Creating Indigenous Advantage from Resource Development: Western Cape York, Queensland, Australia.

Dr Sharon Harwood (JCU), Jesse Marnock (JCU),
Professor Dean Carson (CDU)

Acknowledgment of Country

- We acknowledge the Innu community of Uashat mak Maliotenam as the first inhabitants of the lands and waters in which we gather today and pay our respects to their Elders, past, present and emerging.
- In the spirit of reconciliation, we also acknowledge the valuable contribution that the Cree, Inuit, Innu, Sami and Kanak people are making to our collective learning journeys.

What is a Sustainable Indigenous Livelihood?

JAMES COOK UNIVERSITY AUSTRALIA

- What is a Sustainable Indigenous Livelihood (SIL) comprised of? If we do not know what a SIL is, then, how do we know what the impact of resource developments are upon achieving/maintaining SIL?
- If we do not know what a SIL looks like then how can we mitigate the impacts of resource development?
- **SIL = achieve and maintain (current/baseline)**
- **SIA strategies = SIL - impacts of resource development**
- If we are trying to achieve Indigenous Advantage from resource development, then what actions are required?
- **Indigenous Advantage = transformational, Indigenous led, future orientated and post resource development focused**.

What is this presentation about?

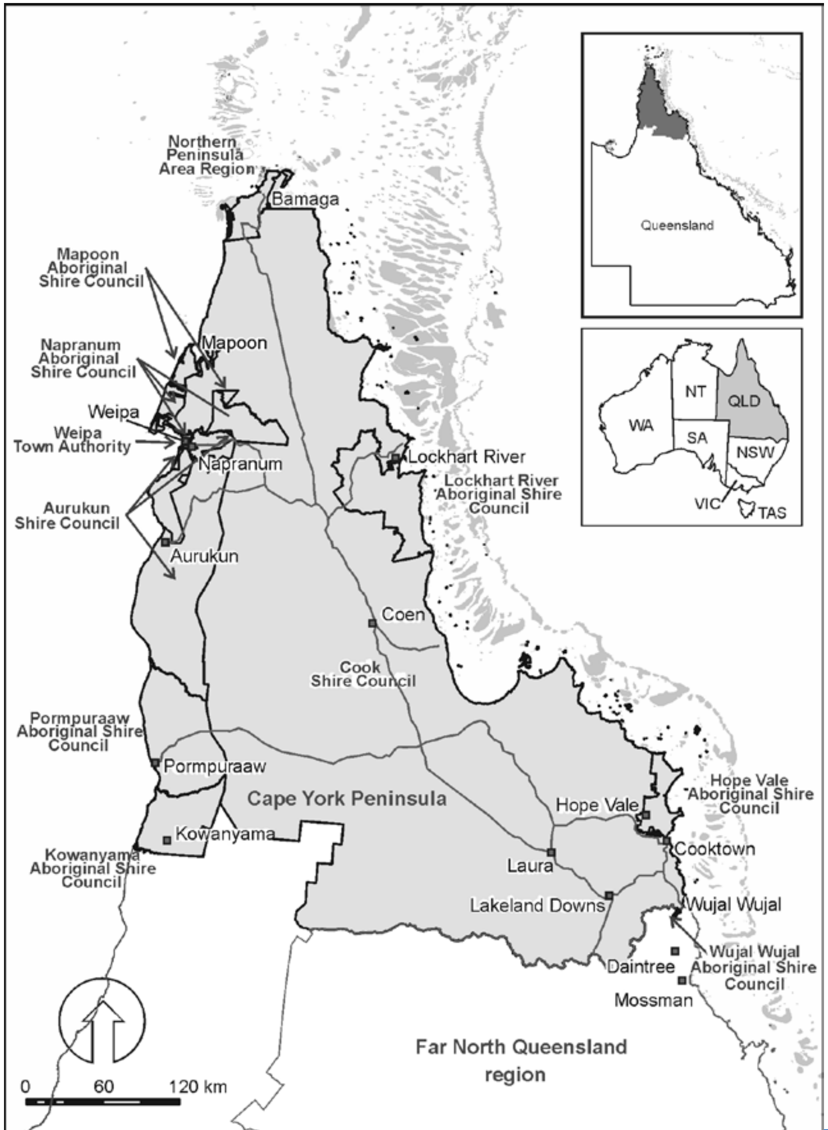
This year marks the 50th anniversary of the signing of the Mining Lease granted to Comalco for the development of bauxite deposits in and around the Western Cape York Peninsula. At that time Aboriginal people were not permitted to vote, nor were they recognized as the owners of the land. The Aboriginal people of the region owned their land through lore and custom, but were not consulted about mining development, and therefore not party to any negotiations about how their land would be used.

Background

In 1992 the Federal Court of Australia (FCA) acknowledged that Australia was not Terra Nullius and that a system of Aboriginal land ownership predated European settlement. In 2001, and before the Aboriginal owners of the land had their application for Native Title 'Determined' by the FCA, the Western Cape Communities Co-Existence Agreement was made between the proponent of the time 'Comalco' as a subsidiary of Rio Tinto, and the 11 Clan groups.

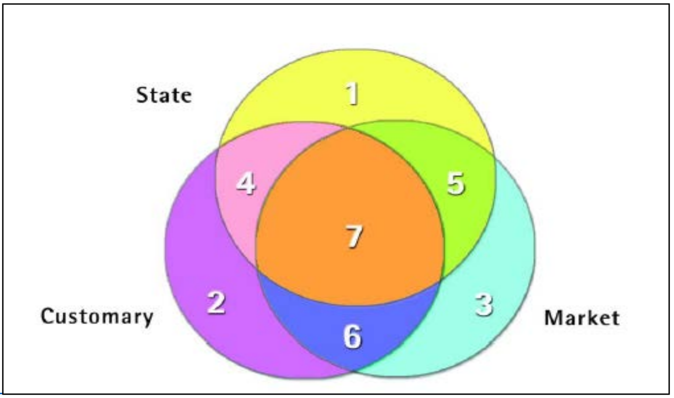
The Agreement is comprised of about $2.5 million annually that is paid to the Western Cape Communities Trust (WCCT), with an additional $500 000 to be spent on employment and about $1.5 million contributed by the Queensland government. This agreement was made 17 years ago and about $42 million has been paid by the proponent directly to the WCCT.

Western Cape York



SIL & Altman

- No definite definition of Sustainable Indigenous Livelihood
- Altman’s Hybrid Economic Model
  - Market – productive private sector
  - Customary – non monetary productive activities
  - State – the provider of services interaction between
- Insinuations to this model



Context - Time

- Indigenous history
  - Inter and Intra generational knowledge
    - Culture, stories, language, traditional knowledge, connection to Country is passed down (Matunga, 2013)
  - Provides empowerment and self-determination (Smith, 2012)
    - Platform for story telling of Indigenous perspectives
  - Sign of respect

Context - Space

- Current connection to Country – traditionally and legally
- Location of Indigenous lands
- Every indigenous settlement shouldn't be treated the same
  - Different values, and goals
  - Treaty or Sovereignty?

