Aborigines & mining companies in Northern Australia



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Introduction by Gough Whitlam

'The first step is to understand the nature of the transnationals, their interests and their strategies and how to competently negotiate with them. The aim is not to wipe away these economic institutions but to find better ways of countering their power and controlling their manipulation of the political and economic patterns of our society'. This book attempts to give information (and to help empower) those involved in negotiating with transnational companies, particularly to the Australian Aborigines.

The Hon. E. G. Whitlam, AC, QC, in his foreword writes:
THE HIGH COURT'S JUDGEMENT has crucial implications for all the issues in this book. Never again can the Federal Government assert to the citizens of Australia or to the governments of other countries that it has no authority under the Australian federal system to make acceptable legislative and administrative arrangements for Australian Aborigines. If it deems it necessary to make special laws for Aborigines, it has the authority to do so. If State laws are inconsistent with the Federal laws on any issue concerning Aborigines, the former are invalid to the extent of the inconsistency.
Australian Aborigines have won a triumphant vindication of their claims to land rights.
Land rights are basic to the identity of Aborigines.
The Australian economy is dominated by large transnational corporations. Many Australians do not understand how these companies operate and there is a clear lack of a relatively-accessible information base from which to build an understanding.
The multinational companies' virtual monopoly over information about their activities gives them power.

John Douglas, completed his primary degree at the Australian National University and majored in History. From 1972-76, John worked with the Asian Bureau Australia. He was Chaplain to the Queensland University and there took a keen interest in the Queensland uranium debate and a Jesuit study on mining companies.

Richie Howitt's *Reports* were prepared as part of a post-graduate research programme towards the degree of Ph.D. at the School of Geography, University of New South Wales. The programme was funded through a Commonwealth Postgraduate Research Scholarship.

Three generations of Aborigines Demonstrate in Perth for Mining Law Changes. *Photo Courtesy of Sydney Morning Herald.*

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Aborigines & Mining Companies in Northern Australia

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Richie Howitt
with
John Douglas

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This book was produced with the aid of funds from the estate of Fred Salway, a working man and toiler, who was a long time friend of the Aboriginal people. Fred, a member of Apcol, champion of the oppressed, also gave a sum to the Aboriginal Medical Service, Redfern.

CONTENTS

Author's Explanatory Notes and Acknowledgements *Ritchie Howitt* 1

Give Us Back Our Land Cartoon, Courtesy *The Australian* 3

Earth (poem) *Kevin Gilbert* 4

Land is Sacred to us *Father Patrick Dodson* 5

The Lament of Chief Seattle 9

Eskimo Land Rights *Catholic Bishops of Canada* 13

But They Smile More These Days Cartoon by Julian Wigley 17

These Men Travel the World Cartoon by Julian Wigley 18

Foreword *Gough Whitlam, AC, QC* 19

Introduction 23

Map of Australia showing some Aboriginal communities 27

Aboriginal Power Cartoon by Julian Wigley 28

Map of Australia showing site of some Aluminium interests 34

1. Aborigines gaining access to real negotiations with mining companies 29

2. CRA Limited 35
   (i) Corporate interests of CRA and RTZ 35
   (ii) History of CRA and RTZ 40
   (iii) Corporate strategies 42
   (iv) Case study of the Argyle Diamond Project (Aston Joint Venture) in relation to the treatment of Aborigines 47

3. AMAX Inc. 51
   (i) Corporate interests of AMAX 51
   (ii) History of AMAX 53
   (iii) Corporate strategies 54
   (iv) Case study of the Noonkanbah Oil exploration programme in relation to the treatment of Aborigines 60

4. Negotiating with transnational mining companies 66
   (i) Aborigines at the negotiating table 66
   (a) Legal strategies: the Gove (NT) land rights case 66
   (b) Limitations of early negotiations on Groote Eylandt 68
   (c) The Ranger negotiations — losing at the start 69
   (d) The Pitjantjatjara Council (SA) and the 'Comalco model' 71
   (ii) Australian Mining Industry Council's Guidelines 73
   (iii) Governments and mining companies 76
   (iv) Governments and 'local interests/claims' 78

