



Australian Government
Indigenous Land and Sea Corporation



The ILSC GROUP

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17 July 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: ILSC management and response to bushfires and the COVID-19 pandemic update

The beginning of a new decade that many looked at with optimism, had already devastated many lives as wildfires engulfed Australia with apocalyptic scenes as ravaged communities were left with a black, scarred landscape that will take many years to recover - if at all.

The ILSC reacted quickly with staff working late hours to prepare management and response plans to assist Indigenous Communities affected by the bushfires. By January 6, as welfare checks were already underway, I requested a determination of the extent Indigenous communities and assets had been affected and once damage had been assessed, to quantify and determine the capital that we should reserve to assist these Indigenous people and communities and build a plan to respond in our capacity, enlisting third party capital and capacity if necessary. This priority was to follow a standard project framework on design and deployment with legal considerations and special dispensation if necessary, to deploy capital in two parts: to assist current consumption and placement for those who lost homes and replacement capital of homes and assets destroyed or damaged with assistance managing insurance claims and shortfalls. The efforts and attention offered to assist our clients at this time where commentary and focus were on pastoral care and restoration of peoples lives, homes, assets, businesses, land care and the environment was applauded by NIAA.

The ILSC 2020 Bushfire Emergency Response Grant program that was established rapidly in response to the national crisis to support our clients faced with the heartbreaking task of rebuilding their lives, homes, properties and livelihoods is something the ILSC is proud of.

As testament to our collective commitment to our clients, the devastation to Indigenous cultural and environmental sites which will affect all Australians, was identified and our role in supporting the custodians of these sites cannot be understated.

In the early days as the work was well underway and while the extent of the devastation and recovery needs was yet to be fully understood, we continued to prioritise our welfare checks, the provision of immediate assistance grants and general care for our clients. There will continue to be a valuable role for us in the long process of rebuilding and restoration.

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Often in times of crisis, in the haste of trying to help, there is blurring of responsibilities and confusion. The ability of the ILSC to stand up a program that targeted the most immediate need for our clients and the Indigenous Estate demonstrates our understanding, respect for and compliance with our purpose.

Along with the deviation in our attention to the bushfire aftermath, our attention quickly expanded to the sweep of COVID-19 across the world and the implications for our people and work. By mid-March we had a Business Continuity Management Group meeting daily, we had instigated worst case scenario cash management forecasts and safety measure plans were underway to begin working from home.

On 19 March the first combined ILSC and IBA Coronavirus Management and Response meeting took place with a reporting plan and agenda in place (Attachment A). The effectiveness of the combined ILSC and IBA approach was evidenced by the efficiencies around legal, communications, government relations and policy settings. The sharing of ideas in many areas increased such touchpoints as customer relations and productivity.

In managing the COVID-19 response, the ILSC maintained business continuity enabling a new home-based workforce that remains in place today. There has since early March, been a focus on normalising operations in the COVID-19 environment with the view to reconfigure the business model, even before receiving government recommendations or requests to implement this approach. In initial daily discussions with the Acting GCEO Mr Bator, we recognised the need to establish a rapid response which has now led to a long-lead time outlook. The ILSC Board has been taken on this journey convening fortnightly for updates on COVID-19 with regular updates provided to inform and connect staff.

I considered the initial approach was defined into 3 stages:

1. Normalising operations;
2. Preparing for the exit; and
3. Resetting the organisation to reboot.

Now that Australia is in a second wave, I have taken the approach that COVID-19 can be defined in the following 4 stages upon which the ILSC (and indeed IBA) is configured to manage the operational shocks that I forecast will occur:

1. Maintaining the current operational settings that have been reconfigured from the pre-COVID-19 standards;
2. Refocusing our attention on cash conservation as an absolute priority that leads to the following four cost saving strategies that inform the ILSC budget modelling out to FYE 2021 and beyond (i.e.: FYE2022)
 - a. Consolidating activities and expenditure across the group;
 - b. Absorbing key functions into the ILSC resources to ensure that despite cost savings, activities can continue;
 - c. Applying efficiencies across all areas including in administration costs (internal) and investment pools (external) so as to build cash reserves, a cash flow buffer and a COVID-19 rebuild investments framework. This is to focus the ILSC budget (YOY) going forward to withstand (as a best-case scenario) economic shocks of the Australian and global economies; and
 - d. Redirection of all savings to a cashflow buffer, cash reserves and the creation of a Strategic & COVID-19 rebuild Investment Pool (SCIP). All savings are for cash preservation purposes only.

3. Maintaining a holding pattern on financial deployment in what I describe to be the immunization / vaccination period that is likely to incur false dawns towards the post COVID-19 period; and
4. The fourth stage will be when the Australian economy has been stood back up.

It is my view that the ILSC (and IBA) will work their way through to this fourth stage managing its performance in an ever-changing environment that is going to test even the most learned and skilfully set Board of Directors. At the juncture we find ourselves at today with respect to the ILSC, I cannot emphasize enough the need to refresh this Board as I have written to you on a number of occasions.

The attachment A blueprint that I have utilized on a weekly basis (now fortnightly) at the combined ILSC and IBA Coronavirus Management and Response meetings, keeps us abreast of a non-exhaustive list of issues to consider that assess the impact of COVID-19 with regards to:

1. Liquidity and how liquidity risks are managed;
2. Reasons for reduced (or increased) demand for goods and services;
3. Changes to previously announced plans, projects or initiatives and to determine if targets, aims or KPI's have been missed;
4. Changes in terms of trade or contract modifications with suppliers or customers that may affect group-wide cashflow;
5. Breaches or the potential of breaches of debt covenants;
6. Support to customers and relevant stakeholders;
7. Support to our workforce;
8. Business continuity plans and effect of the homebased workforce and the associated costs to maintain operations and controls including cyber security risks;
9. Changes to remuneration and employee wages;
10. Close down of assets and transfer onto care and maintenance;
11. Impacts on financial positions including reserves group-wide;
12. Business interruptions (supply chain);
13. Group-wide impacts on the parent and subsidiaries;
14. The impact of travel restrictions and border closures;
15. Asset impairments and group-wide valuations; and
16. Maintaining a keen focus on the opportunity cost associated with not taking hard-line decisions on expenditure.

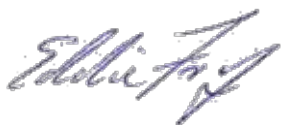
Minister, the ILSC (and IBA) will make its judgements based on the best available information at the time of making decisions, accounting for any applied assumptions and adjustments as required. Every effort since March 2020 has been the gearing up of a group-wide effort (with IBA in parallel timelines) to effecting due-diligence and cross-referencing to ensure that in our processes and documentation, there is adequate evidence to indicate that our judgements are being made on reasonable and reliable information, estimates and assumptions. In taking this approach, the two entities that I chair are better positioned to respond to future questions and challenges that will arise in this COVID-19 environment going forward.

There is not a day that goes by that I don't run a scan over the daily operations of the ILSC (and IBA). As our Minister, I would trust that you are fully informed and that you would join me in supporting and recognising the enormous amount of heavy lifting that the CEO's, Executive and staff of the ILSC and IBA have undertaken to date in these extraordinary circumstances and who will be charged to deliver a healthy and vibrant corporate group in the post-COVID-19 period.

The blueprint to manage our way forward has been an exercise no one has a mortgage on. But what I do know, is that cash preservation is a key feature of survival whilst at the same time remaining relevant to our people and community within the Indigenous Estate and the value of this effort to the wider Australia.

Should you have any questions or queries on the approach to managing the impacts of COVID-19, I am available to discuss.

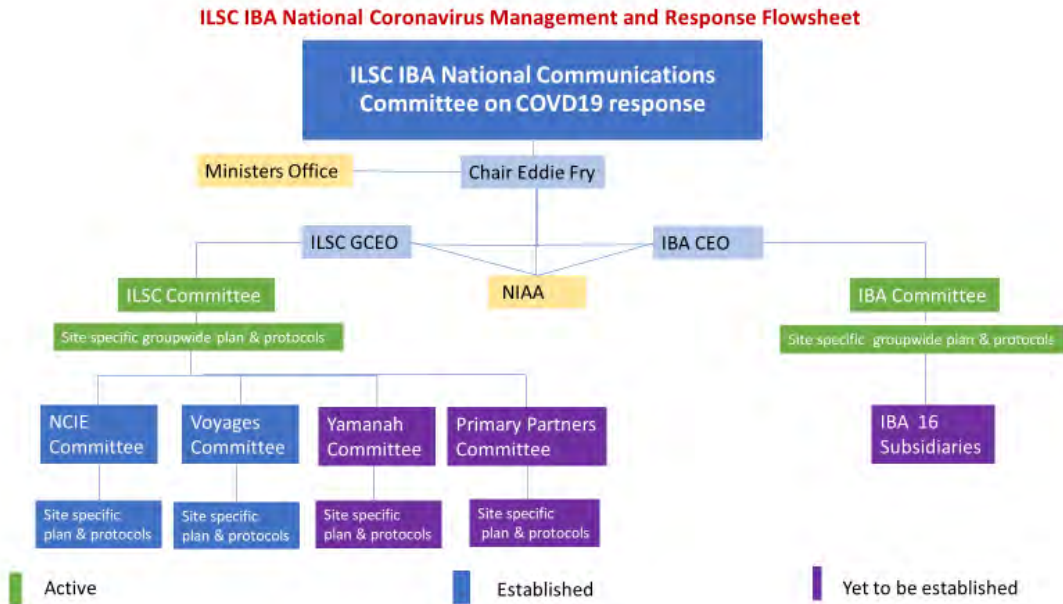
Yours sincerely

A handwritten signature in dark ink, appearing to read 'Eddie Fry', with a stylized flourish at the end.

Eddie Fry
ILSC and IBA Chair

Attachment A: ILSC and IBA Coronavirus Management and Response meeting reporting plan and agenda

ILSC and IBA National COVID-19 Management & Response Meeting



Parent uniformity – matters as ILSC, Subsidiaries, IBA, or any combination

- MIA
- NIAA
- Federal Govt settings

IBA and ILSC Group National Coronavirus Management and Response Committee

Meeting attendees	Proxy if required
Eddie Fry (Chair)	
Rick Allert (Chair, Voyages)	
Trevor Edmond (ILSC GGC)	
Leo Bator (ILSC GCEO)	
Rajiv Viswanathan (IBA CEO)	
Alison Page (Chair, NCIE)	Dr Donna Odegaard AM NCIE Board
Clare McHugh (CEO, NCIE)	Ms Indu Balachandran NCIE
Mark Seatree (CCO, Voyages)	
Grant Hunt (CEO, Voyages)	
Kirsty Moore (IBA ED Products & Markets)	
Dave Silcock (ILSC CFO)	
Peter O’Neill (IBA COO)	

Ms S Loss (Note taker)

Ms A Keane (Note taker)

Status update from each entity

Protocol

1. **National committee**
 - a. Composition
 - b. Continuity / redundancy nominee
 - c. Resources
 - d. Communications – structure →
 - e. Daily / Weekly meetings (trade related vs extraordinary matters)

2. **Whole of entity response (plan and alignment)**

3. **Subsidiary response (plan and alignment)**

4. **Cash flow sensitivities ILSC Core, IBA Core, Subsidiaries – status update**
 - a. 0 – 6 months }
 - b. 6 – 12 months } Consistent with market volatility
 - c. Requests for financial assistance – Government and IPF / FF

5. **Action items – status update**

6. **Timeline / baseline – status update**
 - a. Decision sensitivities \ forecasting
 - b. Escalation / de-escalation

7. **Employees – status update**
 - a. Special needs identified
 - b. Call center / check in center (National / State / Territory) inhouse vs external
 - c. Offsite resourcing and reliability
 - d. Personnel levels during workforce separation
 - e. WHS compliant
 - f. Insurance – Comcover
 - g. Special engagement tasks / external
 - h. Employee entitlements

8. **Communications / Protocols**
 - a. Internal – Boards, Executives and staff
 - b. External – clients, MIA, NIAA, relevant Govt depts, and industry partners, contractors

9. **Asset utilization – status update**
 - a. Business as usual
 - b. Worst case scenario
 - c. Community Quarantine center – local & non local
 - d. Capex
 - e. Care and maintenance of assets
 - f. Suspension of asset usage
 - g. Security

10. Outlook – IM (Information memorandum) post IPO COVID19**a. ILSC Core**

- ↳ Efficiency & Restructure Review
- ↳ ongoing

b. IBA Core

- ↳ ongoing
- ↳

c. Portfolio groups ILSC

- ↳ Voyages
- ↳ Primary Partners
- ↳ Yamanah
- ↳ NCIE

d. Portfolio activity IBA

- ↳ Home Solutions
- ↳ SME's
- ↳ Investments

e. Market sensitivities / research

- ↳ Agribusiness
- ↳ Home ownership

f. Recovery plan and growth

- ↳ Project generation Team
- ↳ Target one → Board approvals

11. Abnormal situations

- ↳ over/under estimation of situation
- ↳ timing

12. ILSC and IBA Reconstruction Virtues

We need to have:

- a. Discipline
- b. moral legitimacy
- c. well-defined and well-articulated objectives – Business Plan and Strategy
- d. a clear chain of command
- e. tolerance and flexibility in any new policy formulation and implementation
- f. confidence in the ability of the decision makers to act constructively
- g. the ability to operate free from self interest groups/individuals
- h. Avoidance of Politics
- i. Rebuild a stable, resilient, sophisticated, capable workforce
- j. Compassion
- k. Whole approach

These virtues will help make it possible to rebuild our business model decisively.

OFFICIAL: Sensitive



The Hon Ken Wyatt AM MP
Minister for Indigenous Australians
Member for Hasluck

Reference: MC20-003213

Mr Eddie Fry
Chairperson
Indigenous Land and Sea Corporation
Sheelagh.Loss@ilsc.gov.au

Dear Mr Fry

Thank you for your correspondence of 17 June 2020 regarding the Indigenous Land and Sea Corporation (ILSC) Group Acting Chief Executive Officer (CEO) appointment, your update of 18 June 2020 on the CEO selection process and Board members availability, and subsequent correspondence of 19 June 2020 providing Director nominations.

I am advising of my approval for the ILSC Board to appoint Ms Patricia Stroud as the Acting ILSC CEO for up to three months while the selection process is completed. I am aware of the circumstances of the Board's appointment of Ms Stroud and that Ms Stroud commenced in the role on 17 June 2020 arising from the Board's resolution to stand down Mr Leo Bator as the Acting ILSC CEO from that date.

As you will be aware under the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act) a person appointed to act as the ILSC CEO during a vacancy must not continue to act for more than six months. I appreciate the update in your letter of 18 June 2020 on the progress of the CEO selection process, noting this is well underway. I would ask that the ILSC Board ensures this process continues to a timely and appropriate outcome.

As you know, under the Cabinet Handbook the ILSC CEO appointment is considered significant and I am required to consult with the Prime Minister, who may refer the matter to Cabinet. The Cabinet Handbook also provides for me to approve acting appointments for up to three months in consultation with the Prime Minister.

I have written to the Prime Minister, the Hon Scott Morrison MP, informing him of my approval for the appointment by the ILSC Board of Ms Stroud as the Acting ILSC CEO for up to three months, while the formal CEO selection process is completed by the Board. I have also sought agreement for Ms Stroud's appointment as the Acting ILSC CEO for a total period of up to six months until 16 December 2020, which I expect will provide sufficient time for completion of the selection process and for the Board to provide me with a new CEO recommendation. Once a decision has been made by the Australian Government on the acting CEO appointment I will advise you of the outcome.

OFFICIAL: Sensitive

I also acknowledge the advice in your letter of 18 June 2020 confirming the availability of Directors, Ms Crossin and Dr Odegaard, to continue on the ILSC Board until a decision on longer term appointments is made. I note that confirmation of Mr Martin's availability is still pending. I will be writing to you separately on the other issues you have raised in your correspondence.

I also appreciate your advice in your letter of 19 June 2020 of the two Indigenous women Board nominations of Ms Shirley McPherson and Dr Valerie Cooms for my consideration. I will consider these nominees in conjunction with your previous nominations of Ms McGill and Ms Jeffreys later in 2020 as noted in my letter to you of 15 June 2020 (MC20-001869).

If you have any questions regarding this matter, the contact officer in the National Indigenous Australian Agency is Mr Brendan Jacomb, Chief Lawyer, Legal Services Branch. Mr Jacomb can be contacted on (02) 6152 3555 or brendan.jacomb@niaa.gov.au.

Yours sincerely



The Hon KEN WYATT AM MP
Minister for Indigenous Australians

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Australian Government

Indigenous Land and Sea Corporation



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19 August 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) - Board Meeting # 259 update 19 August 2020

I am writing in respect to the Indigenous Land and Sea Corporation (ILSC) Board and in accordance with section 19 of the *Public Governance, Performance and Accountability Act 2014*, to inform you of significant events that occurred at the ILSC Board meeting # 259 scheduled for today, 19 August 2020.

In preparation for this meeting, I sent an email yesterday to the Directors in which I conveyed your expectation that has been frequently included in your correspondence:

'In the meantime, the Australian Government's expectation is that all ILSC Directors fully perform their duties and meet their obligations as Directors to support the ongoing performance and operations of the ILSC'.

The ILSC Board meeting held today, ceased without progressing the agenda, in repetition of the last three Board meetings in which the ILSC budget was presented. Noting, at your request I didn't participate in BM #257 on 25 June 2020 at which time Directors Odegaard, Crossin, Martin and Ah See continued with their misbehaviour and lack of responsibility consistent with ATSI Act section 191W and as reflected by Director Tucker in the minutes of that meeting, attempted to make trade-offs benefiting the Subsidiaries of which they are Directors. **This is a material conflict of interest.** Please refer to the attached email provided by ILSC Group General Counsel sent to Directors on 17 August 2020 that supports the view that I have in so much as Directors Odegaard, Martin, Crossin and Ah See are in breach of their fiduciary duties as Directors of the ILSC. (**Attachment A**).

At this juncture, I would like to confirm that the ILSC Board met on 15 July 2020 and proceeded with the meeting with no claims against me as Chair nor were there any disruptions or departures. There was no budget discussion on that agenda, nor was there any governance issues relating to their Subsidiary Directorships on that agenda.

