow Councillors who were essentially mediators between LALCs and NSWALC.

More often than not Councillors were the only ones that LALC personnel could talk to.

He ended by thanking the delegates from LALCs in his region.

Central Region Councillor Stephen Ryan said he spoke on behalf of fellow Councillors Steve Gordon and William Murray who were not in attendance at the final session.

He thanked all delegates on his, and their, behalf and wished everyone a safe trip home.

Chairperson Manton then invited NSWALC CEO Geoff Scott to say a few words.

Mr Scott thanked all delegates for the courtesy shown to each other and to staff during the three days. He also praised staff for their initiative and enthusiasm when tasked with organising and running such a major event.

The conference had been a tremendous opportunity to take the time to reflect on what had been achieved in the land rights struggle and what lay ahead.

A comprehensive official record of proceedings, under the working title *Networking the Nations*, was being prepared as this reporting period ended.

We now turn to a review of operations and achievements within NSWALC across the network during the reporting period, and look at planned activities in the new financial year.

Finance and Administration Division

This division again reported a hectic workload during the 2008-09 financial year.

A highlight of operations was the attainment of NSWALC's sixth successive unqualified audit from the NSW Audit office with the sign-off for NSWALC's financial statements occurring within the statutory timeframe.

The audit result was the one major highlight in another unpredictable financial year with returns from NSWALC's investment funds again at their lowest levels for many years.

While the Australian economy managed to escape a recession, the sub-prime crisis in the US housing

market continued to put enormous pressure on global credit markets.

NSWALC recorded a deficit of \$83 million in the 2008-09 financial year.

This compared to a deficit of \$85 million in the previous reporting period.

The deficit included a loss on the investment fund of \$89 million during this reporting period compared to \$91 million in the 2007-08 financial year.

The net equity of NSWALC reduced by \$82M in the reporting period — from \$634 million in the 2007-08 reporting period to \$552 million in the 2008-09 financial year.

This decrease in equity was mainly due to the buffeting of the investment fund.

However, as the analysis from the Funds Management Unit demonstrates later in this report NSWALC's managed funds portfolio suffered less than most comparable funds in the reporting period.

Budgeting

NSWALC submitted its Triennial Budget for the year ending 30 June 2012 for the consideration and approval of the Minister for Aboriginal Affairs by the statutory deadline in May, 2009, in accordance with s157 of the *Aboriginal Land Rights Act* (ALRA).

The package included projected budgets for the following two financial years 2010-11 and 2011-12.

In her transmittal letter, Chairperson Manton noted it was the second budget to be submitted to the State Government on behalf of the current Governing Council of NSWALC.

She advised the budgets had been framed in "difficult economic times."

"However, my fellow Councillors and I have worked closely with relevant staff and financial advisers to ensure this budget continues to provide a sound operational base for NSWALC and the land rights network in the forthcoming financial years," she advised.





STATEWIDE CONFERENCE

NSWALC convened the State Conference of Local Aboriginal Land Councils in the Hunter Valley from March 3-5, 2009.

The Conference broke new ground.

It attracted more than 250 delegates from the network of 121 Local Aboriginal Land Councils from across the State. They represented a majority of the Aboriginal Nations of NSW.

The delegates discussed and debated a wide range of key policy, planning, operational and advocacy issues.

Forums for our Elders and our Youth were held at a NSWALC State Conference for the first time.

Plenary sessions included discussion and debate on the sustainability of the land rights network, culture and heritage, NSWALC's Corporate and Community Land and Business Plans, Future Directions and Initiatives, the proposed land dealings legislation and constitutional reform, including a Bill of Rights and a Charter of Aboriginal Rights.

"We are confident it represents a sustainable and productive balance between the funding of new initiatives and prudent financial planning to further improve the efficiency and effectiveness evident in NSWALC and the Land Council network in recent years."

Ms Manton asked the Minister to note that NSWALC would be continuing with the allocations required to ensure NSWALC was able to work with significantly improved governance policies and procedures, more efficient management systems and structures, and to maintain the substantial support to the Local Aboriginal Land Council network.

"As you are aware from recent discussions with Council share market fluctuations have had a negative impact on NSWALC's earnings during this financial year," she added.

Chairperson Manton said investment income was forecast to be \$40.8 million in the 2009/10 financial year, \$40.7 million in 2010/11 and \$43.9 million in the outlying year.

Forecast revenues for the 2009-10 financial year were expected to total \$48.323M while total operational expenditure was budgeted to be \$45.043 million for the same period. This represented an increase of \$4.2 million from the reforecast 2008/09 budget.

This was attributable to unexpended grant monies for the Walgett Repairs and Maintenance program, the Land Subdivision project and the Water and Sewerage project which would be expended in the new financial year.

The required draw down from the Investment Fund was forecast to be \$34.8 million for the 2009/10 financial year which fell within the spending rule which had recently been discussed with the Minister.

Chairperson Manton said Council considered this to be sustainable and "will allow us to continue to meet our core objectives in accordance with the provisions of the ALRA and to ensure the ongoing consolidation of our operations despite current economic circumstances."

She said Council was conscious of the Minister's requests that NSWALC seek to cap recurrent expenditure and she was "pleased to advise Council has framed this budget to take account of leaner financial times."

"I should point out, however, that most of the major imposts on our recurrent budget for the next financial year, and beyond, are directly attributable to five major items," she added.

They were:

- The ongoing cost of supporting the land rights network, particularly governance training;
- meeting the increasing obligations, and consequential costs, of the most recent, and proposed amendments to the legislation;
- funding the Education Endowment Scholarships. (\$800,000 allocated for 2009/10);
- provision for the costs of the Water and Sewerage initiative. (\$1 million in 2009/10);
- The ongoing costs of legal fees (projected to be \$994,000 in 2009/10).

Ms Manton said it was "simply not possible for Council to cap recurrent expenditure while seeking to progressively introduce demonstrable benefits for Aboriginal people in New South Wales, meet the increasing transactional costs imposed by the most recent, and proposed, amendments to the Act, and to incur the cost of ongoing litigation to defend and secure our rights to compensation through the land claims process in the courts."

The Chairperson said Council had taken a number of steps to "cut our financial cloth to fit present financial circumstances," and had requested the Chief Executive Officer, Mr Scott, to seek significant savings in operational costs in the new financial year.

"Our determination to do so will include a freeze on all (non-essential) staff recruitment and reining in the operating costs of the rural properties.

"NSWALC proposes to do so by seeking to adjust the management arrangements for the properties, to agist Appin Station and Calooma./Nulty Springs and the agistment or lease of Barooga Karrai.

"We will continue with the farming/livestock program at Kaituna Uno and have budgeted for an income of \$3million in the new financial year from crop, cattle sales and agistment income with projected expenditure expected to be \$2.6 million.

"I would ask you to note that Council will maintain core funding to the land rights network in the new financial year.

"Council has approved an allocation of \$130,000 for each Local Aboriginal Land Council.

"A total of \$14.5 million is budgeted for in the 2009/10 financial year based on average allocations over the past five years.

"It is estimated the payment of rates, legal fees and the cost of Administrators on behalf of LALCs in the 2009/10 financial year will be approximately \$1.7 million with LALC debt repayment anticipated to be about \$900,000.

"The ongoing financial sustainability of the current LALC network is a crucial issue Council is conscious NSWALC and the network must address, particularly given the ongoing cost of administrations and the administrative burden placed on NSWALC from non-performing LALCs.

"As you are aware land rights can never be seen as an economic and social panacea for all of the problems facing Aboriginal people in New South Wales.

"However, NSWALC stands ready, within the limitations of the financial resources available to it, to seek to continue with modest initiatives to deliver community benefits to our constituents and to enter into genuine partnership with stakeholders who share our determination to address the many issues facing our network.

"We are determined to continue to seek innovative ways to deliver community benefit schemes to our people, in partnership, if possible, with relevant stakeholders."

Chairperson Manton said Council looked forward to continuing to work with the Minister to improve the well being of all Aboriginal people in New South Wales.

Before discussing the achievements of the separate units within the Finance and Administration division, it is appropriate at this stage of the report to outline the performance, and goals of the Statutory Investment Fund and the activities of the new Funds Management Unit.

STATUTORY INVESTMENT FUND

How We Are Funded.

A NSWALC Statutory Investment Fund was established under the *NSW Aboriginal Land Rights Act (1983)*.

For fifteen years - from 1 January 1984 to 31 December 1998 - the Act provided for guaranteed funding through the payment of an amount equivalent to 7.5 per cent of NSW Land Tax (on non-residential land) to NSWALC, as compensation for land lost by the Aboriginal people of NSW.

During this period, half of the funds were available for land acquisition and administration.

The remainder was deposited into a statutory account to build a capital fund to provide ongoing funding in the future.

The total funds allocated were \$537 million.

Of this amount \$268.5m was deposited in the Statutory Account.

The capital, or compensation, accumulated over the first 15 years of the Council's existence stood at \$281 million at December 1998 when the land tax payments stopped.

Since then, the NSW Aboriginal Land Council and the land council network have been self sufficient.

The network is not, as is widely believed, funded by the taxpayers of NSW.

Current Management and Value

The Statutory Investment Fund has been largely managed on behalf of the New South Wales Aboriginal Land Council by Chifley Financial Services, a company established by Unions NSW (formerly the NSW Labor Council).

The company is now owned by the Local Government Superannuation Scheme, the Energy Industries Superannuation Scheme and the Labor Council of NSW.

The value of the Statutory Investment Fund was \$526.8 million as at 30 June 2009, compared with a value of \$620.6 million at the end of the previous reporting period.

This represents a decrease of \$93.8 million in the value of the Fund during the reporting period. This was a direct result of a share market meltdown in local and international equities after a strong period of consolidation.

As noted in previous reports, there is a view which has taken hold in some ill-informed quarters that this money simply sits in a bank account. This is given periodic credence by ill informed reports, particularly in the mainstream media.

This serves only to cloud the real issues about the lack of long term funding available from the State Government and the Commonwealth Government to increase the health and well being of Aboriginal people, particularly in New South Wales.

It does a great disservice to all of those in the land rights system who are working for the benefit of their people.

Where Our Money Goes

A major impact on NSWALC's annual budget is the direct funding to Local Aboriginal Land Councils, comprising around \$15 million of its total expenditure.

This funding is delivered in a direct grant allocation of \$130,000 to each funded Local Aboriginal Land Council to assist with its administrative costs.

Indirect funding to the land rights network accounts for a considerable amount of the balance.

“However, NSWALC stands ready, within the limitations of the financial resources available to it, to seek to continue with modest initiatives to deliver community benefits to our constituents and to enter into genuine partnership with stakeholders who share our determination to address the many issues facing our network.”

A drawdown of \$40.2 million was made during the year to fund the operational expenditure of the land rights network, including the administrative costs of both NSWALC and Local Aboriginal Land Councils.

It should be noted that many Local Aboriginal Land Councils have difficulty meeting their financial and reporting obligations.

NSWALC must support those that are under-performing and supervise them more closely.

This places additional burdens on NSWALC and the land council system through the increased costs which need to be allocated to investigators, administrators, legal expenses, intensive assistance projects and the cost of meeting LALC liabilities.

The transactional costs of the most recent amendments to the Act have also had a major impact on NSWALC's bottom line.

Current Objectives of the Fund

There are two current primary objectives for the fund.

1. To provide sufficient income to meet the basic administrative expenses of Local Aboriginal Land Councils and the administration of NSWALC.
2. To ensure sufficient funds are put aside so that the value of the fund increases with inflation.

NSWALC has adopted a conservative investment strategy for the fund to meet its objectives which are shortly set out in more detail in the section reporting the activities of the Funds Management Unit.

Growth of the Fund

There is a view often expressed that NSWALC should loosen the purse strings on the Statutory Fund to bolster the administrative funds it provides to the network of Local Aboriginal Land Councils, particularly as they shoulder more service delivery functions and inflationary pressures place added burden on their bottom line.

It is also suggested a more aggressive investment strategy be adopted to gain a better return on its investments.

This ignores two fundamental points.

The fund is to provide compensation for future generations. Prudent financial management is essential to maintain growth.

A less risk-averse strategy could increase returns but could clearly increase the risk of losses.

It is important to understand that while NSWALC has a great deal of money invested it is not able to spend more than the realised income and interest from investment—less the allowance for inflation.

To do so would be a breach of the current provisions of the *Aboriginal Land Rights Act*.

Funds Management Unit

As noted earlier a Funds Management Unit was established during this reporting period with the appointment of a Chief Investment Officer, Mr. Chadwick Pocock.

Mr. Pocock has overall responsibility for the establishment and oversight of risk management and reviews of NSWALC's investments.

Risk management policies are established to identify and analyse the risks faced by the Council in its management of NSWALC's investments through the Statutory Investment Fund, to set risk limits and controls and to monitor risks.

Compliance with policies is reviewed by the Internal Auditor on a continuous basis.

The Investment Mission for the Fund is:

- To at least maintain the purchasing power of the Fund over the long term, having regard to the specific nature of the underlying funding responsibilities of NSWALC;
- To provide a stable and growing level of distributions for funding NSWALC's ongoing activities;
- To at least preserve the indexed book value of the assets.

The Council has transferred this Investment Mission into a set of measurable investment objectives. These are:

- To achieve an investment return of 5% per annum plus an allowance for CPI (inflation) as measured over a rolling five (5) year period;
- To minimise the risk of negative returns.

The current Governing Council resolved to continue with this strategy during the reporting period.

Investment Committee

It also retained an Investment Committee which had been established to provide fact finding and advisory expertise to the Council on investment arrangements that would assist Council meet its statutory and financial responsibilities under the ALRA.

It also approved the ongoing appointment of Watson Wyatt as the independent external strategic investment advisor however they were removed from the Investment Committee as the newly appointed CIO brings the level of expertise to the Committee that was formerly provided by Watson Wyatt.

Former NSW Deputy Premier, Treasurer and Minister for Aboriginal Affairs, Dr. Andrew Refshauge remained at the helm of the Investment Committee throughout the reporting period as an Independent Chairperson, a task he performed in a pro bono capacity.

A total of four meetings of the Investment Committee were held during the reporting period: in August and October in 2008 and April and June 2009.

NSWALC Chairperson Bev Manton remained a member of the Committee throughout this reporting period.

NSWALC Deputy Chairperson, Tom Briggs, relinquished his position on the Investment Committee to focus on the Audit Risk Committee.

He was replaced on the Investment Committee by the Councillor for the Sydney-Newcastle region, Roy Ah-See.

Investment Changes

The employment of the Chief Investment Officer in the prevailing economic climate resulted in NSWALC's Governing Council receiving increased in-house advice on the performance of the fund.

An investigation into the structure of the Fund, commissioned by the Council, and conducted by Watson Wyatt, found there would be considerable savings by unbundling the investments from Chifley.

As a result of this advice it was decided to commence the unbundling of the investments from Chifley Financial Fund.

Chifley had provided an investment structure that invested on a "fund of funds" basis.

By removing Chifley from this structure, NSWALC is able to reduce costs by an estimated one million dollars a year. Not only does this provide a reduced cost structure, and a significant saving in the current economic climate, it also allows greater transparency in the performance of the portfolio.

The unbundling of NSWALC's investment from Chifley is expected to be concluded by the end of October 2009.

The full impact will be seen at the end of the 2010-2011 financial year. The following diagram demonstrates the spread of NSWALC's investments.

MANAGED FUNDS HELD AS AT 30TH JUNE 2009			
Asset Class	Manager	\$	\$
Australian Equities			115,393,163.33
	Fortis Investments	28,146,687.31	
	Orion Asset Manager	12,658,705.34	
	Alliance Bernstein Investment Management	35,010,936.66	
	State Street Global Advisors	39,576,834.02	
International Equities			38,905,236.84
	Altrinsic Global Advisors	9,523,538.30	
	Alliance Bernstein Investment Management	8,469,372.79	
	State Street Global Advisors	20,912,325.76	
Listed Property			20,697,746.18
	Chifley Investment Fund	20,697,746.18	
Australian Fixed Income (Sovereign)			71,997,729.69
	Chifley Investment Fund	71,997,729.69	
Australian Fixed Income (Composite)			50,359,209.23
	Chifley Investment Fund	50,359,209.23	
International Fixed Income (Composite)			59,604,205.99
	Chifley Investment Fund	59,604,205.99	
International Fixed Income (Credit)			29,992,877.05
	Chifley Investment Fund	29,992,877.05	
Absolute Return			76,185,306.76
	Chifley Investment Fund	76,185,306.76	
			463,135,475.07

Following are some performance comparison tables.

The tables show NSWALC's managed funds portfolio suffered less than most comparable funds in the economic downturn.

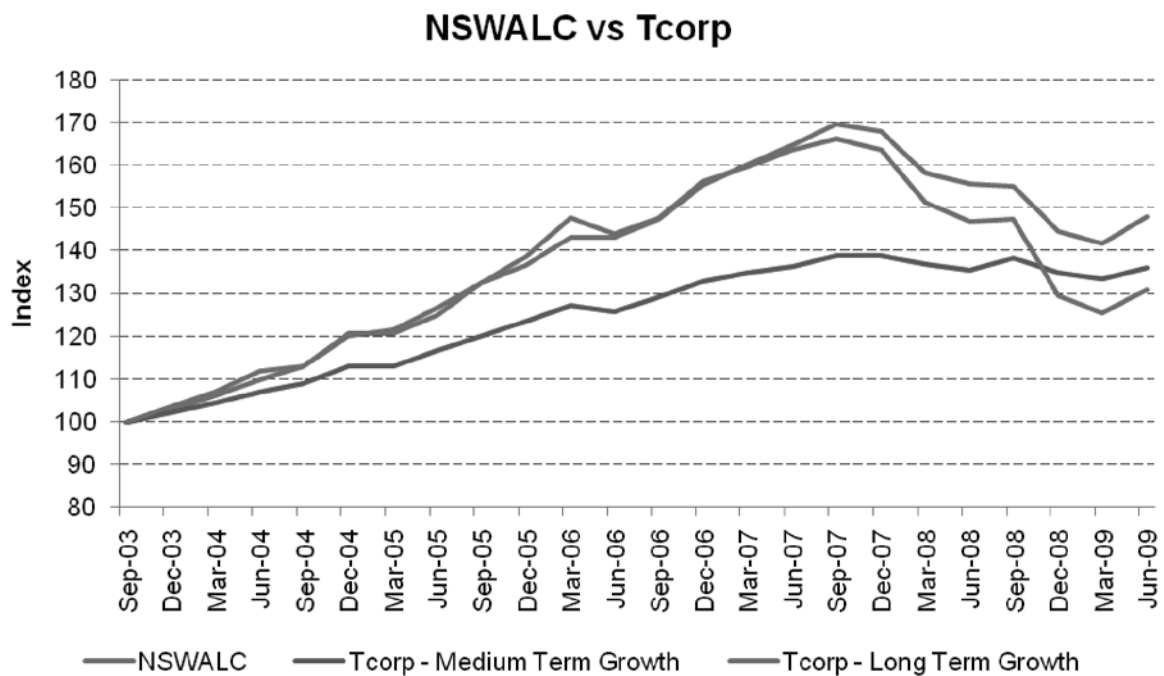
The following is a table that compares the performance of the NSWALC portfolio against the two Tcorp investment portfolios managed by the New South Wales Treasury that are similar in many characteristics to the NSWALC portfolio.

These are important benchmarks as there has been much speculation over the years as to whether or not NSWALC funds should be invested solely with the NSW Treasury through TCorp.

NSWALC has taken the view that it is better to spread its risk across asset classes as well as fund managers.

Validation can be found for this view in the performance of these funds.

The table clearly shows NSWALC's performance to be less volatile, as well as better performing, over the different market cycles than that of either of the relevant Tcorp investments.

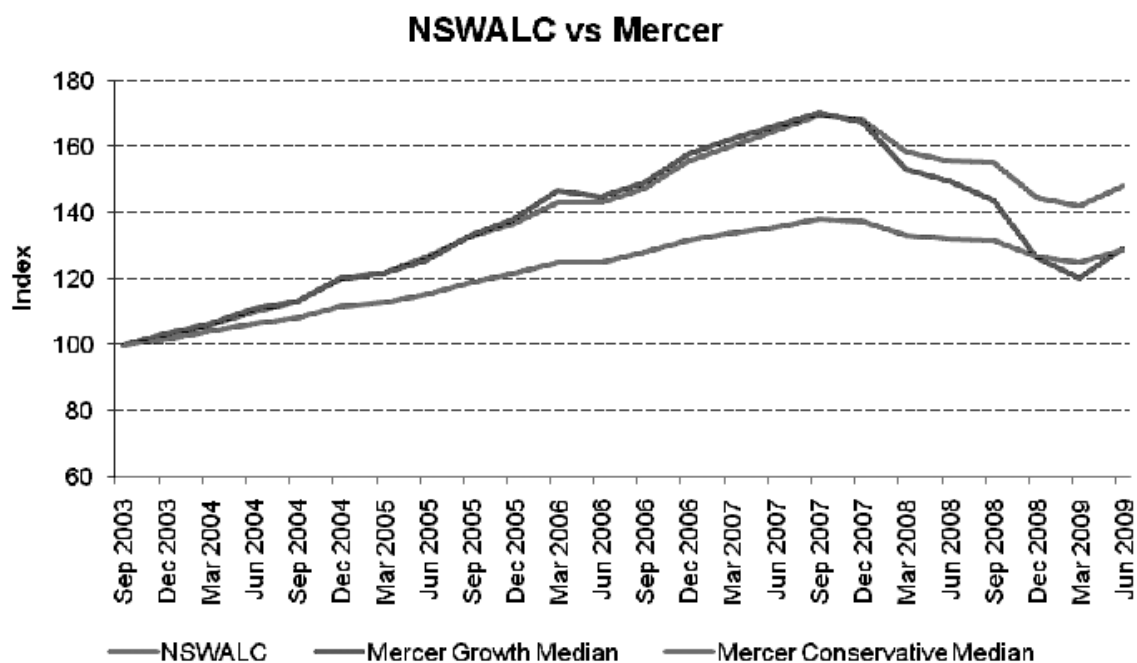


Performance Against Peers

The following graph compares the performance of the NSWALC portfolio against two Mercer median portfolios, Mercer Growth and Mercer Conservative.

This provides a performance comparison of NSWALC's portfolio against similar portfolios.

The graph illustrates NSWALC's portfolio has performed extremely well in comparison.



Following is a table of the performance relating to the benchmark for each asset class.

It is pleasing to note the performance of the total fund against NSWALC's weighted average benchmark over the longer period of three (3) years.

Returns for periods ending 30 June 2009 (gross of investment fees and tax)												
	Quarter			1 Year			3 Years			5 Years		
	Return	Bench mark	Excess	Return	Bench mark	Excess	Return	Bench mark	Excess	Return	Bench mark	Excess
<i>Australian Equities Portfolio</i>	11.6	11.5	0.1	-12.9	-20.3	7.4	-2.2	-3.9	1.7	9.1	6.8	2.3
S&P/ASX 300												
<i>International Equities Portfolio</i>	8.6	10.1	-1.5	-26.9	-22.3	-4.6	-11.2	-9.7	1.5	2.3	-1.4	3.7
MSCI World ex-Aust (50% hedged, 50% unhedged)												
<i>Listed Property Portfolio</i>	14.9	16.2	-1.3	-41.0	-42.1	1.1	-21.9	-23.1	1.2	-7.9	-8.6	0.7
S&P/ASX 300 Property Trusts												
<i>Australian Fixed Interest - Sovereign Portfolio</i>	-2.4	-2.5	0.1	11.3	11.3	0.0	6.7	6.7	0.0	6.2	6.2	0.0
UBSA Government Bond												
<i>Australian Fixed Interest - Composite Portfolio</i>	-0.7	-1.3	0.6	6.8	10.8	-4.0	4.7	6.4	-1.7	N/A	N/A	N/A
UBSA Composite												
<i>International Fixed Interest - Composite Portfolio</i>	0.1	2.2	-2.1	10.7	9.9	0.8	8.1	7.8	0.3	N/A	N/A	N/A
Barclays Capital Global Aggregate Bond (Hedged)												
<i>International Fixed Interest - Credit Portfolio</i>	6.1	14.0	-7.9	11.0	-2.5	13.5	7.6	3.4	4.2	N/A	N/A	N/A
Barclays Capital Global Credit Corporate (Local Currency)												
<i>Absolute Return Portfolio</i>	4.3	0.8	3.5	-16.4	5.5	-21.9	-0.2	6.4	-6.6	N/A	N/A	N/A
UBSA Bank Bill												
Total Fund*	4.4	6.2	-1.8	-4.8	-3.1	-1.7	1.2	1.8	0.6	7.0	7.1	-0.1
Benchmark												
* Returns are gross of fees and tax. The Total Fund return is calculated as the end of period weighted average of the individual returns. This is an indicative return only.												

Where Does the Money Go

The following table provides a snapshot of the major operational calls on NSWALC funds during the financial year.

	\$'000
Revenue	
Interest and Investment Income	43,505
Grants and Contributions	417
Other Income	3,564
Gains on Disposal of Property Plant & Equipment	14
Total Revenue	47,500
Expenses	
Audit Fees	325
Consultants Fees	1,246
Enterprise and Farm Expenses	2,446
Depreciation	1,067
Amortisation – Intangible Assets	73
Bad and Doubtful Debts	1,667
Employee Expenses	10,814
Funding of Regional and Local Aboriginal Land Councils	14,317
Grants	2,257
Legal Expenses	1,103
Motor Vehicle Expenses	589
Repairs and Maintenance	267
Other Expenses	4,562
Other Losses	89,591
Total Expenses	130,324
SURPLUS/ (DEFICIT) FOR THE YEAR	(82,824)

We now turn to the operational achievements for the separate Units within the Finance and Administration Division.

Finance and Administration Unit

The Finance and Administration Unit reported a hectic workload during 2008-09, particularly as it responded to numerous internal and external audits.

The Unit implemented a number of audit recommendations during the reporting period and is committed to further improvements of procedures in areas such as procurement, travel, corporate card, funeral grants and contract management.

The Unit has an ongoing internal review in relation to all current policies and procedures within the Administration area.

Outcomes of these reviews in this reporting period have included:

- Tighter control on expenditure across the organisation;
- Adoption of best practice approach when selecting suppliers;
- Better internal control regarding use of corporate cards;
- Cost effective Fleet Management;
- Improving administration of Funeral Grants;
- More meaningful management reporting.

The Unit also continued to provide induction training on all Finance and Administration Policies and Procedures to new staff members during the reporting period and was in the process of centralising all purchasing functions as the financial year drew to a close.

Australian Accounting Standards (including Australian interpretations)

The Finance Unit implemented all of the new standards which related to NSWALC's operations in the preparation of the financial statements for the year ended 30 June 2009.

Fleet Management

The Unit also took steps to streamline its fleet management operations during the reporting period by engaging a new leasing provider to improve the quality of service and the operational control of NSWALC's small fleet of vehicles.

The provider also offered similar assistance and advice to a number of Local Aboriginal Land Councils regarding management of their motor vehicles.

Funeral Grants

No other area of NSWALC's activities brings home the life expectancy gap between Aboriginal people and their fellow Australians and the socio-economic status of the majority of NSWALC's constituents than that of funeral grants.

The Unit processed almost 400 funeral grants approved by Council to the community during the reporting period.

It also strived to ensure their timely payment and support to the community.

NSWALC has paid about half a million dollars worth of such grants each financial year.

The cost of such grants during this reporting period amounted to more than \$550,000.

Human Resources Unit

The Unit continued throughout this reporting period to provide the Councillors, management and staff of NSWALC with an extensive range of services as well as providing advice and support to the Zone Offices in their dealings with Local Aboriginal Land Councils.

Recruitment

Following a period of significant recruitment in recent years as part of the ongoing restructure of the organisation this reporting period has resulted in less activity in this area.

However, a number of key appointments were made during the year.

As reported earlier these included the appointment of a Chief Investments Officer, an Internal Audit

Manager, an Executive Officer, a Director of the Land, Policy & Research Unit, a new Director in the Eastern Zone Office, and a Commercial Analyst.

All were designed to increase NSWALC's in-house capacity and to increase its ability to better serve the land rights network.

The appointments also demonstrated NSWALC's increased capacity and competitiveness in attracting high quality staff to the organisation.

Previously reported initiatives and benefits, such as salary packaging, have assisted with successful recruitment action.

However, the need to review and identify strategies to attract and retain quality staff still remains a unique and ongoing challenge for NSWALC conscious of the decision to impose a staff recruitment freeze due to the cyclical negative returns from the Statutory Investment Fund.

Learning & Development

As previously reported, staff training responsibilities were transferred from the Human Services Unit to the Training & Development Unit within the Network Services Unit during this reporting period as part of NSWALC's commitment to continued organisational review.

However, the Human Resources Unit maintained responsibility for coordinating staff participation in a range of external conferences, courses and seminars.

Many of those opportunities were identified through NSWALC's Performance Planning Agreements or as a result of new NSWALC initiatives and challenges.

Professional developmental opportunities were also made available to staff through NSWALC's Professional Development and Training and Development Policy.

This included both financial assistance towards the payment of fees and leave to attend compulsory lectures.

NSWALC considers the investment in professional development for staff provides the organisation with significant benefits.

Those benefits include the overall improvement and enhancement in the qualifications, expertise and performance of staff and in their retention

and continued contribution to meeting NSWALC's objectives.

The Unit will continue to review, identify and provide cost effective strategies in this important area during the new reporting period.

Joint Consultative Committee

NSWALC established a Joint Consultative Committee during the reporting period.

The purpose of the Committee is to facilitate ongoing and effective communication, participation and consultation between staff and management.

The Committee comprises three (3) management representatives and three (3) staff representatives.

The staff representatives underwent a formal election process.

The Committee processes provide for either party to identify and raise issues of relevance to the ongoing operations and objectives of the organisation.

As a result consultation occurred over a wide range of issues and the majority of issues raised during this reporting period were resolved to the mutual satisfaction of Committee members.

Social Club

A NSWALC Social Club was also established in October 2008 following nominations from interested staff.

The Social Club has arranged staff social functions together with fund raising activities for a range of charities.

During the reporting period the Club coordinated activities and functions for Sorry Day and Reconciliation Week as well as Red Nose Day, The Biggest Morning Tea and the Victorian Bushfire Appeal.

In December 2008 the Social Club also arranged for a collection of gifts to be provided to children at the Westmead Children's Hospital.



NSWALC's Jess Bamblett presents a cheque to the Randwick Children's Hospital in Sydney from fund raising efforts of NSWALC's Parramatta staff.

Occupational Health & Safety

A new Occupational Health & Safety Committee was also established at Parramatta during this reporting period following a formal nomination process.

The Committee comprises three management and five staff representatives.

The Committee met on a regular basis to consult and consider a broad range of OH&S matters prior to recommending appropriate action.

NSWALC maintains a good Occupational Health & Safety record with only seven reported incidents during the financial year.

Three of those incidents resulted in Workers Compensation Claims being submitted.

Full statistics are provided in the OH&S Table elsewhere in this report.

Industrial Relations Development

One significant development during the reporting period related to the NSWALC's industrial relations jurisdiction.

During mid to late 2008 NSWALC participated in a number of detailed discussions and briefings regarding its statutory responsibilities and obligations under the Aboriginal Land Rights Act 1983 and its associated functions and activities.

It also obtained detailed legal advice on a number of the issues raised.

As a result management formed the view that NSWALC was a Constitutional Corporation with trading functions.

As such it should be subject to the Federal, rather than State, industrial relations jurisdiction under the Fair Work Act 2009.

The Public Service Association and Professional Officers Association, which represents a small percentage of NSWALC staff, were advised of NSWALC's position on this matter in October, 2008.

The Association made representations to the Minister for Aboriginal Affairs the following month. He referred the matter to the NSW Crown Solicitors Office.

In a response to the Association in February this year, the Minister stated, in part, that he had been "advised by the New South Wales Crown Solicitor that the better view is that the NSWALC and Local Aboriginal Land Councils (LALCs) are not trading corporations in the relevant sense pursuant to the Constitution."

As such, it was considered NSWALC employees were still within the jurisdiction of the NSW Industrial Relations Commission.

NSWALC was unaware of the Association's representations to the Minister.

It was not consulted by the Association until February 2009 when advised by the Association of the Minister's response.

NSWALC sought access to the Crown Solicitor's advice, and any other relevant briefings or documents, in March 2009.

The organisation received the Crown Solicitor's advice in late April 2009 and requested an external legal advisor to review the Crown Solicitor's advice,

and to provide additional updated financial and other commercial information to facilitate a review of the situation.

As a result of that review further detailed legal advice was provided which confirmed NSWALC's view that it was a trading corporation.

NSWALC wrote to the Minister as this reporting period ended to advise him of our position and to provide information relevant to its determination of its status.

The NSWALC also confirmed its position with the PSA.

Unfortunately while NSWALC has participated in this process it has delayed the negotiation of a new Enterprise Agreement to replace the NSWALC Staff Award 2006 which expired in October 2008.

NSWALC continued to liaise with all parties on this matter as this reporting period ended and anticipated negotiations would resume on the new Enterprise Agreement early in the new financial year.

Traineeships

As previously reported arrangements were made for the appointment of an Aboriginal Administrative Trainee working out of the office of Councillor Tom Briggs.

Ms. Samantha Moran commenced work with NSWALC on 10 July 2008 under a formal 12 month Traineeship Program.

It was due to for completion in July 2009.

A trainee was also employed by Councillor Stephen Ryan. Mr. Corben Carney's one year traineeship began on June 29, 2009.

Information Technology Unit

As foreshadowed in last year's report a three tiered support structure was implemented during this reporting period to allow for escalation of more complex service and support requests between IT staff.

This has considerably improved response times to requests for such support from NSWALC staff.

Data Networks and Telecommunications

The Unit successfully piloted a communications project to provide better support for Councillor and Zone offices.

Work will continue on this project in the new financial year to further converge data and voice communications to those outlying offices while providing secure access to the core ICT network in Parramatta.

The new system interacts with the centralised telephone system implemented during the previous reporting period, extending the benefits of mobility, and a reduction in costs.

As part of the ongoing effort to provide a cost effective, robust and scalable IT environment, the IT Unit contracted mobile and fixed line voice communications to Telstra under the NSW Department of Commerce Contract ITS 2360 - Government Telecommunications Agreements.

The contract provides for centralised management of carrier terms and conditions, performance and pricing set by the Government while reducing NSWALC's total monthly spend on fixed line voice and mobile services by 49 percent.

These savings and benefits are also automatically passed onto Local Aboriginal Land Councils.

Enterprise Applications and Databases

Two major database development projects were completed during the reporting period.

The Compliance and Funding database was redesigned in two phases to optimise operational efficiency.

The system was enhanced for alignment with new Funding Policies effective from July 1, 2009.

It is now provides streamlined workflows, quality assurance and advanced reporting functionalities.

The development and implementation of a database for the LALC Management Support System ("LMSS") was also completed during the third quarter of the reporting period.

This application now provides a consistent approach across the network in management of LALC performance assessments, formulation of Case Management plans, dashboard reporting,

and a relationship with the Compliance and Funding database.

Data from both systems is integrated into a Business Data Catalogue for use in dashboard reporting on the Microsoft® Office SharePoint Server 2007 platform implemented by the unit during the 2007 – 2008 reporting period.

Other line of business applications (SAP Business One, Payroll, TRIM, Property Register) are planned for integration with the business data catalogue in the new financial year.

The primary objective is to increase corporate knowledge and align strategy with action through key performance indicators.

One major operational highlight during this reporting period was the technical assistance and advice provided by the Unit to the organisers and delegates at the NSWALC State Conference in the Hunter Valley in March 2009.

A number of projects aligned with corporate objectives in the NSWALC's Community Land and Business Plan are scheduled for the next financial year and the Unit is also investigating initiatives to reduce the NSW Aboriginal Land Council's carbon footprint.

Records Management Unit

The Unit continued to refine a number of the projects outlined in this space last year and began a number of new ones during the reporting period.

Electronic Document Management (EDM)

The take up of electronic document practices continued across the network during this reporting period, with the progressive rollout of training and support to the Zone Offices.

The shift from the creation of paper-based files to the introduction of EDM has resulted in a dramatic increase in the number of items being created.

It also allows the organisation to have immediate access to operational information across the network.

Archiving

The process of evaluating, registering, storing and, where appropriate, disposing of NSWALC records also continued throughout this reporting period.

The repatriation and registration of Zone office files has been an ongoing process.

Significant progress has been made in the identification of materials that are of vital corporate and historical importance to NSWALC with close to 500 boxes created and archived in the reporting period.

A majority of information from the Western Zone office has been processed along with information from the Southern Zone.

Record storage was also improved on-site with the refurbishment of a disused office on the fourth floor of NSWALC's Sydney headquarters into a repository.

General Recordkeeping

This reporting period also saw the introduction of new mailing processes.