Epilogue Equality at the negotiating table? 80

Resources 83

References 85

Appendices

1. The Inside Story *Leo Findlay* 87

2. Noonkanbah *Jeremy Salt* 93

3. Aboriginal Land Rights *Australian Mining Industry Council* 97

4. Land Rights are No Joke Letter, Brian Hancock. Courtesy *Sydney Morning Herald* 100

5. New Navajo chief leads fight against exploitation *Sydney Morning Herald*, reprinted from *Guardian London*. Courtesy *Sydney Morning Herald* 102

6. Worldly Joyce Hall cries for Weipa *Joseph Glascott*. Courtesy *Sydney Morning Herald* 105

7. People of the Sacred Mountain *Father Peter John Powell*. Review by Tom Krause. Courtesy *The Australian* 107

Footnotes 109

Maps, Figures

Figure 2:1 Simplified Corporate Structure of CRA Corp 36
Figure 2:2 Simplified Corporate Structure of RTZ Corp 39
Figure 3:2 Amax's international portfolio investments 57
Figure 3:3 Amax's interests in Australia 58
Map 3:1 Northwest Australia showing Pilbara and Kimberley Regions 60
Map 3:4 West Kimberley, showing petroleum Exploration Permits 61
Figure 4:1 Ownership of the Gove Joint Venture 68
Map 4:1 The Gove Peninsula 69
Map 4:2 Groote Eylandt 70

Author's Explanatory Note and Acknowledgements

This book represents a summary of two reports which I prepared to fulfil several functions. Primarily, the reports provided the basic data for a project undertaken by the Catholic Commission for Justice and Peace and the Uniting Church Commission for World Mission. This project produced material on the issues raised in this book for discussion in Aboriginal communities. The materials produced — a comic book, a wallchart and a cassette tape (translated into seven Aboriginal languages) — were criticised by the Australian Mining Industry Council not long after their circulation to Aboriginal groups. AMIC directly approached church authorities with threats of legal actions and the Catholic Bishops withdrew the materials.

A second function of the reports was to provide a data base for other researchers, for Aboriginal organisations and for supporters of the Aboriginal cause. They were too detailed for a general audience, but a number of copies were circulated to interested persons privately through an arrangement with the Catholic Commission for Justice and Peace. A limited number will remain available for private circulation.

The final function of the two reports was to permit me to write in draft form a large amount of my Ph.D thesis. Unlike the other two reasons for the reports, this one has not yet reached a conclusion and remains in preparation. I hope to have this finished later this year.

As part of the church-sponsored study group's project, John Douglas was requested to prepare a pamphlet manuscript for the general public. Like myself, John found this issue difficult to

reduce to a brief document because so much of the story has not been told before — unless from the companies' self-interested view points. Publication has been delayed many times by attempts to stifle our criticism of governments and corporations. Some have tried to water down our statements about corporate strategies to minimize tax or use public relations campaigns to obscure certain consequences of corporate activities. Archaic and inadequate defamation laws makes it difficult to voice criticisms of powerful sectors of Australian society without the threat of legal action. Advocacy on the corporations' behalf by naive apologists however, has not lessened our resolve to at least begin to tell another side of the story of Australia's post-war minerals booms.

If the story presented is incomplete it is largely because so much information necessary to tell it is not publicly available. For decades, Australian governments have given control of vast mineral resources which are nominally 'national' resources, to private interests, without retaining even an appearance of national control. In depressed times such as we now experience, many Australians will look to mining investment to lead the way to recovery. We would all do well to recognize some of the warning signals contained in the episodes related in this book. Transnational corporations do not operate in *any* 'national' interest. They do not create jobs because they want people to be productively employed. They make decisions which ensure profits and, as Newcastle's experience with the steel industry has shown, even Australian companies act savagely in defence of profit!*

Inevitably in the research for this book I incurred many personal debts, some of which I hope are partially repaid with this publication. During fieldwork, invaluable support was provided by the Kimberley Land Council, North Queensland Land Council and the Aboriginal Mining Information Centre. Many friends throughout Australia provided information, accommodation, encouragement and criticism. A number of mining companies permitted interviews with their staff and a number of trade unions, research groups, politicians and councils provided information. During the writing, particularly helpful criticism was provided by staff of the Pitjantjatjara and Central Land Councils, the Institute

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* The inclusion of some material from North America in this book should help to show how comparable are the problems facing Aboriginal peoples everywhere. How similar their identification with their environment, as well as the measures being adopted to meet the threats to their physical and cultural survival.

for Aboriginal Development in Alice Springs. The staff of the Geography School at the University of New South Wales, particularly Frank Williamson; and Bob Fagan of Macquarie University also provided useful comments.