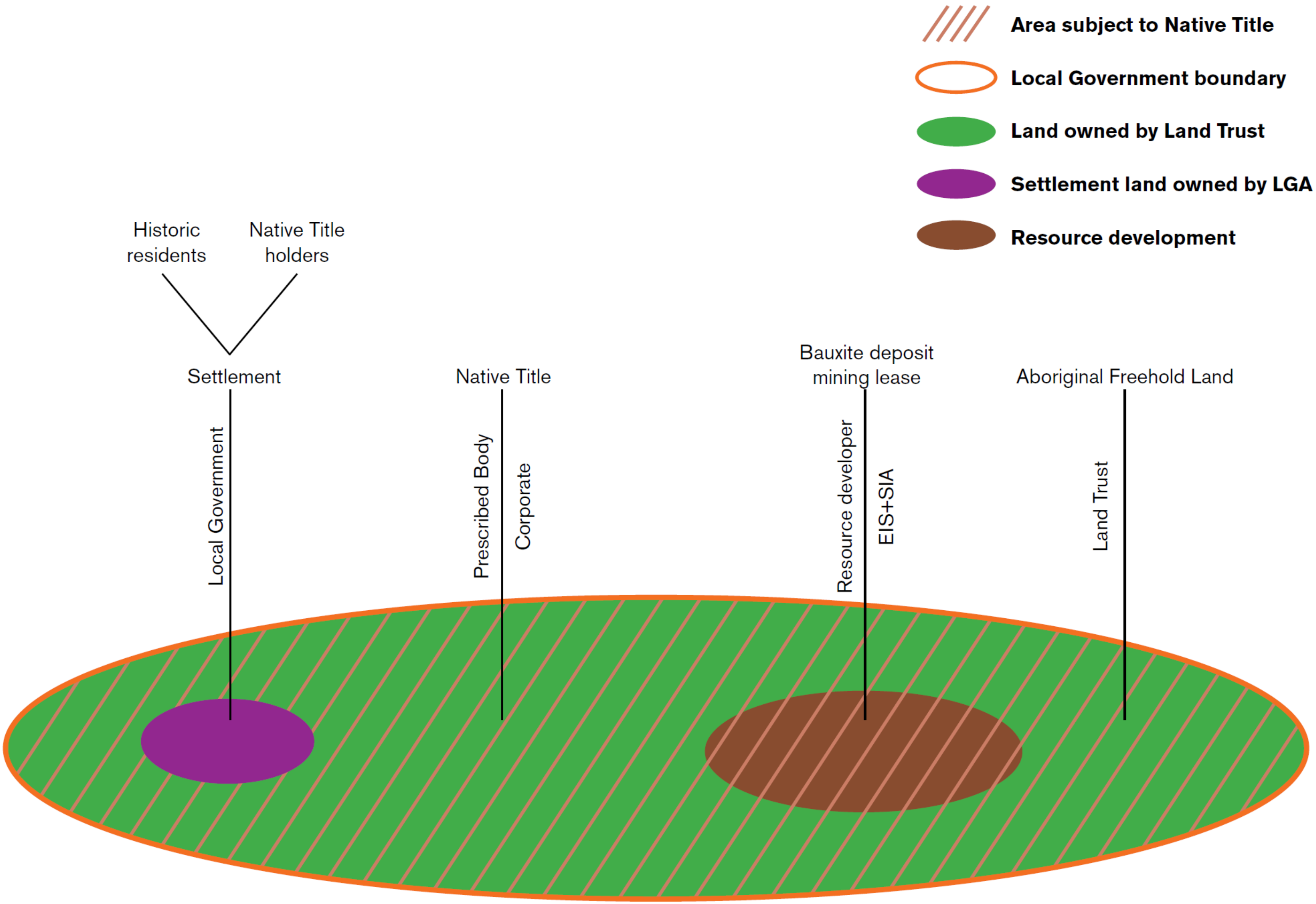
A Brief history

Prior to the establishment of the mission settlements of Aurukun, Mapoon, Napranum and Weipa the Aboriginal people of the region had lived their lives in accordance with their traditions, lore and customs since time immemorial. When the European and Asian settlers came to north Queensland through mining and pastoralism, Aboriginal people were violently dispossessed of their lands and exposed to diseases never experienced before. Both the Methodist and Catholic Churches obtained funds and established settlements in very remote locations to address the 'Aboriginal Problem' (Long 1970), which required complete isolation from the settlers.

JAMES COOK UNIVERSITY AUSTRALIA

The management of the church mission settlements was transferred to the State government in the mid 1960's.

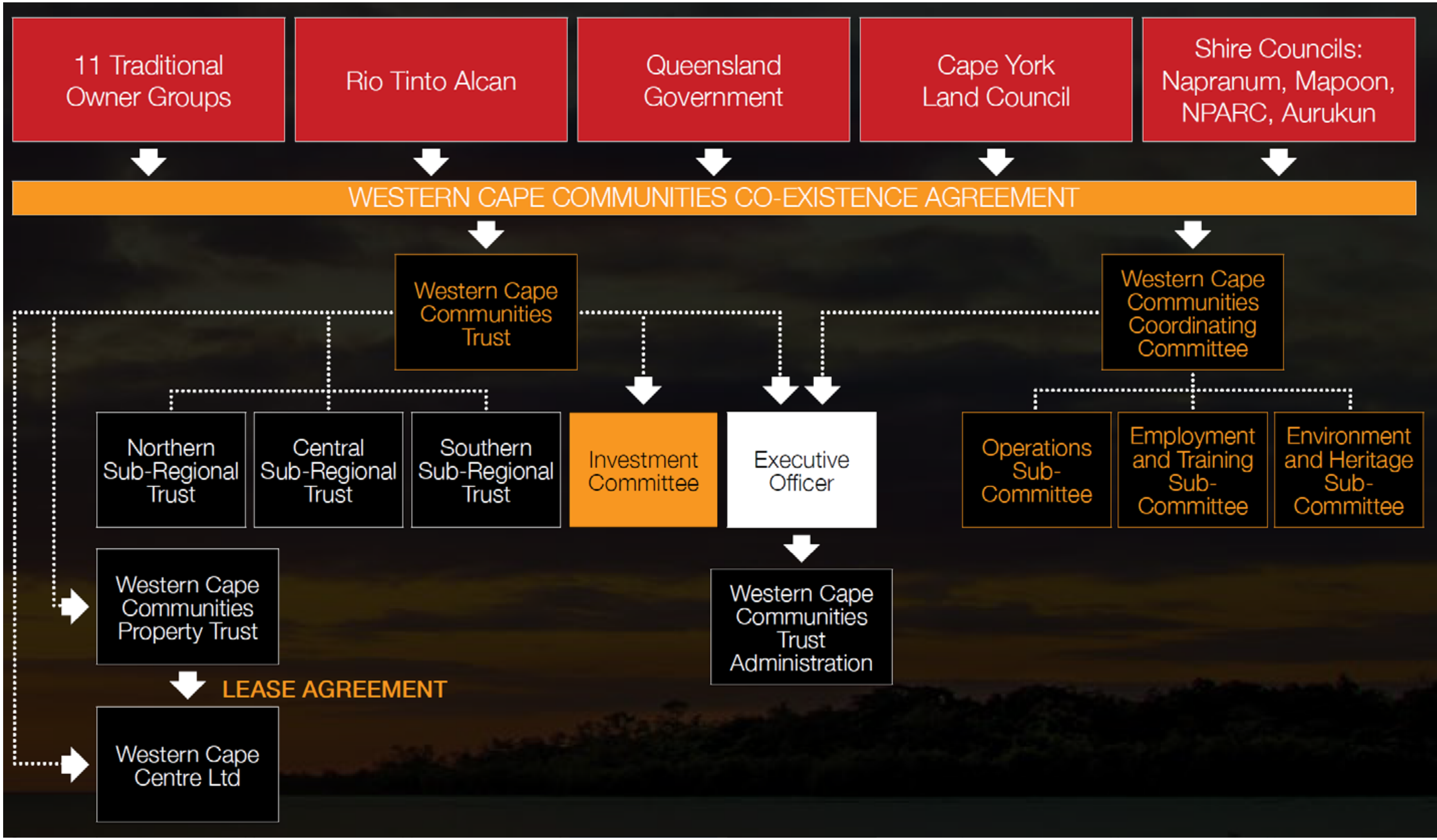
Over time the settlements became firstly Aboriginal community councils in the 1980's, and then more recently (in 2007) Local Government Authorities (LGA's) – mostly referred to as Aboriginal Shire Councils - with several more service delivery obligations than mainstream local authorities. Weipa however, ceased being a mission settlement in 1966 and in 1967 became a mining company town. It has remained a company administered township and provides a slightly more narrow range of service provisions in comparison to the neighbouring LGA's.