These are designed to expedite mail delivery and improve security in the way in which the mail is handled and stored.

The RMU had begun a systematic audit of all physical and electronic information currently stored at NSWALC's Head Office to provide an accurate picture of the volume of information now being kept and to allow the Unit to determine patterns of usage.

The Year Ahead

The Unit has committed itself to the promotion and expansion of current projects in order to provide NSWALC the best possible service in regard to the timely retrieval of vital organisational information.

The new financial year will see the ongoing development of projects that have already begun, such as the Classification Scheme and the training of all staff in the usage of TRIM and the e-mail plug in for Outlook.

A number of new projects will have a significant impact on the way in which records management is practiced at NSWALC.

These will include the design and implementation of a Functional Disposal Authority) for the storage and disposition of current and future records and the development of a Disaster Recovery Plan.

All are designed to move NSWALC towards world's best practice in recordkeeping.

Commercial Unit

As noted previously in this space, this Unit was established in recognition of the emerging value of the land estate now held by Local Aboriginal Land Councils and NSWALC, the emerging commercial interest in it, and the need for sustainable development and management of that land base.

As in previous financial years there continues to be an increasing interest in Aboriginal lands in relation to potential development and more recently carbon trading activities and bio banking/biodiversity opportunities.

The scope and complexity of potential land use by LALCs is expanding and with it, NSWALC's role as the approving body for LALC land dealings.

The Unit performs a dual role for the Land Council Network on land dealings.

It administers NSWALC's statutory obligations regarding the approval of proposed land dealing transactions and, perhaps, more importantly, assists LALCs and NSWALC in land and commercial matters.

The unit worked with an increasing number of LALCs during the 2008/09 financial year to seek to achieve beneficial outcomes from their land bases.

The Commercial Unit has continued to establish good working relationships with many LALCs who now seek guidance and assistance from NSWALC prior to entering into any arrangements to ensure they obtain the best possible outcome for their members and that the agreements they propose entering into are in a form that can be approved by NSWALC.

During the year the Commercial Unit visited many LALCs to discuss a range of land dealings and community business planning issues, often together with proposed Joint Venture partners, and the LALCs legal and financial advisors.

LALCs are forming strategic alliances with reputable Joint Venture partners and the quality

of land dealings proposed by land councils is of an increasingly high quality.

In addition to land dealing activities, the Unit completed a number of crucial projects aimed at improving the financial and operational management of NSWALC's property holdings during the reporting period.

Cost control monitoring systems have enabled the Unit to proactively manage expenses incurred in the management of major property assets, capital program works were completed, and further additional risk management strategies put in place, particularly in relation to NSWALC's rural holdings.

Significant improvements were made in operational and financial performance as a result.

Land Dealings

The Commercial Unit provides advice to the NSWALC Council on applications received from Local Aboriginal Land Councils under s.38, 40B & 40D of the Aboriginal Land Rights Act (NSW) 1983.

When a Local Aboriginal Land Council seeks to sell, transfer, mortgage, lease or "otherwise deal" with land it must fulfill certain requirements under the Act.

One of those requirements is to gain the approval of NSWALC.

As a result the organisation receives a constant stream of land dealing enquiries and applications, including acquisitions, disposals, leases for long periods, the granting of easements, and other transactions that can result in a change of the use of land.

Many LALCs have completed land audits of their property holdings and are now thinking strategically about how they might best utilise their land assets.

The continued "upskilling" of LALC Boards and CEO's are positioning LALCs well in utilising and developing their land.

As a result, land dealing applications in this reporting period have included more complex large scale developments.

With the completion of land audits, LALC Boards and

CEO's have focused their attention on actively seeking out and driving land development opportunities for the benefit of their members.

This represents a fundamental shift.

Much of the previous land dealing activity had been reactive and normally followed an approach from individual property developers.

Many are now working with property industry professionals and competent financial and legal advisors and forming strategic alliances with quality Joint Venture Partners.

Some LALCs have succeeded in negotiating major joint ventures which have the potential to deliver beneficial employment and other economic outcomes for their community.

The Nambucca Heads LALC is a case in point.

The LALC completed a joint venture agreement during this reporting period with Indigenous Business Australia (IBA).

This will involve the development of LALC land through the construction of a significant retail development with pre committed anchor tenants.

The development was approved by the NSWALC Council in September 2008. It achieved development consent from Nambucca Shire Council early in 2009.

NSWALC's Northern Zone Director, Andrew Riley and the Commercial Unit have provided ongoing support and guidance on the project to NHLALC over the past 18 months, particularly on the LALC's 40B / 40D application to NSWALC.

The broad scope of land dealing activity this year has included commercial, retail and industrial development, multi-lot rezoning and land subdivision, property disposal, selective forestry activities and general land management issues.

Complex multi million dollar land dealing matters were managed effectively and an increased number of applications were considered by the Unit.

Valuable support and guidance was provided to LALCs across the state resulting in a very high proportion of land dealing matters being approved by the NSWALC Council.

Land Dealing Amendments

The Commercial Unit continued to provide valuable feedback and input during this reporting period on the proposed amendments to the land dealing provision of the ALRA.

The Unit provided comment and feedback on the practical application of the proposed amendments to the Committee established to oversee the drafting of the amendments which included representatives from NSWALC, the Department of Aboriginal Affairs and the office of the Minister for Aboriginal Affairs, Mr. Lynch.

The Commercial Unit considered this approach to be prudent given its practical expertise in all land dealings and was pleased to provide its comments on the proposed amendments.

It believes this level of consultation will assist in ensuring that the amendments will result in major improvements to the land dealing provisions of the legislation.

A key amendment will involve the creation of an independent "Expert Panel" to assess and comment on the more complex proposed land dealing activities.

This would provide both NSWALC and LALC's the opportunity to have a land dealing independently assessed, particularly in situations where there may be conflicting views held between NSWALC and a LALC.

All LALCs will also have the benefit of being able to tap into the expertise of a recognised group of industry specific professionals appointed to such a panel.

The Commercial Unit was making preparations for the establishment of an Expert Panel as this reporting period ended in anticipation of the passage of the amendments through the NSW Parliament and the new laws coming into operation early in the new reporting period.

Regional Activity Reports to NSWALC Council

As noted earlier an increasing number of land councils are consulting with NSWALC in the early stages of land dealing proposals.

This is particularly important when LALCs anticipate major joint venture development and is proving to be of immense value in assisting LALCs to effectively manage the risks associated with major property development.

The role of the NSWALC Councillors has added value to this process.

The Commercial Unit provided continual updates to each Councillor in relation to land dealing activity in their region during this reporting period.

Councillors have provided invaluable assistance to LALCs in gaining a better understanding of both NSWALC's role as the approving body and its land dealing policies.

The Unit also presented a number of information briefs and discussion papers to Council during the financial year on land dealing policies, strategic management of the rural property portfolio, the NSWALC-owned property portfolio, and the commercial management of NSWALC's head office at 33 Argyle Street Parramatta.

Asset Management

The Unit has continued to improve the financial and operational performance of the NSWALC owned Head Office in Parramatta for the third consecutive year.

Operating expenses have been further reduced by approximately \$80,000 following the appointment of new lift maintenance contractors, reduced operating expenses relative to replacement of the cooling tower, and tight budget controls.

Income increased significantly over the previous year.

This increase was achieved through the negotiation of new lease terms with a number of tenants, the expiration of remaining rent free / incentive periods and a security review of the entire building.

The security review was completed for a number of reasons.

Whilst the safety of staff and tenants and the security of the building are important, it had become evident car parking spaces within the building were being used on an unauthorised basis.

The security audit resulted in the reprogramming of all security cards to the building and the expulsion of those illegally parking.

Additional car parking license agreements were issued which generated an increase in income of \$36,000 per annum.

With the assistance of NSWALC's managing agent, Jones Lang LaSalle, a number of other projects were completed.

Bank guarantees for all tenancies were reviewed and new guarantees put in place.

They now reflect market rents.

This affords NSWALC a greater degree of financial protection should any of the commercial tenants in the building default on rent payments.

A fresh marketing strategy was implemented by JLL during the year and the only vacant suite in the building was actively marketed.

Unfortunately, the vacant space on level nine of the building remains unoccupied due to the current economic climate.

Nonetheless, the building had an occupancy rate of almost 94% at the end of this reporting period.

This compares favourably with similar properties given the current state of the Parramatta commercial rental market.

A contract for the capital upgrade of lifts in the building was awarded to Theiss Krupps during the reporting period.

The works commenced prior to the end of the financial year and the project is due for completion in December 2009. The upgrade cost is just over \$700,000.

Other upgrade work of a more minor nature involved the replacement of roller doors to the car park and painting of the building facade.

Energy and water costs are expected to rise dramatically over time.

A capital upgrade to bathrooms is planned for the 2009/2010 financial year in anticipation of such increases.

The Commercial Unit is reviewing the energy efficiency of the building and will make further recommendations to the Council in the new financial year on longer term capital expenditure aimed at improving energy efficiency.

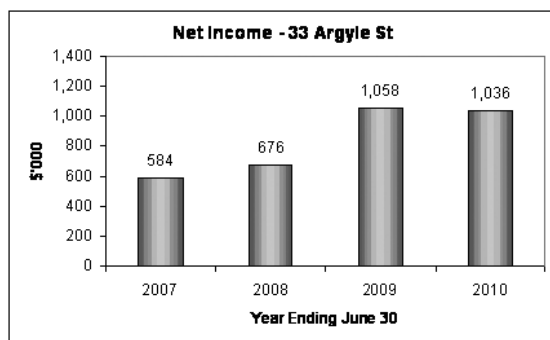
The cost benefit of upgrading the building will be invaluable in terms of retaining quality tenants, reducing costs, and achieving a maximum return on investment.

The following graph shows a comparative analysis of the financial performance of the building together with projected net income figures for the 2009 /2010 financial period.

The projected increases in net income reflect the high occupancy rates, leases on market rents and improved cost controls now in place.

It should be noted that these projections do not anticipate the leasing of the remaining vacant space within the building over the next financial year.

Management of Rural Properties



NSWALC continues to manage a number of rural properties which had been bought by various Regional Aboriginal Land Councils and subsequently transferred to NSWALC following amendments to the ALRA in 1990.

These properties were in an appalling condition when NSWALC assumed control and were not capable of being operated effectively under the arrangements then in place.

NSWALC has engaged independent agribusiness management specialist Riverina Farm Pty Ltd to provide rural management services for the properties since 2004.

The properties under management by Riverina Farms include:

Appin Station	Menindee	31,704ha
Barooga Karrai	Eubalong	9,890ha
Calooma/Nulty Springs	Bourke	35,609ha
Kaituno Uno	Coonamble	5,184ha

Significant capital has been invested in the Rural Property portfolio since 2002 in terms of plant and equipment.

With the assistance of Riverina Farms, the properties are now in the best shape they have been in since 1990.

Since the engagement of Riverina Farms Pty Ltd appropriately skilled and experienced staff have been engaged.

The infrastructure on the properties has been dramatically improved with buildings and plant maintained and renewed.

Cropping programs have also been developed and implemented by experienced agronomists with particular attention to soil condition, crop rotation, seed varieties and improved farming practices.

Hundreds of kilometres of fencing has been repaired and replaced and stockyards upgraded.

Farming practices have been brought into line with changing technology and are now at industry best practice.

Kaituna Uno: Almost perfect cropping conditions prevailed until harvest time this year. Unfortunately, torrential rain over a 3 day period destroyed a large portion of the valuable wheat crop, reducing the returns on investment for NSWALC.



A livestock program has been implemented involving three of the four properties with stock rotated between them to take full advantage of natural feed availability.

Properties are also now managed on a portfolio basis rather than as stand alone ventures with equipment and staff deployed to different locations as cropping cycles dictate.

Occupational Health and Safety Policies have been implemented on each property, ensuring the safety of staff and legislative compliance for NSWALC and Aboriginal employment has been achieved in various full time and casual positions.

The company continued to provide high quality services throughout the reporting period.

Recent valuations have confirmed that the capital value of the properties has increased over the years as a direct result of NSWALC's investment in infrastructure, equipment and in improving the condition of paddocks.

The capital growth over the past two years is significant.

It represents an increase of \$1,615,000, or an average across the portfolio of 8.33% per annum.

The capital growth of the properties is being driven by a number of factors including global food and fuel shortages and more locally, the need of farmers to expand and achieve economies of scale necessary for long term viability.

Egans National Valuers completed valuations for NSWALC in June 2009.

They have advised that the sharp increase in values for both Appin Station and Winbar are being driven by local sales with adjoining owners expanding their operations.

It is important to note that the losses NSWALC has sustained in recent years is largely offset by the increasing capital value of the land and reflects the improvements made in the past 7 years.

Performance of Properties and results for the 2008/2009 Cropping Season

The farming program for the 2008 /2009 financial year was expected to deliver the best cropping results in a decade.

Ample summer rains had delivered the best soil moisture levels in years and in many areas it appeared the drought had broken.

With the rains came a surge in growth of natural grass lands and the opportunity for many of the properties to support increased stock numbers.

The rains also provided solid ground moisture for successful crops.

The business plan for the year included cattle programs and cropping programs at Barooga and Kaituna Uno, similar in size to programs run in previous years.

Comparative data from valuations completed in 2007 and 30 June 2009			
	01-Jul-07	01-Jul-09	Change (\$)
Kaituna Uno	\$5,075,000	\$5,640,000	\$565,000
Barooga Karrai	\$1,600,000	\$1,825,000	\$225,000
Calooma Nulty Springs	\$990,000	\$990,000	\$0
Appin Station	\$1,430,000	\$2,130,000	\$700,000
Winbar	\$600,000	\$725,000	\$125,000
TOTALS	\$9,695,000	\$11,310,000	\$1,615,000

Activities for each property included:

Appin – with additional feed present on the ground at Appin Station, conditions were favourable for the property to support a considerable number of cattle and sheep, on an agistment basis.

Additional water troughs were installed at the property so that stock numbers could be maximised for the conditions and a neighbouring property owner entered into a continuing agistment arrangement with NSWALC.

This provided an additional income stream for the portfolio.

At the end of the reporting period, a total of 63 sheep and 4874 cattle were agisted on the property.

Calooma / Nulty Springs – with ample feed also available on Calooma Station, additional cattle were purchased and grazed on the property. This complemented Barooga and Kaituna in terms of the livestock program.

Barooga / Karrai – cropping and livestock programs were run again this year at Barooga.

Ample summer rainfalls led to the planting of wheat crops.

Follow up rain was not received so the crops could not be harvested and were used as fodder for cattle.

Kaituna Uno – Almost perfect cropping conditions prevailed until harvest time this year.

Just prior to harvest, agronomists estimated crop yields were likely to generate income for NSWALC of \$2,316,814.

Unfortunately, torrential rain over a 3 day period destroyed a large portion of the valuable wheat crop,

reducing the returns on investment for NSWALC by over \$1million.

Kaituna was a valuable part of the livestock program again this year and stock was fattened on the native grasses and some of the failed crops.

Despite crop losses, the property returned a profit however it was not sufficient to offset losses in other areas of the portfolio.

The overall result therefore was one of loss again this year, prompting a strategic review of operations across the entire rural portfolio.

AACL Risk Sharing Agreement

In 2008 the Western Australian company Australian Agricultural Contracts Ltd (“AACL”) approached NSWALC with an offer to “share the risks” associated with wheat cropping.

Whilst it is possible to insure crops for specified risks, it is not possible to insure crops for failure due to lack of rain and other variables.

The proposal from AACL offered NSWALC the opportunity to mitigate some of these “uninsurable” risks.

This was a new opportunity for NSWALC and one that had not previously been available in the market until this time.

AACL is an organisation that has been operating in WA for some time and they were looking to expand their operations into NSW.

Put simply, the “risk sharing” arrangement involves the farmer (NSWALC) planting a wheat crop subject to a contract with AACL.

When the crop is out of the ground and passes inspection by AACL agronomists, AACL reimburses the farmer the cost of planting. In return for this payment, the farmer agrees to share an agreed 10-15 % of the yield.

Should the crop fail prior to harvest, the farmer retains the monies already paid to it by AACL with the crop loss being borne by the farmer.

NSWALC undertook due diligence and established that AACL had successfully operated similar schemes in WA over a number of years.

Riverina Farms were engaged to provide NSWALC with independent advice regarding the proposal and recommended that NSWALC proceed.

NSWALC entered into an agreement with AACL for a 3 year period.

The land subject to the contract covers seven paddocks at Kaituna Uno, representing a conservative portion of the land. Essentially, NSWALC wanted to test the waters.

However, the arrangement proved very beneficial to NSWALC in the 2008 cropping season.

The risk sharing agreements reduced NSWALC's exposure to the crop loss at Kaituna Uno.

The AACL agreement delivered higher than anticipated returns on the crops that were harvested due to pre determined sale prices and higher than anticipated yields.

NSWALC was negotiating with AACL as this reporting period came to an end to expand the scope of contracts for the Kaituna Uno property.

Risk Management.

Despite the risk sharing arrangements with AACL, the results for the 2008-09 financial year proved to be disappointing and, as mentioned earlier, prompted a review of the long term management strategies for all the farms.

As part of this strategic review the Commercial Unit prepared recommendations to the NSWALC's Governing Council in April, 2009 in consultation with Riverina Farms.

They resulted in Council resolving to agist or lease three of the four properties.

By leasing or agisting Barooga Karrai, Appin Station and Calooma / Nulty Springs, NSWALC will divest itself of the operational responsibility of farming activities and will endeavour to secure arrangements likely to provide a more reliable income stream from each of the properties.

NSWALC needs to progress any negotiations carefully however, and will need to secure quality agistees / lessees in order to maintain the condition of each property. Much money has been invested over the past decade or so improving these properties, and any agistment or leasing arrangement will still need to be managed.

The properties that are to be agisted / leased are located in marginal farming areas and continually struggle to deliver NSWALC a positive financial return.

Kaituna Uno however is located in Coonamble with double the average rainfall of any of the other NSWALC rural properties and is likely to generate a healthy financial return on a stand alone basis, independent of the other farms.

It is NSWALC's intention therefore to continue with farming operations at Kaituna Uno.

With the assistance of Riverina Farms Pty Ltd, NSWALC was actively seeking out agistment and leasing opportunities as this reporting period ended.

Carbon Trading/Bio Banking

The increasing awareness of global warming and climate change has seen many Land Councils actively pursuing new and emerging opportunities in this area.

A number of land councils have undertaken audits of their land to establish its suitability for carbon trading and bio banking offset opportunities.

NSWALC's Land, Policy and Research Unit has engaged a consultant to advise on these issues and to assist in the longer term development of policy around bio banking and how Aboriginal Lands may be managed under a bio banking scheme.

Information provided by the Policy Unit has been invaluable to the Commercial Unit in assessing emerging opportunities and how bio banking schemes might compare to other alternative land uses.

Network Services

As noted earlier this is the core operational and compliance arm of NSWALC.

Capacity development within the land rights network remained a key focus for the Unit during this reporting period along with its normal compliance responsibilities.

The Unit continued to work closely with NSWALC's Governing Council, LALC Boards and their respective staff, particularly officers from NSWALC Zone Offices, to assist the land council network bed down the legislative changes which took effect on the first day of this reporting period.

Key components included mandatory training requirements for all elected representatives and the legislative requirement for Local Aboriginal Land Councils to develop Community Benefit schemes, including Social Housing Schemes.

The Unit's responsibility to assist in the development and NSWALC approval of Community Land and Business Plans transferred to the Land, Policy and Research Unit during this reporting period.

Following are the achievements for each of the Units within Network Services during the 200-09 financial year.

Compliance and Evaluation Unit.

As noted earlier this Unit provides support to Councillors, management and Zone Offices in their delivery of services to Local Aboriginal Land Councils and on the compliance of NSWALC and LALCs with their obligations with the ALRA and Regulations.

It is the compliance and evaluation hub of the land rights network.

State-wide LALC Funding Category Report

The funding categories of all LALCs were determined by the NSWALC policy on "Local Aboriginal Land Council Funding and Financial Obligations" during the reporting period.

These categories are based on each LALC's compliance with its obligations under the Aboriginal Land Rights Acts and Regulations.

The Policy has six categories. These are:

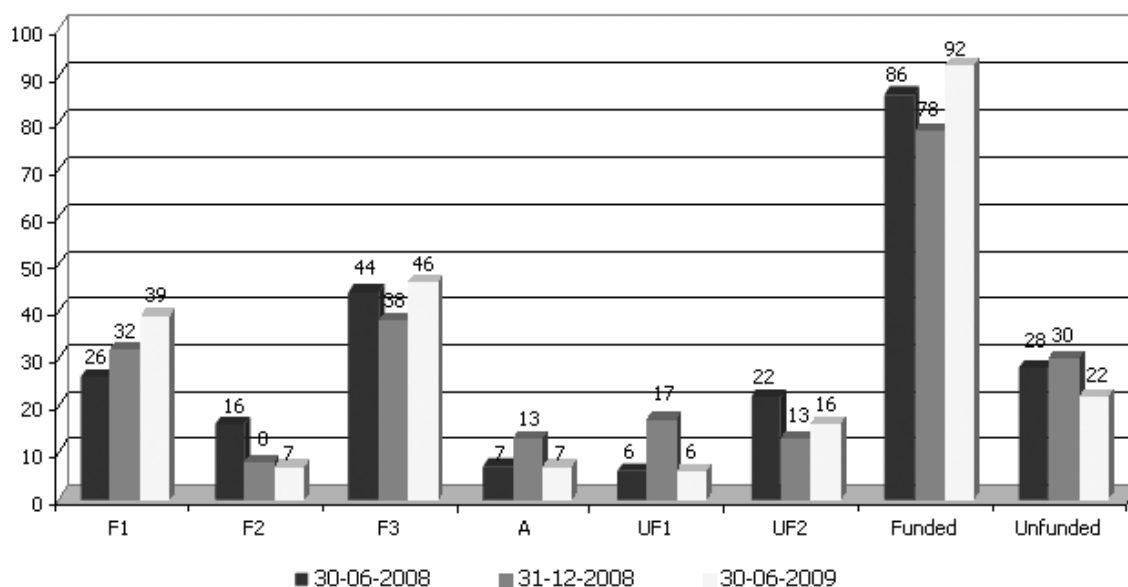
- F1: allocations are paid in six-monthly instalments in advance in July and January
- F2: allocations are paid in quarterly instalments in advance in July, October, January and April
- F3: allocations are paid in monthly instalments in advance.
- A: under administration. Allocations are paid directly to the appointed Administrator quarterly in advance in July, October, January and April.
- UF1: expenses paid for the LALC to perform its essential functions.

UF2: essential expenses paid to preserve the LALC's valuable assets or to prevent any substantial liability occurring.

The following column graph compares the number of LALCs in each funding category at the end of this financial year compared with their status at the same point last year and at the end of December 2008.

Graph 1 (At each report point; Funded + Unfunded + A = 121 LALCs
– Similarly F1 + F2 + F3 + UF1 + UF2 + A = 121 LALCs)

Statewide LALC funding Category Comparison

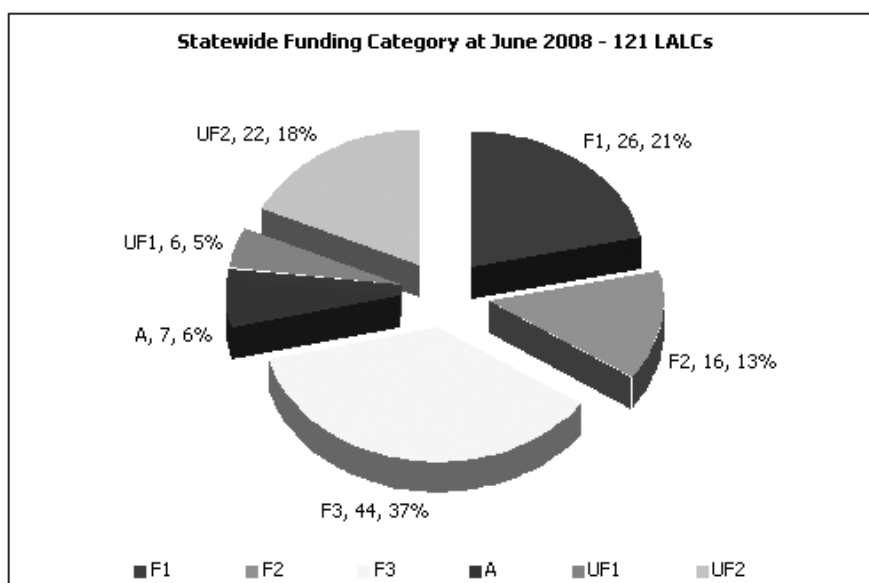


The number of LALCs in a funded category had increased by six at the end of this financial year.

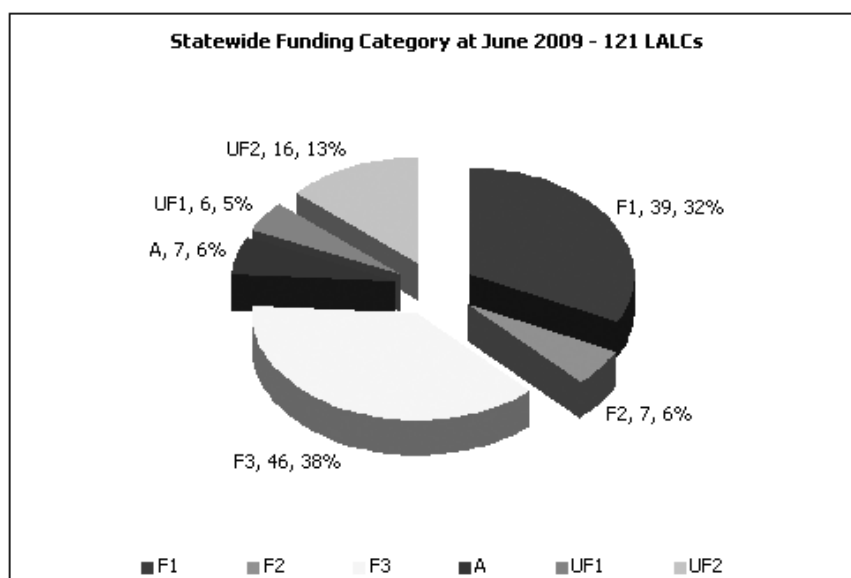
A total of 92 LALCs were in the funded category at this report date, compared with 86 at the beginning of the financial year.

Seven LALCs were under administration at the beginning and end of the financial year.

The following pie graphs compare the number of LALCs in individual funding categories at the end of the last financial year with the end of this reporting period.



Graph 2 (State-wide Funding Category at the end of Last Financial Year – 30 June 2008)



Graph 3 (State-wide Funding Category at the end of this Financial Year – 30 June 2009)

Statewide Grant Allocations Report

Section 106(8)(e) of the ALRA requires the NSWALC to grant funds for the payment of the costs and expenses of LALCs, whether under funding agreements or otherwise.

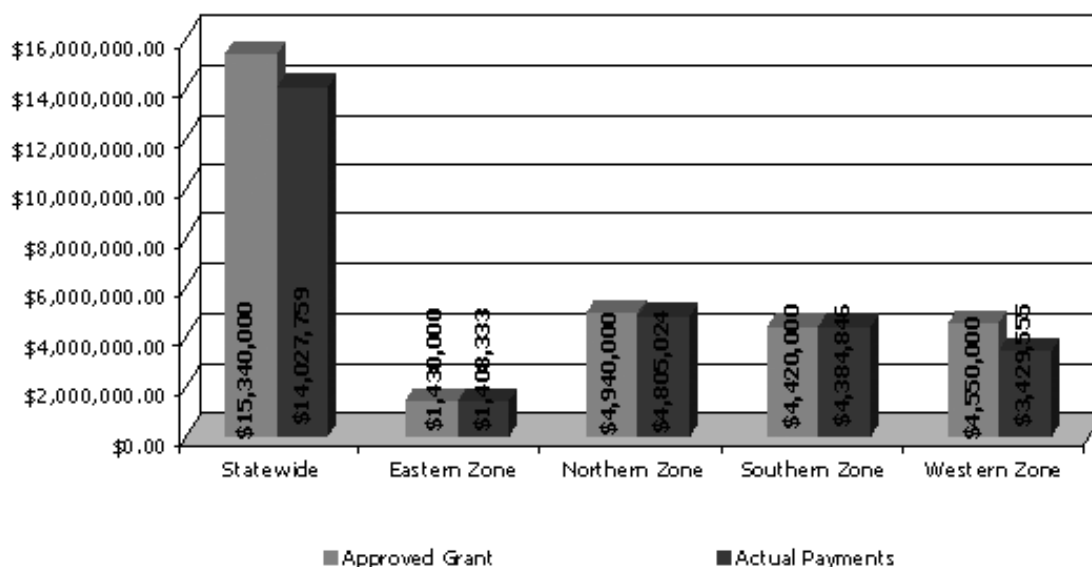
The ALRA prescribes this function to NSWALC's Governing Council.

The function cannot be delegated.

Council had approved allocation grants to 118 Local Aboriginal Land Councils of \$130,000 each during the 2008-09 financial year.

This amounted to a total grant allocation of \$15,340,000.

Actual Outgoings (Allocations and Essential Expenses) against Approved Grant



This graph shows that 91.45% of the approved grant has been paid to the LALCs, either in cash allocations or essential payments during this reporting period

It measures the actual outgoings, comprising of cash allocations and the essential payments, against the approved grant for the LALCs in each Zone and the total for all LALCs state-wide.

This table shows payments against the grants approved by Council.

Payment Category	Amount	Percentage
Cash Allocations	\$12,419,245	80.96
Essential Payments	\$1,608,513	10.49
Forfeited Grants	\$1,312,242	8.55
Approved Grants	\$15,340,000	100.00

It should be pointed out that cash allocations are paid in instalments to compliant LALCs in accordance with their funding categories.

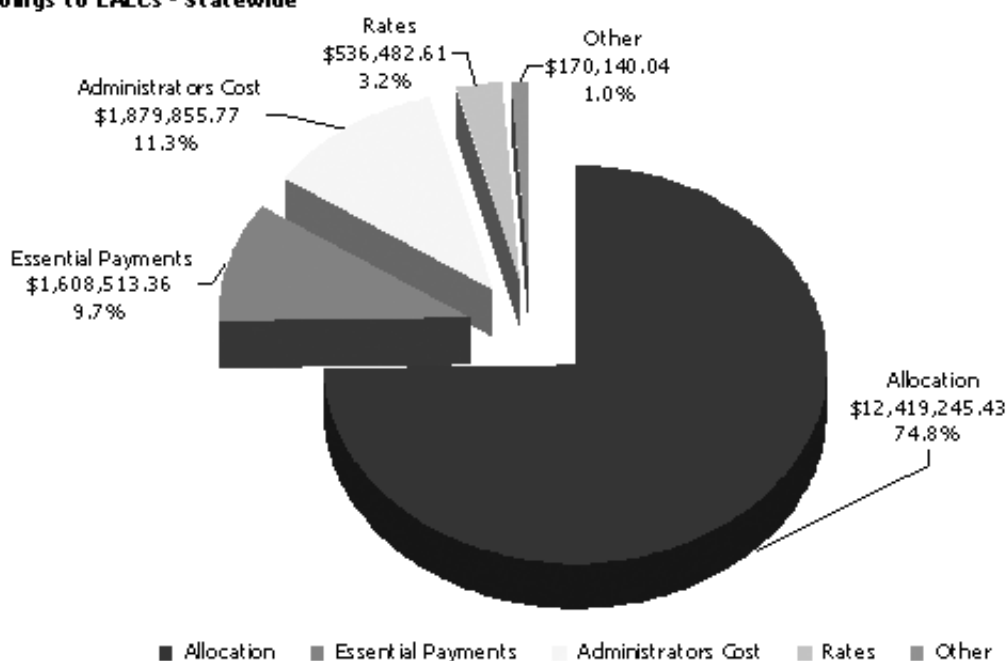
The essential payments are granted to

- unfunded category UF1 LALCs for their essential operations, and
- unfunded category UF2 LALCs for the protection and preservation of their assets.

Those LALCs that remain unfunded at the end of a financial year, or have fallen into a UF2 funding category during a part of the financial year, forfeit their relevant unpaid grants in accordance with the NSWALC funding policy.

Total Outgoings for LALCs.

Total Outgoings to LALCs - Statewide



This graph shows the total outgoings to LALCs for the financial year ending 30 June 2009

Total payments of \$16,614,237.21 were approved.

It also depicts each type of the five outgoings, Cash Allocations, Essential Payments, Administrators Costs, Payment of Rates and Other Payments.

These include the cost of Investigator's and legal fees.

It should be noted that NSWALC is entitled to recover administrator's costs, rates and other payments from the relevant LALCs from their future allocations.

Upgrade of Aboriginal Land Council Compliance and Funding Database

As noted last year much of the work undertaken by this Unit in the previous reporting period centred on preparation for an upgrade of the central database on LALC compliance with legislative requirements and NSWALC funding policies.

This work had culminated in a three day workshop as that reporting period ended which had been attended by Network Services staff, the NSWALC IT Unit, and consulting firm, Antares Solutions.

It had resulted in the start of development work on a major upgrade to the Database which was built in-house by temporary staff and consultants over a period from 2004.

Following the departure of those personnel an external contractor was engaged to maintain it.

The database contains the compliance records of all LALCs.

It is used by NSWALC to record ALRA compliances, breach categories, and other relevant data, as required by the ALRA, the Regulations and the NSWALC funding policies.

Changes in technology have largely necessitated the upgrade.

The Unit has reported that the first phase of the upgraded ALC Compliance and Funding Database was successfully deployed during this financial year.

It provides:

- A Global Help function built within the database to assist users in updating information and creating a range of reports;
- Automatic Funding Category Change based on compliances data updated by the users or recording of automatic breaches due to non compliance by LALCs;
- Automatic escalation of breaches for failure to comply within the extended time;
- Timely automated e-mails, which include;
 - Reminder to Zones offices and the LALCs regarding the upcoming compliance dates.

- Information regarding automatic funding category change and issue of Non Compliance Notice to the LALCs;
- Acknowledgements of compliances by the LALCs;
- LALC Contact Details;
- Database user authorisation details.

Modifications to Phase 1, to adopt the changes implemented by NSWALC's new Funding Policy, commenced in mid May 2009, and were deployed at the end of June 2009.

The following modifications were achieved;

- Alteration to Automatic Funding Category Change in accordance with the new Funding Policy;
- More intelligent Global Help, which is more user friendly and easy to navigate to find the required help; and interpretation of relevant regulations that have an effect on the database process;
- Automatic LALC Management Support System connectivity to download the risk scores of the LALCs;
- Automatic emails for offer, expiry, and termination of Funding or Assistance agreements;
- Recording of executed Funding Agreements and or Assistance Agreements.

The development of Phase 2 had commenced and user acceptance testing was underway as this reporting period ended to ensure it could generate:

- Reports to the Minister for Aboriginal Affairs as required under section 159 of the *Aboriginal Land Rights Act*;
- LALC Status Reports for meetings of NSWALC's Governing Council;
- SAP (General Ledger) Connectivity.

These reports are automatically created by the Compliance and Funding Database from the compliance/breach data held in the database and LALC payments held in the SAP general ledger.

This phase of the project will also allow the database to be used for:

- LALC Allocations Tracking for timely processing of the grant allocations to the LALCs;
- Evaluation of LALC Audit Reports;
- Evaluation of LALC Budget and Funding Applications;
- Evaluation of LALC Financial Reports as required under the Funding Policy;
- Quality Assurance Control of LALC Data.

The database has been designed to be flexible enough to accommodate any change in policy, legislation or regulation.

Appointment of Local Aboriginal Land Council Auditors

Section 153(3) of the Act requires the NSWALC to appoint auditors to each LALC in the manner prescribed by the Aboriginal Land Rights Regulations 2002 (NSW).

The Compliance and Evaluation Unit is responsible for ensuring NSWALC carries out its legal obligations in this regard.

As reported last year, two separate and independent panels, the Audit Tender Evaluation Panel and the Auditor Appointment Panel, had been appointed to carry out the following functions:

- Issuing the instrument of appointment for the LALC auditors;
- Calling and supervising the audit tender process statewide;
- Evaluating the audit tenders;
- Recommending the most suitable applicant for the appointment.

The Independent auditors had been appointed to each LALC for a three year period to the end of June 2009, subject to the satisfactory performance of those appointed.

The Unit was reviewing the guidelines and procedures, including Instrument of Appointment, for the next audit tender call for forthcoming financial years as this reporting period ended.

As also noted in this space last year, the appointment of LALC auditors by NSWALC, which has been a requirement in the legislation since 2002, is an ongoing source of tension between LALCs and NSWALC.

NSWALC continued to lobby unsuccessfully during this reporting period for an amendment to the ALRA which would allow LALCs to appoint their own auditors from a list of Auditors agreed between NSWALC and the Department of Aboriginal Affairs.