However I feel my greatest debts in this endeavour are to the group of people who helped bring it to its rather stifled fruition; Julian Wigley, the banned cartoonist, Marie Grünke, the graphic artist; Chris Spurgeon, the audio-producer; John Douglas, the rewriter; David Cleaver, the publisher and the many others who have supported us.

To all of you, my sincere thanks. Salutè.

Richie Howitt
Kingstown NSW
June 1983



Courtesy of 'The Australian'

"Look, mate: you don't hear us complaining, when foreign investors steal OUR birthright!"

Earth

Of earth am I;
the breast that nurtured all the young of earth;
with earth to earth again I fly;
with every thought I thought and song I sang
was earth, and earth in all its bounty
gave to me and mine a wise increase
I am earth; and when the first ship came
they spat and cursed the earth as foul base
most miserable of all the earth was I
without the spice or essence of their much wiser race.
the learned came, and said gods had I none
but totems and an animism dull;
there was no high god somewhere in the sky
no higher metaphysics in my lower type of skull
I am earth; missionaries looked askance
upon my nature undisguised my earthly lance
was to them unclean; a blight to God
and such disgusting things hide from his sight
of earth am I; benighted anthropologists
want to declare the beast of the base, and by their skull
no glimmer of intelligence is there
they measured vacuity to fill their empty space
I am earth; my God; my high God had I one
Ba'aime, though I did not know the high
and separate classes making God apart
from me and spirit beings who did his will
of earth I am; the high God ne'er considered that he was far too high to dwell with me
together; as he breathed so breathed I
together; to the hunt, was he and I
together walked we two on earth
and sometimes in the sky
the learned came; and said gods had I none
no politics nor sovereign embassy
their learned ignorance served as a pass
for pioneers to kill the God in me

Kevin Gilbert

Land is sacred to us

Father Patrick Dodson,
first Aboriginal Catholic Priest

The Aboriginal people are sick of being surveyed, sick of being called 'the problem people'. They want to be left alone to develop in their own way, at their own pace.

The pace some governments set in some communities is so hectic that many have become disillusioned and suffer what we call cultural clash — something that is a very acute factor in the life of Aborigines. They have lost confidence in who they are, and to what they really belong.

I have been trying to find out the causes of drinking in Aboriginal communities — the causes the Aboriginal people themselves identify, the approaches that have been taken towards remedying the situation and the effect that drink is having on the community, in so far one can judge in a short space of time like six months.

The question of land rights is at the root. It is one of the central causes of excessive drinking as we have seen it in the eyes and lives of people we have met.

The Aboriginal people have been dispossessed of land, forced off and thrown out of their homes. Their soul has been denied because their land has been taken from them. Their whole basis for existence has been linked up with land and still is.

It was not so before Captain Cook arrived. People still continue to draw inspiration from the land, still draw their meaning for existence from it. For the Aboriginal people, land is a dynamic notion, something creative.

Land is not bounded by the geographical limitations placed upon it by a surveyor who marks out an area and says, 'this is your plot'. Land is the generation point of existence. It is the maintenance of existence, the spirit from which Aboriginal existence comes.

It is a living place made up of sky, clouds, rivers, trees, the wind, the sand, and the spirit that has created all these things — the spirit that planted my own spirit there — my own country. It is something. And yet it is not a thing. It is a living entity. It belongs to me. I belong to the land. I rest in it. I come from there.

Land is a notion that is most difficult to categorize in English law. The limitations of my land are clear to me. THE AREA

FROM WHICH I derive my existence is clear to me and to those people who belong in my group.