The background to today's Board meeting disruption and misbehaviour and the non-carriage of responsibility owed to the ILSC entity by Directors Odegaard, Martin, Crossin and Ah See is as follows:

During my discussions with the investigator Dr Vivienne Thom AO, she suggested having an Independent Observer present at a Board meeting. I emailed all Directors to advise them that I had invited an Independent Observer to the next Board meeting (today) to assess the functionality and performance of the Board and the Chair. I asked the Directors to advise if they had any concerns regarding the invitation to Mr Steven Munchenberg from Blackhall and Pearl who had last year conducted a Board performance review in which he interviewed the Directors but had not attended a meeting. Director Tucker fully supported this approach. Directors Odegaard, Martin, Crossin and Ah See objected to this observation of the functioning of the Board and the Chair. There was no reason given as to why they objected to the choice of observer or to the observations of the functioning of the Board or Chair, but the specific objection was to wait until the Investigation report by Dr V Thom was provided to them. I have already advised the Directors that the Thom report is for the Minister and not the ILSC. With no material objection, Mr Munchenberg attended the meeting. I provided an opportunity for the Board to discuss their objections, but they did not. As a consequence, the four

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dissenting Directors decision prevailed and there is no independent observation regarding the functioning of the Board and the Chair to provide to you.

I had prepared an update for the Board on the progress of the Group CEO recruitment as part of the Chair report. Unfortunately, I was not able to present this update and was not supported to update the Board by Directors Odegaard and Ah See, who clearly with Directors Martin and Crossin had a different agenda. Director Odegaard had previously advised that she looked forward to having this discussion at this Board meeting, but she did not raise the matter and clearly with Director Ah See, had no intention to discuss this important issue.

As you are aware, the Board meeting # 259 on 19 August 2020 was significant and a full agenda had been carefully prepared by the Executive Group of the ILSC. This agenda included critical matters with other very important items as follows:

1. The ILSC Group Consolidated budget;
2. The PBS targets;
3. The Corporate Plan;
4. Land Restoration Fund QLD – funding agreement. A significant ILSC carbon farming project with Indigenous Landowners in Cape York. Forecast value on execution of Project investment agreement with QLD Government to a value of \$28.8 million. Including an environmental tree planting project valued \$2.6 million. Credits to be derived from the project are forecast at \$35/tonne (94.4% higher than current market price of Indigenous credits of \$18/tonne) plus additional annual co-benefit payments for verified community and environmental outcomes.
5. Governance and Administration;
 - a. Legal advice;
 - b. Board Workplan;
 - c. Senate order entity contracts; and
 - d. Audit and Risk Committee report.
6. Extraordinary Strategic Decisions – ILSC Efficiency and Restructure design with forecast annual savings of \$10 million per annum to the ILSC, which includes \$5 million in cost saving from the restructure of assets and subsidiaries which will result in the ILSC no longer underwriting \$5 - \$8 million for entities it controls;
7. Subsidiary updates for Yamanah Investments and Primary Partners. This was specifically requested by Directors Odegaard, Martin, Crossin and Ah See and noting that since these four Directors have been Subsidiary Directors there has been a distinct lack of written Management reports from these entities produced for each ILSC Board meeting, as per each ILSC Board agenda. Directors of these Subsidiaries Odegaard, Crossin, Martin and Ah See are responsible to ensure the provision of these reports;
8. Supplementary readings;
 - a. ILSC Subsidiary Management reports; and
 - b. Reports for information.

Items 1-3 as you are aware are time and Parliament critical, a fact that I reminded Directors about on several occasions before and during the Board meeting. Additionally, I am sure you are aware that the ILSC sits within the corporate structure of PM&C and Directors Odegaard, Crossin, Martin and Ah See due to their misbehaviour today and at previous meetings show no remorse or professional judgement pertaining to their responsibilities as defined in the ATSI Act and as to the impact this now has on PM&C's statutory obligations to Parliament (and ILSC's).

Due to the departure from the meeting by Directors Odegaard, Martin and Ah See and further disruption to the progress of our critical agenda items:

- **we do not have Board approved FY20/21 budgets;**
- **we do not have Board approved PBS Targets; and**
- **we do not have a Board approved Corporate Plan.**

Due to the actions of Directors Odegaard, Crossin, Ah See and Martin, the ILSC cannot ensure the proper and efficient performance of its functions.

Instead of addressing these critical matters at the meeting, Director Odegaard supported by Director Ah See moved a motion of no confidence in me as the Chair of the ILSC. No reason for this motion was presented.

The objective appears to be to disrupt the proceedings and deflect the important matters that were to be addressed.

This was the only item that Directors Odegaard, Crossin, Ah See and Martin wanted to be recorded in the minutes of this meeting. Still no reason for the motion was provided.

It is more and more apparent with every meeting that has consolidated budget considerations, governance issues and governance related to Subsidiaries, that Directors Odegaard, Crossin, Martin and Ah See solicit a vote of no confidence in my Chairmanship as a method to avoid addressing these matters. Could this possibly mean anything else given we had an uninterrupted 15 July meeting without budgets and governance?

A budget funding clawback to Yamanah Investments (YI) and the winding up of this Subsidiary due to the end of their scope of work was proposed in the budget. The subsequent explosion of costs by YI now requires a forensic investigation which I will need to initiate with the Board's approval.

Additionally, the Subsidiary Primary Partners funding has been curtailed significantly in the budget because of the need to utilize ILSC funds and a Strategic COVID-19 Investment Pool (SCIP) (our funds buffer) in the following way:

1. Avoid unnecessary taxation and stamp duty payments related to unnecessary transfer of properties to Primary Partners (PP) as pursued by Directors Crossin and Martin in their Subsidiary Directorship roles of PP **which is at odds with our mandate and their Director responsibilities to the ILSC;**
2. Protect the ILSC Group from further COVID-19 financial impacts;
3. Financially protect the Voyages Group in particular with respect to the ANZ debt facility which has an Event Horizon Date (April 2021) requiring four of the five hospitality properties operating which is at this point because of COVID-19 impacts, not guaranteed. Voyages has a significant Indigenous employee platform and is an iconic Indigenous asset.
4. Maintain the operational standing of the National Centre of Indigenous Excellence (NCIE) which supports the Indigenous Community in Sydney;
5. Financing the inaugural JV model between the ILSC Group and an Indigenous organisation NBY for the Roebuck Plains property which is yet to be allocated funds;
6. Meeting the \$56.7 million Pipeline Value performance target for 'Our Country our Future' program;
7. Meeting the FY21 Acquisition targets; and
8. The overall delivery of the ILSC mandate.

Unfortunately, the Directors in departing the meeting did not consider nor sought to discuss the following key risks and considerations within the budget faced by the ILSC:

- a. Solvency;
- b. Non-delivery of legislated mandate;
- c. Cash constraints;
- d. Efficiencies and cost controls in administration and corporate costs;

Subsidiary Comfort Letters and Subsidiary budget approvals (this is a very serious issue as the ILSC has historically issued Letters of Comfort to its Subsidiaries to give assurance to Subsidiary Directors (in particular Voyages and NCIE) that ILSC will financially support the Subsidiary over the course of the financial year. The importance of this is a prerequisite to signing up-coming Subsidiary financial statements and the Director declarations required as to solvency of the Subsidiaries.

The commonality in three out of the last four meetings where the Directors have not fulfilled their duties is the ILSC consolidated budget deliberation and governance matters related to Directorships on ILSC Subsidiaries.

It is an unfortunate situation that four ILSC Directors have deliberated amongst themselves to stage these events since the 7 May 2020, arising from BM 254 which ignites the dysfunction requiring ILSC Directors stepping down from ILSC Subsidiaries.

It is my view that the Directors Odegaard, Crossin, Martin and Ah See have breached their fiduciary duties as Directors of the ILSC and I consider that this breach relates to Section 191W of the ATSI Act regarding responsibilities of Indigenous Land Corporation Board:

It is the responsibility of the Indigenous Land Corporation Board to ensure the proper and efficient performance of the functions of the Indigenous Land Corporation and to determine the policy of the Corporation with respect to any matter.

It also should be noted that they took no heed to an email I provided to all Directors ahead of today's meeting regarding their duties which included your expectations - as mentioned above.

Minister, the ILSC is left in a precarious position by the misbehaviour of four Directors who seek their own agenda to take control of the ILSC including the position of Chair dismissing your authority as the only person who has that role. Discussions following the departure of Directors Odegaard, Martin and Ah See included Director Crossin suggesting that I step aside and allow another Director as Chairperson in light of the motion of no confidence in myself. Group General Counsel pointed out that this action was not permitted under the ATSI Act. Clearly, they do not understand the ATSI Act and seek to usurp the Ministers responsibility and it is clear that their agenda is to monopolize the Board and control the ILSC funds.

As the Chair of the ILSC, with respect to Clause 192H of the ATSI Act I am requesting the immediate termination of Directors Odegaard, Crossin, Ah See and Martin's appointment for misbehaviour and deliberate action to cause detriment to the ILSC Group.

Failure to do this will see Directors Odegaard, Crossin, Martin and Ah See running an agenda contrary in my view and I would suggest in the views of Director Tucker and former Director Elu, to the legislative mandate of the ILSC and to the detriment of its performance for Indigenous Australians and the Indigenous Estate.

I conduct myself on the basis that I Chair an organization that directly and indirectly has assets under management in the order of \$2.5 billion and when adding in the past 25 years of land acquisition and our ongoing support and investment into those assets by way of assistance to ATSI organizations of the Indigenous Estate this amount exceeds circa \$3 billion. The ILSC is for all intents and purpose a multi-faceted organization that requires Director independence throughout the group. The talent pool required at Board level to protect the ILSC particularly in this extraordinary period of COVID-19 impacts is one that doesn't pursue self-interest to the extent that Directors Odegaard, Crossin, Martin and Ah See are displaying with their irresponsibility as Directors in accordance with the ATSI Act.


There have been claims by Directors Odegaard, Crossin, Martin and Ah See that they are not fully informed about the activities of the ILSC. As the Chair of the ILSC Board, I note there have been 13 Board meetings since February 2020. The enormity of information and diverse topics presented to these meetings is to fully inform the Board of the activities and achievements of the ILSC. It is disturbing that any Director could claim that they are not fully informed or consulted about matters. In addition, I have Chaired 18 (from March 2020) COVID-19 National ILSC and IBA Groupwide Management and Response meetings which have been reflected in the Board reports. In light of this, I would be delighted to understand the accusations about lack of information. This suggests to me that they either don't read the Board packs or the amount of information provided exceeds their capability. I would also point out that these dissenting Directors Odegaard, Crossin, Martin and Ah See, obviously have a view that my stewardship has had no bearing on everything that has been achieved whilst I have been the Chair. The ILSC performance does not reflect or support this viewpoint and it is offensive to the Executives, Management and staff who have produced these outstanding outcomes.

I would like to advise you that I have not conveyed to you, the availability of Director Martin to continue in his role as an ILSC Director, because he did not respond to my request for this information.

I again ask for the corresponding appointments of IBA Directors Ms Shirley McPherson and Dr Valerie Coombs as per my earlier correspondence to you. For sake of good order and record, the IBA in comparison has a policy to this effect to enforce the independence of parent and subsidiary directorships and the minimization and elimination of potential, real or perceived conflicts of interest.

Once again Minister, I seek your immediate action to resolve this crisis in the ILSC Board functioning. I look forward to your earliest response.

Yours sincerely



Eddie Fry
ILSC Chair

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28 August 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Annual Report deadline extension request

I am writing to you regarding the Indigenous Land and Sea Corporation (ILSC) annual reporting requirements, as set out in section 46 of the *Public Governance, Performance and Accountability Act 2013*.

As you would be aware, the 2019-20 Annual Report for the ILSC is required to be provided to you by 15 October 2020, unless an extension is granted under subsection 34C(5) of the Acts Interpretation Act 1901 (AI Act). That provision allows you, as the Minister to whom the Annual Report must be provided to, upon application, grant such extension as you consider reasonable in the circumstances.

The ILSC Annual Report preparation is well underway and we are working hard to meet the prescribed deadline. However, there is a significant risk due to the operational impacts of the COVID-19 pandemic, that the required deadline of 15 October may not be achieved. I am therefore applying, under subsection 34C(4) of the AI Act, for an extension for the provision of the 2019-2020 Annual Report until 30 December 2020, to ensure retained compliance with the AI Act in the instance that the ILSC is unable to meet the 15 October deadline.

The COVID-19 pandemic and the restrictions on movement and gathering put in place to limit its spread have significantly impacted the operations of the ILSC, specifically its subsidiary operations in the tourism, agribusiness and community services sectors. The ILSC subsidiaries Voyages Indigenous Tourism Australia (Voyages) and the National Centre of Indigenous Excellence (NCIE) have been impacted by the pandemic to the point of virtual and actual shutdown of assets. These operational impacts have necessitated changes in staffing arrangements and the reallocation of resources from both the ILSC core and subsidiary corporate functions to focus on impact minimisation and business continuity efforts.

This diversion of resources has reduced the ILSC's ability to finalise the preparation of its Annual Report according to usual timelines. The immediate impact being data collection, verification and auditing to support the Annual Performance Statement.

If you agree to grant the extension, a copy of this statement, together with a statement specifying the extension granted with your reasons for granting the extension will be required to be tabled in each House of Parliament within three sitting days after the day on which you grant the extension. A copy of the 2019-20 Annual Report will be required to be tabled in each House of Parliament within 15 sitting days after the day on which I provide you with the report.

The contact officer regarding this matter is Ms Tricia Stroud, Acting ILSC Group CEO, who can be contacted on [REDACTED].

Yours sincerely

A handwritten signature in blue ink that reads "Eddie Fry". The signature is written in a cursive, flowing style.

Eddie Fry
ILSC Chair



20 August 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: ILSC Board performance and operations

Further to my letter yesterday regarding important Board matters that could not be addressed at our scheduled full day Board meeting # 259 on 19 August 2020, I would like to draw your attention to the disregard of duty by Directors Odegaard, Martin and Ah See displayed by their departure from this meeting following the first item 'in camera' session.

As you are aware, Parliament and time critical matters could not be addressed in addition to material initiatives as outlined in the attached agenda, due to the lack of quorum. (**Attachment A**)

I have called another meeting for Monday 24 August to attend to these matters.

I have not invited an independent observer due to the fact that Directors Odegaard, Crossin, Martin and Ah See objected to this attendance without material reason, whilst Director Tucker and I welcomed the Board and Chair assessment.

I also provide notice of what has been made an unequivocal position by Director Martin as reflected in the minutes yesterday, stating that he was personally not comfortable with continuing in the meeting, and in fact, was not comfortable in any meeting until the outcome of the Minister's current investigation was known. He said that, for that reason, he was departing the meeting. He departed the meeting at 09:04 am.

Director Odegaard advised she was of the same view as Director Martin, and for the same reason would not remain in the meeting. She departed the meeting at 9.04am.

Director Ah-See advised he also was of the same view. He noted he would be looking to hear from the Minister, and the outcome of the investigation before determining what he would do. He departed the meeting at 09:05 am.

Noting that the meeting was now inquorate, as Chair, I formally closed the meeting at 09:05 am ACST, and invited the remaining Directors to participate in an in-principle discussion of any matter.

Following their intent, I therefore do not expect Director Odegaard, Martin or Ah See will attend Monday's meeting to fulfill their duties. However, I will reach out to these Directors to see if they will reconsider and fulfill their duties.

Minister, you have made it pretty clear in your correspondence which I shared with Directors this week:

'In the meantime, it is my and the Australian Governments' expectation that all ILSC Directors fully perform their duties and meet their obligations as Directors to support the ongoing performance and operations of the ILSC'.

As I have outlined to you yesterday, at Board meeting #258 on 15 July all Directors participated in the full meeting and attended to all matters. There was no reference to not attending any future meeting at the closure of this last Board meeting 15 July by Directors Odegaard, Martin and Ah See.

The difference between attending and departing meetings, I reiterate is the resolving of the ILSC Consolidated Budget and other matters that place prudent budgetary constraints on Subsidiaries upon which they are Directors, namely Yamanah Investments and Primary Partners.

As their departure from Board meeting #259 yesterday is formally contained within the minutes (as requested by departing Directors) I can only surmise then that these Directors have formally stated that the performance and operations of the ILSC and the commitment of our part of the PM&C portfolio is secondary to their personal agenda.

No ILSC Director has greater authority that takes precedence over their duty as you have pointed out with your expectations and that of the Australian Government, to support the ongoing performance and operations of the ILSC.

They have not only dismissed your expectations and that of the Australian Federal Government, but also the Indigenous people that they are here to serve. They are here to provide quality assurances to meet the responsibilities as ILSC Directors consistent with the ATSI Act and the PGPA Act.

Failure to meet their responsibility along with their misbehaviour are, I believe sackable offences.

Their action to hold the ILSC to ransom and indeed you as the Minister and therefore the Australian Government with the expressed intent to not attend meetings and their insistence on recording this in the minutes - are in my view sackable offences by Directors Odegaard, Martin and Ah See, regardless of the Dr Thom Investigation outcome.

Once again Minister, I seek your immediate action to resolve this crisis with replacement Directors Ms Shirley McPherson and Dr Valerie Coombs, as their details and clearances are already on record due to their Directors roles on the IBA Board.

This action will resolve the issue of the ILSC Board and ensure we will be quorate on Monday 24 August 2020 to resolve agenda items that were dismissed yesterday by Directors Odegaard, Martin and Ah See as they departed the meeting.