NSWALC expressed the hope that such an amendment would be included in any consequential amendments to the legislation which may go before the Parliament during the next reporting period.

Under Section 161 of the ALRA, NSWALC is obliged to publish the total funds granted to each Local Aboriginal Land Council in its Annual Report.

The following table provides those details.

Funds Granted to Each LALC

Financial Year Ending 30 June 2009

	Zone	Region	LALC	Cash Grant	Essential Payments
1	Eastern	Sydney Newcastle	Awabakal	\$130,000.00	\$0.00
2	Eastern	Sydney Newcastle	Bahtabah	\$130,000.00	\$0.00
3	Eastern	Sydney Newcastle	Darkinjung	\$130,000.00	\$0.00
4	Eastern	Sydney Newcastle	Deerubbin	\$130,000.00	\$0.00
5	Eastern	Sydney Newcastle	Gandangara	\$130,000.00	\$0.00
6	Eastern	Sydney Newcastle	Koompahtoo	\$125,000.00	\$5,000.00
7	Eastern	Sydney Newcastle	La Perouse	\$130,000.00	\$0.00
8	Eastern	Sydney Newcastle	Metropolitan	\$130,000.00	\$0.00
9	Eastern	Sydney Newcastle	Mindaribba	\$130,000.00	\$0.00
10	Eastern	Sydney Newcastle	Tharawal	\$108,333.33	\$0.00
11	Eastern	Sydney Newcastle	Worimi	\$130,000.00	\$0.00
12	Northern	Central Coast	Birpai	\$130,000.00	\$0.00
13	Northern	Central Coast	Bowraville	\$126,000.00	\$4,000.00
14	Northern	Central Coast	Bunyah	\$130,000.00	\$0.00
15	Northern	Central Coast	Coffs Hbr & District	\$130,000.00	\$0.00
16	Northern	Central Coast	Forster	\$126,000.00	\$4,000.00
17	Northern	Central Coast	Karuah	\$130,000.00	\$0.00
18	Northern	Central Coast	Kempsey	\$126,000.00	\$4,000.00
19	Northern	Central Coast	Nambucca Heads	\$130,000.00	\$0.00
20	Northern	Central Coast	Purfleet/Taree	\$130,000.00	\$0.00
21	Northern	Central Coast	Stuart Island	\$0.00	\$0.00
22	Northern	Central Coast	Thungutti	\$97,500.00	\$32,500.00
23	Northern	Central Coast	Unkya	\$130,000.00	\$0.00
24	Northern	North Coast	Baryulgil Square	\$130,000.00	\$0.00
25	Northern	North Coast	Birrigan Gargle	\$130,000.00	\$0.00
26	Northern	North Coast	Bogal	\$130,000.00	\$0.00
27	Northern	North Coast	Casino Boolangle	\$130,000.00	\$0.00
28	Northern	North Coast	Grafton Ngerrie	\$0.00	\$129,843.20
29	Northern	North Coast	Gugin Gudduba	\$130,000.00	\$0.00
30	Northern	North Coast	Jali	\$130,000.00	\$0.00
31	Northern	North Coast	Jana Ngalee	\$130,000.00	\$0.00
32	Northern	North Coast	Jubullum	\$130,000.00	\$0.00
33	Northern	North Coast	Muli Muli	\$0.00	\$105,949.00

	Zone	Region	LALC	Cash Grant	Essential Payments
34	Northern	North Coast	Ngulingah	\$130,000.00	\$0.00
35	Northern	North Coast	Tweed Byron	\$130,000.00	\$0.00
36	Northern	North Coast	Yaegl	\$39,388.17	\$67,927.68
37	Northern	Northern	Amaroo	\$130,000.00	\$0.00
38	Northern	Northern	Anaiwan	\$130,000.00	\$0.00
39	Northern	Northern	Armidale	\$0.00	\$41,916.39
40	Northern	Northern	Ashford	\$130,000.00	\$0.00
41	Northern	Northern	Coonabarabran	\$130,000.00	\$0.00
42	Northern	Northern	Dorrigo Plateau	\$130,000.00	\$0.00
43	Northern	Northern	Glen Innes	\$130,000.00	\$0.00
44	Northern	Northern	Guyra	\$130,000.00	\$0.00
45	Northern	Northern	Moombahlene	\$130,000.00	\$0.00
46	Northern	Northern	Nungaroo	\$130,000.00	\$0.00
47	Northern	Northern	Red Chief	\$130,000.00	\$0.00
48	Northern	Northern	Tamworth	\$130,000.00	\$0.00
49	Northern	Northern	Walhallow	\$130,000.00	\$0.00
50	Northern	Northern	Wanaruah	\$130,000.00	\$0.00
51	Southern	South Coast	Bateman's Bay	\$130,000.00	\$0.00
52	Southern	South Coast	Bega	\$130,000.00	\$0.00
53	Southern	South Coast	Bodalla	\$130,000.00	\$0.00
54	Southern	South Coast	Cobowra	\$130,000.00	\$0.00
55	Southern	South Coast	Eden	\$130,000.00	\$0.00
56	Southern	South Coast	Illawarra	\$130,000.00	\$0.00
57	Southern	South Coast	Jerringa	\$130,000.00	\$0.00
58	Southern	South Coast	Merrimans	\$130,000.00	\$0.00
59	Southern	South Coast	Mogo	\$130,000.00	\$0.00
60	Southern	South Coast	Ngambri	\$130,000.00	\$0.00
61	Southern	South Coast	Nowra	\$130,000.00	\$0.00
62	Southern	South Coast	Ulladulla	\$130,000.00	\$0.00
63	Southern	South Coast	Wagonga	\$130,000.00	\$0.00
64	Southern	Wiradjuri	Albury & District	\$130,000.00	\$0.00
65	Southern	Wiradjuri	Condobolin	\$130,000.00	\$0.00
66	Southern	Wiradjuri	Cowra	\$130,000.00	\$0.00
67	Southern	Wiradjuri	Cummeragunja	\$130,000.00	\$0.00
68	Southern	Wiradjuri	Deniliquin	\$130,000.00	\$0.00
69	Southern	Wiradjuri	Griffith	\$43,160.98	\$86,839.02
70	Southern	Wiradjuri	Hay	\$130,000.00	\$0.00

	Zone	Region	LALC	Cash Grant	Essential Payments
71	Southern	Wiradjuri	Leeton & District	\$130,000.00	\$0.00
72	Southern	Wiradjuri	Moama	\$130,000.00	\$0.00
73	Southern	Wiradjuri	Murrin Bridge	\$130,000.00	\$0.00
74	Southern	Wiradjuri	Narrandera	\$130,000.00	\$0.00
75	Southern	Wiradjuri	Onerwal	\$130,000.00	\$0.00
76	Southern	Wiradjuri	Orange	\$130,000.00	\$0.00
77	Southern	Wiradjuri	Peak Hill	\$65,649.52	\$64,350.48
78	Southern	Wiradjuri	Pejar	\$130,000.00	\$0.00
79	Southern	Wiradjuri	Tumut Brungle	\$130,000.00	\$0.00
80	Southern	Wiradjuri	Wagga Wagga	\$130,000.00	\$0.00
81	Southern	Wiradjuri	Wamba Wamba	\$0.00	\$94,845.84
82	Southern	Wiradjuri	West Wyalong	\$130,000.00	\$0.00
83	Southern	Wiradjuri	Bathurst	\$130,000.00	\$0.00
84	Southern	Wiradjuri	Young	\$130,000.00	\$0.00
85	Western	Central	Dubbo	\$130,000.00	\$0.00
86	Western	Central	Gilgandra	\$130,000.00	\$0.00
87	Western	Central	Mudgee	\$32,500.00	\$0.00
88	Western	Central	Narromine	\$130,000.00	\$0.00
89	Western	Central	Nyngan	\$130,000.00	\$0.00
90	Western	Central	Quambone	\$32,500.00	\$10,036.02
91	Western	Central	Trangie	\$130,000.00	\$0.00
92	Western	Central	Warren Macquarie	\$130,000.00	\$0.00
93	Western	Central	Weilwan	\$32,500.00	\$60,526.62
94	Western	Central	Wellington	\$97,500.00	\$62.25
95	Western	North West	Baradine	\$130,000.00	\$0.00
96	Western	North West	Brewarrina	\$0.00	\$101,081.47
97	Western	North West	Collarenebri	\$0.00	\$125,379.81
98	Western	North West	Coonamble	\$130,000.00	\$0.00
99	Western	North West	Goodooga	\$0.00	\$74,577.43
100	Western	North West	Lightning Ridge	\$0.00	\$53,726.53
101	Western	North West	Moree	\$130,000.00	\$0.00
102	Western	North West	Mungindi	\$130,000.00	\$0.00
103	Western	North West	Murrawari	\$0.00	\$43,316.51
104	Western	North West	Narrabri	\$130,000.00	\$0.00
105	Western	North West	Nulla Nulla	\$43,334.00	\$0.00
106	Western	North West	Pilliga	\$46,500.00	\$0.00
107	Western	North West	Toomelah	\$5,625.32	\$124,374.68

	Zone	Region	LALC	Cash Grant	Essential Payments
108	Western	North West	Walgett	\$130,000.00	\$0.00
109	Western	North West	Wee Waa	\$97,499.97	\$0.00
110	Western	North West	Weilmoringle	\$0.00	\$50,663.34
111	Western	Western	Balranald	\$91,754.14	\$38,245.86
112	Western	Western	Broken Hill	\$130,000.00	\$0.00
113	Western	Western	Cobar	\$130,000.00	\$0.00
114	Western	Western	Dareton	\$0.00	\$51,280.31
115	Western	Western	Ivanhoe	\$0.00	\$28,241.65
116	Western	Western	Menindee	\$0.00	\$87,759.18
117	Western	Western	Mutawintji	\$0.00	\$28,443,.29
118	Western	Western	Tibooburra	\$130,000.00	\$0.00
119	Western	Western	Wanaaring	\$0.00	\$0.00
120	Western	Western	Wilcannia	\$32,500.00	\$89,626.80
121	Western	Western	Winbar	\$0.00	\$0.00
				\$12,419,245.53	\$1,608,513.36

The above figures represent the actual cash allocations and essential payments for each LALC i.e. the allocation accruals as at the 30 June 2009 are not included as the accrued allocations funds were to be transferred after the balance date.

Investigation and Administration of Aboriginal Land Councils

NSWALC and the State Government are periodically called upon to intervene into the affairs of a Local Aboriginal Land Council which has demonstrated a failure to comply with the provisions of the ALRA.

This is seen by NSWALC as a measure of last resort.

The financial cost of investigators and administrators is prohibitive.

They are a financial drain on the entire land council network.

Their costs must be borne within the self-funded land rights system

External intervention also has a significant operational and political cost for the affected LALC, its members, and the community it has been established to serve.

They also reflect badly on the system as a whole.

Part 11 of the New South Wales Aboriginal Land Rights Act (1983) ("ALRA") sets out the roles and responsibilities of NSWALC, the Minister for Aboriginal Affairs and the Registrar of the ALRA in relation to such interventions.

In cases where a LALC is non compliant with the ALRA the Minister may appoint an investigator pursuant to s 216(1) of the ALRA or an administrator pursuant to s 222(1).

Investigators and Administrators are selected for appointment from a list jointly prepared by the Director-General of DAA and the NSWALC.

The Intervention Unit aims to manage the functions of Part 11 of the ALRA as it applies to NSWALC and LALCs in an efficient and effective manner.

The Unit is committed to the continuous improvement of its operations in the provision of professional support in such cases, and to the management of Investigators and Administrators.

Of the 118 functioning LALCs in the land rights network, seven were under administration as at June 30, 2009.

This is the same number as at 30 June 2008.

However, it should be noted that at 30 June 2009 NSWALC had requested an exit strategy from each of the following:

Administrator	LALC	Appointment cease date
David Lombe	Metropolitan	3 August 2009
Terry Lawler	Koompahtoo	13 September 2009
Andrew Bowcher	Wellington	14 September 2009
Terry Lawler	Tharawal	15 September 2009

Providing there are no unforeseen circumstances, the administration of these LALCs could cease by the end of September 2009.

All LALCs in the Northern, Southern and Eastern Zones would be free from administration should that be the outcome.

The three LALCs still under administration would be located in the Western Zone.

LALCs under administration as at 30 June 2009 were:

- Metropolitan 4 August 2008 to 3 August 2009
- Koompahtoo 24 February 2003 to 13 September 2009
- Wellington 15 September 2008 to 14 September 2009
- Tharawal 16 September 2008 to 15 September 2009
- Balrananld 22 October 2008 to 21 October 2009
- Wilcannia 26 May 2009 to 25 November 2009
- Moree 3 June 2008 to 2 December 2009

A total of seven new appointments of administrators were approved during the 2008/2009 reporting period.

LALC	Administrator	New Appointment Start Date	Status at 30 June 2009
Quambone	Andrew Bowcher	16 September 2008	Term Ended 15 December 2008
Weilwan	William Murphy	27 October 2008	Term Ended 26 January 2009
Metropolitan	David Lombe	4 August 2008	Extended until 3 August 2009
Wellington	Andrew Bowcher	15 September 2008	Extended until 14 September 2009
Tharawal	Terry Lawler	16 September 2008	Extended until 15 September 2009
Balrananld	Andrew Bowcher	22 October 2008	Extended until 21 October 2009
Wilcannia	Andrew Bowcher	26 May 2009	Appointed to 25 November 2009

A total of fourteen LALC's were under administration at some stage during the reporting period ending 30 June 2009 as follows:

LALC	Administrator	New Appointment Start Date	Status at 30 June 2009
Jerrinja	Frank Lo Pilato	4 May 2005	Term Ended 28 February 2009
Quambone	Andrew Bowcher	16 September 2008	Term Ended 15 December 2008
Baryulgil	Darran Singh	17 July 2007	Term Ended 16 January 2009
Nungaroo	Andrew Hoholt	21 January 2008	Term Ended 20 January 2009
Weilwan	William Murphy	27 October 2008	Term Ended 26 January 2009
Thungutti	Andrew Hoholt	2 September 2007	Term Ended 1 March 2009
Tamworth	William Malvern	12 March 2008	Term Ended 11 March 2009
Metropolitan	David Lombe	4 August 2008	Extended until 3 August 2009
Koompahtoo	Terry Lawler	24 February 2003	Extended until 13 September 2009
Wellington	Andrew Bowcher	15 September 2008	Extended until 14 September 2009
Tharawal	Terry Lawler	16 September 2008	Extended until 15 September 2009
Balrananld	Andrew Bowcher	22 October 2008	Extended until 21 October 2009
Wilcannia	Andrew Bowcher	26 May 2009	Appointed to 25 November 2009
Moree	Andrew Hoholt	3 June 2008	Extended until 2 December 2009

One Administrator has been in place since the 30 June 2008 reporting period:

LALC	Administrator	New Appointment Start Date	Status at 30 June 2009
Moree	Andrew Hoholt	3 June 2008	Extended until 2 December 2009

One Administrator has been in place since the 30 June 2003 reporting period

LALC	Administrator	New Appointment Start Date	Status at 30 June 2009
Koompahtoo	Terry Lawler	24 February 2003	Extended until 13 September 2009

Current Administrations

Following are details of the LALCs currently under administration as at 30 June 2009, and the reasons for appointment.

Metropolitan Local Aboriginal Land Council (MLALC)

As noted in this place last year, The Minister of Aboriginal Affairs appointed Mr. Andrew Bowcher to investigate the affairs of the Metropolitan Local Aboriginal Land Council (MLALC) in September, 2007 pursuant to s.216 of the ALRA.

The appointment of the Investigator was prompted by concerns about the efficiency and effectiveness of the management of MLALC's financial operations since 1 July 2004, certain land dealings, and an alleged lack of transparency in the conduct of MLALC's office bearers.

The Investigator recommended the appointment of an Administrator under s. 222(1) of the ALRA in his subsequent report to the Minister.

Mr. David Lombe of Deloitte Touche Tohmatsu was subsequently appointed as administrator for MLALC for a period of six months from 4 August 2008.

Two further three month extensions were approved by the Minister.

During the period of administration Mr Lombe implemented a five step strategy to restore MLALC to an effective and financially viable LALC.

NSWALC received a draft exit strategy discussion paper from the Administrator on 9 June 2009.

The Administrator was in the process of completing

the disposal of certain land dealings and working with a new LALC Chief Executive Officer to ensure the proper ongoing management of MLALC as this reporting period ended.

The CEO had taken responsibility for the day to day operations at MLALC and it was anticipated Mr Lombe's administration would end on 3 August 2009.

Koompahtoo Local Aboriginal Land Council (KLALC)

This administration is the longest, and costliest, in the history of land rights in NSW.

The Administrator, Mr. Terry Lawler, was first appointed in February 2003 following an Investigator's report which found evidence of ultra vires payments, loans and cash payments to members and land dealings that contravened the ALRA.

The continued extended periods of administration have proven to be financially costly to NSWALC and the land rights network as outlined earlier in this report.

However, the administration has involved complex legal matters including the unlawful transfer of KLALC land to entities outside the ALRA, the termination of joint venture contracts for the development of KLALC land, and the winding up of a trust that was the controller of former KLALC land.

The current term of administration was due to cease on 13 September 2009.

Wellington Local Aboriginal Land Council (WLALC)

WLALC has had an extensive breach history since 2004.

Office bearers had failed to keep proper accounts and records on all WLALC operations.

They had also failed to provide satisfactory audited financial statements and documents to NSWALC in accordance with Division 2 Part 8 of the ALRA.

Accordingly, NSWALC Council consented to the Minister's appointment of an Administrator.

Mr Andrew Bowcher was initially appointed from 15 September 2008 to 14 March 2009.

The Administration has since been extended until 14 September 2009 to allow Mr Bowcher to complete his terms of reference.

Tharawal Local Aboriginal Land Council (TLALC)

The Minister appointed Mr Terry Lawler as administrator to Tharawal LALC from 16 September 2008 to 15 March 2009.

A further six month extension of Mr Lawler's appointment was approved by the Minister to allow him to properly complete his terms of reference. The current term of administration is due to end on 15 September 2009.

Mr Lawler was appointed following a report which identified a number of deficiencies in the operations of TLALC, particularly in the area of accounting, staff entitlement, FBT payments.

At the time of the administrator's appointment there were 87 members on the TLALC membership roll.

An additional 124 voting members and eight non voting members have since been approved to join TLALC.

Balranald Local Aboriginal Land Council (BLALC)

BLALC has had an extensive breach history dating back to 2005.

BLALC's office bearers failed to keep proper accounts and records of the LALC's operations.

They also failed to furnish satisfactory audited

financial statements and documents to NSWALC in accordance with Division 2 Part 8 of the ALRA.

The Minister appointed Mr. Andrew Bowcher as administrator from 22 October 2008 to 21 April 2009.

A submission to extend Mr. Bowcher's appointment by six months was approved by the Minister on 1 April 2009, taking the current term of administration to 21 October 2009.

Wilcannia Local Aboriginal Land Council (WLALC)

WLALC has had significant breach history since 2004.

LALC Office bearers had failed to keep proper accounts and records on all of the LALC's operations.

They had also failed to provide a satisfactory audit since 2003.

Mr Andrew Bowcher was appointed as full functions Administrator for 6 months from 26 May 2009 to 25 November 2009.

Moree Local Aboriginal Land Council (MLALC)

The Minister appointed Mr. Andrew Hoholt as administrator to MLALC on June 3, 2008 for a six month period.

The term of appointment was extended for six months from 3 December 2008 to 2 June 2009 and a further six months to 2 December 2009.

MLALC had an extensive history of non-compliance with the provisions of the ALRA despite having only come out of administration on 2 June 2007.

Since the withdrawal of the previous administrator, Mr. Paul Gidley, the MLALC office bearers had failed to submit an audit report for the 2006/07 financial year in accordance with section 153(5) of the ALRA.

MLALC had subsequently failed to comply with s 153(1), of the ALRA by not keeping proper accounts and records of its operations.

MLALC had continually breached the requirements of the ALRA by not submitting Annual Reports or holding an Annual General Meeting.

NSWALC and the Registrar of the ALRA had offered assistance to the MLALC to rectify the breaches. These offers had been rejected. NSWALC felt it had no alternative but to recommend the appointment of another Administrator.

Case Studies

A total of seven administrations ended during the reporting period. They were:

- Quambone (Administrator Ceased – 15 December 2008);
- Baryulgil (Administrator Ceased – 16 January 2009);
- Nungaroo (Administrator Ceased – 20 January 2009);
- Weilwan (Administrator Ceased – 26 January 2009);
- Jerrinja (Administrator Ceased – 28 February 2009);
- Thunghutti (Administrator Ceased - 1 March 2009);
- Tamworth (Administrator Ceased - 11 March 2009).

Following are a number of short case studies of the operations of those Councils since the end of those administrations.

Jerrinja Local Aboriginal Land Council (JLALC)

As noted above, the administration of JLALC ceased on 28 February 2009.

Between then and the end of this reporting period the LALC has operated independently with assistance from the staff of the Southern Zone office.

The LALC has experienced some difficulties in the transition process. These largely resulted from its inability to attract a suitable candidate for the Chief Executive Officer position.

However, a suitable candidate was expected to be appointed early in the new financial year. It was hoped this appointment would assist LALC in its endeavours to meet the needs of the local community.

The JLALC was also seeking to engage an outside consultant to conduct a feasibility study on potential development options for a parcel of land at Shoalhaven Heads to underpin future activities identified in its Community, Land and Business Plan.

Weilwan Local Aboriginal Land Council (WLALC)

WLALC has identified the deficiencies which hindered its effective functionality with the assistance of the Administrator and NSWALC Zone office staff.

The LALC has engaged the services of a CEO to provide an administrative presence which had been absent prior to the appointment of the administrator.

It has also engaged external consultants to address structural deficiencies in the management, administration and its financial operations.

The LALC has also outsourced the management of its housing properties, allowing it to concentrate on core functions, with a consequent reduction in housing management disputes at Board and members meetings.

An assistance agreement has been developed between the LALC and the Zone office which has resulted in a significant increase in the level of co-operation between them.

The LALC has undertaken a refurbishment of its office as part of the assistance agreement, sending another positive signal to members.

It is envisaged all issues of compliance will be met and a new Board elected in accordance with the current legislative timeframes.

Baryulgil Local Aboriginal Land Council (BLALC)

During the term of Administration many of the LALCs debts were retired. LALC land was also leased for a three year period to provide an income stream to the BLALC. A Board has been elected and a Chief Executive Officer recruited.

BLALC has completed a Community Land and Business Plan which has been approved by NSWALC. The LALC is also in a fully funded position.

Possible Dissolution

One Local Aboriginal Land Council, Quambone, faced possible dissolution as this reporting period ended.

The Minister for Aboriginal Affairs sent a letter to the LALC on May 12, 2009 notifying it of proposed dissolution under Section 92(1) of the ALRA.

The Minister stated he was satisfied that the final report from LALC Administrator, Mr Andrew Bowcher had found that QLALC had ceased to function.

The Minister proposed making an order to dissolve QLALC under section 91 of the ALRA.

The administration had found QLALC in contravention of the ALRA on a number of grounds which included:

- No ordinary meetings of members or Annual Meetings had been held since 2004;
- The statutory functions of QLALC had not been performed for the past four financial years;
- No Board had been elected for QLALC for the past 4-5 years;
- There had been no updated membership roll since 1992;
- Failure to meet QLALCs obligations under s 153 of the ALRA;
- No Annual Report had been provided for the last 4-5 years.

NSWALC did not object to the Ministers proposed course of action.

It was awaiting a final decision from the Minister as this reporting period ended.

The Year Ahead

The Unit faces a number of challenges in providing professional support and service to the LALC network in the new reporting period.

These include:

- The availability of appropriate and qualified Investigators and Administrators;
- Changes to the ALRA and other legislation, regulations and policies;
- Ensuring costs remain within budget constraints.

Training and Development Unit

This Unit reported a busy year working to the new provisions on mandatory training and capacity building for all Aboriginal Land Councils under the Aboriginal Land Rights Act.

NSWALC Capacity Development Plan

As reported last year, and noted earlier in this report, the new provisions place a requirement upon NSWALC to train members of NSWALC's Governing Council and staff and LALC Board members and staff.

NSWALC is required to prepare and implement a Capacity Development Plan for the purposes of carrying out its training functions under Section 107 of the Act.

As reported last year the 2008 NSWALC Capacity Development Plan was designed and implemented as a "living" document.

It was designed to evolve and develop as NSWALC responded to the learning and development needs arising from the new operating environment within the Land Rights network.

NSWALC reviewed the Capacity Development Plan (CDP) during this reporting period. As a result, an updated plan was approved by Council at its 230th Meeting on 29th April 2009.

It is planned to have the core of the CDP in place for a period of three years. The Plan provides for an annual review process.

It will be updated as, and when required, and will be re-submitted to NSWALC's Governing Council for ratification.

NSWALC Board Training

The Governing Council decided to place its Council Training Plan on hold during this reporting period in response to operational requirements and the severe budget constraints noted earlier.

However, two training seminars were conducted with Council during the period.

They were convened on the Native Title Act and Land Title and Investment Strategies.

NSWALC Councillors are scheduled to participate in further training in the new financial year.

Training sessions on Occupational Health and Safety responsibilities, Investment Fund Management and a Directors course are planned.

LALC Board Training

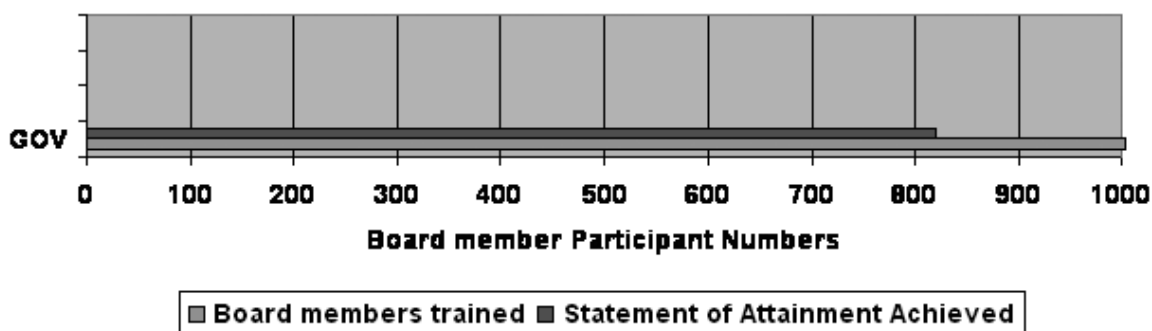
The unprecedented level of governance training for LALC Boards in line with the mandatory provisions of the ALRA which began last year was maintained in this reporting period.

A further thirty training workshops were conducted across the state during the reporting period.

The two day workshops brought the total of LALC Board members trained in the NSWALC governance program to more than one thousand.

More than eight hundred participants have achieved a Statement of Attainment in the AQTF unit of competency: Roles and Responsibilities of a Board member.

LALC governance training attendance as at June 30, 2009



E-Governance Training

The mandatory governance training program is currently being developed into an online training resource.

It is anticipated this will be active in November 2009 and being available on the internet will make the training more accessible to Board members and LALC community members.

This program has been designed with literacy and the need for access to adequate computer resources at the forefront of planning and design.

It will ensure LALC Board members keep pace with future developments in training technology.

The measure will also result in a significant reduction to NSWALC in the delivery costs of this training program and the attendance costs borne by LALCs.

The online training program will be developed to incorporate the process of review NSWALC must conduct on this program at least once every 2 years under Regulation 25G (2) of the ALRR.

Additional training programs are planned for the LALC network in the new financial year.

These programs will include training on , Conflict Resolution, Grants Management, Separation of Powers, and information forums on navigating the ALRA.

A Memorandum of Understanding with a Group Traineeship and Apprenticeship provider was also established during this reporting period to source fully funded skills development training for eligible NSWALC and LALC staff members.

Training is being delivered in partnership with Registered Training Organisations.

It is fully accredited and delivering vocational qualifications to participants.

At the end of this reporting period thirty four LALC staff members had been identified as eligible to participate.

Thirteen NSWALC staff members are currently taking part in the scheme.

Recognition of Training Program

The LALC governance training program developed by NSWALC, in partnership with Burdon Torzillo Pty Ltd, caught the attention of the NSW Department of Education and Training during this reporting period.

As a result NSWALC was selected as a finalist in the Innovation category of the 2009 NSW Training Awards to be presented in September.

This award examines the sustainability and transferability of the outcomes achieved through the training program and the impact it is having on the target community.

In NSWALC's case the target community is, of course, Local Aboriginal Land Councils.

Operational Policy Unit

Despite the staff shortages mentioned earlier this Unit continued to work on a number of major projects during the reporting period.

Social Housing Schemes

The OPU continued to provide Council with comprehensive advice on the range of issues affecting LALC social housing schemes, in particular the impact of the National Partnership on Remote Indigenous Housing and the NSW Aboriginal Housing Office's Sector Reform Strategy.

Agreement was struck with the Aboriginal Housing Office to pilot a joint assessment process during the new financial year to facilitate the approval and registration of LALC social housing schemes and provide access to a repair and maintenance service program worth over \$100m for Aboriginal social housing properties throughout NSW.

Commonwealth Grants to NSWALC

As reported last year, and noted earlier in this report, NSWALC entered into two Program Funding Agreements (PFAs) with the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

The PFAs were finalised and executed in December 2008.

The first agreement was for \$2.3m to undertake a Repairs and Maintenance Program to houses owned by the Walgett LALC.

The second agreement was for a three year partnership project for \$6m to undertake the subdivision of former reserves in NSW.

NSWALC has committed \$3m to the project with the Australian Government contributing the remainder.

Two committees were established to assist in the delivery of the Walgett Repairs and Maintenance project.

The first is an operational work group consisting of NSWALC, Walgett LALC, Murdi Paaki Housing, and the AHO.

This group has assisted with practical advice including supporting the Project Manager ARUP in undertaking a Scope of Works for all properties and assisting in the development of criteria for the prioritisation of works within budget.

Additionally, the group is committed to assisting NSWALC and ARUP facilitate the employment of local Aboriginal people in the construction phase of the project.

A Scope of Works has recently been completed that identifies all works that need to be undertaken to restore properties to a satisfactory health and safety standard.

Work on the ground is scheduled to begin by the end of September 2009.

The second group is an inter-departmental committee that oversees both the Walgett and Subdivision projects consisting of the NSWALC, FaHCSIA, AHO, DAA, Housing NSW, NSW Department of Planning, Local Government and Shires Association and DWE.

This committee exchanges information about current government programs and projects and provides advice and support to both projects.

NSWALC is collaborating with the NSW Department of Planning through this committee to overcome some identified planning issues which may be an impediment to the subdivision of some reserves in NSW.

The LALCs that own reserves will decide whether or not they will proceed to subdivide their land.

There are currently 49 LALC's that own 57 former reserves. Residential accommodation is situated on all of them.

The majority of residential properties situated on these lands are on a single title rather than individual residential allotments.

In addition to facilitating long term tenure and home ownership, subdivision of the subject land may also:

- Enable rating regimes for each housing unit and common area;
- Enable individual water and power metering
- Assist management and identifying cost attribution for common areas
- Assist in the provision of local government services such as drainage, street lighting and waste management through the dedication of public roads; and
- Provide master plans for each of the former reserves with residential accommodation.

The benefits of subdivision will differ for each LALC.

Decisions will need to be made by LALC members on possible participation in this project.

NSWALC will be in contact with all relevant LALC's as the project progresses.

NSWALC aims to provide as much information as possible to assist LALC's determine if subdivision is the right option for them.

To date initial scoping has identified a number of difficulties in subdividing former reserves.

NSWALC is currently engaged in negotiations with the Department of Planning to overcome these issues.

During the reporting period the OPU assisted NSWALC in its contribution to the following projects:

- The development of a reliable monitoring and maintenance service to improve water and sewerage systems on the former Aboriginal missions and reserves
- Securing funds for improving waste removal and waste management on lands owned by selected Local Aboriginal Land Councils
- An audit of infrastructure requirements (power, waste removal, storm water and drainage, community meeting facilities telecommunications including public telephones and access to the internet, kerbing, guttering, and footpaths and emergency management)
- Increasing Aboriginal employment in the private sector through the Job Compacts strategy
- Participation in the Road and Traffic Authority's Steering Committee coordinating Road Safety Infrastructure Assessments in Identified Aboriginal Communities In NSW

Work will continue on all of these projects in the new financial year.

Zone Offices

The NSWALC Zone offices have become an integral part of NSWALC's interface with the land rights network, particularly with the elected Boards and staff of Local Aboriginal Land Councils, key stakeholders, and with the wider Aboriginal community and the general public.

The activities of each Zone office are set out below.

All Zone offices reported that many of their normal activities were augmented in this reporting period by the need to assist the land council network implement ongoing changes to their structure and operations.

These arose, as noted earlier, from the significant amendments to ALRA which came into effect on July 1, 2007 and which were designed, primarily, to improve the structure, representation, and governance of LALCs.

Section 61 of the ALRA requires each LALC to have a Board consisting of not less than 5, and not more than 10 members.

Section 64 of the ALRA states a Chairperson and Deputy Chairperson of the Board are to be elected from among the Board members at the first meeting of the Board after its election.

These provisions replaced the previous LALC Office Bearer structure, which provided for LALC members to elect a Chairperson, Secretary and Treasurer.

The LALC Board structure is designed provide even greater transparency and accountability for members, and improve opportunities for representation on the Board.

Section 78A of the ALRA also requires a LALC to employ a member of staff to exercise the functions of the Chief Executive Officer.

Section 80 requires appointments to the staff of a LALC, and promotions for members of staff, to be merit based.

These provisions are coupled with mandatory training requirements, and the legislative requirement upon Local Aboriginal Land Councils to develop Community Land and Business Plans and Community Benefit schemes, including Social Housing Schemes, which are as outlined throughout this report.

The amendments also made significant consequential changes to LALC membership rights. Much of the work in effectively communicating these changes to the land rights network has continued to fall to Zone office staff in this reporting period.

Northern Zone

The general purpose, aims and functions of the Northern Zone, as with all others, was primarily focused during this reporting period on working within the key objectives of the NSWALC Business Plan and the Corporate Plan.

As mentioned earlier these objectives commit NSWALC to provide leadership to influence the policy of government and other stakeholders to preserve Aboriginal culture and heritage and create economic, social and cultural improvements for Aboriginal people;

They also commit NSWALC to create a network of fully functional, transparent, well governed Local Aboriginal Land Councils, to help LALCs acquire and develop assets to become financially viable and to improve the internal operations of NSWALC.

The following key priorities in the Corporate Plan have the most impact on Zone office activities:

1. Advocacy and Rights;
2. Strong Leadership and Governance;
3. Productive and Meaningful Partnerships;
4. Community Health and Well-Being;
5. Land, Cultural Heritage and Environmental Management;
6. Community Development and Planning.

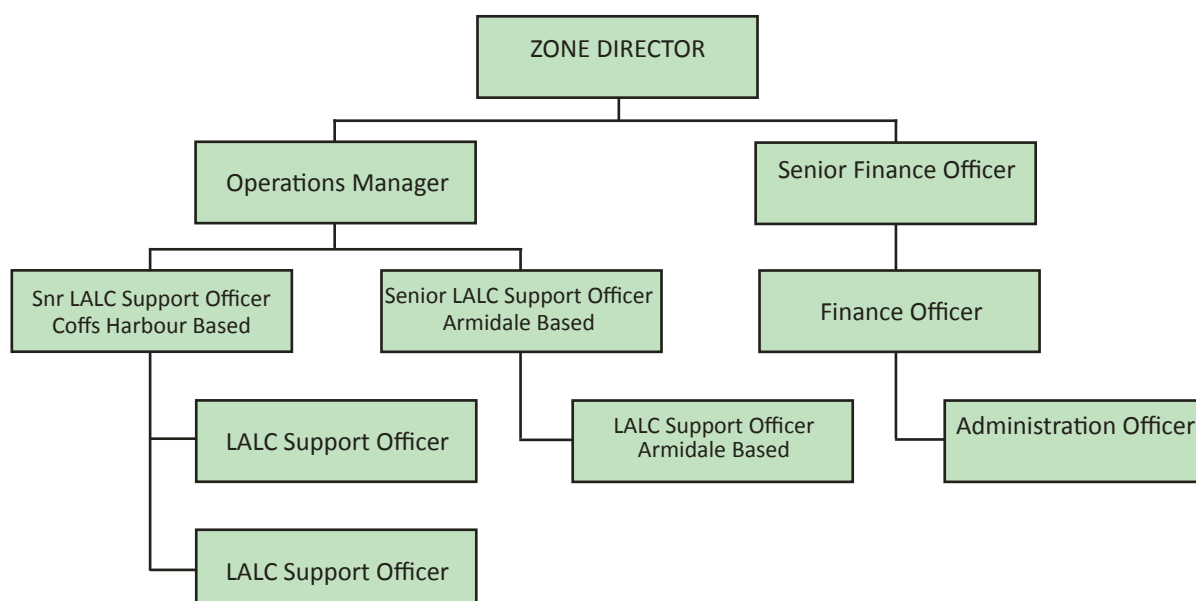
Local Aboriginal Land Councils in the Zone

During the reporting period, the Northern Zone comprised 38 LALCs within the following regions:

- North Coast Region (comprising 13 Local Aboriginal Land Councils) represented by NSWALC Councillor Patricia Laurie;
- Central Coast Region (comprising 11 Local Aboriginal Land Councils) represented by NSWALC Councillor and Chairperson Bev Manton;
- Northern Region (comprising 14 Local Aboriginal Land Councils) represented by NSWALC Councillor and Deputy Chairperson Tom Briggs.

