



New South Wales Department of
Aboriginal Affairs

Annual Report 2003–2004

NEW SOUTH WALES DEPARTMENT OF ABORIGINAL AFFAIRS AND OFFICE OF THE REGISTRAR, *ABORIGINAL LAND RIGHTS ACT 1983*





Front cover artwork:
Leanne Hunter *Remember our ways* 2004

Editorial team: Phil Lockyer, Julie Harders

How to contact us

NSW Department of Aboriginal Affairs
Level 13, Tower B
Centennial Plaza
280 Elizabeth St
Surry Hills NSW 2010
Telephone: (02) 9219 0700
Facsimile: (02) 9219 0790

Office of the Registrar, *Aboriginal Land Rights Act 1983*
Level 13, Tower B
Centennial Plaza
280 Elizabeth St
Surry Hills NSW 2010
Telephone: (02) 9219 0700
Facsimile: (02) 9219 0770

Website: www.daa.nsw.gov.au
Business Hours: 9am – 5pm Monday to Friday



New South Wales Department of
Aboriginal Affairs
and Office of the Registrar, *Aboriginal Land Rights Act 1983*



Annual Report 2003–2004

Contents

Vision, role and values	5
Departmental units	8
Our people	10
Performance report	
Priority 1: Relationship with the Aboriginal community	13
Priority 2: Maximising the impact of departmental programs	17
Priority 3: Leading the development, coordination and monitoring of programs	29
Priority 4: Providing quality support and service	35
Priority 5: Operating the Department efficiently	39
Registrar <i>Aboriginal Land Rights Act 1983</i> report	45
Financials	51
Appendices	67



The Hon Andrew Refshauge MP
Minister for Aboriginal Affairs
Parliament House
Macquarie St
Sydney NSW 2000

ABN 80 745 349 769
Level 13, Tower B
Centennial Plaza
280 Elizabeth Street
Surry Hills NSW 2010
Telephone: 02 9219 0700
Facsimile: 02 9219 0790
www.daa.nsw.gov.au

Dear Minister

I have pleasure in forwarding for presentation to Parliament the 2003–04 Annual Report of the New South Wales Department of Aboriginal Affairs and the Registrar, *Aboriginal Land Rights Act 1983*.

The report has been prepared in accordance with the requirements of the *Annual Reports (Departments) Act 1985*.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jody Broun".

Jody Broun
Director General

29 October 2004

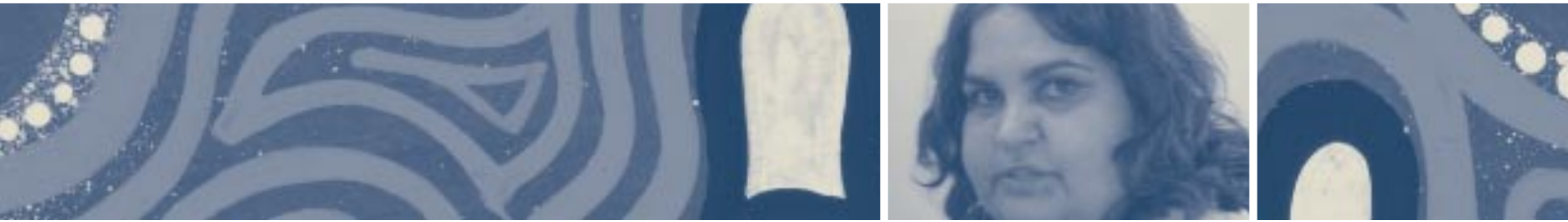








Vision, role and values



Our vision:

To work in partnership with
Aboriginal people in NSW to
achieve social, cultural and
economic independence.

The policies and programs of the Department of Aboriginal Affairs and the Registrar, *Aboriginal Land Rights Act 1983* (the Act), are designed to assist Aboriginal people to establish and maintain their rights, and to overcome the ongoing social and economic disadvantage faced since European occupation. We are committed to developing and implementing these policies and programs in a way that involves Aboriginal people and communities as equal partners.

The agendas of the Department and the Registrar are grounded in a commitment to social justice and Aboriginal self-determination, and recognition and respect for the diverse cultures of the Aboriginal people of NSW.

Role of the Department of Aboriginal Affairs

The Department's role is to:

- provide quality advice and support to the Minister and Parliamentary Secretary for Aboriginal Affairs
- advocate for the voice of Aboriginal people in NSW to be heard in the development of NSW government policies and services
- lead and coordinate NSW government agencies on Aboriginal affairs
- monitor the effectiveness of NSW government agencies in their development and delivery of policies and services affecting Aboriginal people
- support and monitor non-government and business initiatives aimed at achieving our vision.

Role of the Registrar

The Registrar, *Aboriginal Land Rights Act 1983*, and staff carry out the Registrar's functions as prescribed in the Act together with a range of ancillary functions. These are to:

- register land claims under the Act
- maintain a register of claims and of Aboriginal owners
- make recommendations to the Minister for Aboriginal Affairs (the Minister) on the constitutions of local Aboriginal land councils and on changes to council names and boundaries
- make recommendations to the Minister on alteration of the boundaries of regional Aboriginal land councils and on changes to council names
- issue compliance directions to local councils regarding administration of the Act
- mediate, conciliate and arbitrate disputes relating to administration of the Act.

Values

In order to implement the corporate plan for 2002–04 successfully, the Department of Aboriginal Affairs and the Registrar have identified the following values as essential to the work of all managers and staff. The executive management team is committed to modelling these values and to fostering them within the Department and the Registrar's office.

The values are:

- commitment and dedication
- professionalism
- innovation
- integrity
- trustworthiness
- respect and consideration for each other and each other's views.



Departmental units

Aboriginal Communities Development Program

The Aboriginal Communities Development Program is a capital construction and upgrade program to raise the health and living standards of Aboriginal communities with urgent environmental health needs. Launched in May 1998 as a seven-year \$200-million program, it has now been extended to a 10-year \$240-million program.

The program objectives are to provide environmental health and essential infrastructure which addresses the high level of identified need in housing, water, sewerage, roads and services.

To achieve its objectives, the program focuses funding and effort within selected priority communities. It adheres to the fundamental principles of consultation, community participation, sustainability and self-governance.

Community Relations Unit

In line with NSW government priorities, the unit initiates, facilitates and promotes consultation with the Aboriginal community and stakeholders; provides strategic advice on Aboriginal community issues to government agencies; and creates effective links between relevant funding programs and the Aboriginal community.

Policy and Research Unit

The unit provides advice to ensure that NSW government policies, programs and activities for Aboriginal people are responsive, relevant, timely and outcome-oriented. In framing its advice, the unit examines the needs and listens to the aspirations of Aboriginal people.

Executive Unit

In addition to providing support and advice to the Director General, the unit acts as the link between the Department and the Minister for Aboriginal and Torres Strait Islander Affairs and other agencies at both a state and national level.

It is responsible for:

- ministerial liaison and briefings
- media and public relations
- coordination of the Minister's and Director General's representation on national bodies, including the Ministerial Council for Aboriginal Affairs
- secretariat support to the Chief Executive Officer Group on Aboriginal Affairs
- administration of the Department's Grants Program, and
- departmental input into whole-of-government initiatives.

Corporate Services Unit

The Corporate Services Unit provides a wide range of support services to the Director General and staff. It is responsible for managing and coordinating the Department's financial, human resources, information technology, records and administrative systems. Specific responsibilities include: accounting, budgeting and financial management; staffing matters, recruitment, salaries and training; records and correspondence management; and assets, equipment and building services management.

Heritage and Natural Resources Unit

The unit comprises the Heritage and Natural Resources Team and the Aboriginal Land Council Liaison Team.

The latter team assists Aboriginal land councils to comply with their legislative responsibilities under the Act. The team works to ensure that the council system functions as effectively as possible to meet the economic, cultural and social needs of Aboriginal people in NSW. It is responsible for developing, implementing and monitoring policy to ensure that the Minister for Aboriginal Affairs meets his legislative responsibilities under the Act.

The Heritage and Natural Resources Team develops policy in relation to Aboriginal peoples' rights and interests in heritage and natural resources. That role includes carrying out research and providing advice from an Aboriginal perspective to NSW public sector agencies on ownership, management and protection issues.

NSW Aboriginal Languages Research and Resource Centre

The centre opened in March 2003 on the premises of Tranby College, Glebe with NSW government funding of \$1.019 million over four years. The centre is now playing a key role in assisting Aboriginal people and communities to revitalise NSW Aboriginal languages. In undertaking this role, the centre either provides or arranges the provision of:

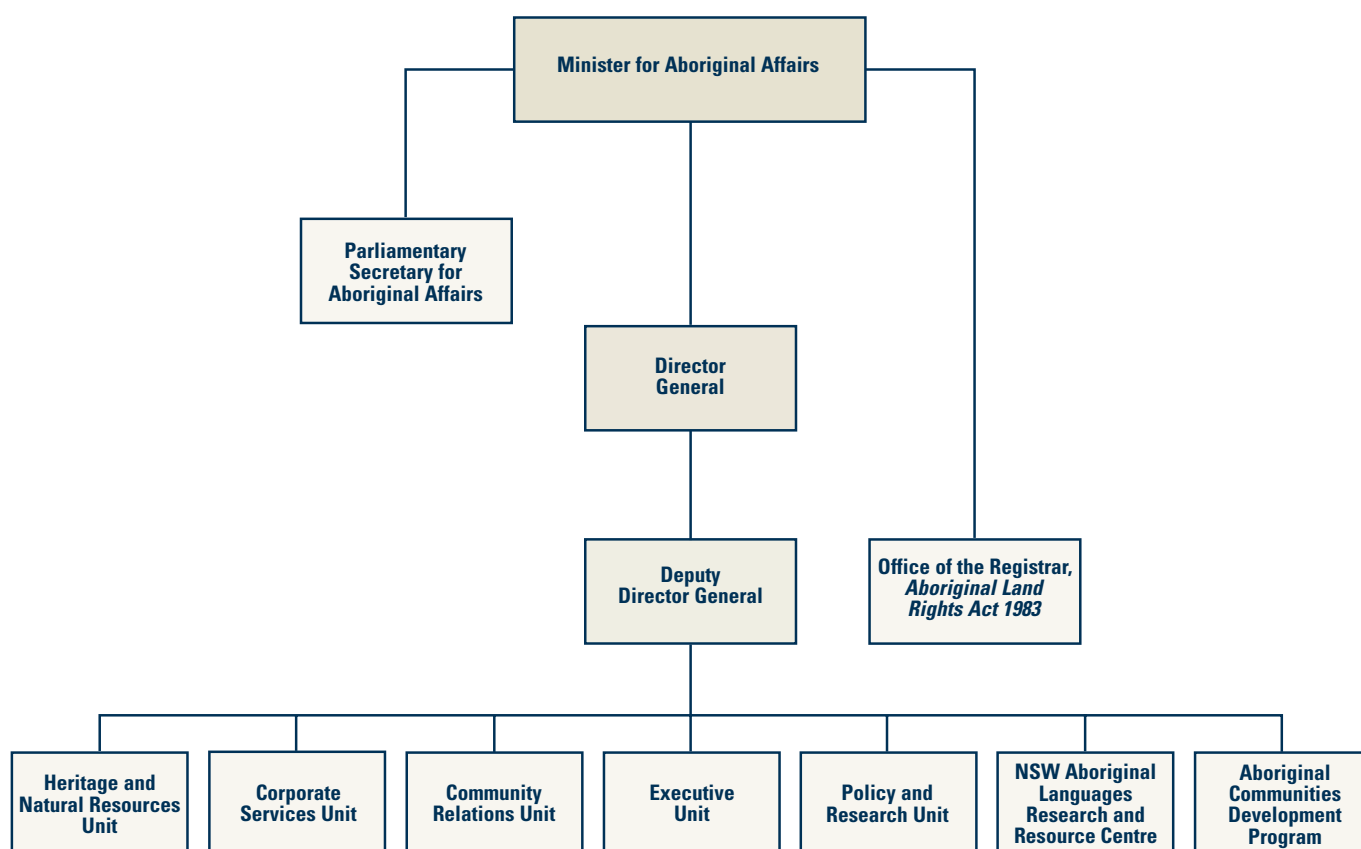
- technical advice such as linguistic and teaching advice
- research assistance
- assistance to record language speakers
- relevant language revival-related training tailored to community needs

- mentoring of, networking and collaboration between language initiatives across the state
- advice regarding funding available to language projects
- strong advocacy for the revival of Aboriginal languages.

The centre is also a central information point for the general public on Aboriginal languages in NSW.

An advisory board with members from peak Aboriginal and Torres Strait Islander groups and representatives from various language groups ensures that Aboriginal communities have a high level of input into the work of the centre.

Departmental structure



Our people

Managers

Director General

Jody Broun DipTeach, BEd, MPhil

Deputy Director General

Cathy Craigie

Director, Community Relations

Sol Bellear

Manager, Policy and Research

(from April 2004)

Carol Thomas BA

Acting Manager, Policy and Research

(July 2003 to April 2004)

Carlo Svagelli BEd

Manager, Executive Unit

Rachel Ardler BComm, GradDipEc

Principal Project Officer, Community Partnerships Project

Steve Merritt GradCert Public Service Management

Manager, Heritage and Natural Resources

(December 2003 to June 2004)

Ken Jurotte

Acting Manager, Heritage and Natural Resources

(October 2003 to December 2003)

Anthony Seiver

Acting Manager, Heritage and Natural Resources

(July 2003)

Stephen Kuhn BA, LLB, GradDip Legal Practice

Program Director, Aboriginal Communities Development Program

Ivan Simon

Manager, NSW Aboriginal Languages Research and Resource Centre

Jakelin Troy BA Hons, PhD

Manager, Corporate Services

Dave Rawson GradCert Public Administration

Acting Manager, Corporate Services

Clive Moulstone GradCert Public Administration, Cert HRMgt, Cert IR

Registrar, Aboriginal Land Rights Act 1983

Stephen Wright BA Legal Studies

Committee representation

Departmental staff serve on many internal and external committees as shown in the comprehensive listing below.

Jody Broun

Intergovernmental Committee on Drugs
Chair, Aboriginal Communities Development Program Steering Committee
Chair CEO Group on Aboriginal Affairs
Chair, Aboriginal Children, Youth & Families Strategy Committee
Human Services CEO Group
Criminal Justice System CEOs Standing Committee
CEOs Group on Child Protection
Natural Resources Advisory Council
Dept of Infrastructure, Planning & Natural Resources CEO Cluster Group
Chief Executive Committee
NSW ATSIC State Council
Aboriginal Business Roundtable
Standing Committee for Aboriginal and Torres Strait Islander Affairs
Aboriginal Affairs Plan Coordinating Committee

Rachel Ardler

Better Service Delivery Executive Committee
CEO Group on Aboriginal Affairs (Secretariat)
Grants Review Planning Group

Brad Delaney

Grants Review Application Group

Peter Swain

MCATSIA – Reconciliation Working Group
Senior Officers' Coordinating Committee On Alcohol
Network of Government Agencies – Gay, Lesbian and Transgender Issues

Corporate Services

Nisha Ali

Records Management Association of Australia Forum
Records Management Group (State Records)

Tamara Bellear-Mayers/Clive Moulstone

Aboriginal Employment in Practice Assistance Scheme
Internal Audit Committee
Murawina Re-location Project

Barry Oliver

Information Security Management in Government Forum
 NSW Government Freedom of Information and Privacy
 Network
 Records Management Association of Australia Forum

Dave Rawson

Budget and Review Committee

Aboriginal Communities Development Program**Ivan Simon**

ACDP Climate Control Committee
 ACDP Design Review Panel
 ACDP Steering Committee
 Advisory Committee for Aboriginal Home Care Service
 COAG Trial Regional Group
 DAA People Development Program Committee
 Housing and Infrastructure Cluster Group
 Murdi Paaki Regional Environmental Health Forum

Policy and Research**Carlo Svagelli**

Aboriginal Business Roundtable
 Aboriginal Education Initiatives Advisory Committee
 (OBOS)
 Aboriginal Youth Leadership Project
 ATSIC – Binaal Billa, Tirkandi Inaburra
 Business and Employment Awards
 Child Protection Senior Officers' Group
 Community Patrols Evaluation Group
 DADHC – Planning for Later Life Forum
 Director General's Aboriginal Education and Training
 Advisory Board (DET)
 Families First – Expert Group
 Inter-departmental Working Group Considering the
 Recommendations of Professor Mark Findlay's
 Independent Review of the *Crimes (Forensic
 Procedures) Act 2000*
 Redfern Waterloo Partnership Project – Block
 Redevelopment
 Redfern Waterloo Partnership Project – Case
 Coordination SOG
 Redfern Waterloo Partnership Project – Drug and
 Alcohol Taskforce
 Redfern Waterloo Partnership Project – Youth Taskforce
 Standing Committee of Criminal Justice CEO – Senior
 Officer Group
 Violence Against Women Senior Officers' Group
 Youth Interagency Taskforce

Carol Thomas

Aboriginal Affairs Plan Coordinating Committee
 Economic Development Cluster Group
 Health Cluster Group
 Justice Cluster Group

Gillian Dempsey

Economic Development Cluster Group
 FACS Longitudinal Study of Indigenous Children
 Learning and Development in Child Protection Forum
 Police Interagency Committee on Adult Sexual Assault
 Violence Against Women Senior Officers' Group

Cathy Eatok

Aboriginal Child Protection Participation Group

Deborah Johnston

Criminal Justice Liaison Officers Committee
 Seniors' Week Reference Group
 Youth Justice Advisory Council

Sue Lindsay

Aboriginal Affairs Plan Coordinating Committee
 Culture and Heritage Cluster Group
 Education Cluster Group
 Families and Young People Cluster Group
 Health Cluster Group
 Justice Cluster Group

Jakelin Troy

Australian National Placenames Survey NSW and ACT
 Sub-committee
 Geographical Names Board
 Historic Houses Trust Exhibitions Committee

LEANNE HUNTER 2004...