Should you wish to discuss any aspects of this matter, please call me on M: [REDACTED]

Yours sincerely



Eddie Fry
ILSC Chair



Australian Government
Indigenous Land and Sea Corporation



The ILSC GROUP

Board-in-Confidence

ILSC BOARD MEETING No 259

Wednesday, 19 August 2020 commencing at 08:30 am
To be held by Microsoft Teams

Board Members:

Edward Fry (Chair)
Patricia Crossin
Bruce Martin
Donna Odegaard, AM
Roy Ah-See
Daniel Tucker, AM

AGENDA

Time			Discussion Leader
8:30 am	1.	IN CAMERA SESSION	Chair
8:40 am	2.	STANDING AGENDA ITEMS	
		2.1 Apologies/Approved Leave of Absence	Chair
		2.2 Declarations of Conflict of Interests	Chair
		2.3 Minutes of Previous Meetings	Chair
	*	2.3.1 Meeting No. 256 of 17 June 2020	
	*	2.3.2 Meeting No. 257 of 25 June 2020	
	*	2.3.3 Meeting No. 258 of 15 July 2020	
		2.4 Actions Arising Status Report	Chair
		2.5 Chair's Report	Chair
		2.6 A/GCEO's Report	A/GCEO
9.05 am		10 minute break	
	3.	FINANCE, RISK AND COMPLIANCE	
9.15 am	*	3.1 ILSC Group Budget	GCF0
11.15 am	*	3.2 Land Restoration Fund (Qld) - Funding Agreement	A/GCEO
	4.	STRATEGY, POLICY, LEGISLATION, STAKEHOLDERS	
11.30 am	*	4.1 ILSC Corporate Plan	A/GCEO
		4.1.1 Att A – Corporate Plan Proof	
12.00 pm	*	4.2 PBS Targets and Performance Framework	A/GCEO
12.20 pm		20 minute break	
	5.	GOVERNANCE AND ADMINISTRATION	
12.40 pm		5.1 Funds – Legal Advice - Subject to Legal Professional Privilege (to be presented <i>In Camera</i>)	GGC
		5.2 2021 Proposed ILSC Board Meeting Dates and ILSC Board Work Plan	GGC
		5.2.1 Att A - 2021 Proposed ILSC Board Work Plan	
	*	5.3 Senate Order Entity Contracts 2019-20 Financial Year	GGC
		5.3.1 Att A - Senate Order Listing Entity Contracts 2019-2020 FY	
		5.4 Audit and Risk Committee	Chair, ARC
	*	5.4.1 ILSC Enterprise Risk Management Statement	

<i>Time</i>			<i>Discussion Leader</i>
	*	5.4.2 Report from ARC August 2020 5.4.2.1 ARC Minutes of Meeting No. 96 - 29 July 2020 5.4.2.2 ANAO Performance Statement Audits 5.4.2.3 ARC - Voyages Internal Audit Plan 5.4.2.4 ARC – ILSC – Deloitte Internal Audit Plan	
1.30 pm	*	6. EXTRAORDINARY STRATEGIC DECISIONS 6.1 Strategic Reform Unit * 6.1.1 Att A – Strategic Reform Unit 6.1.1.1 App A - ILSC Transformation BluePrint 6.1.1.2 App B - ILSC SRU Transformation Project Update (1) 6.1.1.3 App C - ILSC Efficiency & Effectiveness Review 6.1.1.4 App D - ILSC Future-state Organisation Design Validation 6.1.1.5 App E - ILSC Future State Cost-Benefit analysis & ER implications 6.1.1.6 App F - ILSC Transformation & Implementation Roadmap 6.1.1.7 App G - Second Memorandum of Advice CCK 6.1.1.8 App H - Initial E.A Legal Memo of Advice (EMA Legal) 6.1.1.9 App H2 Major Change and Consultation Process Guide 6.1.2 Att B - Strategic Reform Unit Budget	A/GCEO
3.30 pm		<i>10 minute break</i>	
N/A		7. MANDATE AND INVESTMENTS 7.1 Land Acquisitions - Nil 7.2 Land Management Investments - Nil 7.3 Divestments - Nil	N/A
3.40 pm		8. SUBSIDIARY UPDATES 8.1 Yamanah Investments Pty Ltd (verbal) 8.2 Primary Partners Pty Ltd (verbal)	Dir Martin Dir Martin
4.00 pm		9. OTHER BUSINESS	Chair
		10. IN CAMERA (IF REQUIRED)	Chair
		11. SUPPLEMENTARY READING 11.1 ILSC Subsidiaries Management Reports 11.1.1 Voyages Indigenous Tourism Australia Pty Ltd 11.1.2 National Centre of Indigenous Excellence Ltd 11.1.3 Primary Partners Pty Ltd 11.1.4 Yamanah Investments Pty Ltd 11.2 Reports for Information 11.2.1 Power of Attorney Register 11.2.2 Common Seal Register 11.2.3 Media Clips	
		12. NEXT MEETING – WEDNESDAY, 9 SEPTEMBER, 2020	Chair

*** Decision required**

A/GCEO – Acting Group Chief Executive Officer (Tricia Stroud)

GCFO - Group Chief Financial Officer (David Silcock)

ARC - Chair, Audit and Risk Committee (Maria Storti)

GGC - Group General Counsel (Trevor Edmond)

RANC - Chair, Remuneration and Nomination Committee (Edward Fry)



Australian Government
Indigenous Land and Sea Corporation



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19 August 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Update on the ILSC Group CEO recruitment process

Thank you for your letter Reference MC20-003968 which I received 13 August 2020.

My expectation of Directors of the ILSC, like the Australian Government's expectation is that all ILSC Directors fully perform their duties and meet their obligations as Directors to support the ongoing performance and operations of the ILSC. Unfortunately, I find difficulty seeing this expectation reflected in the performance of two Directors involved in the Group CEO recruitment progress.

Consistent with your correspondence I would like to apprise you of the progress of the Group CEO recruitment which has regrettably been very slow. This is not due to the actions of the recruitment agency, but due to the unfortunate situation in which two Directors who volunteered to join the Selection Committee have not been available or have not been responsive to meet with the recruitment agency to date. I have attached for your information, a chronology of the efforts to convene a meeting of the Selection Committee consistent with your expectation and the Board decision and expectation. At Board meeting # 257 on 25 June 2020, the majority of Board currently holding sway, resolved to add a fourth Director to the Selection Committee – Director Ah See, which has certainly not enhanced the progress of this very important recruitment activity.

The Selection Committee was initially nominated at Board meeting #249 on 13 March 2020 and tasked with:

- Reviewing short-listed applications
- Interview and assess candidates
- Make recommendations to the Board for its final decision

At this meeting, it was recommended that the Board determine the location or locations for the applicant to be based. All other activities in the recruitment process as has been the practice in the past, are management / operations activities, such the standard CEO position description and advertisement wording. I believe valuable Board time has been consumed with Directors Crossin, Odegaard, Ah See and Martin misunderstanding the agreed Selection Committee tasks (listed above) and are instead focussed on details that Management had already performed.

Office of the Chairperson

Mail to: Sheelagh.loss@ilsc.gov.au

Telephone 08 8100 7100 | [ABN](#) 59 912 679 254

www.ilsc.gov.au

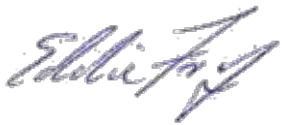
Considering that the recruitment process was hindered due to the delay or absence of responses to meeting requests by Directors Odegaard and Ah See, the Board is not yet placed to provide you with a Group CEO decision. As you can see from the attached, meeting requests span the period from 30 June to mid-August. Six weeks of negotiating one meeting is a time and resource waste. Director Tucker and I along with two Agency representatives have rescheduled our very busy work commitments to accommodate Directors Odegaard and Ah See.

As shortlisted candidates are yet to be interviewed, I trust the past delays by Directors Ah See and Odegaard will no longer occur to cause further disruption as the interviews and a period of notice that a prospective GCEO may need to provide to their current employer can average three months.

I have to say that I appreciate your persistence in following up the recruitment as I am able to use this information to remind the Directors of your expectations and of the interruption to our business operations that their actions are causing.

Despite the delays or lack of responses as outlined in the attached, the target completion date to finalise the GCEO recruitment is set for 18 September 2020 agreed by the Selection Committee. I will attempt to achieve an earlier date to make a recommendation to the Board for a timely and appropriate outcome and referral to yourself.

Yours sincerely



Eddie Fry

ILSC Chair

Attachment A: Group CEO recruitment Selection Committee chronology

Attachment A: Group CEO recruitment Selection Committee chronology

The ILSC Group CEO recruitment and the ILSC Board Selection Committee

Chronology of communications to effect a meeting with the full Selection Committee.

Directors: Chair Eddie Fry, Donna Odegaard, Roy Ah See and Daniel Tucker (joined end July to replace Joseph Elu)

Recruitment Agency : Robert Walters Agency (RWA) – Ella Morgan and Giuseppe Nasca

30 June email to Donna and Roy - Request availability Wed 1,2, or 3 July to discuss with Ella Morgan RWA

Roy advised available 3 July 10am.

Donna: no response

2 July email to Donna cc Roy - Request availability 3 July 10am

Donna: In Ministerial meetings all day from 8am, early next week more suitable

Roy: no response

2 July email to Donna and Roy - Request availability Mon - Wed 6,7,8 July

Roy - I'm available at this stage mid to late next week!

Donna: no response

3 July email to Donna and Roy - Request availability Wed 8, 9 Jul

Donna: Thanks, I'm available Thursday afternoon 3:00pm - -5:00pm

Roy: no response

7 July email to Donna and Roy 1pm - Request availability Thu 9 Jul

7 July email to Donna and Roy 3.25pm –Request availability Mon 13 Jul – 3 times given

9 July email to Donna & Roy – Meeting request 13 Jul @ 1pm as Eddie meeting with Ella & Giuseppe RWA

13 Jul Donna: I'm unable to attend today look forward to discussing at next ILSC meeting.

13 Jul Roy: unfortunately I'm unavailable to attend

13 July email to Donna and Roy – as unable today please advise 3 times you are available on 13, 14 July

Donna: available 9-12pm 14 July, then in Ministerial meetings all afternoon.

Roy: no response

15 July Board meeting – Instructed the Selection Committee to meet early next week.

21 July email Donna & Roy – Request availability Mon 27, 28, 29 Jul for 1-hour discussion

Roy: no response

Donna: no response

Daniel Tucker joined the Selection Committee

29 July email Donna, Roy, Daniel - Request availability Mon 3 Aug 5 times given

Daniel: available

Roy: no response

Donna: no response

7 August email Donna & Roy - Request availability Thu 13, 14 Aug

Daniel: advised availability for 13 & 14 Aug

10 Aug called Roy & Donna - Request availability week of 10 Aug

Neither answered

10 Aug text Donna & Roy - Request availability week of 10 Aug

Roy: available 11 Aug only

Donna: apologies, in Ministerial meeting Canberra

10 Aug further text Donna – Are you able to meet Selection Committee & RWA this week as per email Friday?

No response

15 Aug sent meeting request for Mon 17 Aug@ 11am

Daniel accepted and joined prior to meeting start.

Donna accepted. At 11.03am sent a text apologizing delayed 10 mins. Joined the meeting at 11.25am.

Roy – no response. Joined meeting at 11.19am.

18 August the recruitment agency provided next steps.

OFFICIAL: Sensitive



The Hon Ken Wyatt AM MP
Minister for Indigenous Australians
Member for Hasluck

Reference: MC20-003968

Mr Eddie Fry
 Chairperson
 Indigenous Land and Sea Corporation
Sheelagh.Loss@ilsc.gov.au

Dear Mr Fry

Thank you for your correspondence of 13 July 2020 regarding the Indigenous Land and Sea Corporation (ILSC) fundamental governance issues and a breach of directors' fiduciary duties. I also acknowledge your earlier correspondence of 1 July 2020 raising various governance issues, board committee functionality and conflict of interest.

I note in both letters your insistence for refreshment of the current ILSC Board membership. In this instance I am responding primarily about Board membership noting that you have been informed of the commencement of a governance investigation by Dr Vivienne Thom AM.

As you are aware, under the *Aboriginal and Torres Strait Islander Act 2005*, ILSC Directors continue until a new appointment or reappointment is made by me. These appointments are also subject to consideration and approval by the Prime Minister and possibly Cabinet.

I previously wrote to you on 13 May 2020 of my decision to consider the ILSC Board composition and longer term appointments later in the year. I subsequently wrote to you on 15 June 2020 noting the ongoing availability of Directors, Ms Crossin, Mr Martin and Dr Odegaard in the interim, would provide assurance that the ILSC can continue to properly function until a decision on longer term appointments is made later in 2020.

In the meantime it is my, and the Australian Government's, expectation that all the ILSC Directors fully perform their duties and meet their obligations as Directors to support the ongoing performance and operations of the ILSC. To that end I also reiterate my earlier request of 1 July 2020 that the ILSC Board ensures the CEO selection process continues to a timely and appropriate outcome.

With the recent engagement of Dr Thom to investigate governance issues with the ILSC Board, I intend to consider the ILSC Board membership and skills set, once the investigation is complete. Dr Thom is due to report to the Australian Government on 31 August 2020.

Parliament House CANBERRA ACT 2600

OFFICIAL: Sensitive

OFFICIAL: Sensitive

If you have any questions regarding this matter, the contact officer in the National Indigenous Australian Agency is Mr Brendan Jacomb, Chief Lawyer, Legal Services Branch. Mr Jacomb can be contacted by phoning (02) 6152 3555 or by email at brendan.jacomb@niaa.gov.au.

Yours sincerely



The Hon KEN WYATT AM MP
Minister for Indigenous Australians

6 / 8 / 2020

OFFICIAL: Sensitive



Australian Government

Indigenous Land and Sea Corporation



The ILSC GROUP

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18 September 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) Board meeting #260 of 24 August 2020

On behalf of the Indigenous Land and Sea Corporation (ILSC) Board and in accordance with section 19 of the *Public Governance, Performance and Accountability Act 2014*, I am writing to inform you of significant events that occurred at the ILSC Board meeting 260 held on 24 August 2020.

ILSC Enterprise Risk Management Statement

Risk management is an area that the ILSC Board takes seriously and is always looking at ways this can be significantly strengthened within the ILSC. Deloitte identified opportunities for developing the ILSC's approach to operational, strategic risks and opportunity management across the Group. Management also proposed a rationalisation of issues of strategic risk within the ILSC Group filtering the many possible risk issues into four fundamental guiding principles or 'pillars' and proposing that future Board papers include an assessment presented against the pillars identifying which are of risk and/or are statutory obligations.

The Board approved the Enterprise Risk Management (ERM) Statement and the ILSC Enterprise Risk Management Pillars.

Report from the Audit and Risk Committee

The Audit and Risk Chair Ms Storti, drew the Board's attention to the financial and performance reporting of the ILSC and its subsidiaries, outlining her Proposed Internal Audit Plan for FY21 and FY22 and based on discussion between ARC, ILSC management and Deloitte. She stated her concerns on the high-level health checks of Payroll, Procure to Pay and Fraud Control and further explained the necessity to continually test controls to avoid a false sense of security and reminded Directors that ANAO actively carry out performance statement checks in addition to financial statement checks. Ms Storti confirmed that, the ARC, will continue to monitor the Audit Plan. The Board resolved to review the Audit Plan again over the next quarter instead of six months' time.

The Board approved the FY21 ILSC Group Internal Audit Plan, noting the Plan will be reviewed next quarter.

Board Governance Committee

I informed Directors about a discussion I had held with an independent corporate governance structures professional and asked if they thought it would be beneficial for this Board to have an Independent Governance Committee, especially whilst navigating the current COVID-19 environment. Members were in agreement of an Independent Board Governance Committee and asked me to instigate this.

Office of the Chairperson

Mail to: Sheelagh.loss@ilsc.gov.au

Telephone 08 8100 7100 | **ABN** 59 912 679 254

www.ilsc.gov.au

CEO report

The Acting GCEO spoke of her concern on the vacant possession at Mogila Station, NSW and the legal ramifications in negotiating to take back the property. She advised that a media statement has been prepared and that the Minister of Indigenous Australians' office were being kept apprised of the situation. The Board noted and approved the proposed steps for the repossession of the property.

Ms Stroud informed the Board on tracking performance of KPI's, which under the current circumstances, are unlikely to be met with a similar situation occurring with four PBS targets unable to be met.

The Board were updated on the work that has been completed on the Murray-Darling Aboriginal Water Entitlement Program (**DAWE**) and whether DAWE envisaged that MLDRIN and NBAN were better placed to administer the program. There is some difficulties with the other parties, so the ILSC is waiting on further advice from DAWE on a way forward.

Land Restoration Fund (Qld) – Funding Arrangement

The Board was informed about the Queensland Government's Land Restoration Fund – a \$500 million investment in Queensland-based carbon farming projects, which is the first of its kind in Australia. The fund has opened for applicants with up to \$100 million in carbon farming projects to be made available, giving the ILSC an opportunity to deliver a carbon farming project with Indigenous landowners in Cape York.

Board discussion included market credits, tonnage payments, the ability to include an 'Act of God' and a 'Non-delivery' clause and the ILSC resources to assist the present Manager, Carbon and Environment.

The Board approved the entry into a Project Investment Agreement with the Queensland Government under the Land Restoration Fund, for a Savanna Fire Management project across five properties to a value of \$28.8 million; an Environmental tree planting project on ILSC-owned Mimosa Station to a value of \$2.6 million noting that approval will be subject to the finalisation of due diligence including a detailed Risk Management Plan. The Board noted that the Project Investment Agreements will only come into effect if carbon project registrations with the Clean Energy Regulator on the lands occur within 12 months of signing and that, subject to standard internal due diligence and delegate process, the ILSC will provide OCOF funding to facilitate project registration; the establishment of supply contracts with the Indigenous landholders; and operational development support to an estimated value of \$500,000 over five years.

Carbon Project Registration, Gracevale Station

The Board was informed that a new carbon project is to be undertaken by the lessee Yambangku Aboriginal Cultural Heritage and Tourism Development Aboriginal Corporation (**YACHATDAC**) at Gracevale Station. To guarantee the long-term storage of carbon, the Clean Energy Regulator (**CER**) requires proponents to secure the legal rights to undertake the project for a 25-year period. The Board approved the proposal subject to the Traditional Owners agreeing to release and indemnify the ILSC.

ILSC Corporate Plan

The Board endorsed the 2020-2021 Audit and Risk Committee reviewed Corporate Plan, which had taken a refreshed contemporary design, whilst working within the standards required of the PGPA Act. The Corporate Plan would be presented to NIAA pre 30 August for internal compliance checking and thereafter sent to the Ministers office for review ahead of presentation by 31 October

PBS Targets and Performance Framework

The Board endorsed the revised PBS targets (and forward estimates to 2024) in conjunction with the PM&C's 2020 Federal Budget submission. The revised targets were different from those presented in February 2020 owing to COVID-19. Overall, it is noted there are reductions in employment and training targets with the revising down of performance targets. Endorsement of such having been received from the Audit and Risk Committee.

Senate Order Entity Contracts 2019-2020 Financial Year

The regulatory requirements for the 2019-2020 FY listing of active contracts at or above \$100,000 (GST incl.) and the use of confidentiality provisions in each Contract, which have been assessed in conformity with the *Senate Procedural Order of Continuing Effect: Entity Contracts (Senate Order)* were approved for sign off, following a reconciliation of the presented numbers.

Yamanah Investments Pty Ltd

The Chair, Director Martin gave a verbal report on the company's recent activities. Director Martin is to provide a formal written report to each ILSC Board meeting on the activities of Yamanah and the Acting Group CEO will develop a 'lessons learned' paper.

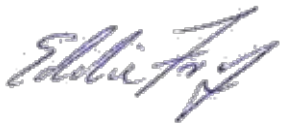
Primary Partners Pty Ltd

The Chair, Director Martin gave a verbal report on Primary Partners activities. Director Martin is to provide a formal written report at each Board meeting on the activities of Primary Partners.

The 2021 Board meeting schedule was approved with four of the seven meetings to occur via Microsoft Teams.

Please do not hesitate to contact me or the Acting Group CEO Ms Tricia Stroud, should you have any questions in relation to the contents of this letter.

