1. The Department of Aboriginal and Torres Strait Islander Partnerships operates a total of six Retail Stores in Woorabinda, Palm Island, Lockhart River, Pormpuraaw, Kowanyama and Doomadgee. A Queensland Government statutory body, Community Enterprise Queensland (CEQ), operates stores throughout the Torres Strait and Northern Peninsula Area under the trading name of the Islanders Board of Industry and Service (IBIS).
2. CEQ (formerly known as the Island Industries Board) approached the Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships, and Minister for Sport suggesting that it join with Retail Stores.
3. In late 2015, the Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships, and Minister for Sport requested a review of IBIS and Retail Stores with key financial analysis from Queensland Treasury Corporation as to whether a merger of the two businesses would deliver a sustainable operating model into the future.
4. The results of the review are that Retail Stores and IBIS are in sound financial positions, each returning surpluses in recent successive years but both require a positive growth strategy. A merger will enable both businesses to engage in such a strategy for the benefit of the communities they serve with expected positive results including increased purchasing power with the possibility of improved rebates and price negotiation with suppliers such as freight, which is a significant cost to each business.
5. Community Enterprise Queensland board of management will have oversight of both operations.
6. Cabinet approved the merger of the Department of Aboriginal and Torres Strait Islander Partnerships Retail Stores with the operations of Community Enterprise Queensland.
7. *Attachments*

* Nil.