Performance report



Priority 1: Relationship with the Aboriginal community

- 1.1** The Aboriginal community will be aware of and understand the role of the Department of Aboriginal Affairs and the NSW Government, specifically on:
- what matters they can get assistance from the Department and other NSW agencies
 - Departmental responsibilities to the Minister and Government
 - achievements of the Department.

The Department of Aboriginal Affairs communicates with a large number of stakeholders. They include individuals, Aboriginal community organisations and private businesses, communities participating in the Aboriginal Communities Development Program, other NSW government agencies and Commonwealth government agencies.

Our website at www.daa.nsw.gov.au gives a comprehensive picture of the Department's role, structure, staff and programs and policies. The site also provides information about Aboriginal people in NSW and allows access to all our publications. The website received over 48 000 visits during the 2003–04 financial year.

Other communication tools include the newsletter *DAA News* and information materials on departmental and NSW government programs. Regular community visits, stalls and workshops to inform people about specific issues and programs feature in our face-to-face communication activities.

For example, the Department took part in major events for Aboriginal people such as Survival Day, NAIDOC Week, Reconciliation Week and Sorry Day, and in many conferences, community events and

festivals. Participation allowed us to interact with Aboriginal community members and exchange information.

The Department develops partnerships with other NSW government agencies and peak Aboriginal bodies, provides advice on relevant issues and participates on committees and working groups. Inherent in this role is ensuring that, where possible, Aboriginal organisations are represented on working groups.

In April 2004 the Greater Western Sydney Biala Partnership, 2004–2007 was signed. The partnership, which was formed to improve service delivery to Aboriginal people living in Greater Western Sydney, involves the Department, four local Aboriginal land councils, the Sydney ATSIC regional council, the Greater Western Sydney Regional Co-ordination Management Group and the Premier's Department.

1.2 The Department will support the development of leadership within Aboriginal communities.

Through the Aboriginal Communities Development Program the Department actively fostered leadership within Aboriginal communities by setting up community working parties. The working parties bring together representatives of all sections of the community to make decisions in the traditional Aboriginal manner. They are developing leadership at both community and individual levels.

Shakaya performing at the 2004 Yabun Concert in Redfern, the Department provided sponsorship to the event. PHOTO MERV BISHOP



1.3 There will be formal mechanisms for Aboriginal people and organisations to influence the development of NSW government policy and programs.

Aboriginal Affairs Plan

The Department is implementing the new plan, *Two Ways Together, the New South Wales Aboriginal Affairs Plan 2003–2012*, as a whole-of-government initiative. The plan focuses on improving the delivery of government services and infrastructure to Aboriginal communities through a framework of meaningful negotiation between Aboriginal people and local and the State Government.

Aboriginal communities identified the following areas for action through the plan:

- families and young people
- education
- justice
- health
- economic development
- culture and heritage
- housing and infrastructure.

In line with the plan, the Department developed formal links with peak Aboriginal bodies and government agencies through seven cluster working groups—one for each of the priority areas listed above. Each group has prepared action plans to address key service delivery and policy issues.

Framework agreement

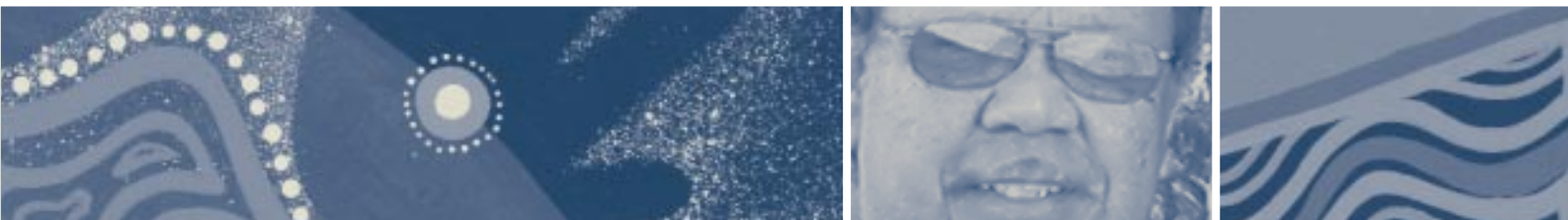
The agreement, formally signed in November 2002 by the NSW Government, ATSIC and NSW Aboriginal Land Council, will complement the new Aboriginal Affairs Plan. The NSW Service Delivery Partnership Agreement aims to enhance service delivery for Aboriginal and Torres Strait Islander people.

The six principles underpinning the agreement are:

- recognition of, and support for, the rights of Aboriginal and Torres Strait Islander people
- recognition of peak Aboriginal bodies
- commitment to improving the wellbeing of Aboriginal and Torres Strait Islander people, families and communities
- support for building on community leadership and capacity-building
- joint work and sharing of responsibilities
- commitment to accountability.



Performance report



Priority 2: Maximise the impact of departmental programs aimed at improving the living conditions and maintaining the rights of Aboriginal people

2.1 The Aboriginal Communities Development Program will achieve intended outcomes and meet expenditure projections for targeted communities by 30 June 2004.

The Aboriginal Communities Development Program (ACDP) spent \$33.32 million against a target of \$33.5 million for 2003–04.

Community housing and environmental health needs assessments were conducted for all 22 priority communities and a complete program of capital works is in progress and/or project managers engaged in all communities.

The ACDP targets some of the most disadvantaged Aboriginal communities in NSW—communities which lack the resources to manage housing assets. Housing providers are required to comply with the *NSW Aboriginal Housing Act 1998* as a prerequisite to receiving works or assets through the ACDP.

Although the Department worked closely with the Aboriginal Housing Office to develop the capacity of housing providers, in some cases it was simply not possible for providers to meet the legislative requirements. The Department therefore needed to put alternative housing management arrangements in

place in order to keep the ACDP progressing. The long-term goal however remains to transfer housing assets to local community control.

Together with the Department of Commerce we prepared and issued a monthly Program Progress Report on all aspects of ACDP expenditure and capital works progress. The report assesses performance against a range of indicators on expenditure, roll-out of works, numbers of people benefiting, and employment and training outcomes. The reporting framework is also enabling us to provide Treasury and the Central Corporate Services Unit with more accurate and regular information on forward projections and expenditure.

As well as using hard performance measures, the Department is working with key agencies to identify indicators that measure the less tangible aspects of the ACDP, such as health and social benefits, and on a practical means of collecting data collection for these important indicators.

The Department kept the Minister and Treasury regularly informed on the Aboriginal Communities Development Program.

2.2 The majority of Aboriginal rental housing properties managed by Aboriginal housing providers will have benefited from the Housing for Health or similar programs.

The Housing for Health program was fully implemented in 20 communities and substantially implemented in a further two communities. New projects started in four communities. In total, 731 houses were modified or repaired through the program, 57 more than in the previous financial year.

Program expenditure for 2003–04 was \$0.78 million against the target of \$0.39 million.

The Department of Health is managing implementation of the Housing for Health program on behalf of the Department and reports back regularly. We are monitoring the program and reviewing progress after key milestones such as the completion of the first survey and repairs are reached.

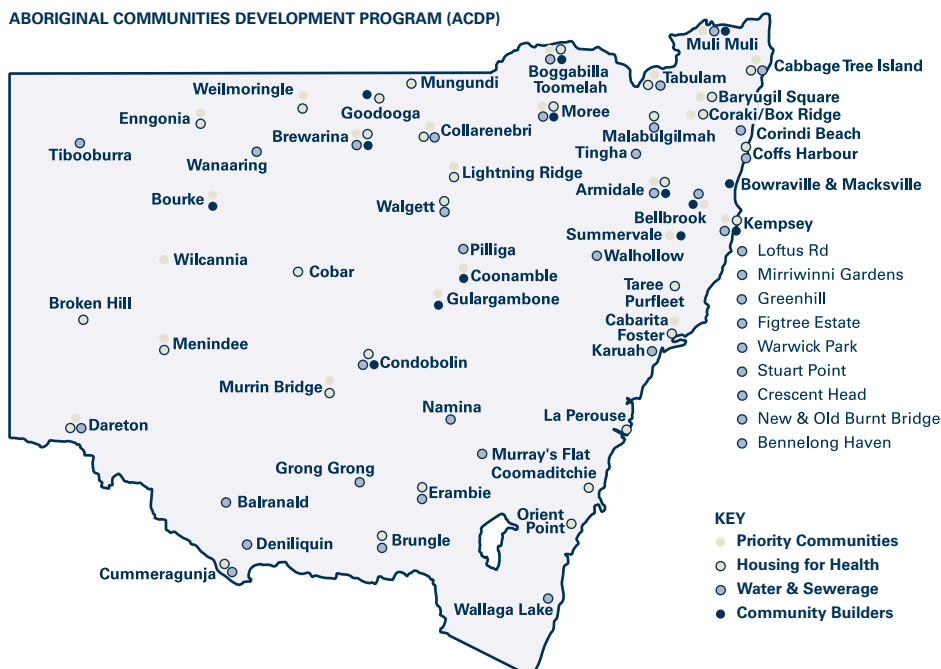
In addition, we are continuing to implement changes to the program that will improve monitoring and delivery.

2.3 The standard of water and sewerage infrastructure in 70% of communities identified in the 1997 Department of Land and Water Conservation (DLWC) report will have been upgraded.

Since the DLWC report classifying a number of largely Aboriginal communities as having inadequate water and sewerage infrastructure, the ACDP has identified additional communities where infrastructure needs are still to be addressed.

Since the inception of the ACDP, a total of 53 projects have been completed to repair or upgrade existing water and sewerage services. A further 31 projects are in progress. Of these, two are in the feasibility assessment phase, 21 are in design and eight are under construction.

ABORIGINAL COMMUNITIES DEVELOPMENT PROGRAM (ACDP)



2.4 Communities will have a central role in decision-making in the Aboriginal Communities Development Program.

Community working parties continue to operate in 21 of the 22 priority communities and have a major role in determining how the Aboriginal Communities Development Program is implemented. Many have developed into broad consultation, planning and monitoring groups and play a major role in addressing a wide range of social, environmental, economic and other critical issues. The Department is working closely with community working parties, government and community agencies to promote a holistic approach towards addressing the needs of Aboriginal communities.

Guidelines for the operations and functions of community working parties have been in place since 2000. These have been recently reviewed and expanded into a set of broader draft guidelines that are in the process of implementation.

Officers of the Department have developed close relationships with community working parties and regularly attend their meetings to ensure that there is a constant flow of information about the ACDP.

2.5 There will be improvements in key indicators (housing, infrastructure, employment) for the targeted Aboriginal Communities Development Program communities.

Since the inception of the Aboriginal Communities Development Program a total of 53 projects have been completed, including 10 in the reporting period.

In 2003–04 there were improvements across all key program indicators. These are:

- number of houses brought up to basic health and safety standards according to the Housing for Health methodology
- number of houses receiving repairs, maintenance or upgrade
- number of new houses constructed or spot purchased
- number of instances of overcrowding alleviated
- number of persons with improved water quality
- number of persons with improved sewerage treatment/effluent disposal
- number of Aboriginal enterprises established
- number of Aboriginal apprenticeships/traineeships commenced
- number of other Aboriginal job opportunities created.

As well as improving living conditions, the ACDP facilitates the development of Aboriginal businesses and employment and training opportunities in many communities. Since the inception of this program, 13 new Aboriginal business enterprises have been established, the majority in housing construction and improvement.

In partnership with the Department of Commerce, the Department implemented a range of measures to assist Aboriginal enterprises overcome major obstacles such as home warranty insurance and cash flow. The Department also recognised that communities need long-term business and employment prospects after the ACDP is completed. To this end the Department is working on identifying capital works programs that may be able to sustain these enterprises into the future.

To date, 222 Aboriginal apprentices/trainees have commenced training under the ACDP and 65 apprentices have completed their apprenticeships. Two new training programs are scheduled to begin in the near future.

2.6 Aboriginal views will be considered and reflected in the development of NSW government policy and action on native title, natural resource and environmental management, culture and heritage issues.

Native title

The Department is responsible for coordinating resolution of the Wellington Common native title claim; the first claim lodged under the *Commonwealth Native Title Act 1993*.

The National Native Title Tribunal drafted but did not register an Indigenous Land Use Agreement and a further agreement was drafted to implement the mediation outcomes. The parties to the agreement are the NSW Government, the native title claimants, the Wellington Shire Council, the Wellington Local Aboriginal Land Council and the Wellington Wiradjuri Aboriginal Town Common (Aboriginal Corporation).

The Department is encouraging the Wellington Local Aboriginal Land Council to participate in the agreement to enable transfer of the Wellington Common to Aboriginal ownership as soon as possible. Transfer will allow the Wellington Wiradjuri traditional owners to pursue joint management agreements with relevant government agencies.

Natural resource and environmental management

In December 2003, new NSW legislation devolved natural resource planning and decision-making to 13 regional catchment management authorities. The Natural Resource Commission, which guides and monitors the authorities' work, must take account of Indigenous knowledge of natural resources. To help the Commission in this regard, the Department chaired an Aboriginal culture and heritage expert panel which prepared standards and targets on the inclusion of Aboriginal people and Aboriginal interests in natural resource management.

Recent changes to water management legislation should benefit Aboriginal communities, for example,

creation of the \$5 million Aboriginal Water Trust. A joint initiative with the Department of Infrastructure Planning and Natural Resources, the trust financially assists Aboriginal water-reliant enterprises.

Implementation of the NSW Fisheries Indigenous Fishing Strategy continued to improve Aboriginal peoples' access to the State's marine and freshwater resources for cultural and commercial fishing activities. The Department assisted NSW Fisheries in strategy implementation and supported legal reforms to recognise Aboriginal cultural fishing rights.

In 2003–04 the Department applied for funding through the Environmental Trust's Integrated Environment program for a project aimed at increasing the capacity of Aboriginal people in environmental, heritage and natural resource management. Meanwhile, the Trust's Protecting Our Places program funded 18 Aboriginal community environmental projects worth \$526 319 during the year.

Aboriginal cultural heritage

Disputes between Aboriginal people, local government and state government agencies can occur due to the fragmentation of powers to protect Aboriginal cultural heritage—the Department of Environment and Conservation having legal responsibility for protecting objects and places of Aboriginal cultural heritage significance and local government controlling land use activities which may potentially have cultural impacts.

The Department is regularly asked to intervene in contentious disputes and to advise other state government agencies on cultural proposals. We also advise Aboriginal people on the best ways to protect and manage their cultural heritage.