Yours sincerely



Eddie Fry
ILSC Chair



02 September 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) - Board Meeting updates of 25 June and 15 July 2020

On behalf of the Indigenous Land and Sea Corporation (ILSC) Board and in accordance with section 19 of the *Public Governance, Performance and Accountability Act 2014*, I am writing to inform you of significant events that occurred at the Board meetings held 25 June and 15 July 2020. I am aware some of these matters are already known to you but wish to ensure compliance with our statutory obligation.

25 June extraordinary Board meeting #257

At your request, this meeting was chaired by the Deputy Chair Joseph Elu. The Board resolved to grant me leave of absence in accordance with s192C of the *Aboriginal and Torres Strait Islander Act 2005* (Cth).

Baldivis Farm Property Lease

The presented paper noted the acquisition of Baldivis Farm (Baldivis) a state-of-the-art Greenhouse facility, Perth, WA. The AGCEO now sought Board approval of a 10-year lease for Abundance Fresh Farms Pty Ltd, a newly created Indigenous corporation, who would in time operate the facility.

External Investigation

The Deputy Chair spoke to the paper, relating to two letters received from you as Minister for Indigenous Australians (Minister) dated 12 June 2020 (Ref MB20-000371) addressed to all Directors seeking clarification on a number of Board issues; and the second letter dated 18 June, (Ref MB20-000180) requesting the Board to consider seeking the appointment of an external person nominated by you to investigate matters set out in your correspondence. The Board resolved to appoint the external investigator nominated by you.

Key Communications

Ms T Stroud, Acting GCEO (AGCEO) spoke to the paper and explained that a Holding Statement had been prepared in consultation with your office as a precautionary measure in answer to any unforeseen queries in respect of the current circumstance and construct of the ILSC Board.

COVID-19 Subsidiary Support Package

Following your formal approval, the ILSC Board approved the AGCEO to enter into an Agreement with National Indigenous Australians Agency (NIAA) to deliver the COVID-19 Subsidiary Support Package, to provide financial relief to ILSC subsidiaries, Voyages and NCIE.

Group CEO Recruitment Process

Redacted minute

Appointment of Ms T Stroud as Director, Voyages and NCIE (in her capacity as AGCEO)

Redacted minute

Remuneration of Acting GCEO, Ms T Stroud (in her capacity as AGCEO)

Redacted minute

Director D Tucker – Resignation from Voyages Board

The ILSC Board noted that Director Tucker resigned from the Voyages Board effective 19 June 2020, following the new ILSC Group-wide Governance Principles with his agreement that ILSC Directors should not sit on subsidiary Boards.

FY21 Budget Preparation

The presented paper was brought back to this meeting having not been presented to the whole Board at its meeting of 17 June 2020 due to the early departure of Directors Crossin, Ah See, Odegaard and Martin.

Safeguarding measures to protect the ILSC Group in FY21 owing to the consequences of the COVID-19 pandemic outlined 3 'Cash Reserve' scenarios (in increments of \$15-\$20-\$25 million) as requested by the Board on 27 May. These scenarios and 'Cashflow Buffer', ensure approx. \$13m-\$14m of funds will be available first quarter of FY22.

The Board was asked to consider what they recommended as the best option going forward. Director Crossin said she was not prepared to agree to a budget for the full financial year but would be agreeable to fixing an interim three-month budget on a 'business as usual budget' and to have a further full discussion at the ILSC August Board meeting. Directors Martin, Odegaard and Ah See agreed and opposed budget cuts to Yamanah Investments (YI) and Primary Partners (PP) of which these four are Directors.

Director Tucker opposed an interim budget as in his view the other Board members clearly did not understand the budget and still do not realise the pandemic situation and its impact on the ILSC Group. He noted that from the discussion, it was apparent Board Directors are prepared to make trade-offs to pass the budget and insistent on keeping YI and PP alive. Decisions had previously been made about continuity of these entities, but was that the best strategic decision in this environment? He was against waiting until the August meeting as these issues require decisions much earlier than August.

Deputy Chair Elu concluded that a majority of Directors were in favour of:

- Approving an interim 'business as usual' budget for the first three months of the 20/21 Financial Year, but ensuring cautiousness;
- In principle accepting Scenario 3 allowing for \$15m cash reserves and outlining the directions and parameters; and
- A full budget to be presented at the August Board meeting with justifications for expenditure activities.

Subsidiary End of Financial Year Letters of Comfort

The Board approved letters of comfort to the Subsidiaries of Voyages and NCIE to make advances of funds to cover expenses enabling payment of debts as and when they fall due. These cannot be sent due to the interim budget decision.

15 July out of session meeting #258

Financial Year End Valuations of Plant and Equipment (incl Ayers Rock Resort)

The Board approved the year-end property, plant and equipment valuations for inclusion in the FY20 consolidated financial statements - as required under the PGPA Rule 2015.

Appointment of Audit and Risk Committee (ARC) Member

Due to the resignation of Director Joseph Elu, Director Ah-See was selected to join Director Crossin and the Independent Chair Ms Maria Storti. Ms Storti will identify short courses as requested by Director Ah-See.

Appointment of Remuneration and Audit Committee (RANC) Member

Due to the resignation of Director Joseph Elu, Director Ah-See nominated Director Tucker to the RANC, who accepted, to join the RANC Chair Eddie Fry.

Appointment of an additional Director to the Selection Committee of GCEO Appointment

The Chair advised that due to unavailability of other Directors, that he had met with recruitment agency Robert Walters, who advised that over 100 applications had been received. He suggested the Selection Committee focus on a candidate that possesses key attributes of poise and humility, a leader of organisational change and growth, with proven professional resilience. He emphasised that the Committee must ensure complete disclosure and its reporting be of the highest possible standard.

Due to the resignation of Director Joseph Elu and in order to convene a Selection Committee meeting, an additional Director was proposed. Director Tucker nominated to join the Chair, Eddie Fry, Directors Odegaard and Ah-See.

Please do not hesitate to contact me should you have any questions in relation to the contents of this letter.

Yours sincerely

A handwritten signature in black ink that reads "Eddie Fry". The signature is written in a cursive, slightly slanted style.

Eddie Fry
ILSC Chair



Australian Government
Indigenous Land and Sea Corporation



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11 September 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) Board meeting # 261 of 31 August 2020

On behalf of the Indigenous Land and Sea Corporation (ILSC) Board and in accordance with section 19 of the *Public Governance, Performance and Accountability Act 2014*, I am writing to inform you of significant events that occurred at the most recent Board meeting of 31 August 2020.

ILSC Group Budget

The FY21 ILSC Group budget and subsidiary funding allocations was presented to the Board and the Acting Group CEO highlighted key matters and amendments following concerns that arose from the last two occasions that the budget was presented. The further recommendations and implications of spend provided in the budget were prepared in a tight, prudent and conservative manner, whilst maintaining business operations in this current economic environment.

The Group CFO, Mr D Silcock sought the Board's approval for the budget and outlined key concerns and forecasts of the Group, in particular Voyages and Ayers Rock Resort (ARR) in the event that Voyages were to run out of cash and the ramifications of that worsening by May 21. When the 'three cash reserve scenarios' Budget (\$15m, \$20m, \$25m) was originally presented to the Board on 25 June Directors asked management to rework the budget on the premise of cash reserves of \$15m.

After extensive additional work on the \$15m reserve scenario, Management recommended retaining a cash reserve of \$25m for the following reasons: protecting the solvency of the Group; delivering against mandated targets; maintaining the fundamental operations of the Group; and preserving essential business improvements. Directors were asked to examine the recommendation of the \$25m cash reserve with these considerations and were provided with additional funding analysis and the impacts to the ILSC Core and its Subsidiaries.

ILSC Management detailed explanation and presentation of the very carefully worked budget, resulted from a great deal of effort in the current unforeseeable economic environment that the world faces, let alone our own domestic economy, **now officially in recession**. For this reason, it was distressing to many in the meeting when Director Crossin raised further objections to the budget specifically relating to Voyages (of which she is a Director).

After several Directors and Executives failed to assist Director Crossin to understand that the ILSC GCFO had worked closely with Voyages on the budget forecast, I invited the Chair and the CFO of Voyages, Mr Rick Allert and Mr Mark Seatree to join the Board meeting, to answer any questions from ILSC Directors.

Office of the Chairperson

Mail to: Sheelagh.loss@ilsc.gov.au
Telephone 08 8100 7100 | ABN 59 912 679 254


www.ilsc.gov.au

Following the confirmation by our Voyages guests that the circumstances regarding the financial situation of Voyages was exactly as outlined in the ILSC Group budget and that the ILSC GCFO had worked closely with Voyages CEO and CFO for the best possible budget forecast, the guests departed the meeting.

After deliberation each Director was asked how they wished to proceed with the recommendations as presented and each contributed their reasoning and what they believed would be best way forward for the business. Directors Tucker, Odegaard, Ah See and I noted the AGCEO and GCFO recommendation that a \$25m cash reserve is prudent and necessary, and approved the FY21 ILSC Group Budget including a \$12m cash reserve set aside for Voyages. Director Crossin did not approve. Director Martin was absent.

Please do not hesitate to contact me should you have any questions in relation to the contents of this letter.

Yours sincerely

A handwritten signature in cursive script that reads "Eddie Fry". The signature is written in dark ink and is positioned above the printed name.

Eddie Fry
ILSC Chair



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Indigenous Land and Sea Corporation



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25 September 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Appointment of Acting GCEO and new ILSC Group CEO

Thank you for your letter dated 23 September 2020 reference MS20-000548 regarding the appointment of the Acting GCEO for the ILSC and the appointment of a new Group CEO for the ILSC.

I expect to advise you of the ILSC Board decision regarding the new GCEO the week commencing 28 September 2020.

Please do not hesitate to contact me should you have any questions in relation to the contents of this letter.

Yours sincerely

Eddie Fry
ILSC Chair



Australian Government
Indigenous Land and Sea Corporation



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30 September 2020

Strictly private and confidential

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) Board Group Chief Executive Officer appointment

As mentioned in previous correspondence, the ILSC Board engaged Robert Walters executive recruitment agency to assist in the process of selecting a new ILSC Group CEO. The Board requested the agency provide a comprehensive list of applicants sourced by advertising the GCEO role, recommend a shortlist of six candidates based on the criteria provided by the ILSC and conduct reference and credential checks of the recommended candidates.

The Board formed a selection committee consisting of myself as Chair, Directors Odegaard, Tucker and Ah See, who interviewed the shortlisted candidates and following this process, recommended the preferred candidate to the Board.

At Board meeting #262 on 23 September, the Board noted the process of the Selection Committee, including the declaration of a conflict of interest in relation to one candidate that was appropriately dealt with. The Board also noted that the Selection Committee included members of the Remuneration and Nomination Committee (RANC) and the unanimous recommendations were taken as a recommendation by the RANC. The Board then endorsed Mr Joseph Morrison for appointment to the substantive ILSC Group CEO for a term of four years and fixed the commencing annual salary in accordance with the Remuneration Tribunal guidelines. The four-year term was deemed appropriate to provide stability for implementing transformation at the ILSC, particularly following 12 months of uncertainty for staff, clients and business partners around the alterations in the GCEO position.

As specified under Section 192N of the Aboriginal and Torres Strait Islander Act 2005 remuneration and allowances are determined by the ILSC Board with the discretion to determine total remuneration within the range set by the Tribunal. The ILSC Group CEO is classified as a Principal Executive Officer (PEO) by the Remuneration Tribunal, who under the PEO remuneration structure sets a total remuneration Reference Rate.

In accordance with the Remuneration Tribunal PEO Determination and Guide, commencing salary will be [REDACTED]. The Board further authorized the ILSC Chair to finalize the negotiations of the terms of employment, correspond with the Minister for Indigenous Australians in accordance with the Cabinet Handbook and finalize the offer, including the signing of the Instrument of Appointment following the receipt of approval from the Minister.

In accordance with Cabinet guidelines, the ILSC Board now recommends your endorsement and referral to the Prime Minister for Cabinet consideration, the appointment of Mr Joseph Morrison as ILSC Group CEO.

Office of the Chairperson

Mail to: Sheelagh.loss@ilsc.gov.au

Telephone 08 8100 7147 | ABN 59 912 679 254

www.ilsc.gov.au

Please find attached a Curriculum Vitae for Mr Morrison (Attachment A) and the Private Interests Declaration form (Attachment B).

Should you require any further advice or assistance on this matter, please do not hesitate to contact me.

I look forward to receiving the endorsement from yourself and the Prime Minister so that we are able to expedite the formal offer to Mr Morrison as the new ILSC Group CEO.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Eddie Fry', written in a cursive style.

Eddie Fry
ILSC Chair

Attachment A: Curriculum Vitae Mr Joseph Morrison

Attachment B: Private Interests Declaration form

Attachment A: Curriculum Vitae

Joseph Henry Morrison

PROFILE SUMMARY

A high performing, outcomes based and reliable Indigenous executive who has over 20 years' practical experience leading Indigenous reform and change across northern Australia. Joseph has worked directly with Indigenous people from the local to the International level with Indigenous, government, NGOs and industry leaders. He has led complex Australian Government and not for profit agencies.

Accomplished in good governance, financial management, corporate relations, reporting and accountability, media and public relations.

EDUCATION	2018	University of New South Wales Doctor of Science, Honorary Degree
	2002	University of Sydney Bachelor of Land Management
	1990	Katherine High School Certificate of Completion Year 12

TRAINING	Leadership Course (Commonwealth Studies Conference International, 2017)
	Company Director Course (Australian Institute of Company Directors (AICD), 2018)

CAREER HISTORY

2018 – Current	SIX SEASONS PTY LTD Managing Director
2013 – 2018	NORTHERN LAND COUNCIL Chief Executive Officer
2003 – 2013	NORTH AUSTRALIAN INDIGENOUS LAND AND SEA MANAGEMENT ALLIANCE (NAILSMA) LTD Chief Executive Officer
1998 – 2003	PARKS AND WILDLIFE SERVICE OF THE NORTHERN TERRITORY Indigenous Land Management Facilitator
1994 - 1998	GREENING AUSTRALIA NORTHERN TERRITORY ABORIGINAL LANDCARE EDUCATION PROGRAM Senior Landcare Officer
1992 – 1994	NORTHERN LAND COUNCIL Administration Officer

ACHIEVEMENTS

Awards

- 1997, Young Australian of the Year 1997 – Northern Territory Environment Category
- 2008 National Landcare Program Coastal Award – NAILSMA Turtle and Dugong Project
- 2008 Banksia Award, Indigenous Category – NAILSMA Turtle and Dugong Project
- 2012 Banksia Award for Biodiversity – NAILSMA I-Tracker Initiative
- 2012 Banksia Award, Caring for Country – NAILSMA I-Tracker Initiative
- 2013 Special Achievement in Natural Resource Management, Northern Territory Award
- On 22 June 2018, I was awarded an honorary degree, Doctor of Science, by the University of New South Wales for my service to the community in relation to climate change, and Indigenous environmental issues

Highlights

- I am an effective public speaker, having given many public and private speeches to audiences ranging from two to well over 1,000 people. I have spoken at the National Press Club, National Native Title Conference and at major ceremonies such as the occasion of the Kenbi Land Claim handback in June 2016, with the Australian Prime Minister.
- I have and continue to be a Director on numerous company Boards, and I am currently the Managing Director of Six Seasons Pty Ltd providing professional services to a range of International and domestic clients.
- I provide expert advice to a US based Foundation (Nia Tero) working with Indigenous people in the Pacific, Amazon and Canada as well as a number of other sites around with world. I am advising on the establishment of a global first 'Centre for Indigenous Futures'.
- I have completed an International Leadership Course in Mumbai in late 2017 and have undertaken Company Director training.
- I regularly meet with Australian and foreign government ministers, Aboriginal leaders and other senior leaders across a wide spectrum of Australian society.
- I am an appointed member of the Australian Government's Indigenous Reference Group, established in December 2017 to provide support and advice to the Ministerial Forum on Northern Development.
- Achieved Australia's first Indigenous organization to be accepted into the IUCN – NAILSMA Ltd.
- I have advised numerous governments and the private sector on effective public policy such as economic development, water, carbon, native title and land rights. I am an accomplished fundraiser, having raised well over \$30m

Major Accomplishments

- I have over 25 years of experience working with Indigenous people, governments, private and industry sectors at local, regional, national and international levels.
- As the CEO of the Northern Land Council, I led major administrative and strategic reforms of the largest statutory Aboriginal land council in Australia. These reforms have included financial and audit matters, governance, reporting to the Commonwealth Parliament, community engagement, strategic and corporate planning and public affairs. At the time of my departure, the NLC had annual revenue in excess of \$45m and, combined with royalties from Aboriginal land transacted \$100m per annum. I am an accomplished executive of large complex agencies.
- I have a well-developed understanding of the fiduciary and statutory responsibilities of directors and office holders especially the PGPA Act (2013). I can work in teams, manage small and large teams in excess of 260 staff, deliver budgets on time, ensure that OHS and insurance requirements are met. I support professional development and have extensive dispute resolution experience.
- I have worked closely with State, Territory and Federal Ministers and their advisors on wide-ranging issues affecting Indigenous people and the broader public. I am experienced with working with opposition and minor parties and understand separation of powers.
- I have negotiated many complex agreements with corporate commercial clients and resolved disputes that have resulted in substantial economic, community development and the return of lands to Aboriginal traditional owners. I believe in the importance of fostering cultural strength and integrity for traditional owners to make decisions about the management, use and development of their country for themselves but also for the broader good of the community at large. I am an advocate for economic development, trade and commerce, particularly with Australia's first peoples.
- I led the NT Land Councils response to the establishment of a Treaty Commissioner and execution of the Barunga Agreement.
- For over a decade, I led national research and policy development and its implementation through the management of NAILSMA Ltd, a successful Indigenous non-government organization working closely with Australian and State government agencies.
- As CEO of NAILSMA, I delivered in excess of \$40m worth of projects and won several national awards for this work with Indigenous communities across north Australia. I developed and implemented strategic and business plans, resulting in concrete outcomes for the continuing benefit of Indigenous people in very challenging social and political environments. I have managed a team of highly intellectual and dedicated professionals who provided sound advice to the Board and executive functions of the company.