Land provides for my physical needs and provides for my spiritual needs. It is a regeneration of stories. New stories are sung from contemplation of the land. Stories are handed down from spirit men of the past who have deposited riches at various places. Sacred places are not just geographically beautiful. They are holy places, even more holy than shrines. But they are not commercial. They are sacred.

The greatest respect is shown to them and they are used for the re-generation of history — the regeneration of Aboriginal people, the continuation of their life. That is where they begin and that is where they return.

When we hear of the complications of setting up legislation for land rights for our people, we can see that the Aboriginal concept of land is difficult for those who have taken over this country to grasp. Land means so much to Aboriginal people. It is not 'just a bit of dirt'. Not just something that symbolizes the past traditions, but the present things too — the present reality that is somewhat associated with the mystery of the presence of Christ among us. The land has that type of symbolism, that type of dynamism about it.

To describe Aboriginal land as 'a piece of dirt' is the same as saying to Catholics that St Peter's, Rome, is just a barnyard.

When people came with their Anglo-Saxon background to try to characterize the Aboriginal attitude to land in law, they face great problems. They don't see what Aborigines see. They don't experience what Aborigines experience from that land. They don't understand it. They don't love it the same way Aborigines do.

Briefly, I think the major problem is that Aboriginal people live in a country that is dominated by white people — a country in which they have little say in directing their lives or controlling their needs. They are pressured by the society around them. We live in a society saturated with alcohol, a society in which alcohol is a national way of life. The advertising, the whole ethos of the Australian people is such that if you don't drink you are not considered a man.

Aborigines are a minority group and as such they are forced into conforming to this pattern. At the same time, they are expected to be exemplary, to stand out against this.

It is implied that they could be better off if they wanted to be. It is said they have the same sort of opportunities as the white man, but just aren't using them.

Acceptance and understanding of the Aboriginal are basic because they are the areas in which most people can do something.

Measures being taken by Aboriginal people to come to grips with alcholism have been very encouraging. It is very rewarding and impressive to see Aboriginal people around the country, doing something for their own people, groups and communities. I think this is a point that is often lost.

Aborigines, particularly before the recent Federal election, were considered to be just using social service money for drink and no other purpose. *That was one of the most gross slanders of the Aboriginal people I have ever heard. The other one is about the amount of money that has been spent — and 'Look at the results'.*

A lot of this money hasn't ever got down to the communities, so that Aboriginal people are still living in very poor and primitive conditions — under motor cars, in shacks, in tin huts, on river banks or in reserves you wouldn't send your dog to. This is still going on, and while I don't like dwelling on the problem areas, I think this matter is very real.

Efforts to rid us of these problems need to be intensified because we have children growing up in alcoholic environments, where the only way of life they are learning is the way of alcoholism.

People can give a lot of psychological explanations, such as fears and anxieties, maladjustment and inability to cope. And they are all true. *But the central thing is that Aboriginal people have been dispossessed* and have no security in this country. Not only no physical security, but no psychological and spiritual security either.

I see the alcoholism situation as pretty drastic in Australia. I am thinking of the Aboriginal people. I haven't even bothered to consider the problem of white people. That too is enormous, and it influences and affects Aborigines.

White people are able to use the rehabilitation facilities, like detoxification centres, counselling clinics of therapy houses. They have the facility and ability to go to these places.

Aboriginal people are afraid of such places and are reluctant to go there, either because they fear 'the people are going to put them down', or because they don't know what to do when they get there. Someone shoves a form under their noses and says: 'Fill all this out'. He then goes away as if he's not interested. The Aboriginal feels he went there for help and didn't receive it. So the use of facilities is something that needs to be looked at by people who are setting up care centres — the type of facilities, the spirit around the centre, and the way in which it opens up to meet Aboriginal people?

There is not enough consultation with local communities when developments are being planned or set up. And this often leads to or creates more problems than it solves. Governments have tended just to take a policy and apply it across the board for every individual community in Australia, not allowing for specific deifferences.

Local people have got to come to grips with the Aboriginal drink and related problems. Programs could be devised by local task groups in conjunction with a distinct group adapted to the conditions of the people. We have suggested that the district task force be made up of all those people who are now authority figures in the Aboriginal community.