Human Resources

The staffing structure of the Northern Zone in place for the second half of the reporting period is depicted below:



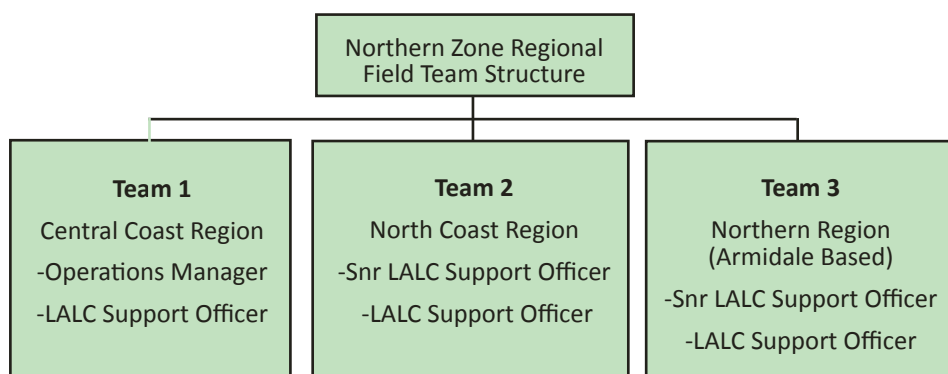
The Northern Zone office operated from Coffs Harbour during the 2008/2009 period.

Two additional LALC Support Staff were recruited during the reporting period and an outposted office was established at Armidale to facilitate the provision of high standard support to LALCs located in the Northern Region (Northern Tablelands and New England area).

The addition of these two officers to the Northern Zone structure has enabled it to establish three LALC Support Teams.

Each team comprises an Operations Manager and a LALC Support Officer or a Senior LALC Support Officer and a LALC Support Officer.

They now provide a higher level of quality support to LALCs within each of the three NSWALC regions within the Zone.



As previously reported, Northern Zone staff possess a range of technical and general skills which has enabled the office to develop a team that delivers a professional, timely and comprehensive service to the land council network within the region.

All staff completed Performance Management Plans for the reporting period.

In addition, five staff commenced a Certificate IV Frontline Management courses during the reporting period.

The Zone Operations Manager made significant progress in his studies for the completion of a Masters of Business Administration (externally). The Finance Officer completed a number of units towards completion of a Bachelor of Business.

Zone Support to LALCs

The Northern Zone has established a case management approach in the delivery of services and support to its network of LALCs.

Case Management Plans (CMP's) have been developed for each LALC in the zone.

They detail the specific areas of support that NSWALC will provide to the various LALCs across the zone.

They are identified through staff knowledge of the LALC, annual and periodic financial reports lodged by the LALC, and direct discussions with the LALC.

During the reporting period Zone staff also undertook comprehensive risk assessments of all LALCs using the newly developed NSWALC LALC Management Support System (LMSS).

LMSS is a diagnostic tool that assesses LALC performance across five operational areas. The assessment gives the LALC a score out of a possible 100% which in turn gives the LALC a risk rating.

The LMSS also produces a management support plan by extracting data from the LMSS assessment where it is identified the LALC is not reaching a level of minimum performance.

This information forms the basis of a support plan which identifies actions required by NSWALC to assist the LALC, and actions required to be undertaken by the LALC, to address the identified areas of deficiency.

The Land Council Support Unit (LCSU) staff has primary responsibility for day to day dealings with LALCs on a broad range of issues.

This includes assisting LALCs to fulfil their responsibilities under the Act.

LCSU staff provide significant advice and support to LALC's on the requirements of the Act and Regulations, operational matters, planning, preservation and protection of Aboriginal culture and heritage, land dealing matters, human resource functions and negotiations with government and other stakeholders.

Significant ongoing advice and assistance is also provided on housing management.

For example, Northern Zone staff worked in collaboration with the NSW Aboriginal Housing Office throughout the reporting period in organising rent setting and housing policy workshops with many LALCs.

The Finance Unit staff provide support to LALCs in relation to budgeting, release of NSWALC grant funds, the processing of "essential payments," LALC financial performance monitoring and assistance.

Finance Unit staff frequently visit LALCs to assist with their financial management functions.

The Unit also provides internal services to ensure the efficient and effective operations of the Northern Zone office.

This support is regularly supplemented by on site visits by members of the NSWALC Commercial Unit and Zone staff to LALCs involved in land dealings.

Northern Zone staff also received significant assistance from the NSWALC Legal Services Unit during this reporting period in the provision of

general legal advice to LALCs within the zone.

During the reporting period, senior staff from the Zone also provided mediation services to LALC Board members where conflict between Board members or Board members and LALC staff arose.

The mediation assisted LALC Board and staff to improve their internal relationships and operations.

Achievements

The Northern Zone Office worked closely with all three Councillors and LALC Board members and staff to record a number of significant achievements during the reporting period. A number are set out below.

Many Rivers Regional Partnership Agreement

Councillors Manton, Laurie and Ah-See and Northern Zone staff engaged with the Coffs Harbour ICC to develop a Regional Partnership Agreement (RPA) that focuses on improved Aboriginal employment outcomes.

A number of workshops were convened involving LALCs from the North Coast, Central Coast and Northern Regions and ICC staff to discuss the aims and objectives of the RPA.

As a result of these meetings, and the ongoing engagement in a Regional Partnership Committee by Councillor Manton and Laurie and the Northern Zone Director, all LALCs in the North Coast and Central Coast Regions were actively engaged in the development and endorsement of the RPA.

A major strategy within the RPA is the establishment of a Development Unit that will drive the various employment strategies outlined in the agreement.

The Development Unit is being auspiced by a newly established organisation. Its membership comprises LALC representatives from the North and Central Coast, along with representatives from the Indigenous employment sector (formally CDEP organisations).

This process will ensure ongoing active involvement of LALCs from the two participating regions.

NSWALC has formally resolved to become a signatory to the RPA.

This is a major partnership initiative for NSWALC which is expected to deliver both direct and indirect benefits to LALC members in coming years.

The RPA has an ambitious target of reducing Aboriginal unemployment in the Many Rivers ICC region by 50% over 5 years.

Northern Region LALC Regional Partnership Agreement

Councillor Tom Briggs, supported by Northern Zone staff, also commenced negotiations with the ICC and DAA during this reporting period on the establishment of a Regional Partnership Agreement between relevant Australian and NSW Government agencies focusing on economic development and employment in partnership with the 14 LALCs in the Northern Region.

Consultants were developing a Regional Economic Development Strategy and Implementation Plan as this reporting period ended.

The Community Land and Business Plans prepared by LALCs in the Northern Region will underpin the objectives, goals and strategies identified in the proposed RPA.

It is anticipated the RPA will be finalised in early 2010.

Culture and Heritage Preservation in the Northern Region

Staff from the Northern Zone, with the support of Councillor Briggs, have been working with representatives from the New England TAFE, the Department of Aboriginal Affairs in Tamworth and the Namoi Catchment Management Authority to develop a training course to build local capacity in relation to the preservation and protection of culture and heritage.

The course is designed to assist LALCs to further commercialise their increasing Sites Work activities.

The NCMA have made funds available to engage a specific project officer within the NEITAFE who

will work with the group to develop an accredited training course that contains modules that focus on:

- Sites identification/preservation;
- Natural Resource Management;
- State and Local Govt planning regimes;
- Project management;
- Business Development;
- Report writing;
- Conflict Resolution.

It is envisaged, once developed, the course will be delivered by the NEITAFE network to participating LALCs throughout the Northern Region.

Joint Venture: Nambucca Heads LALC and Indigenous Business Australia

The Nambucca Heads LALC has been in negotiation with Indigenous Business Australia over the past two years to develop a joint venture for a commercial retail shopping complex on LALC owned land at Nambucca Heads.

The LALC sought and obtained conditional approval from NSWALC during this reporting period to enter into the joint venture agreement and to transfer the LALC owned land into an entity that will be jointly owned by the LALC and IBA.

IBA will contribute an amount of cash equal to the value of the land. The joint venture partners have successfully obtained consent from the Nambucca Shire Council for the development.

Work continued as this reporting period ended on the design, pre-leasing commitments, and revision of feasibility studies prior to the LALC transferring their land into the partnership.

This is an exciting economic development initiative between the parties that should generate employment outcomes for LALC members and an ongoing income stream for the NHLALC.

NSWALC provided significant advice and support to the NHLALC through Councillor Manton and the Commercial and Legal Services Unit during the reporting period.

Nambucca Heads Junior Land Council

The LALC also worked with their members and young Aboriginal people in their community during the reporting period to establish a Junior Land Council.

This initiative is targeted at young Aboriginal people undertaking Year 11 and 12 at the Nambucca Heads High School.

It is being supported by the school.

The LALC has developed a program of activities which includes provision of information to the students on the history of land rights in NSW, and fostering leadership within the group.

The LALC obtained a grant from the NSW Department of Justice and Attorney General to enable members of the Junior Land Council to take a lead role in developing projects that will benefit young children living at Bellwood, near Nambucca Heads.

NHLALC is developing a case study on the establishment of the group and the engagement of young Aboriginal people with the land rights network.

The case study will be made available to other LALCs who may wish to implement a similar strategy once it is fully developed.

Foundations for our Future Strategy

During the previous reporting period, NSWALC engaged with Arts Mid North Coast (AMNC) in the development of a regional arts and culture strategy.

AMNC were successful in obtaining funds from the ICC to engage a consultant to develop a regional strategy to foster greater participation and involvement by Aboriginal people in the arts and culture industry.

Councillor Manton and Northern Zone staff met with the consultants and facilitated a number of workshops with the 11 LALCs in the Central Coast Region.

Based on this engagement the "Foundations for our Future" regional arts and culture strategy was developed.

The Coffs Harbour ICC responded to the strategy by making funds available to AMNC to engage a

Regional Arts Development Officer (RADO).

The consultant who developed the strategy in consultation with Central Coast LALCs, Ms. Alison Page, a talented Aboriginal designer, was recruited as the RADO.

The majority of Land Councils in the Central Coast Region contributed \$4,000 each towards the strategy.

These funds have been used to run a number of workshops and development activities directly related to arts and culture in communities across the mid north coast.

The strategy aims to establish an annual Aboriginal Arts and Culture Festival to be staged in various locations within the mid north coast on a rotational basis.

Annual cultural camps, targeting elders and young people, are also proposed along with a Regional Aboriginal Cultural Tourism Plan.

A long term aim of the strategy is the establishment of a national Aboriginal Design School.

As this reporting period ended Arts Mid North Coast continued to work with LALCs in the Central Coast Region to develop and promote a viable arts and culture industry.

Ashford LALC

The Ashford LALC has had a difficult history in recent years.

It had been under the control of an Administrator for a number of years and faced the prospect of dissolution.

The LALC has successfully stabilised their membership and governance operations over the past 12 months.

It has recruited a competent CEO, completed major renovations to LALC premises and was in the process of establishing a cultural keeping place as this reporting period ended.

The LALC has also maintained a sound compliance record over the past 12 months.

These are outstanding achievements by a relatively small LALC in a small community where few other Aboriginal organisations function.

ALRA Amendments

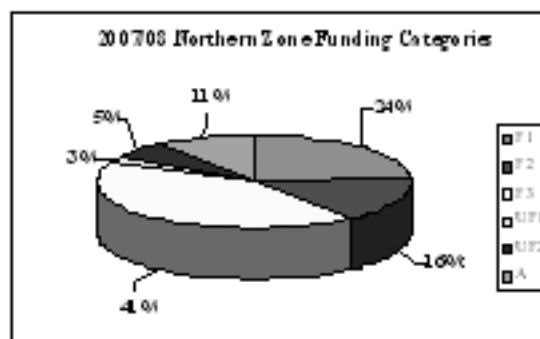
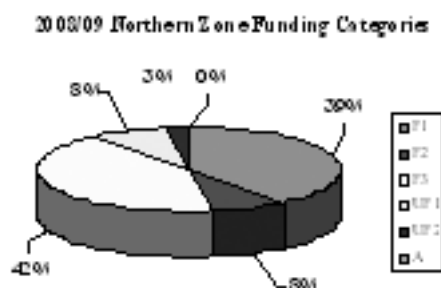
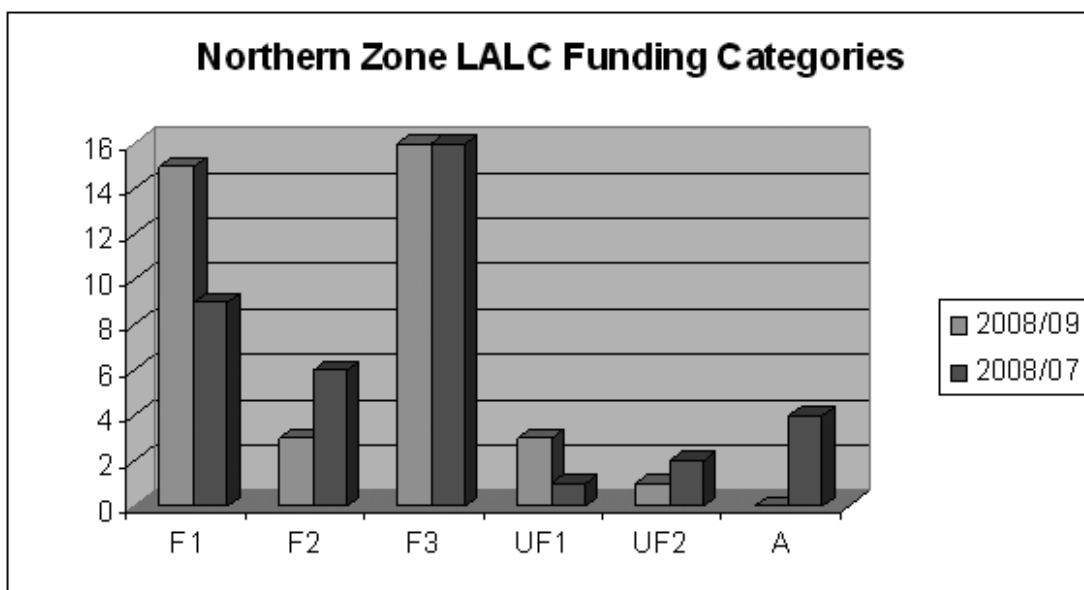
NSWALC staged three Land Dealing workshops during this reporting period to discuss and consult with LALCs on proposed amendments to the land dealing provisions of the NSW Aboriginal Land Rights Act.

There was strong participation at the workshops.

All LALCs provided well considered feedback on the proposed changes.

Community Land and Business Plans

Local Aboriginal Land Councils were actively engaged during this reporting period in the development of Community Land and Business Plans, as required under the ALRA.



Good progress is reported across the Zone in finalising and seeking approval for the plans as outlined below:

- All 38 LALCs in the zone have successfully accessed the NSWALC Small Grant program to assist with the development of the plan;
- All 38 LALCs have successfully accessed DEEWR funding and have consultants engaged to assist them in development of the plan;
- 27 LALCs have had their plan approved by their members and NSWALC; LALCs have submitted their plan to NSWALC for assessment prior to the final draft of the plan being considered by their members;

It is anticipated that the 11 plans still requiring NSWALC approval will be completed in line with recent extensions granted by NSWALC, to LALC's, for the completion of the CLBP's.

Compliance Monitoring and Assistance

LALC compliance reporting against the requirements of the ALRA continued to be a major focus for LALCs and Northern Zone Staff during the financial year.

LALCs were listed in one of six funding categories under the NSWALC Funding and Financial Obligations Policy which was in place during the 2008-2009 financial year.

LALCs who have not breached a requirement of the ALRA for 2 years or more (or if they have breached the Act then the breach is rectified in a short period of time) are listed in category F1.

The next category is populated by LALCs who have not breached the ALRA for more than 12 months but for less than 2 years (or if they have breached the Act then the breach is rectified in a short period of time).

Category F3 is populated by LALCs who have breached the ALRA within the past 12 months.

The UF1 category contains LALCs who are in breach

of the ALRA but have not been in breach for a period of 6 months or more.

LALCs that have remained in breach of the ALRA for more than 6 months are listed in category UF2.

LALCs under the control of an Administrator are listed in Category A.

The following graph depicts the funding status of LALCs within the Zone as at the 30 June 2009, compared to 30 June 2008.

Ninety per cent of LALCs were in a funded category at the end of this financial year, compared to 81% at this time last year.

Thirty nine per cent were in the highest funding category, while 8% were in the F2 category and 42% in the F3 category.

LALCs move in and out of funding categories throughout the year.

However the graph illustrates a "point in time" improvement in compliance across the Zone.

LALC Capacity Building Initiatives

Zone staff also attended a range of meetings throughout the year designed to increase the capacity of LALCs.

As mentioned earlier, staff have attended LALC meetings to provide ongoing information, guidance and support for Board and LALC members on proposed amendments to the ALRA.

We have also worked collaboratively with the NSW Aboriginal Housing Office to deliver LALC workshops on housing management and rent setting.

The workshops provide relevant information to LALC tenants and management on the methods available to set rental levels for LALC social housing.

These workshops are part of a strategy developed by the Joint Aboriginal Housing Service group that operates within the Zone.

The group comprises representatives from the Zone office, AHO, Department of Fair Trading and several Aboriginal Tenancy Advisory Services.

Interagency Engagement

Senior Zone staff also worked with Regional Engagement Groups (REGS) established by the NSW Department of Aboriginal Affairs under the State Government's Aboriginal Affairs Plan, Two Ways Together (TWT).

Two REG's operate within the Zone—the North Coast and the North West and Hunter.

The Councillors within the zone also attended REG meetings during the reporting period.

Under the TWT communities are being assisted to establish a local engagement group to develop a plan around the needs of their community.

They will have a mandate to negotiate and consult with government agencies on service delivery and other programs to address the needs identified in their plan.

The following have been identified as target communities in the Northern Zone:

- Ballina/Cabbage Tree Island;
- Tabulam;
- Bowraville;
- Purfleet/Taree
- Gloucester;
- Tamworth.

Southern Zone Office

The Southern Zone Office operates from Queanbeyan.

It services a total of 34 Local Aboriginal Land Councils within its boundaries.

The Zone encompasses the following regions:-

- South Coast Region – 13 LALCs
- Wiradjuri Region – 21 LALCs

Zone office staff met quarterly with Councillor Neville “Jack” Hampton (South Coast) and Councillor Craig Cromelin (Wiradjuri) to brief the Councillors on operational matters during the financial year.

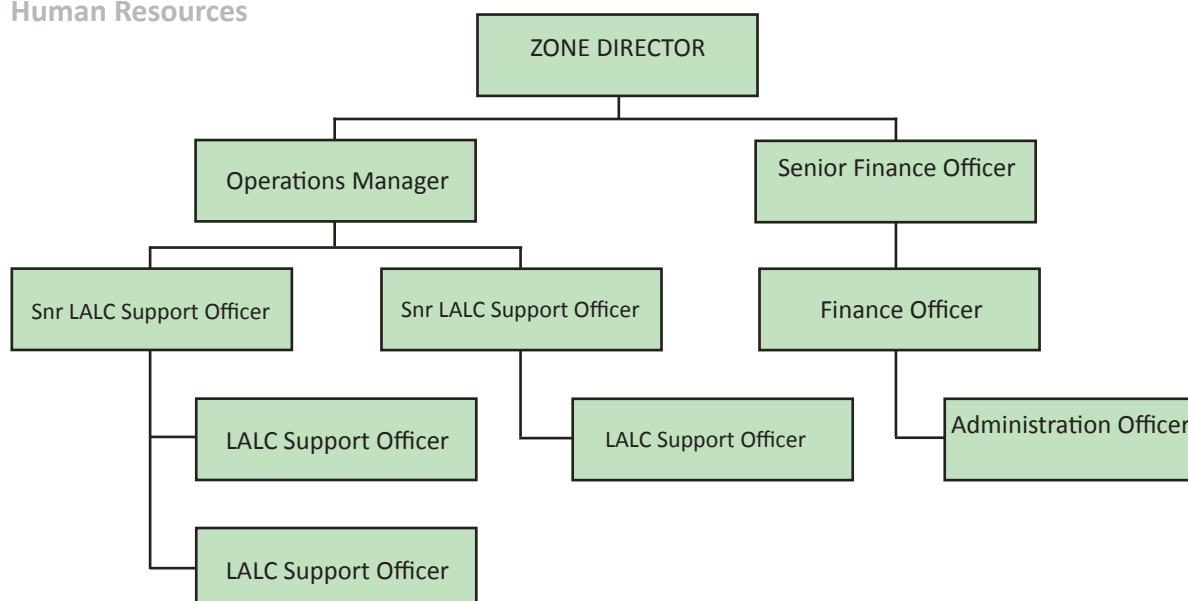
For the first time in recent years, the Southern Zone office enjoyed a full complement of staff in both the LALC Support and Finance Units during the reporting period.

This enabled the Zone office to maintain a regular field visit schedule.

An additional LALC Support Officer was also recruited, increasing the Zone’s capacity to provide a range of comprehensive services to LALCs.

The staffing structure for the reporting period was as follows:-

Human Resources



Regional Forums

In partnership with Councillors Hampton and Cromelin, Regional Forums were held as outlined below:

Date	Region & Venue	No. LALCs in Attendance
17th & 18th July 2008	South Coast - Narooma	9
24th & 25th July 2008	Wiradjuri - West Wyalong	19
16th & 17th March 2009	South Coast – Batemans Bay	8
18th & 19th March 2009	Wiradjuri – Wagga Wagga	15

The Regional Forums were attended by LALC representatives from both regions.

A number of external State and Commonwealth agencies also attended the July forums.

They included Indigenous Business Australia, the Indigenous Land Corporation, the Aboriginal Housing Office, the National Indigenous Forest Strategy, Indigenous Services Australia, and the Department of Environment and Climate Change.

The March forums focused on the proposed amendments to the land dealing provisions of the ALRA, a proposed redraft of the NSWALC Funding and Financial Obligations Policy and the LALC Management Support System (LMSS).

A special session was also set aside for LALCs to discuss operational matters within the Zone.

New LALC Funding Policies and Support Systems.

The Southern Zone office undertook extensive testing of the LALC Management Support System with LALCs across the Zone prior to the implementation of the new funding policy.

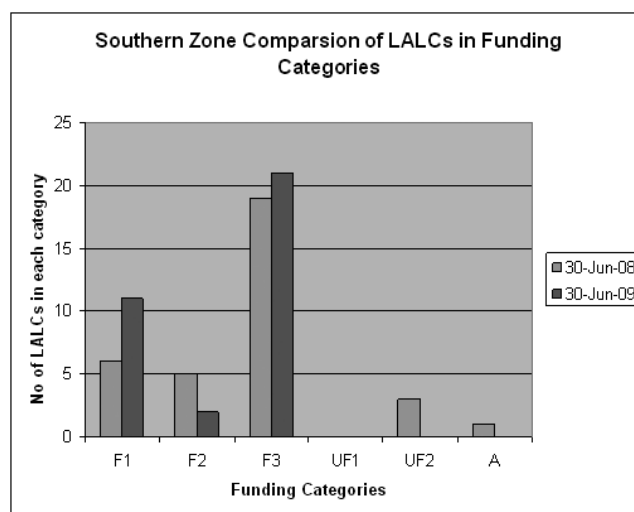
All LMSS assessments to inform the funding arrangements for the 2009-10 financial year were conducted in May and June 2009.

As reported elsewhere, the new Funding and Financial Obligations policy was gazetted by the Minister for Aboriginal Affairs, Mr Lynch on May 29, 2009 and introduced a refined risk management framework along with the LALC Management Support System.

The new funding policies and support system will become fully operational in the new financial year.

Compliance, Monitoring and Assistance

The Southern Zone office successfully offered a total of 34 Funding Agreements to LALCs during the reporting period. The status of LALC funding categories are outlined in the tables below:-



Southern Zone LALC Funding Category							
	F1	F2	F3	UF1	UF2	A	w
30-Jun-08	6	5	19		3	1	34
30-Jun-09	11	2	21				34

The graph on comparative funding between this reporting period and the last demonstrates a significant improvement in the funding status of LALCs in the Southern Zone.

The Zone office developed and successfully implemented a strategy during this reporting period to make operational payments to four LALCs with long term audit qualification problems.

This involved operational payments being made to assist the LALCs to either recruit Chief Executive Officers and/or elect Board members to assist with the resolution of the outstanding compliance issues.

Zone staff worked intensively with all LALCs during the reporting period to resolve those issues.

As a result, all LALCs returned to a funded position.

The Jerrinja Local Aboriginal Land Council also returned to a funded position following three years under administration.

Community, Land and Business Plans

Local Aboriginal Land Councils were actively engaged during this reporting period in the development of Community Land and Business Plans, as required under the ALRA.

Good progress was reported across the Zone in finalising and seeking approval for the plans.

The following LALCs in the Southern Zone obtained NSWALC approval for their plans during the reporting period:

LALC	Region	Approval Date
Pejar	Wiradjuri	15th December 2008
Hay	Wiradjuri	2nd March 2009
Mogo	South Coast	2nd March 2009
Brungle-Tumut	Wiradjuri	7th April 2009
Albury & District	Wiradjuri	30th April 2009
Bathurst	Wiradjuri	30th April 2009
Bodalla	South Coast	30th April 2009
Condobolin	Wiradjuri	30th April 2009
Murrin Bridge	Wiradjuri	30th April 2009
Ngambri	South Coast	30th April 2009
Batemans Bay	South Coast	28th May 2009
Orange	Wiradjuri	28th May 2009
Leeton & District	Wiradjuri	30th June 2009
Wagga Wagga	Wiradjuri	30th June 2009

Casual Vacancy Elections

Zone staff undertook 25 casual vacancy elections which resulted in 60 Board positions being filled within 18 LALC's during the reporting period.

Governance training was offered to all newly elected Board members with a nominal number of newly elected Board members being suspended for not having received the mandatory governance training.

Debt Reduction Strategy

The Southern Zone office had 10 LALCs with debts to NSWALC, with four having debt repayment agreements in place.

The total debt owed by LALCs in the Zone during the reporting period was \$2,716,580.57.

Western Zone

The Western Zone office covers the largest area of the four NSWALC regional offices.

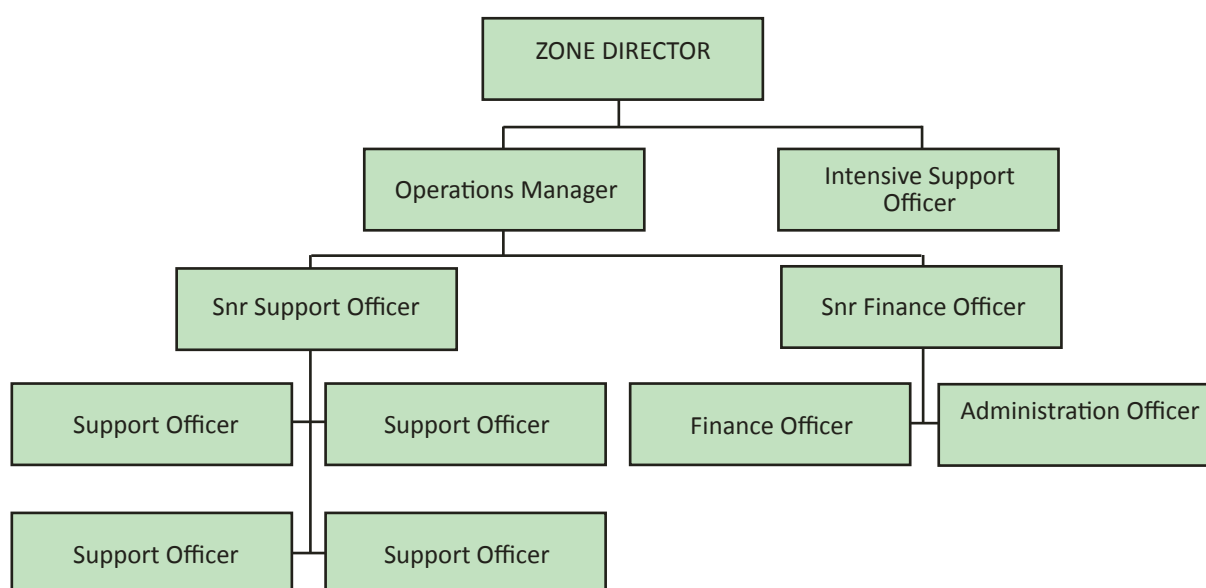
Its administrative reach extends from Balranald in the south, to Toomelah/Boggabilla in the north, Broken Hill/Bourke in the west, to Mudgee in the east.

The area covers about seventy five percent of the state.

There are 37 Local Aboriginal Land Councils in the region.

Human Resources

The staffing structure is depicted below:



This staffing structure is comparable to the other Zone offices.

An additional LALC Support Officer is provided given the large geographic area it must cover and the diverse nature of the LALCs within the Zone.

The staff provided regular and extended outreach services to LALCs in the Western Region during the reporting period. This assistance incorporates planned quarterly visits under the LALC Management Support System (LMSS) in addition to ad hoc requests from Local Aboriginal Land Councils.

The staff also worked closely during the reporting period with the three NSWALC Councillors in the Western Zone, particularly in facilitating regional forums and in providing services to individual LALCs.

Councillor Stephen Ryan represents the Central Region, Councillor William Murray, the Western Region, and Councillor Stephen Gordon, the North Western Region.

Achievements

The Western Zone participated in the development, and trialling, of the LALC Management Support System (LMSS) which is an integral part of the new LALC Funding and Financial Obligations Policy which commenced on 1 July 2009.

Through the LMSS, staff and Councillors have been successful during this financial reporting period in assisting LALCs improve operations, their funding, corporate governance, housing management and general administrative effectiveness.

As noted elsewhere in this report the system allows a comprehensive review of LALC operations in five key performance areas: financial; property; administrative systems; human resources; and governance.

The assessment provides a focus for LALC Boards, their staff, and Zone staff on specific operational areas in need of improvement to achieve positive audit and functioning outcomes.

All indicators show a significant number of LALCs have improved their operational performances over the reporting period as a result.

Zone staff also assisted in twenty three elections which were held to fill casual vacancies on LALC Boards which had occurred through resignations or deaths.

Zone evaluations were also completed on the nineteen Community Land and Business Plans lodged during the financial period.

NSWALC has approved nine of the plans as this reporting period ended with four under active assessment and three rated as potential exemptions.

Zone staff assisted in the lodgement of requests for extensions for the remaining LALCs.

Mandatory governance training was also delivered across the Zone. A small number of LALC Board Members failed to attend this training, for a number of reasons. They were subsequently suspended from Board participation.

A significant number of LALCs have experienced great difficulty in attracting staff with the relevant skills and qualifications but a total of twenty nine had recruited Chief Executive Officers by the end of the financial year.

The Western Zone Office also convened a budget

workshop for LALCs during the reporting period.

A total of nine LALCs attended the one day workshop in Dubbo.

As in previous years, the workshop was designed as an information forum which led directly into assisting the LALCs in the preparation of their budgets for the 2009-10 financial year.

Intensive Assistance Strategy

The purpose of this Strategy, which commenced in December 2006, is to provide intensive support to a number of dysfunctional LALCs in two clusters within the Western Zone.

The North Western Cluster comprised Brewarrina, Murrawarri (Engonnia), Weilmoringle, and Goodooga.

The Western Cluster comprised Balranald, Dareton, Menindee and Ivanhoe.

Intensive Assistance Officers, and Western Zone staff, assisted the LALCs involved in the strategy to improve performance in key operational areas, including financial management, governance, membership engagement; human resource recruitment; and, systems management.

With the exception of Ivanhoe LALC, all the other LALCs engaged in this strategy ended the financial reporting period with a LALC Board and a Chief Executive Officer in place and were continuing to work to improve their operations.

The strategy ended on June 30, 2009 to enable Zone staff to concentrate on the rollout of the LMSS and funding policies.

Walgett Repairs and Maintenance Program

As reported last year NSWALC executed a Program Funding Agreement with the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs to provide \$2.3 million to undertake a Repair and Maintenance Program on the Walgett LALC (WLALC) houses.

It is the first time NSWALC has been provided the opportunity to administer a Commonwealth grant to provide direct benefit to tenants residing in LALC social housing.

A scope of works has been completed during this reporting period, including a draft report and recommendations.

The WLALC and NSWALC will continue to work in partnership to prioritise the repairs and maintenance to be undertaken during the new financial year.

Aboriginal Communities Water and Sewerage Program

The Western Zone office has also been involved during this reporting period in NSWALC's historic partnership with the State Government to provide joint recurrent funding for the operation, maintenance and monitoring of the water and sewerage infrastructure of former Aboriginal reserves and missions.

Consultations were held during this period with the Walgett, Collarenebri, Moree, Brewarrina, Goodooga, Weilmoringle, Murrawarri, Nulla Nulla and Wilcannia LALCs.

These consultations have included representatives from the Department of Water and Energy, Health and Local Government Associations.

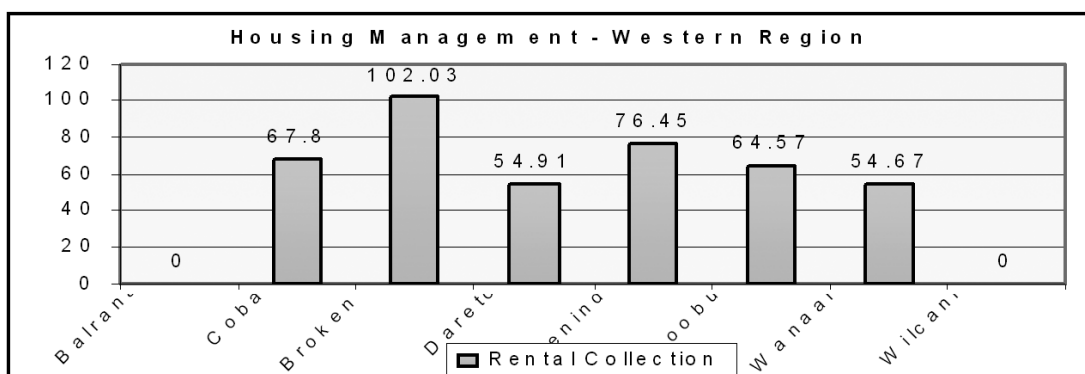
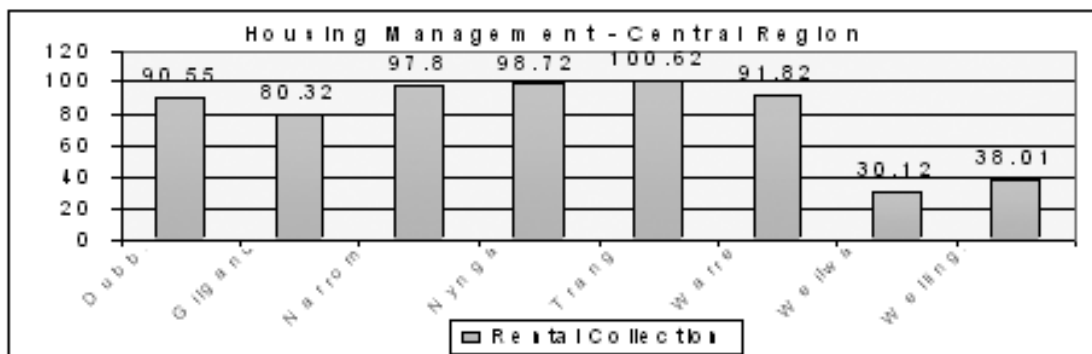
These meetings will assist in informing the detail of a final report on the roll out of the program in the new reporting period.