During the period covered by this report the Department intervened in matters at Nambucca Heads (land clearing); Red Rock (land clearing); Bowraville (mining) and Crescent Head (sealing of Point Plommer Road).

2.7 The Aboriginal community will be aware of and understand their rights, specifically:

- self-determination
- rights under legislation
- common law rights
- access to Aborigines Protection Board and Aborigines Welfare Board records.

The Department of Aboriginal Affairs is responsible for controlling access to files of the Aborigines Welfare Board and Aborigines Protection Board. Our primary role is to manage access in a culturally sensitive manner and ensure that privacy rights are respected.

In 2002–03 the Department allocated funds to index the files; a project that will assist Aboriginal people trying to reconnect with kin. To date, approximately 15 000 records have been entered onto the index database from the files held at State Records including:

- Certificates of Exemption, 1949–1954
- Certificates of Exemption, undated
- record cards of Aboriginal children, 1953–66
- ward registers, 1916–28
- index to ward registers, 1916–c1938
- histories of girls and boys unattached and for whom forms have not been prepared
- Aboriginal Boys Training Home, Kinchela, case papers, 1944–67.

The Archives Officer is now able to search the database and give Aboriginal people more complete family information than was previously available.

In the new financial year the Department will lead a taskforce of relevant government and non-government agencies to identify ways to improve Aboriginal peoples' access to records.

In partnership with the NSW State Reconciliation Council and the Department for Education and Training, the Department finalised a series of fact sheets on Aboriginal issues in 2003–04. We subsequently distributed the fact sheets to schools throughout NSW.

2.8 Aboriginal people will be aware of and able to register their rights to access and ownership of land and areas of significance in NSW.

New land management publication

Prompted by the high number of inquiries received on the subject, the Department published a new land management booklet, *NSW Aboriginal people acquiring and managing land for conservation purposes*. The booklet explains in plain English the three main ways that Aboriginal people can gain land ownership, including through Aboriginal ownership of conservation reserves under the *National Parks and Wildlife Act 1974*. The booklet also explains how Aboriginal people owning or having an interest in land can be involved in its management and conservation.



Mt. Grenfell Historic Site

Return of national parks to Aboriginal people

The 1996 amendment of the *National Parks and Wildlife Act 1974* established a scheme through which Aboriginal people who have a cultural association with national parks, historic sites, state recreation areas, regional parks or nature reserves can own and manage the lands.

The scheme provides for land to be vested in an Aboriginal land council on behalf of Aboriginal owners and leased back to the Minister for the Environment as an Aboriginal-owned national park. A board with a majority of Aboriginal owners then manages the park.

In 1998 the Mootwingee Historic Site, Mootwingee National Park and Coturaundee Nature Reserve were handed back to the Aboriginal owners as the Mutawintji National Park. The Mutawintji National Park Board of Management is nearing the end of its first term and a new board will be appointed in 2004–05.

Before a board is appointed, the relevant Aboriginal land council and an Aboriginal negotiating panel appointed by the Minister for Aboriginal Affairs determine the lease terms with representatives of the Minister for the Environment. The panel represents Aboriginal people who have a cultural association with the land in question.

The Minister has appointed negotiating panels for Mutawintji, Biamanga and Gulaga national parks, Mt Grenfell Historic Site, Stockton Bight and Warrell Creek Nature Reserve. Negotiations for a lease agreement for the hand back of Mt Grenfell Historic Site were finalised in the reporting period and the land will return to Aboriginal ownership in July 2004.

2.9 The Aboriginal Land Council system will be enhanced by legislative reform.

On 26 May 2004, the NSW Government announced the establishment of a taskforce to overhaul the NSW Aboriginal land council system. Comprising the Director General of the Department, the Registrar, *Aboriginal Land Rights Act 1983* and the NSW Aboriginal Land Council Administrator, the taskforce will address significant systemic financial and management problems.

Their brief includes:

- examining the three-tiered structure of the land council system to see if there is a better way of delivering outcomes to Aboriginal people
- making recommendations on clearer separation of powers between the administrative and elected arms of local councils to avoid nepotism and conflicts of interest
- attracting more qualified people with relevant managerial and financial expertise
- improving intervention strategies to avoid the appointment of administrators and investigators to local land councils. In the past five years administrators have been appointed to 21 of the State's 122 local land councils
- improving the framework for managing, selling and developing land council assets, in particular the sale and commercial development of land holdings
- clarifying the role of elected representatives and examining the option of part-time elected positions.

The taskforce will report to the Minister by the end of 2004. Once the NSW Government has accepted the recommendations, Aboriginal people across the State will be consulted and legislative amendments drafted.

2.10 The Aboriginal community will know their rights and responsibilities under the Aboriginal Land Rights Act, specifically:

- election of office bearers
- conduct of meeting bearers
- membership.

Rate exemptions

The *Aboriginal Land Rights Act 1983* exempts certain lands vested in an Aboriginal land council from the payment of rates and charges, including those set under the *Local Government Act 1983*, *Hunter Water Act 1991*, *Sydney Water Act 1994* and *Water Management Act 2000*.

The Aboriginal Land Rights Amendment (Rate Exemptions) Regulation 2003 of 30 June 2003 substantially amended the eligibility of Aboriginal land council properties for exemption from rates and charges. The Regulation:

- removes all former Aboriginal reserves and missions from Schedule 1
- requires that land declared to be of spiritual and cultural significance for rate exemption purposes not be used for residential purposes
- requires approval from the Minister for Aboriginal Affairs for resolutions making such a declaration.

In July 2003 the Department prepared and distributed information packages to all Aboriginal land councils, local government authorities and water supply authorities explaining the implications of the Regulation. The Department answered enquiries from a number of Aboriginal land councils and local government authorities regarding the rate exemption provisions.

We continued to work with peak stakeholder bodies in 2003–04, including the Department of Local Government, Local Government Association, Shires Association and NSW Aboriginal Land Council to ensure that the Regulation's provisions are workable and fair.

Investigators and administrators

With the approval of the NSW Aboriginal Land Council (NSWALC), the Minister may appoint an investigator to a local or regional Aboriginal land council to examine its affairs. Subsequently the Minister may, again with NSWALC approval, appoint an administrator to a council. The administrator's role is to support the council so that it is able to manage its own affairs at the end of the appointment.

The Department and the NSWALC maintain a joint list of investigators and administrators qualified for appointment. In 2003–04, the Department financed a tender process to revise the list in order to:

- increase the quality of the candidates through the establishment of standard selection criteria
- obtain better value for money from more capable and qualified candidates
- remove certain people from the list due to insufficient qualifications and/or poor past performance.

Reform of the NSW Aboriginal Land Council

In May 2003, the Minister appointed an investigator to the NSWALC for three months following reports from the Independent Commission Against Corruption, the NSW Ombudsman and the NSW Auditor-General that had raised concerns about the Council's management. The investigator was appointed to investigate all the affairs of the NSWALC including its efficiency and effectiveness.

The investigator's findings, which went to the Minister, included that the Council had:

- failed to maintain registers of pecuniary and external interests
- continued to disregard standards and probity in relation to travel allowances
- neglected to use predetermined guidelines when spending discretionary funds
- exercised inadequate stewardship of the Statutory Investment Fund set up for future generations of Aboriginal people
- shown a lack of support for local Aboriginal land councils
- displayed an arrogant and incompetent approach to ICAC criticism
- breached Section 157 of the Act which requires the Council to furnish the Minister with sufficient information to allow approval of 2002–03 and 2003–04 budgets

- maintained inadequate internal complaint handling processes
- failed to have a permanent CEO for significant periods.

The primary recommendation of the report was that an administrator be appointed to the NSWALC for a period of 18 months to exercise all functions of the Council. After considering the investigator's report, the Minister appointed Mr Murray Chapman as administrator on 20 November 2003 to protect the long-term future and viability of the land council system. He will exercise all Council functions for 12 months.

The administrator is currently in the process of putting in place measures to ensure strict accountability and lay the groundwork for significant management improvements.

In November 2003, the Department prepared and distributed fact sheets to all Aboriginal land councils explaining the implications of the appointment of the administrator.

In November 2003, some of the councillors removed from office when the administrator was appointed challenged the appointment of the investigator and administrator in the Land and Environment Court. In April 2004, the court found in favour of the Minister for Aboriginal Affairs and confirmed that the investigator and the administrator had been validly appointed.

Since the appointment of the administrator:

- the capital value of the NSWALC Account has risen to \$529.6 million at 30 June 2004 from \$501.7 million at 21 November 2003
- management of the NSWALC's rural properties has been outsourced
- policies and procedures have been implemented to address many long-standing endemic problems in the Council and the Aboriginal land council system
- a restructure of the NSWALC has led to the replacement of the 13 branch offices by four zone offices to be located at Coffs Harbour, Sydney, Dubbo and Queanbeyan
- significant progress has been made in implementing the recommendations of the investigator and other agencies.

Jack, Clark, Kristy and Jade from Sydney University





Complaint handling

The Department is responsible for dealing with complaints about the operation of the Aboriginal land council system from members of Aboriginal land councils, the public, local government councillors and other organisations.

To ensure clarity, consistency and effectiveness, the Department adheres to a complaint handling policy. This policy involves collecting data about the nature of the complaints received—data which will allow the Minister to develop strategic and responsive solutions to Aboriginal land council problems.

We received 55 complaints in 2003–04. Complaints ranged from alleged problems with local Aboriginal land council policies and procedures to destruction of cultural heritage. In resolving the complaints the Department worked closely with the Independent Commission Against Corruption and other government agencies.

In November 2003, the Department re-convened the Independent Commission Against Corruption Interagency Complaint Handling Committee comprising representatives of the Department, the NSW Aboriginal Land Council, the Registrar, *Aboriginal Land Rights Act 1983* and the Commission. The Committee aims to standardise complaints handling policies and processes between the agencies and ensure that grievances are dealt with in a timely manner.

Accounting mechanisms

The Minister approves the annual budget for the NSWALC and receives mandatory quarterly or six-monthly reports from the Council on funding allocations to local and regional Aboriginal land councils.

In 2003, the Department and the NSWALC jointly retained PricewaterhouseCoopers to establish a more efficient and transparent accounting system for the Council. The main purpose of the project is to create a budget template that will assist the Minister to review and approve the Council's budget in a timely manner and assist Council forward planning. The project will be tailored to the organisational restructure being undertaken by the Council's administrator.

Independent Commission Against Corruption (ICAC)

On the advice of NSWALC's administrator, the ICAC commenced public hearings in February 2004 to investigate the conduct of certain officers of the Koompahtoo Local Aboriginal Land Council regarding property dealings which took place between approximately 1997 and 2002. The Department made a submission to the ICAC in May 2004 in response to an ICAC discussion paper that covered corruption prevention issues arising from the hearings.

The ICAC has not yet made its findings and recommendations public.

Memorandum of Understanding and Joint Reform Working Group

These two initiatives form part of a coordinated approach by the Department for ensuring that agencies meet their responsibilities under the *Aboriginal Land Rights Act 1983*.

The Department, on behalf of the Minister, the NSWALC and the Registrar, are parties to the Memorandum of Understanding which is designed to clarify their respective roles and responsibilities under the Act. Discussions commenced in 2003 on development of policies and procedures to ensure that each agency meets its responsibilities but were suspended during review of the Act.

In early 2003, the NSWALC invited the Minister for Aboriginal Affairs and the Registrar to form a Council sub-committee known as the Joint Reform Working Group. The Department's Director General or delegate represents the Minister on the sub-committee which makes recommendations to the Council. The Joint Reform Working Group continued to meet in 2003 to address functional and operational issues arising from the commencement of the *Aboriginal Land Rights Amendment Act 2001* on 25 October 2002.

During 2003–04, the sub-committee of the Joint Reform Working Group formed by the Department, the Financial Reporting and Operations Group, met to address issues relating to the NSWALC's financial reporting and budgeting responsibilities.

Further meetings of the Joint Reform Working Group and the Financial Reporting and Operations Group have been deferred pending conclusion of the administrator's term of appointment at the Council.

2.11 Aboriginal people and organisations will be able to respond to social and economic problems and opportunities.

The department will offer grants to help overcome crises, take advantage of opportunities and initiate long-term projects.

The Department of Aboriginal Affairs' grants program has been established to provide financial assistance to Aboriginal people and organisations that wish to implement innovative programs that will address the socio-economic disadvantage of members of the Aboriginal community. Funds from the grants program are allocated to projects that reflect the New South Wales Government's and the Department's social justice priorities.

Major Grants

Major Grants provide funds for larger projects and programs that reflect the aspirations of the NSW Aboriginal people and have the potential to deliver long term benefits. The Major Grants main area of priority changed between two (2) rounds in the financial year to enable the department to cover a range of community initiatives and benefiting the Aboriginal community on a wider base.

The 2003/2004 1st round areas of priority were:

- Capacity Building – governance training and organisational capacity building
- Language Revitalisation
- Other

When assessing grant applications, the selection committee determines the degree which applicants address the main priority areas and principles of social justice, access, equity, participation and rights.

The Major Grants program continues to offer amounts from \$4 000 to \$45 000 to individuals and organisations that potentially deliver long term benefits to the Aboriginal community. Applications

for Major Grants were opened for offer when advertised in the Koori Mail and other media outlets throughout the state. Each applicant is given equal opportunity to show it can provide services that fill the main priority areas specific to each round.

Discretionary Grants

Discretionary Grants are available to any Aboriginal individual or organisation that is seeking a small amount of money (up to \$4 000) to alleviate social disadvantage. Discretionary Grants also assist with projects when no other source of funding is available.

During the 2002–2003 financial year, approximately 350 Discretionary Grant applications for funding were received with \$134,101 being approved to Aboriginal individuals and organisations.

Assist people and organisations to access grants available from NSW Government agencies and other sources.

Over the last financial year, the Department has improved the way it develops and delivers information to Aboriginal people and communities.

Our information base has assisted the Department when providing referrals to individuals and organisations to access appropriate grants and services from other sources. In some cases it has been necessary for Departmental staff to become involved in the role as an advocate to assist a number of individuals to access appropriate services through other government and community agencies. The information base has provided the Department with the capacity to deliver integrated assistance when responding to complex situations facing individuals and communities.

Major grants and discretionary grants are listed in the Appendices page 75.



Performance report



Priority 3: Lead the development, coordination and monitoring of programs aimed at empowering Aboriginal people to achieve access, equity and self-determination

3.1 A new Aboriginal Affairs Policy will be developed for consideration by Government

The Department is implementing *Two Ways Together*, the NSW Aboriginal Affairs Plan 2003–2012. The plan articulates the principle that government agencies and Aboriginal peak bodies are equal partners when 'doing business' with Aboriginal people. It is designed to inform policy and improve service delivery.

The Chief Executives of NSW government agencies have signed off on *Two Ways Together* and are implementing action plans with guidance from the Aboriginal Affairs Plan Coordinating Committee.

On June 24 2004, Cabinet approved \$40 million over four years for programs that support and accelerate the aims of the *Two Ways Together*. The programs include practical initiatives to reduce incarceration and family violence, improve literacy, numeracy and school retention rates, prevent middle ear infections, increase employment and improve living conditions. They will have an impact on the ground in identified Aboriginal communities.

3.2 The Government will have a comprehensive and detailed picture of NSW government agencies' performance on delivery of agreed outcomes for Aboriginal people

The Department is developing a directory of both Aboriginal-specific and mainstream NSW government programs accessed by Aboriginal people. Departmental staff will use the directory to refer enquiries from Aboriginal people and groups to the most appropriate agency.

Under *Two Ways Together* an annual report on progress which includes implementation data from government agencies will be provided to the Premier. The 2003–2004 report has been finalised for presentation in November 2004.

3.3 NSW agencies will understand the role of the Department of Aboriginal Affairs and recognise the Department as having special expertise in Aboriginal affairs

The Department provides advice on request to other agencies and is developing ongoing partnerships with relevant agencies to ensure the needs of Aboriginal people are addressed.

The Director General represents the Department on the Human Services CEO Group as well as chairing the CEO Group on Aboriginal Affairs. The Department plays an important role in these forums by ensuring that Aboriginal issues are considered in a range of cross agency initiatives and that the priorities established by *Two Ways Together* continue to drive the development of policies and programs.