It is pointless going to people and telling them 'these are all your problems', if you can't at the same time do something practical to improve the conditions. We have suggested the structures mentioned. But what we have in mind requires goodwill from those in authority — and particularly that the Church is at the forefront of implementing them. Some of the proposals mentioned here might seem a tall order. But if they are started on a local level (and in some cases they already exist and are merely in need of coordinating) and moves are then to work towards a district project, important progress and achievement are possible.

We need to ensure that money allotted to assist Aboriginal people really reaches them. There are Aboriginal people all around the country who are *frustrated by broken promises*. This contributes to the drinking problem.

Because Aboriginal people are so small in number they tend to be overlooked and, because they are so widely scattered, their voices can be muffled. These are things we should think about.

Talk given at the annual conference of the Queensland Aboriginal and Islander Catholic Council, held at Yeppoon, Queensland, January 1976.

The Lament of Chief Seattle
America, 1854

The Great Chief in Washington sends word that he wishes to buy our land. The Great Chief also sends us words of friendship and goodwill. This is kind of him, since we know he has little need of our friendship in return. But we will consider your offer. For we know that if we do not sell, the white man may come with guns and take our land.

How can you buy or sell the sky, the warmth of the land? The idea is strange to us. If we do not own the freshness of the air and the sparkle of the water, how can you buy them? Every part of this earth is sacred to my people. Every shining pine needle, every sandy shore, every mist in the dark woods, every clearing and humming insect is holy in the memory and experience of my people. The sap which courses through the trees carries the memories of the red man.

The white man's dead forget the country of their birth when they go to walk among the stars. Out dead never forgot this beautiful earth for it is the mother of the red man. We are part of the earth and it is part of us. The perfumed flowers are our sisters, the deer, the horse, the great eagle, these are our brothers. The rocky crests, the juices in the meadows, the body of heat of the pony, and man — all belong to the same family.

So, when the Great Chief in Washington sends word that he wishes to buy our land, he asks much of us. The great Chief sends word he will reserve us a place so that we can live comfortably to ourselves. He will be our father and we will be his children. So we will consider your offer to buy our land. But it will not be easy. For this land is sacred to us.

This shining water that moves in the streams and rivers is not just water but the blood of our ancestors. If we sell our land you must remember that it is sacred, and you must teach your children that it is sacred and that each ghostly reflection in the clear water of the lakes tells of events and memories in the life of my people. The water's murmur is the voice of my father's father.

The rivers are our brothers, they quench our thirst. The rivers carry our canoes, and feed our children. If we sell you our land, you must remember, and teach your children, that the rivers are our brothers, and yours, and you must henceforth give the rivers the kindness you would give any brother.

The red man has always retreated before the advancing white man, as the mist of the mountain runs before the morning sun. But

the ashes of our fathers are sacred. Their graves are holy ground, and so these hills, these trees, this portion of earth is consecrated to us. We know that the white man does not understand our ways. One portion of land is the same to him as the next, for he is a stranger who comes in the night and takes from the land whatever he needs. The earth is not his brother but his enemy, and when he has conquered it he moves on. He leaves his fathers' graves behind, and he does not care. He kidnaps the earth from his children. He does not care. His fathers' graves and his children's birthright are forgotten. He treats his mother, the earth, and his brother, the sky, as things to be bought, plundered, sold like sheep or bright beads. His appetite will devour the earth and leave behind only desert.

I do not know. Our ways are different from your ways. The sight of your cities pains the eyes of the red man. But perhaps it is because the red man is a savage and does not understand.

There is no quiet place in the white man's cities. No place to hear the unfurling of leaves in spring, or the rustle of insects' wings. But perhaps it is because I am a savage and do not understand. The clatter only seems to insult the ears. And what is there to life if a man cannot hear the lonely cry of the whippoorwill or the arguments of the frogs around a pond at night? I am a red man and do not understand. The Indian prefers the soft sound of the wind darting over the face of a pond, and the smell of the wind itself, cleansed by a midday rain, or scented with the pinon pine.