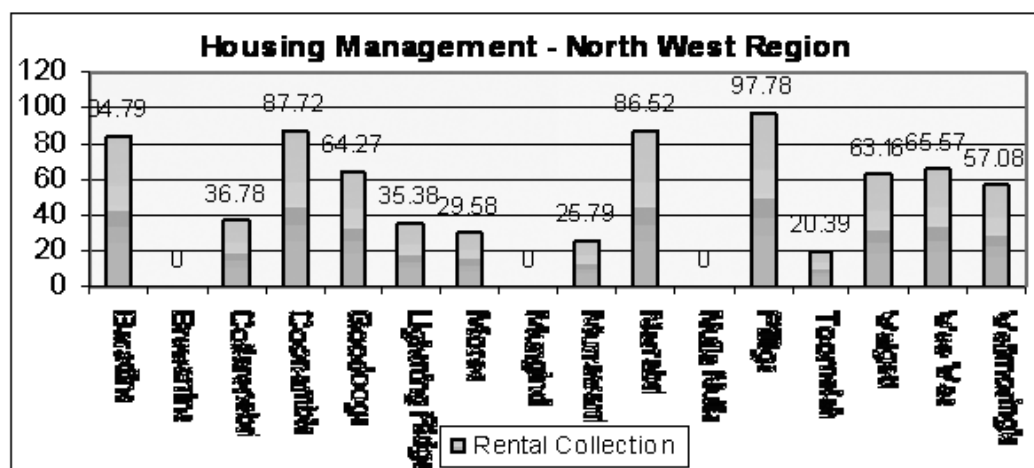
Housing Management Review

The Western Zone continued its study of LALC housing management performance during this reporting period.

This involved the monitoring of rental collection and maintenance provision of thirty two LALCs which operate social housing schemes.

The following graphs illustrate their performance:





As the graphs show approximately 22% of the LALCs under review achieved a rental collection rate exceeding 90% of the budget figure. They illustrate a considerable amount of work is still required in this area.

Compliance, Monitoring and Assistance

As previously reported the Western Zone, since its inception, has focused on LALC compliance with the provisions prescribed in the ALRA to ensure LALCs meet all of their responsibilities and obligations as set out in the Act and with relevant NSWALC policies.

Funding Categories

The current funding status of LALCs, compared with the last reporting period, is set out in the table below.

As is our normal practice we would ask readers to note these figures are a snapshot in time. They do not reflect the fluid nature of the categorisation process.

It should also be noted that three LALCs which were placed in the UF2 category have either never, or not, functioned properly for many years.

When these factors are taken into account the figures show just under 70% of LALCs have complied with the provisions of the ALRA and NSWALC policy for at least 12 months.

WESTERN ZONE FUNDING CATEGORY - LALC							
	F1	F2	F3	A	UF1	UF2	IAO
Jun-08	7	3	7	1	2	9	8
Jun-09	7	1	8	4	3	6	8

Debt Reduction

Significant savings were achieved during this reporting period in relation to LALC debts to the Australian Taxation Office.

This was achieved through the completion of outstanding BAS forms with an accompanying submission for dismissal of penalty payments.

Rates exemptions negotiated with the NSW Local Government and Shires Association on behalf of LALCs also resulted in deductions on significant amounts of debt.

Eastern Zone

The Eastern Zone office is responsible for overseeing some of the largest property portfolios and the most complex LALCs in the network.

As reported earlier the Eastern Zone was merged with the Network Services Unit in September 2006.

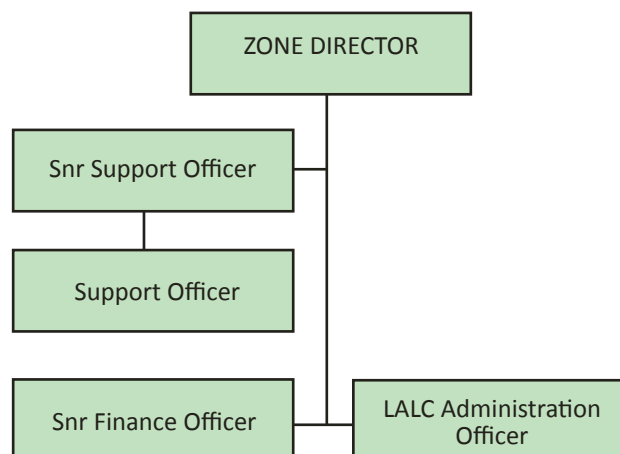
The Zone became operational again in its own right at the beginning of this reporting period, providing pivotal guidance and assistance to the 11 Local Aboriginal Land Councils in the Sydney-Newcastle Region.

The Zone's aim is to assist those LALCs to build their capacity in all aspects of their operation including financial reporting, asset management, business planning and compliance with the provisions of the ALRA.

Human Resources

The staffing structure is outlined in the graph below. Its purpose, aims and functions are similar to those outlined for all other Zone Offices.

Organisational Structure



Achievements

During the reporting period, the Zone Office played a pivotal role in the NSWALC Statewide Conference held at the Crowne Plaza Hunter Valley, which is in the Sydney-Newcastle region.

It did so in conjunction with Councillor Roy Ah See and his Councillor Support Officer.

Eastern Zone staff also worked collaboratively with staff from the NSW Aboriginal Housing Office in staging a rent setting and housing policy workshop for many LALCs.

Four such forums were held throughout the region.

The Zone staff also acted as Returning Officers in the election of LALC Board members which had been caused by the creation of casual vacancies in the region.

Staff also worked with the Corporate Governance Unit to deal with complaints made by LALC members in the Sydney/Newcastle region.

The Eastern Zone Director, Mr. Steve Merritt, attended three regional forums for the Two Ways Together program in the Hunter, Sydney and Western Sydney regions.

Regional Engagement Groups have been formed in each area and are chaired by the NSW Department of Aboriginal Affairs.

Regional Reports have been developed along with the Action Plans for all the three regions with approval to be provided by an over arching senior Management Committee.

The forums are designed to keep all agencies and Non Government Organisations involved and up to date with the progress of the Action Plans.

Each identified program has a lead agency. In most cases, a number of Agencies assist in the implementation of the program.

Regional Forums

Councillor Ah-See conducted a number of Regional Forums in the Zone during the reporting period.

The Forums bring together representatives from each of the Local Aboriginal Land Councils in the Region. They are normally attended by a LALC Chairperson and Chief Executive Officer.

They have become important forums for NSWALC Councillors to report on their activities and provide LALCs an opportunity to voice concerns and issues across the Zone.

The Regional Forums have become a crucial feedback vehicle since the abolition of Regional Aboriginal Land Councils. Forums were attended by all LALCs in the Zone during this reporting period.

LALC Management Support System (LMSS)

The Zone office has established, and maintains, a LALC Management Support System approach to the eleven LALCs in the Sydney/Newcastle region.

This system allows the Zone office to tailor its services to each organisation addressing specific needs through one-on-one LALC based support or through the provision of a wide range of training.

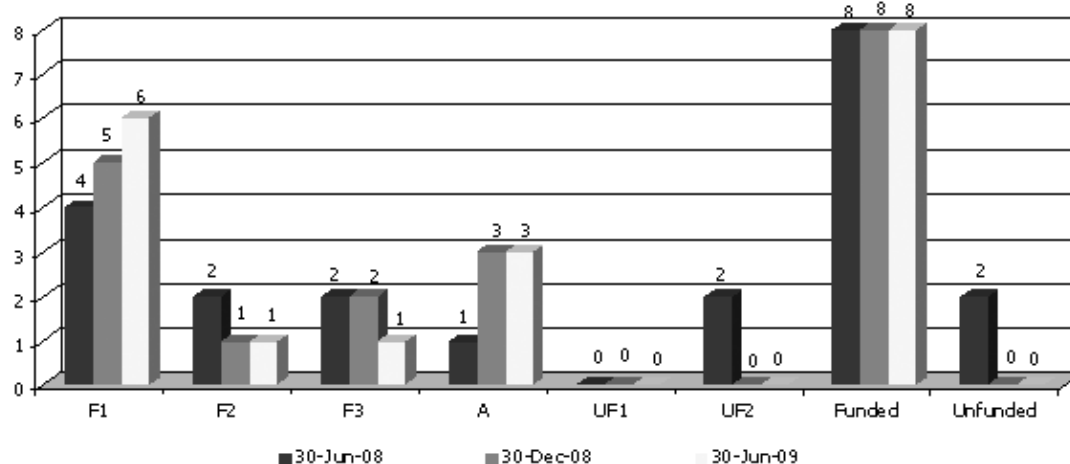
It allows for a comprehensive review of the LALC operations in five key performance areas. The LMSS has been completed with all LALCs in the Zone.

Finance

Local Aboriginal Land Councils in the Zone progressed through a range of funding categories in this reporting period.

The following graph shows the number of LALCs in each funding category at the end of this report period compared with their categorisation at the end of the December 2008 and the close of the last financial reporting period.

Eastern Zone - Funding Category Comparison - 11 LALCs



At the beginning of the current financial year, eight LALCs were funded and two were unfunded, with one under administration.

The number of funded LALCs remained at eight at the end of this reporting period.

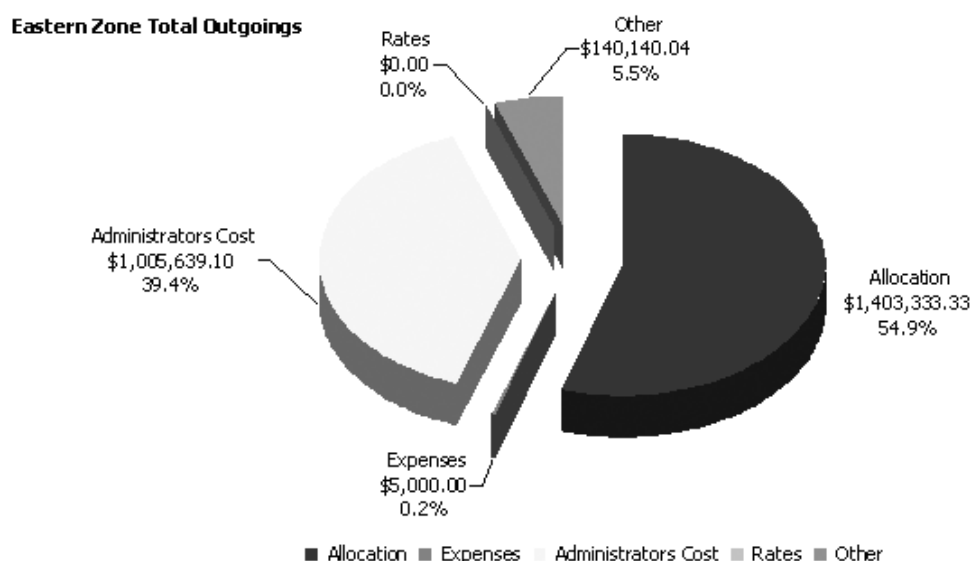
Both unfunded LALCs, the Metropolitan and Tharawal Local Aboriginal Land Councils, were placed under administration.

The Koompahtoo LALC continued to operate under administration.

Allocation and Expenses

The following pie graph shows the type of allocations and expenses paid to, or on behalf of, LALCs in the Zone during this reporting period.

The approved grant for the Zone is \$1,403,333.33.



The graph shows the dollar amount of each type of cash outgoing, and the percentage of the total cash outgoings for the Zone at the end of the financial year.

The total cash outgoing for the financial year stood at \$2,554,112.47.

More than 54% was in the form of cash allocations.

As illustrated above \$1,005,639.10 was allocated to Administrator's costs.

The 'other expenses' of \$140,140.04 represent legal expenses on matters related to the Koopahtoo Local Aboriginal Land Council and investigation costs incurred for Metropolitan LALC.

Community Land & Business Plans

During this reporting period a total of eight LALCs had their Community Land and Business Plans approved by LALC members and by NSWALC's Governing Council.

A further two had received approval of their plans by members but had yet to receive the necessary approvals from NSWALC as prescribed by the ALRA. The remaining LALC has been granted a 6 month extension to prepare its Plan.

Corporate Governance Unit.

Despite staff shortages in the reporting period the Governance Unit managed to achieve a number of significant outcomes, particularly on three of its core activities, Board Governance/Secretariat, Complaints Handling and External Accountability.

Board Governance

The Unit planned, prepared and facilitated a total of eleven Board meetings, including one extraordinary meeting during this reporting period.

The Board is required by legislation to meet at least four times a year.

The first meeting was held in August 2008 and the final meeting in this reporting period was a three day meeting which began on June 30, 2009.

It was the 233rd meeting of a New South Wales Aboriginal Land Council.

Each of the meetings required the preparation, compilation and circulation, in consultation with the Chairperson and Chief Executive Officer, of meeting agendas, Board papers, and consequential minutes, resolutions and actions arising to Board members and senior staff.

This work was undertaken against a set of procedures developed by the Unit on the preparation of Board agendas and papers and protocols for interaction between the staff and the Board.

The Unit also continued to review and implement process improvements with respect to paper handling for the meetings and Board Code of Conduct guidelines.

Improvements were also implemented in record keeping by the Secretariat.

An electronic spreadsheet was introduced which now contains all Board resolutions from the reporting period.

In addition the Unit assisted the Chief Executive Officer with the preparation of submissions and papers for Board consideration and facilitated the exchange of information and advice between the Board, the Chief Executive Officer and staff.

The Unit also maintained an Annual Board calendar of critical reporting and compliance deadlines imposed by the ALRA with a companion calendar

of Board meeting, training and committee meeting dates, and maintained Board registers as required by the ALRA.

An electronic Board Hub, designed by the IT, is to be implemented in the near future.

This is designed to provide secure online access to Board members, senior management and staff within the land rights network with timely, relevant and accurate information to key material, including the Annual Board Calendar, critical dates, Board agendas, minutes, resolutions and the Corporate and Community Land and Business Plan.

All Council delegations were reviewed in accordance with NSWALC's statutory obligations to conduct an annual review.

The Board carried a total of 157 resolutions during the reporting period.

Board/Executive Retreats

The Secretariat also assisted with two Board governance and Management retreats during the reporting period.

The first was held over four days in September 2008.

A second retreat was convened from 24-27 November 2008.

Facilitated by Remote Rural Resources Pty Limited, both were attended by members of the NSWALC Board and members of the Executive Management team

Their purpose was to give all attendees time to reflect and consider the range of challenges facing them as individuals and as members of the Council.

Key outcomes were designed to assist the members of the NSWALC, as individuals and as a Council, to develop appropriate responses to those challenges and to build positive relationships between Board members and the Executive team.

The retreats aimed to achieve this by:

- defining the members' vision, expectations and outcomes;
- identifying critical internal and external challenges;
- developing some guiding principles;

- developing their teamwork;
- developing common goals;
- setting key benchmarks;
- defining some fundamental processes;
- defining some measures of success.

There was considerable discussion on how NSWALC's Governing Council and the staff could increase their effectiveness as a team.

There was also considerable discussion about improving annual planning processes around the key elements of the Corporate Plan and NSWALC's Community Land and Business Plan and how partnerships could be fostered to increase the organisation's capacity to meet the needs of a growing and youthful Aboriginal population

Internal and External Accountability

During March 2009, the NSWALC Strategic Internal Audit Plan (SIAP) was approved by the Audit and Risk Management Committee for the provision of internal audit services to 30 June 2012.

Since this time, the Committee has monitored the internal audit program which progressed satisfactorily to substantially complete the program on schedule to 30 June 2009.

As noted earlier, the overall purpose of the Internal Audit function is to assist the Audit and Risk Management Committee in increasing the awareness of internal audit and corporate governance issues across NSWALC including the Zones and Local Aboriginal Land Councils and to provide the basis for NSWALC annual internal audit programs.

The coordination of the internal audit program for NSWALC is the responsibility of the Internal Audit Manager.

The Audit and Risk Management Committee oversees the planning, reporting and implementation of internal audits and the resulting recommendations.

The main aims of the internal audit program are to generally improve and ensure compliance

with systems of control, to increase Executive Management's focus on compliance, and improvement of strategies and processes within the organisation.

The overall internal audit model adopted for NSWALC divides internal audit activities into two key goals, being:

- Corporate governance improvement; and
- Performance improvement.

The internal audit strategies determined in the Audit Plan by goal and audit type are as follows.

Corporate Governance Improvement:

- Control framework assessments;
- Compliance audits;
- IT audits.

Performance Improvement:

- Performance audits;
- Performance measurement reviews.

The audits conducted during the 2008/09 financial year, where practicable, focused on conducting comparisons of processes to principles of better practice, in addition to the collation and interpretation of any available benchmarking data.

One of the key focus areas was on corporate governance improvement.

This is critical as NSWALC has moved back into a structure where the ultimate responsibility for the organisation rests with an elected Council.

Control Frameworks

Control frameworks provide the "backbone" for existing internal controls, and the internal controls required, to address the risks and business goals of an organisation. The main elements of control frameworks are:

- Corporate governance structures;
- Documented policies and procedures;
- Appropriate delegations of authority; and
- Management reporting.

The main goals for assessing or developing the control frameworks are:

- to link existing control mechanisms to the risks and goals they are intended to address;
- to identify improvements to control mechanisms where risks and goals are not adequately addressed;
- to identify control mechanisms that are superfluous or inefficient; and
- Provide the basis for management of NSWALC to assess compliance with the internal control mechanisms.

Risk Assessments

The Strategic Internal Audit Plan was implemented resulting from an organisation-wide risk assessment undertaken for NSWALC by Senior Management and Internal Audit.

The approach to performing business risk assessments ensures that the risk assessment process is rigorous, consistent and defensible.

The risk assessment process was based on the Australian and New Zealand Standard on Risk Assessment (AS4360:1999 and the subordinate "Guidelines for Managing Risk in the Australian and New Zealand Public Sector (HB 143-1999)".

The process identified risks through interviews with senior staff and examination of documents and other relevant information.

The risks were then ranked in terms of the consequence of the realisation of the risk and the likelihood of the risk being realised.

Internal Audit Program

Seven audits were undertaken during the 2008/09 financial year.

The audits found 39 control issues and 27 efficiency issues.

Of the total issues found 10 were rated as high risk.

Management comment on all draft audit reports and final reports assign management responsibility and a timetable for action on report recommendations.

NSWALC implemented an online tracking system for management to report progress on implementing audit recommendations.

One or more recommendations can be made for each issue identified in an audit.

Management is responsible for updating the tracking system on the implementation of audit recommendations.

The Audit and Risk Management Committee will monitor management's progress in implementing audit recommendations in the new financial year.

The Internal Audit Section undertook seven audit reviews during the period between March 09 to June 09 as follows:

Function/activity	Audit strategies	Internal Audit Type
Zone Office Audit (Western)	To provide assurance that a NSWALC Zone Office is being managed in a manner that is consistent with NSWALC policies and procedures and is generally meeting its goals.	Compliance/ Performance Audit
Tendering and contracts	Compliance audit of major procurement, tendering and contract management.	Compliance Audit
Asset management and maintenance	Performance audit of effectiveness of asset maintenance strategies and programs in meeting NSWALC asset management needs.	Performance review or audit
Grants	A review of the decision making processes and controls in relation to the provision of funeral, educational endowment and discretionary grants by NSWALC	Compliance/ Performance Audit
Review of Riverina F.A.R.M.S	Performance improvement audit to examine and report on the effectiveness of management of the properties, the adequacy of the information being provided to the NSWALC and compliance with NSWALC policies and procedures.	Performance review or audit
Transactions of the Governing Council	Compliance audit of authorisation and processing of Councillor- related transactions, in particular, to assess whether transactions are appropriate and in accordance with legislative and other corporate responsibilities.	Compliance Audit
Travel	Review of controls over travel including Council- lor travel. The first time this audit is undertaken a program will be developed which will be used to test travel on an ongoing basis.	Compliance/ Performance Audit

There was also an increased emphasis on the follow-up and correction of issues raised by the Audit Office of New South Wales in the external audit process.

The section reports at regular intervals to the Audit Committee, which is made up of Council members and senior NSWALC staff representatives.

The Internal Audit Section reports are tabled at Audit Committee.

The Audit Committee meetings consider and action reports prepared and submitted to management on all audits undertaken in accordance with the audit plan.

The Audit Committee met three times during the reporting period.

Complaints

The Corporate Governance Unit (CGU) in conjunction with NSWALC's Zone Offices, manages NSWALC's response to complaints concerning the Land Council Network.

However, the NSWALC has only limited authority to deal with complaints concerning the Land Council Network, other than those concerning NSWALC itself.

During the reporting period, NSWALC received 66 complaints about the Land Council Network and four in relation to NSWALC.

In attempting to resolve these complaints NSWALC has provided advice to complainants in regards to their concerns and has at times attempted to mediate, conciliate or arbitrate their disputes.

Alternatively complainants were referred to more appropriate agencies for assistance such as tenancy advice services or community legal centres.

During the reporting period, NSWALC also referred four matters to the Registrar of the Aboriginal Land Rights Act and one matter to the Independent Commission Against Corruption pursuant to section 11 of the *Independent Commission Against Corruption Act 1988*.

The CGU aimed to handle all complaints the NSWALC received in an effective and timely manner.

The following table identifies the issues raised by complainants during the reporting period.

Allegations	Occasions raised
Fraud/Corruption/embezzlement	4
Assets and Accounting	
Accounting irregularities	1
Sale of assets (incl: land and vehicles)	2
Misuse of LALC resource (Incl: vehicles, mobile phones, photocopiers)	2
Debt related	2
Pecuniary interest/conflict of interest	5
Conduct of Administrators	4
Conduct of office bearers/staff members/members	
Intimidation	4
Rudeness	5
Cultural insensitivity	1
Housing	
Allocations	8
Evictions	1
Rental increases	4
Maintenance and repairs	3
Conduct of tenants	1
Employment related	
Recruitment related	3
Workplace harassment	4
Unfair dismissal	3
Owed entitlements	1
Membership and Aboriginality	7
Meetings	
Frequency	
Failure to call	2
requested extraordinary meetings	3
Adequacy of notice	1
Miscellaneous	
Lawfulness of Board Member's tenure	3
Potential Ministerial directions	1
Administration	2
Please note that individual complaints may raise multiple allegations.	

Freedom of Information

NSWALC received two applications under the *Freedom of Information Act 1989* during the reporting period. Both applications were abandoned by the applicants before they could be determined; one on the basis of costs and the other due to the resolution of a related concern.

Land, Policy and Research Unit

This Unit reported a busy year on both the domestic and international front, particularly on land rights and NSWALC's attempts to get the New South Wales Government, and others, to address our continuing concerns about the destruction of Aboriginal culture and heritage.

Land Services Unit

The Land Services Unit continued throughout this reporting period to assist Local Aboriginal Land Councils lodge land claims.

NSWALC undertakes this task because many LALCs simply do not have access to the resources or the funding to do so.

This includes researching, lodging and appealing land claims if their refusal is considered to have been unfair.

Before discussing the status of claims at the end of this reporting period it is instructive to further consider how and when land claims can be lodged, what can be claimed, and why these processes are so important to Aboriginal people across New South Wales.

The Purpose of Land Claims

The granting of land claims is the sole remaining form of compensation for dispossession of land which is available under the *Aboriginal Land Rights Act, 1983* (ALRA).

The process involves Land Councils lodging land claims over NSW Crown Land.

These claims are then determined by the Minister of Lands, or on appeal through the NSW legal system.

Under the ALRA, claimable Crown land is defined as:

- Land able to be lawfully sold or leased, or reserved or dedicated for any purpose, under the *Crown Lands Consolidation Act 1913*, or the *Western Lands Act 1901*;
- Land that is not lawfully used or occupied;
- Lands which are not, in the opinion of the Minister administering the *Crown Lands Act (1913)*, needed or are likely to be needed as residential lands;
- Lands which are not needed, nor likely to be needed, for an essential public purpose; and
- Lands that are not the subject of an application for a determination of Native Title, or the subject of an approved determination of Native Title.

If land satisfies the above tests, it is granted to the claimant Land Council.

As noted earlier, the NSWALC may make a claim for land on its own behalf or on behalf of one or more LALCs.

Land Councils have the right to appeal against any Ministerial decision to refuse a land claim. Appeals are heard, in the first instance, by the NSW Land and Environment Court.

Status of Land Claims

The Unit assisted in the lodging of a total 1958 land claims during the reporting period.

Nine land claims were granted.

A total of 1067 land claims were refused.

NSWALC considers this to be a disappointing result, particularly given most were lodged during the 25th anniversary of the proclamation of the Act.

At June 30, 2009 a total of 18,042 land claims had been lodged since the enactment of the ALRA.

A total of 2,313 land claims have been successful with 5,334 land claims refused.

At the end of this reporting period some 10,058 land claims awaited a determination from the Minister for Lands.

Of these outstanding land claims 347 were lodged before the year 2000.

The Department of Lands had advised NSWALC as this reporting period ended that they have been instructed to determine the oldest 166 land claims which were lodged prior to 1993/1994 year.

The time taken to determine outstanding land claims is an ongoing concern for NSWALC and the LALCs as noted elsewhere in this report.

However, NSWALC and Local Aboriginal Land Councils will continue to exercise their statutory functions to claim available land.

To this end, it is anticipated the 20,000th land claim will be lodged in the first half of the 2009/2010 financial year.

It should be noted the number of granted land claims awaiting survey and Certificate of Title issued by the Department of Lands did improve during the reporting period.

Certificates of Title for successful land claims were issued to Armidale, Birrigan Gargle, Deerubbin, Dorriggo Plateau, Gandangara, Grafton Ngerrie, Griffith, Guyra, Kempsey, Koombahtoo, Mindaribba, Mudgee, Nowra, Nungaroo, Red Chief, Wagga Wagga, Wellington and Worimi LALCs.

Some of these claims were first lodged in the late 1990s.

As noted elsewhere NSWALC has raised its concerns with Government over the slow determination of claims and litigation surrounding them.

Another growing concern is the proposed Compulsory Acquisition of land for which a claim has been lodged.

NSWALC is aware of cases where the acquiring authority is not made aware of the lodgment of a land claim, or that the lodgment of the land claim awaiting determination is ignored.

Land Claim Appeals

The Unit also continued to work closely with the Legal Services Unit in dealing with legal appeals on refused land claims with considerable success.

Details on these appeals can be found elsewhere in this report.

Crown Land Mapping Project

As noted in this space last year, the land claim effort by NSWALC and Local Aboriginal Land Councils would be greatly assisted by access to more detailed and accurate maps.

To this end, NSWALC engaged Indigenous Business Services (IBS) during this reporting to map land across the State into LALC divisions.

This project has provided valuable information on Crown Land; LALC owned land; National Parks; Nature Reserves and State Forests.

The information has provided a platform to further investigate land options for each of the LALCs within the land rights network.

Land Claims Manual

A significant achievement during the reporting period was the launch of a Land Claims Manual which was developed with the assistance of the Office of the Registrar and the NSWALC's Legal Services Unit.

NSWALC took the opportunity to launch the manual at the Statewide Conference of Local Aboriginal Land Councils in the Hunter Valley in March.

NSWALC Chairperson Bev Manton told delegates it was an "easy to follow, step by step guide for each LALC on how to lodge a land claim."

"The manual also provides a guide on what land can be claimed as well as providing guidance on what land is generally unclaimable," she added.

It is anticipated the Booklet will provide a valuable resource to all LALCs in the network and demand for the publication was strong throughout the reporting period.

Policy and Research Unit

The Policy and Research Unit recorded a hectic year.

A significant amount of its work centred on the protection of Aboriginal culture and heritage, natural resource management, and NSWALC's international engagement.

Other valuable work included an Aboriginal Population Projections project; data analysis for the LALC network; a review of NSWALC's administrative policies and assistance with the Youth and Elders Workshops at the Statewide Conference.

The management of Community Land and Business Plans from Local Aboriginal Land Councils in the NSWALC approval process was also a significant task.

Culture and Heritage.

NSWALC has a statutory function to "take action to protect the culture and heritage of Aboriginal persons in New South Wales."

It has no power to do so.

This power resides with Government.

NSWALC believes that power should reside with Aboriginal people.

The State Government plans proposed changes to the laws governing Aboriginal culture and heritage which retains that power with government bureaucrats.

NSWALC has a number of major concerns about provisions of the *National Parks and Wildlife Amendment Bill 2009* (also known as the Omnibus Bill) which was publicly released by the NSW Government in mid-April 2009.

The Bill seeks to amend the National Parks and Wildlife Act, and a range of other legislation, including the *Threatened Species Conservation Act 1995*.

The Omnibus Bill proposes significant changes to the primary NSW laws governing the protection of Aboriginal culture and heritage - the *National Parks and Wildlife Act 1974*.

NSWALC, the land rights network, and other Aboriginal organisations have a particular interest in Part 6 of the *National Parks and Wildlife Act* which provides for the issuing of permits authorising damage or destruction to Aboriginal cultural heritage

(also known as Aboriginal Heritage Impact Permits, or AHIPs).

At the same time the Department of Environment, Climate Change and Water released a new draft policy which sought to determine who should be consulted in the community about the significance of Aboriginal culture and heritage.

Chairperson Manton set out NSWALC's position on culture and heritage in two media statements issued in April.

The first was issued in response to an article in the Sydney Morning Herald which reported Aboriginal sites and artefacts were being destroyed and disturbed at record rates with minimal prosecutions.

Ms Manton said the article would come as no surprise to the Aboriginal community.

She said NSWALC and LALCs had been lobbying for years against the ongoing destruction of Aboriginal heritage and culture, both sanctioned and unsanctioned.

Those protests had largely fallen on deaf ears.

There seemed to be a belief that Aboriginal culture and heritage is "somehow different, somehow removed from Australia's history."

"This is unfortunate," she added, "Australia should readily embrace Aboriginal culture and heritage as uniquely Australian, something that is an integral and important part of Australia's history."

Chairperson Manton said that despite the best efforts of the bureaucracy the "grim reality is that our culture and heritage continues to be destroyed at an alarming rate."

NSWALC had consistently advised the State Government "through its Aboriginal Cultural Heritage Advisory Committee that comprehensive reforms are required to both the law and policy concerning the protection and management of Aboriginal culture and heritage."

"What is particularly disturbing," she added, "is that legislation to significantly improve the situation has existed for some years and has never been enacted."

The second public statement was issued to coincide with the release of the draft Omnibus bill.

Chairperson Manton welcomed the opportunity to be provided an early draft which would be widely circulated to LALCs.

The statement said NSWALC was yet to consider the draft bill in detail but welcomed the reported introduction of fines of up to \$1.1 million and the introduction of a strict liability offence to prevent developers and others from damaging Aboriginal heritage sites “and claiming they were unaware they were committing an offence.”

She reminded the Government that when the Aboriginal Land Rights Bill was introduced in 1983 the then State Labor Government had committed itself to the introduction of an Aboriginal Heritage Commission Bill but this had never seen the light of day.

“NSWALC believes firmly that it is now time for the Government to introduce legislation to create an Aboriginal Heritage Commission,” she added.

“Only then will our land councils feel some sense that finally our views will be listened to and our sacred sites will have a far better chance of being protected.”

Between April and the end of this reporting period the Policy and Research Unit worked closely with the Governing Council and other stakeholders on this issue while NSWALC continued to discuss the proposed amendments with the Government.

The Unit, in conjunction with the Media and Marketing Unit, developed six Culture and Heritage Fact Sheets for distribution to LALCs.

These sought to explain the current law and the proposed changes.

Unit staff also attended a number of DECCW consultations and worked with LALCs to collect information about the issues and concerns raised by the community in response to the law and proposed policy changes.

As this reporting period ended the Unit was working on detailed submissions in response to the proposed changes.

It was also organising a two day culture and heritage workshop for NSWALC’s Governing Council in July 2009 to consider the submissions, partnerships with

other Aboriginal organisations and stakeholders, and a public awareness campaign.

It was proposed the NSWALC submissions be lodged with DECCW within its deadline at the end of July 2009.

Natural Resource Management

The Unit was kept busy throughout the reporting period responding to a number of other proposed amendments to State legislation affecting the rights of Aboriginal people in the area of natural resource management.

Changes to the management of the State’s fisheries in relation to cultural fishing were prominent among them.

Fisheries Management

In May 2009 the NSW Department of Primary Industries (DPI) circulated a discussion paper which highlighted the proposed amendment of the *Fisheries Management Act NSW 1994* to identify cultural fishing as a legitimate fishing activity.

The discussion paper, Cultural Fishing in NSW, flagged two amendments on the scope of cultural fishing under the Act.

They included a draft definition of cultural fishing and a streamlining of the process for obtaining a permit under section 37 – ‘Taking Fish for Aboriginal Cultural or Ceremonial Use Permit Application’.

The LPRU, in consultation with NSWALC’s Governing Council, proposed lodging a detailed submission on the proposed amendments to the DPI as this reporting period ended.

The Department had set a July 2009 deadline for the receipt of such submissions.

Aboriginal Land Management Framework

DECCW also held a number of community consultations around the state on the development of a proposed Aboriginal Land Management Framework (ALMF).

Two of the key aims of the proposed ALMF were to improve access to public land for Aboriginal people, and to improve the coordination of service delivery to Aboriginal land holders.

Representatives from NSWALC and LALCs raised serious concerns during the consultation process about the failure in an ALMF Discussion Paper to clearly distinguish between land held by Aboriginal people and the issue of Aboriginal access to public land.

NSWALC responded to the ALMF discussion paper with a detailed public submission.

As a result, the Department formally accepted key recommendations in NSWALC's submission to extend the timeline of the ALMF consultations and pursue a 'two pronged approach' which would provide a clear separation between the attendant issues around public and private lands.

BioBanking

As reported in this space last year NSWALC had secured funding from DECCW to assign a Senior Policy Officer to research the capacity of Biobanking within the LALC network.

NSWALC maintained the position throughout this reporting period and worked throughout the year to methodically build awareness within NSWALC and the land rights network of the DECCW Biobanking Scheme and Land Alive program.

Once an initial project plan was approved, the Unit coordinated an independent legal review to identify any legislative inconsistencies which could impact on Aboriginal landowners who operate in a highly regulated environment under the *Aboriginal Land Rights Act 1983*.

All land dealings that involve a 'change of use' of that land need approval through NSWALC.

Such a change in land use is also required to be included in Local Aboriginal Land Council's (LALCs) Community Land and Business Plans.

NSWALC fulfils both an advocacy and regulatory role with LALCs.

Given this, the Unit sought to maintain impartiality and transparency in the distribution of any information on these issues and will continue in the new reporting period to develop effective working relationships with the Land Alive program.

During this period, the Unit also researched the potential for Aboriginal involvement in the forestry industry.

This research has uncovered a major shortfall in many skilled roles within this sector, particularly in graduate positions.

Discussions have also taken place between Maori forestry companies on various projects in New Zealand/ Aotearoa and relevant economic modelling.

The LPRU's other policy submissions included written responses to the:

- Draft NSW Aboriginal Economic Development Policy;
- Draft NSW Wetlands Strategy; and
- Draft Biodiversity Strategy.

Research

To inform its policy work, the LPRU undertook a range of research projects in the 2008-9 financial year.

In addition to those noted above research projects have included:

- Key government policies outlining requirements to consult with Aboriginal communities;
- Review of the issue of permits which authorise the destruction of Aboriginal Culture and Heritage;
- Impact of Part 3A of the *Environmental Planning and Assessment Act*;
- Review of the *Aboriginal and Torres Strait Islander Heritage Protection Act (Cth)*;
- Intellectual Property;
- Cultural fishing rights and practices;
- Water Rights – marine and freshwater;
- Impacts of climate change on Aboriginal communities;
- Illegal dumping and waste management;
- Human Rights/ Indigenous Rights.

Aboriginal Populations Projections 2006 – 2021

In the absence of available research, and with a view to fulfil the urgent needs for demographic data for future years, NSWALC launched the publication of the Indigenous Population Projections, NSW, 2006 to 2021 in March 2009.

The publication, a compilation of Australian Bureau of Statistics data on Land Council boundaries, addresses the need to provide accurate population projections to year 2021, particularly by NSWALC Regions.

Chairperson Manton also released this document at the Statewide Conference.

She told delegates the publication would provide all Land Councils with better and more useful data which, in turn, would assist them to carry out evidence-based research and better evaluate and report on programs.

“The better and more reliable the data one has—the better one can plan,” she added.

Such data would better inform service delivery, policy formulation and planning processes.

The publication had been developed in consultation with the ABS.

The projections in the publication indicate, amongst other things, an accelerated growth for the Indigenous population of NSW during the next 15 years, with the total Indigenous population growing from 152,685 in 2006, to 211,265 in 2021.

An increase in the aged population would likely have considerable implications on demands for health services, and the growth in the working age bracket of 15 to 64 will likely have considerable implications on demands for a variety of services, including health, housing and social welfare.

While there is a decline in mortality rates, this is not significant enough to have any noticeable impact on improving the life expectancy of Indigenous Australians in the next 15 years.

Even if this decline continues over the next 15 years, the life expectancy gap with non-Indigenous Australians will not close.

The publication is available to the public and other interested groups through NSWALC’s website.

Internal Administrative Policy Audit

A thorough audit of NSWALC’s administrative policies was undertaken during this year.

The policies have been assessed and consolidated with the aim of compiling a comprehensive administrative manual in the new financial year.