3.4 The NSW Government will implement a whole-of-government approach in Aboriginal affairs

Two Ways Together encourages cross agency cooperation across seven identified priority areas to reduce duplication of services and conflicting approaches to program or service delivery.

Under the Plan seven cluster groups of government agencies and Aboriginal peak bodies have been formed to address the priority areas and provide coordinated action. The Department is the lead agency for the Economic Development Cluster and participates in each of the others.

The Department is the lead agency for an eighth Cluster Group, the Aboriginal Affairs Plan Coordinating Committee which coordinates, monitors and evaluates *New Ways of Doing Business*; monitors progress of the other seven clusters and promotes linkages between the Plan and other government agreements.

In support of this whole-of-government approach, the Department continues to coordinate the CEO Group on Aboriginal Affairs which develops cross-agency responses to Aboriginal community concerns. CEO Group meetings in Brewarrina and Dareton in 2003–04 resulted in coordinated actions plans which will address concerns raised.

3.5 Aboriginal people will be included on boards, committees and reference groups which deal with the issues that affect the lives of Aboriginal people.

Under the *New Ways of Doing Business*, Aboriginal people will be included on boards, committees and reference groups which deal with issues that affect the lives of Aboriginal people.

Strategies supporting the plan require NSW government agencies to:

- identify boards and committees whose work impacts on the lives of Aboriginal people
- ensure that at least one Aboriginal person sits on each relevant board or committee by the beginning of the 2003-04 financial year
- ensure that Aboriginal members of boards and committees are adequately resourced and supported.

In filling board and committee positions, agencies can access the list of qualified, available Aboriginal people which is maintained by the Premier's Department. Once they have appointed Aboriginal board and committee members, agencies must conduct induction courses to prepare members for their role.

3.6 Aboriginal people will participate in and benefit from government and non-government regional initiatives

As previously detailed under priority 1.1 in this report, the Greater Western Sydney Biala Partnership, 2004–07 was formed to improve service delivery to Aboriginal people living in Greater Western Sydney.

Additionally as part of the Murdi Paaki trial Aboriginal people, through Community Working Parties, are working with both state and commonwealth governments at local and regional levels to set priorities and ensure service delivery is meeting community needs.

3.7 The Department will coordinate with other levels of government (federal, local) and with community initiatives.

In November 2002, the NSW Government, ATSIC and the NSW Aboriginal Land Council signed the NSW Service Delivery Partnership Agreement aimed at enhancing and improving service delivery for Aboriginal and Torres Strait Islander people. The agreement recognises the comparative disadvantage of NSW Aboriginal and Torres Strait Islander people and the need for them to be largely responsible for identifying issues and working out solutions.

This approach will assist in:

- empowering local Indigenous communities
- providing leadership and capacity-building for individuals and Aboriginal organisations.

The agreement will not undermine existing agreements or prevent the NSW Government and Aboriginal organisations entering other agreements.

The Department works with the Local Government Association and the Shires Association on a variety of issues including land, water and sewage, community planning, and social and economic development. The associations are members of the Economic Development Cluster Group involved in the implementation of an action plan under the Aboriginal Affairs Plan *Two Ways Together*.

The Department provided secretariat support and briefings to representatives on the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA) and is a member of the Standing Committee for Aboriginal and Torres Strait Islander Affairs, both important forums that feed into the Council of Australian Governments (COAG).

The Department is currently leading the development of a MCATSIA economic development framework. The objectives of the framework are to identify:

- a set of principles to guide COAG and ministerial councils in promoting Indigenous economic independence
- barriers to achieving Indigenous economic independence
- strategies to overcome these barriers.

Framework development involves working with Indigenous community groups, relevant NSW agencies, other jurisdictions and ministerial councils.

3.8 The broader community will have increased access to information about the history, culture and experience of Aboriginal people.

The Department is developing an Internet portal, the NSW Aboriginal Infonet, as a source of information on services available to Aboriginal people. Covering topics such as health, education and housing, the Infonet will also promote community events around the State and feature relevant news. The address is www.aboriginal.nsw.gov.au.

Survival: A History of Aboriginal Life in New South Wales has been updated and re-edited. The Department secured permission to re-use images and quoted text in both the update and related materials such as teachers' notes and a video. Feedback on the draft was overwhelmingly positive and the Aboriginal education community is eagerly awaiting the new edition.

As part of our public information strategy the Department will send copies of *Survival* to all educational institutions in NSW. Copies will also be available for sale.

The second edition of *Survival* should be in available by the end of 2004.

3.9 The Department will encourage the involvement of the corporate sector.

Initiatives in 2003–04 under the Budyari Ngalaya Program included:

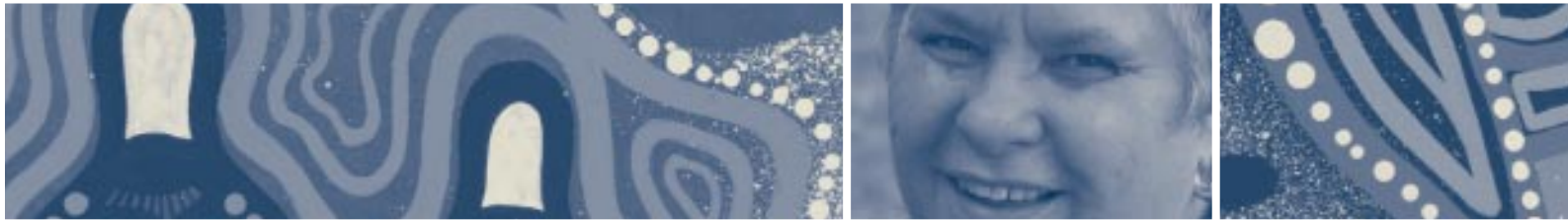
- MLC Powerhouse Design Studio and Gallery, one of the Budyari Ngalaya partners, worked with Aboriginal artist and fashion designer Robyn Caughlan, sponsoring a three-week exhibition in Sydney in July 2003 which showcased her latest designs.
- Budyari Ngalaya partner Central Darling Shire erected street pointer signs in two locations for an Aboriginal business, JD's Coffee Shop at Menindee.
- Ashton Mines engaged an Aboriginal business, Yenuga Mine Services, to undertake mine restoration work.

Employment outcomes were achieved in the building and construction, transport and tourism industries.

The Department, through the Economic Development Cluster Group of *Two Ways Together*, is also looking to increase private sector involvement in both the development and delivery of actions within the group's plan for 2004–06. In developing the next biennial plan, the group will seek input from the private sector through a facilitated workshop planned for August 2004. The result should be a more dynamic and ultimately more effective strategy that will improve economic outcomes for Aboriginal people in NSW.



Performance report



Priority 4: Provide quality support and service to the Minister and Government

4.1 The Department will meet all its legislative requirements.

The Department is also responsible for ensuring it complies with NSW Public Sector and Government Policy which includes the *Public Sector Employment Management Act*, the *Public Finance and Audit Act 1985* and other Public Sector employment related legislation.

4.2 The Minister and his office will be kept thoroughly informed about current and emerging issues in Aboriginal affairs.

During 2003–04 the Director General generally met weekly with the Minister to keep him thoroughly informed of ongoing and emerging issues. The Department advised the Minister's media staff on relevant issues in the media and prepared media releases, speeches and briefing notes.

Before each session of Parliament, the Department compiled briefs for the Minister. The briefs assist the Minister in responding to questions raised in Parliament.

4.3 The Department will provide high quality and timely advice to the Minister and his office, and government committees such as the Cabinet Committee on Aboriginal Affairs as required.

The Department developed concise and accurate briefings and responses for the Minister in relation to questions from the public, interest groups and members of Parliament.

In the interest of providing high quality responses, the Department compiled a new style manual. Staff of the Policy and Research Unit received training in how to use the manual along with day-to-day coaching.

4.4 The Department will have an effective and professional relationship with the Office of the Minister.

The Parliamentary Liaison Officer coordinated training courses on preparing ministerial advice and organised four departmental visits to Parliament for Question Time.

In 2003–04 the Minister's office was satisfied with the quality and timeliness of advice we provided.

The Department prepared responses to numerous ministerial requests, including briefing notes, speeches, policy advice and information about current developments in Aboriginal communities, to the satisfaction of the Minister's office.





Performance report



Priority 5: Operate the Department efficiently and as a whole by implementing sound and effective policies and procedures and by supporting the involvement, recognition and development of all departmental staff

5.1 The Department will have well developed and agreed policies and procedures for the administration and operations of the Department.

We are continuing to develop an operations manual in conjunction with the Internal Audit Bureau and departmental staff. When complete, the manual will be available in electronic format on the Department's website and Intranet.

5.2 Staff will feel recognised and acknowledged for their achievements, expertise and ideas.

Staff were formally recognised for their achievements, ideas and performance through the performance management, planning and review process.

The Department also rewarded and acknowledged staff. The Director General and Deputy Director General reported on particular achievements at the weekly meeting with the Minister.

5.3 Staff will have the opportunity to be involved in our planning and policy development processes.

Staff are encouraged to provide input and feedback in different forums, including fortnightly unit meetings and monthly staff meetings. The Department also encourages them to nominate as representatives on specific workplace committees and working parties.

5.4 Where appropriate the decision making process in the Department will be transparent.

The Department values input from staff and encourages all staff members to be involved in decision-making and the generation and discussion of ideas, concepts and formal policies.

Each departmental unit holds staff meetings to pass on information from management meetings. There is also a monthly general staff meeting.

We have policies and procedures in place, both formal and informal, which make decision-making transparent. The Department promotes consultation and communication at all levels and at all stages of decision-making. Staff can access all policies on the Department's shared electronic database.

5.5 All staff will have an understanding of the role and direction of the Department, the work of every unit, their personal responsibilities, government processes and relevant legislation on the rights of Aboriginal people.

Staff joining the Department attended an induction course covering such topics as the role of the Department, security, code of conduct, records management and flexible work agreements. The course additionally introduced staff to special programs including the Premier's Spokeswomen's Program and Aboriginal cultural awareness.

The Department placed a high priority on ensuring that the information provided to staff during induction was current and reflected both departmental and NSW government priorities.

The Department encouraged staff to participate in community workshops and forums, thereby improving their knowledge of community issues and understanding of Aboriginal peoples' needs and aspirations in NSW.

5.6 Staff and management will have access to development, training and education (including the development of management skills) to meet their needs and those of the Department.

The performance management, planning and review process was finalised and implemented during the reporting period. All branches and units will use the system to help assess and report on individual performance and provide workplace feedback.

The Department made specific funding available to ensure that all staff had access to relevant internal and external training and allocated training funding from the coming budget. A comprehensive 2004 training schedule is in development.

5.7 There will be an employment strategy for the recruitment and development of Aboriginal people in the Department with a special focus on young people.

A strategic framework was presented to the Director General for the development of a departmental Aboriginal and Torres Strait Islander employment plan incorporating recruitment, cadetships/ traineeships, career development, mentoring and succession planning. The framework includes identification and justification of Aboriginal positions within the Department.

5.8 There will be an increase in staff retention rates (ie a decrease in staff turnover).

The Department was unable to fully address this goal due to the current Council on the Cost of Government review of the Department and the large proportion of temporary staff working on projects linked to defined funding.







Registrar, *Aboriginal Land Rights Act 1983* report



Priorities of the Registrar, *Aboriginal Land Rights Act 1983*

- The effective and efficient performance of the statutory and ancillary functions of the Registrar in accordance with the *Aboriginal Land Rights Act 1983* (ALRA).
- The provision of timely and accurate advice and assistance to Aboriginal land councils in accordance with the ALRA.
- The provision of timely and accurate advice and assistance to persons seeking to be registered as Aboriginal owners pursuant to the ALRA.
- The provision of timely and accurate advice to the Minister administering the ALRA.
- The provision of information and the promotion of the ALRA to all relevant persons.
- The effective performance and development of the resources of the Registrar's office.



Staff of the Office of the Registrar: back row (left to right), Adam Black (research officer), Melusine Peter (German law intern), Rachel Lenahan (research officer). Front row, Kylie McLeod (assistant research officer/admin officer), Stephen Wright (Registrar), Cheryl Kistan (policy officer), absent, Kathryn Gregson (admin officer, part time).

Performance report

The Office of the Registrar, *Aboriginal Land Rights Act 1983* (ALRA) is a statutory office created under the ALRA. The Registrar is a statutory office holder and is appointed under the *Statutory and Other Offices Remuneration Act 1975*.

The Registrar and staff are administratively linked to the Department of Aboriginal Affairs, however, the independence of the Office of the Registrar is recognised by the NSW Government and the Registrar is able to carry out all statutory functions without actual or perceived influence. The Registrar reports to the Minister administering the ALRA in relation to statutory functions.

The Office of the Registrar is a separate legal entity from the Aboriginal land councils constituted under the ALRA.

Summary of statutory functions

The ALRA added new statutory functions and amended existing functions of the Registrar. The functions of the Registrar are listed in s. 165 of the amended ALRA. The following list of functions highlights the new or amended functions of the Registrar:

- to register land claims made under the ALRA by the NSW Aboriginal land councils or local Aboriginal land councils
- to maintain the Register of Aboriginal Land Claims and the Register of Aboriginal Owners
- to approve the rules of the NSW Aboriginal land council and local and regional Aboriginal land councils
- to make recommendations to the Minister and carry out such other prescribed functions in relation to the constitution of local Aboriginal land council areas and the constitution of local Aboriginal land councils, the alteration of area boundaries of local Aboriginal land council areas and the changing of names of local Aboriginal land councils
- to make recommendations to the Minister and carry out such other prescribed functions in relation to, the alteration of area boundaries of

regional Aboriginal land council areas and the changing of names of regional Aboriginal land councils

- to issue compliance directions to Aboriginal land councils, officers of Aboriginal land councils and councillors relating to the administration of the ALRA and the regulations and to refer failures to comply with such directions to the court
- to mediate, conciliate or arbitrate disputes relating to the administration of Aboriginal land councils or to refer such disputes to independent mediators, conciliators or arbitrators
- to investigate complaints regarding the non-disclosure of pecuniary interests and breaches of the ALRA and the regulations
- such other functions conferred or imposed on the Registrar by or under the ALRA or any other Act.

A number of ancillary functions arise from the explicit statutory functions of the Registrar. The principal ancillary functions of the Registrar are:

- to provide advice about the meaning and operation of the ALRA, Aboriginal Land Rights Regulation 2002 (ALRR) and the rules of Aboriginal land councils
- to provide advice about the Aboriginal land claims process
- provide advice about the information required for a person to establish their descent and cultural association with land to enable them to be registered as an Aboriginal owner pursuant to the ALRA
- to provide information, education and training about the ALRA and ALRR.

The operation of the Office of the Registrar in 2003–04

Aboriginal land claims

The ALRA provides that local Aboriginal land councils (LALCs) or the NSW Aboriginal Land Council (NSWALC) may make claims to crown land that:

- are able to be lawfully sold or leased, or are otherwise reserved or dedicated for any purpose, under the *Crown Lands Act 1989*
- are not lawfully used or occupied
- do not comprise lands which, in the opinion of the Crown Lands Minister, are needed or likely to be needed as residential lands

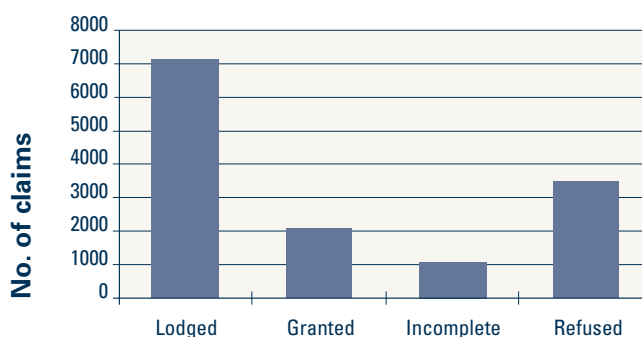
- are not needed or likely to be needed for an essential public purpose
- do not comprise lands that are subject to an application for a determination of native title (other than a non-claimant application that is an unopposed application) that has been registered in accordance with the *Commonwealth Native Title Act 1993* or the *Native Title Act 1994* (NSW)
- do not comprise lands that are the subject of an approved determination of native title (within the meaning of the *Commonwealth Native Title Act 1993*), other than an approved determination that no native title exists in the lands.

