Aboriginal Development Commission Amendment Bill 1989

Date Introduced: 4 May 1989
House: House of Representatives
Presented by: Hon. Gerry Hand, M.P., Minister for Aboriginal Affairs

Digest of Bill

Purpose
To allow the Minister to give the Aboriginal Development Commission (ADC) directions on the administration of its finances and to approve the ADCs estimates. The Bill will also provide for the appointment by the Minister of a General Manager to manage the administration of the ADC.

Background
In 1980, the ADC was established with the general aim of furthering the economic and social development of Aboriginals and Torres Strait Islanders (Islanders). The ADC provides housing loans and grants and runs a number of business programs, such as the business equity acquisitions program, the community employment and enterprise development scheme and the small business loans scheme. In 1987–88, the ADC had a total net expenditure of $99.8 million, of which $48.8 million went towards providing rental accommodation, $17.9 million was allocated to encouraging home ownership, while $2.9 million was spent on corporate services.

Also refer to the Digest for the Aboriginal and Torres Strait Islander Commission Bill 1989.

Main Provisions
The functions of the ADC will be expanded by clause 4. The ADC, when requested by the Minister, is to provide information or advice to the Minister on any matter. However, the Minister is not to specify the content of the information that is to be provided.

The ADC, in consultation with the Minister, is to prepare three, four or five year corporate plans setting out a statement of the ADCs objectives; outlining the strategies and policies that the ADC will adopt to achieve those objectives; and criteria and terms and conditions for the engagement of consultants by the ADC (clause 5).

The ADC is not to use moneys of the General Fund, in relation to enabling Aboriginals or Islanders to engage in business enterprises, unless satisfied the enterprise will be commercially successful. In addition, the ADC is to have regard to the effect of any proposed application of such moneys on the employment and training of Aboriginals (clause 6).
Moneys of the General Fund may, in relation to housing and personal loans, also be used for making payments enabling Aboriginals or Islanders to obtain loans from commercial lending institutions (clause 7).

Where the ADC gives notice to a person or corporation that they have breached a condition of a loan or grant, they may be liable to repay so much of the amount owing as the ADC specifies (clause 8).

Where moneys of the General Fund are used for the purposes of a particular business enterprise, the ADC may, for that enterprise, buy any land or goods; and grant, sell, or make available property bought by the ADC, on such terms and conditions as it determines (clause 9).

The ADC may only guarantee a loan taken out for purposes of enabling Aboriginals or Islanders to engage in business enterprises, if the ADC would have been authorised to make such a loan (i.e. the ADC must be satisfied the business will be successful) (clause 10).

Where the ADC approves a loan, grant, acquisition or guarantee, it is to detail which legislative provision authorises it to act, and how the ADCs objectives will be furthered (clause 10).

A new Part VA (proposed sections 32A - 32H) will be inserted into the Aboriginal Development Commission Act 1980 by clause 12. Proposed section 32A provides that there is to be a General Manager of the ADC, who will be appointed by the Minister, and will manage the ADC. The General Manager, when requested by the Minister, is to provide information or advice on any matter the Minister specifies.

Clause 14 provides that the money of the ADC is not to be spent except in accordance with estimates of expenditure approved by the Minister. However, the amount spent by the ADC in relation to an item in the estimates may differ from the amount allocated to that item in the estimates by the greater of 1% of the amount or $250 000 (or a larger amount if prescribed).

The Minister is to give the ADC directions about the administration of its finances. The ADC is to comply with those directions (clause 15).

Clause 17 provides that the Minister, with the consent of the Auditor-General, may direct the Auditor-General to audit subsidiaries of the ADC. It will be an offence for a person not to give an auditor information in their possession, or to which they have access, when requested to do so. The maximum penalty for breach of this provision will be a fine of $1 000.

For further information, if required, contact the Education and Welfare Group.

24 May 1989

Bills Digest Service
Legislative Research Service
This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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