LALC Funding and Financial Obligations Policy

As noted elsewhere in this report new requirements under section 113 of the ALRA include a process for consultation with the LALC network and approval by the Minister for Aboriginal Affairs on the development and implementation of NSWALC policies across a range of matters.

An updated LALC Funding and Financial Obligations Policy was the first of these section 113 policies to be developed with a draft provided, as earlier noted, to Local Aboriginal Land Councils at NSWALC’s Statewide Conference.

It was drafted by a NSWALC Working Group made up of NSWALC Councillors and staff, and was approved by the Minister for Aboriginal Affairs following consultation with the LALC network.

Partnerships

NSWALC was successful in forming a range of partnerships with environmental, educational and Aboriginal organisations during the reporting period.

These included:

- Partnerships with the University of Western Sydney, University of Technology, University of Sydney, University of NSW and Macquarie University around the two student internship programs.
- Hot Spots project, coordinated by the Nature Conservation Council (NCC), to support land holders to better manage fire risks. The LPRU assisted the NCC with the development of a DVD involving LALCs which will be released next year.
- Pest Management Course - LPRU negotiated initial discussions with University of Canberra (UCA) that led to supporting a funding

application for an Indigenous module of accredited training in Pest Management. Unfortunately the application for funding for this project to the Federal Government was not successful.

Community, Land and Business Plans

Good progress was made during this reporting period on the development, adoption and approval of the Community, Land and Business Plans of Local Aboriginal Land Councils, as prescribed in the ALRA.

These matters are set out in Division 6 of Part 5 of the ALRA.

The provisions stipulate that each LALC must prepare and implement a Community, Land and Business Plan (CLBP).

The Act sets out a consultation and approval process which must be adopted in relation to the plans and the matters to be covered within them.

Essentially the plans must contain the LALCs objectives and strategies:

- For the acquisition, management and development of land and other assets;
- For the provision and management of community benefits schemes, including social housing schemes;
- For carrying out business enterprises and investment of assets; and
- For Aboriginal culture and heritage matters.

The plans must also contain strategies for the development or acquisition of human resources and skills to implement proposals and timelines for the achievement of all proposals.

They must also contain, among other things, particulars of the assets and liabilities of the LALC.

The plan must be approved by members of the LALC and the NSWALC.

The NSWALC must not approve such a plan unless it is satisfied it complies with the ALRA and the regulations and is consistent with any applicable policy of the Council.

Failure by a LALC to adopt and approve a CLBP, or a substantial failure by a LALC to comply with an approved CLBP, is considered a substantial breach of the requirements of the ALRA.

Such a situation can result in administration.

NSWALC is given an important discretion in relation to these legislative provisions.

Schedule 4 of Part 7, Section 47 stipulates a LALC is to prepare and adopt a CLBP in accordance with the ALRA, not later than 18 months after the commencement of Division 6 of Part 5.

However, NSWALC may extend the period within which the LALC is to prepare and adopt a plan, and may waive the requirement wholly or partially in an appropriate case.

Building Capacity

As noted in this space last year NSWALC is conscious of a lack of capacity and resources at the LALC level to initiate, develop, and implement CLBPs.

To assist with building the capacity of LALCs, NSWALC secured a grant of \$300,000 from the NSW Department of Aboriginal Affairs (DAA) and \$250,000 from the Indigenous Land Corporation (ILC).

These monies have been used to finance the development of CLBP resources and training.

They have also been used to provide one-off small grants to LALCs to assist with the development of their plans.

A total of 71 LALCs received a small grant for this purpose by the completion of the small grants program in December 2008.

The grants enabled LALCs to consult more broadly within their communities, and better engage members in the planning process.

A portion of the grant monies was also used towards the sourcing of, and analysis of demographic information on behalf of LALCs.

In July 2008, NSWALC engaged a statistician to undertake an analysis of this information which was collected within LALC boundaries.

Each LALC was provided a complete analysis of the data which was subsequently used to assist with the preparation of their plans.

As also noted in this space last year LALCs were able to apply for grants of up to \$50,000 to engage skilled consultants to assist with the development

and implementation of plans as a result of ongoing discussions between NSWALC and the Department of Education, Employment and Workplace Relations (DEEWR).

As anticipated, the majority of LALCs engaged a consultant with the assistance of DEEWR.

Approval and Implementation of Plans

A CLBP only takes effect when it is approved by the NSWALC, in accordance with Section 84(6) of the ALRA,

The majority of LALCs had prepared, adopted and had a plan approved by NSWALC by the end of this reporting period.

The LALCs must now operate within the scope of their plans.

NSWALC will continue to work closely with the LALCs throughout the initial phase of implementation of their plans, to ensure compliance as required by the ALRA.

Statutory and Departmental Committees

The Unit also conducted an audit during the reporting period of NSWALC representation on a number of Statutory and Departmental Committees.

The details of these committees are now compiled on a register.

Unit staff are now maintaining the register to ensure current and accurate information.

NSWALC was represented on the following Committees during the reporting period:

- Aboriginal Communities Water and Sewerage Program Steering Committee
- Aboriginal Cultural and Heritage Advisory Committee (ACHAC)
- Aboriginal Heritage Advisory Panel
- Aboriginal Land Management for Biodiversity Subcommittee
- Advisory Committee of NSW Aboriginal Water Trust
- Anti Discrimination Board - Aboriginal and Torres Strait Islander Advisory Committee

- Community Engagement Advisory Committee
- Game Council of NSW
- Geographical Names Board
- Two Ways Together - Job Compacts Steering Committee
- Natural Resources Advisory Council - Standing Committee for Sustainable Resources and Conservation
- State Water Community Advisory Committee
- Two Ways Together Coordinating Committee
- Two Ways Together Regional Engagement Group
- Aboriginal Land Management Framework Interagency Working Group
- Department of Primary Industry - Aboriginal Reference Group

NSWALC is represented on a number of these committees by elected Councillors.

International Engagement

A delegation from NSWALC attended the 8th Session of the United Nations Permanent Forum on Indigenous Issues in May 2009.

The delegation included - Councillor Patricia Laurie; Councillor Craig Cromelin; Policy Coordinator Jason Field; Executive Officer David Lee and consultant Aden Ridgeway.

NSWALC contributed to the Aboriginal and Torres Strait Islander Caucus of Australia's agenda item titled - "Human rights: Implementation of the United Nations Declaration on the Rights of Indigenous Peoples."

The paper highlighted the Northern Territory Emergency Response (NTER) and the suspension of the Racial Discrimination Act 1975.

This item was delivered by NSWALC at the Permanent Forum.

Aboriginal delegates to the Permanent Forum called on the UN to instigate a worldwide study into the economic and health impacts of assimilation policies on Aboriginal peoples.

This was announced in a public statement issued by Councillor Patricia Laurie during her attendance.

Councillor Laurie told the UN that the policies of the current Australian government were not consistent with major UN principles.

She noted that past and current employment and enterprise development strategies did not sufficiently engage Aboriginal Australians.

They continued to be based around mainstream ideologies for all Australians and “wrongly assumed that such mainstream employment strategies were automatically transferable to Aboriginal Australians.”

“This was misleading,” she added.

Councillor Laurie said many Governments, such as Australia’s, had a history of imposing assimilation policies.

It was time that the world, with UN endorsement and support, developed a research agenda to study the real impact of these policies. In many respects they were still alive and practiced today.

Councillor Laurie said the Permanent Forum was also urged to vote to encourage all States to recognise the need for investment to improve Aboriginal health outcomes.

The Tingha Collection

NSWALC holds a number of art and artefacts collections, including the Tingha/ Green Valley Collection (the Tingha Collection) which was purchased in 1996.

At the time of purchase the Tingha Collection was made up of 737 artefacts, including 653 stone artefacts and 79 wooden artefacts.

Most of the artefacts were identified as originating from NSW, mainly from the New England area.

After its purchase the collection was stored locally for NSWALC at the Armidale Keeping Place and Community Centre (the Keeping Place).

During this reporting period, LPRU completed a comprehensive new catalogue of the Tingha Collection with the assistance of archeologist Dr. David Crew.

Plans for the future management of the collection and NSWALC’s other collections were under review as this reporting period ended.

Student Intern Program

NSWALC has engaged volunteer student interns from various universities to help with its research work since 2008. In return for their work the students received academic credit. This program has been very successful.

Research projects completed by the students have included: a review of joint management arrangements of national parks in NSW; development of a draft community education resource about sites of resistance and massacres in NSW; an evaluation of culture and heritage law in NSW; updated sections of the NSWALC Culture Awareness Guide; and draft Fact Sheets about sustainable land use options for LALCs.

In 2008-09 NSWALC also developed a partnership with the University of Western Sydney for a targeted Aboriginal Student Internship Program.

The aims of the NSWALC Aboriginal Student Program are:

- to increase the skills and employability of Aboriginal students and boost their chances of successful long term employment in relevant industries;
- to raise awareness amongst Aboriginal students about NSWALC and the NSW Land Council network;
- to encourage Aboriginal students to consider working in an Aboriginal Land Council once they graduate.

The internship was advertised in March 2009, and the first student interns are due to work with NSWALC in Semester 2 of the 2009 academic year.

The Land, Policy and Research Unit (LPRU) would like to acknowledge and thank those students who have contributed to our research during this reporting period through the Student Intern Research Program.

They were:

Dannielle Ryan	Kate Hanson
Alexandra Russ	Kate Best
Sharon Close	Louise Bradley
Megan Lipworth	Julian Boswell Brittany
Short	Jayne-Ann Demeny
Georgia White	Kentato Hamasaki
Nicole Creenaune	Sharon Sunderland
Liz Fairfax	Joshua Boland

Media and Marketing

The Media and Marketing Unit again recorded one of its busiest reporting periods since the re-establishment of the Unit in 2004.

NSWALC's increased public advocacy work through the Governing Council progressively increased the Unit's workload through the reporting period.

The Unit's activities included:

- Informing Local Aboriginal Land Council Boards, their members and staff, as well as NSWALC staff, on a range of issues by drafting and issuing a series of internal network messages in consultation with the Chairperson and the Chief Executive Officer.
- Preparing a range of media statements, speeches and background briefing papers for Councillors and the Chief Executive Officer on a wide range of issues.
- Producing and distributing NSWALC's 2007/08 Annual Report.
- Assisting in the drafting and production of NSWALC's Community Land and Business Plan.
- Upgrading and maintaining the organisations' Intranet and Internet sites.
- Designing, producing and distributing a wide range of marketing materials.
- Maintaining a close liaison with Minister Lynch's media staff and those of relevant stakeholders.
- Dealing with constant inquiries from Aboriginal and mainstream media on the political activities of the Governing Council, legislative changes arising from the ALRA Review, land dealings and LALC matters, as well as a stream of email traffic from the NSWALC website seeking a wide array of information on Aboriginal Affairs issues.

The Unit also assisted the Council and the Chief Executive Officer with a range of strategic public affairs issues throughout the year.

These included the planning, organisation and "branding" of the NSWALC Statewide Conference in the Hunter Valley, in close consultation with

Executive Officer, David Lee, the drafting of submissions to Council, and a submission to the NSW Legislative Council's Inquiry into Aboriginal Disadvantage.

In addition the Unit continued to develop the NSWALC Aboriginal Resource Centre on the ground floor of Head Office, which incorporates the Unit's work areas, NSWALC reception facilities, and a steadily growing reference library on Aboriginal Affairs issues.

The establishment of the Resource Centre has significantly increased the amount of off-street inquiries the organisation received during this reporting period for promotional material.

Established in early 2008, the Centre has proved to be an increasingly valuable facility for NSWALC, particularly the Reference Library, which is maintained by Ms Thoms with assistance from Ms Puckeridge, Ms See and Mr Mundine.

It has become an operational hub which is frequently used by Councillors, and staff.

Media Releases and Speeches.

The Unit drafted more than 30 speeches and speaking notes for members of NSWALC's Governing Council during the reporting period and more than 70 media statements.

The speeches focused on the contemporary and historical importance of land rights and the many challenges which lie ahead to build on the gains achieved over the past 26 years.

Key speeches included those drafted in consultation with Chairperson Manton and Deputy Chairperson Briggs to open and close NSWALC's Statewide Conference in March. These are detailed elsewhere in this report.

Regional Councillors were also assisted with individual speaking notes for Regional Forums and other key events they convened, or attended, during the reporting period.

Speeches and media statements provide a valuable insight into the public advocacy work of NSWALC's Governing Council, and individual Councillors, throughout the reporting period. They also provide a useful historical reference point for those interested in using this document each year as an aid to charting the progress of land rights in NSW.



Bev Manton, NSWALC Chairperson, delivers the inaugural Kevin Cook Memorial Lecture at the annual Yabun Festival in Sydney on January 26, 2009—Invasion or Survival Day.

In this regard, special mention should be made of one speech by Chairperson Manton for the significance of its subject, content and timing.

It was the inaugural Kevin Cook Memorial Lecture delivered at the annual Yabun Festival in Sydney on January 26, 2009—Invasion or Survival Day.

It is often said that NSWALC fails to acknowledge the pioneering work which led to the current land rights system while those who fought to achieve the gains are still alive.

This lecture gave NSWALC the opportunity to honour the work of NSWALC's first elected Chairperson Kevin Cook and his partner Judy, who both live in Sydney and tell a little of their history and those who joined them in the struggle in the 1970's.

It came at a Festival, part funded by NSWALC and Tranby Aboriginal College, and its delivery fell in the 25th anniversary year of the proclamation of the Aboriginal Land Rights Act (NSW)

Chairperson Manton opened her speech by noting it was all too easy to forget the "hardships, the struggle and the successes of those who have come before us."

She said she was delighted to be delivering a lecture dedicated to Kevin Cook.

He was a man who required no introduction to many of her audience.

Certainly, no-one who had graced the corridors of Tranby Aboriginal College or NSWALC over the past

quarter century or so and "delled into their rich history and that of land rights in NSW."

"Cookie was at the centre of it all as General Secretary of Tranby and the first elected Chairperson of NSWALC," she said

"It was from Tranby that he used the political and organisational skills honed in the trade union movement to effectively campaign for the introduction of what became the first ever Land Rights Act in NSW.

"NSWALC was formed in 1977 out of the Black Defence Group which never stopped campaigning for recognition of our dispossession which all began with the arrival of the First Fleet on this day so many years ago.

"We owe a great debt to our early warriors, the warriors and fighters for our rights who - like Kevin - fought so hard to achieve many of the rights and programs we enjoy today.

"And they did so at a very different time in our history.

"In the 60's and 70's attitudes towards Aboriginal Australians was much more entrenched, much more anti any attempt for us to enjoy the same rights as other Australians.

"We are talking primarily of the 60 and 70 and early 1980's.

"It was a dynamic time in the history of Australia and the history of Aboriginal Australians.

“New South Wales was at the forefront of those struggles and the major historic events such as Day of Mourning, the Freedom Rides, the Royal Commission into Aboriginal Deaths in Custody, an Aboriginal Presence at the United Nations and, of course, the establishment of the Tent Embassy.

“Cookie does not enjoy the best of health these days....but nothing has dampened his spirits.

“I am sure it has never dampened the spirits of the other warriors who are still with us – warriors like Ossie Cruise, Gary Foley, Chicka Dixon, Lynn Thompson, Naomi Mayers, Sol Belleair, Faith Bandler, Lyle Munro Senior and Paul Coe.

“This is by no means a comprehensive list, but I just wanted to mention a few of the many.

“Tragically, many are no longer with us. And that list is an even longer one.

“To give just a few examples, it includes greater fighters like Charlie Perkins, George (Bandit) Rose, Manuel Ritchie, Mervyn Penrith (better known to you all as Burnum Burnum), Tombo Winters, and great women warriors like Mum Shirl and Essie Coffey.

“They achieved so much.

“Amongst their greatest successes was to get mainstream Australia to see the justice of our cause and to join with us in our struggles.

“I am thinking in particular of how they got so many trade unions to join in our struggles.

“The Wharfies, the Builders Labourers, the Metalworkers and, soon afterwards, the Teachers Federation and a lot more unions, many church leaders, such as Reverend Fred Nile and so many others, including university students.

“It was a significant turning point, as was the decision to push for an international Aboriginal presence in the UN and other world bodies.

“They fought the good fight.

“And they did so without seeking personal recognition or financial reward

“Kevin, this annual lecture is NSWALC’s and Tranby’s tribute to you.... and to your partner Judy, who I’m pleased to say is with us today.

“Although now retired, Kevin— and Judy— are still active in the ongoing fight for a better deal for our people.

“It is my privilege to deliver this inaugural lecture in recognition of their past and ongoing work.”

Chairperson Manton said it was a great privilege to use the speech to formally announce that NSWALC, Tranby and several other Aboriginal Peak Aboriginal organisations throughout New South Wales had formed a widely representative Coalition of Peak Aboriginal Organisations.

She expressed the hope the Coalition “will provide a strong, co-ordinated and united voice to address Aboriginal issues which include health, education, housing, employment, legal equality and social justice.”

“The Coalition has taken the view that since the demise of ATSIC, there has been a lack of a powerful representative body that could represent the interests of the vast majority of Aboriginal people throughout the State,” she added.

“We hope to build on the principals of the Coalition of Aboriginal Organisations that was established by Kevin Cook and others in the 1970s.

“We look forward to many Aboriginal organisations joining with us.”

Chairperson Manton said Survival or Invasion Day was an appropriate time to remember that Aboriginal people had suffered over two centuries of oppression and conflict...and still do.

“As we all know this began with the arrival of the British colonists, 221 years ago today,” she added.

“We cannot forget, nor should we, that we have been progressively dispossessed of our land without the benefit of a treaty, agreement or any form of compensation.....until the passage of land rights thanks to the work of Kevin Cooke and many others.

“We cannot, and should not, ever forget the massacres, the torture, the diseases and the dispossession and dispersal from our lands.

“We continue to survive, and seek to thrive, against seemingly insurmountable odds of early death, high unemployment levels and in many areas low educational levels.”

Chairperson Manton said NSWALC’s Governing Council had shown since taking office that it was prepared to take practical steps to improve the health and well being of our people.

"We will be spending more than \$200 million over at least the next 25 years to provide basic water and sewerage services to our people in partnership with the State Government," she added.

"We have put \$30 million of our compensation monies aside to fund a perpetual education scholarship scheme to increase opportunity.

"We are now looking at a number of other practical and innovative ways to provide greater community benefits in housing, health and business development and to increase participation in the political process.

"We are working closely with both State and Federal Governments on these initiatives.

"However it is clear to me, and my fellow Councillors, that we must find a balance between the practical and the symbolic, and between rights and responsibilities.

"Only when that balance is struck can we truly believe that we have realised the vision of those, such as Kevin Cook.

"The time has come for our major peak bodies to continue the fight for agendas that were set by our great warriors.

"They include such fundamental rights as

- Land rights;
- A Treaty.

" And other key outcomes of more contemporary times such as:

- A properly elected national representative body;
- The re-instatement of the *Racial Discrimination Act*; and
- An end to the racist and impractical Northern Territory Intervention – in particular the quarantining of wages.

"I call on all of our leaders to continue the struggle for justice and rights.

"But I must warn you that by stepping forward the path we tread won't be easy.

"We need your determination, your will to right the wrongs.

"There are many challenges that we will have

to confront on the road ahead – but we need to work together to make the first Australians equal Australians.

"Let us walk and work together to achieve a truly equal Australia.

"A big task. But surely one worth striving for."

Network Messages.

As noted in this space last year, the provision of timely and accurate information to the land rights network, and the wider Aboriginal community, is a major ongoing issue for NSWALC's Media and Marketing section, in particular, and the organisation, in general.

This is particularly so given the minimal coverage of major land rights issues from an Aboriginal perspective in mainstream media in NSW and the lack of internet access in most Aboriginal communities.

It should be noted, however, that it was rare during the reporting period for an edition of the two Indigenous-specific newspapers, the *National Indigenous Times* or the *Koori Mail*, to appear without a positive story regarding the activities of NSWALC and the land rights network.

Given all of the above, the Media and Marketing Unit sought to keep NSWALC staff, and Local Aboriginal Land Councils, informed through the provision of network messages throughout the reporting period

These messages were issued on behalf of the Council Chairperson and the Chief Executive Officer.

The Unit received positive feedback on the network messages, particularly those which explained strategic decisions about why and when NSWALC sought to, or decided not to, intervene in public debate about the land rights system, and on important staff movements and issues.

NSWALC has a strict policy of not responding, where possible, to media debate on disputes within LALCs, or between NSWALC and LALCs.

It takes the view that no-one within the land council system stands to benefit from such public conflict, other than the media.

The system of network messages enables NSWALC to

correct media misinformation on such disputes and on other important matters within the land rights system without fuelling public controversy.

This was best illustrated during this reporting period by a network message issued on behalf of Chairperson Manton following a speech to an Aboriginal Housing Office Summit in September, 2008.

Chairperson Manton used the occasion to seek to dispel a number of popular myths about the intent of land rights and the management by LALCs of social housing.

She told the audience that despite the current and collective economic worth of land returned to Aboriginal people in NSW, land rights alone could not—and was never going to—solve the deep seated and complex disadvantage that Aboriginal people face.

“Our greatest challenge,” she added, “is to ensure we bury the myth that land rights were a magic bullet which would solve all the socio-economic disadvantage of our people.

“Indigenous people across this country including the Aboriginal people of NSW face significant disadvantage as a result of their current housing situation.

“Many of these houses are owned and managed by Local Aboriginal Land Councils.

“It really goes without saying that what we want to see is affordable, appropriate and healthy housing for our people.

“It is how we achieve this aim that is the challenge for government, NSWALC, LALCs and communities.

“Certainly, in the land council network we have a huge task ahead of us.

“I am also hopeful that today I might be able to dispel a few myths about Aboriginal Housing, particularly about LALC owned and managed Aboriginal housing.

“And I would also like to speak to you about housing in the context of reform, reform of the sector generally, but specifically reform of LALC housing which is essentially mandated through the amendments to the *Aboriginal Land Rights Act*.

“Although we are all here today to look to the future, first we must recognise the past and how it

is that as Land Councils we came to be the owners and managers of over a third of all Aboriginal social housing in NSW.

“It was with the introduction of the *Land Rights Act* in 1983, which we have just recently celebrated 25 years of; this heralded the transfer of land and housing stock, from the Aboriginal Lands Trust to Local Aboriginal Land Councils.

“Much of this land and housing was former missions and reserves, and the transfer of this housing stock saw the transfer of responsibility of management of the stock to land councils and away from government.

“Backlogs in maintenance and under-funding in the years that followed only exacerbated the inequities between mainstream housing and LALC social housing, which include:

- The majority of housing stock when first handed over was in very poor condition;
- LALC housing like all indigenous housing is overcrowded to a point where the housing stock deteriorates very rapidly – and there are major problems with the health of our people as a result; and
- In the past tenants were justifiably reluctant to pay rent for sub standard housing, LALC’s as a result suffered under the strain of limited rental income.

“Whilst many LALCs continue to face these same issues on a day to day basis I would like to dispel a few myths.

“The myth that Aboriginal people don’t pay rent; that local land councils are poor housing managers and that all Aboriginal housing is in a state of disrepair because of the tenants of the housing.

“In fact Local Land Council housing represents 30% of all Aboriginal Housing in NSW, and Land Councils are a largely unrecognised majority stakeholder in the Aboriginal Community Housing Sector.

“Local Land Councils own and manage over 2600 units of housing stock, and accommodates almost 13 000 Aboriginal persons.

“It might surprise many to know that in 2006/2007 Local Land Councils in NSW budgeted for over \$9

million in rent and received close to \$8 million in rental income.

“That’s an 86% collection rate.

“I would like to reiterate that point; in 2006/2007 Local Land Councils in NSW collected 86% of rent with no government assistance.

“Therefore, many LALCs in NSW do an extraordinary job of managing housing. It is not easy to endorse the eviction of tenants or seek large sums in back rent when the tenant is a family member or friend.

“But I must say the majority of LALCs do the best they can without any assistance from government, unlike community housing or public housing which receives significant financial subsidy.

“Despite the best efforts of local land council’s 8 million dollars a year is still not enough money to cover all the expenses that come with providing housing, and it is certainly not enough to cover the long term maintenance requirements, that are inherent in the provision of rental housing.

“This brings us to the question of how we achieve our aim; of affordable, appropriate and healthy housing, in the context of:

- shrinking government funding;
- increasing government demands for LALCs to be accountable for the housing they manage; and
- maybe most importantly, for LALCs: the recent amendments to the Land Rights Act in the context of housing.

“I am not going to pretend the task ahead will be easy nor would I suggest it will be painless; not for NSWALC, nor LALCs and not for communities and tenants.

“The recent amendments to the *Land Rights Act* demand more from LALCs than mainstream community housing providers, and certainly more than is demanded of the government as a provider of public housing.

“The *Land Rights Act* now requires Local Aboriginal Land Council’s who wish to continue to provide residential accommodation to Aboriginal people to seek approval to operate a Social Housing Scheme by July of 2010.

“NSWALC is the approval authority under the Act which must determine if a Social Housing Scheme meets the requirements of the Act.

“The Act originally required approval be sought by the end of this year. However, following representation from NSWALC and the Registrar of the ALRA, the *Land Rights Act* was recently amended to provide further time.

“We certainly recognised that this extension of time was essential to ensure we developed a policy and approval process to assist Land Council’s to seek approval from NSWALC.

“For us to approve a LALC to operate a social housing scheme, the LALC must first demonstrate they meet some rather prescriptive and stringent requirements.

“Not all land council’s will have the capacity to meet these requirements, and some tough decisions will need to be made.

“The requirement that many Land Councils will fail to meet is, that of financial viability.

“The act requires that NSWALC must not approve a Land Council to operate a Social Housing Scheme, unless the income from the scheme is, or will be sufficient, to meet all the expenses including long term maintenance costs.

“The income of the scheme is the rent collected and any ongoing subsidy the Local Aboriginal Land Council may be able to access to ensure long term maintenance and other costs are met.

“The task of demonstrating that the income collected will meet all the costs associated with housing will be particularly difficult for land council’s that manage housing on former reserves.

“Many in the wider community are unaware that land councils, that manage former reserves are burdened, with not only the costs all other housing owners face; but the additional costs of providing essential infrastructure and services such as:

- Water and sewerage;
- Street lighting and roads;
- Garbage collection; and
- The upkeep of large common areas that adjoin these lands.

“Whilst these costs are great it is hoped that one

of the most exciting and innovative programs to be announced in the 25 year history of land rights in New South Wales will assist land council's in meeting some of these expenses.

"Early this year the New South Wales Aboriginal Land Council and the State Government announced an historic agreement to improve the health and well being of Aboriginal men, women and children in NSW.

"Both parties have committed to more than \$100 million for at least the next 25 years for the operation, monitoring and maintenance of water and sewerage services in more than 60 communities - many former reserves and missions - across the State.

"The package will provide water disinfection by replacing pipes and treatment plants, improvements to water quality, repairs to centralised sewerage systems and subsurface irrigation, regular inspections and maintenance of pump stations and water treatment plants, regular maintenance and cleaning of sewer pumps and sewer mains, and the regular collection and testing of water."

Chairperson Manton pointed out the program was not developed in response to the housing amendments to the Land Rights Act but there "are certainly linkages between the two."

She then turned to a new requirement of the Act which requires a Social Housing Scheme conducted by a LALC must be fair and equitable and administered in a responsible manner.

"This requirement," she added, "will mean that Land Council's must have endorsed policies and procedures.

"These policies and procedures will need to address the issues of who is eligible for housing and how housing is allocated.....issues which have been contentious in Land Council's and communities for generations.

"Although the changes to the Land Rights Act demand a lot of NSWALC, Land Councils and ultimately tenants, I firmly believe if we rise to the challenge we will be building the foundations to reach our goal, of affordable, appropriate and healthy housing.

"How can Land Council housing remain affordable if it also has to meet all the outgoing costs associated with its provision, I hear you ask.

"Well, through appropriate government support and subsidy is my response.

"Land Council's that operate social housing schemes can capture government funds in one of two ways:

"Firstly, through increasing rents to make sure all our tenants that are eligible to receive rent assistance do - many of our tenants are currently disadvantaged and don't receive the assistance they should from government, because rents are not set high enough for people to receive rent assistance ; and

Secondly, through participating in the AHO's reform process by either seeking accreditation or through using the services of a RAHMS; and therefore ensuring the land council is at least eligible for funding.

"There is, of course, another option, one I know some land council's are considering;

"That is transferring the responsibility of LALC social housing to a body that can afford to maintain and continue to provide it for the benefit of Aboriginal people.

"I am talking about head leasing Local Land Council social housing to a body such as the AHO.

"This option would mean the housing would still be available for Aboriginal people but that a government body (who transferred the responsibility to us in the first place) would be responsible for all the costs of the housing.

"I must emphasise under such proposals "title" ownership would, and must, remain with the Local Aboriginal land Councils.

"Under a 'head leasing' arrangement the body to whom the properties may be leased would be responsible for management of the properties; for ensuring resources are available to maintain the stock; would be responsible and report to the LALC."

Ms Manton said there was no doubt that "no matter what option a land council chooses it is likely to meet resistance from members and tenants."

The Chairperson said there was no doubt the "initiatives" put into place by the former Howard Government and continued by the Rudd Government were focused on diverting financial resources for the maintenance and support of current stock, and the provision of additional stock to remote communities in Northern Australia.

This left the responsibility for rural and urban

communities in New South Wales to the State Government which could not meet current demand.

In short, "while governments dither, people suffer."

The cost shifting game continued, she added.

Chairperson Manton said there was a need for a strong AHO to support the provision of housing for Aboriginal people in NSW.

The land rights network needed to support the AHO.

"The world is changing beneath our feet," she said.

"it is our joint responsibility to rise to meet these challenges.

"We are all here today because we care....we care about what is happening...and we care about how it is affecting Aboriginal people across NSW

"This will require all of us to be diligent, to be strategic, and to be brave. This is not a time for the faint hearted.

"We must put our best case forward to achieve the best result.

"At the same time we need to look inward, to how we are performing and ask: are we doing the right thing? And doing things the right way?"

Chairperson Manton said the Commonwealth Government had indicated it was willing to desert Aboriginal housing in NSW.

It viewed the NSW Housing sector in "its current form as inefficient, as unviable."

Half of the Aboriginal population in NSW was under 20.

This younger demographic would be starting their own families who would require appropriate, affordable and healthy housing.

It was now time for NSWALC and Local Land Council's to determine just how they wanted to structure the management of social housing into the future.

This speech, like the Kevin Cook Memorial Lecture, went unreported in mainstream media but it was made available to the land rights movement through its distribution as an attachment to a network message.

Such messages remain an essential internal communications tool for the Unit with more than 20 issued during this reporting period.

They will remain a key distribution vehicle in the new

financial year.

NSWALC also considers set piece public speeches, such as the Kevin Cook Memorial Lecture, provide an important contemporary vehicle to keep the history of land rights alive and commemorate the hard work and commitment of all those who have worked to improve land rights in New South Wales.

Online Services.

Most of the network messages and speeches are archived on NSWALC's Intranet which was launched in November 2005 and upgraded just before the start of this financial reporting period.

The new site, as reported previously, was designed to offer all staff, irrespective of their location within the organisation, easy access to corporate information in a comprehensive, logical and thorough way.

The Intranet has proven to be an excellent communication tool in the far flung operations of NSWALC and has greatly increased the ease, frequency and quality of inter-agency communication. The take up rate and use of the facility remained strong throughout the reporting period.

The Unit worked closely with the Information Technology Unit and Antares Solutions during the reporting period on an upgrade of NSWALC's Internet site, which can be accessed at www.alc.org.au.

The website remains an increasingly popular source of relevant information on NSWALC's role, objectives and organisational structure for members of the LALC network, the wider Aboriginal community, government departments, educators, students and the general public.

The Unit received more than 15,000 requests for information on land rights from the PenWurru feedback facility on the site.

While it dealt with these inquiries, and worked on the design of the new site, the Unit continued to remove dated content and uploaded new resource documents, media statements and speech material during this reporting period.

New material included:

- A sub site dedicated to NSWALC's Statewide conference in March;
- A sub site on the NSWALC campaign to influence proposed changes to Aboriginal Culture and Heritage laws, including a range of fact sheets on the summary of the proposed changes and their possible impact on the land rights network;
- Information on ongoing changes to the *Aboriginal Land Rights Act*;
- NSWALC's position on bio-banking and the proposed formation of Elders and Youth Advisory Councils.

As noted earlier all public statements issued on behalf of all nine Councillors can be accessed through the site.

Public statements issued during the reporting period covered a wide range of national, state and international issues and included statements from most Councillors on the regional impact of NSWALC's water and sewerage and education initiatives with the State Government.

The new and improved website will be launched early in the new reporting period.

Resource Centre and Promotion

It largely falls to the Media and Marketing Unit to publicly promote the activities, objectives and policies of NSWALC to the ALC network, the Aboriginal community and the wider public through specific promotional events and the distribution of marketing materials.

The production and distribution of these materials is co-ordinated through the Resource Centre. All are designed in-house.

The design and desk top publishing activities of the Unit deliver a significant cost saving to the organisation.

NSWALC's participation in a range of cultural and sporting events, including the Yabun concert, Rugby League Knockout Festivals, and the Deadly Awards, provided a focus for its most highly visible promotional events.

The organisation was able to capitalise on the large

crowds at such events to distribute its marketing materials through information booths to promote the work of the Governing Council.

A large range of promotional materials were produced in this regard throughout the reporting period.

The promotional material ranged from bookmarks to land rights key rings to posters to T-shirts to commemorate the 25th anniversary of the proclamation of the Aboriginal Land Rights Act and information on NSWALC's education scholarships

Among the most popular were posters, designed and produced by the Unit, which celebrated the Silver Anniversary of land rights and a companion poster on the Preamble to the Act.

In addition to these activities almost five thousand books and documents relating to land rights and Aboriginal Affairs had been catalogued in the Resource Centre Reference Library by the end of this reporting period.

Media Protocol

As reported in this space last year one of the earliest decisions taken by the new Governing Council was to officially adopt a protocol for NSWALC's dealings with all media.

The protocol sets out the procedure to be observed by NSWALC Councillors and all staff in dealing with media requests about NSWALC policy and its operations.

Under the protocol all Councillors and staff are requested to ensure that all media inquiries on NSWALC policy and operations are referred, in the first instance, to the Media and Marketing Office.

The Council considers that this ensures the proper and appropriate preparation of co-ordinated responses for consideration and clearance by the Chairperson, and relevant Councillors, in consultation with the CEO.

The protocol does not impinge on the ability of individual Councillors to discuss issues of local or regional relevance to their duties and responsibilities as elected representatives with local and regional media.

It remained in place throughout this reporting period.

The Year Ahead

As this reporting period ended the Unit was completing a major documentary on the 25th Anniversary celebrations, completing an official record of proceedings from NSWALC's Statewide conference for publication, completing the upgrade of the website and assisting the Land, Policy and Research Unit mount a public awareness campaign on culture and heritage.

It was also working on a business case for the employment of a dedicated co-ordinator for the Resource Centre and the employment of a dedicated Media and Marketing Officer to oversee and maintain the flow of information to NSWALC's online services.

This would assist the Unit cope with its increasing workload.

Funds Granted to Community Organisations

There are two major categories of funds. The first, and by far the largest category, is the annual allocation of funds to Local Aboriginal Land Councils, totaling \$14.3m in 2008/2009 compared to \$13.6m in 2007/2008.

These allocations are used primarily as a contribution toward the annual operational expenses of the Councils, and also for Council approved capital acquisitions.

The second category is other grants to community organisations and individuals in several categories, totaling \$2.26m during this reporting period, compared to \$831,946 in the 2007/2008 financial year.

These included a total of \$550,598 in grants to assist with funerals.

Aggregated details of grants less than \$5,000 are provided below, as well as a listing of individual grants of \$5,000 or more and a brief description of the purpose of each of these grants.

Legal Matters

The NSWALC Legal Services Unit reported another busy year, particularly in relation to its work on land claim appeals and ongoing commercial litigation matters.

The LSU continued to have ongoing involvement during this reporting period with the Land Rights and Policy Unit by providing direct assistance and by direct involvement with external solicitors in the assessment of refusals of land claims and the running of appeals on refused land claims.

It has ongoing involvement in land claim appeals being run in the Land and Environment Court, Supreme Court, Court of Appeal and High Court of Australia, as well as providing legal services more strategically to the CEO and the Council.

The LSU is also increasingly involved in many of the commercial activities of NSWALC and Local Aboriginal Land Councils, in conjunction with the Commercial Unit of NSWALC.

The Unit has been involved in the analysis and assessment of the more complex applications for approval under sections 40B and 40D of the Act.

Wherever possible, subject to capacity constraints, it is the preference of the LSU to advise on these matters internally in order to build up in-house expertise.

Legal services were also provided to Local Aboriginal Land Councils through the Zone Offices where specific advice had been requested on matters which NSWALC considered to be of particular importance to the LALC Network as a whole.

