

Barbara Bandicootcha

February 14, 2016

Senate Economics References Committee
PO Box 6100
CANBERRA ACT 2600

Reference: Senate Inquiry into development of bauxite mining near Aurukun

Dear Senate Committee

I draw to your attention to a dramatic difference between the two shortlisted proponents of Glencore AG and Australian Indigenous Resources (AIR) that were competing to mine bauxite near Aurukun:

- **Glencore:** Life of Mine = **20 years** (See page 3).
- **AIR:** Life of Mine = **75 years** (See page 4).

Item d) in your Terms of Reference ask for individuals to comment on 'any opportunities for traditional owners to receive ongoing benefits from the resource located on this land' regarding bauxite development. Well, with the current selection of Glencore, I'm rather concerned that any benefits will be short-term and counterproductive to fixing our community.

Both mining ventures noted approximately 6 million tonnes per year of bauxite to be exported, and yet the operation of Glencore was only for 2 decades? We've had almost half a century of mining companies come onto our land saying that this is a good and viable mine – though limitations did exist in recent years with Government demands for a smelter. This is no longer the case. Our land is rich in bauxite, but long term benefits for our people aren't just standard mining work to support a short 20 year mining venture. I am generally not in favour of mining at all, but the two companies are in stark contrast, both in their offer and their ability to be transparent. One, AIR (now known as Aurukun Bauxite Development ABD since they signed a Joint Venture agreement with our NAK board) and the other Glencore International AG (via their subsidiary Glencore Bauxite).

AIR – wants our local population to be trained in mine and land management, to get us back out on country, and to ensure we are owners in our own resource. They've told us right from the get go that they're planning an initial phase of 35 year life of mine, with second phase equaling another 35 years. This is easily 3 generations of Aurukun people (and traditional owners, as land owners) positively impacted from mining. You cannot build a sustainable economy in 20 years. What will happen to our town once Glencore has departed? What do we all do with our royalty money when they've left? I tell you what - sly grog trade will come back with a vengeance. The Ice epidemic is well established already in our neighbouring communities - such as Weipa - and further up the Cape in the NPA. How long will it be before it reaches our kids in Aurukun? Our town needs a helping hand. A slow and managed mine limits the risk of environmental damage, prolongs the economic benefits flowing to our families, and creates generations of non-welfare dependency. This is how you break the cycle. You've got to show your kid's kids how it's done. One generation won't change a thing.

A second key concern I have with the State Government's selection of Glencore as Preferred Proponent is of their bad history with indigenous groups and the destruction they've created in Borroloola in Northern Territory (near the Queensland border).

The reports I've read (and watched) on Glencore's treatment of Indigenous People and their disrespect for the land are concerning. Take a look yourself at this CFMEU Mining YouTube clip:
https://youtu.be/Dyj8_Z8TV0Y.

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Sub-contractors may well cause these issues, as Glencore doesn't actually do any of the mining, but what is stopping them sub-contracting our mine to a disrespectful company? I've been in close contact with the Glencore guys when they've come up to Aurukun but they've never told us who'll actually be the miners, and they certainly haven't confirmed how many of my people they'll employ – or what financial compensation we'll get. They've only mentioned to me that they'll give me money to help build my dream outstation but when I've asked them to confirm it in writing – nothing. Zip. I'm not an idiot; I know that these are empty offers. That's all they seem to be giving to the Wik people – draft possible concepts of benefits but nothing tangible.

Here's what I've learned about Glencore – I wish to share this with the Committee:

- **Issues with Indigenous Groups.** The company itself doesn't mine, it contracts out and has subsidiaries for their subsidiaries – they never seem to be accountable for their crimes. Just take a look at the Tampakan Copper-Gold project on the Philippine island of Mindanao. They have no respect for the culture and customs of the B'laa people. And just like us here in Aurukun, we have a strong culture and pristine wetlands to our south – we need a company that can respect us and our land.
- **UN Human Rights Council (UNHCR) cases against them (Glencore/Xstrata).** They were accused of committing human rights abuses in Peru, Colombia, Democratic Republic of Congo, Zambia and Philippines. (Human Rights Online Philippines, 2014).
- **Environmental mismanagement – e.g. Contamination in Bolivia; huge smoke plume pollutions & leaks at McArthur River Mine.** Note that the latter spewed fumes for more than 12 months before Glencore acted (due to media attention from Traditional Owner protests). Some of our NAK Board, including me as a fellow Director, travelled to Borroloola in the Northern Territory last year (September, 2015) to see what the problem was. We were told that Glencore did not talk to the community and are not protecting their land and the waters. The company was only talking to 1 or 2 people about the matter – and in our culture you cannot talk for the whole community. Purposely undermining our customs damages our community structure. This is very disrespectful.

How could ex-Deputy Premier and State Development Minister Jeff Seeney possibly believe that this company, Glencore, would not be like all of the other big international companies over the past 50 years that have come and just sat on our land giving us no benefits at all? Flash brochures and sweet talk won't convince us. And this should not be the basis for Government decisions.

My name is Barbara Bandicootcha, and I am not only a Wik woman from Aurukun but also a member of the Board of Ngan Aak-Kunch Aboriginal Corporation that represents the five spiritual clans of the Wik Nation. I stand on the Board representing my family from the Watson River near Aurukun Township. My submission here is my own views, and it's from my heart. I would very much like the Senate Inquiry to ask how and why such a company like Glencore was selected as the company to mine the resources near our town, and when they so obviously don't care about long term economic benefits to our community.

If you have any questions, please contact me on

Sincerely,

Barbara Bandicootcha

NAK Director since March 2015

1. Page 4 from Glencore's community brochure, December 2014.

Glencore's Project Concept



- We are still at an early stage and we need to do more work
- Based on available information our current proposal involves:
 - Mining bauxite from the deposits near Coconut and Tappelbang creeks
 - Washing and screening the bauxite to produce six (6) million tonnes per year over 20 years
 - Using trucks to haul bauxite to a barge location
 - Putting the bauxite on a barge and transferring onto a ship offshore
- It would be a relatively small scale mine
 - 6 million tonnes per year vs RTA SoE Project at 22.5 – 50 million tonnes per year
- Our focus would be on maximising opportunity for the Aurukun community to be involved

2. **Front page to ABD / NAK community brochure (it was a 3-folded A4 pamphlet). I helped ABD hand this out in Aurukun in August 2015 to help stop the lies that had been incorrectly spread about the ABD/NAK joint-venture.**

GET THE FACTS!
What is ABD's partnership & offer with NAK?

Key Benefits:

- Two positions on operating Board
- 15% free shareholding in Project
- No liability, no financial risk
- Funds for early training
- Funds for local business set up
- Funds for independent legal & tax advice to NAK
- 70% local indigenous employment
- 75 year life of mine

WORKING TOGETHER TO ENSURE LANDS, WATERS AND CULTURE ARE 100% PROTECTED AND RESPECTED

3. **A snap shot from the www.abdmining.com.au site (on their homepage). They state 70 years – this is 35yrs (phase one) and 35yrs (phase two). There are additional years before (in their MDL phase) and after (for post mine rehabilitation) where more of our Aurukun locals will be employed.**