The air is precious to the red man, for all things share the same breath — the beast, the tree, the man, they all share the same breath. The white man does not seem to notice the air he breathes. Like a man dying for many days, he is numb to the stench. But if we sell you our land, you must remember that the air is precious to us, that the air shares its spirit with all the life it supports. The wind that gave our grandfather his first breath also receives his last sigh. And the wind must also give our children the spirit of life. And if we sell our land, you must keep it apart and sacred, as a place where even the white man can go to taste the wind that is sweetened by the meadows' flowers.

So we will consider your offer to buy our land. If we decide to accept, I will make one condition. The white man must treat the beasts of this land as his brothers.

I am savage and I do not understand any other way. I have seen a thousand rotting buffalos on the prairie, left by the white man who shot them from a passing train. I am a savage and I do not understand how the smoking iron horse can be more important than the buffalo that we kill only to stay alive. What is man without

the beasts? If all the beasts were gone, men would die from a great loneliness of spirit. For whatever happens to the beasts, soon happens to man. All things are connected.

You must teach your children that the ground beneath their feet is the ashes of our grandfathers. So that they will respect the land, tell your children that the earth is rich with the lives of our kin. Teach your children what we have taught our children, that the earth is our mother. Whatever befalls the earth befalls the sons of the earth. If men spit on the ground, they spit on themselves.

This we know: The earth does not belong to man; man belongs to the earth. This we know. All things are connected like the blood which unites one family. All things are connected. Whatever befalls the earth befalls the sons of the earth. Man did not weave the web of life, he is merely a strand in it. Whatever he does to the web, he does to himself.

But we will consider your offer to go to the reservation you have for my people. We will live apart, and in peace. It matters little where we spend the rest of our days. Our children have seen their fathers humbled in defeat. Our warriors have felt shame, and after defeat they turn their days in idleness and contaminate their bodies with sweet foods and strong drink. It matters little where we pass the rest of our days. They are not many. A few more hours, a few more winters, and none of the children of the great tribe will be left to mourn the graves of a people once as powerful and hopeful as yours. But why should I mourn the passing of my people? Tribes are made of men, nothing more. Men come and go like the waves of the sea.

Even the white man, whose God walks and talks with him as friend to friend, cannot be exempt from the common destiny. We may be brothers after all: we shall see. One thing we know, which the white man may one day discover — our God is the same God. You may think now that you own Him as you wish to own our land, but you cannot. He is the God of man, and His compassion is equal for the red man and the white. This earth is precious to Him, and to harm the earth is to heap contempt on its Creator. The whites too shall pass perhaps sooner than all other tribes. Continue to contaminate your bed and you will one night suffocate in your own waste.

But in your perishing you will shine brightly, fired by the strength of the God who brought you to this land and for some special purpose gave you dominion over this land and over the red man. That destiny is a mystery to us, for we do not understand when the buffalo are all slaughtered, the wild horses are tamed, the

secret corners of the forest heavy with the scent of many men, and the view of the ripe hills blotted by talking wires. Where is the thicket? Gone. Where is the eagle? Gone. And what is it to say goodbye to the swift pony and the hunt? The end of living and the beginning of survival.

So we will consider your offer to buy our land. If we agree, it will be to secure the reservation you have promised. There perhaps we may live out our brief days as we wish. When the last red man has vanished from this earth, and his memory is only the shadow of a cloud moving across the prairie, these shores and forests will still hold the spirits of my people. For they love this earth as the newborn loves its mother's heartbeat. So if we sell our land, love it as we've loved it. Care for it as we've cared for it. Hold in your mind the memory of the land as it is when you take it. And with all your strength, with all your heart, preserve it for your children, and love it . . . as God loves us all.

One thing we know, Our God is the same God. This earth is precious to Him. Even the white man cannot be exempt from the common destiny.

We may be brothers after all. We shall see.

Eskimo Land Rights

In their Labour Day message towards the end of 1975, the Canadian Catholic Bishops made a statement giving strong support to Eskimo Land Claims in the north of Canada. The document, *Northern Development: At What Cost?* was warmly welcomed by Inuit Tapirisat, (the Eskimo movement), which reprinted these excerpts in April 1976 issue of their magazine, *Inuit Today*.