The Unit anticipates an ongoing role in the appeals processes during the next reporting period.

It also anticipates more involvement in the assessment of commercial activities by NSWALC and LALCs, leading to an enhanced internal capacity to add value and reduce external costs to NSWALC.

Grants Paid - 2008/2009		
MAJOR GRANTS (>\$5000)		
Payee	Purpose	Amount
Discretionary Grants		\$
National Rugby League Limited	Sponsorship of Indigenous Dreamtime Team in Rugby World Cup	15,000.00
NSW Aboriginal Housing Office	Contribution to The Joint NSW Community Housing Conference & Aboriginal Housing Summit	100,000.00
CAF Australia	Education Scholarship Grant	1,090,202.38
Newington College	Education Scholarship Grant	6,199.97
Presbyterian Ladies' College	Education Scholarship Grant	13,600.03
Australian Indigenous Leadership Centre	Education Scholarship Grant	90,909.09
Total Major Grants	6	1,315,911.47
MINOR GRANTS (<=\$5000)		
CATEGORY	NUMBER	AMOUNT
Discretionary	71	390,812
Funeral	399	550,598
Total	470	941,410
SUMMARY TOTAL OF GRANTS		
Discretionary	73	505,812
Funeral	399	550,598
Education Scholarships	4	1,200,911
Total of All Grants Paid	476	2,257,321

External Legal Costs

Expenditure on external legal service providers during the reporting period can generally be broken down into the following categories:

- Legal review of land claim refusals - 8.6%
- Land claim litigation (appeals where land claims have been refused) - 25.9%
- Compulsory acquisitions affecting land claims - 4.6%
- Legal advice relating to the LALC Network - 19.8%
- NSWALC general advice - 20.4%
- Other NSWALC litigation - 15.4%
- Review of Land Rights Act - 5.3%

Land Claims

As reported earlier the 2008/2009 financial year was a successful one in NSWALC's continuing struggle for land rights.

The Legal Service Unit and the Land Rights and Policy Unit continued NSWALC's policy of reviewing all land claim refusals on behalf of Local Aboriginal Land Councils in order to ascertain whether any refusals should be appealed to the Land and Environment Court.

Both worked with external solicitors to appeal, where appropriate, the refusal by the Minister for Lands to grant land claims brought by NSWALC on behalf of LALCs.

To date NSWALC has won 12 out of 15 appeals against land claims refused by the Minister. These wins have occurred in the Land and Environment Court, the Supreme Court, Court of Appeal, and the High Court of Australia.

The successful land claim appeals have resulted in substantial tracts of land being vested in Local Aboriginal Land Councils including at Bathurst, East Lindfield, Nambucca and Kempsey.

First High Court Decision

The decision of the High Court of Australia on 2 October 2008 in *Minister Administering the Crown Lands Act V NSW Aboriginal Land Council* was the first High Court case to consider the interpretation of section 36 of the *Aboriginal Land Rights Act 1983*.

NSWALC, on behalf of the Wagga Wagga Local Aboriginal Land Council, made a claim on 23 May 2005, to an 815 square metre allotment in the Wagga business district.

The site had been used as a motor registry from 1958 to 1985 and afterwards has been used to store old office furniture. A derelict and vandalised two-storey brick building stood on the site.

After a plan to convert the building into a laboratory was abandoned in 2004, the State Government decided to sell the site.

Before the land claim was made, a real estate agent was appointed, an identification survey of the land was made, the Register-General issued a certificate of title, reservation of the land for a "government supply department office and workshop" was revoked, and an auction date of 8 July 2005 was fixed.

The Minister for Lands refused the claim.

He determined the land was not claimable Crown land because it was lawfully used and occupied by the Department of Lands in preparing it for sale.

Under the *Aboriginal Land Rights Act 1983* lands cannot be "claimable Crown lands" if the land is "lawfully used or occupied".

NSWALC appealed to the NSW Land and Environment Court against the refusal of the claim. Justice Bischoe subsequently dismissed the appeal.

His Honour held that the decision to sell the land, and the steps taken to do so, were an actual use of the land.

NSWALC appealed to the Court of Appeal which allowed the appeal.

The Court held that that the land was not being used when the claim was made, declared that the land was claimable Crown land, and ordered the Minister

to transfer the land to the Wagga Land Council.

The Minister for Lands then sought special leave to appeal this decision to the High Court.

On 2 October 2008 the High Court unanimously dismissed the appeal.

It held that sale of the land would amount to exploitation of the land as an asset but it did not follow that exploitation by sale amounted to use of the land.

The preparatory steps taken to bring about the sale did not amount to lawful use.

Nothing was being done on the land when the claim was made and nothing had been done for a considerable time before then.

Visits by surveyors and the real estate agent did not amount to a use of the land for the purposes of the *Aboriginal Land Rights Act*.

Importantly, all these cases have established significant legal principles in terms of what Crown lands can, or cannot, be validly claimed.

NSWALC will continue in the new financial year to assess the pursuit of such cases on their respective merits.

It has established important points of law in terms of lawful use and occupation of Crown land, and in relation to the level, and type of evidence, required to properly establish that land is needed, or likely to be needed, as residential lands or for an essential public purpose.

It has done so through strategic review, negotiation and litigation.

NSWALC has also successfully challenged certificates issued by the Minister pursuant to sections 36(8)(a) and (b) of the *Aboriginal Land Rights Act 1983* which could have effectively defeated the Nambucca and Berowra land claims.

The LSU expects that the principles laid down by this case law will assist in reducing the volume, delay and cost of litigation in this area and pave the way for more negotiated outcomes in the future.



NSWALC Chairperson Bev Manton and Craig Cromelin, Councillor for the Wuradjuri Region, with representatives from the Wagga Local Aboriginal Land Council at the High Court in Canberra.

Compulsory Acquisition Notices

The Unit worked with the Land Services Unit throughout the reporting period to review 62 Compulsory Acquisition Notices from Government and Utilities which had been issued under the *Land Acquisition (Just Terms Compensation) Act 1991*.

Eight of these Notices sought to compulsorily acquire land, and interests in land, which was already the subject of an Aboriginal land claim.

Compulsory acquisition of land which is vested in an Aboriginal Land Council is prohibited under section 42 of the *Aboriginal Land Rights Act 1983*, except where an Act of Parliament is passed to permit this to occur.

The LSU has been actively involved in responding to these Notices, and where appropriate, challenging them.

NSWALC is of the view that where an Aboriginal land claim already exists in respect of the land, the claim should be determined before any proposed compulsory acquisition proceeds.

Water and Sewerage Agreement

The Legal Services Unit reviewed an agreement and liaised with other Government agencies to facilitate the partnership between NSWALC's Governing Council and the State Government on the operation, maintenance and monitoring of water and sewerage services in discrete Aboriginal communities. The agreement was finalised in December 2008.

As noted earlier, It was executed on December 18, 2008 by the Premier of NSW, Nathan Rees and NSW Aboriginal Land Council Chairperson Bev Manton.

Amendments to land dealings provisions of the *Land Rights Act*

The LSU worked with the Department of Aboriginal Affairs and the Registrar of the *Land Rights Act* to implement the land dealings recommendations of the 2004 NSW Government Taskforce review of the Land Rights Act.

The amendments will replace Division 4 of the *Land Rights Act* and implement a more transparent and accountable land dealings process for matters where Aboriginal Land Councils wish to deal with their land.

The proposed amendments will also provide more security for any third party wishing to deal with Aboriginal Land Councils.

As noted earlier, the *Aboriginal Land Rights Amendment Bill 2009* was introduced into Parliament on 25 June 2009. It is expected that the new provisions will come into effect in 2010.

Assistance to Koopahtoo Local Aboriginal Land Council (KLALC)

The LSU together with the Eastern Zone staff and other NSWALC staff continued to assist the KLALC at the request of the LALC administrator, in order to assist in protecting the land council's substantial assets.

The Administrator, Mr. Terry Lawler, was appointed in response to recommendations contained in an Investigator's report in relation to unauthorised

payments, loans to members and cash payments and land dealings that contravened the Land Rights Act.

During his time as administrator, Mr Lawler, has been involved in several contested hearings to remedy the effect of the unauthorised land dealings, including successful litigation in the High Court of Australia during the reporting period against Sanpine Pty Ltd to set aside a joint venture agreement, as a result of which KLALC was awarded costs of \$215,291.47.

The LSU is also strategically assisting KLALC to consider and pursue legal action against other third parties in relation to assets transferred from KLALC to a trust as well as taking action in its own capacity to recover loans that were secured by mortgages over KLALC land.

On 22 June 2009 Debelle JA of the Supreme Court gave his judgment in which he found that land that was unlawfully transferred from KLALC to the Koopahtoo Property and Investment Trust should be transferred back to Koopahtoo Local Aboriginal Land Council as the Trust had been terminated.

Although the title to the land had not been transferred as at the end of the reporting period, it is heartening to note that land worth millions of dollars will finally be lawfully restored to the land rights network so many years after it was unlawfully transferred out of KLALC's name.

In April 2005, the Independent Commission against Corruption (ICAC) released findings of corrupt conduct against eight people, and recommended prosecutions be considered against six of those persons, as a result of its investigation into KLALC.

In the interests of assisting KLALC and protecting the LALC network the LSU continues to liaise with the Director of Public Prosecutions and the ICAC regarding the prosecution of these individuals.

As at the end of the reporting period, four prosecutions had been launched. Two of the prosecutions against Debbie Marie Barwick and Malcolm Smith ceased when the charges against them were dropped. The remaining two prosecutions against William Smith and Stephen Griffen are still on foot.

Litigation between Councillor Patricia Laurie and NSWALC

At the end of the reporting period litigation in the Land and Environment Court was on foot between Councillor Patricia Laurie, the Registrar of the Land Rights Act and the NSWALC. The subject of the litigation is the disqualification provisions in the *Land Rights Act*, and in particular sections 132 and 133. As these provisions were introduced in 2007 they have not been tested. The aim of the litigation was to seek judicial clarification about the interpretation of these new provisions. Pending the outcome of the litigation, the parties have agreed that Councillor Laurie will continue to carry out her duties in her position as the Councillor for the North Coast Region.

Legal Changes

The most significant legal changes affecting the operation of NSWALC and the land rights network during this reporting period were the amendments to the Land Rights Act which came into effect on the first day of the 2007-08 financial year.

These have been reported upon in detail last year and throughout this report.

Further significant changes to the land dealing provisions of the legislation were introduced to the State Parliament on 25 June 2009, as detailed elsewhere in this report, and will again change the legislative approval landscape for land dealings, both for NSWALC and for Aboriginal Land Councils, once they commence in 2010.

However, the cost of litigation over land claims will be a key issue for NSWALC in the new reporting period.

Chairperson Manton wrote to the Minister for Lands following the Wagga High Court decision to express NSWALC's concern at the disproportionate time and cost involved in such litigation for both NSWALC and the State Government and the long standing logjam in land claim determinations.

She expressed the view, on behalf of her fellow Councillors, that a large number of these matters

could be settled by negotiation, resulting in significant savings to both the taxpayers of New South Wales and the self funded land council system.

Nothing came of the request.

As a result Chairperson Manton wrote to Premier Rees in March this year seeking his intervention.

She said NSWALC understood Minister Lynch had been seeking the co-operation of Lands Minister Kelly in finding a negotiated solution to the logjam in determinations and associated issues but those discussions had deadlocked or at an impasse.

NSWALC believed a meeting of all parties, conducted in good faith and good will, could result in reaching an agreed path forward.

She reminded the Premier the land claim process was the sole remaining form of compensation for dispossession available under the Act.

A resolution at Ministerial level would greatly assist Aboriginal people in NSW to continue to exercise their legitimate right to lodge land claims, have them determined in a timely and effective manner, and save taxpayers, both Aboriginal and non-Aboriginal, the cost of ongoing and expensive litigation.

Economic Factors

World stock markets declined during 2008/09, resulting in negative returns which eroded the base value of the NSWALC Statutory Investment Fund.

NSWALC sought to reduce expenditure, where possible, and, like many other organisations with a diversified portfolio, managed to trim costs and rein in spending, where possible, in order to keep trading successfully while seeking to increase its capacity and cope with the increased transactional costs to the land rights network flowing from amendments to the ALRA.

Management and Activities

The 2008/2009 reporting period was one of consolidation in NSWALC's management ranks following a major administrative restructure in recent years.

As reported earlier the restructure had resulted in the revamping of the senior management ranks at both Head Office and Regional levels and the refinement of the corporate structure to better target intensive assistance to our key clients, the Local Aboriginal Land Councils.

The organisation continued to adopt more rigorous accounting standards.

As noted earlier NSWALC Governing Council worked closely with management during the reporting period to ensure it took account of leaner economic times without sacrificing its level of service to the land rights network.

The loadings provided for an annual salary for the Chairperson of \$117,000 per annum and \$111,685 for the Deputy Chairperson.

Section 13 of the *Statutory and Other Offices Remuneration Act 1975* requires the Tribunal to make a determination of the remuneration paid to office holders on and from October 1 each year.

Remuneration of Councillors

Under Section 161 of the ALRA, NSWALC is obliged to publish the total remuneration (including traveling expenses) paid to each Councillor by the organisation during the reporting period.

As noted earlier, Councillor salaries are determined by the Statutory and Other Offices Remuneration Tribunal as part of its Public Office Holders Group.

The rate of travelling allowances are determined by the Minister for Aboriginal Affairs.

The current salaries of Councillors were determined by the Statutory and Other Offices Remuneration Tribunal on August 3, 2007.

The Tribunal determined that Councillors should receive an annual salary of \$106,365, effective from July 1, 2007.

The Tribunal also determined, as submitted by NSWALC, that an additional loading of ten per cent be paid to the Chairperson and a loading of five per cent to the Deputy Chairperson.

It determined that these levels would provide appropriate differentiation from other Councillors in recognition of the additional responsibilities they would carry following amendments to the ALRA which abolished the previous positions of Chairperson, Secretary and Treasurer.

The Tribunal's Report and Determination in September last year provided for an automatic salary increase of 3.9 per cent for the Public Office Holders Group, effective from October 1, 2008.

The determination increased the base annual salary of a NSWALC Councillor to \$113,275, with consequential increases for the Chairperson and Deputy Chairperson.

The following table sets out particulars of travelling expenses paid to each NSWALC Councillor during the reporting period.

Travelling Expenses of Councillors			
FY 2008-09			
Councillor Name	Direct Travel Exp	Travel Acco. & Meals Allowance	Total
B MANTON	5,863	30,405	36,268
S RYAN	14,174	21,408	35,582
P LAURIE	23,626	39,434	63,060
S GORDON	11,162	23,065	34,227
T BRIGGS	6,673	17,065	23,738
N HAMPTON	1,896	25,910	27,806
R AH-SEE	5,316	31,893	37,209
W MURRAY	13,096	25,327	38,423
C CROMELIN	9,289	39,255	48,544
TOTAL	91,095	253,762	344,857

List of Consultants

During 2008/09 NSWALC engaged a total of twenty four consultants on projects at a total value of \$1,246,271.

This compared with a total of twelve consultants during the previous reporting period who were engaged on projects at a total value of \$1,104,487.

The major areas of work were on the NSWALC land claims project, governance projects, the NSWALC Investment Fund, and strategic advice.

The following breakdown is supplied in accordance with the requirements of the *Annual Reports (Statutory Bodies) Act 1984*, as amended.

NAME OF CONSULTANT	(PROJECTS \$30,000 & ABOVE)	TITLE OF PROJECT
Watson Wyatt Australia Pty Ltd	Investment Consulting Services	535,000
Indigenous Business Services	Crown Land Mapping	278,800
Badge 90 Consulting Services (Mr. Sol Bellear)	Preparation for Council Meetings & Councillors' tasks	144,300
IAB Services	NSWALC Business Plan	41,020
Aden Ridgeway Pty Ltd	Retainership Fees	40,545
Access Economics Pty Ltd	Investing in Bio Banking: Opportunities, risks and alternative strategies	35,100
Total amounts paid \$30,000 & above		1,074,765
CONSULTANTS < \$30,000	NUMBER OF CONSULTANTS	TOTAL PAID \$
	18	171,506
TOTAL ALL CONSULTANTS	NUMBER OF CONSULTANTS	TOTAL PAID \$
	24	1,246,271

EEO

NSWALC continued to seek to promote the participation of women and Aboriginal people in senior management positions and more generally within the organisation during 2008/2009.

While NSWALC follows merit based employment practices, it is pleasing to note the continuing increase in Aboriginal employment within the organisation during this reporting period.

It is also pleasing to note that almost half of the senior management team are Aboriginal.

Year	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
Councillors						
Male	0	0	0	7	7	7
Female	0	0	0	2	2	2
Total Council	0	0	0	9	9	9
Executive & Senior Management						
Male	12	11	12	11	10	15
Female	5	4	3	5	6	5
Total Senior Management	17	15	15	16	16	20
Aboriginal	9	4	7	7	8	9
Administrative Staff						
Male	22	27	30	31	33	34
Female	33	28	29	34	46	51
Total Administrative	55	55	59	65	79	85
Aboriginal	29	22	26	32	42	44
All Staff Plus Councillors						
Male	34	38	42	49	50	56
Female	38	32	32	41	54	58
Total Staff	72	70	74	90	104	114
Aboriginal	38	26	33	48	59	62
NESB	4	3	7	5	3	11
Disability	1	2	2	1	1	10
<p>Previous editions of the NSWALC Annual Report have included Councillors within the staff count. The figures for each of the years above have been amended to separately reflect both Councillors and NSWALC staff.</p> <p>Note that the 13 NSWALC Councillors sacked by former Minister of Aboriginal Affairs Refshauge in November 2003 were replaced by nine Councillors elected on May 19, 2007 for a four year term.</p>						

Land Disposal

No land valued at more than \$5m was disposed of by means other than public auction during the reporting period.

Service Standards

The major part of NSWALC's effort during this reporting period has again been directed toward improving service delivery to its major client group, the network of 121 Local Aboriginal Land Councils, particularly in relation to capacity building following fundamental changes to their structure flowing from major amendments to the Aboriginal Land Rights Act.

While improved accountability and reporting standards are now mandated under the amended ALRA, NSWALC has taken the view that it must be able to provide a high standard of support to LALCs to help ensure that they can comply with the requirements of the Act and that, where they are compliant, that there is no undue delay in processing payments of their operating grants, in determining applications for financial or legal assistance, or in providing suitable training to assist new office bearers and staff to meet the demands of their position.

Accounts Payment Policy & Practice

NSWALC continues to take steps to expedite payments by encouraging regular service providers to register for EFT payment of their accounts to enable prompt payment.

A systematic approach to the development and implementation of internal controls has helped reduce the number of items in the Management Letter accompanying the Auditor General's Audit Report.

All points raised in Management Letters over several previous Audit Reports were considered and action incorporated into a series of "checklists" to ensure compliance.

Risk Management/Insurance

NSWALC holds the following insurance:

NAME OF INSURER	TYPE OF POLICY	SUM INSURED \$ '000
QBE	Umbrella (anything not covered below)	10,000
Lumley	Industrial Special Risks	45777
CGU	Motor Vehicles	Market Value
Allianz	Public /Products liability	50,000
ACC Health	Personal Accident/Sickness - Councillors	250 / 1.5
Allianz	Machinery Breakdown	100
London Australia	Professional Indemnity	10,000
Liberty International	Professional Indemnity, Commercial & Legal Services	10,000
Liberty International	Directors Officers	10,000
London Australia	Directors Officers	10,000
ACC Health	Travel	1,000
AFA	Group Personal Accident	500
QBE	Homes	6590
AFA	Voluntary Workers	50
ACC Health	Personal Accident	200
ING Life Limited	Salary Continuance	Current Salary

OCCUPATIONAL HEALTH AND SAFETY WORK RELATED INJURY WORKERS COMPENSATION and REHABILITATION 2008/2009	
WORK RELATED INJURY & ILLNESS	
Number reported	7
Nature of Accidents	
Slips, Trips & Falls	2
Mental Health (anxiety, stress)	1
Cuts	3
Motor Vehicle Accident	1
Ergonomics/Overuse	
Sprain/Strain	
Manual Handling	
Total	7
Where Injuries Occurred	
At the Workplace	5
On the journey to/from work	1
At work away from the normal workplace	1
Total	7
WORKERS COMPENSATION CLAIMS	
Claims brought forward from 2007/2008	4
New claims this period	3
Total	7
Claims status at 30.6.09	
Claims finalised	6
Claims declined/under investigation	1
Liability accepted & claim continuing	1
Provisional Liability	1
Total	9
Open claims carried forward to 2009/2010	3
REHABILITATION	
Cases brought forward from 2007/2008	0
New cases this period	0
Total	0
Cases completed	0
Cases continuing & carried forward to 2009/2010	0
Total	0

INDEPENDENT AUDITOR'S REPORT



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

New South Wales Aboriginal Land Council

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the New South Wales Aboriginal Land Council (the Council), which comprises the balance sheet as at 30 June 2009, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Council as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

The Councillors' Responsibility for the Financial Report

The members of the Council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Council, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Council,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Steven Martin
Director, Financial Audit Services

20 October 2009
SYDNEY

STATEMENT BY THE COUNCIL MEMBERS


NEW SOUTH WALES ABORIGINAL LAND COUNCIL

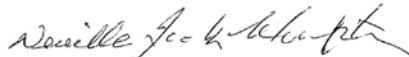
YEAR ENDED 30 JUNE 2009 STATEMENT BY THE COUNCIL MEMBERS

Pursuant to Section 41C of the Public Finance and Audit Act, 1983, we state that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the New South Wales Aboriginal Land Council as at 30 June 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
2. At the date of this statement, there are reasonable grounds to believe that the New South Wales Aboriginal Land Council will be able to pay its debts as and when they fall due.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.


WILLIAM MURRAY
COUNCILLOR


NEVILLE "JACK" HAMPTON
COUNCILLOR

Dated: 19 October 2009

INCOME STATEMENT

For the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

		2009	2008
	Note	\$'000	\$'000
Revenue			
Investment Revenue	2	43,505	46,953
Grants and Contributions	3	417	21
Other Revenue	4	3,564	4,421
Gains on Disposal of Property Plant & Equipment	5	14	18
Total Revenue		47,500	51,413
Expenses			
Audit Fees	7	325	242
Consultants Fees		1,246	1,104
Enterprise and Farm Expenses		2,446	1,752
Depreciation	19	1,067	1,152
Amortisation - Intangible Assets	20	73	114
Bad & Doubtful Debts		1,667	8,157
Employee Related Expenses	8	10,814	9,263
Funding of Regional and Local Aboriginal Land Councils	9	14,317	13,648
Grants	10	2,257	2,736
Legal Expenses		1,103	1,842
Motor Vehicle Expenses	11	589	522
Maintenance Expenses	12	267	237
Other Expenses	13	4,562	5,211
Losses due to changes in fair value of investments	6	89,591	90,934
Total Expenses		130,324	136,914
Deficit for the year		(82,824)	(85,501)

The accompanying notes form part of these financial statements.

BALANCE SHEET

As at 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

BALANCE SHEET AS AT 30 JUNE 2009

		2009	2008
	Note	\$'000	\$'000
ASSETS			
Current Assets			
Cash and Cash Equivalents	14	6,395	4,999
Receivables	15	1,790	3,753
Biological Assets	16	1,721	1,157
Financial Assets at Fair Value	17	513,259	600,061
Other Financial Assets	18	16	26
Total Current Assets		523,181	609,996
Non-Current Assets			
Receivables	15	5,208	2,437
Property, Plant and Equipment	19	31,293	30,270
Intangible Assets	20	808	80
Artefacts	21	383	351
Total Non-Current Assets		37,692	33,138
Total Assets		560,873	643,134
LIABILITIES			
Current Liabilities			
Payables	22	7,373	8,321
Provisions	23	1,217	877
Total Current Liabilities		8,590	9,198
NON CURRENT LIABILITIES			
Provisions	23	188	178
Total Non-Current Liabilities		188	178
Total Liabilities		8,778	9,376
Net Assets		552,095	633,758
EQUITY			
Reserves	24	20,637	19,260
Accumulated Funds	24	531,458	614,498
Total Equity		552,095	633,758

The accompanying notes form part of these financial statements.

STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2009

		2009	2008
	Note	<u>\$'000</u>	<u>\$'000</u>
Assets Transferred from Regional Aboriginal Land Councils		-	4
Net Increase/(Decrease) in Property, Plant and Equipment asset revaluation reserve		1,377	134
Actuarial gain/(loss) on defined benefit superannuation plans		(216)	30
Total income and expense recognised directly in equity	24	<u>1,161</u>	<u>168</u>
Surplus/(Deficit) for the Year		<u>(82,824)</u>	<u>(85,501)</u>
Total income and expense recognised for the year		<u>(81,663)</u>	<u>(85,333)</u>
Effects of changes in accounting policy and correction of errors	30		
Accumulated Funds		-	5,750
Reserves		-	(5,750)
		<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

For the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

CASH FLOWS STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

CASH FLOWS FROM OPERATING ACTIVITIES		2009	2008
	Note	<u>\$'000</u>	<u>\$'000</u>
Receipts			
Sale of goods and services		2,967	1,707
Interest and Investment Income		41,749	48,949
Grants and Subsidies		418	5,223
Other		4,302	3,605
Total Receipts		<u>49,436</u>	<u>59,484</u>
Payments			
Employee related		10,523	9,131
Funding of LALCs		16,871	
Grants and subsidies		2,257	831
Other		15,226	35,184
Total Payments		<u>44,877</u>	<u>45,146</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	27	<u>4,559</u>	<u>14,338</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Land and Buildings, Plant and Equipment		21	68
Proceeds from sale of Financial Assets		38,555	41,305
Purchases of Land and Buildings, Plant and Equipment		(1,552)	(849)
Purchases of Other Financial Assets		(40,187)	(54,101)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(3,163)</u>	<u>(13,577)</u>
NET INCREASE/(DECREASE) IN CASH		1,396	761
Opening Cash and Cash Equivalents		4,999	4,238
CLOSING CASH AND CASH EQUIVALENTS	14	<u>6,395</u>	<u>4,999</u>

The accompanying notes form part of these financial statements.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009***NEW SOUTH WALES ABORIGINAL LAND COUNCIL**
Notes to and forming part of the Financial Statements for the year ended 30 June 2009**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES***(a) Reporting Entity*

The financial report covers the New South Wales Aboriginal Land Council (Council) as an individual entity.

New South Wales Aboriginal Land Council is a Statutory Body constituted by the *Aboriginal Land Rights Act 1983*. The Council is a not-for-profit entity (as profit is not its principal objective).

This financial report for the year ended 30 June 2009 has been authorised for issue by the Council on 11 August 2009.

(b) Basis of Preparation

The Council's financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations) and the requirements of the *Public Finance and Audit Act 1983 and Regulation, Treasurer's Directions and the New South Wales Aboriginal Land Rights Act 1983*.

Property, plant and equipment, investment property, financial assets at 'fair value through profit or loss', available for sale and biological assets are measured at fair value. Other balances are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations that management have made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards which include Australian Accounting Interpretations.

In the current year, the Council has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and which are effective for annual reporting periods beginning on 1 July 2008.

As per the interpretation of the Crown Solicitor on s150 of the *Aboriginal Land Rights Act 1983* which was tabled to the Parliament in Volume One of the Auditor-General's Report, the Council is maintaining the capital value of \$485,340,000 at the year end.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) Contributions

Contributions received (including grants and donations) are generally recognised as revenue when the Council obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

An exception to the above is when contributions are unspent at year end and repayable to the funding bodies in the following financial year, then the unspent contributions are accounted for as liabilities rather than revenue.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the Council transfers the significant risks and rewards of ownership of the assets.

(iii) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Dividend revenue is recognised in accordance with AASB 118 *Revenue* when the Council's right to receive payment is established.

*(e) Employee Benefits and Other Provisions**(i) Salaries and Wages, Annual Leave and On-Costs*

Liabilities for salaries and wages (including non-monetary benefits) and annual leave that fall due wholly within twelve months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 5.52% (2007-2008 6.55%) were applied to discount long-term annual leave.

The outstanding amounts of workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(ii) Long Service Leave and Superannuation

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 07-04) to all employees using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

In respect of defined contribution schemes (i.e. Basic Benefit and First State Super), expense is calculated as percentage of the employees' salary. For the defined benefit schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) Other Provisions

Other provisions exist when the Council has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

A make good provision for the lease of the Zone Offices is discounted at 5.52%, which reflects the current market assessment of the time value of money and the risk specific to the liability.

(f) Insurance

The Council's insurance activities are conducted through Omega Insurance Brokers Pty Ltd. The expense (premium) is determined by the Insurer based on past claim experience.

(g) Funding of Regional and Local Aboriginal Land Councils

Funding for Local Aboriginal Land Council is charged to the Income Statement as per the agreed amount of allocation paid or payable for the year as per the funding agreement. If Local Aboriginal Land Councils are in breach of the statutory requirements, only essential payments were made as per the *Aboriginal Land Rights Act 1983* and expensed in the Income Statement as funding of Local Aboriginal Land Councils Expenses.

Schedule 4, Part 7, Clause 44 of the Aboriginal Land Rights (Amendment) Act 2006 ("the Amending Act") abolished Regional Aboriginal Land Councils (RALC) effective from 7 February 2007. Clause 8(2) of the Aboriginal Land Rights Amendment Regulation 2007 (the "Amending Regulation") provides that the assets, rights and liabilities of a RALC immediately before the commencement of (clause 6) be transferred to NSWALC on commencement. Other assets and liabilities were not considered material and have not been included in the financial statements. Expenses relating to the wind up of the Regional Aboriginal Land Councils have been included in the Income Statement for the period ending 30 June 2009.

(h) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Council as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office are classified as operating cash flows.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(i) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Council. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

(j) Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$500 and above individually (or forming part of a network costing more than \$500) are capitalised.

(k) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for the fair value. The Council reviews the estimated useful lives for major plant and equipment at the end of each annual reporting period. Property is revalued at least every five years or with sufficient regularity to ensure that the carrying amount does not differ materially from its fair value at reporting date. The revaluation of property was completed on 30 June 2009 and was based on an independent assessment.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

Revaluation increments are credited directly to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset class previously recognised as an expense in profit or loss, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(l) Impairment of Property, Plant and Equipment

As a not-for-profit entity, the Council is effectively exempt from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(m) Depreciation of Property, Plant and Equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Council.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Land is not a depreciable asset. Certain original artwork and collections have a long useful life and depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Assets</i>	<i>Depreciation Rate</i>
Land is not depreciated	
Buildings	3.33%
Motor Vehicles	20.00%
Computer equipment	33.33%
Other Equipment, Furniture and Fittings	20.00%

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(n) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(o) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Income Statement in the periods in which they are incurred.

(p) Investment Properties

The Council occupies the property at 33 Argyle Street, Parramatta which was classified as Investment Property. The property is now reclassified as Property Plant and Equipment. The effect of the change in reclassification is clearly stated in note 31. As at balance date the Council do not hold any investment properties.

(q) Changes in Accounting Policy

In 2008/09, NSW Treasury mandated a change in policy for all NSW public sector agencies to recognise actuarial gains and losses immediately outside profit and loss in the year in which they occur. Previously actuarial gains and losses were recognised in profit or loss. This change in policy has been applied retrospectively, as per the NSW Treasury Circular NSWTC 09/01.

(r) Intangible Assets

The Council recognises intangible assets only if it is probable that future economic benefits will flow to the Council and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Council's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Council's intangible assets are amortised using the straight line method over a period of three years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity, the Council is effectively exempted from impairment testing (refer paragraph (l)).

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(s) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Income Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(t) *Biological Assets and Agricultural Produce*

NSW Aboriginal Land Council owns and operates rural properties throughout the Western region of NSW. Crops are planted, grown and harvested on an annual basis and used for a combination of profit making purposes including: marketed and sold for food, used for seed increase for future plantings and fodder for livestock.

Livestock asset cycle from acquisition to disposal is dependent on seasonal conditions including quality of feed and rainfall. Livestock are valued at fair value less estimated point-of-sale costs. Gains or losses arising on initial recognition of a biological assets at fair value less estimated point-of-sale costs and from changes in fair value less estimated point-of-sale costs are included in the Income Statement.

Fair value of livestock is determined as the best available estimate for livestock with similar attributes such as weight and condition.

Where the fair value of biological assets cannot be obtained, the biological assets are measured at their cost less any accumulated depreciation and any accumulated impairment losses.

Cropping asset cycle from planting to harvest is dependent on seasonal conditions and disease including amount rainfall, temperature and ground preparation. Cropping input costs are measured on initial recognition and capitalised at each reporting date at cost of production.

Fair value of grain on hand is determined as the best available estimate for grain with similar attributes such as quality, size and variety less any point-of sale costs.

Grain on hand includes all grain stored in silos on Council's properties at reporting date.

(u) *Investments*

Investments are initially recognised at fair value basis, in the case of investments not at fair value through profit or loss, transaction costs. The Council determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* - The Council subsequently measures investments classified as "held for trading" or designated upon initial recognition "at fair value through profit or loss" at fair value. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in the near term. Gains or losses on these assets are recognised in the Income Statement.
- *Held to maturity investments* - Non-derivative financial assets with fixed or determinable payments and fixed maturity that the Council has the positive intention and ability to hold to maturity are classified as "held to maturity". These investments are measured at amortised cost using the effective interest method. Changes are recognised in the Income Statement when impaired, derecognised or through the amortisation process.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

- *Available for sale investments* - Any residual investments that do not fall into any other category are accounted for as available for sale investments and measured at fair value directly in equity until disposed or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the Income Statement. However, interest calculated using the effective interest method and dividends are recognised in the Income Statement.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the entity commits itself to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the balance sheet date.

(v) *Impairment of financial assets*

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Income Statement.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the Income Statement, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the Income Statement.

Any reversals of impairment losses are reversed through the Income Statement, where there is objective evidence, the only exception being reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(w) *De-recognition of financial assets and financial liabilities*

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Council transfers the financial asset:

- where substantially all the risks and rewards have been transferred or;
- where the Council has not transferred substantially all the risks and rewards, if the entity has not retained control.

Where the Council has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Council's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(x) *Trust Funds*

The Council receives monies in a trustee capacity for a trust as set out in Note 28. As the Council performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Council's own objectives and the Council has no control of the funds. These funds are not recognised in the financial statements.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

(y) *Other Assets*

Other assets are recognised on a cost basis.

(z) *Payables*

These amounts represent liabilities for goods and services provided to the Council. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(aa) *Tax Exemptions*

The council is a Public Benevolent Institution (PBI) under the *Income Tax Assessment Act 1997*. Therefore the Council is exempt from income tax from 1 July 2000. The Council is also exempt from the Payroll Tax under *Payroll Tax Act 2007*.

(ab) *Comparative information*

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous year for all amounts reported in the financial statements.

(ac) *New Australian Accounting Standards issued but not effective*

As per Treasury Circular TC09/03, the Council has not adopted the new accounting standards/interpretations stated on the circular and it has considered that there would be no material impact on the financial statement if adopted.