Area subject to Native Title
Local Government boundary
Land owned by Land Trust
Settlement land owned by LGA
Resource development
Historic residents
Native Title holders
Settlement
Local Government
Native Title
Prescribed Body
Corporate
Bauxite deposit mining lease
Resource developer
EIS+SIA
Aboriginal Freehold Land
Land Trust

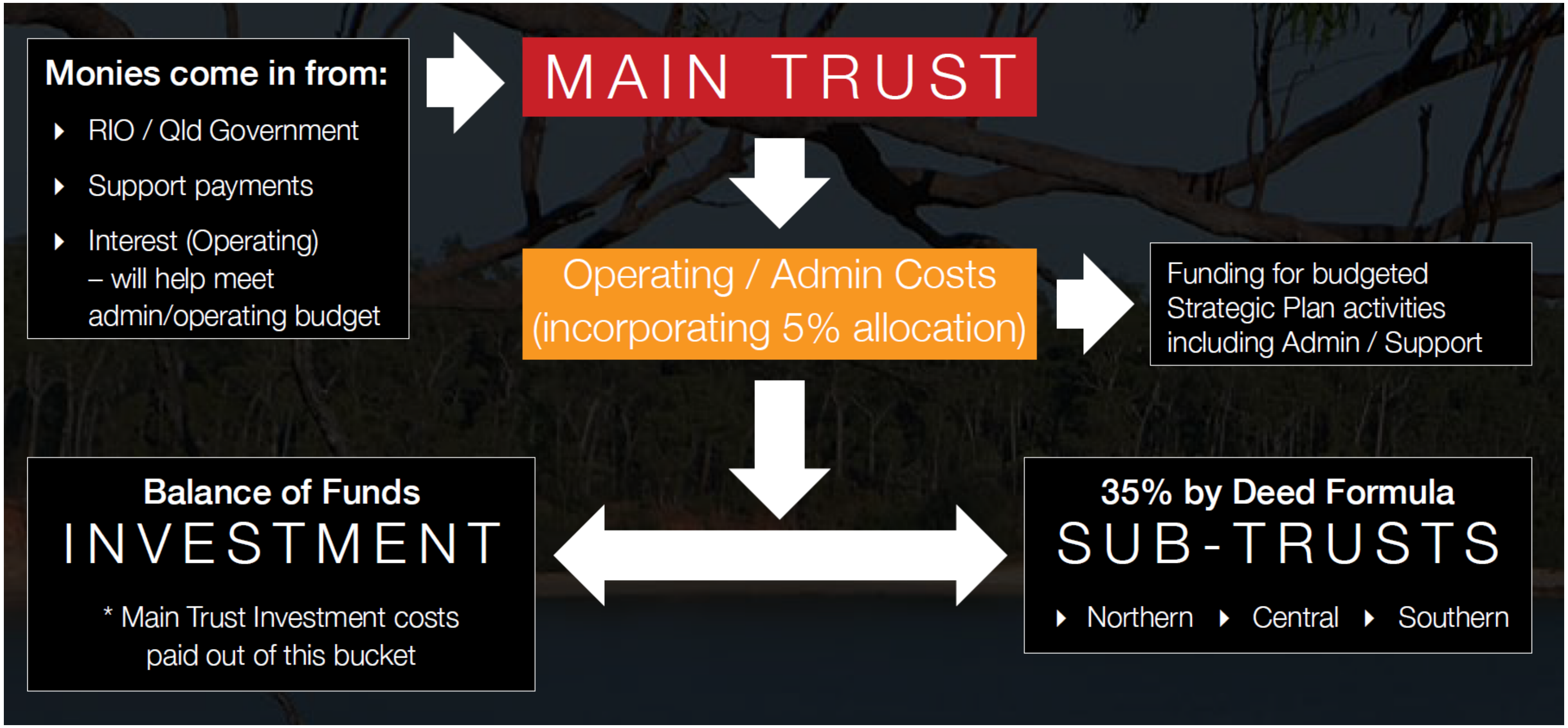
The Agreement (WCCCA)

The WCCCA is a multi lateral agreement between the 11 Traditional Owner groups, four Aboriginal Community Councils (now mainstream local governments), Rio Tinto, Cape York Land Council and the Queensland Government. Inclusions in the WCCCA (Harvey 2004):