Individual land claims must be lodged with the Registrar before they can be forwarded to the Minister administering crown lands for determination. The Registrar must decide whether the land claim is in a proper form and in certain circumstances if the claim can be approved. LALCs may lodge a land claim for land within their area without the approval of the Registrar. Such a land claim must clearly identify the land claimed, and if so, the Registrar is bound to register the claim. If a LALC or LALCs make a land claim outside their area(s) the Registrar must approve the claim before it can be registered.

Once a land claim is registered it is referred to the Department of Lands for investigation to determine if it is 'claimable crown land'. The Minister responsible for the determination of land claims is the Minister administering the *Crown Lands Act 1989*.

Table 1 provides a summary of all land claims since the commencement of the ALRA in 1983. During the period 1 July 2003 to 30 June 2004, 117 land claims were registered, 60 land claims were granted and 173 land claims were refused.

Table 1. Land claim status



Aboriginal land council areas and boundary matters

A new map of NSW showing the boundaries of LALCs and RALCs, including the location of national parks to be bought under joint management (see under Register of Aboriginal Owners) was produced in partnership with the NSW Aboriginal Land Council and the Department of Lands Mapping Services at Bathurst. A laminated copy of these maps was provided to all LALCs and RALCs and to Aboriginal organisations, government agencies and interested parties across NSW with more than 1000 maps being distributed.

Aboriginal land council operations

The Registrar continued to provide advice and assistance to Aboriginal land councils during the 2003–04 year.

Particular emphasis has been given to the implementation of a revised Register of Aboriginal Land Claims, the procedures for dispute resolution (mediation, conciliation and arbitration), the procedures for the practise of issuing compliance directions and investigations of failures to disclose pecuniary interests or other breaches of the ALRA. This work will continue in the following year and an evaluation process will be undertaken.

The Registrar has assisted in the resolution of a number of disputes within local Aboriginal land councils.

The Register of Aboriginal Owners

In NSW there is a legal process called joint management. Joint management has been defined as, 'a negotiated and legally binding agreement, usually in the form of a lease, between indigenous owners of land and a national parks agency, for the formal establishment and management of a national park on land owned by Aboriginal people.'²

In 1996 both houses of the NSW Parliament unanimously passed laws to enable joint management of certain lands in NSW (see map next page). This is in line with recommendation 315 of the Royal Commission into Aboriginal Deaths in Custody that advocated for the establishment of joint management arrangements to, 'protect and preserve the rights and interests of Aboriginal people with cultural, historical and traditional association with national parks'.³

Joint management in NSW involves title to the lands being vested in an Aboriginal land council and leased to the Minister for the Environment. The land is then jointly managed by the Aboriginal owners and the Department of Environment and Conservation. A board of management is established for each area of land under joint management and consists of a majority of Aboriginal owners. The other board members are a representative from the local Aboriginal land council, Department of Environment and Conservation, shire council, a neighbouring land holder and a person representing conservation interests.

The Office of the Registrar has a role in the joint management process by being legally required to keep a Register of Aboriginal Owners. Aboriginal owners are central to the joint management process and receive a range of legal rights. One of these rights is to be considered for appointment to boards of management set up for lands that are to be jointly managed.

In keeping the Register of Aboriginal Owners the Registrar has the following responsibilities:

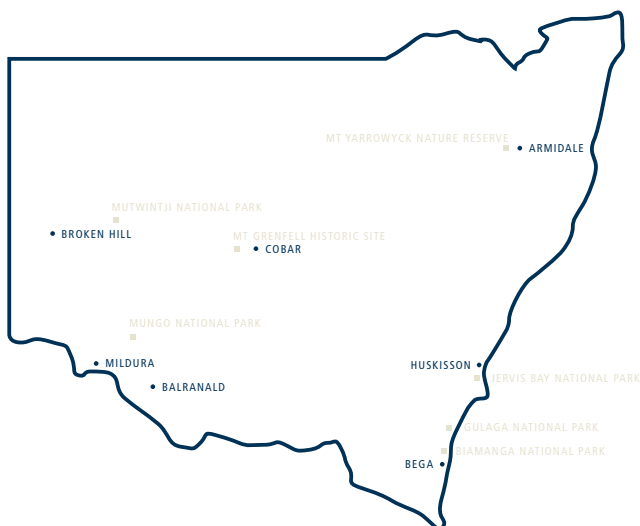
- to use his best endeavours to enter in the register the name of every Aboriginal person with a cultural association with land in NSW
- to only enter the name of an Aboriginal person in the register if the Registrar is satisfied that the Aboriginal person:
 - has consented to the entry of their name in the register
 - is directly descended from the original Aboriginal inhabitants of the cultural area in which the land is situated
 - has a cultural association with the land derived from the traditions, observances, beliefs, customs or history of the original Aboriginal inhabitants of the land.
- to give priority to the entry in the register of the names of Aboriginal people with a cultural association with land listed in Schedule 14 to the *National Parks and Wildlife Act 1974* (Schedule 14 areas) or land that have been claimed by Aboriginal land councils under 36A of the ALRA (36A lands).

Lands listed in Schedule 14 are reserved or dedicated (e.g. as a national park or historic site) under the *National Parks and Wildlife Act 1974*, and have been identified as being of cultural significance to Aboriginal people.

There are currently seven Schedule 14 areas:

- Mutawintji National Park (under joint management since 1998)
- Mount Grenfell Historic Site (joint management due to commence in July 2004)
- Mungo National Park (currently under an informal co-management arrangement with the Department of Environment and Conservation)
- Mount Yarrowyck Nature Reserve
- Jervis Bay National Park
- Biamanga National Park (negotiations to commence in late 2004)
- Gulaga National Park (negotiations to commence in late 2004).

Under the ALRA certain crown land is claimable by Aboriginal land councils. Land that is needed for essential public purpose of nature conservation is not considered under the legislation to be 'claimable crown land'. However, where an Aboriginal land council has claimed land of this nature provision is made in section 36A of the ALRA for the land to be granted to an Aboriginal land council for joint management subject to certain conditions.



Location of Schedule 14 areas listed under the *National Parks and Wildlife Act 1974*

During the reporting period the Office of the Registrar achieved the following:

- Continued work with Aboriginal people requesting the entry of their name in the Register of Aboriginal Owners. This included requests for the Mutawintji National Park, Gulaga National Park, Biamanga National Park and Mount Grenfell Historic Site. This is because the register does not close and as further requests for entry in the register are received, work continues.
- Organised a meeting of Aboriginal Owners for the Mutawintji National Park during October 2003 at Wilcannia. The meeting was attended by over 80 Barkindji people. The purpose was to assist in the selection of Aboriginal owner board members for the second term of the Mutawintji board of management. The board is responsible for the care, control and management of the Mutawintji National Park. The term of the board members is four years. The board generally meets four times per year.
- Organised a meeting of Aboriginal owners for the Mt Grenfell Historic Site during November 2003 at Willandra National Park. The meeting was attended by over 60 Ngiyampaa Wanygaypuwan people. The purpose was to assist in the selection of the Aboriginal owner board members for the first term of the Mount Grenfell board of management. At this meeting 19 people were selected. A further meeting scheduled during the 2004–05 financial year will select the final eight Aboriginal owner board members.
- Initiated talks on providing training to Aboriginal owners on boards of management. This would work towards raising the capacity of the Aboriginal owners to perform in all aspects of the board's functions contributing to an equitable partnership between the Aboriginal owners and the Department of Environment and Conservation.

Registrar's office staffing

During the 2003–04 reporting year the re-structuring of the Registrar's staffing to account for the new and amended functions of the Registrar continued. The Registrar is currently supported by two Research Officers, a Policy Officer, and two Administration Officers (one part-time). Revised position descriptions and evaluations for the new positions as listed below are in the process of being finalised. Recruitment of permanent staff to all the relevant positions are to be completed in the 2004-05 year.

Senior Registration Officer (ALRA)
Senior Registration Officer (Register of Aboriginal Owners)

Registration Officer (ALRA)
Registration Officer (Register of Aboriginal Owners)
Registration & Enquiries Officer
Research Officer
Indigenous Cadet

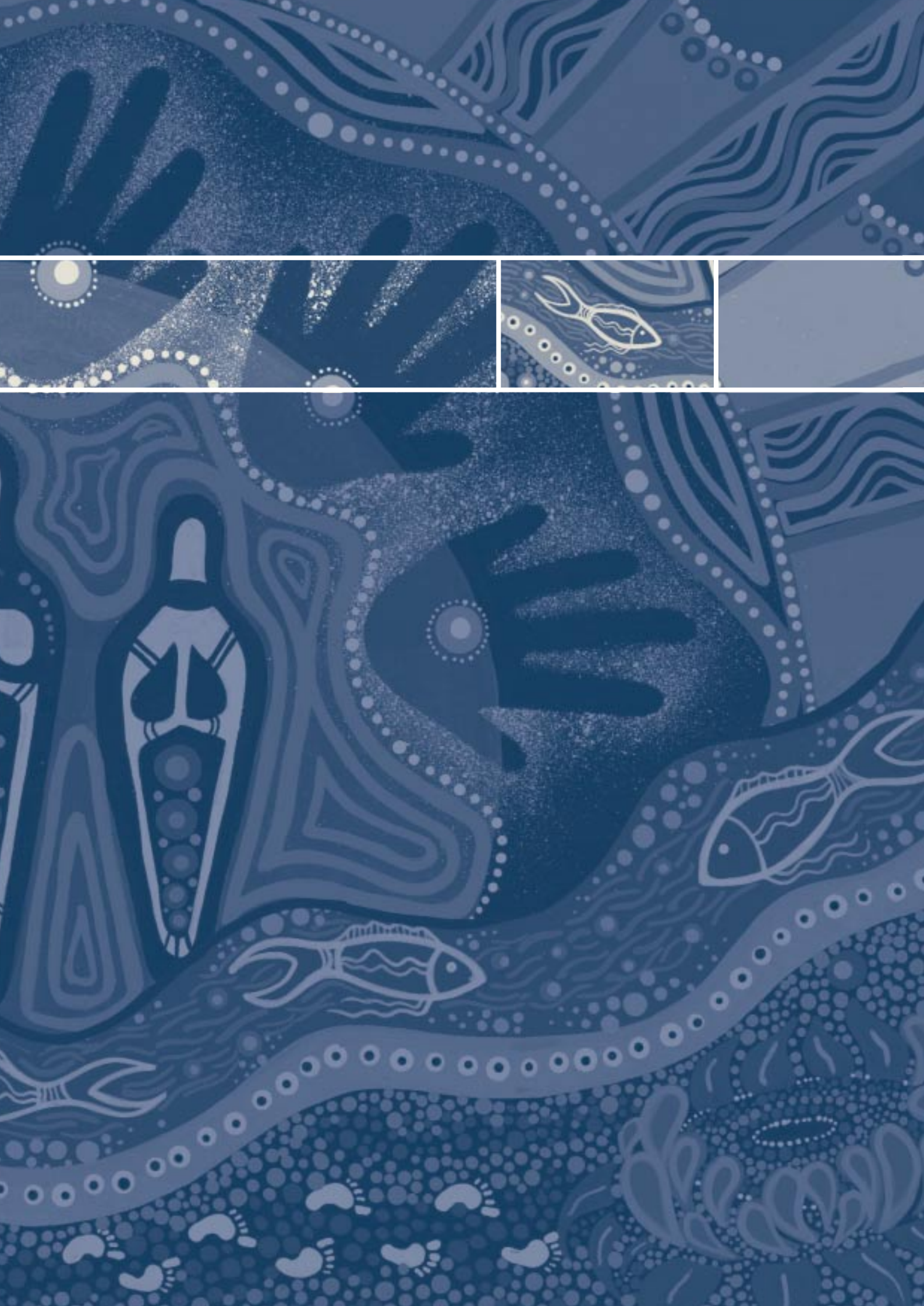
1 Please note: The *Aboriginal Land Rights Amendment Act 2001* commenced on 25 October 2002. This act amended the *Aboriginal Land Rights Act 1983* and so the principal Act remains the *Aboriginal Land Rights Act 1983*.

2 D. Lawrence, Kakadu, *The Making of a National Park*, Melbourne University Press, Carlton South, 2000, p. 8.

3 Second Reading Speech, 20 November 1996, NSW Legislative Assembly, Hansard, pp. 7



Registrar, Steve Wright at a meeting to discuss the handback of Mt Grenfell through the Register of Aboriginal Owners



Financials

2003—04



Statement by the Chief Executive Officer of the NSW Department of Aboriginal Affairs

Pursuant to Section 45F of the *Public Audit and Finance Act 1983*, I state that

The accompanying financial statements have been prepared in accordance with the provision of the *Public Audit and Finance Act 1983*, the Financial Reporting Code for Budget Dependent Agencies, the Public Finance and Audit Regulation 2000 (as applicable) and the Treasurer's Directions.

The statements exhibit a true and fair view of the financial position of the NSW Department of Aboriginal Affairs as of 30 June 2004, and transactions for the year then ended.

There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

ABN 80 745 349 769
Level 13, Tower B
Centennial Plaza
280 Elizabeth Street
Surry Hills NSW 2010
Telephone: 02 9219 0700
Facsimile: 02 9219 0790
www.daa.nsw.gov.au

Jody Broun
Director General
30 October 2004

GPO Box 12
SYDNEY NSW 2001

Ms J Broun
Director-General
Department of Aboriginal Affairs
Level 13, Tower B
Centennial Plaza
280 Elizabeth Street
SURRY HILLS NSW 2010

Tel 9275 7160

Ref 7865/kw

21 October 2004

Dear Ms Broun

**STATUTORY AUDIT REPORT
for the Year Ended 30 June 2004**

DEPARTMENT OF ABORIGINAL AFFAIRS

I have audited the accounts of the Department of Aboriginal Affairs as required by the *Public Finance and Audit Act 1983* (the Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2004, and details any significant matters that in my opinion call for special notice. The Act requires that I send this report to the Minister and to the Treasurer.

This report is not the Independent Audit Report, which expresses my opinion on the Department's annual financial report. The Independent Audit Report, together with the Department's annual financial report, is attached.

Audit Result

I expressed an unqualified opinion on the Department's annual financial report and I have not identified any significant matters since I wrote to you on 31 October 2003. My audit is continuous and I may therefore identify new significant matters before the Auditor-General next reports to Parliament on the Department's audit. If this occurs, I will write to you immediately.

Auditor-General's Report to Parliament

Comment on the Department's activities and financial operations will appear in the Auditor-General's Report to Parliament. I will send a draft of this comment to you for review before the Report is tabled during November.

Scope of the Audit

As advised in the Engagement Letter, my audit procedures are targeted specifically towards forming an opinion on the Department's financial report. This includes testing whether the Department has complied with key legislation that may materially impact on the financial report. This includes testing whether your agency has complied with key legislation that may materially impact on the financial report. The results of the audit are reported in this context.

Acknowledgment

I thank the Department's staff for their courtesy and assistance.

Yours sincerely

A handwritten signature in dark ink, appearing to read "McGee", written over a light blue circular watermark.

Enc

cc The Hon Dr A Refshauge MP, Minister for Aboriginal Affairs
The Hon M R Egan MLC, Treasurer



GPO Box 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

DEPARTMENT OF ABORIGINAL AFFAIRS

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Department of Aboriginal Affairs:

- (a) presents fairly the Department's financial position as at 30 June 2004 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with section 45E of the *Public Finance and Audit Act 1983* (the Act).

The opinion should be read in conjunction with the rest of this report.

The Director-General's Role

The financial report is the responsibility of the Director-General of the Department of Aboriginal Affairs. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows, the program statement - expenses and revenues, the summary of compliance with financial directives and the accompanying notes.

The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides *reasonable assurance* to members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing and Assurance Standards and statutory requirements, and I:

- evaluated the accounting policies and significant accounting estimates used by the Director-General in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Director-General has not fulfilled her reporting obligations.

My opinion does not provide assurance:

- about the future viability of the Department of Aboriginal Affairs,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The 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 are not compromised in their role by the possibility of losing clients or income.