- I played a significant role in the establishment of Indigenous ranger programs, raising in excess of \$190m at the 2007 Federal election. I delivered a \$10m carbon farming (savanna burning) methodology, the first in the world that now provides millions of dollars in annual income for remote Indigenous land managers in northern and central Australia. I advised the Northern Territory Government regarding the INPEX LNG onshore processing facility's Social Impact package (\$81m).
- I have consulted widely with Traditional Owners across northern Australia on a range of priorities relevant to the rights, interests and economic development aspirations of Indigenous people – water policy and planning, northern development, carbon science and enterprise development, climate change, marine conservation and the management of land and seas across the tropical north.
- I have worked and coordinated projects with the Kimberley, Northern, Carpentaria and Cape York Land Councils, Balkanu Cape York Development Corporation and the Torres Strait Regional Authority. I have worked with all northern state/territory and commonwealth governments for well over a decade. I have also worked with the private sector and international philanthropic interests.
- I have a strong history of working with governments, industry, community and non-government agencies including communicating policy and advocating Indigenous aspirations that advance the economy as a whole. I have well developed written and oral presentation skills. I have conducted numerous interviews for television and print media, written opinion pieces and have published several science-based papers. I have long experience in reporting to Ministers and the community.
- I have a strong network of national and international Indigenous, community-based leaders, corporates and nongovernment agencies. My work internationally includes the United Nations University and related instruments to protect the rights and interests of indigenous people as well as to find practical solutions to complex issues such as negotiating complex agreements and treaties.

Boards and Advisory Groups

Current	Melbourne Sustainable Society Institute, Melbourne University
Current	Ilkara Wilpena Enterprises Ltd
2019 – Current	Australian Native Food and Botanicals Ltd
2018 – Current	Environmental Defenders Office Australia Ltd
2017 – 2019	Nia Tero Foundation – Indigenous Advisory Council
2017 – Current	Northern Australia Indigenous Reference Group
2017 – 2018	Onshore Shale Gas: Community and business reference group
2014 – 2019	Northern Australia Indigenous Land & Sea Management Alliance (NAISMA) Ltd Director
2010 – 2013	Karrkadj Kandji Trust Ltd Director
2003 – 2004	Tropical Savannas Management Cooperative Research Centre Board Director
1998 – 2004	Federal Environment Minister - Indigenous Advisory Committee

ADDITIONAL INFORMATION - Publications & Presentations

- Morrison, J., 2020, How First Australians' ancient knowledge can help us survive the bushfires of the future, The Guardian, Opinion,
- <https://www.theguardian.com/commentisfree/2020/jan/11/how-first-australians-ancient-knowledge-can-help-us-survive-the-bushfires-of-the-future>.
- Morrison, J., Yu, P., George, M., 2018, 2-way country-challenges for inclusive, equitable and prosperous development in North Australia. Russell-Smith, J., James, G., Pedersen, H., and K. Sangha, K (eds), Sustainable land sector development in Northern Australia: indigenous rights, aspirations, and cultural responsibilities.

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- Morrison, J., 2016, Unhappy Anniversaries: What is there to Celebrate? – 8th Nugget Coombs Lecture 2016, <https://www.cdu.edu.au/sites/default/files/indigenous-leadership/docs/8th-nugget-coombs-lecture.pdf> Charles Darwin University, Darwin NT.
- Morrison, J., 2015, National Press Club Address 'It Comes with the Territory: Staring Down Old Threats – Eyeing New Opportunities', www.npc.org.au/speakers/joe-morrison/ National Press Club, Canberra ACT.
- Fitzsimmons, J., Russell-Smith, J., James, G., Vigilante, T., Lipsett-Moore, G., Morrison, J.H., Looker, M., 2012, Insights into the biodiversity and social benchmarking components of the Northern Australian fire management and carbon abatement programs, Ecological Management and Restoration – Indigenous land and sea management in remote Australia.
- Kennett, R., Jackson, M., Morrison, J.H., Kitchens, J., 2011, Indigenous Rights and Obligations to Manage Traditional Land and Sea Estates in North Australia: The Role of Indigenous Rangers and the I-Tracker Project, Policy Matters 17, Exploring the Right to Diversity in Conservation Law, Policy, and Practice October 2010.
- Green D, S Jackson and J Morrison, 2009, Risks from Climate Change to Indigenous Communities in the Tropical North of Australia. Department of Climate Change and Energy Efficiency: Canberra Jackson S., Morrison J.H., 2007, Indigenous perspectives on water management, reforms and implementation.
- Hussey K., Dovers S. (eds). Managing Water for Australia: the social and institutional challenges, CSIRO, Melbourne, Australia.
- Burgess, P., Morrison, J.H., 2006, Social Determinants of Indigenous Health – Chapter 9 Country, Allen & Unwin.
- Duff, G., Jacklyn, P., Landsberg, J., Ludwig, J., Morrison, J.H., Walker, D. & Whitehead, P., 2004, Managing pluralism in north Australian natural & cultural resource management: Reflections on a decade of cooperative activity – Paper presented to Land & Water Australia Integration Symposium.
- Jackson, S., Morrison, J.H. & Storrs, M.J., 2004, Aboriginal perspectives an Australian Tropical River Research and Management, CSIRO Publishing.
- Jackson, S., Morrison, J.H., 2007, Indigenous perspectives in water management, reforms and implementation in Dovers, Stephen and Hussey, Karen, 2007, Managing water for Australia: the social and institutional challenges, CSIRO Publishing, Collingwood, Vic
- Morrison, J.H., 2007, Caring for Country Chapter in Coercive Reconciliation Book, Arena Publishing, Melbourne.
- Morrison J.H., 2003, A personal perspective on Indigenous Natural and Cultural Resource Management – Caring for Country, delivered to the 2nd Charles Darwin Lecture Series, PowerPoint Presentation.
- Morrison J.H., 2003, Caring for Country: Indigenous people managing country with particular emphasis on north Australia, delivered to National Landcare Conference, Darwin NT Australia.
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Australian Government
Indigenous Land and Sea Corporation



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28 September 2020

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Voyages Job Connect funding support

I write to inform you that the Voyages Chair Mr Rick Allert, on behalf of the Voyages Board has sent a letter to the Hon Simon Birmingham, Minister for Trade, Tourism and Investment. I have attached a copy of this letter to keep you apprised of this communication (Attachment A). Voyages have made a decision to seek an extension of the current funding package and access to additional funding support on the same terms of JobKeeper 2.0.

I would also like to take this opportunity to extend the appreciation of the ILSC Board and of all across the ILSC Group to the National Indigenous Australians Agency (NIAA) for the hard work involved in the JobConnect initiative, as this support to Voyages consequently benefits our Indigenous client programs and the Indigenous Estate.

Minister Birmingham provided advocacy that enabled Voyages to benefit from JobConnect funding support packages from NIAA, following extensive cooperative negotiation. The importance of this funding support cannot be understated, as the benefit extended to the solvency of Voyages operations in caretaker mode, supporting 565 employees (circa 277 Indigenous) throughout the tourism platform and the ongoing operation of the National Indigenous Training Academy (NITA) and Indigenous Employment Pathway Programs (IEPP). In addition to this, JobConnect support enabled Voyages to support 127 ineligible employees (36 Indigenous).

As the tourism market is slowly opening up, the acceleration of business activities and growth will provide more sustainable opportunities for Voyages future but in the meantime, Voyages faces costly daily challenges of border restrictions, flight arrival uncertainty, adjacent community and airport safety programs. Extra resources are required for these in addition to the resort COVID-19 guest safety upgrades in place. The additional support in the form of JobKeeper 2.0 would enable Voyages to support the continuing employment of its current workforce over the period October 2020 to March 2021.

Please do not hesitate to contact me should you have any questions in relation to the contents of this letter.

Yours sincerely

Eddie Fry
ILSC Chair

Attachment A: Voyages Chair letter to Minister Birmingham

23 September 2020

The Honourable Mr Simon Birmingham
Minister for Trade, Tourism and Investment
One National Circuit
Barton ACT 2600

Senator.birmingham@aph.gov.au

Dear Minister

VOYAGES INDIGENOUS TOURISM AUSTRALIA JOB CONNECT FUNDING SUPPORT

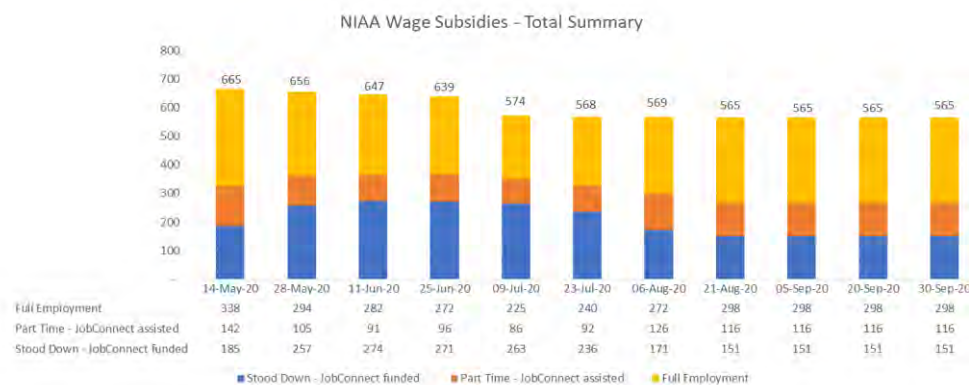
Again we thank you for your strong support and advocacy that resulted in Voyages Indigenous Tourism Australia Pty Limited (**Voyages**), the 100% owned subsidiary of Indigenous Land and Sea Corporation's (**ILSC**), being the beneficiary of a much needed JobConnect funding support package from the National Indigenous Australians Agency (NIAA). This funding support is due to expire on 1 October 2020.

The JobConnect funding support proved pivotal in supporting the ongoing employment of more than 565 eligible employees throughout our operating businesses, Ayers Rock Resort, Mossman Gorge and Home Valley Station.

The funding also enabled the ongoing operation and support of the National Indigenous Training Academy (NITA) and Indigenous Employment Pathway Programs (IEPP) run by Voyages in Uluru and Mossman Gorge.

Employment Outcomes Delivered

Employment outcomes delivered by Voyages' throughout the JobConnect funding support period of 1 May to 30 September are summarised below:



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GPO Box 3589 Sydney NSW 2001
t 61 2 8296 8000
f 61 2 8296 8052
e info@voyages.com.au
voyages.com.au

In accordance with Voyages’ core mandate of providing unique cultural tourism experiences to clients and changing lives through indigenous employment and training, approximately 227 staff (40%) of the eligible employees participating in the JobConnect funding program are Indigenous Australians, as highlighted below:

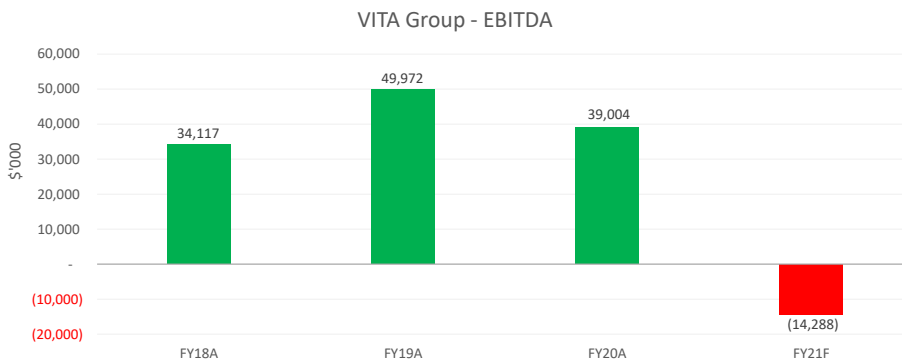


In addition to the above eligible participating employees, Voyages has supported the employment of a further 127 employees who were not eligible to participate in the JobConnect funding program. Of these 127 employees, 36 or 28% are Indigenous Australians.

Financial Support to Continue Operations

In addition to maximising employment outcomes across Voyages tourism operations, the JobConnect funding support package also supported the ongoing solvency of Voyages’ operations, such that we were able to continue trading in a reduced “caretaker” capacity whilst we wait for border restrictions to lift and market conditions to improve.

Notwithstanding the JobConnect funding support received in the months of July to September, Voyages is forecast to generate an operating loss of \$14.3 million in FY21 as a consequence of the impacts of COVID-19. This represents the Company’s inaugural operating loss since ILSC ownership from 2011. A summary of recent financial performance together with forecast expectations for FY21 is presented below:



The financial performance over recent financial years has enabled Voyages to repay debt and execute a robust capital expenditure and investment program across its asset base.

It has also allowed ILSC to prepay a Commonwealth loan of \$24 million in January 2020, which was 2.5 years in advance of its maturity date. This prepayment was made in advance of COVID-19 materialising but has now diminished ILSC's ability to provide ongoing financial support to Voyages' operations.

The impending expiry of the current JobConnect funding support package necessitates Voyages obtaining additional funding to continue its operations.

Voyages and ILSC continue to work with the National Indigenous Australians Agency (NIAA) for an extension of the current funding package by two weeks, to ensure we are able to access the full amount of the JobConnect funding support package allocated to Voyages through the ERC process. This extension is expected to result in Voyages being able to access an additional \$1.2 million within the existing facility.

Access to Additional Funding Support on same terms as JobKeeper 2.0

However in addition to extending the current funding support package by two weeks, Voyages' is now asking for a further funding support package that mirrors the terms of JobKeeper 2.0 for the period between October 2020 and March 2021 which will ensure that Voyages is able to support the continued employment of its current workforce. Additionally, it will mean that Voyages can proactively look to re-engage 151 stood-down staff, of which 65 (43%) are indigenous Australians.

Based on maintaining the current levels of eligible employees over the forecast period of October to March, Voyages would be entitled to wage subsidy funding support of \$7.8 million if it was able to access funding on the same terms as JobKeeper 2.0.

This additional funding would not only support the continued employment of 565 eligible employees, but would ensure Voyages is able to continue trading until market conditions improve.

The Federal Government's recognition of the challenges COVID-19 has presented the tourism sector and the subsequent support has been crucial to maintain the industry to this juncture. As the JobConnect funding will expire in October, Ayers Rock Resort (Voyages) will effectively be the only resort operator in Australia without crucial wage funding to preserve jobs and assist the business regain much needed momentum. Voyages is the largest employer in Central Australia and the largest employer of Indigenous Australians in the tourism sector. However without further funding, our employees will be facing prolonged stand downs and job losses.

We are therefore asking for your assistance in securing an extension of the current funding package and access to additional funding support on the same terms as JobKeeper 2.0.

We look forward to your further support. Eddie Fry, Chairman of ILSC, and I would be available to meet with you at any time to further discuss this issue.

Yours sincerely

A handwritten signature in black ink that reads "Rick Allert". The signature is written in a cursive style with a large initial "R".

Rick Allert AO
Chairman



The Hon Ken Wyatt AM, MP
Minister for Indigenous Australians
Member for Hasluck

Reference: MC20-004881

Mr Eddie Fry
Chairperson
Indigenous Land and Sea Corporation
Sheelagh.Loss@ilsc.gov.au

Dear Mr Fry

I am writing in response to your letter of 28 August 2020 seeking an extension for the provision of the Indigenous Land and Sea Corporation (ILSC) 2019-20 annual report.

I appreciate that a number of Commonwealth entities have prioritised resources to the Australian Government's response to COVID-19. I note the Department of Finance has advised entities of the option to request an extension if they consider it would not be reasonably possible to meet reporting deadlines. In considering the circumstances outlined in your letter I approve an extension to 30 December 2020 for submission to me of the ILSC 2019-20 Annual Report.

I encourage the ILSC to engage with the National Indigenous Australians Agency (NIAA) on the draft annual report in accordance with the established process taking into account the extended due date. Please keep me informed of any timing issues that arise in relation to the preparation of the report.

Under the *Acts Interpretation Act 1901*, I am required to table the request for an extension and my reasons for granting an extension in both Houses of Parliament.

If you have any questions regarding this matter, the contact officer in the NIAA is Mr Brendan Jacomb, Chief Lawyer, Legal Services Branch. Mr Jacomb may be contacted by phoning 02 6152 3555 or by email at brendan.jacomb@niaa.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ken Wyatt', written over a light blue horizontal line.

The Hon KEN WYATT AM MP
Minister for Indigenous Australians

16 / 9 / 2020



The Hon Ken Wyatt AM MP
Minister for Indigenous Australians
Member for Hasluck

Reference: MS20-000548

Mr Eddie Fry
 Chairperson
 Indigenous Land and Sea Corporation
Sheelagh.loss@ilsc.gov.au

Dear Mr Fry

I wrote to you on 1 July 2020 advising that I had written to the Prime Minister, the Hon Scott Morrison MP, informing him of my agreement for the Indigenous Land and Sea Corporation (ILSC) Board to appoint Ms Patricia Stroud as the Acting ILSC Chief Executive Officer (CEO) for up to three months to 16 September 2020, while the CEO selection process is underway.

I also advised that I had sought the Prime Minister's agreement for the appointment by the ILSC Board of Ms Stroud as the Acting ILSC CEO for a total period of up to six months to 16 December 2020. I expected this would provide sufficient time for completion of the selection process and for the ILSC Board to provide me with a new CEO recommendation.

I am writing to advise you that Ms Stroud's appointment has been considered by the Australian Government in accordance with the requirements of the Cabinet Handbook. I can confirm approval for the appointment of Ms Stroud by the ILSC Board as the Acting ILSC CEO for a period of up to six months, from 17 June 2020 to 16 December 2020.

I understand the ILSC Board expects to finalise the CEO selection process before the end of September 2020. I look forward to considering the outcome of the selection process and seeking Australian Government approval prior to the ILSC Board making the appointment.

If you have any questions regarding this matter, the contact officer in the National Indigenous Australian Agency is Mr Brendan Jacomb, Chief Lawyer, Legal Services Branch. Mr Jacomb can be contacted by phoning (02) 6152 3555 or by email at brendan.jacomb@niaa.gov.au.

Yours sincerely

The Hon KEN WYATT AM MP
 Minister for Indigenous Australians

23 / 9 / 2020



Australian Government
Indigenous Land and Sea Corporation



The ILSC GROUP

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357

27 October 2020

The Hon Ken Wyatt MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600

Dear Minister Wyatt

Re: ILSC Corporate Plan 2020-21, Strategy to 2024

On behalf of the Indigenous Land and Sea Corporation Board, I am pleased to present the ILSC Corporate Plan 2020-21: Strategy to 2024 for your review.

As you are aware, the ILSC sought and was granted an extension to October 30, 2020 for the publication of this Corporate Plan in response to the impacts of COVID-19 on the Agency, its partners and subsidiary entities.

The Plan affirms the ILSC's continued commitment to unlocking the Indigenous Estate and realising its vision of Aboriginal and Torres Strait Islander people enjoying opportunities and benefits that the return of country, and its management brings. Our focus on pathways of change demonstrates the maturation of our performance measurement to better capture and report on the impact of our work on the lives of Indigenous Australians.