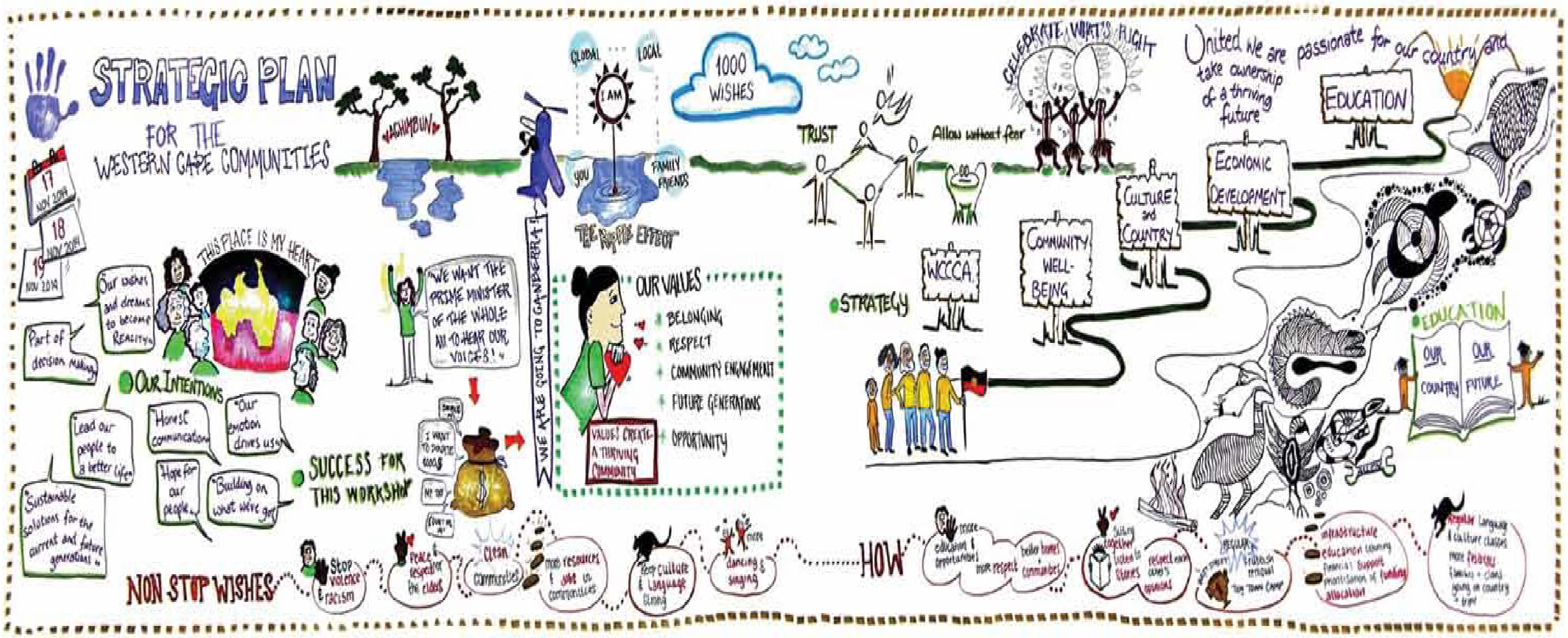
- Native Title Act recognition and the registration of the agreement as an ILUA;
- Progressive relinquishment of the mining lease no longer needed for mining – to the state government to return to Aboriginal ownership;
- $2.5million per annum (minimum – depending on production growth and aluminum prices) from Riot Tinto paid into a Trust fund.
- $500,000 per annum to be spent on employment, training and youth education
- State government contribution of $1.5 million to the Trust for allocation to community development projects
- Cultural heritage protection planning and cultural awareness training for all staff;
- Support for community development, Aboriginal Business enterprises and outstations in suitable areas on the mining lease.


11 Traditional Owner Groups
Rio Tinto Alcan
Queensland Government
Cape York Land Council
Shire Councils: Napranum, Mapoon, NPARC, Aurukun
WESTERN CAPE COMMUNITIES CO-EXISTENCE AGREEMENT
Western Cape Communities Trust
Western Cape Communities Coordinating Committee
Northern Sub-Regional Trust
Central Sub-Regional Trust
Southern Sub-Regional Trust
Investment Committee
Executive Officer
Operations Sub-Committee
Employment and Training Sub-Committee
Environment and Heritage Sub-Committee
Western Cape Communities Property Trust
Western Cape Communities Trust Administration
LEASE AGREEMENT
Western Cape Centre Ltd

Funding Model of WCCCT



Strategic Plan



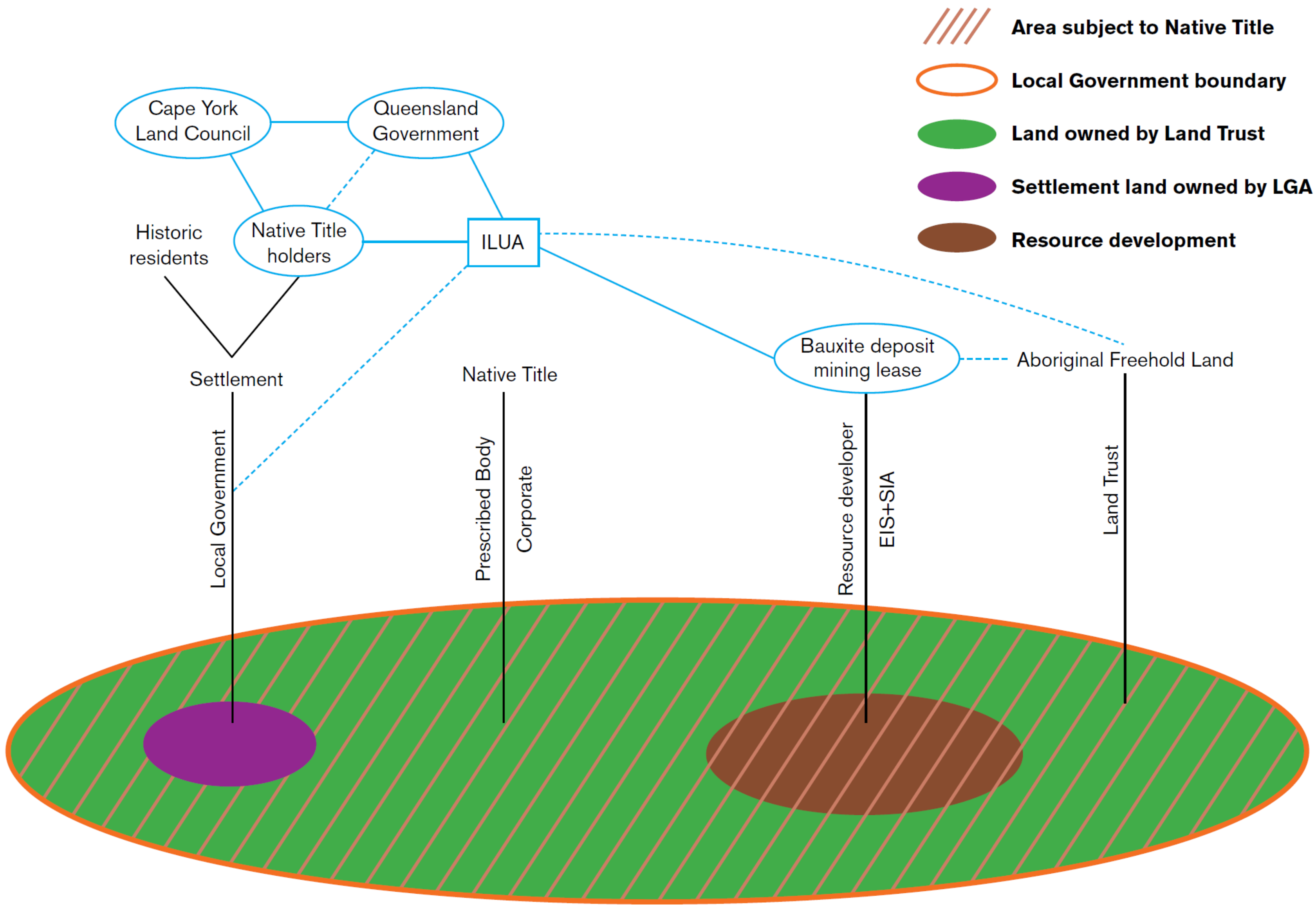
Trust funds can only be used for the following <u>charitable</u> purposes:

- relief of poverty, and needs arising from old age or sickness and distress;
- advancement of education;
- advancement of religion; and/or
- other purposes beneficial to the Community.