R Hegarty FCPA
Director of Audit

SYDNEY
21 October 2004

Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Actual 2004 \$'000	Budget 2004 \$'000	Actual 2003 \$'000
Expenses				
Operating expenses				
Employee related	2(a)	4,739	5,368	4,362
Other operating expenses	2(b)	4,189	3,930	3,483
Maintenance		20	32	75
Depreciation	2(c)	252	70	106
Grants and subsidies	2(d)	32,254	32,672	24,483
Total Expenses		41,454	42,072	32,509
Less:				
Retained Revenue				
Investment income	3(a)	73	12	46
Grants and contributions	3(b)	15,856	18,965	6,500
Other revenue	3(c)	135	0	102
Total Retained Revenue		16,064	18,977	6,648
Gain / (loss) on disposal of non-current assets	4	(76)	0	0
Net Cost of Services	19	25,466	23,095	25,861
Government Contributions:				
Recurrent appropriation	5	31,582	22,689	25,515
Capital appropriation	5	189	39	1,712
Acceptance by the Crown Entity of employee benefits and other liabilities	6	437	339	373
Total Government Contributions		32,208	23,067	27,600
SURPLUS / (DEFICIT) FOR THE YEAR FROM ORDINARY ACTIVITIES	15	6,742	(28)	1,739
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY		0	0	0
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS	15	6,742	(28)	1,739

[THE ACCOMPANYING NOTES FORM PART OF THESE STATEMENTS]

2003—04

Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Actual 2004 \$'000	Budget 2004 \$'000	Actual 2003 \$'000
ASSETS				
Current Assets				
Cash	8	6,877	790	774
Receivables	9	2,50	1,524	1,536
Other	10	51	92	92
Total Current Assets		9,435	2,406	2,402
Non Current Assets				
Plant and Equipment	11	1,780	1,884	1,915
Other	10	238	262	262
Total Non-Current Assets		2,018	2,146	2,177
Total Assets		11,453	4,552	4,579
LIABILITIES				
Current Liabilities				
Payables	12	810	474	473
Provisions	13	385	318	318
Other	14	95	348	348
Total Current Liabilities		1,290	1,140	1,139
Non-Current Liabilities				
Provisions	13	26	21	21
Other	14	238	262	262
Total Non-Current Liabilities		264	283	283
Total Liabilities		1,554	1,423	1,422
Net Assets		9,899	3,129	3,157
EQUITY				
Accumulated Funds	15	9,899	3,129	3,157
Total Equity		9,899	3,129	3,157

[THE ACCOMPANYING NOTES FORM PART OF THESE STATEMENTS]

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Actual 2004 \$'000	Budget 2004 \$'000	Actual 2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(4,610)	(5,192)	(4,077)
Grants and subsidies		(32,254)	(32,672)	(24,483)
Other		(7,931)	(4,769)	(6,605)
Total Payments		(44,795)	(42,633)	(35,165)
Receipts				
Interest received		41	12	32
Other		19,249	19,785	8,957
Total Receipts		19,290	19,797	8,989
Cash Flows from Government				
Recurrent appropriation		31,639	22,689	25,794
Capital appropriation		189	39	1,740
Cash reimbursements from the Crown Entity		280	163	226
Cash transfers to the Consolidated Fund		(307)	0	0
Net Cash Flow From Government		31,801	22,891	27,760
NET CASH FLOWS FROM OPERATING ACTIVITIES	19	6,296	55	1,584
CASH FLOW FROM INVESTING ACTIVITIES				
Purchases of Plant and Equipment		(193)	(39)	(1,712)
NET CASH FLOWS USED ON INVESTING ACTIVITIES		(193)	(39)	(1,712)
NET INCREASE / (DECREASE) IN CASH		6,103	16	(128)
Opening cash and cash equivalents		774	774	902
CLOSING CASH AND CASH EQUIVALENTS	8	6,877	790	774

[THE ACCOMPANYING NOTES FORM PART OF THESE STATEMENTS]

2003—04

Supplementary Financial Statements

PROGRAM STATEMENT – EXPENSES AND REVENUES FOR THE YEAR ENDED 30 JUNE 2004

	Program 1 *		Program 2 *		Not Attributable		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Expenses								
Operating expenses:								
Employee related	4,018	3,705	721	657	0	0	4,739	4,362
Other operating expenses	3,274	2,386	915	1,097	0	0	4,189	3,483
Maintenance	20	75	0	0	0	0	20	75
Depreciation	242	93	10	13	0	0	252	106
Grants and subsidies	1,192	1,241	31,062	23,242	0	0	32,254	24,483
Total Expenses	8,746	7,500	32,708	25,009	0	0	41,454	32,509
Retained Revenue:								
Investment income	73	42	0	4	0	0	73	46
Grants and contributions	2,926	251	12,930	6,249	0	0	15,856	6,500
Other revenue	135	102	0	0	0	0	135	102
Total Retained Revenue	3,134	395	12,930	6,253	0	0	16,064	6,648
Gain / (Loss) on Disposal of of Non-current assets	(76)	0	0	0	0	0	(76)	-
Net Cost of Services	5,688	7,105	19,778	18,756	0	0	25,466	25,861
Government Contributions **	0	0	0	0	(32,208)	(27,600)	(32,208)	(27,600)
NET EXPENDITURE / (REVENUE)	5,688	7,105	19,778	18,756	(32,208)	(27,600)	(6,742)	(1,739)

* The name and purpose of each program is summarised at Note 7.

** "Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions must be included in the 'Not Attributable' column".

Supplementary Financial Statements

SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

FOR THE YEAR ENDED 30 JUNE 2004

	2004				2003			
	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000
Original Budget Appropriation / Expenditure								
– Appropriation Act	22,689	22,582	39	39	21,519	20,615	1,075	1,075
	22,689	22,582	39	39	21,519	20,615	1,075	1,075
Other Appropriation / Expenditure								
– Section 22 – expenditure for certain works and services	0	0	0	0	0	0	665	637
– Section 25 of the Appropriations Act Transfers to / from other Agencies	9,000	9,000	150	150	4,900	4,900	0	0
	9,000	9,000	150	150	4,900	4,900	665	637
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	31,689	31,582	189	189	26,419	25,515	1,740	1,712
Amount drawn down against Appropriation		31,639		189		25,794		1,740
Liability to consolidated fund		57		0		279		28

Notes to Summary of Compliance with Financial Directives

(a) The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first, (except where otherwise identified or prescribed).

(b) The Liability to Consolidated Fund is calculated as the difference between "Amount drawn down against Appropriation" and "Total Expenditure/Net Claim on Consolidated Fund."

(c) Appropriations are reconciled to the Statement of Financial Performance at Note 5.

Notes accompanying and forming part of the financial statements for the financial year ended 30 June 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Aboriginal Affairs (the Department) is a separate reporting entity. There are no other entities under its control. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

(b) Basis of Accounting

The Department's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards,;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group (UIG) Consensus Views;
- the requirements of the *Public Finance and Audit Act 1983* and Regulation; and
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered. The financial statements are prepared in accordance with historical convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

The accounting policies adopted are consistent with those of the previous year.

(c) Administered Activities

The Department does not administer any activities on behalf of the Crown Entity.

(d) Revenue Recognition

Revenue is recognised when the Department has control of the good or right to receive, it is probable that the economic benefits will flow to the Department, and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) *Parliamentary Appropriations and Contributions from Other Bodies*

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenues when the Department obtains control over the assets

comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, any unspent appropriations are accounted for as liabilities rather than revenue.

The liability is disclosed in note 14 as part of "current liabilities – other". The amount will be repaid and the liability will be extinguished next financial year.

(ii) *Investment Income*

Interest revenue is recognised as it accrues.

(e) Employee Benefits and other provisions

(i) *Salaries and Wages, Annual Leave, Sick Leave and On-Costs*

Liabilities for salaries and wages (including non-monetary benefits), annual leave and vesting sick leave are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts for payroll tax, 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.

(ii) *Long Service Leave and Superannuation*

The Department's liabilities for long service leave and superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured on a present value method.

The Superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(f) Insurance

The Department's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(g) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where:

- the amount of GST incurred by the department as a purchaser that is not recoverable from the Australian Taxation Department is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

(h) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

(i) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised.

(j) Depreciation of Non-Current Physical Assets

Depreciation is provided for on a straight line basis for all depreciable assets as to write off the depreciable amount of each asset as it is consumed over its useful life to the Department.

Depreciation Rates	% Rate
Office furniture and fittings	10.000%
Computer equipment and software	25.000%
General plant and equipment	14.280%
Leasehold improvements	Over the initial period of the lease

(k) Operating Assets

Any leasing transactions for operating leases of buildings and motor vehicles are recognised as expenses in the period in which they are incurred.

(l) Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(m) Payables

These amounts represent liabilities for goods and services provided to the Department.

(n) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effect of additional appropriations, s 21A, s 24 and / or s 26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Statement of Financial Performance and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts ie per the audited financial statements (rather than carried forward estimates).

2. EXPENSES

(a) Employee related expenses	2004 \$'000	2003 \$'000
Salaries and wages (including recreation leave)	4,033	3,692
Superannuation	298	267
Payroll tax on superannuation	18	16
Long service leave	121	90
Workers compensation insurance	28	35
Payroll tax and fringe benefits tax	241	262
	4,739	4,362

The Department charges the full cost of long service leave and the current service cost of superannuation to operations. However, as the Department's liability for long service and superannuation is assumed by the Crown Entity, the Department accounts for the liability as having been extinguished. This result is non-monetary revenue described as "Acceptance by Crown Entity of employee entitlements and other Liabilities" (Refer Note: 1(e)(iii)).

(b) Other operating expenses	2004	2003
------------------------------	------	------

2003–04

	\$'000	\$'000
Auditor's remuneration audit or review of financial reports	25	36
Operating lease rental expense (minimum lease payments)	742	591
Insurance	8	6
Corporate services	315	289
Consultancies and contractors	656	476
Program fees – ACDP	752	763
Travel expenses	250	333
Printing and stationery	102	123
Other fees	43	48
Publications and advertising	251	163
Other operating expenses	1,045	655
	4,189	3,483

(c) Depreciation	2004	2003
	\$'000	\$'000
Plant and equipment	252	106
	252	106

(d) Grants and subsidies	2004	2003
	\$'000	\$'000
Indigenous Education Projects	693	904
Aboriginal Communities Development Program (ACDP)	31,062	23,241
Ministerial Council for ATSI Affairs (MCATSIA)	280	38
Other grants	219	300
	32,254	24,483

In May 1998 the Minister announced a seven year \$200 million Aboriginal Communities Development Program (ACDP).

This program commenced at the cessation of the agreed period of funding for the NSW Aboriginal Land Council.

The ACDP is a capital construction and upgrade program to raise the health and living standards of Aboriginal communities with urgent environmental health needs. The Program includes many of the functions of the former Aboriginal Environmental Health Infrastructure Forum.

3. REVENUES

(a) Investment income	2004	2003
	\$'000	\$'000
Interest	73	46
	73	46

(b) Grants and contributions	2004	2003
-------------------------------------	-------------	-------------

	\$'000	\$'000
Aboriginal Communities Development Program (ACDP)	12,930	6,249
Grants from ATSI C'wth	2,805	213
Grants from budget sector agencies	121	38
	15,856	6,500
(c) Other revenue	2004	2003
	\$'000	\$'000
Lease incentive	27	20
Other	108	82
	135	102

4. GAIN / (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

	2004	2003
Written down value of assets disposed	(76)	0
	(76)	0

5. APPROPRIATIONS	2004	2003
	\$'000	\$'000

Recurrent appropriations

Total recurrent drawdown from Treasury (per Summary of Compliance)	31,639	25,794
Less: Liability to Consolidated Fund (per Summary of Compliance)	57	279
	31,582	25,515

Comprising:		
Recurrent appropriations (per Statement of Financial Performance)	31,582	25,515
	31,582	25,515

Capital appropriations

Total capital drawdown from Treasury (per Summary of Compliance)	189	1,740
Less: Liability to Consolidated Fund (per Summary of Compliance)	0	28
	189	1,712

Comprising:		
Capital appropriations (per Statement of Financial Performance)	189	1,712
	189	1,712

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE

BENEFITS AND OTHER LIABILITIES

	2004	2003
	\$'000	\$'000
The following liabilities and / or expenses have been assumed by the Crown Entity.		
Superannuation	298	267
Payroll tax	18	16
Long service leave	121	90
	437	373

7. PROGRAMS / ACTIVITIES OF THE DEPARTMENT**Program 1 – Policy and Advisory Services on Aboriginal Affairs**

Objective: To bring about improvements in policies and services provided by the State consistent with the Government's policy of self-determination in Aboriginal affairs.

Program 2 – Aboriginal Communities Development Program

Objective: To address major deficiencies in housing and essential infrastructure experienced by a number of Aboriginal communities.

8. CURRENT ASSETS – CASH

	2004	2003
	\$'000	\$'000
Cash at bank and on hand	6,877	774
	6,877	774

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash at bank.

Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

Cash (per Statement of Financial Position)	6,877	774
Closing cash and cash equivalents (per Statement of Cash Flows)	6,877	774

9. CURRENT / NON-CURRENT ASSETS – RECEIVABLES

	2004	2003
	\$'000	\$'000
Current		
Interest	57	25
Employee advances	25	20
GST receivable from Australian Taxation Office	900	1,482
Kempsey, Aboriginal Housing Office	1,474	0
Other	51	9
	2,507	1,536
Non - Current		
Aboriginal Housing Loan Scheme	130	255
Less: Provision for doubtful debts	(130)	(255)
	0	0
Total Receivables	2,507	1,536

10. CURRENT / NON-CURRENT – ASSETS OTHER

	2004	2003
	\$'000	\$'000
Current		
– Prepayments	10	51
– Lease incentive	41	41
	51	92
Non - Current		
– Lease incentive	238	262
	289	354

11. NON-CURRENT ASSETS – PLANT AND EQUIPMENT

	2004	2003
	\$'000	\$'000
Plant and Equipment		
At Fair Value	2,197	2,320
Less Accumulated Depreciation	417	405
Total Plant and Equipment At Net Book Value	1,780	1,915

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year is set out below:

	Plant and Equipment \$'000
2004	
Carrying amount at start of year	1,915
Additions	193
Disposals	(76)
Depreciation expense	(252)
Carrying amount at end of year	1,780

	2004	2003
	\$'000	\$'000
12. CURRENT LIABILITIES – PAYABLES		
Accrued salaries, wages and on-costs	56	177
Creditors	754	296
	810	473

13. CURRENT / NON CURRENT LIABILITIES – PROVISIONS

	2004	2003
	\$'000	\$'000
Current		
Employee benefits and related on-costs	364	315
Long service leave on costs	21	3
	385	318
Non Current	2004	2003

2003–04

	\$'000	\$'000
Employee benefits and related on-costs		
Long service leave on costs	26	21
	26	21
Aggregate employee benefits and related on-costs		
Provisions – current	385	318
Provisions – non-current	26	21
Accrued salaries, wages and on-costs (Note 12)	56	177
	467	516

14. CURRENT / NON-CURRENT LIABILITIES – OTHER

	2004 \$'000	2003 \$'000
Current		
– Lease incentive		
– Liability to Consolidated Fund	57	307
	95	348
Non Current		
– Lease incentive	238	262
	333	610

In accordance with UIG abstract 3 an amount of \$303,000 was included as lease incentive in 2003. This amount represents the value of the rent free period the department received for the period 30th September, 2002 to 30th April, 2003 in relation to the relocation to 280 Elizabeth Street Sydney. Over the period of the lease the liability will be extinguished on an equal basis and recognised as lease incentive revenue in note 3(c) and form part of operating lease expense in note 2(b).

15. CHANGES IN EQUITY

Accumulated Funds	2004 \$'000	2003 \$'000
Balance at the beginning of the financial year	3,157	1,418
Surplus / (deficit) for the year	6,742	1,739
Balance at the end of the financial year	9,899	3,157

16. COMMITMENTS FOR EXPENDITURE

(a) Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable:	2004 \$'000	2003 \$'000
Not later than one year	516	500
Later than one year and not later than five years	2,174	2,163
Later than five years	338	937
Total (including GST)	3,028	3,600

Operating Lease commitments of \$3.028million include \$275K of GST recoverable from the Australian Tax Office.

The department has no capital or other expenditure commitments.

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The department has a potential \$12.5 million liability relating to a claim which is covered under Treasury Managed Fund.

The department is not aware of any contingent assets associated with its operations.