The Plan takes account of the impacts of COVID-19 on the Indigenous Estate, reflecting some reduced forecasts in achievement against our KPIs in relation to employment and training achieved through ILSC funded projects. The Plan maintains the growth outlook of recent years for our key performance indicators, the acquisition and granting of country. This continued confidence in our ability to support the return of country to Indigenous control builds on the excellent results achieved over the past two years and is supported by a robust pipeline of projects moving into the 2020-21 financial year.

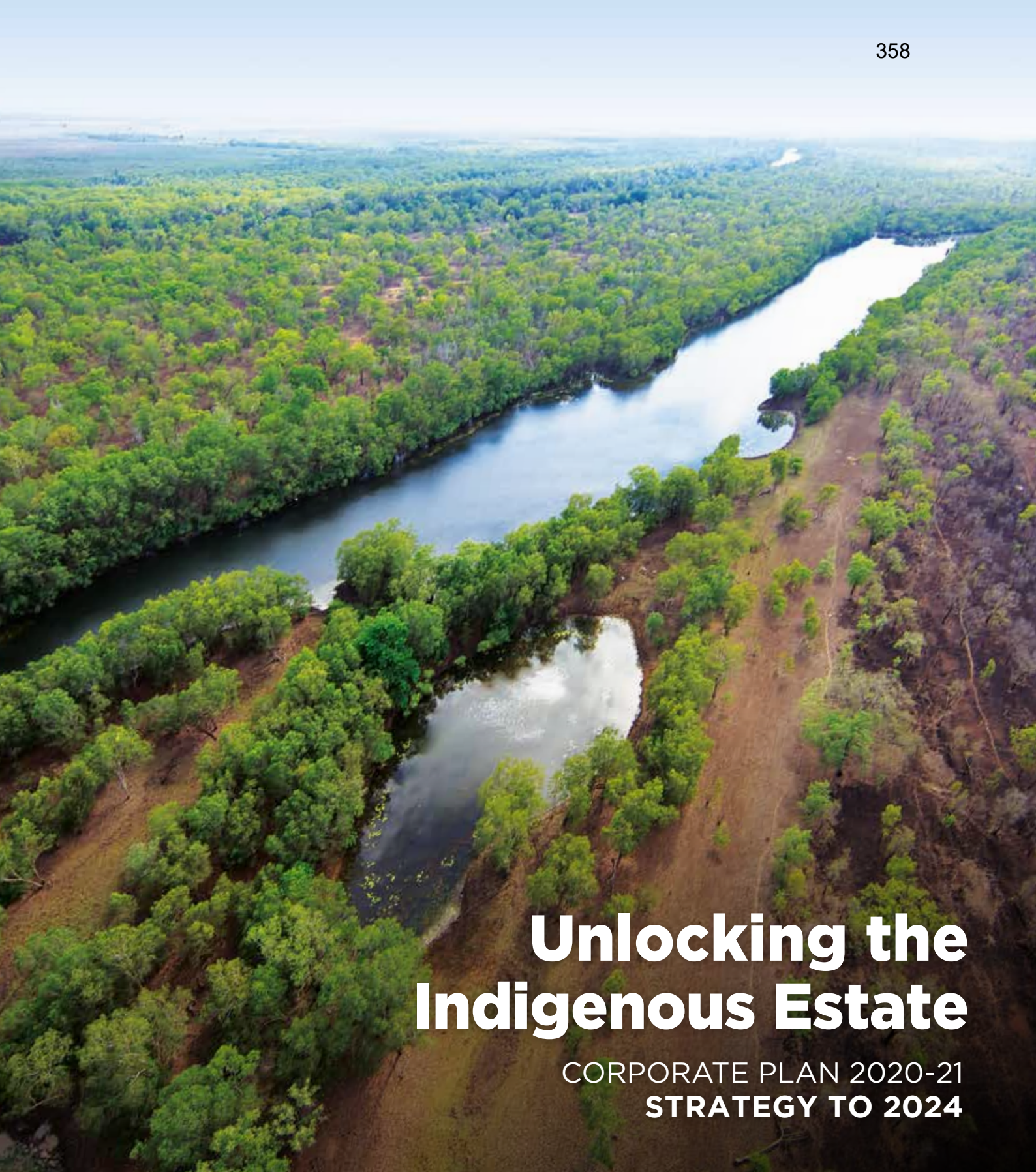
The ILSC has engaged with the National Indigenous Australians Agency in the preparation of the Plan and can confirm that the Plan has been assessed as meeting the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and PGPA Rule 2014.

We look forward to continuing to work closely with you, the National Indigenous Australians Agency and with Indigenous people across Australia, as we strive to deliver economic, environmental, social and cultural benefits through our work.

If you have any questions regarding this plan or the work of the ILSC, please do not hesitate to contact the Acting Group CEO Ms Tricia Stroud via email Tricia.stroud@ilsc.gov.au.

Yours sincerely

Eddie Fry
ILSC Chair



Unlocking the Indigenous Estate

CORPORATE PLAN 2020-21
STRATEGY TO 2024



Australian Government
Indigenous Land and Sea Corporation



The ILSC GROUP

PEOPLE. COUNTRY. OPPORTUNITY.



“ Having the property back in Nari Nari hands will allow us to pursue sustainable sources of income such as carbon farming, grazing in non-sensitive areas and cultural eco-tourism and enable the intergenerational transfer of knowledge of caring for country.

”

Nari Nari Tribal Council (NNTC) Chairman, Ian Woods on the December 2019 purchase of an 88,000-hectare property in southern New South Wales, the result of a successful partnership between the ILSC, The Nature Conservancy and the NNTC

Pictured: Ian Woods, Chairman of the Nari Nari Tribal Council at Gayini
Photo Credit: Annette Ruzicka & The Nature Conservancy
Cover image: Fish River Station, Northern Territory

“ Welcome to the Indigenous Land and Sea Corporation, where we are ‘unlocking the Indigenous Estate’ so Indigenous people enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings. ”

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Our Strategic Framework

The ILSC Board, as the Accountable Authority of the Indigenous Land and Sea Corporation, present the 2020-21 ILSC Group Corporate Plan, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The plan was prepared in accordance with the Public Governance, Performance and Accountability Rule 2014. It covers the reporting period 2020-21 and anticipates developments to 2023-24.

Under the provisions of Section 40 of the PGPA Rule, the ILSC has deferred the publication of its 2020-21 Corporate Plan in response to the impact of COVID-19 on its operations. The Plan was published on 30 October 2020.

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Pictured: Sunset on Goolwa Beach on Ngarrindjeri country in SA
Photo Credit: Andy Steven Photography & Goolwa PipiCo





In all our activities the ILSC pays respect to the Traditional Owners and Custodians of the lands and waters on which we work. We honour the resilience and continuing connection to country, culture and community of all Aboriginal and Torres Strait Islander people across Australia. We recognise the decisions we make today will impact the lives of generations to come.

Pictured: Okan Woods and Kerrie Parker, Nari Nari Elder at Gayini.
Photo Credit: Annette Ruzicka & The Nature Conservancy

Welcome from the Board

Welcome to *Unlocking the Indigenous Estate*, the Indigenous Land and Sea Corporation’s Corporate Plan 2020-21, Strategy to 2024.

This past year Australia was faced with a catastrophic bushfire season closely followed by the continuing global COVID-19 pandemic.

While the full effects on Indigenous Australians and the Indigenous Estate are still to become clear, it has been a timely reminder of the role the ILSC can play in recovery and rebuilding efforts, and we have recognised the need for flexibility in responding to the immediate challenges facing the Indigenous Estate.

During the bushfire crisis we implemented a special response that relaxed some requirements of our major funding program – *Our Country Our Future* – to allow for much needed assistance to flow to Indigenous landholders effected by the crisis.

And during the ongoing COVID-19 pandemic, we are committed to supporting our partners as they pivot and adapt their business models, including working with them to prevent the stranding of assets and, where necessary, to support their recovery.

We also remain focused on our long-term vision for the Indigenous Estate; on our purposes – articulated as *Our Pathways* in this document; and on our commitment to being the trusted partner in developing and protecting the Indigenous Estate.

We have successfully transitioned our land-based program structure to include and implement our expanded remit of water, working with Indigenous and non-Indigenous partners to deliver six water-based projects to a value of \$10.4 million. Seven further projects worth \$1.16 million are currently under consideration.

We welcome the new targets in the Australian Government’s *National Agreement on Closing the Gap*, particularly the recognition of the importance of the effective ownership and control of country by and for Indigenous Australians – the impact of an ‘unlocked Indigenous Estate’. We look forward to our continued role in Closing the Gap.

Meanwhile, our operations and *Our Country Our Future* program will continue to be reviewed and reformed where required to enhance efficiencies and maximise our return on mandate: our ability to return value and benefit to the Indigenous Estate from our available resources.

Throughout these times and into the future we will continue to underwrite the sustainability of cultural assets and create opportunity for landholders to reimagine the way that their country generates value.

We look forward to working with you as we work towards a bigger, stronger, more valuable and more resilient Indigenous Estate.

Kind Regards



Eddie Fry, ILSC Chair
September 2020

What we do and why

Welcome to the Indigenous Land and Sea Corporation where we work towards our long term vision for Indigenous people to enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings.

Our Key Activities:

- > Acquiring and returning land and water-related rights and assets to Indigenous people.
- > Supporting Indigenous people to preserve and protect cultural and environmental sites and traditional knowledge through reconnection with country.
- > Building the capacity and capability of Indigenous people to sustainably manage and protect country.
- > Partnering with Indigenous people to drive and influence opportunities for their country.

Since it was established in 1995, the ILSC has invested \$1.24 billion through its activities.

This includes the purchase of 268 land and water interests covering 6.2 million hectares, and \$666 million invested in 830 projects managing country.

As of June 2020, over three quarters of our land and water acquisitions were under the care and control of an Indigenous title holder.

We have facilitated and partnered with numerous Indigenous corporations and people across Australia from urban, regional and remote locations and in every Australian state and territory.

We have supported Indigenous Australians to bring products to market including cultural and ecotourism, niche Indigenous products such as bush foods and culturally led eco-system services.

And we have helped Indigenous Australians strengthen and leverage Indigenous knowledge and culture through ventures like the Northern Australian Kakadu Plum Alliance, Kuti Co Pipi Quota Acquisition and through the protection of culturally significant country.

Since 2015, ILSC partnerships have enabled more than 650 employment opportunities for Indigenous Australians; many Indigenous Australians have completed training related to the development of land and water-based opportunities; and nearly 1000 culturally significant sites have been afforded greater protection.

Our activities are underpinned by a respect for the ILSC's genesis.

We were established to provide for the contemporary and future land needs of Indigenous Australians, particularly those unlikely to benefit from Native Title or Land Rights (see box).

In redressing dispossession, the ILSC's acquisition and management functions provide greater opportunities for a more prosperous and culturally centred future for Indigenous Australians.

We call the delivery of these opportunities 'Unlocking the Indigenous Estate' - see *Our Operating Environment* (page 11).

Legislative and governance context

The Indigenous Land and Sea Corporation (ILSC) is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) which first commenced as the Indigenous Land Corporation (ILC) on 1 June 1995.

It was established by the *Aboriginal and Torres Strait Islander Act 2005* (ATSIA Act) in response to the Mabo judgement (1992) and as such complements the *Native Title Act 1993* in the recognition of common law native title rights to land.

Sitting within the portfolio of the Department of Prime Minister and Cabinet, the ILSC contributes to the achievement of the Australian Government's priorities in Indigenous Affairs and is accountable to the Parliament through the Minister for Indigenous Australians. The operations of the ILSC directly intersect with the Government priority of economic development on Indigenous-held lands and waters.

The ILSC's primary decision-making body is its seven-member Board appointed by the Minister. Five members including the Chair must be Indigenous Australians.

ILSC Governance

MINISTER FOR INDIGENOUS AUSTRALIANS

Appoints 7-member Board including Chairperson; five including the Chairperson must be Indigenous Australians



BOARD

Accountable Authority

- > Sets strategic direction and determines policy
- > Monitors performance and compliance
- > Appoints Chief Executive Officer (CEO)



CEO

Statutory Officer

Oversees day-to-day operations in accordance with Board directions



ILSC ADMINISTRATION

ILSC SUBSIDIARIES

Discrete governance and management structures

Pictured: Eulimbah, Gayini
Photo Credit: Annette Ruzicka & The Nature Conservancy

Our operating environment: 'The Indigenous Estate'

The chief focus of the ILSC's efforts is to 'unlock the Indigenous Estate'.

The 'Indigenous Estate' refers to the tangible and intangible aspects of Indigenous Australia collectively held by Indigenous Australians.

Physically, this refers to land under the care and control of Indigenous Australians, alongside the fresh and salt-water country over which there are recognised Indigenous interests.

Less tangibly, it refers to the cultural assets, cultural knowledge and intellectual property collectively held by Indigenous Australians and associated with their country.

Across the Indigenous Estate are vastly diverse landscapes, demographics, regulatory frameworks and opportunities, all positioned within the context of the broader Australian economy and community.

From cities, to regional and remote areas, to coast, we work in partnership with Indigenous Australians across this diversity.

The Indigenous Estate exists within an increasingly interconnected global landscape with global economic, social and environmental factors – for example, market forces, climate change and global pandemics (see box) – influencing how we operate, as well as the opportunities available to partner with Indigenous Australians.

Our challenge is to keep pace with the demands and aspirations of Indigenous Australians and to work in partnership to position the Indigenous Estate to maximise opportunities presented by this landscape.

COVID-19 pandemic

The 2020 COVID-19 global pandemic has posed significant risks for Indigenous people and communities. Remote communities are more vulnerable to the effects of an infection, and state and regional travel bans have further exacerbated existing issues with social and economic connectedness.

The ILSC and our partners in tourism, agribusiness and social services have been challenged by the COVID-19 pandemic. Tourism operations in particular have been severely hit by bans on international and domestic travel, leading to the implementation of targeted support measures by both the ILSC and the Government.

With economic recovery expected to be slow, we will maintain a watching brief on risks and opportunities – both within our operations and across the Indigenous Estate – as we adapt to a 'new normal'. These challenges are reflected in the revision of our Portfolio Budget Statement targets over the forward estimates (see page 34).

As the global economy begins to recover, opportunities are likely to emerge in the five focus areas identified in our key policy document, the *National Indigenous Land and Sea Strategy*: Conservation and Healthy Country; Urban Investment; Agribusiness; Tourism and Niche Indigenous Products. Australia's experience of the COVID-19 pandemic and the severe 2019-20 bushfires have brought some critical thinking about national self-sufficiency in manufacturing, energy security and landscape management, in particular.

The unique assets of the Indigenous Estate – its people, tradition, cultural and ecological knowledge – provide for a foundation of resilience to position the Indigenous Estate and Indigenous Australians as both drivers and beneficiaries of new priorities and technologies in a post-pandemic economy.

We will monitor the recovery of the Australian and global economy and work with our partners to help deliver benefits for Indigenous Australians from emerging opportunities.

We believe 'unlocking' the Indigenous Estate is an important avenue for addressing Indigenous disadvantage, providing new opportunities, a source of economic and cultural renewal, a base for Indigenous influence in national development, and intergenerational wealth and wellbeing for Indigenous Australians.

**Pictured: Torry Plains Homestead
on Pollen Creek, Gayini
Photo Credit: Annette Ruzicka
& The Nature Conservancy**

Our purpose

The ILSC's purpose, as defined in section 191B of the amended **Aboriginal and Torres Strait Islander Act 2005**, is:

- > to assist Aboriginal persons and Torres Strait Islanders to acquire land and water-related rights;
- > to assist Aboriginal persons and Torres Strait Islanders to manage indigenous-held land and indigenous waters;

so as to provide economic, environmental, social or cultural benefits for Aboriginal persons and Torres Strait Islanders.

We call the economic, environmental, social and cultural returns derived from Indigenous ownership and management of land and water the **four streams of Indigenous benefit**.

Our vision

The ILSC's long term vision is for **Indigenous Australians to enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings**

In achieving this vision, the Indigenous Estate is unlocked and the **four streams of Indigenous benefit** are fully realised (see Figure 1): Indigenous people will be enjoying the best quality of life, benefiting from the creation of intergenerational wealth and making a valuable impact on Australia's prosperity, through increased contribution to GDP, society and environment.

FIGURE 1: The four streams of Indigenous benefit



Pictured: Major Sumner (Uncle Moogie) and the Ngarrindjeri dancers at the opening of the Kuti Co launch event on Goolwa Beach in SA
 Photo Credit: Jacqui Way Photography & Goolwa PipiCo

Our mission

To achieve **Our Vision**, the ILSC will position itself as primary facilitator and enabler of the Indigenous Estate by proactively partnering with Indigenous Australians and offering a platform from which engagement and connectivity between people, land and water interests, businesses, finance and knowledge can be maximised.

We act as a catalyst by:

Leveraging our capital to build stronger financial portfolios; achieving transformational investment through market facing products; and strengthening and leveraging Indigenous knowledge and culture.

Our pathways of change

Aligned with **Our Purpose** under the ATSI Act, we have identified a series of medium to long-term outcomes (or changes) that Indigenous Australians are expected to accrue as a result of involvement in our activities.

We call these outcomes our four pathways of change:

1. Indigenous people are maintaining and growing the value and productivity of country
2. Indigenous people are owning and managing country sustainably
3. Indigenous people are influencing policy and opportunity for country
4. Indigenous people are strengthening culture through reconnection to country

The performance measures in this plan complement the performance criteria outlined in our contribution to the Portfolio Budget Statements of the Department of Prime Minister and Cabinet for 2020-21 (see page 34).

These measures include qualitative aspects, enabling the ILSC to consider the extent to which our activities and investments have generated the anticipated positive change in the lives of Indigenous Australians, and so the extent to which we have delivered against *Our Pathways*.¹

Not all of these measures lend themselves to numerical targets and our achievements against them will be assessed through project and program scale evaluations.²

¹ The results of our performance for 2020-21 will be published in our Annual Performance Statement 2020-21 (within our 2020-21 Annual Report).

² The methodology for defining results against targets will reflect our ongoing focus on transitioning our performance measurement approach from reporting against activities to reporting against outcomes for Indigenous Australians and will be included in the Annual Performance Statement 2020-21.

Pictured: Harvesting kuti (pipis)
on Ngarrindjeri country in SA
Photo Credit: Andy Steven Photography
& Goolwa PipiCo

For an easy reference
guide to our full
Strategic Framework,
see the inside back cover

OUR PATHWAYS OF CHANGE

Outcome 1: Indigenous people are growing the value and productivity of country

Through our legislative mandate the ILSC is supporting Indigenous Australians to realise a larger and more valuable Indigenous Estate – an estate that can yield enduring economic, environmental, social and cultural returns and continually generate greater opportunities and benefits.