The Subsidiary Trusts

How can the money be spent?

1. Community Development – but no Economic Development
2. Community Support – whitegoods (refrigerators, washing machines, linen, kitchen appliances and the like), sporting activity (training camps including travel and accommodation), Support for sickness/disability (medical equipment), Cultural activities (festivals, arts and crafts, recording key aspects of culture, men and women's groups), Church Activities (facility maintenance, church activities and Christmas activities), Donations (Christmas and community events);
3. Traditional Owner groups – Education bursaries (funding language, literacy and numeracy, VET support, primary, secondary and information technology), Funeral assistance (expenses and tombstones), Outstation establishment (feasibility for establishment, equipment and rangers).


Area subject to Native Title
Local Government boundary
Land owned by Land Trust
Settlement land owned by LGA
Resource development
Cape York Land Council
Queensland Government
Native Title holders
Historic residents
ILUA
Settlement
Native Title
Bauxite deposit mining lease
Aboriginal Freehold Land
Local Government
Prescribed Body
Corporate
Resource developer
EIS+SIA
Land Trust

SIA's and ILUA's

- The WCCC Agreement is an ILUA
- In 2017, the Queensland Government created and enacted the Strong and Sustainable Resource Communities Act (2017).
- This piece of legislation will be applied to all major resource developments – retrospectively – of which the Bauxite deposits in and around Weipa are included.

Strong and Sustainable Resource Communities Act (2017)

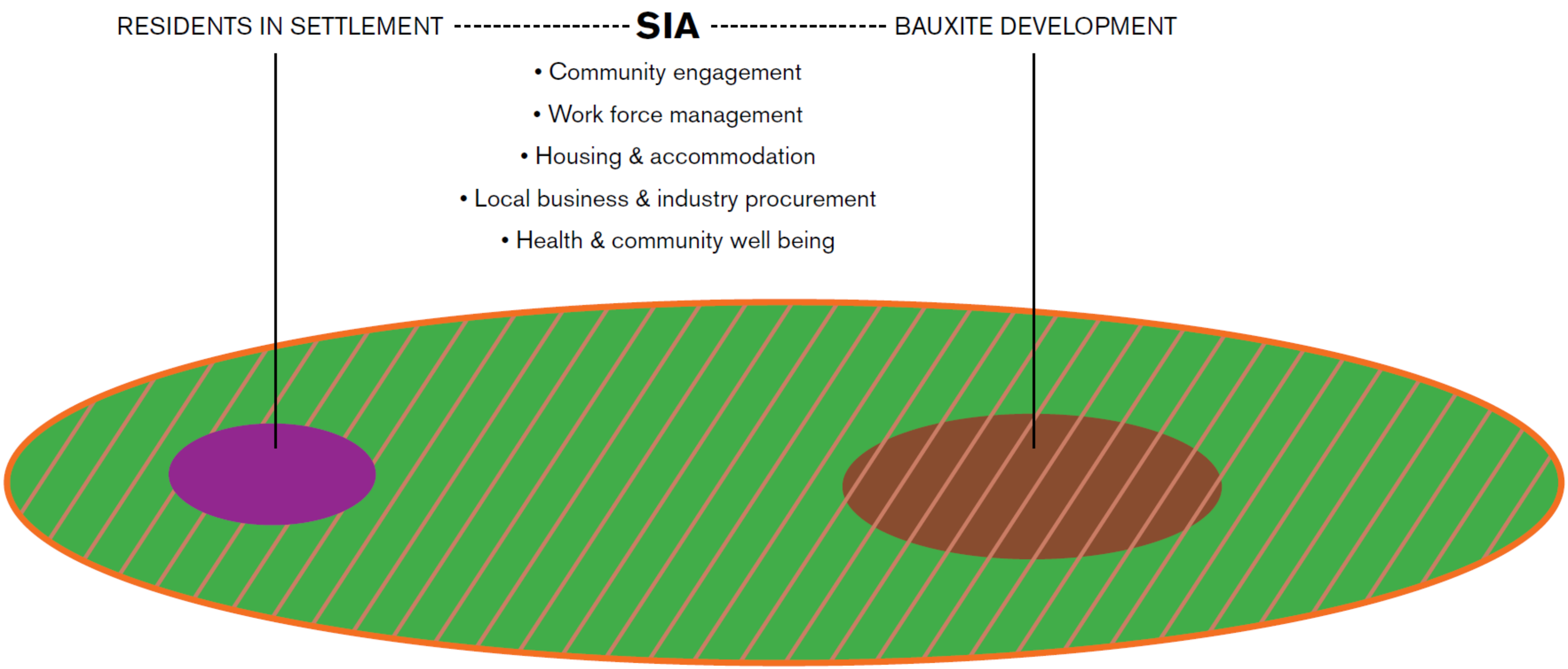
The object of the SSRC Act is to ensure that residents of communities near large resource projects benefit from the construction and operation of the projects.
The Act provides the regulatory framework for the SIA of large resource projects. This framework includes provisions for the following:

- the matters SIA must provide for in relation to a project
- adoption of a recruitment hierarchy, prioritising recruitment from local and regional communities first, then recruitment of workers to the regional community
- Coordinator-General conditions to manage the potential social impacts of a project
- enforcement provisions for conditions stated by the Coordinator-General to manage the potential social impacts of a project.

The other provisions include:
• prohibition of 100 per cent fly-in, fly-out (FIFO) workforce arrangements on operational large resource projects
• prevention of discrimination against locals in the recruitment of workers
• monitoring and compliance.
The SSRC Act ensures that the framework for SIA is consistently applied to large resource projects that require an EIS