2. INVESTMENT REVENUE	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Interest	3,080	3,410
Dividends	40,425	43,543
TOTAL INVESTMENT REVENUE	43,505	46,953

3. GRANTS AND CONTRIBUTIONS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
New South Wales Government Grants & Subsidies	417	21
TOTAL GRANTS AND CONTRIBUTIONS	417	21

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

4. OTHER REVENUE	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Rent Received	1,105	870
Enterprise Gross Income	1,862	837
Investment Managers Fees Rebates	298	719
Other	299	1,995
TOTAL OTHER REVENUE	<u>3,564</u>	<u>4,421</u>
 5. GAINS ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT		
	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Gain on Disposal of Motor Vehicles		
Proceeds from Disposal	17	45
Written Down Value of Assets Disposed	(2)	(42)
Net Gain on Disposal of Motor Vehicle	<u>15</u>	<u>3</u>
Gain/(Loss) on Disposal of Computer		
Proceeds from Disposal	3	-
Written Down Value of Assets Disposed	-	(1)
Net Gain/(Loss) on Disposal of Computer	<u>3</u>	<u>(1)</u>
Gain/(Loss) on Disposal of Plant and Equipment		
Proceeds from Disposal	-	24
Written Down Value of Assets Disposed	(4)	(8)
Net Gain/(Loss) on Disposal of Plant and Equipment	<u>(4)</u>	<u>16</u>
TOTAL GAINS ON DISPOSAL	<u>14</u>	<u>18</u>
 6. LOSSES DUE TO CHANGES IN FAIR VALUE OF INVESTMENTS		
	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Change in fair value of financial assets classified as held for trading	(89,591)	(90,934)
TOTAL LOSSES	<u>(89,591)</u>	<u>(90,934)</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
 Notes to and forming part of the Financial Statements for the year ended 30 June 2009

EXPENSES EXCLUDING LOSSES

7. AUDIT FEES	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Fees paid to Audit Office of New South Wales	207	215
Internal Audit Fee paid to Walter Turnbull	118	27
	<u>325</u>	<u>242</u>
 8. EMPLOYEE RELATED EXPENSES	 2009	 2008
	<u>\$'000</u>	<u>\$'000</u>
Salaries and wages (including recreation leave)	9,133	7,802
Superannuation - defined contribution plans	767	717
Leave expenses	719	617
Workers' compensation insurance	195	127
	<u>10,814</u>	<u>9,263</u>
 9. FUNDING FOR REGIONAL AND LOCAL ABORIGINAL LAND COUNCILS	 2009	 2008
	<u>\$'000</u>	<u>\$'000</u>
Regional Aboriginal Land Councils	5	104
Local Aboriginal Land Councils	14,312	13,544
	<u>14,317</u>	<u>13,648</u>
 10. GRANTS	 2009	 2008
	<u>\$'000</u>	<u>\$'000</u>
Funeral Assistance	550	655
Transfer of Land to Local Land Councils	-	1,905
Grants - Endowment Fund	1,201	-
Others	506	176
	<u>2,257</u>	<u>2,736</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
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11. MOTOR VEHICLE EXPENSE	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Motor vehicle operating lease payments	366	274
Other motor vehicle related expenses	223	248
	<u>589</u>	<u>522</u>
 12. MAINTENANCE EXPENSE	 2009	 2008
	<u>\$'000</u>	<u>\$'000</u>
Maintenance expense - contracted labour and other (non-employee related)	267	237
Total maintenance expenses	<u>267</u>	<u>237</u>
 13. OTHER EXPENSES	 2009	 2008
	<u>\$'000</u>	<u>\$'000</u>
Staff Training, Development and Recruitment	397	597
Telephone	251	391
Insurance	335	281
Rates	70	35
Rent and Outgoings	455	449
Advertising	14	111
Public Relations and Publicity etc	71	61
Travel Expenses and Allowances	953	926
Postage, Printing and Stationery	92	136
Equipment Hire and Lease	6	48
Meeting Costs	27	35
Workshop and Conference Costs	77	21
Electricity, Gas & Power	148	145
Land Claims Cost	3	93
Aboriginal Land Rights Act Review	17	89
25th Anniversary Celebration	189	-
Statewide Conference	370	-
Valuation Fees	180	-
Other Expenses	907	1,793
	<u>4,562</u>	<u>5,211</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

14. CASH AND CASH EQUIVALENTS

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Cash at Bank and in Hand	6,126	4,742
Funeral Fund - Cash at Bank	269	257
	<u>6,395</u>	<u>4,999</u>

15. RECEIVABLES

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
a) Current		
Trade Debtors	1,205	2,319
Superannuation Assets	17	31
Prepayments	296	154
Statutory Debts (Local Aboriginal Land Council)	409	1,241
Loans on Demand (Local Aboriginal Land Council)	-	99
	<u>1,927</u>	<u>3,844</u>
Less: Allowance for Impairment	<u>(137)</u>	<u>(91)</u>
	<u>1,790</u>	<u>3,753</u>
b) Non-Current		
Statutory Debts (Local Aboriginal Land Council)	12,724	9,173
Loans on Demand (Local Aboriginal Land Council)	9,930	9,089
	<u>22,654</u>	<u>18,262</u>
Less: Allowance for Impairment	<u>(17,446)</u>	<u>(15,825)</u>
	<u>5,208</u>	<u>2,437</u>

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Movement in the allowance for impairment		
Balance at 1 July	15,916	7,773
Amounts written off during the year	-	(14)
Increase in allowance recognised in Profit & Loss	1,667	8,157
Balance at 30 June	<u>17,583</u>	<u>15,916</u>

Represented by:

Current	(137)	(91)
Non-Current	<u>(17,446)</u>	<u>(15,825)</u>
	<u>(17,583)</u>	<u>(15,916)</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
 Notes to and forming part of the Financial Statements for the year ended 30 June 2009

16. BIOLOGICAL ASSETS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Livestock	1,280	667
Grain and Other Rural Stock	441	490
	<u>1,721</u>	<u>1,157</u>
	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Reconciliation of carrying amounts of livestock		
Carrying Amount at 1 July	667	550
Increase due to Purchases	1,021	435
Decrease due to Sales	(866)	(630)
Gain arising from changes in fair value less estimated point-of-sales costs attributable to price and physical changes	458	312
Carrying amount at 30 June	<u>1,280</u>	<u>667</u>
17. FINANCIAL ASSETS AT FAIR VALUE	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Financial Assets Held-for-Trading		
Current		
Units in Australian Fixed Income	122,357	122,425
Units in Managed Australian Equities	115,393	140,688
Units in International Equities	38,905	54,020
Units in Australian Listed Property Trusts	20,698	35,243
Units in International Fixed Income	89,597	85,999
Absolute Return Funds	76,185	109,713
Managed Funds	8,890	8,811
Term Deposits	38,556	41,615
Other	2,678	1,547
	<u>513,259</u>	<u>600,061</u>
18. OTHER FINANCIAL ASSETS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
a) Current		
Mortgages	16	26
	<u>16</u>	<u>26</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

19. PROPERTY, PLANT AND EQUIPMENT

	Land	Building	Plant and Equipment	Motor Vehicle	Working Process	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
At 1 July 2008 - fair value						
Gross carrying amount	15,381	13,889	3,245	771	-	33,286
Accumulated depreciation and impairment	-	(161)	(2,198)	(657)	-	(3,016)
Net Carrying Amount	15,381	13,728	1,047	114	-	30,270
At 30 June 2009 - fair value						
Gross carrying amount	16,429	13,998	3,385	317	371	34,500
Accumulated depreciation and impairment	-	(670)	(2,289)	(248)	-	(3,207)
Net Carrying Amount	16,429	13,328	1,096	69	371	31,293

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land	Building	Plant and Equipment	Motor Vehicle	Working Process	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Year ended 30 June 2009						
Net carrying amount at 1 July 2008	15,381	13,728	1,047	114	-	30,270
Additions	-	-	567	-	371	938
Disposals	-	-	(3)	(2)	-	(5)
Net revaluation increment less revaluation decrements	1,048	109	-	-	-	1,157
Depreciation expense	-	(509)	(515)	(43)	-	(1,067)
Net Carrying Amount at 30 June 2009	16,429	13,328	1,096	69	371	31,293

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

	Land \$'000	Building \$'000	Plant and Equipment \$'000	Motor Vehicle \$'000	Working Process \$'000	Total \$'000
At 1 July 2007 - fair value						
Gross carrying amount	17,286	16,321	2,837	843	-	37,287
Accumulated depreciation and impairment	-	(324)	(1,935)	(707)	-	(2,966)
Net Carrying Amount	17,286	15,997	902	136	-	34,321
At 30 June 2008 - fair value						
Gross Carrying amount	15,381	13,889	3,245	771	-	33,286
Accumulated depreciation and impairment	-	(161)	(2,198)	(657)	-	(3,016)
Net Carrying Amount	15,381	13,728	1,047	114	-	30,270

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land \$'000	Building \$'000	Plant and Equipment \$'000	Motor Vehicle \$'000	Working Process \$'000	Total \$'000
Year ended 30 June 2008						
Net carrying amount at 1 July 2007	17,286	15,997	902	136	-	34,321
Additions	-	92	609	88	-	789
Disposals	-	-	(8)	(42)	-	(50)
Transfer to LALCs	(1,905)	-	-	-	-	(1,905)
Net revaluation increment less revaluation decrements	-	(1,733)	-	-	-	(1,733)
Depreciation expense	-	(628)	(456)	(68)	-	(1,152)
Net Carrying Amount at 30 June 2008	15,381	13,728	1,047	114	-	30,270

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
 Notes to and forming part of the Financial Statements for the year ended 30 June 2009

20. INTANGIBLE ASSETS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Cost (gross carrying amount)	827	330
Accumulated Amortisation and Impairment	(288)	(250)
Working Progress of Software Development	269	-
Net Carrying Amount	<u>808</u>	<u>80</u>
	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Reconciliation		
Net Carrying Amount at 1 July	80	134
Addition	534	60
Amortisation	(73)	(114)
Disposal	(2)	-
Working Progress of Software Development	269	-
Net Carrying Amount at 30 June	<u>808</u>	<u>80</u>
21. ARTEFACTS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Cost at 1 July	351	217
Net gains on revaluation	32	134
Carrying Value at 30 June	<u>383</u>	<u>351</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

22. PAYABLES	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Accrued Salaries, Wages and On-Costs	159	105
Creditors	1,283	2,665
Unexpended Grants	5,663	5,295
Funeral Fund - Contributions Refundable	268	256
	<u>7,373</u>	<u>8,321</u>
23. PROVISIONS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
a) Current Employee benefits and related on-costs		
Provision for Annual Leave-Short Term	464	408
Provision for Long Service Leave - Short Term	87	70
Provision for Annual Leave-Long Term	198	216
Provision for Long Service Leave - Long Term	281	173
Provision for Unfunded Superannuation	187	10
Total Current Provisions	<u>1,217</u>	<u>877</u>
b) (i) Non-Current Employee Benefits		
Provision for Long Service Leave	160	150
	<u>160</u>	<u>150</u>
b) (ii) Other Non-Current Provisions		
Provision for Make Good	28	28
	<u>28</u>	<u>28</u>
Total Non-Current Provisions	<u>188</u>	<u>178</u>
Aggregate Employee Benefits and Related On-Costs		
Provisions - Current	1,217	877
Provisions - Non Current	160	150
Accrued Salaries and Wages (refer to Note 22)	159	105
	<u>1,536</u>	<u>1,132</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

Provision for Make Good	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Carrying amount at 1 July	28	27
Additional Provisions Recognised	-	1
Carrying amount at 30 June	<u>28</u>	<u>28</u>

Provision for make good have been provided for the Zone Offices at the end of the lease terms

c) Superannuation

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- Police Superannuation Scheme (PSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the Schemes are closed to new members.

Reconciliation of the present value of the defined benefit obligation

	SASS	SANCS	SSS
	30-Jun-09	30-Jun-09	30-Jun-09
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<i>Present value of partly funded defined benefit obligation at beginning of the year</i>	175	27	738
<i>Current service cost</i>	-	1	-
<i>Interest cost</i>	10	1	47
<i>Contributions by Fund participants</i>	3	-	-
<i>Actuarial (gains)/losses</i>	26	2	160
<i>Benefits paid</i>	(20)	-	(55)
<i>Present value of partly funded defined benefit obligation at end of the year</i>	<u>194</u>	<u>32</u>	<u>891</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009*Reconciliation of the fair value of Fund assets*

	SASS 30-Jun-09 \$'000	SANCS 30-Jun-09 \$'000	SSS 30-Jun-09 \$'000
<i>Fair value of Fund assets at beginning of the year</i>	165	55	886
Expected return on Fund assets	11	4	70
Actuarial gains/(losses)	(6)	(9)	(157)
Contributions by Fund participants	3	-	-
Benefits paid	(20)	-	(55)
<i>Fair value of Fund assets at end of the year</i>	152	49	745

Reconciliation of the assets and liabilities recognised in the balance sheet

	SASS 30-Jun-09 \$'000	SANCS 30-Jun-09 \$'000	SSS 30-Jun-09 \$'000
Present value of partly funded defined benefit obligation at end of year	194	32	891
Fair value of Fund assets at end of year	(152)	(49)	(745)
<i>Subtotal</i>	41	(18)	146
<i>Net Liability/(Asset) recognised in balance sheet at end of year</i>	41	(18)	146

Expense recognised in income statement

	SASS 30-Jun-09 \$'000	SANCS 30-Jun-09 \$'000	SSS 30-Jun-09 \$'000
Components Recognised in Income Statement			
Current service cost	-	1	-
Interest cost	10	1	47
Expected return on Fund assets (net of expenses)	(11)	(4)	(70)
<i>Expense/(income) recognised</i>	(2)	(1)	(23)

Amounts recognised in the statement of recognised income and expense

	SASS 30-Jun-09 \$'000	SANCS 30-Jun-09 \$'000	SSS 30-Jun-09 \$'000
Actuarial (gains)/losses	33	11	317
Adjustment for limit on net asset	-	(23)	(122)

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009*

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
 Notes to and forming part of the Financial Statements for the year ended 30 June 2009

Cumulative amount recognised in the statement of recognised income and expense

Fund assets

The percentage invested in each asset class at the balance sheet date:

	30-Jun-09
Australian equities	32.1%
Overseas equities	26.0%
Australian fixed interest securities	6.2%
Overseas fixed interest securities	4.7%
Property	10.0%
Cash	8.0%
Other	13.0%

Fair value of Fund assets

All Fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets

	SASS	SANCS	SSS
	30-Jun-09	30-Jun-09	30-Jun-09
	\$'000	\$'000	\$'000
Actual return on Fund assets	(15)	(5)	(87)

Valuation method and principal actuarial assumptions at the balance sheet date

a) *Valuation Method*

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

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NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009*b) Economic Assumptions*

	30-Jun-09
Salary increase rate (excluding promotional increases)	3.5% pa
Rate of CPI Increase	2.5% pa
Expected rate of return on assets backing current pension liabilities	8.13%
Discount rate	5.59%

c) Demographic Assumptions

The demographic assumptions at 30 June 2009 are those that will be used in the 2009 triennial actuarial valuation. The triennial review report will be available from the NSW Treasury website, after it is tabled in Parliament in December 2009.

Historical information

	SASS 30-Jun-09 S'000	SANCS 30-Jun-09 S'000	SSS 30-Jun-09 S'000
Present value of defined benefit obligation	194	32	891
Fair value of Fund assets	(152)	(49)	(745)
(Surplus)/Deficit in Fund	41	(18)	146
Experience adjustments – Fund liabilities	26	2	160
Experience adjustments – Fund assets	6	9	157

Expected contributions

	SASS 30-Jun-09 S'000	SANCS 30-Jun-09 S'000	SSS 30-Jun-09 S'000
Expected employer contributions to be paid in the next reporting period	-	1	-

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

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NEW SOUTH WALES ABORIGINAL LAND COUNCIL
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*Funding Arrangements for Employer Contributions**(a) Surplus/deficit*

The following is a summary of the 30 June 2009 financial position of the Fund calculated in

	SASS 30-Jun-09 \$'000	SANCS 30-Jun-09 \$'000	SSS 30-Jun-09 \$'000
Accrued benefits	190	31	657
Net market value of Fund assets	(152)	(49)	(745)
<i>Net (surplus)/deficit</i>	37	(18)	(88)

(b) Contribution recommendations

Recommended contribution rates for the entity are:

	SASS 30-Jun-09 multiple of member contributions	SANCS 30-Jun-09 % member salary	SSS 30-Jun-09 multiple of member contributions
	0.00	2.50	0.93

(c) Funding method

The method used to determine the employer contribution recommendations in the 2006 triennial actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(d) Economic assumptions

The economic assumptions adopted for the 2009 actuarial review of the Fund are

Weighted-Average Assumptions	
Expected rate of return on Fund assets backing current pension liabilities	8.3% pa
Expected rate of return on Fund assets backing other liabilities	7.3% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

Nature of Asset/Liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

24. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2009	2008	2009	2008	2009	2008
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Balance at 1 July	614,498	705,543	19,260	15,282	633,758	720,825
Changes in accounting policy	-	-	-	-	-	-
Correction of errors in relation to 2008 Income Statement	-	-	-	(1,734)	-	(1,734)
Correction of errors in respect to prior period		(7,483)		7,483		
Restated opening balance	<u>614,498</u>	<u>698,060</u>	<u>19,260</u>	<u>21,031</u>	<u>633,758</u>	<u>719,091</u>
<u>Changes in Equity - other than Transactions with Owners as Owners</u>						
Surplus/(Deficit) for the Year	(82,824)	(85,501)	-	-	(82,824)	(85,501)
Assets transferred from Regional Aboriginal Land Councils	-	4	-	-	-	4
Transfer of Land to LALCs	-	1,905	-	(1,905)	-	-
Increment on Revaluation of:						
- Land and Buildings	-	-	1,345	-	1,345	-
- Artefacts	-	-	32	134	32	134
Actuarial gain/(loss) on defined benefit superannuation plans	(216)	30	-	-	(216)	30
Total	<u>(83,040)</u>	<u>(83,562)</u>	<u>1,377</u>	<u>(1,771)</u>	<u>(81,663)</u>	<u>(85,333)</u>
Balance at 30 June	<u>531,458</u>	<u>614,498</u>	<u>20,637</u>	<u>19,260</u>	<u>552,095</u>	<u>633,758</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

25. COMMITMENTS FOR EXPENDITURE	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Operating Lease Commitments		
Future Non-Cancellable Operating Lease Rentals not Provided for and Payable:		
Not Later Than One Year	562	522
Later Than One Year and Not Later Than Five Years	734	317
Over Five Years	<u>2</u>	<u>-</u>
Total (Including GST)	<u>1,298</u>	<u>839</u>

GST of \$118K (\$76K 2007-2008) has been included in the total above.

These operating leases are not recognised in the financial statements as liabilities. The figure for operating lease does not include the residual value that may lead to a potential liability at the end of the lease term depending on the movement in the market value for motor vehicles.

Commitments for goods and services of \$992K (\$282K 2007-2008) are not recognised in the financial statement as liabilities. The figures include goods and services tax (GST) of \$90K (\$26K 2007-2008), which is recoverable from the Australian Taxation Office.

The Council has committed to pay to NSW State Government in respect of Water and Sewerage Program funding of \$3.2million in 2009-10 and there after \$3.8 million for each of the financial year for 25 years from 2007, subject to the indexation for inflation for future years.

The Council has also committed to pay a dollar for dollar grant in respect of subdivision of Namoi and Gingie reserves and also the completion of La Pouse subdivision to the extent of \$3 million with Commonwealth government.

26. CONTINGENT LIABILITIES AND CONTINGENT ASSETS	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
(a) Contingent liabilities		
Legal Claims	415	550
	<u>415</u>	<u>550</u>
(b) Contingent Assets		
Legal Claims	180	255
	<u>180</u>	<u>255</u>

The Council is a party to a number of cases currently before the courts. If successful the Council will be awarded approximately \$180K (\$255K 2007-2008) in legal claims. If unsuccessful the Council's possible liability in legal claims and costs will be approximately \$415K (\$550K 2007-2008).

After the year end the Council has applied for the exemption under the *Payroll Tax Act 2007* as a public benevolent institution. The Office of State Revenue (OSR) has requested the Council to provide payroll details to determine the amount of taxable wages, if any, paid by the Council during the year or in the past. The Council believes that all the payroll cost is exempt and it will not be liable to pay any payroll tax.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

27. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET SURPLUS

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Operating Surplus from Ordinary Activities	(82,824)	(85,501)
Depreciation and amortisation	1,140	1,266
Allowance for Impairment	1,666	8,157
Land transfer to LALCs	-	1,905
Assets received at 'nil' consideration	-	(2)
Net Decerement on other financial assets valuation	89,591	90,934
Add: Cash Revenue from RALCs directly credited to Accumulated Funds	-	4
Less: Superannuation actuarial gain/(loss) directly to equity	(216)	30
Less: Receivables Written Off	-	(14)
Net (Gain)/Loss on Sale of Plant and Equipment	(14)	(18)
Other Changes in Assets and Liabilities in Respect of Ordinary Activities		
Increase/(Decrease) in Provisions	351	177
Decrease/(Increase) in Receivables	(2,475)	(9,228)
(Increase/Decrease in Imputation Tax Receivable	(1,148)	1,277
Increase/(Decrease) in Creditors	(948)	5,768
Decrease/(Increase) in Inventories	(564)	(417)
Net Cash Inflows from Ordinary Activities	<u>4,559</u>	<u>14,338</u>

28. LIABILITY AS TRUSTEE

The Council acts as trustee for the Gumbaynggir Tribal Aboriginal Elders Corporation.

The movement in the Trust bank account is as follows

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Cash balance at 1 July	75	61
Add: Receipts	14	14
Cash balance at 30 June	<u>89</u>	<u>75</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009***NEW SOUTH WALES ABORIGINAL LAND COUNCIL**
Notes to and forming part of the Financial Statements for the year ended 30 June 2009**29. FINANCIAL INSTRUMENTS**

The Council's principal financial instruments are outlined below. These financial instruments arise directly from the Council's operations or are required to finance the Council's operations. The Council does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. During the year Council invested through a number of fund managers as recommended by the Investment Consultant.

The Council's main risks arising from financial instruments are outlined below, together with the Council's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Chief Investment Officer has the overall responsibility for the establishment and oversight of risk management and reviews related to investment. Risk management policies are established to identify and analyse the risks faced by the Council, to set risk limits and controls and to monitor risks.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2009	Carrying Amount 2008
Class:			\$'000	\$'000
Cash and cash equivalents	14	N/A	6,395	4,999
Receivables ¹	15	Loans and receivables	10,827	11,507
Financial assets at fair value	17	At fair value through profit or loss – classified at held for trading	513,259	600,061
Other financial assets	18	Loans and receivables	16	26
Financial Liabilities	Note	Category	Carrying Amount 2009	Carrying Amount 2008
Class:			\$'000	\$'000
Payables ²	22	Financial liabilities measured at amortised cost	7,181	8,216

Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

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(b) Credit Risk

Credit risk arises when there is the possibility of the Council's debtors defaulting on their contractual obligations, resulting in a financial loss to the Council. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Council, including cash, receivables, term deposits and investment in unit trust deposits. The Council has not granted any financial guarantees.

(i) Cash

Cash comprises cash on hand and bank balances with the National Australia Bank, Westpac Banking Corporations and Commonwealth Bank of Australia. Interest is earned on a daily bank balances at the monthly average cash rate. It is the Council's practice to deal with banks of "AAA" ratings. The Council monitors the financial stability of the bank which holds its funds by reviewing their Annual Reports.

(ii) Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis from the monthly aged analysis report. The Chief Finance Officer is responsible for the credit control function of all outstanding trade debtors. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. Sales are made on 30 day terms.

The only financial assets that are past due are listed below:

	Total ^{1,2} \$'000	Past due but not impaired ^{1,2} \$'000	Considered impaired ^{1,2} \$'000
2009			
< 3 months overdue	538	538	-
> 3 months overdue	187	50	137
2008			
< 3 months overdue	2,074	2,074	-
> 3 months overdue	166	91	75

Notes

1. Each column in the table reports 'gross receivables'.

2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the balance sheet.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009***NEW SOUTH WALES ABORIGINAL LAND COUNCIL**
Notes to and forming part of the Financial Statements for the year ended 30 June 2009**(iii) Other Financial Assets – Amounts Receivable from Local Aboriginal Land Council**

The Council is exposed to concentrations of credit risk to debts receivable from Local Aboriginal Land Councils. The credit risk is exposed from the monthly aged analysis report. The Chief Finance Officer in conjunction with Zone Directors is responsible for collectability of debts due from Local Aboriginal Land Councils. The counter party risk arises from the mortgage loans are considered to be not material. The amount due were reviewed on an individual basis and provided for impairment.

The only financial assets that are past due or impaired are listed below:

	Total^{1,2}	Past due but not impaired^{1,2}	Considered impaired^{1,2}
	\$'000	\$'000	\$'000
2009			
< 3 months overdue	4	4	-
> 3 months overdue	9,942	3,587	6,355
2008			
< 3 months overdue	7	7	-
> 3 months overdue	19	19	-

Notes

1. Each column in the table reports 'gross receivables'.
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the balance sheet.

(iv) Financial Assets - Investments

Credit risk associated with the Council's financial assets, other than receivables, is managed through the selection of asset classes as researched and recommended by the Council's Investment Consultant. The Council has the a Statement of Investment Objectives and Policy. The Investment Consultant provides a periodic review of all credit risks relates to different asset class of investment and monitor the value of investment held as per the benchmark stated in the Investment Policy. This research takes into account such matters as counterparty and credit risk. The Council's investment as disclosed in note 17 are managed by the Council in conjunction with its approved Investment Consultant are not guaranteed from credit risk.

(v) Deposits

The Council has placed funds on deposit with commercial bank with "AAA" rating for a fixed term. It monitors the financial stability of the bank to determine any credit risk that might affect the Council by review their Annual Reports. For fixed term deposits, the interest rate payable by the bank is negotiated initially and is fixed for the term of the deposit. The deposits at balance date were earning an average interest rate of 3.66% (2007-2008- 7.76%), while over the year the weighted average interest rate was 5.59% (2007-2008-7.19%) on a weighted average balance during the year of \$40.8M (2007-2008- \$32.7M). None of these assets are past due or impaired.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

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(c) Liquidity risk

Liquidity risk is the risk that the Council will be unable to meet its payment obligations when they fall due. The Council continuously manages the risk through monitoring future cash flows and (maturities planning) to ensure adequate holding of liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of appropriate investment strategies.

The liquidity risk that might arise from various class of financial assets held by the Council and its management is explained under the credit risk of each class of financial asset.

The Council has a corporate card facility of \$300K with National Australia Bank.

During the current and prior years, there were no defaults or breaches on any amounts payable to creditors. No assets have been pledged as collateral. The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year.

The table below summarises the maturity profile of the Council's financial liabilities, together with the interest rate exposure.

<i>Maturity analysis and interest rate exposure of financial liabilities</i>						
	Interest Rate Exposure			Maturity Dates		
	Weighted Average Effective Int. Rate	Nominal Amount ¹ \$'000	Nominal bearing \$'000	< 1 yr \$'000	1-5 yrs \$'000	> 5 yrs \$'000
2009						
Payables		1,250	1,250	1,250	-	-
Funeral Fund-Contributions						
Refundable		268	268	-	-	268
Unexpended Grants		5,663	5,663	5,663	-	-
		7,181	7,181	6,913	-	268
2008						
Payables		2,665	2,665	2,665	-	-
Funeral Fund-Contributions						
Refundable		256	256	-	-	256
Unexpended Grants		5,295	5,295	5,295	-	-

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Notes to and forming part of the Financial Statements for the year ended 30 June 2009**(d) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Council's exposures to market risk are as follows:

- Growth: the depth and length of the global economic downturn, and its impact on the investments held by the Council
- Systematic risk: liquidity and counterparty risks in financial markets
- Lack of Corporate Governance: Universal lack of corporate governance leads to fraud and bankruptcies.

The Council has no direct exposure to foreign currency risk other than from international investments managed by fund managers.

As explained under the credit risks the Council has the Statement of Investment Objective and Policy. The Investment Consultant provides periodic review of all market risks.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Council operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the balance sheet date. The analysis is performed on the same basis for 2007-2008. The analysis assumes that all other variables remain constant.

(i) Interest rate risk

Exposure to interest rate risk arises primarily through the Council's term deposits and Fixed Income portfolios units have marked to market exposure. The Council does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed quarterly and amended where there is a structural change in the level of interest rate volatility. The Council's exposure to interest rate risk is set out below:

	Carrying Amount S'000	-1% Profit S'000	Equity S'000	1% Profit S'000	Equity S'000
2009					
Financial assets					
Cash and cash equivalents	6,395	(64)	6,331	64	6,459
Receivables	10,827	(108)	10,719	108	10,935
Financial assets at fair value	513,259	(5,133)	508,126	5,133	518,392
Other financial assets	16	-	16	-	16
Financial liabilities					
Payables	7,181	(72)	7,109	72	7,253

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Payables	7,181	(72)	7,109	72	7,253
2008					
Financial assets					
Cash and cash equivalents	4,999	(50)	4,949	50	5,049
Receivables	11,507	(115)	11,392	115	11,622
Financial assets at fair value	600,061	(6,001)	594,060	6,001	606,062
Other financial assets	26	-	26	-	26
Financial liabilities					

(ii) **Other price risk**

Exposure to 'other price risk' primarily arises through the investment with fund managers which are held for strategic rather than trading purposes. The Council has the following investments:

Facility	Investment Sectors	Investment Horizon	2009 \$'000	2008 \$'000
Cash facility	Cash, money market instruments	Up to 1.5 years	6,395	4,999
Strategic cash facility	Cash, money market and other interest rate instruments	1.5 years to 3 years	38,556	41,615
Long-term growth facility	Cash, money market instruments, Australian, International Bonds and Shares	3 years and over	472,042	556,898

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The analysis of the impact on profit and loss and the carrying value of various types of investment are shown in the following table:

Analysis of Price Risks	Carrying value as at 30 June 2009 \$'000	Actual Market rate Risks %	Estimated Risk(c) %	Profit Impact \$'000	Equity Impact \$'000	Profit Impact \$'000	Equity Impact \$'000
Australian Equities	115,410	(16.1%)	+or-35.5%	40,971	156,381	(40,971)	74,439
International Equities	38,905	(28.0%)	+or-26.3%	10,232	49,137	(10,232)	28,673
Listed Property	20,698	(40.9%)	+or-26.6%	5,506	26,204	(5,506)	15,192
Australian Fixed Income(sovareign)	71,998	11.1%	+or-3.9%	2,808	74,806	(2,808)	69,190
Australian Fixed Income(composite)	50,359	6.8%	+or-3.9%	1,964	52,323	(1,964)	48,395
International Fixed Income (composite)	59,604	10.8%	+or-4.0%	2,384	61,988	(2,384)	57,220
International Fixed Income (credit)	29,993	11.5%	+or-4.9%	1,470	31,463	(1,470)	28,523
Absolute Returns	76,185	(16.4%)	+or-9.1%	6,933	83,118	(6,933)	69,252
Enhanced Cash Fund	95	3.5%	+or-1.0%	1	96	(1)	94
ANZ (Principal Protected Investment)	8,794 (a)						
Other cash facilities	38,556 (b)						
	510,597	7.8%		72,269	535,516	(72,269)	390,978
Overall percentage impact if no redemption and changes in investment strategy					14.2%		(14.2%)

(a) Capital Protected hence no risk

(b) Interest rate risk will only affect the short term deposits

(c) Estimated risk is based on Watson Wyatt Asset Modelling assumptions as at 31 March 2009.

30 Reconciliation of the effect of changes in accounting policy (refer to note 1(q))

	Adjustment 2009 \$'000	Adjustment 2008 \$'000
Income Statement		
Changes in Employees expenses due to acturial gain	-	30
Net changes to Income statement	-	30
Balance Sheet		
	-	-

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

31. CHANGE IN TREATMENT OF INVESTMENT PROPERTY TO PROPERTY PLANT AND EQUIPMENT

During the year the Council decided to reclassify 33 Argyle Street, Parramatta from the class of Investment Property to Property Plant and Equipment. The accounting impact as a result of change in treatment on the balances reported in the 2008 is as follows:

Financial Report Line Items/Balance Affected	Note	Reported	Adjustment	Adjusted
		30 June 2008 Balance	Incr/(decr)	30 June 2008 Balance
		\$'000	\$'000	\$'000
Income Statement				
Revenue		51,413	-	51,413
Expenses				
Total Expenses other than Depreciation, Employee related expenses and Other Losses		35,565	-	35,565
Depreciation	(a)	685	467	1,152
Employee Related Expenses	(b)	9,233	30	9,263
Other Losses	(c)	93,134	(2,200)	90,934
Total Expenses		138,617	(1,703)	136,914
Deficit for the year		(87,204)	1,703	(85,501)
Balance Sheet				
Current Assets		609,996	-	609,996
Non Current Assets excluding Property, Plant & Equipment and Investment Property		2,868	-	2,868
Property, Plant & Equipment	(d)	15,870	14,400	30,270
Investment Property	(e)	14,400	(14,400)	-
Non Current Assets		33,138	-	33,138
Liabilities		9,376	-	9,376
Net Assets		633,758	-	633,758
Equity				
Reserves (Revaluation Reserve)	(f)	13,510	5,750	19,260
Accumulated Funds	(f)	620,248	(5,750)	614,498
		633,758	-	633,758

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009***NEW SOUTH WALES ABORIGINAL LAND COUNCIL****Notes to and forming part of the Financial Statements for the year ended 30 June 2009****Notes**

(a) Depreciation	
Depreciation reported as per note 19	685
Add depreciation for 33 Argyle Street Property for the year ended 30 June 2008 due to change in accounting policy	467
Adjusted balance	<u>1,152</u>
(b) Employee Related Expenses	
Employee Related Expenses reported	9,233
Changes in the disclosure of due to the changes in accounting policy as per NSW Treasury Circular NSWTC 09/01	30
Adjusted Employee Related Expenses	<u>9,263</u>
(c) Other Loses	
Other Loses Reported	93,134
Revaluation losses of 33 Argyle Street Property now transferred to Revaluation Reserve	(2,200)
Adjusted Other Loses	<u>90,934</u>
(d) Property, Plant & Equipment	
Property Plant & Equipment Reported	15,870
Add 33 Argyle Street Property now reclassified as Property Plant & Equipment from Investment Property	14,400
Adjusted Property, Plant & Equipment	<u>30,270</u>
(e) Investment Property	
Investment property Reported	14,400
Less 33 Argyle Street Property now reclassified as Property Plant & Equipment from Investment Property	(14,400)
Adjusted Investment Property	<u>-</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Financial Statements for the year ended 30 June 2009

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Financial Statements for the year ended 30 June 2009

	<u>Revaluation</u>	<u>Accumulated</u>
(f)	<u>Reserves</u>	<u>Funds</u>
Balance Reported as at 30 June 2008	13,510	620,248
Amount previously transferred from Reval Reserve as at 1 July 2004 now reversed	5,118	(5,118)
Depreciation for the year ended 30 June 2005	-	(243)
Depreciation for the year ended 30 June 2006	-	(243)
Increase in revaluation as at 30 June 2006 transferred from Accumulated funds	500	(500)
Accumulated depreciation transferred from Provision for depreciation account as at 30 June 2006	486	-
Depreciation for the year ended 30 June 2007	-	(279)
Increase in revaluation as at 30 June 2007 transferred from Accumulated funds	1,100	(1,100)
Accumulated depreciation transferred from Provision for depreciation account as at 30 June 2007	279	-
Depreciation for the year ended 30 June 2008	-	(467)
Decrease in revaluation as at 30 June 2008 transferred from Accumulated funds	(2,200)	2,200
Accumulated depreciation transferred from Provision for depreciation account as at 30 June 2008	467	-
	<u>19,260</u>	<u>614,498</u>

(g) No changes to cash flow statement

32. EVENT AFTER THE BALANCE DATE

There is no known event after the balance date.

End of Audited Financial Statement

NEW SOUTH WALES ABORIGINAL LAND COUNCIL*Notes to and forming part of the Financial Statements for the year ended 30 June 2009***North Western**

Brewarrina
 Collanrenebri
 Coonamble
 Goodooga
 Lightning Ridge
 Moree
 Mungindi
 Murrawari
 Narrabri
 Nulla Nulla
 Pilliga
 Toomelah
 Walgett
 Wee Waa
 Weilmoringle

Northern

Amaroo
 Anaiwan
 Armidale
 Ashford
 Coonabarabran
 Dorriggo Plateau
 Glen Innes
 Guyra
 Moombahlene
 Nungaroo
 Red Chief
 Tamworth
 Walhallow
 Wanaruah

South Coast

Batemans Bay
 Bega
 Bodalla
 Cobowra
 Eden
 Illawarra
 Jerringa
 Merrimans
 Mogo
 Ngambri
 Nowra
 Ulladulla
 Wagonga

North Coast

Baryulgil Square Birrigan
 Gargle
 Bogal
 Casino-Boolangle
 Grafton-Ngerrie
 Gugin Gudduba
 Jali
 Jana Ngalee
 Jubullum
 Muli Muli
 Ngulingah
 Tweed/Byron
 Yaegl

Western

Balranald
 Broken Hill
 Cobar
 Dareton
 Ivanhoe
 Menindee
 Mutawintji
 Tibooburra
 Wannaaring
 Wilcannia
 Winbar

Wiradjuri

Albury & District
 Bathurst
 Brungle - Tumut
 Condobolin
 Cowra
 Cummeragunja
 Deniliquin
 Griffith
 Hay
 Leeton & District
 Moama
 Murrin Bridge
 Narranderra
 Onerwal
 Orange
 Peak Hill
 Pejar
 Wagga Wagga
 Wamba Wamba
 West Wyalong
 Young

Central

Dubbo
 Gilgandra
 Mudgee
 Narromine
 Nyngan
 Quambone
 Trangie
 Warren-Macquarie
 Weilwan
 Wellington

Sydney/Newcastle

Awabakal
 Bahtabah
 Darkinjung
 Deerubbin
 Gandangara
 Koompahtoo
 La Pouse
 Metropolitan
 Mindaribba
 Tharawal
 Worimi

Central Coast

Birpai
 Bowraville
 Bunyah
 Coffs Harbour
 Forster
 Karuah
 Kempsey
 Nambucca Heads
 Purfleet/Taree
 Stuart Island
 Thungutti
 Unkya

Be Informed. Be Involved. Be Inspired.