



Tiwi Resources Pty Ltd

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Senate Standing Committee
Environment, Communications and the Arts
Via email to: eca.sen@aph.gov.au

To the Senate Standing Committee, please find attached:

Submission for
THE ENQUIRY INTO TIWI ISLANDS MATTERS
FORESTRY-MINING-ECONOMIC OPPORTUNITY (5 pages including this one)

For further information please contact Jules Kerinauia (Director), Linda Pupangamirri (Director) or Yvonne Kelly (Company Secretary) of Tiwi Resources Pty Ltd on 08 8941 1162.

Yours sincerely,

Jules Kerinauia
Director

Linda Pupangamirri
Director

Yvonne Kelly
Company Secretary

12 March 2009

Submission for
THE ENQUIRY INTO TIWI ISLANDS MATTERS
FORESTRY-MINING-ECONOMIC OPPORTUNITY

Thank you for the opportunity to submit comment concerning your enquiry into forestry, mining and economic matters.

About the submitter:

- This submission is made by Tiwi Resources Pty Ltd. The company is owned by Traditional Owners of the Tiwi Islands, with the purpose of working with family groups in monitoring and utilising monies earned through enterprises carried out on their land.
- Whilst there are 8 main land use groups on the Tiwi Islands, these have been further divided into smaller family units for the purpose of distributing the income made from the land. At present, there are 55 family groups within the Tiwi people, with each group having anywhere between two and seven signatures required before the funds can be accessed.
- The income earned from the land is used for many things, including investments, assisting with education costs, purchase of items such as boats and white goods, and every day items such as groceries and fuel.

We are very proud of our achievements through the use of our land, and we endeavour to ensure that as many of our people benefit from that use as possible. We are very much aware that there is a long road to travel, but we believe that these industries are absolutely critical to our goals of a sustainable economy on our islands. We are hopeful that this enquiry will highlight to the broader community the positive work that is being carried out by the Tiwi people. Economic development is essential for our future and we look forward to any recommendations arising from the inquiry that will further enhance our economy.

Assessment of Environment, Economic and Community Impacts

From an environmental point of view, we believe that the impact of less than 5% of our land being cleared for the forestry project is minimal when compared to the benefits. The ongoing discussions, meetings, publicity, compliance requirements and scrutiny from all levels of government and interest groups have given us confidence that the environmental impact is not adverse. In many ways the existence of the forestry industry and the resultant scrutiny and compliance requirements have helped us to better understand our land and its resources. Despite the plantations taking up 5% of our land, we believe that this has not hindered our cultural activities that relate to the land but has, in fact, allowed us to better appreciate the value of our land.

One of the goals of the Tiwi people is to develop a strong economy in which we can play a very significant role, in terms of education, employment and management. This is obviously a goal that will not be achieved over night. The presence of industries such as forestry and mining strengthen our belief that this is an attainable goal and will go a long way to reducing the dependence of our people on government subsidies and programs.

Both the mining and the forestry industries bring direct economical benefit to the Tiwi people. Income received to Tiwi Resources over the 2007-2008 and the 2008-2009 year-to date, to be distributed to the family groups is as follows:

	2007-08	2008-09 YTD	Total
Mining	\$ 113,477	\$ 163,355	\$ 276,832
Forestry	\$ 531,269	\$ 484,523	\$1,015,792

Please note: This income does not include Forestry and Mining levies and commercial revenues paid directly for Education, Roads and Infrastructure, Sporting, Art and Culture and to other Tiwi organisations and projects authorised by Landowners.

Other sources of income from the land include fishing permits and tourism.