SIA PROCESS

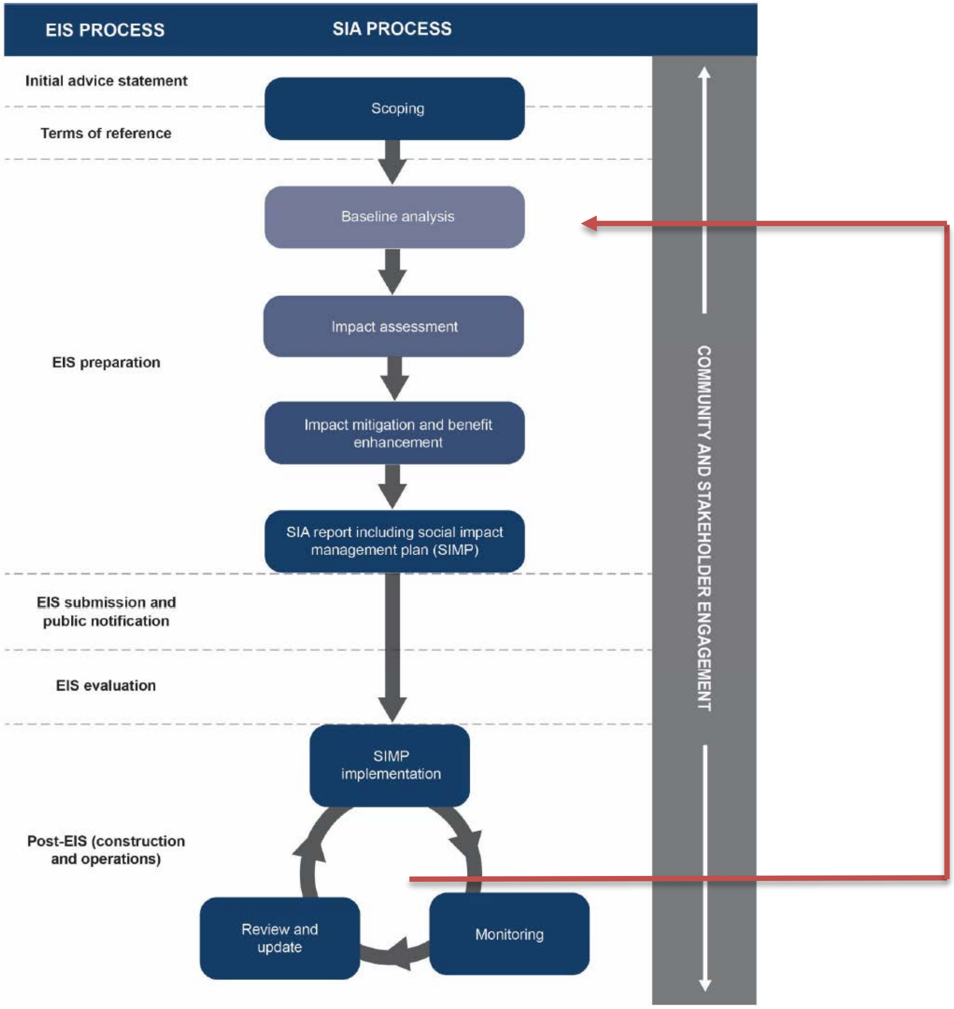
Area subject to Native Title
Local Government boundary
Land owned by Land Trust
Settlement land owned by LGA
Resource development



RESIDENTS IN SETTLEMENT
SIA
BAUXITE DEVELOPMENT
• Community engagement
• Work force management
• Housing & accommodation
• Local business & industry procurement
• Health & community well being

Overview of the SIA

Figure 1: Integration of the SIA process with the regulatory EIS process



This red arrow represents the flaw in the system. The original baseline and the relationship between the SIMP and its mitigations are never able to be revisited, let alone be used to create Indigenous Advantage.

A few notes on the system

- The SSRC Act is being applied retrospectively to all major resource developments. That is the Western Cape York Bauxite developments.
- There is no relationship between the Native Title holders agreement (ILUA) and the proponent with the SIA.
- There is no feedback mechanism in the system to go back to the scope and baseline and make sure that the mitigations reflect the population characteristics.
- The big question?? How do affected parties use the resource development as an opportunity to lever other forms of development – eg. Housing construction or tourism development?
- Need to also consider the dynamics of the population in each settlement. Such as there are some people in the settlement who are Native Title holders and therefore party to an ILUA deal, and others who are not. For those who are not…..how to mitigate impacts upon their livelihoods?

Demographics

High rates of Population growth

The average annual growth rate of the resident population between 2007 and 2017 of Mapoon and Weipa exceeds the state average. The data also shows that despite the –0.4 average annual growth rate experienced at Aurukun between 2012 and 2017 that the other settlements of Mapoon, Napranum and Weipa all exceed the Queensland average.

Estimated Resident Population for LGA/Region/State

LGA/Region/ State	Number			Average Annual Growth Rate	
	2007	2012	2017	2007-2017	2012-2017
Aurukun	1,164	1,372	1,343	1.4	-0.4
Mapoon	254	291	326	2.5	2.3
Napranum	881	923	1,028	1.6	2.2
Weipa	3,133	3,681	4,133	2.8	2.3
Case Study region	5,432	6,267	6,830	2.3	1.7
Queensland	**4,111,081**	**4,569,863**	**4,928,457**	**1.8**	**1.5**

Source: Queensland Government Statisticians Office 2018

Aboriginal and Torres Strait Islander Peoples

The Townships of Aurukun (90.4%), Mapoon (89.4%) and Napranum (94.8%) have high proportions of Indigenous residents. Weipa has a much lower (19.5%) proportion of Indigenous people within the total population. This would be due to the influx of non-Indigenous migrants for work in the mining sector.

Aboriginal and Torres Strait Islander Peoples

	Indigenous Persons	Non Indigenous Persons		Total Persons				
LGA/Region / State	**Aboriginal**	**Torres Strait Islander**	**Both**	**Total**				
	Number	Number	Number	Number	%	Number	%	Number
Aurukun	1,058	26	67	1,147	90.4	89	7.7	1,269
Mapoon	164	3	110	277	89.4	30	9.7	310
Napranum	507	79	313	907	94.8	47	4.9	957
Weipa	260	218	289	763	19.5	2,739	70.1	3,905
Case Study region	1,989	326	779	3,094	48.0	2,914	45.2	6,441
Queensland	148,943	21,053	16,493	186,482	4.0	4,211,020	89.5	4,703,193

Source: Queensland Treasury 2018 (ABS Census of Population and Housing 2016, Aboriginal and Torres Strait Islander Peoples profile)

* includes Indigenous status not stated

Socio Economic Index

The Socio Economic Index for Areas (SEIFA) measures the social and economic conditions of areas across Australia and is generated by the ABS from the Census of Population and Housing data. The quintiles are derived by Queensland Treasury to illustrate the degrees of disadvantage. Queensland figures are smoothed across 5 equal quintiles and are used for comparative purposes. The relative position in these quintiles is dependent upon the proportion of low income earners, highest level of education attainment, unemployment and dwellings without motor vehicles. indicates that the three remote and discrete Aboriginal settlements of Aurukun, Mapoon and Napranum are 100% within the MOST disadvantaged quintile.

SEIFA Quintiles

LGA/Region/ State	Quintile 1 (most disadvantaged)	Quintile 2	Quintile 3	Quintile 4	Quintile 5 (least disadvantaged)
				%	
Aurukun	100.00	0.0	0.0	0.0	0.0
Mapoon	100.00	0.0	0.0	0.0	0.0
Napranum	100.00	0.0	0.0	0.0	0.0
Weipa	0.0	0.0	9.8	55.3	34.9
Case Study region	39.5	0.0	5.9	33.5	21.1
Queensland	20.0	20.0	20.0	20.0	20.0

Source: Queensland Government Statisticians Office 2018

Unemployment

The data presented in the table below, highlights the unemployment in each LGA for the December 2017 quarter (with the exception of Aurukun). Aurukun has the highest rate of unemployment (66.6%) whereas Weipa has the lowest (2.9%). Aurukun unemployment rate is 10 times the Queensland rate and Weipa is one half. There is extreme disparity experienced in the case study region whereby Weipa has jobs and the others do not.