We provide opportunities for Indigenous people to re-engage with country through land and water ownership and enable Indigenous Australians to become more active economic participants in industries of their choice across Australia.

A larger Indigenous Estate of greater value and productivity not only affords Indigenous people an economic base, it enhances the cultural and environmental values of country, positioning Indigenous people to contribute positively to national action on climate change as well as a resurgence and recognition of Indigenous culture and its relationship to country.

KEY ACTIVITIES

In 2020-21 and forward years, the ILSC will:

- > Prioritise the acquisition of land and water-related interests for immediate divestment to Indigenous corporations, enabling benefits to efficiently and rapidly flow to Indigenous people
- > Seek to acquire land and water-related interests that will achieve sustained and growing benefits for landholders, and which can attract co-investment
- > Proactively seek strategic commercial opportunities across geographies, markets and industry sectors and lead the development of collaborative projects to benefit Indigenous Australians
- > Continue to assist Indigenous proponents through facilitation, negotiation and advocacy to maximise opportunities and connections with markets and networks
- > Identify third-parties to strategically partner with Indigenous corporations in a commercial setting, maximising employment and enterprise opportunities for Indigenous Australians
- > Continue to pursue and grow co-investment from the corporate and private sector, leveraging the value and impact of the ILSC's investment to meet the aspirations of Indigenous Australians.

PERFORMANCE FORECAST

OBJECTIVES

- > The intrinsic and economic value of the Indigenous Estate, inclusive of country, environmental and cultural assets is increasing. The Indigenous Estate generates economic activity to contribute to intergenerational wealth for Indigenous Australians while sustaining and growing cultural and environmental benefits.

TARGETS

- > By 2024, the ILSC will have acquired 297 land or water-based interests since inception, for the benefit of Indigenous corporations
- > By 2024, the ILSC will have returned a total of 236 land or water-based interests to the Indigenous Estate since inception
- > More than 60% of projects initiated in the 2020-24 period will be collaborative, with assets attracting third-party investment and involving one or more partnerships
- > By 2024, the ILSC will have assisted in the establishment and/or improved the productivity, efficiency and/or resilience of 60 businesses per year.



**Pictured: Tiwi Island Ranger
conducting early season fire
management to protect country**

OUR PATHWAYS OF CHANGE

Outcome 2: Indigenous people are owning and managing country sustainably

The ILSC collaborates with Indigenous Australians to build capability to own and sustainably manage country and/or enterprises.

We recognise that for many Indigenous groups the ownership of land and water assets has not provided the opportunities and benefits that other asset holders experience.

By providing funding, advice and capability support, we deliver tailored solutions to overcome barriers to success.

Our investment and partnership programs increasingly focus on accelerated pathways to land and water ownership and on supporting Indigenous people to realise the intergenerational security, opportunities and benefits that land and water assets can bring.

We facilitate mentoring, support and advice, formal and informal training, skills development and capability partnerships to overcome skills and experience gaps and to capitalise on good ideas and ambition – and we plan for success with our investments underpinned by sound due diligence and tested for feasibility.

By investing capital, facilitating partnerships, demonstrating feasibility or building capabilities, we are maximising the prospects for success for Indigenous landowners and land-based enterprises.

KEY ACTIVITIES

In 2020-21 and forward years, the ILSC will:

- > Provide advice on building capability and capacity to successfully meet land ownership and management objectives
- > Conduct commercial standard due diligence on project proposals to ensure success for partners
- > Promote informal and formal training and knowledge sharing elements to projects
- > Raise awareness of and encourage participation in industry and other networks
- > Encourage awareness and adoption of risk measures to mitigate and/or adapt to climate change and other environmental impacts to country, heritage sites or cultural sites.

PERFORMANCE FORECAST

OBJECTIVES

- > Indigenous landholders are supported to sustainably manage and own country
- > Indigenous landholders have increased knowledge, skills, networks and investment partnerships to sustainably own and manage country
- > Indigenous landholders are implementing environmental management and enterprise efficiency measures to mitigate and/or adapt to climate change impacts.

TARGETS

- > The proportion of ILSC granted assets returned to the ILSC and/or lost to the Indigenous Estate is decreasing year on year
- > 80% of all projects achieve projected deliverables
- > The extent of Indigenous participation in and completion of capability building activities related to ownership and/or management of country and/or enterprise.



Pictured: Karajarri rangers on country at Port Smith in the Kimberley WA

OUR PATHWAYS OF CHANGE

Outcome 3: Indigenous people are preserving and protecting culture through reconnection with country

While an economically valuable and productive Indigenous Estate can be a contributor to industry and the Australian economy, the full value of the Indigenous Estate offers much more to national cultural identity and the cultural strength and resilience of Indigenous people.

Opportunities that leverage the unique knowledge, abilities and characteristics of Indigenous Australians and strengthen, preserve and raise the profile of Indigenous culture and language are a strong investment focus for the ILSC.

Industries such as agribusiness, environmental services and tourism draw on Indigenous knowledge, intellect and practices as well as offering significant economic potential.

An international appetite for cultural tourism provides opportunities for Indigenous people to pursue jobs and enterprise underpinned by the protection, practice and sharing of culture.

Similarly, opportunities in Indigenous-led carbon, environmental protection and bushfood enterprises are growing areas for our investment.

Moreover, many of these opportunities are well aligned with the increased emphasis on ESG⁴ in mainstream investment trends, and capable of attracting complementary commercial capital.

Our investment in these sectors offer profound opportunities for the Indigenous Estate; they bring together economic opportunities with the preservation and intergenerational transfer of culture; build uniquely Indigenous assets for future generations to hold and strengthen; and offer much to our national cultural identity and the cultural strength and resilience of Indigenous people.

KEY ACTIVITIES

In 2020-21 and forward years, the ILSC will:

- > Continue to support projects which foster and strengthen Indigenous cultural practices, language and traditional knowledge sharing, particularly on country
- > Support the development of culturally-safe services and activities that can holistically meet the needs of a growing Indigenous population
- > Identify strategic projects that promote Indigenous knowledge, build cultural and social capital, and increase the profile, visibility and participation of the Indigenous community in the broader community.

PERFORMANCE FORECAST

OBJECTIVES

- > Indigenous people have opportunity for increased on-country practice of culture, use of language, sharing and transfer of traditional and conventional knowledge
- > Indigenous people are increasingly able to access culturally safe social services and activities
- > Indigenous Australians are increasingly visible and recognised by the broader community.

TARGETS

Over the period of the Plan:

- > 50% of new projects annually will contribute to the maintenance and or protection of Indigenous culture, heritage, and/or the environment. In relation to this pathway, the ILSC will support Indigenous Australians to:
 - experience improved access to country and significant cultural sites
 - gain access to culturally safe services and activities
 - participate in events and activities which strengthen and maintain culture
- > 20% of projects will contribute to raising the profile of Indigenous communities and their achievements in the broader community.

³ Prime Minister, the Hon Paul Keating MP, Second Reading, ATSIIC Amendment (Indigenous Land Corporation and Land Fund) Bill 1994, House of Representatives Hansard, 3 August 1994.

⁴ Environmental, Social and Governance attributes that attract ethical investment trade.

“

The establishment of the ILSC recognised that 'the vast majority of Indigenous Australians have been dispossessed, either in whole or part, of that which is most precious to their sense of history and spirituality... their land.'³

”



Pictured: Mabel Fitzpatrick, Nari Nari Elder (left) and Kerrie Parker (right), Nari Nari Elders
Photo Credit: Annette Ruzicka & The Nature Conservancy

OUR PATHWAYS OF CHANGE

Outcome 4: Indigenous people are driving and influencing policy and opportunity for country

As representatives of the Indigenous Estate, it is vital Indigenous people have a say on Australia's land and water, and environmental and economic policies; that they are able to drive and develop industry and markets; influence investment practices; and be at the forefront of research and development.

The ILSC actively works to connect Indigenous land and water asset holders with governments, researchers, industry, and financiers so that the Indigenous Estate is positioned as ready for, open and attractive to investment; and is influencing policy and investment practices.

We work to improve Indigenous representation as thought leaders, influencers and decision makers by helping facilitate, advocate and negotiate for Indigenous representation and Indigenous perspectives on policy and industry agendas.

By providing a platform from which to increase engagement and connectivity between people, land, industry, finance, service and knowledge sectors across Australia, Indigenous people will be better able to effectively represent their interests in policy, industry, cultural and social settings and realise their aspirations.

KEY ACTIVITIES

In 2020-21 and forward years, the ILSC will:

- > Actively facilitate, negotiate and advocate on behalf of Indigenous Australians to improve Indigenous contribution to, and leadership of, policies affecting the Indigenous Estate
- > Develop strategic projects that maximise opportunities for Indigenous participation and representation in all relevant sectors
- > Develop strategic projects and fora that highlight the contribution of the Indigenous Estate to national life (economic, social, environmental and cultural) and position the Estate as a force in decision-making.

PERFORMANCE FORECAST

OBJECTIVES

- > Indigenous people are active and informed participants in relevant policy, research, and decision-making and driving opportunities for country.

TARGET

Over the period of the Plan:

- > 60% of new projects will involve formal partnerships and informal collaboration
- > The number of Indigenous people and/or corporations established in decision-making structures across geography, industry or sector leadership bodies assisted by ILSC investment is increasing year on year
- > Over the period of the Plan, 20% of projects will contribute to raising the profile of Indigenous communities and their achievements in the broader community.



Pictured: Landscape
Photo Credit: Pam Daniells

Our funding and program structure

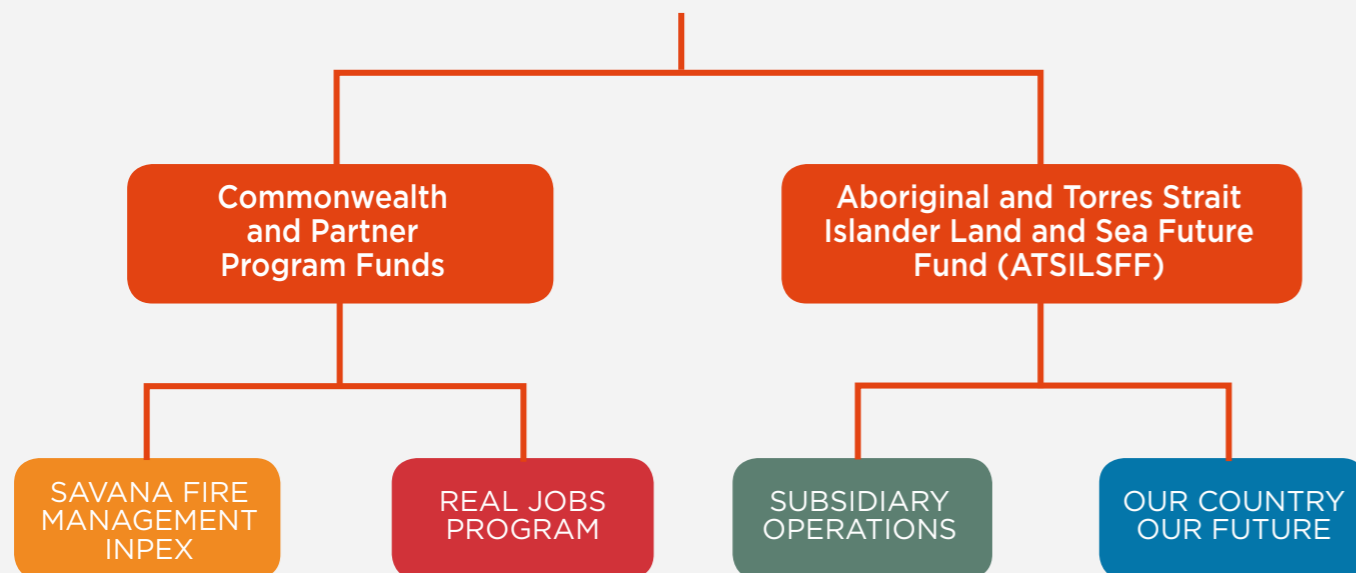
The ILSC is funded through the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF), established (initially as the Aboriginal and Torres Strait Islander Land Account) to support the purpose of the ILSC. Revenue from the Fund supports our operations, with the ILSC receiving \$45 million (in 2010 values) annually.

The ILSC achieves *Our Purpose* through:

- > our principle funding program - Our Country Our Future - delivered from our three Divisional offices: Western (Perth), Central (Adelaide) and Eastern (Brisbane) where we develop and deliver new land and water acquisition and management projects with Indigenous groups
- > our subsidiaries, which are specifically structured and geared to generate outcomes through operating commercially in industry sectors in which Indigenous peoples hold a competitive advantage:
 - Voyages Indigenous Tourism Australia
 - National Centre of Indigenous Excellence
 - Primary Partners (formerly Australian Indigenous Agribusiness)
 - Yamanah Investments
- > the delivery of funded programs - Real Jobs Program and Savanna Fire Management - aligned to our mandate where our specific skills, scope and scale make us a partner of choice for both Government and the Indigenous Estate.

Throughout 2020-21 and the forward period, we will continue to focus on ensuring we maximise efficiencies and opportunities to increase investment in, and delivery against, our purpose. We are committed to continuous improvement, focusing our efforts and capabilities on key industry areas and on an organisation that achieves transformational change through our mandated role.

Indigenous Land and Sea Corporation



Pictured: Ladies harvesting Kakadu Plum (Gubinge) in the NT

Our subsidiary operations

The ILSC operates three wholly owned subsidiary businesses in the tourism, agribusiness and social enterprise sectors. These entities are established to operate in response to commercial and social drivers, delivering outcomes aligned to *Our Pathways* through the advantage held by Indigenous Australians in these sectors.

VOYAGES INDIGENOUS TOURISM AUSTRALIA PTY LTD	
Description	Voyages offers experience-based holidays on Indigenous-held land across Australia including Ayers Rock Resort in Yulara, Northern Territory, and tourism facilities at Mossman Gorge, Queensland. Voyages leverages the assets of the Indigenous Estate to provide guests with enriching, memorable experiences, showcasing Indigenous cultures. All profits from Voyages business activities go towards building the guest experience and supporting Indigenous training and employment across Australia.
Activities	In addition to their commercial activities, Voyages operates the National Indigenous Training Academy (NITA). NITA provides work-based traineeships for Indigenous Australians in hospitality and related vocational fields, delivering employment outcomes.
Contribution to Our Pathways	Voyages contributes to building and sustaining an Indigenous workforce through training, employment and economic development. Through NITA, Voyages train and develop Indigenous Australians, enabling them to secure employment in the hospitality industry across Australia. Voyages directly contribute to <i>Our Pathways</i> , through delivering employment and training outcomes as set out in its PBS targets. The impact of COVID-19 on the tourism sector has seen the ILSC adjust its performance targets for Indigenous employment (KPI 1a) and training (KPI 2a) reflecting the contribution of Voyages to <i>Our Pathways</i> . While it is difficult to predict the trajectory of the COVID-19 impact, the ILSC has adjusted these targets in both the 2020-21 and 2021-22 period to reflect a staged return to full operations.

YAMANAH INVESTMENTS	
Description	Established in January 2020, Yamanah Investments is a place-based investment and impact accelerator pilot operating in the Murray Darling region of NSW.
Activities	An ILSC pilot program, Yamanah Investments takes a localised approach to identifying opportunities for Indigenous corporations to partner with the ILSC in the development of projects
Contribution to Our Pathways	Yamanah Investments supports the delivery of the ILSC's purposes by brokering greater private capital into and with Indigenous communities, businesses and entrepreneurs. Through assisting enterprise and partnership development, Yamanah will contribute to <i>Our Pathways</i> by delivering against KPIs 3 and 5 set out in our PBS targets.

PRIMARY PARTNERS (FORMERLY AUSTRALIAN INDIGENOUS AGRIBUSINESS)	
Description	Primary Partners serves as an employment vehicle in the operation and management of ILSC owned and operated pastoral assets.
Activities	Primary Partners currently oversees the operation of ILSC owned and operated pastoral properties and businesses. Primary Partners performs a training and employment function for Indigenous Australians engaged in agribusiness.
Contribution to Our Pathways	Primary Partners works to build and sustain an Indigenous workforce in agribusiness by providing training and employment opportunities. Primary Partners contributes to <i>Our Pathways</i> by delivering training and employment outcomes to Indigenous Australians and maximising the productivity of Indigenous-held land. The impact of COVID-19 on the ILSC's agribusiness operations has been minimal, resulting in no reduction in predicted employment or training outcomes.

NATIONAL CENTRE OF INDIGENOUS EXCELLENCE LTD	
Description	The National Centre of Indigenous Excellence (NCIE) is a not-for-profit social enterprise that works to build capability and create opportunities with and for Indigenous Australians. NCIE's programs, services and enterprises are designed with the sole purpose of creating long-term improvements in wellbeing. NCIE is located on the historic site of the Redfern Public School. From this local and community-based footprint, NCIE delivers national impact.
Activities	NCIE provides a diverse offering of services including fitness, accommodation, conference, catering, program design and evaluation services and training facilities as well as high quality family and community services for local Indigenous people, families and communities.
Contribution to Our Pathways	NCIE takes a strengths-based approach - with culture at the core - to deliver outcomes. Through its operations and targeted programs, NCIE supports <i>Our Pathways</i> by delivering a significant contribution to the employment and training outcomes set out in our PBS targets (1a and 2a) and to KPIs 1b and 2b. The impact of COVID-19 on the communities surrounding NCIE have required NCIE to pivot in the delivery of its services and program, including ceasing to trade at critical points in the trajectory of the pandemic. The impact of this disruption has seen the ILSC adjust its performance targets for Indigenous employment and training for the 2020-21 period.



Our partners

The ILSC values collaboration with its many partners and stakeholders. Our collaborations are a key measure of our performance, and our partnerships essential to our operations, *Our Operating Environment* and to achieving *Our Pathways*.

We will continue to seek partnerships and joint investments and to shift from being an operator to an enabler; this means taking on a brokerage and facilitation role, ensuring opportunities for Indigenous benefits are realised through the creation and alignment of finance and capability partnerships.