18. BUDGET REVIEW

Net cost of services

Actual net cost of services for the year was \$25.466 million, 10% higher than the budgeted \$23.095 million.

This was primarily due to grants and contribution revenue falling \$3.109 million below budget offset by employee related expenses which was \$629K below budget.

Assets and liabilities

Current Assets:

Total assets were \$6.901 million above budget. This was mainly due to additional funding of \$9 million received from Treasury for the Aboriginal Communities Development Program and an unbudgeted receivable of \$1.474 million for Kempsey Aboriginal Housing Office maintenance works.

Non Current Assets:

Total Non Current Assets were \$128K below budget. This was due to disposal of Plant and Equipment during the financial year.

Current and Non Current Liabilities:

Total Liabilities were \$131K above budget. This was mainly due to due to payables exceeding budget by \$336K.

Alternatively, Liability to Consolidated Fund repayment of \$307K relating to 2002–03 financial year has resulted in Other Current Liabilities being \$253K under budget.

Cash flows

Cash flows from operating activities were \$6.241million above budget mainly due to the receipt of \$9 million additional funding for ACDP from Treasury. Cash flows from investing activities were \$154K above budget to fund one off capital expenditure associated with enhancements from the 2002–03 budget.

19. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2004 \$'000	2003 \$'000
Net cash from operating activities	6,296	1,584
Cash Flows from		
Government / Appropriations	(31,771)	(27,227)
Acceptance by the Crown Entity of		
employee benefits and other liabilities	(437)	(373)
Depreciation	(252)	(106)
Net loss / gain on sale of		
plant and equipment	(76)	0
Decrease/(increase) in provisions	(72)	(85)
Increase / (decrease) in		
prepayments and other assets	906	1,023
Decrease / (increase) in payables	(337)	(71)
Decrease / (increase) in other liabilities	277	(606)
Net Cost of Services	(25,466)	(25,861)

20. RESTRICTED ASSETS

The department's financial statements include the following balances that are restricted by externally imposed conditions eg. Terms of bequest or legislated fund. The balances are held in cash deposits.

		2004 \$'000	2003 \$'000
Name of Account	Conditions Imposed		
Aboriginal Assistance Fund	Bequests and Aboriginal Land Rights Act	42	42
Housing for Aborigines Scheme	Unexpended NSW Treasury Funding	155	155
		197	197

21. FINANCIAL INSTRUMENTS

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System.

Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11 am unofficial cash rate adjusted for a management fee to Treasury.

The average rate over the year was 4.06% (3.75% in 2003) and the rate at year end was 4.25% (3.75% in 2003).

Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off.

A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors.

The carrying amount approximates net fair value. Sales are made on 30 day terms.

Bank Overdraft

The Department does not have any bank overdraft facility.

Trade Creditors and Accruals

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 payments.

22. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Explanation of how the transition to AIFRS is being managed

"The agency will apply the Australian Equivalents to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005.

The agency is managing the transition to the new standards by allocating internal resources and engaging Central Corporate Services Unit (CCSU) to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition.

As a result of this exercise, the agency has taken the following steps to manage the transition to the new standards: The CCSU's Internal Audit Committee is overseeing the transition. The Agency Representative is responsible for the project in their respective agencies and reports regularly to the Committee on progress against the plan.

The following phases that need to be undertaken have been identified:

- May / July 2004 – Reviewing the AIFRS.
- August 2004 – Identifying the changes applicable for each agency and disclose likely impacts of moving to AIFRS in 2004 financial statements.
- September 2004 – Major implementation decisions at high

2003–04

level, determine system requirements, review procedures, develop communication plans and assess training requirements.

- October 2004 – Analyse NSW Treasury reporting policy, review position of individual agency, identify and convert to requirements and liaise with Audit Office.
- November 2004 – Prepare draft opening Balance Sheet for the NSW Treasury, identify target changes/analysis, develop check lists, review process, liaise with clients and external consultants to review the approach.
- December 2004 – Submit draft opening Balance Sheet as at 1 July 2004 prepared under AIFRS (in parallel with existing AGAAP financial information and financial statements) to the NSW Treasury and Audit Office.
- January / February 2005 – Finalise status for reporting to NSW Treasury and complete client requirements.
- March 2005 – Finalise audit by the Audit Office, record correct balances in Agencies ledgers, run parallel data, reconcile both sets of figures and develop processes for on going recording and updating training program. Submit final opening Balance Sheet as at 1 July 2004 prepared under AIFRS (in parallel with existing AGAAP financial information and financial statements) to the NSW Treasury and Audit Office.
- April / June 2005 – Modify the systems used to produce year end financial statements.
- July / August 2005 – Prepare initial set of financial statements for 2004–05 financial year under AIFRS with 2003–04 comparative information and review.

To date, we have reviewed the known changes and identified some common changes. The target dates shown above are only estimates because the AIFRS are still being issued and mandatory provisions have not been finalised by the NSW Treasury.

(b) Key Differences in Accounting Policies

Based on current information, the following key differences in accounting policies are expected to arise from adopting AIFRS: AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions. Similarly, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors requires voluntary changes in accounting policy and correction of errors to be accounted for retrospectively by restating comparatives and adjusting the opening balance of accumulated funds. This differs from current Australian requirements, because such changes must be recognised in the current period through profit or loss, unless a new standard mandates otherwise.

- AASB 1004 Contributions applies to not-for-profit entities only.

Entities will either continue to apply the current requirements in AASB 1004 where grants are normally recognised on receipt, or alternatively apply the proposals on grants included in ED 125 Financial Reporting by Local Governments. If the ED 125 approach is applied, revenue and/or expense recognition will be delayed until the agency supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied.

To achieve full harmonisation with GFS, entities would need to designate all financial instruments at fair value through profit or loss. However, at this stage it is unclear whether this option will be available under the standard and, if available, whether Treasury will mandate this option for all agencies.

23. AFTER BALANCE DATE EVENTS

There are no events subsequent to balance date which affect the financial report.

[END OF AUDITED FINANCIAL STATEMENTS]



Appendices

Freedom of Information

Documents held by the Department relate to policy and program development, administration of NSW local Aboriginal land councils, land claims and heritage and natural resources issues. Policy documents, annual reports, corporate plans and other documents may be accessed by contacting the Department on telephone (02) 9219 0700.

Applications for access or amendment to Department of Aboriginal Affairs documents under the *Freedom of Information Act 1989* should be accompanied by a \$30 application fee and directed to the:

FOI Coordinator
Department of Aboriginal Affairs
Level 13, Tower B
Centennial Plaza
280 Elizabeth Street
SURRY HILLS NSW 2010.

FOI requests

The Department received 15 FOI applications during the year.

FOI REQUESTS			
	PERSONAL	OTHER	TOTAL
New (including transferred in)	0	15	15
Brought forward	0	0	0
Total to be processed	0	15	15
Completed	0	14	14
Transferred out	0	0	0
Withdrawn	0	1	1
Total processed	0	14	14
Unfinished (carried forward)	0	0	0

RESULT OF FOI REQUEST		
	PERSONAL	OTHER
Granted in full	0	3
Granted in part	0	9
Refused	0	2
Deferred	0	0
Completed	0	14

MINISTERIAL CERTIFICATES	
	0

FORMAL CONSULTATIONS		
	ISSUED	TOTAL
	0	0

AMENDMENT OF PERSONAL RECORDS	
Result of amendment – agreed	0
Result of amendment – refused	0
Total	0

NOTATION OF PERSONAL RECORDS	
Number of requests for notation	0

FOI REQUESTS GRANTED IN PART OR REFUSED		
BASIS OF DISALLOWING OR RESTRICTING ACCESS		
	PERSONAL	OTHER
Section 19 (applications incomplete, wrongly directed)	0	0
Section 22 (deposit not paid)	0	0
Section 25 (1)(a1) (diversion of resources)	0	2
Section 25(1)(a) (exempt)	0	9
Section 25(1)(b),(c),(d) (otherwise available)	0	0
Section 28(1)(b) (documents not held)	0	0
Section 24(2) (deemed refused, over 21 days)	0	0
Section 31(4) (released to medical practitioner)	0	0
Totals	0	11

ASSESSED COSTS FOI FEES RECEIVED

All completed requests	\$650
------------------------	-------

TYPE OF DISCOUNT ALLOWED

	PERSONAL	OTHER
Public interest	0	0
Financial hardship		
- pensioner/child	0	0
Financial hardship		
- non-profit organisation	0	0
Totals	0	0
Significant correction of personal records	0	0

DAYS TO PROCESS ELAPSED TIME

	PERSONAL	OTHER
0 - 21 days	0	10
22 - 35 days	0	4
Over 35 days	0	1
Totals	0	15

PROCESSING TIME PROCESSING HOURS

	PERSONAL	OTHER
0 - 10 hours	0	1
11 - 20 hrs	0	8
21 - 40 hrs	0	4
Over 40 hrs	0	1
Totals	0	14

REVIEWS AND APPEALS

Internal reviews finalised	5
Ombudsman reviews finalised	0
District Court appeals finalised	0

BASES OF INTERNAL REVIEW

	PERSONAL	OTHER
Access refused	0	0
Deferred	0	0
Exempt matter	0	5
Unreasonable charges	0	0
Charge unreasonably incurred	0	0
Amendment refused	0	0
Totals	0	5

Audits

The Audit Office of NSW was again engaged to audit the Department's 2003–04 financial statements. A copy of the Independent Audit Report appears with the Financial Statements of this report.

The Department adopted the internal audit recommendations on leave management, grant administration, credit cards, mobile phones and Cabcharge.

Accounts payable policy

The Department attempted to pay all accounts received within creditors' trading terms. There were however some delays in account payment mainly due to incomplete and incorrect tax invoices and non-compliance with GST requirements. The Department did not pay penalty interest on outstanding accounts during the reporting year.

In accordance with the Australian Taxation Office and NSW Treasury review of GST administrative arrangements, the Department reviewed GST practices to ensure alignment with the better practice guide and reduce the risk of GST issues not being identified and addressed.

AGED ANALYSIS AT THE END OF EACH QUARTER 2003–04

Quarter	Current (ie within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
September Quarter	1,320	0	0	0	0
December Quarter	616	0	0	0	0
March Quarter	3,965	0	0	0	0
June Quarter	98,279	0	0	0	0

ACCOUNTS PAID ON TIME WITHIN EACH QUARTER 2003–04

Quarter	Total Accounts Paid On Time		Total Amount Paid \$
	Target	Actual	
September Quarter	88%	86%	547,708
December Quarter	88%	86%	8,565,730
March Quarter	88%	81%	4,039,137
June Quarter	88%	88%	14,614,035

During 2003–04 there were no instances where penalty interest was paid in accordance with section 18 of the Public Finance and Audit (General) Regulation 1995.

There were no significant events that affected payment performance during the reporting period.

To improve future performance greater emphasis will be placed on enhancing electronic processing of accounts together with increased use of purchase orders for recurring purchases.

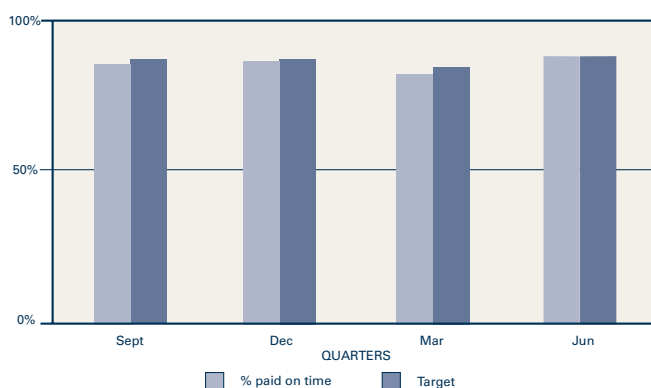
Statutory reporting

The Department's Financial Statements for 2003–04 were prepared and submitted to the Audit Office within the required time frame.

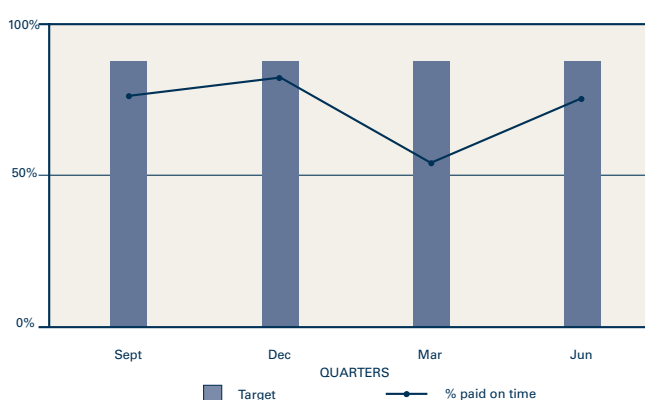
AGED ANALYSIS AT THE END OF EACH QUARTER 2003–04

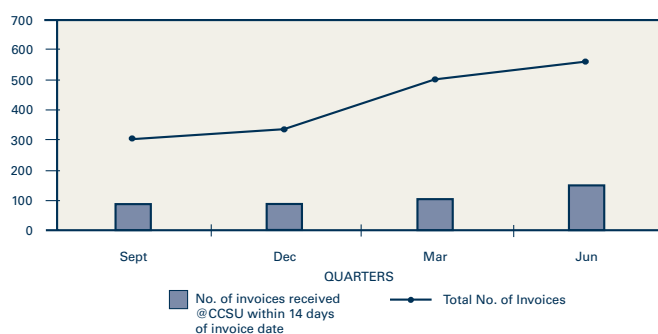
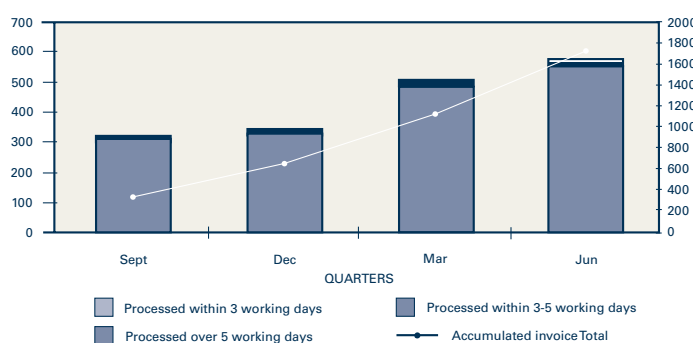
Quarter	total no.	no. on time	% on time	\$ on time	total \$ paid	
July	81	73	90.12%	226,072.03	248,764.46	22692.43
August	112	100	89.29%	111,617.23	176,941.55	65324.32
September	123	98	79.67%	210,018.91	293,249.22	83230.31
September Quarter	316	271	85.76%	547,708.17	718,955.23	171247.06
October	104	87	83.65%	2,728,241.95	4,697,119.62	1968877.67
November	144	128	88.89%	5,588,938.25	5,603,381.20	14442.95
December	91	78	85.71%	248,549.42	335,005.72	86456.3
December Quarter	339	293	86.43%	8,565,729.62	10,635,506.54	2069776.92
January	163	133	81.60%	391,152.52	413,529.86	22377.34
February	191	141	73.82%	3,023,716.96	3,308,596.08	284879.12
March	145	132	91.03%	624,267.80	3,829,265.42	3204997.62
March Quarter	499	406	81.36%	4,039,137.28	7,551,391.36	3512254.08
April	189	169	89.42%	3,843,007.83	4,015,800.06	172792.23
May	146	126	86.30%	292,117.26	3,080,861.85	2788744.59
June	247	217	87.85%	10,478,909.67	13,486,943.53	3008033.86
June Quarter	582	512	87.97%	14,614,034.76	20,583,605.44	5969570.68
	1736	1482	85.37	27766610	39489459	

ANALYSIS OF ACCOUNTS PAID ON TERMS BY NUMBER



ANALYSIS OF ACCOUNTS PAID ON TERMS BY AMOUNT



INVOICES RECEIVED AT CCSU WITHIN 14 DAYS FROM INVOICE DATE**CCSU'S PROCESSING TIME****Consultants**

During 2003–04 the Department engaged the services of 6 consultants, at a cost of \$31,002.77. (See tables opposite.)

Land disposal

The Department does not hold any real property.

Insurance

The Department's insurance was through the self-insurance NSW Treasury Managed Fund Scheme for government agencies. The fund manager raised the premiums paid by the Department due to the number of vehicle and workers' compensation claims made during previous years.