Unemployment and Labour Force

LGA/Region/ State	Unemployed	Labour Force	Unemployment Rate
	Number		%
Aurukun*	213	320	66.6
Mapoon	28	101	27.7
Napranum	92	328	28.0
Weipa	66	2,246	2.9
Case Study region	394	3,016	13.1
Queensland	156,627	2,506,666	6.2

Source:
**Queensland Government Statisticians Office 2017* (March quarter 2017) (N/A for Dec 2017 quarter)
Queensland Government Statisticians Office 2018 (December quarter 2017)

Employment by Industry

Employment by Industry	Aurukun		Mapoon		Napranum		Weipa		Case Study Region		Queensland	
Employment by Industry	#	%	#	%	#	%	#	%	#	%	#	%
Agriculture, forestry and fishing	4	1.7	0	0	5	3.3	10	0.5	18	0.7	60,608	2.8
Mining	6	2.6	7	8.5	41	26.8	906	42.1	960	36.7	49,997	2.3
Manufacturing	3	1.3	3	3.7	3	2.0	143	6.6	152	5.8	128,787	6.0
Electricity, gas, water and waste services	0	0	3	3.7	0	0	13	0.6	16	0.6	23,883	1.1
Construction	15	6.5	3	3.7	4	2.6	105	4.9	127	4.9	191,338	9.0
Wholesale Trade	0	0	0	0	0	0	18	0.8	18	0.7	56,370	2.6
Retail Trade	17	7.4	3	3.7	6	3.9	103	4.8	129	4.9	211,778	9.9
Accommodation and Food Services	0	0	0	0	0	0	108	5.0	108	4.1	156,670	7.3
Transport, postal and warehousing	3	1.3	0	0	4	2.6	67	3.1	74	2.8	108,083	5.1
Information media and telecommunications	0	0	0	0	0	0	3	0.1	3	0.1	25,265	1.2
Financial and insurance services	0	0	0	0	0	0	11	0.5	11	0.4	54,286	2.5
Rental, hiring and real estate services	0	0	0	0	0	0	25	1.2	25	1	42,500	2.0
Professional, scientific and technical services	0	0	0	0	3	2.0	19	0.9	22	0.8	133,6524	6.3
Administrative and support services	6	2.6	4	4.9	14	9.2	61	2.8	76	2.9	75,336	3.5
Public administration and safety	67	29	37	45.1	48	31.4	63	2.9	215	8.2	140,164	6.7
Education and Training	31	13.4	4	4.9	3	2.0	191	8.9	220	8.7	192,143	9.0
Health care and social assistance	24	10.4	8	9.8	14	9.2	174	8.1	220	8.4	276,945	13.0
Arts and Recreation Services	9	3.9	0	0	0	0	6	0.3	15	0.6	33,667	1.6
Other services	34	14.7	3	3.7	14	9.2	47	2.2	98	3.7	83,479	3.9
Total	**237**	**100**	**85**	**100**	**184**	**100**	**1,845**	**100**	**2351**	**100**	**2,039,275**	**100.0**

Source: Queensland Treasury 2018 (ABS Census of Population and Housing 2016)

Note:
Weipa is a private industry town, whereas the others are virtually dependent on government money

Total Personal Income

The Aboriginal settlements of Aurukun, Mapoon and Napranum have disproportionately high rates of people earning low incomes. The median income per year indicates regional disparity, but again highlights that the range of salaries in Weipa are much higher than Queensland overall experiences.

Total personal income

LGA/Region/ State	Less than $20,880/pa	$20,880 to $51,999/pa	$52,000 to 103,999/pa	$104,000 or more pa	Median ($/year)
	%				$
Aurukun	72.5	13.9	7.2	1.2	13,520
Mapoon	51.8	31.7	8.9	1.3	18,980
Napranum	64.8	20.8	9.0	3.9	14,560
Weipa	14.8	18.8	33.4	19.9	68,640
Case Study region	34.9	18.8	23.7	13.1	36,749
Queensland	28.4	33.0	22.2	7.1	34,320

Source: Queensland Government Statisticians Office 2018 (ABS Census of Population and Housing 2016)

Total Family Income

Weipa experiences significantly higher family incomes than Queensland overall and significant disparity exists within the residents of the Aboriginal settlements; for example, Mapoon experiences higher salaries than Aurukun and Napranum.

Total family income

LGA/Region/ State	Less than $33,800/pa	$33,800 to $77,999/pa	$78,000 to $155,999/pa	$156,000 or more pa	Median ($/year)
	%				$
Aurukun	48.4	39.2	8.8	2.6	35,256
Mapoon	12.5	31.3	20.3	0.0	52,780
Napranum	35.8	39.1	16.7	6.5	40,352
Weipa	2.3	7.5	41.8	37.4	144,404
Case Study region	16.3	19.1	31.0	24.7	106,753
Queensland	9.4	30.9	33.4	15.3	86,372

Source: Queensland Government Statisticians Office 2018 (ABS Census of Population and Housing 2016)

Highest Level of Education

The highest level of education attainment (Year 11/12) is lowest in Aurukun and highest in Weipa. However, Aurukun and Mapoon residents do have higher rates of Year 10 completion. This would confirm the relationship between education and employment, but does not address the matter of an absence of an economy that generates jobs in the first instance.

Highest level of Education

LGA/Region/State	Did not got to school, or Year 8 or below		Year 9 or 10 or equivalent		Year 11 or 12 or equivalent		Total (a)
	Number	%	Number	%	Number	%	Number
Aurukun	233	26.5	406	46.2	203	23.1	879
Mapoon	31	14.1	109	49.5	67	30.5	220
Napranum	68	10.8	268	42.5	287	45.6	630
Weipa	70	2.5	723	26.3	1,603	58.2	2,753
Case Study region	402	9	1,506	33.6	2,160	48.2	4,482
Queensland	196,488	5.4	964,903	26.5	2,146,809	58.9	3,643,834

Source: Queensland Treasury 2018 (ABS Census of Population and Housing 2016)
a) includes highest year of schooling not stated

Non School Qual

Weipa demonstrates a higher proportion of the population with a qualification (62.5%) than the state of Queensland (54.2%). This is double the proportion in Aurukun (29%) and more than triple the proportion with a qualification in Napranum (17.8%). The majority of the qualifications are Certificate levels which is consistent with a primary/secondary industry based economy. This would tend to indicate that there are under utilised skill sets (considering in combination with the unemployment rates) within the settlements that could potentially be realised or enhanced through future development.

