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PRIME MINISTER

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The Government has decided to reduce greatly the area known as the Kakadu Conservation Zone and correspondingly increase the area of Kakadu National Park. The remaining area, from Coronation Hill to El Sherana, will be the subject of concurrent inquiry processes as outlined below.

Reducing the Conservation Zone

A Government decision of 4 June 1987 laid down the following principles for the resolving of the final boundaries of Kakadu Stage III and the Conservation Zone

- (a) there will not be any increase in the overall size of the Conservation Zone;
- (b) any change should, as far as possible, involve an increase in the size of the South Alligator River catchment within the Park; and
- (c) any change should, as far as practicable, maximise the area of Park around sites of particular environmental and heritage value.

In accordance with the thrust of that decision, especially points (b) and (c), the Government has now decided to reduce the Conservation Zone to the strip of leases bounded by Coronation Hill and El Sherana.

This will put into the Park the entire catchment area of the South Alligator River except for that exploration strip where mining exploration work has been carried out. As compared with this strip, nowhere else in the present Conservation Zone has there been investment in exploration.

Because of the very great importance Australians properly attach to Kakadu and the greatly increasing value of the area in terms of tourism, the Government has decided that it could not responsibly err on the side of risk to the Kakadu wetlands fed from the catchment area. Our international obligations arising from the World Heritage listing underline the need for our position to be one of maximum care and protection, rather than taking chances.

Inquiries

The first inquiry arises from a request already received from the Jawoyn Association by the Minister for Aboriginal Affairs, Mr Hand, to issue a declaration protecting the Sickness Country — which includes Coronation Hill and El Sherana. This request has been made under the Commonwealth's Aboriginal and Torres Strait Islander Heritage Protection Act.

The Jawoyn have also applied under the Northern Territory Aboriginal Sacred Sites Act for the Sickness Country to be registered as a Sacred Site.

The advice available to the Commonwealth Government was that the Minister for Aboriginal Affairs can nominate a person to prepare a report under sub-section 10(4) of the Heritage Protection Act in anticipation of the possibility that a certificate will be issued under the Sacred Sites Act allowing disturbance of the land. The Minister has decided to do so.

Seeking a report at this stage on the Aboriginal heritage application will place the Minister in a better position to deal with the application should the Northern Territory Sacred Sites Authority or the Northern Territory Minister for Lands agree to an application for mining or exploration in the area that is unacceptable to the Jawoyn. The calling for a Heritage Act report now will avoid delay in dealing with the application, noting that the Northern Territory Minister for Lands has said publicly that the Jawoyn would have recourse to the Commonwealth legislation should the Northern Territory Government reject the Jawoyn application.

The particular circumstances of this case, whereby the issue of mining or exploration licences is the Commonwealth's responsibilty, distinguishes it from the usual situation whereby the Northern Territory would have this role. In these more usual situations, the Commonwealth would only need to consider seeking a report in the event that it is asked to intervene after the NT processes have been completed but are seen by the Aboriginal custodians as not providing adequate protection.

The second inquiry relates to economic and environmental considerations. The Government has received an Environmental Impact Study on Coronation Hill.

If this were the only relevant consideration the Government could be expected to take a decision at this point as to mining, subject only to proper processes regarding Aboriginal claims.

But this is not the case. There is a series of leases along the South Alligator River extending from Coronation Hill to El Sherana. The Coronation Hill mine and the nearby El Sherana deposit would have their ores processed at a single treatment plant close to Coronation Hill. Consequently, El Sherana and Coronation Hill, taken together, or in conjunction with development of other leases between the two, could well have a size and complexity of operation which would have a total impact representing an unacceptable hazard to the wetlands of the existing World Heritage area. Any development of El Sherana would mean significant modification and expansion at Coronation Hill including extra processing, storage and tailings facilities.

Moreover, even if they were separate operations the cumulative risk they pose to the Park might be judged as excessive.

The El Sherana mineral deposit might prove to be far richer than the one at Coronation Hill. Approval now for Coronation Hill therefore could prejudice the possible development of a potentially richer ore body at El Sherana were the Government later to judge that the risk could only justify one mine.

Therefore the Government has decided that over and above the EIS covering only Coronation Hill, it needs a single coherent assessment of the economic and environmental considerations relating to this strip along the river.

Inquiry Processes

The Resource Assessment Commission (RAC) has been set up by the Government to conduct inquiries into major, complex and contentious resource use issues, with the object of improving the basis on which the Government's decisions are made. Among the matters which it may be required under the Act to address are the environmental, cultural, social, economic and other values of the resource under reference and the losses and benefits involved in various alternative uses, or combinations of use of that resource.

In view of the important conservation and economic values of the Coronation Hill to El Sherana exploration area, the degree of public interest, and the need to weigh up perfectly legitimate but competing claims on the future use of the area, the Government has decided to ask the RAC to undertake an Inquiry into the environmental values of that area, together with the impact on these values and on the values of Kakadu National Park of possible mining operations there. In accordance with previous Cabinet Decisions the RAC will also be asked to assess the national economic significance of possible mining developments in the area.

This will provide the opportunity for an independent and full assessment of both the flora and fauna values of the region and the region's potential significance as a source of mineral wealth. All interested parties will have the opportunity to put their case. To date there has been no such independent forum at which they can do so.

The Government fully appreciates that there is not at this stage the specific information on other possible mines in the strip to permit the RAC to provide a report comparable in detail to an EIS as such. But what the Government does expect to receive is an assessment providing a better overall perspective from which to make a final decision on Coronation Hill.

The Government would expect to have such a report within twelve months.

Regarding the Aboriginal application, certain of the issues to be addressed in the Heritage Act report have some degree of overlap with issues which might appropriately be addressed in a Report from the RAC.

Because of the inter-relationship of issues between the two inquiries, it is sensible for them to be conducted concurrently, with some overlap of membership between the two.

Justice Stewart, the Chairman of the RAC, therefore will chair the Aboriginal Heritage inquiry. There is also expected to be other commonality between the two; for for example a resource economist and an environmental expert. Under the Heritage Act reference, appointment of an anthropologist might also be appropriate.

This approach will enable the Government to move ahead concurrently rather than sequentially in addressing all issues on which outside independent advice is desirable. It will avoid covering similar ground twice at different points in time. In the final analysis this is in the interests of all concerned - the Aborigines, the miners and the environmentalists.