

## **Submission to the Senate Committee Inquiry into Forestry and Mining Operations on the Tiwi Islands.**

This submission is from the Northern Territory Country Liberal Party (Country Liberals) to the Senate Environment Communications, Information Technology and the Arts Committee Inquiry into forestry and mining operations on the Tiwi Islands.

The Country Liberals support the concept of private developments working in conjunction with local communities to provide long term sustainable opportunities for employment and self determination.

The Tiwis' are probably one of the best example in Australia of what can be achieved when the two key elements of successful business, land and human resources, are allowed to come together freely to make the land more productive.

The impact of existing forestry operations on the capacity of the Tiwi Islanders has been overwhelmingly positive. We note that there is overwhelming support from the community on the islands for the forestry project and this willingness extended to the acceptance and approval of the Matilda Minerals mineral sands project during its operation.

There are a number of positive economic and community consequences of the involvement of industry and the Tiwi's, which have included:

1) Underlying compensation for the use of land.

Rent payments now exist with long term certainty for both the Tiwi landowners and the mining and forestry operators. It is acknowledge that there is in the order of \$1 million per year being paid to the Tiwi Land Council which has a role in ensuring that the money is on-distributed to landowning families, who are widely represented in all communities on the islands.

Further to the industry developments, the move by the Commonwealth to enter into long term 99-year leases with the Tiwi people has meant rent payments and a commitment to long needed housing developments addressing something that continues to plague remote communities, the access to appropriate housing stock.

2) Infrastructure Development

Port Melville has been developed and expanded, exporting mineral sands and logs. The port rental also helps finance the Tiwi College at Pickertaramoor, another infrastructure initiative.

The College is owned and operated by the Tiwi through the Tiwi Education Board and should provide certainty in delivering positive education outcomes. It is noted that the Howard Coalition Government provided financial support in the order of \$16M to this worthwhile project.

Operating expenditure on road development, road repairs and maintenance which is funded by the operating companies are also supporting Tiwi development.

While aquaculture endeavours were seriously impacted in 2006, it is encouraging to note that the re-establishment of this endeavour is being considered at this point in time, an event that can only lead to expanded infrastructure development.

### 3) Employment and Training

Direct training and employment of Tiwis in forestry operations provides salaries and benefits, said by the company to be of a value of nearly \$1 million. Tiwi islanders have comprised on average at least 25% of the island payroll of the forestry company.

The operators have also enabled the employment of land and sea (Tiwi Marine) rangers that facilitate good land and sea management practices, provide support to the community and in the case of sea rangers, fill a gap in border surveillance, monitoring for illegal foreign fishing and help identify and manage aquatic pests.

The funding by the forestry operator of a Ranger team on the Islands for 6 years (from 2005 to 2011), enables the Tiwi's themselves to have a awareness and knowledge of environmental issues and management outside of their normal practices.

The worthiness of this work is reflected by the fact that the rangers are now to receive \$1.5M from the Aboriginal Benefits Account for an ongoing three year program.

### 4) Business Development

Significant contracts have been awarded by the forestry company to Tiwi Enterprises, a company formed by Tiwi leaders to capture jobs and business opportunities.

Other land owners have also been able to take advantage. The purchase of a cement truck to service the construction of the Matilda Minerals mine and for the work of the Bathurst Island Housing Association is another example.

The benefit to landowners can be seen from the Valuer Generals. In 1998, Tiwi land was worth \$1 per hectare. Now that millions has been spent on roads, electricity, Port Melville and other places, the Valuer General says the land is worth \$15 a hectare.

### 5) Social Developments

Besides the positive outcomes obtained through sharing in the employment and wealth creation opportunities, the developments on the Tiwi Islands have resulted in at least one major social development.

The Tiwi Bombers are now an iconic part of the Northern Territory Australian Football scene. In some part this has been facilitated by the ability, through sponsorship by the forestry operators, of the Tiwi Land Council to support the significant costs of travel to competition games.

## 6) Knowledge Base

The total area of land that has been developed for forestry is less than 5% of the total Tiwi land mass of around 7,500 square km.

There has been a gathering of knowledge by the forestry operator (and to a lesser extent the mining company), which has been supplied to government departments, and therefore available to the public, about the ecology and biodiversity of the Tiwi Islands on a scale that is unprecedented and to a time frame that could not possibly have been provided if the Tiwi's had had to wait for government survey programs.

The development requirements have necessitated the development of detailed maps from Digitalised Ariel Photography, and the in-field survey of hundreds of hectares of land in the course of surveying for forestry operations.

This has massively increased knowledge of the threatened species on the Islands, and captured evidence in some cases, that their presence and extent is far greater than was previously thought, perhaps making worthwhile some revision in classifications.

A vastly improved awareness, through the need to manage fire because of the forestry operations, of the impact of fire on biodiversity; and a significant downturn in the incidence of intentionally lit, unplanned fires in the hotter season as the Tiwi's and the forestry operator cooperate in fire management has occurred.

This has provided the Tiwi's with a material and demonstrated capability to proceed to fire management programs that might be required in the future as part of carbon emission reduction programs. The forestry operations have directly contributed to this through introducing detailed and thorough planning, on-ground training, fire management equipment and better roads and access.

### **Negative Effects of the Developments**

It is acknowledged that there were some instances of incursion of the forestry plantations into buffer zones by the operator.

We have not had an opportunity to review the extent of this in detail however our observations and inquiries have revealed a pattern of consistent, close and respectful cooperation between Tiwi Islanders and the company.

It is therefore hardly surprising that there have been no instances where:

- land has been developed for forestry in the absence of consent.
- landowners have subsequently questioned whether consent was duly obtained.
- Tiwi's have subsequently suggested that the development differed in any material way from the plans disclosed.
- the landowners have suggested the deal they have done has been inadequate.

There is some question as to whether the appropriate resourcing of the project in the areas of oversight and engagement was undertaken by the Northern Territory government.

Given that these occurrences occurred over some time in the period 2004 to 2006, early intervention by the Northern Territory regulator would seem to have been preferable as an effective strategy.

### **Support for Future Developments**

It is noted that the forestry operator wants to establish more plantations, with perhaps another 30,000 ha as a target. This gives the sort of economic scale that is needed to afford upgraded port facilities and to assist in creating favourable long term supply and sale agreements.

This expansion would result in another \$30 million being spent to clear land, virtually all on the islands in the form of labour, equipment, fuel and the prime beneficiaries being the Tiwi people.

The future impact of operations on the size of the Tiwi economy will also be significantly greater as, with a ten year plant and harvest schedule:

- At least 3,000 ha of plantation would be harvested and replenished each year
- Exports forecast to be around 500,000 tonnes annually, representing 18 “Panamax”-sized vessels
- Export sales will be worth over \$50 million on current prices with
- The majority of income would be ploughed back into the land on the Tiwis as harvesting, establishment of replacement plantations and maintenance occurs

### **Concerns raised about the administration response**

In speaking with the community we have had a number of concerns raised, primarily that the current Northern Territory Government have done nothing to build on this opportunity.

There has been no support for the College as a non-government school, despite the need to develop and nurture students, no support for roads, no interest in assisting employment and with the exception of one minister, leading figures have never visited the project area.

The concerns are, what is being done to help the Tiwi’s with their new economic opportunity.

Small, isolated communities have few resources and what there is needs to be used in a clever way. The best way to create these plans and be careful with the use of resources is to bring all key stakeholders together and the biggest problem is a lack of coordination and genuine focus by the current Northern Territory government.