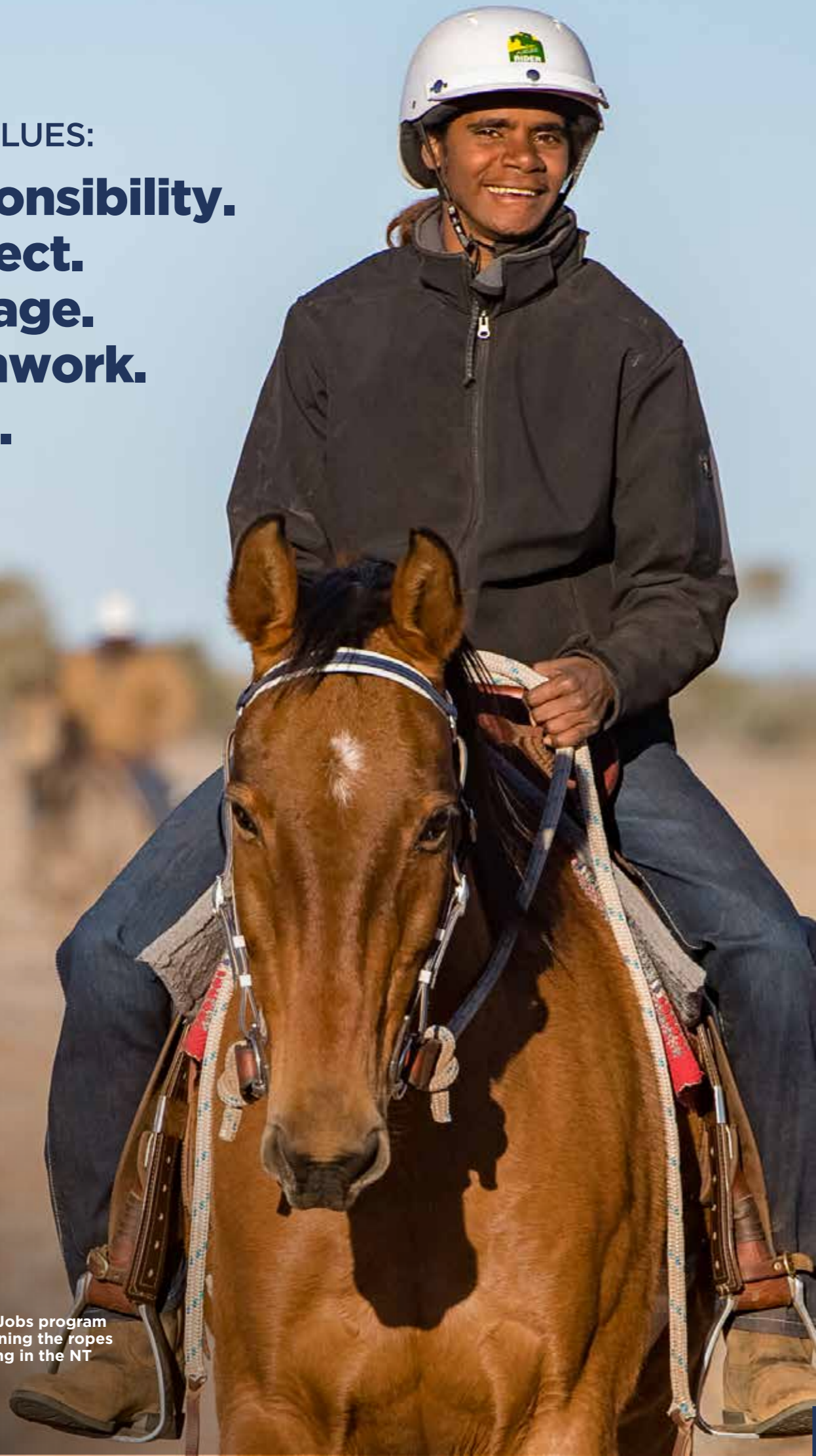
ILSC Stakeholders



Pictured: Mustering time at Roebuck Plains Station on Yawuru country near Broome WA

OUR VALUES:

Responsibility.
Respect.
Courage.
Teamwork.
Trust.



Pictured: Real Jobs program participant learning the ropes of horse handling in the NT

Our people and capability

The ILSC is a relatively small entity with a broad remit – and we are unashamedly ambitious for Indigenous Australians. We strive for a future where generations of Indigenous people enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings. We are proud of our achievements and partnerships with Indigenous groups where we work together to build a prosperous Indigenous Estate.

To realise Indigenous Australians' aspirations, we must continue to employ the right people, fully engaged with *Our Vision* and *Our Values*, and with the skills, confidence and tools to drive our agenda.

In return, we provide meaningful learning and development opportunities; maximise the diverse experiences and skills our people bring through opportunities for collaboration; and offer a reward and recognition program, which recognises staff who live *Our Values* and demonstrate a commitment to our purpose.

In the period to 2024, we will continue to build the capability of our people, processes, technology, relationships and culture to support client outcomes.

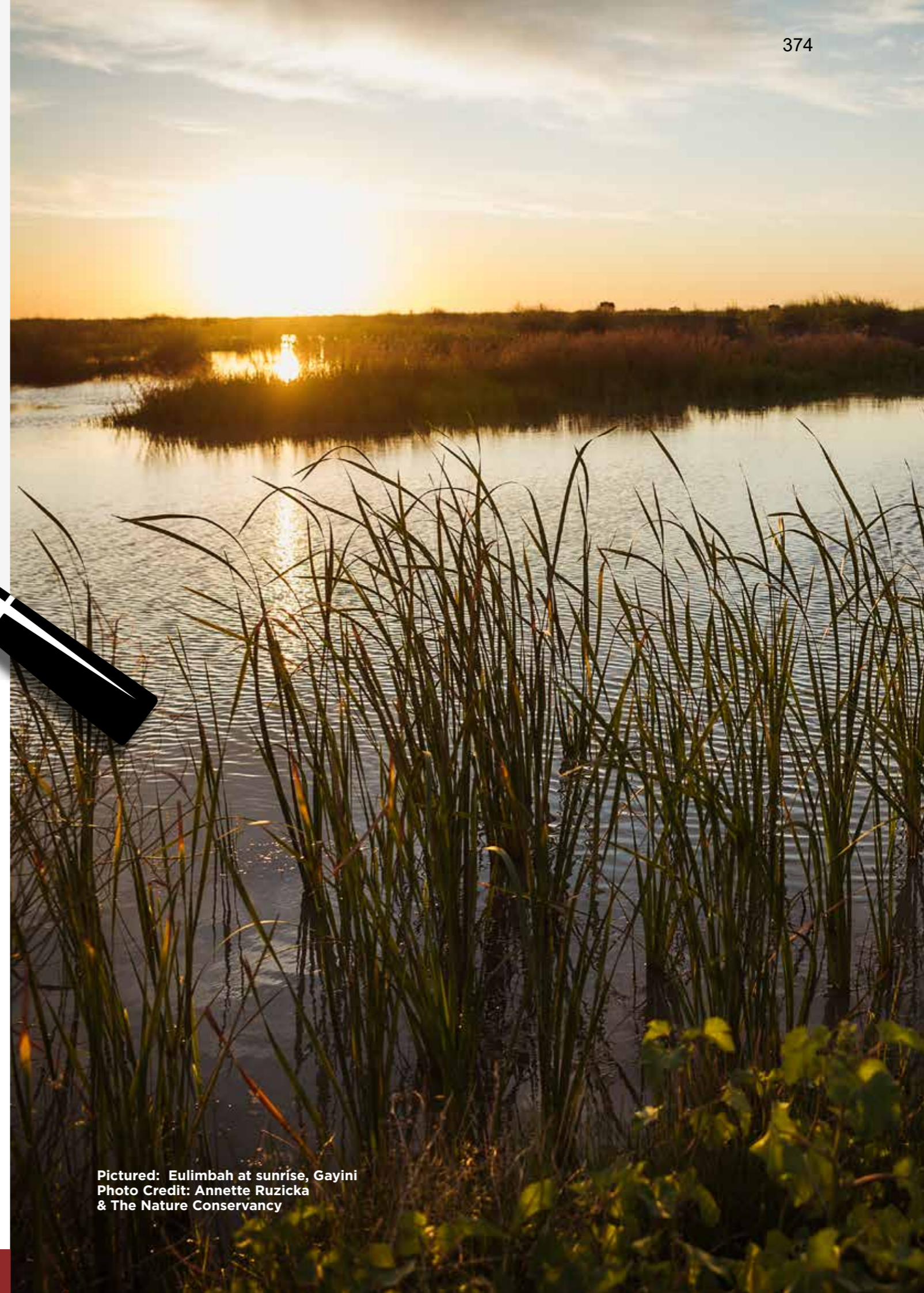
We will focus on:

- > Indigenous understanding, knowledge and mentoring – ensuring our people are culturally capable
- > Research, risk management and business development – investing in research and thought leadership to strengthen our evidence base for innovation and decision-making
- > Financial management and capital deployment – ensuring our money grows and goes further
- > Portfolio management and contract management – investing across sectors and geography to maximise impact and equity across the Indigenous Estate
- > Measurement and accountability frameworks – measuring our contributions so we can quantify our impact and highlight the value of the Indigenous Estate
- > Relationship management with stakeholders – working transparently with our clients as their trusted partner, meeting and exceeding their expectations
- > Sector specific expertise – engaging the right people with the right technical and industry expertise to drive our vision.



To support our people to deliver greater value to our clients, the ILSC is investing in a digital transformation program to implement contemporary information management technologies, platforms and processes. By providing simple and safe access to information, we are better able to leverage our knowledge assets to create even greater value for Indigenous people.

The ILSC prioritises the employment of Indigenous Australians, both through our own operations and those of our subsidiaries. As at June 30 2020, we employed 471 Indigenous people, making up 42.5% of our total workforce. We reports on our Indigenous employment achievements in our Annual Performance Statement.



Our approach to risk

The environment in which the ILSC (and our subsidiaries) operates is complex, multi layered and susceptible to impacts from external drivers (eg economic, political, environmental) which may bring strategic, reputational, financial, legal and/or operational risks.

However, to deliver on our mission we must *engage* with risk, set tolerances and determine acceptable thresholds and mitigation strategies.

We must enable a culture of safety and security but one that also promotes sound judgement, innovation, improvement and, ultimately, the achievement of outcomes for Indigenous people

At the ILSC we:

- > believe that everyone is responsible for risk management
- > integrate risk management strategies into all ILSC policies, projects and administration
- > train and involve staff in risk identification and management
- > develop and share risk management knowledge, skills and tools
- > conduct risk analysis on all operations, programs and projects
- > are practical and balanced in reporting risks, using what we find to inform decision-making and continuous improvement.

Aligned with the requirements of the PGPA Act and the Commonwealth Risk Management Policy, our Risk Management Framework is reviewed annually while the ILSC's Board Audit & Assurance Committee and internal audit functions provides independent assurance and advice to the Board.

Pictured: Eulimbah at sunrise, Gayini
Photo Credit: Annette Ruzicka & The Nature Conservancy

Portfolio budget statement

Performance Criteria and Targets 2020-21 to 2024

The performance criteria in the following table are indicators from the ILSC's 2020-21 Portfolio Budget Statements and are aligned to the key elements of *Our Pathways*. Where relevant, the performance measures relate to the ILSC inclusive of our subsidiaries.

In forward planning targets, we consider how we can make the best use of our available capital and resources to achieve our strategic goals. While we – the ILSC and our Board – pursue a growth agenda, our targets for 2020-21 and out years reflect reduced opportunity in the tourism sector as a result of COVID-19.

In particular, targets for KPIs 1a and 2a, relating to the employment and training of Indigenous Australians through the ILSC reflect this impact as our wholly owned subsidiary, Voyages Indigenous Tourism Australia represents a significant proportion of our employment and training opportunities.

Portfolio Budget Statement Performance Criteria and Targets 2020-21 to 2024

ILSC PBS PERFORMANCE CRITERIA	TARGET 2020-21	TARGET 2021-22	TARGET 2022-23	TARGET 2023-24
Deliverable 1 Interests in land and water/waters acquired	7	8	9	5
Deliverable 2 Interests granted (Divested)	8	8	8	8
Deliverable 3 Number of active acquisition and management projects	100	90	80	70
KPI 1a – Indigenous employment Number of Indigenous staff directly employed across the ILSC Group ⁵	450	450	500	500
KPI 1b – Indigenous employment Number of Indigenous employment outcomes enabled by ILSC funded projects active in the financial year	250	250	300	350
KPI 2a – Indigenous training Number of Indigenous trainees hosted / employed across the ILSC Group	150	150	200	200
KPI 2b – Indigenous training Number of Indigenous training completions enabled by active projects	800	800	1000	1000
KPI 3 Indigenous business development – number of Indigenous enterprises assisted by ILSC Group projects	70	60	50	50
KPI 4 Protection of Indigenous culture, heritage and the environment – proportion of ILSC Group projects commenced in the reporting period that maintained or protected Indigenous culture, heritage and/or the environment.	50%	50%	50%	50%
KPI 5 Collaboration – Proportion ILSC Group projects commenced in the reporting period that involved contributions from third parties (beyond immediate beneficiary group)	60%	60%	60%	60%
KPI 6 ILSC Group contribution to the Indigenous Estate (qualitative)	Qualitative Measure	Qualitative Measure	Qualitative Measure	Qualitative Measure

⁵ ILSC Group refers to the ILSC and its subsidiaries.

Indigenous Land and Sea Corporation Our Strategic Framework

ILSC Legislated Purpose

To assist Indigenous people to acquire land and water rights and to manage land and water so as to provide economic, environmental, social or cultural benefits
(Aboriginal and Torres Strait Islander Act 2005)

ILSC Vision

Indigenous people enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings.

What the ILSC does

- > We acquire and divest land and water-related rights to Indigenous people.
- > We support Indigenous people to preserve and protect culture through reconnection with country.
- > We build the capacity and capability of Indigenous people to sustainably manage and protect country.
- > We partner with Indigenous people to drive and influence opportunities for their country.

ILSC Pathways of Change (The long-term outcomes we hope to achieve)

INDIGENOUS PEOPLE ARE:

- > maintaining and growing the value and productivity of country
- > owning and managing country sustainably
- > influencing policy and opportunity for country
- > strengthening culture through reconnection to country.

Enabled by

- > Aboriginal and Torres Strait Islander Land and Sea Future Fund
- > Social and human capital, staff, stakeholders, expertise, partnerships, relationships and knowledge

Statutory Strategic Plans

Strategies for achieving our purposes and measuring our success:

- > National Indigenous Land and Sea Strategy and Regional Indigenous Land and Sea Strategy (ATSI Act) (3-5 year)
- > Corporate Plan (PGPA Act) (annual).

PBS Strategic Direction Statement

To assist Aboriginal and Torres Strait Islander people to realise economic, social, cultural and environmental benefits that the ownership and management of land and fresh water and salt water rights can bring.

FOR 2020-21:

- > Continued operationalisation of the ILSC's expanded remit, now including fresh and salt-water country.
- > Supporting the Indigenous Estate and its enterprises to survive, adapt to and recover from the impacts of the Covid-19 pandemic.
- > The review, reform and improvement of ILSC's operations and programs to enhance efficiencies and maximise its return on mandate.

Legislated Performance Standards

PGPA ACT

Guides the ILSC's governance, planning, accountability and reporting.



Australian Government
Indigenous Land and Sea Corporation



The **ILSC GROUP**

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Australian Government
Indigenous Land and Sea Corporation



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13 October 2020

Ref: Ch 31

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

**Re: The Indigenous Land and Sea Corporation (ILSC) Group Chief Executive Officer (GCEO)
candidate confidentiality**

I am writing to you with concerns regarding a possible breach of confidentiality that has been brought to my attention.

I emailed a strictly private and confidential correspondence to your office on 30 September 2020 to advise you of the ILSC Board decision regarding the selected candidate as the new ILSC Group CEO. It has been brought to my attention that this confidential information has been prematurely shared outside the office of the National Indigenous Australians Agency (NIAA).

I understand that this breach is potentially more serious in that there was communication with the selected candidate directly, in the form of congratulations. I am aware of this from communication I received from the candidate.

Following the ILSC Board selection of a GCEO candidate and my advice to you, my understanding of the process of approval of the Board selection (from the Cabinet Handbook), is that you as our Minister, must write to the Prime Minister seeking approval of the appointment before any appointment action is finalised. Understandably, while this process is being undertaken, there needs to be strict confidentiality of the process and identity of the selected candidate.

To avoid pre-empting any decision, the selected candidate has only been approached to ascertain their willingness for their name to be put forward to you as Minister and for completion of the required declaration of interest form. The selected candidate was requested to provide this information to seek Cabinet approval prior to any further action.

In anticipation of the outcome of the Cabinet consultation and decision and adhering to the guidelines of the Cabinet handbook, the ILSC has not made a formal offer to the selected GCEO candidate. This would be inappropriate given that the Minister cannot signify agreement to the ILSC without the approval of the Prime Minister.

The ILSC undertook a rigorous selection process through an executive recruitment agency and maintained confidentiality of the candidates as a matter of course. This was particularly important because there was an

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internal candidate and it was imperative to ensure that there was correct protocol applied to the selection process.

The ILSC applied the principle of collective responsibility for the strict confidentiality of these proceedings and documentation.

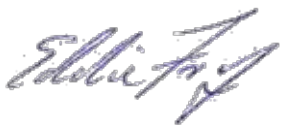
It was therefore extremely disappointing to learn that this confidential information has been inappropriately shared outside of NIAA and that someone within NIAA has breached confidentiality of the process. This could negatively impact the short-listed candidates, who have not been advised of a formal decision, along with the perceived professional integrity of the ILSC Board and the reputation of the executive recruitment firm.

I would therefore ask you to examine this matter and ascertain the circumstances that led to the message being sent to the selected candidate, if confidentiality was indeed breached to the detriment of the selected candidate as well as all others involved. The action of the NIAA individual (if proven) would represent disrespect to process and governance undertaken by the ILSC and does not protect the interests and reputations of all involved.

I also hope the alleged breach of confidentiality will not impact on the approval process. In fact, may I suggest due to the breach, there is now a greater urgency to complete the process and allow the ILSC to make a formal offer.

To that end, I look forward to receiving a response to the request for approval of the ILSC Board selected GCEO candidate so that we may progress this appointment.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Eddie Fry'.

Eddie Fry
ILSC Chair



Australian Government
Indigenous Land and Sea Corporation



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13 October 2020

Ref Ch 32

The Honourable Ken Wyatt AM, MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600
Email minister.wyatt@ia.pm.gov.au

Dear Minister Wyatt

Re: Indigenous Land and Sea Corporation (ILSC) Board Independent Review

Thank you for your letter reference MS20-000545, addressed to the ILSC Board which I received today, accompanied by the Independent Review conducted by Dr Thom, dated 25 August 2020.

The ILSC Board will meet and discuss your correspondence and the report recommendations.

Following this, a detailed response on how the Board will respond to the recommendations in the Thom's report and your concerns will be sent to you by 04 November 2020.

Yours sincerely

Eddie Fry
ILSC Chair

Cc Director Tucker
Director Odegaard
Director Ah See
Director Crossin
Director Martin

Office of the Chairperson

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