



PRIME MINISTER

LUNCHEON FOR ALUMINA PLANT OPENING

GOVE, N.T.

Speech by the Prime Minister, the Rt. Hon. William
McMahon, C.H., M.P.

1 July, 1972.

Mr. Chairman :

I have been associated with Gove ever since the beginning. In those days it was a wasteland. In those days we couldn't have thought that the development that has now taken place could conceivably have eventuated. So you can imagine how I feel, coming to this area and being able to look around me and see what has happened today.

Your corporation is now the third largest - or at least Gove is now the third largest community in the Territory, and judged by what we have so far seen, it is a far cry from what I call "roughing it" in the days when I first came up here. And, too, this is one of the largest single-stage projects undertaken by private enterprise in Australia, and by far the largest in the Northern Territory.

The Territory itself, as you know, is the fastest growing area in Australia with a population averaging in growth about 9 per cent per annum. This could not have occurred unless developments like Gove had made such phenomenal growth possible.

And that is not all, because this project is an outstanding example of planned development of a remote area, and it is being developed on the Arnhem Land Aboriginal Reserve.

This unusual and novel location has and will continue to raise problems. But our problems must be understood and policies developed against the historical fact that over the years large areas of the Northern Territory - larger than the United Kingdom - or, if you want an Australian comparison, larger than Victoria, have been set aside as reserves for the use and benefit of the 22,000 aborigines who live here.

Some 110 leases of three and a half million acres have been approved on these reserves. The great majority of them have been approved for aboriginal communities. In recent times, we have approved three pastoral leases totalling about 5,500 square miles to aboriginal groups.

It is now part of the history of Gove that the aborigines on the Peninsula claimed hereditary rights to the land. The Territory's Supreme Court ruled that Yirrkala aborigines have no legal basis for their claim.

This decision led to a wide-ranging policy review. I think I have been associated in a very deep way with that Committee: And we had that review in order to find out exactly what we could do in order to ensure that not only do the aborigines have their reserves of which they have permanent occupation, but as well, we wanted to give them a tenure, which they would be able to use and use for their advantages.

I was able to announce on Australia Day, the 26th of January, exactly what we would do. A central feature of the statement I then made was the proposal for a new form of general purpose leaseholding. I well remember at the Cabinet discussions then and there deciding to call it a multi-purpose lease, because not only was it going to be used for a variety of purposes that were associated with mining or commercial purposes or anything else that might be involved in it. But we had these multi-purpose leases and we would grant them within aboriginal reserves, and those multi-purpose leases would, in fact, be renewed.

May I clear up something here, because if there is one difficulty I have felt over the time I have been associated with this, it is that either people didn't want to know, or if they knew, they didn't want to do anything about it.

But what I want to emphasise to you is that the reserves themselves are of permanent duration, and they are for the aborigines themselves. Within that we have the general purpose or the multi-purpose leases within those reserves, and of course they can be granted by the Loan Board on which there are two aboriginal representatives, and they can be renewed if the aborigine people themselves make the application and the Board itself decides they should be renewed.

For these reasons, I fail to understand (again as one who is profoundly committed to the ideal of giving the aborigine all the opportunity all the opportunities that a country can give) I cannot understand the constant criticism we still have about what the reserves mean, and what within those reserves the multi-purpose leases mean as well.

Now, at the same time as I mention these multi-purpose or general purpose leases, I think probably my friend, Ralph Hunt would prefer me to say...., at the same time we decided on a policy relating to mining on the aboriginal reserves.

We considered whether prospecting and development on reserves should be prohibited for the present. We concluded it was in the national interest - as well as in the interests of the aborigines themselves that mineral exploration and development should continue. But within this context, we are consulting with those aboriginal communities which might be affected, so that their welfare can be fully taken into account before mining applications are approved.

It is the policy of the Government to support the development of the private sector in order to create jobs and improve the standard of living of the people. The Government will continue to provide financial assistance to small and medium-sized enterprises and to encourage the growth of the private sector.

The Government will also continue to support the development of the agricultural sector in order to increase food production and to improve the living conditions of the rural population. The Government will continue to provide financial assistance to farmers and to encourage the growth of the agricultural sector.

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In the case of exploration applications, we have consulted with aborigines having bona fide traditional interests in the areas involved. The aim of these consultations has been to inform them of the type of work to be undertaken and to identify any sites of special significance which must not be disturbed.