From this income the money has been used for many things, including:

- The purchase of a cement truck for \$158,000 that is leased to the Bathurst Island Housing Association in a 5 year agreement, bringing a 9% return on that investment.
- The investment of \$100,000 from two different family groups to help with the establishment of Tiwi Enterprises Pty Ltd, a wholly Tiwi owned company that's main objective is to enable the Tiwi to create business opportunities and to compete on a commercial basis for contracting work available on the islands that traditionally is awarded to non-Tiwi businesses. A third family group also invested \$50,000 into this business, however this money was not earned from the forestry or mining industry.
- Over the 2007-2008 and 2008-2009 YTD period, more than \$105,000 has been spent on the purchase and maintenance of boats, allowing us to go hunting and fishing and as a result, provides food and helps the family budget stretch further.
- Over the 2007-2008 and 2008-2009 YTD period,
 - in excess of \$100,000 has been spent on furniture
 - more than \$50,000 has been spent on motor vehicle costs
 - almost \$179,000 has been spent on food and supplies
 - approximately \$14,800 has been spent on funeral expenses
 - almost \$200,000 has been spent on air charters, often to attend funerals in other communities, or to fly family members in from other communities to attend a funeral or ceremony in our community.
- Of the 55 family groups that this income is distributed amongst, depending on whose land the income has been earned on, 17 families have requested that a certain percentage (usually 20%) be set aside to assist

with future expenses. This money is then used by the family to help pay for unexpected expenses, such as funerals or charters to attend funerals in other communities, or the purchase of an asset that they would otherwise not be able to afford, such as a motor vehicle, or a boat or a refrigerator, or to help with the cost of education for their children. In 2007-08 this amount was approximately \$19,000, in 2008-09 to date it has been approximately \$28,500.

- 5 of the 17 family groups who put money aside for those unexpected costs, also put money aside specifically to be spent on educational costs for their children. This is usually 10% or 20% of their income. In 2007-08 this totalled approximately \$12,000, and in 2008-09 to date, this has totalled approximately \$11,000.

The impact that this income has on our community is significant. In the short term, it means that we are able to pay for expenses that we otherwise would not be able to. From a cultural point of view, this brings much comfort and relief to know that we can afford to pay funeral costs, and to be able to attend funerals and ceremonies that we would otherwise miss out on, as well as being able to help improve the educational outcomes of our children. It also allows us to have better access to our land through the ability to purchase and maintain boats and vehicles.

Even more than this, the income from the forestry and mining industries allows us to look to the future and to make plans that in the past would have been dreams only. The need for the effective education of our children is one of our most important cultural beliefs, as is the need to develop an economy that will provide jobs into the future and ongoing training and skills development.

Governance Arrangements

We are confident that the governance arrangements put in place are more than adequate. We understand that the level of scrutiny and reporting requirements imposed on all parties ensures that all aspects of the forestry and mining projects are monitored on an ongoing and regular basis.

Adequacy of Contractual, Commercial & Legal Arrangements

We have no reason to believe that these arrangements are lacking and have full confidence in the Tiwi Land Council's ability to ensure that all necessary requirements are being met.

Economic Opportunity Costs

Our land is the only asset we own from which we can generate economic opportunity. Is there a cost to investing less than 5% of our land to be used as a

plantation that will generate millions of dollars annually into the future? Yes – but those costs are far out weighed by the benefits of that investment and by the prospect of creating a sustainable economy that every single Tiwi can benefit from.

Prospects for Alternative Economic Development Opportunities Including Cultural Products and Carbon Trading

As outlined above, the major source of income for the Tiwi people that comes through Tiwi Resources is from the mining and forestry industries, with fishing and tourism also providing income, but on a much smaller scale. The Tiwi Land Council and Tiwi Enterprises are always looking at new opportunities for the Tiwi people. It is a challenge to develop new ideas and opportunities that are not tied to short term government funding, but can be seen as a long term ongoing and viable venture. Our land and its resources are the key parts to any future economic prospects for the Tiwi.

We are very interested in the possibilities that a carbon trading and emissions off-sets scheme may provide, but at this stage we have had very little relevant information and it is difficult to comment.

We are a proud people and have a strong cultural tradition in the areas of art, sport and environmental knowledge. We are proud of our achievements in these areas. We strongly believe in our culture, our people, our communities and our families.

The existence of the forestry and mining industry gives us the basis for developing the economy that we know we need to preserve and enhance our culture. Already we have seen the benefits of this, through direct income to our people at the family level, the provision of jobs within these industries, the improved infrastructure on the islands and the promise of economic return into the future.

Yours sincerely,

Jules Kerinauia
Director

Linda Pupangamirri
Director

Yvonne Kelly
Company Secretary