Non School Qualification by level of Education LGA, Region/State

	Level of Education								
	Bachelor Degree or Higher (a)		Advanced Diploma or Diploma		Certificate (b)		Persons with a qualification (c)		Total Persons
LGA/Region/State	Number	%	Number	%	Number	%	Number	%	Number
Aurukun	25	2.8	26	2.9	126	14.0	255	28.3	901
Mapoon	11	4.9	11	4.9	67	29.9	104	46.4	224
Napranum	12	1.8	11	1.7	104	15.6	165	24.8	665
Weipa	399	13.9	195	6.8	930	32.4	1,914	66.8	2,866
Case Study region	447	9.6	243	5.2	1,227	26.4	2,438	52.4	4,656
Queensland	693,410	18.3	330,619	8.7	807,105	21.3	2,241,124	59.1	3,790,497

Source: Queensland Treasury 2018 (ABS Census of Population and Housing 2016)

a) Includes Bachelors degree; Graduation Diploma and Post Graduate Degree
b) Includes Certificate 1-4 and Certificates not further defined
c) Includes inadequately described and not state responses

Economic Overview

Home ownership is not possible in Aurukun, Mapoon and Napranum at this stage, which explains the $0 median house mortgage payments. The median payment for a mortgage is significantly higher for Weipa ($2,200/month) than for Queensland ($1,733/month). Aurukun has the highest number of people per household, highest number of people per bedroom and the lowest median family and personal income per week. Mapoon has the highest family, household and personal income of the three discrete Aboriginal settlements with the lowest average household size and number of people per bedroom. The data would suggest that higher incomes (personal, household and family) would tend to indicate a corresponding smaller household size and number of people/bedroom.

Selected Medians and Averages by LGA

LGA/Region/State	Median Mortgage Payment	Median total family income	Median total household income	Median Total Personal income	Average household size	Average number of people per bedroom
	$/Month	$/week	$/week	$/week	persons	number
Aurukun	$0	$678	$992	$260	4.2	1.4
Mapoon	$0	$1,015	$962	$365	3.3	1
Napranum	$0	$776	$826	$280	3.7	1.2
Weipa	$2,200	$2,777	$2,484	$1,320	2.9	1
Case Study region	n.a	n.a	n.a	n.a	n.a	n.a
Queensland	$1,733	$1,661	$1,402	$660	2.6	0.8

Source: Queensland Treasury 2018 (ABS Census of Population and Housing 2016)

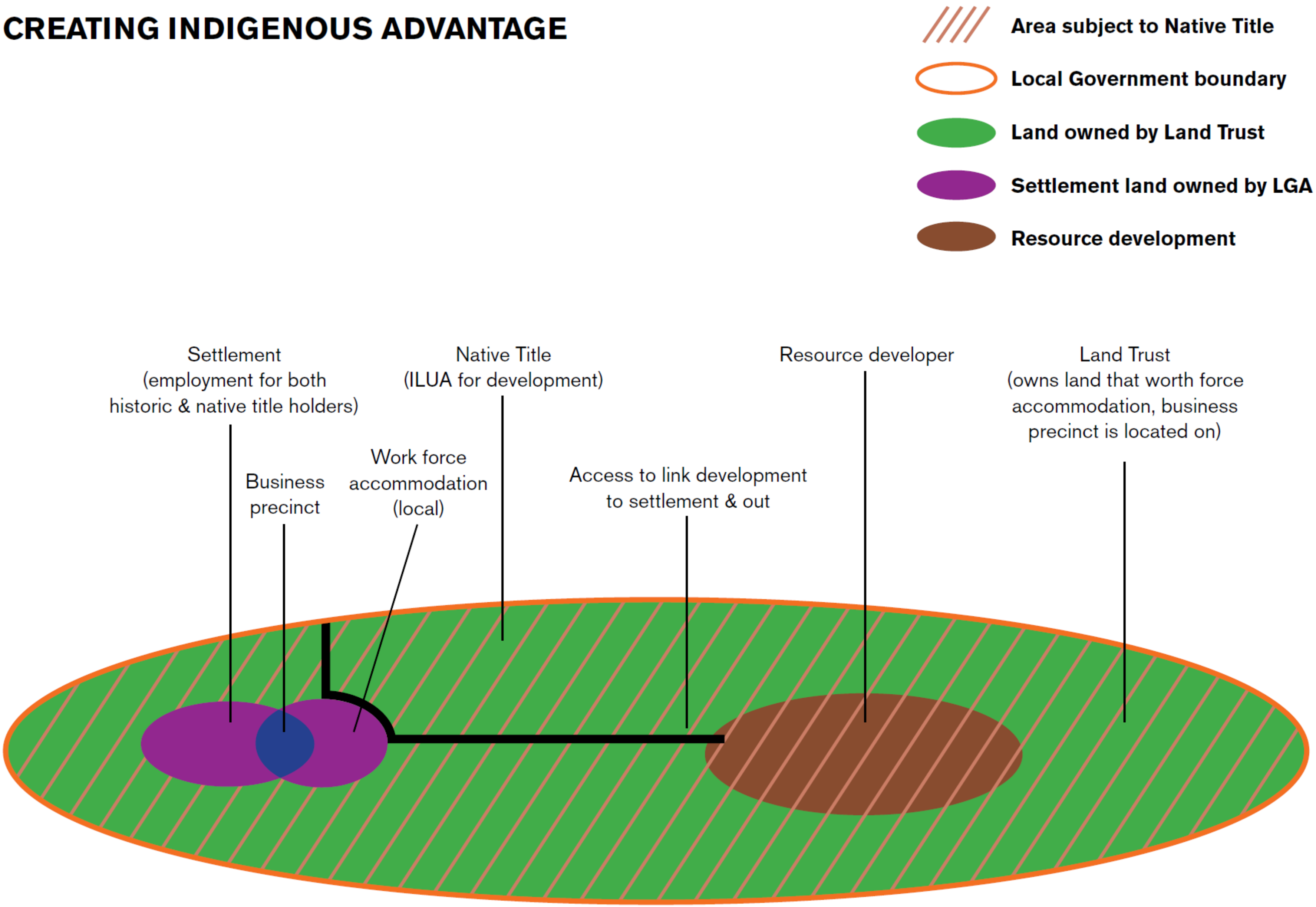
Summary

- After 50 years of mining, and more than 17 years after the WCCCA was signed – not much improvement in the conditions for Aboriginal residents in the region.
- In fact – Aurukun is one of, if not the most, Disadvantaged local government areas in the state of Q and Weipa is the most Advantaged area! They are right next to each other…. How can this be?

Limitations of the SIA?

- It simply addresses the impacts of the resource development at a particular time upon the affected residents within the area.
- It has not been used as a mechanism to ‘lever’ other opportunities from the development. Main focus has been on ancillary resource industries.
- There is no consideration for the future of the population after the development has closed.
- Doesn’t consider the relationship between the 4 discrete entities in the system.

CREATING INDIGENOUS ADVANTAGE



Conclusion

- There are several processes that provide opportunities to address development – such as the SIA and the ILUA.
- However, none of these have been specifically used or designed to create ‘Indigenous Advantage’ rather they address the impacts of the resource development to the livelihood of the residents within the settlements.
- After 50 years of mining in the region, Aboriginal people are still experiencing overcrowding in housing, homelessness, high levels of unemployment, low levels of education attainment etc.
- What can be done to improve this situation, instead of addressing disadvantage, how can this be turned around to create ‘Indigenous Advantage?