Disclosure of controlled entities

The Department does not have any controlled entities.

Credit card certification

There were no breaches of the Department's credit card policy within the reporting period.

Major assets

The Department's major assets include leasehold improvements, computer equipment and other equipment.

Risk management and internal control

During the reporting period the Department implemented a corruption control and awareness strategy. The strategy addressed a number of issues including the development of a code of conduct;

implementation of a corruption prevention policy; development of corruption reporting guidelines; identification of fraud risk exposures; and development of specific workplace fraud control plans.

All branches and units completed workplace fraud risk assessments and commenced development of fraud control plans utilising the risk assessment and risk registers prepared by the internal auditor. The Department also participated in the Audit Office's fraud control survey.

Information Communication Technology Strategic Plan

The Department purchased 53 new computers during the financial year to replace the Pentium 2 machines that were failing with modern software. The old machines had originally been bought in 1999 and had been upgraded rather than replaced in 2002 as an economy measure, but had reached the end of their useful life.

The Department engaged an external service provider to develop the Aboriginal Internet portal which will be accessible from the agency's website. The portal will link the NSW Aboriginal community to relevant information and services.

In concert with the Information Technology Services Branch of the Central Corporate Services Unit and external services providers, the Department commenced alignment of its electronic data services with the Australian Security Standard AS 7799.

Planning commenced on the development of a new ICT strategic plan to replace the current plan which expires in July 2004.

CONSULTANCY SCHEDULE 2003–04 FINANCIAL YEAR

Per/Yr	Journal	JOURNAL DESCRIPTION	VENDOR	AP BATCH	Amount
03/2004	AP3004	KYOGLE-MULLI MULLI WATER RATE	MCAVOY A L	200000000991	3,600.00
09/2004	AP3215	DB ALC CHANGE YORTA TO CUMMERG	MACKENZIE	200000001172	315.00
12/2004	AP3357	CONTACTS DATABASE WORK 28/4/04	MACKENZIE	200000001287	140.00
11/2004	AP3292	CONTACTS CHERYL KISTAN	MACKENZIE	200000001243	2,275.00
03/2004	AP2991	1ST INSTALMENT OF CONTRACT	MALIAN	200000000979	3,568.24
07/2004	AP3132	COMPILATION OF REGOS ABORIGINA	MALLAN KHU	200000001100	1,784.14
12/2004	AP3338	MT GRENFELL REGISTRATIONS	MALLAN KHU	200000001273	1,766.30
02/2004	AP2978	LEGAL FEES	NSW ABORIG	200000000970	2,275.00
03/2004	AP2991	CUSTOMISED MAP–METRO LALC	DEPT OF LA	200000000979	929.09
12/2004	AP3344	CONSULTANCIES	WARWICKB	200000001277	14,350.00
					31,002.77

CCSU FEES \$CHEDULE 2003–04 FINANCIAL YEAR

Per/Yr	Journal	JOURNAL DESCRIPTION	VENDOR	AP BATCH	Amount
06/2004	AP3111	CCSU SPA FEE FOR NOV 03	CCSU	200000001083	28,647.00
06/2004	GL0627	TFR FROM CC202111 TO 202114	GL0627		28,647.00
07/2004	AP3150	SPA FEES	CCSU	200000001111	28,647.00
07/2004	GL0634	TFR FR CC2111	GL0634		143,233.75
08/2004	AP3183	SPA FEE FOR JAN 04	CCSU	200000001142	28,647.00
08/2004	AP3183	SPA FEES FOR JUL TO SEPT 03	CCSU	200000001142	85,940.00
08/2004	GL0635	TFR FR CC2111	GL0635		-143,233.75
09/2004	AP3215	CCSU SPA FEE FOR FEB 04	CCSU	200000001172	28,647.00
10/2004	AP3260	CORPORATE SERVICES GMT	CCSU	200000001214	28,647.00
11/2004	AP3279	SPA FEES: APRIL	CCSU	200000001231	28,647.00
12/2004	AP3338	SPA FEE FORMAY 04	CCSU	200000001273	28,646.14
					315,115.14

INSURANCE SCHEDULE 2003–04 FINANCIAL YEAR

Per/Yr	Journal	JOURNAL DESCRIPTION	VENDOR	AP BATCH	Amount
06/2004	GL0627	TFR FROM CC202111 TO 202114	GL0627		2,840.00
06/2004	GL0627	TFR FROM CC202111 TO 202114	GL0627		3,280.00
06/2004	GL0627	TFR FROM CC202111 TO 202114	GL0627		1,700.00
					1,700.00

Waste reduction management

In complying with the Government's Waste Reduction and Purchasing Policy, the Department has implemented several initiatives aimed at reducing waste and landfill. These include using recycled paper, using separate receptacles to collect waste paper for recycling, and recycling printer cartridges. The Department has also adopted the policy of upgrading computers instead of purchasing new units where possible.

All public documents published by the Department are available on the Internet, including the annual report, considerably reducing the need for large print runs. The Department is also printing official letterhead on recycled paper.

Overseas visits

No departmental staff undertook overseas travel on official business during the reporting period.

Electronic service delivery

In accordance with the Government's reporting framework for electronic service delivery, the Department assessed those services that could be delivered electronically and decided to host its own website. The changeover took place in March 2004 following the implementation of the security arrangements.

The website provides up-to-date information to the public and other stakeholders relating to the Department's reports, other publications and hearings;

provides an avenue to lodge complaints online; and offers electronic recruitment and other related information.

In 2003–04 we explored the feasibility of better information provision to Aboriginal people and communities via the web and commenced development of the Aboriginal Internet portal. The portal will provide a link to information and services relevant to the Aboriginal community and will include contact details for community organisations, news on community events and information on current issues such as reconciliation.

Promotion

The Department produced the following publications in 2003–04:

- *Annual Report 2002–03*
- *DAA News* (newsletter)
- *NSW Aboriginal people acquiring and managing land for conservation purposes* (booklet)
- *Two Ways Together: New ways of doing business with Aboriginal people* (booklet)
- *Working with our communities* (booklet).

Our website is at www.daa.nsw.gov.au.

Privacy management

The *Privacy and Personal Information Protection Act 1998* applies to all the Department's administrative and operational functions. During the reporting period the Department did not receive any applications for review under Part 5 of the Act.

Occupational Health and Safety (OH&S)

The Department incorporated OH&S into its new level 13 office space including furniture designed and arranged to optimise workplace safety. Edie Coe, Clive Moulstone, Matthew Swadling and Mato Videka completed the four-day OH&S consultation course in September 2003.

Disability Action Plan

The Department continues to review the Disability Action Plan in the light of operational and project changes.

The relocation of the Department to new premises has improved access and facilities for staff and clients, including those with a disability, and has facilitated any necessary workplace adjustments.

Action Plan for Women

The NSW Government's Action Plan for Women is based on the principles of equity, access, rights and participation. The plan addresses paid and unpaid work, health and housing, violence and safety, justice and civil legal equality, childcare, education and training, decision-making, leadership and access to information.

The Department is committed to ensuring compliance with the plan. We have an elected Spokeswoman who is responsible for providing advice and information to staff and management on issues relating to women working within the organisation.

Ethnic Affairs Priority Statement (EAPS)

The Department recognises and upholds the principles of a culturally diverse society and is committed to their ongoing implementation within the workplace, with clients and within the community. The Department ensures that staff are employed according to the merit principle and the requirements of the *Anti-Discrimination Act 1977*. Training courses on cultural awareness are available to all staff.

Equal Employment Opportunity

Our EEO management plan ensures that all staff have equal opportunities for career development, training and promotion. Integration of EEO principles into all planning and management activities ensures that these principles are absorbed into the Department's corporate culture. The Department supports and fully implements the Premier's Spokeswomen's Program.

Trends in the representation and distribution of EEO groups are shown in the following tables.

A. Trends in the Representation of EEO Groups

EEO Group	Benchmark or Target	% of Total Staff			
		2001	2002	2003	2004
Women	50%			54%	59%
Aboriginal people and Torres Strait Islanders	2%			46%	50.4%
People whose first language was not English	20%			5%	5%
People with a disability	12%			8%	3%
People with a disability requiring work-related adjustment	7%			4%	0.0%

B. Trends in the Distribution of EEO Groups

EEO Group	Benchmark or Target	Distribution Index			
		2001	2002	2003	2004
Women	100%			84	83
Aboriginal people and Torres Strait Islanders	100%			97	85
People whose first language was not English	100%			n/a	n/a
People with a disability	100%			n/a	n/a
People with a disability requiring work-related adjustment	100%			n/a	0

Notes:

1. Staff numbers are as at 30 June.
2. Excludes casual staff
3. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by ODEOPE.
4. The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Table 1.1 Staff Numbers by Level

Level	Total Staff							
	Percent of Subgroup across Levels							
	Respondents	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose language first spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146	0	0	0	0	0	0	0	0
\$30,147 - \$39,593	0	0	0	0	0	0	0	0
\$39,594 - \$44,264	7	6	0	7	5	0	0	0
\$44,265 - \$56,012	14	11	1	13	9	0	0	0
\$56,013 - \$72,434	31	26	16	15	9	3	1	2
\$72,435 - \$90,543	13	10	8	5	6	2	2	0
> \$90,544 (non SES)	4	0	4	0	0	0	0	0
> \$90,544 (SES)	2	0	0	2	0	0	0	0
TOTAL	71	53	29	42	29	5	3	2

Table 1.2 Actual and Estimated Staff Numbers by Level

Level	Total Staff							
	Actual Number			Weighted Estimate				
	Respondents	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose language first spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146								
\$30,146 - \$39,593								
\$39,594 - \$44,264	7	6		7	6			
\$44,265 - \$56,012	14	11	1	13	11			
\$56,013 - \$72,434	31	26	16	15	11	4	1	2
\$72,435 - \$90,543	13	10	8	5	8	3	3	
> \$90,543 (non SES)	4		4					
> \$90,543 (SES)		2			2			
TOTAL	71	53	29	42	36	6	4	2

Table 1.3 Percentage of Total Staff by Level

Level	Total Staff							
	Subgroup as Percent of Total Staff at each Level			Subgroup as Estimated Percent of Total Staff at each Level				
	Respondents	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose language first spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146	0	0	0	0	0	0	0	0
\$30,147 - \$39,593	0	0	0	0	0	0	0	0
\$39,594 - \$44,264	7	86%		100%	83.3%			
\$44,265 - \$56,012	14	79%	7%	93%	81.8%			
\$56,013 - \$72,434	31	84%	52%	48%	34.6%	12%	4%	8%
\$72,435 - \$90,543	13	77%	62%	38%	60.0%	20%	20%	
> \$90,543 (non SES)	4			100%				
> \$90,543 (SES)	2			100%				
TOTAL	71	75%	41%	59%	50.4%	9%	5%	3%
Estimate Range (95% confidence level)				45.4% to 55.5%	7.0% to 11.9%	4.2% to 8.0%	2.8% to 5.2%	

Table 1.4 Percent of Subgroup by Level

Level	Total Staff							
	Percent of Subgroup across Levels							
	Respondents	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose language first spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146	0	0	0	0	0	0	0	0
\$30,147 - \$39,593	0	0	0	0	0	0	0	0
\$39,594 - \$44,264	10%	11%		17%	16%			
\$44,265 - \$56,012	20%	21%	3%	31%	32%			
\$56,013 - \$72,434	44%	49%	55%	36%	30%	58%	31%	100%
\$72,435 - \$90,543	18%	19%	28%	12%	22%	42%	69%	
> \$90,544 (non SES)	6%		14%					
> \$90,544 (SES)	3%			5%				
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%
Estimated Number of Staff	71	53	29	42	36	6	4	2
Distribution Index				83	85	n/a	n/a	n/a

Table 1.5 Cumulative Percent of Subgroup by Level

Level	Total Staff							
	Cumulative Percent of Subgroup across Levels							
	Respondents	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose language first spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146	0	0	0	0	0	0	0	0
\$30,147 - \$39,593	0	0	0	0	0	0	0	0
\$39,594 - \$44,264	10%	11%		17%	16%			
\$44,265 - \$56,012	30%	32%	3%	48%	48%			
\$56,013 - \$72,434	73%	81%	59%	83%	78%	58%	31%	100%
\$72,435 - \$90,543	92%	100%	86%	95%	100%	100%	100%	
> \$90,544 (non SES)	97%		100%	95%				
> \$90,544 (SES)	100%			100%				
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%
Estimated Number of Staff	71	53	29	42	36	6	4	2

RECIPIENTS FOR MAJOR GRANTS 2003 – 2004

1. Koori Centre – University of Sydney.

Funds for a Feasibility Study for NSW Aboriginal Languages.

Grant \$44 900

2. The New South Wales Aboriginal Land Council.

Funds to review the New South Wales Aboriginal Land Rights Act.

Grant \$50 000

3. Adult & Community Education Centre.

Funds for the Adult Community Languages Initiative.

Grant \$45 000

4. Murdi Paaki Regional Enterprise Corporation.

Funds for Governance Learning Systems for Indigenous Board Members.

Grant \$45 000

5. Aboriginal Housing Company.

Funds for the Redfern/Waterloo Partnership projects.

Grant: \$40 000

6. The Chain Reaction Foundation.

Funds for the Chain Reaction Leadership Initiative.

Grant \$20 000

7. Lightning Ridge Central School.

Funds for the Aboriginal Language Program.

Grants \$45 000

8. Durri Aboriginal Medical Service.

Funds for the Gilambila Women's Action Group project.

Grant \$10 000

9. Metropolitan Aboriginal Land Council.

Funds for the Pemulwuy Film project.

Grant \$45 000

10. Coomaditchie United Aboriginal Corporation.

Funds for the Working Together project.

Grant \$44 480

11. Barraba Community Learning Association.

Funds for the Better Murri Management project (Phase 3).

Grant \$20 000

12. The Glen Innes Local Aboriginal Land Council.

Funds for the Northern Tablelands Aboriginal Communities Planning Forum.

Grant \$20 000

13. Macquarie University.

Funds for the Asia-Pacific Institute for Toponymy.

Grant \$44 940

14. The Inner West Aboriginal Community Company.

Funds for a Community Governance Training project.

Grant \$20 000

15. Catholic Schools Office – Armidale.

Funds for the Wayliwan Revival project.

Grant \$25 000

16. Eden Community Access Centre.

Funds for the Using Information Technology to Discover Aboriginal Heritage project.

Grant \$10 160

17. New England North West Regional Development Board.

Funds for the Rural Communities Leadership project.

Grant \$20 000

18. Muda Aboriginal Corporation.

Funds for the Wangkumarra Dictionary project.

Grant \$45 000

19. Aboriginal Dance Theatre – Redfern.

Funds for the Aboriginal Youth Summit.

Grant \$5 000

20. Broken Hill Education Centre.

Funds for the Ngijaampaa Language project.

Grant \$5 310.25

The following table list Discretionary Grants for each Region.

DISCRETIONARY GRANTS		
2003 – 2004 REGIONAL ANALYSIS		
REGION	NUMBER	AMOUNT
Bourke	10	\$8,640.75
Coffs harbour	14	\$19,243.00
Queanbeyan	6	\$3,500.00
Sydney	31	\$29,900.00
Tamworth	7	\$6,900.00
Wagga Wagga	9	\$7,800.00
TOTAL	77	\$75,947.75

Due to the personal nature and special circumstances of these grants, information regarding individual grants cannot be made available to the public.

Discretionary Grants 2003 – 2004

The following table list Discretionary Grants for each project.

DISCRETIONARY GRANTS		
2003 – 2004 PROJECT ANALYSIS		
PROJECT	NUMBER	AMOUNT
CAPACITY BUILDING		
Children & Youth	7	\$9,100.00
Mentoring	2	\$6,000.00
Elders	2	\$4,000.00
Cultural Activities	10	\$15,500.00
Training	4	\$8,000.00
Other	4	\$7,500.00
TOTAL	29	\$50,100.00
LANGUAGES		
Revitalisation	1	\$3,000.00
Other	1	\$1,804.75
TOTAL	2	\$4,804.75
		\$10,115.80
OTHER	46	\$21,043.00
TOTAL	77	\$75,947.75



www.daa.nsw.gov.au

