

Nigel Scullion asked billion-dollar land fund to change annual report, FOI documents reveal

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Indigenous Affairs Minister Nigel Scullion has asked the board of the Indigenous Land Corporation (ILC) to change a controversial section of its annual report that dealt with the corporation's \$320 million acquisition of the troubled Voyages resort at Uluru.

The extraordinary intervention is revealed in documents released under Freedom of Information (FOI) amid an ongoing battle between Senator Scullion and the former chair of the ILC, Dawn Casey.

But Senator Scullion said accusations he demanded changes to the ILC's 2014-15 annual report were "completely false".

"I did not direct the ILC to make changes to the report, nor do I have the authority to do so," Senator Scullion said in a statement.

The denial follows an investigation by independent website The Mandarin under the headline "Indigenous minister pressured independent body to alter report".

The article alleged Senator Scullion had attempted to "whitewash" the ILC's annual report by demanding a change to the foreword written by Dr Casey.

The article referenced documents released under FOI and now available on the ILC's Disclosure Log.

One email refers to Senator Scullion asking the current board of the ILC to "reflect on and repudiate" the information contained in the foreword.

The ILC is a close to \$3 billion land fund set up to secure the financial future of Aboriginal people around the nation.

It acquires properties on behalf of Indigenous people to promote social and economic development.

In 2010, the ILC bought the Voyages resort for about \$300 million, but later valuations showed it was only worth \$200 million amid a tourism downturn.

Questions surround the original valuation of the resort amid accusations the price was inflated.

FOI documents reveal 'highly unusual' request

Dr Casey said she was staggered by the contents of the FOI documents.

"I've never known it before, both as a senior public servant and as chair, to have a demand that you change a report or else 'I won't table it'," Dr Casey said.

"I've never known it to happen before.

"It's highly unusual and I would have thought highly inappropriate to request and demand that of an independent statutory authority.

"Clearly the minister seems very concerned about the previous board raising these issues about the acquisition of Ayers Rock. He continues to oppose our request for an inquiry into this.

"To go to the lengths of presenting an annual report or demanding that unless those passages were changed he would not table the annual report, suggests to me there would seem to be some sort of cover-up."

Dr Casey was involved in a bitter power struggle when she headed the board of the ILC over the Voyages acquisition.

She moved to have ILC board members who previously sat on the Voyages board removed from the resort's board.

But last year, the Coalition Government declined to renew Dr Casey's term as chair of the ILC, and Senator Scullion made it clear he was unhappy with her performance.

ILC board concerned at Minister's intervention

A draft briefing paper by acting ILC chief executive Leo Bator and released under FOI asserts that Senator Scullion threatened to "withhold permission to table the (annual report)" unless it was amended.

The annual report's publication was delayed by months as a result of the conflict, and appears only to have been published in February following media inquiries.

The delay in its publication prevented Senate Estimates from examining the Voyages acquisition last October.

The documents released by the ILC under FOI reveal the current board of the ILC, and senior members of its executive, were deeply concerned at the request by Senator Scullion for amendments to the foreword and by the delay in the report's publication.

The ILC director of strategy warned last year that the agency would "attract scrutiny about the delay and any deletions to the annual report" at Senate Estimates.

In the end, the board decided to publish two forewords to the report, one written by Dr Casey and one by Eddie Fry, who was revealed to have assured Senator Scullion that the ILC would pursue no investigation into the Voyages sale and instead was intent upon tackling its large debts.

Senator Scullion has insisted his intervention was in response to incorrect information being asserted by the former ILC board about the Voyages acquisition. He declined to speak to the ABC yesterday and referred to his published statement.

"What I did was ask the ILC board to consider responding to factual inaccuracies in the statement from the former chair contained in the annual report," Senator Scullion said in the statement.

"It is completely appropriate for me to bring to the attention of the ILC board these inaccuracies."

Dr Casey insists there were no inaccuracies. An investigation into the Voyages sale was backed by Finance Minister Matthias Cormann but has never eventuated.

Senator Scullion sacked Dr Casey and announced the appointment of a new chair, Mr Fry, in late 2014.

Mr Fry is a one-time candidate for the Country Liberal Party in the Northern Territory who failed to unseat former Labor chief minister Clare Martin in 2004.

Mr Fry declined to comment to the ABC on the annual report conflict.

Greens call for inquiry

Greens spokesperson on Aboriginal affairs Rachel Siewert called for an inquiry into the Voyages sale.

"It's very concerning to hear that the Minister asked for a report from the independent body to be changed and it also raises issues around why," Senator Siewert said.

"Certainly there's no secret in the fact that Minister Scullion was not happy with some members of the previous board and certainly he was not happy with the pursuit of the issues around the acquisition of Ayers Rock.

"But again, it raises the question as to why the Government does not want to pursue that issue when it has cost the ILC millions of dollars."