As well, if aboriginal communities are interested in exploration rights, their applications may be granted preference, subject only to their ability to carry out an exploration programme - and not necessarily with sophisticated techniques.

In the case of most applications by non-aborigines, we expect exploration rights will be granted, and that satisfactory development conditions to protect the interests of aborigines can be negotiated. Where this cannot be done, or the Administrator believes development would be prejudicial to the aboriginal community, development rights may have to be deferred, for the time being.

These guidelines for development are aimed at securing the maximum involvement for aborigines in projects, and a real participation by them in their benefits.

There is one other aspect of prospecting for minerals that I think I should mention. It is important to know what mineralisation occurs on these reserves. And the only way to find out is to have a reasonable policy of exploration and development. We have done this without sacrificing in any way the interests of our own people, our own aborigines.

At Gove, royalties from the bauxite and alumina will be about \$550,000 initially. Within a few years, they are likely to exceed \$1 million per annum. This money will be paid into the aborigines benefits trust fund for all aborigines in the Territory.

In our review arising from the land rights decision, the Government decided that 10 per cent of the royalties from Gove should go to the Yirrkala community because of the special impact of this project on them.

When we announced that decision on Australia Day, no date was specified. I am now glad to announce that we approved arrangements only last week for this 10 per cent payment to apply retrospectively from the time of the first royalty on Gove bauxite, that is, 31 March 1970. This means the first payment to the Yirrkala community, which is now due and has been approved, will be \$21,488. This money will be paid into a special fund administered by the local Aboriginal Council whose representatives of the Yirrkala community are at this function today.

I have had the pleasure of talking to some of you previously about a number of your problems and I was glad of the opportunity to visit you yesterday. I realised then, more than I have done before how the people of two separate and distinct cultural backgrounds are living close together here.

One group, the aboriginal people, is in a less favourable position to cope with the problems presented by a new community nearby. This is not only a problem for government or the management of Nabalco.

It is a problem which concerns everyone who lives here. It is a problem that concerns the Northern Territory Administration, and my colleague Ralph Hunt. It is a problem that concerns me and my Government.

In such situations a balance of interest naturally has to be struck. I think that whenever questions of competing interest arise, we have to find a fair balance between the interests of the aborigines and the general community.

To put it very simply, those who come here to develop the natural resources should be prepared and ever ready to understand the views of the aboriginal people and to make concessions to their views. Unless this is done, the result could be a social environment unacceptable to any of the residents.

It is therefore most important that the European community, the main workforce on the ground at Gove, develops good and happy relations with the aborigines.

The development of Nhulunbuy is of particular interest to me and my Government. It is one of the few examples where the Commonwealth has participated directly with private enterprise at the initial development stage.

Nhulunbuy was built at a cost of \$45 million of which the Commonwealth is contributing nearly one-third. Private enterprise has taken the balance and has shouldered the major burden of infrastructure in this multi-million dollar project. There has been a splendid contribution here for the benefit of the aborigines and Nabalco alike.

Surely, and for me particularly as Prime Minister, it is worthy of special recognition that the Gove partnership has taken big commercial and social risks and has been able to achieve our goals in their own interests, and those of the nation, and they have beaten all their target dates.

An objective of our policy in the negotiations with the Gove Companies to which I would like to especially refer - and I want to do so again for background of contemporary social thought and trends - was our desire to minimise ecological changes in the environment and to avoid the effects of pollution.

Stringent conditions were imposed relating to reclamation and regeneration. We will want to know that the companies affected accepted these obligations more than five years ago, and they have lived up to every single one of them.

This in itself provides the perfect answer to those who claim for their own reasons that the Government and the mining industry have given little thought in the past to environmental matters.

From their past performance, we know that the companies have a genuine wish to co-operate with the Government in every way, not least in the fields of aboriginal advancement and environmental protection.

It is worth recording - and I can probably record this in a stronger way than most people - that the Gove Agreement was negotiated long before my statement of January on aboriginal policies. Indeed, I can emphasise, that this agreement in some ways led to that statement.

We in the Government look forward with confidence to continued co-operation with the partnership in this and in other fields.

Having said all this, may I now ask you - every one of you - to please charge your glasses and drink with me a toast to the joint venturers for their contribution to the development of our North and to the development of our own country.
