

# Chapter 1

1.1 On 4 December 2008, the Senate referred the following matter to the committee for inquiry and report by 25 June 2009:

Forestry and mining operations on the Tiwi Islands

- (a) an assessment of the environmental, economic and community impacts of existing and proposed forestry and mining operations on the Tiwi Islands including compliance with relevant environmental approvals and conditions;
- (b) a review of governance arrangements relating to existing forestry and mining operations on the Tiwi Islands, including the examination of consent and approval processes to date;
- (c) in respect to forestry operations, an examination of the adequacy of contractual, commercial and legal arrangements between project proponents and operators and the Tiwi Land Council;
- (d) an examination of the economic opportunity costs associated with existing developments including forestry operations;
- (e) an examination of the prospects for alternative economic development opportunities and impediments for the Tiwi Islands including sale and promotion of cultural products, community development activities, land and sea management, and opportunities for involvement in future carbon trading and emissions offsets schemes; and
- (f) any related matters.

1.2 On 16 June 2009 the Senate agreed to an extension of time to report on this inquiry to 17 September 2009, which was subsequently again extended to 26 October 2009 and then to 29 October 2009.

1.3 In accordance with its usual practice, the committee advertised details of the inquiry in *The Australian*. The committee also contacted a range of organisations and individuals, inviting submissions. The committee received submission from 42 individuals and organisations, listed at Appendix 1.

1.4 The committee held public hearings in Darwin, Pickertaramoor on Melville Island and Canberra. The committee also held an *in camera* hearing in Nguiu on Bathurst Island, with Tiwi Island women. Details of these hearings are at Appendix 2. A list of tabled documents and additional information is at Appendix 3.

## The Tiwi Islands

1.5 The Tiwi Islands are located approximately 80 kilometres north of Darwin in the Arafura Sea. There are two islands, Bathurst Island to the west and Melville Island to the east, separated by the Apsley Strait. Melville Island is Australia's

largest (excluding Tasmania), and the two together have an area of around 7500 square kilometres.<sup>1</sup>

1.6 The current population of the islands is approximately 2500. The largest settlements on the islands are Nguiu (Bathurst Island), Pirlangimpi and Milikapiti (both Melville Island). Two bodies are responsible for governance and service provision on the Islands: the Tiwi Islands Shire Council, and the Tiwi Land Council.

### **The inquiry process**

1.7 During the course of the inquiry the committee visited the Tiwi Islands, on 19 May 2009. It was fortunate in being able to visit both islands, and to be shown the forestry camp, plantation forestry, and the native woodlands, prior to holding a hearing at Pickertaramoor in the afternoon. The committee would like to thank the Tiwi Islanders for welcoming the committee to their lands. It also thanks the many individuals and organisations who provided assistance before, during or after that visit, including the Tiwi Land Council, Tiwi Islands Shire Council, Great Southern Group, the Tiwi College at Pickertaramoor, Kilapayuwu (Teresita) Puruntatameri and Maren Rusia.

1.8 Great Southern Group is a managed investment scheme company responsible for the Islands' most significant industry: forestry plantations for woodchip production. During the course of the inquiry, Great Southern went into administration, an event which presents significant challenges for the future of forestry on the Islands, and which is discussed in chapter two of the report. The committee was disappointed that, despite several invitations to appear or to provide comment, the administrators of Great Southern did not release representatives to speak to the committee. The committee's inability to pursue up-to-date evidence from the company, or to ask questions about its operations, made it difficult to pursue some important questions.

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1 Geoscience Australia, Geoscience basics: Islands, <http://www.ga.gov.au/education/geoscience-basics/landforms/islands.jsp> (accessed 26 October 2009).