



## Panguna Development Company Limited

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P.O. Box 126  
Arawa, Autonomous Region  
of Bougainville  
Phone : 7441 3422  
Email : admin.pdcl@gmail.com

26<sup>th</sup> October 2020

Honourable Warren Entsch, MP  
Senator Anthony Chisolm  
Joint Standing Committee on Northern Australia  
PO Box 6021  
Parliament House  
Canberra ACT 2600  
Email: jscna@aph.gov.au

### Destruction of caves at Juukan Gorge, Pilbara, Western Australia

On behalf of the people of the mine affected area of Panguna in central Bougainville, including customary landowners, I make this formal submission to the inquiry into the destruction of 46,000-year-old caves at the Juukan Gorge in the Pilbara region of Western Australia.

The PDCL is a company 100 per cent owned by five major clans from the Panguna area and the recognised Lands Title Commission agents for the land blocks in the former Special Mining Lease. It was established in 2018 to provide a means for landowners to identify and pursue business and economic development opportunities in Bougainville.

We are not against mining per se, nor future mining of Panguna as it still contains a lot of undug resource. While this issue needs to be sensitively considered, it is widely felt the mine offers a new opportunity to help Bougainville develop.

Any future mining however must be regulated well and done in accordance with the best practices in the world. It must be environmentally and socially responsible and respecting of our people, culture and land.

On the main matter, we were saddened but not too surprised to hear that Rio Tinto has contravened proper standards by ruining sacred indigenous land in Australia. The destruction of the Juukan Gorge rock shelters is another blemish by this company. Rio has not learnt any lessons from work in other countries eg Bougainville, West Papua, Mongolia, Guinea, Namibia and Madagascar.

In Rio Tinto's submission its Chief Executive Jean-Sebastien Jacques states: "*we are determined to learn the lessons to ensure that the destruction of heritage sites of exceptional archaeological and cultural significance, such as the Juukan rock shelters, never occurs again. Rio Tinto has a long-standing commitment to protecting cultural heritage and has worked with Traditional Owners over many years to preserve and manage that heritage. We have long accepted the need to operate over and above strict compliance with the law and the formal agreements to which we are a party.*"

We would urge the committee treat this comment carefully based on Bougainville's own experience.

Rio Tinto, with subsidiary Bougainville Copper Limited (BCL), developed the Panguna copper and gold mine in central Bougainville. It ran between 1972 and 1989. Mining ended suddenly because there was dissatisfaction in the local community about how things were being run. A 10-year civil war followed, and Panguna has been closed



since. In 2016, Rio Tinto severed its ties with Bougainville and gave away its majority ownership stake in BCL to PNG and our own government, ABG. This company was left with only limited funds.

The huge mining pit and more than a billion tonnes of mine waste that Rio has left behind remains a bleeding scar on our landscape with a lot of waste and ruin. Rio Tinto is a global company of great wealth, yet after profiting from our land and disturbing our way of life, it abandoned Bougainville and our people without addressing any of these serious problems.

There is a very bad legacy of environmental harm and risks to public safety. Our land and waterways have been left polluted with rubble and silt and who knows what. Deteriorating infrastructure and old machinery are a further blight on the land. There are also major floods because levees have failed, access for people is poor and river crossings are dangerous.

Over the years our people have appealed to Rio Tinto to accept their responsibilities and fix the problems they left us with. In 2014 hopes were raised that action might finally be taken to clean things up. Some efforts were made to assess what needed to be done. In 2015 changes to local mining law saw Rio/BCL stripped of its special mining lease, replaced with an exploration licence, as talk turned to the possibility on one day reopening the mine.

Rio Tinto was given a new chance to prove itself as a company deserving of re-mining. It had to gain trust and win social licence. Instead, it all got too difficult and the company decided to leave us. There was no ownership of their problems, and not even funds set aside to fix them.

Until recently, continued calls for Rio Tinto to own up to its responsibilities have been ignored.

The Human Rights Law Centre in Australia then lodged a complaint to the OECD on behalf of communities in Bougainville about the environmental and human rights problems. In its public response to the complaint the company stated: *"Whilst we do not wholly accept the claims in the complaint, we are aware of the deteriorating mining infrastructure at the site and surrounding areas and acknowledge that there are environmental and human rights considerations."*

*"We are ready to enter into discussions with the communities that have filed the complaint, along with other relevant parties such as BCL, the Autonomous Bougainville Government (ABG) and the Papua New Guinea (PNG) Government."*

There is no doubt that this response was prompted by the publicity and anger over its destruction of the Juukan caves. We want these discussions to take place, but they must be genuine and not just a cheap gesture of Rio Tinto. They need to commit to backing some type of proper process to assess the problems, with a plan on how to fix them. They will also need to provide sufficient funds for this important work to be done.

Rio Tinto must be held to account for its actions in the Pilbara but we also respectfully submit that through this inquiry, pressure be also brought to bear in relation to meeting its moral obligations to the people of Bougainville, particularly those communities worst affected by the mine.

This is quite a momentous period for Bougainville with our people having recently voted for independence while daring to dream of a brighter future. As an emerging region of modest means, we have turned our minds to developing our economy. To support us, we believe it is fair and just that the environmental and social problems resulting from the mining of Panguna, be resolved by the company that is primarily responsible for their cause.

Your sincerely



Michael Pariu  
Chairman

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