Introduction

A cry for justice rings out today from the native people who inhibit the Canadian North. Dramatically, on a massive scale the native peoples of the North find themselves and their way of life being threatened by the headlong search for new energy sources on this continent. We, Catholic bishops of Canada, want to echo this cry for justice. We wish to share with you, fellow citizens, some reflections and judgements on the ethical problems posed by the industrial development of the Canadian North.

The Northern Dilemma

Since 'time beyond memory', the vast land mass that covers the northern tips of our provinces and the sub-Arctic regions has been the home for many of this country's native peoples:

- Indians
- Inuit
- Metis

Through time, these native peoples developed social cultural, economic, and religious patterns of life which were in harmony with the rhythms of the land itself.

This land has been the source of livelihood for a significant portion of northern native peoples, along with a number of early white settlers. It has been the basis of their traditional econonomy

- hunting
- fishing
- trapping

For the native peoples the land is more than simply a source of food or cash. The land itself constitutes a permanent sense of security, well-being and identity. For generations, this land has defined the basis of what the natives are as a people. In their own words, 'Our Land is our Life'.

After countless generations of occupation, use and care the native peoples of the North have come to claim their rights to these lands. While some northern natives are giving up their life of

hunting, fishing and trapping, these lands remain essential to their future economic development. For the northern lands contain a natural storehouse of some of the most valuable resources on this continent

- potential reserves of oil and natural gas
- powerful river systems and
- rich mineral deposits.

But now the 'energy crisis' in the industrial world is posing a serious challenge to the people and resources of the northern lands. The search for new supplies of

- oil
- gas
- electricity

on this continent is largely focussed on the untapped energy resources of the Canadian North.

The Canadian North has been sighted as a major region for potential reserves of oil and gas. Assisted by the federal government, the giants of the oil industry

- Exxon
- Shell
- Gulf
- Mobil
- Sunoco
- and others

have led the way, through their Canadian subsidiaries, in making discoveries and initiating plans to build several major industrial projects:

- the Mackenzie Valley pipeline

in the Northwest Territories to bring national gas from Alaska and the Canadian Arctic to Southern Canada and the United States.

- The Polar Gas pipeline

designed to bring natural gas from the high Arctic to the Maritimes and the United States.

In this way the Canadian North is fast becoming a centre stage in a continental struggle to gain control of new energy sources. The critical issue is how these northern energy sources are to be developed — by whom and for whom. We are especially concerned that the future of the North not be determined by colonial patterns of development, wherein a powerful few end up controlling both the people and the resources.

Some present examples of industrial planning give us cause for grave concern. For what we see emerging in the Canadian North

are forms of exploitation which we often assume happen only in Third World countries:

a serious abuse of both native peoples and the energy resources of the North.

Herein lies the Northern dilemma. What has been described as the 'last frontier' in the building of this nation may become our own 'Third World'.

Demands for Justice

Our first pastoral concern is that justice be done in the future industrial development of the Canadian North. In various parts of the northern lands the native peoples' protests have drawn attention to a series of injustices.

In several cases, governments and corporations have secretly planned and suddenly announced the construction of large industrial projects without prior consultation with the people who will be most directly affected. As a result, the future lives of these native peoples and their communities tend to be planned for them by southern interests.

The plans for these industrial projects are usually finalized and implemented before land claims settlements have been reached with the native people of the region. Yet, for people whose land is their life, and who wish to secure control over their future economic development, a just settlement of their land claims lies at the very heart of their struggle for justice.

The construction of these industrial projects has sometimes proceeded without an adequate assessment of their environmental and social consequences.

• The promise of jobs in the construction of these industrial projects has offered no real alternative way of life. For most of the native peoples, these jobs are temporary, paying relatively low wages for low skilled labour.

As a result, more and more native peoples are being compelled to give up their land-based economy and move into the urban centres where alcoholism and welfarism have become prevalent for many. While compensation may be offered, money can hardly replace the loss of land and what it means to the lives of the native peoples and their future economic development.

A sense of justice, coming from the living God, tells us there are better ways of developing the resources of the Canadian North. The Lord of Creation has given mankind the responsibilty to develop the resources of nature so far as to make possible a fuller human life for all peoples. This coincides with the beliefs of the

native peoples who have traditionally called for a 'communal sharing' of the land which belongs to the Creator.

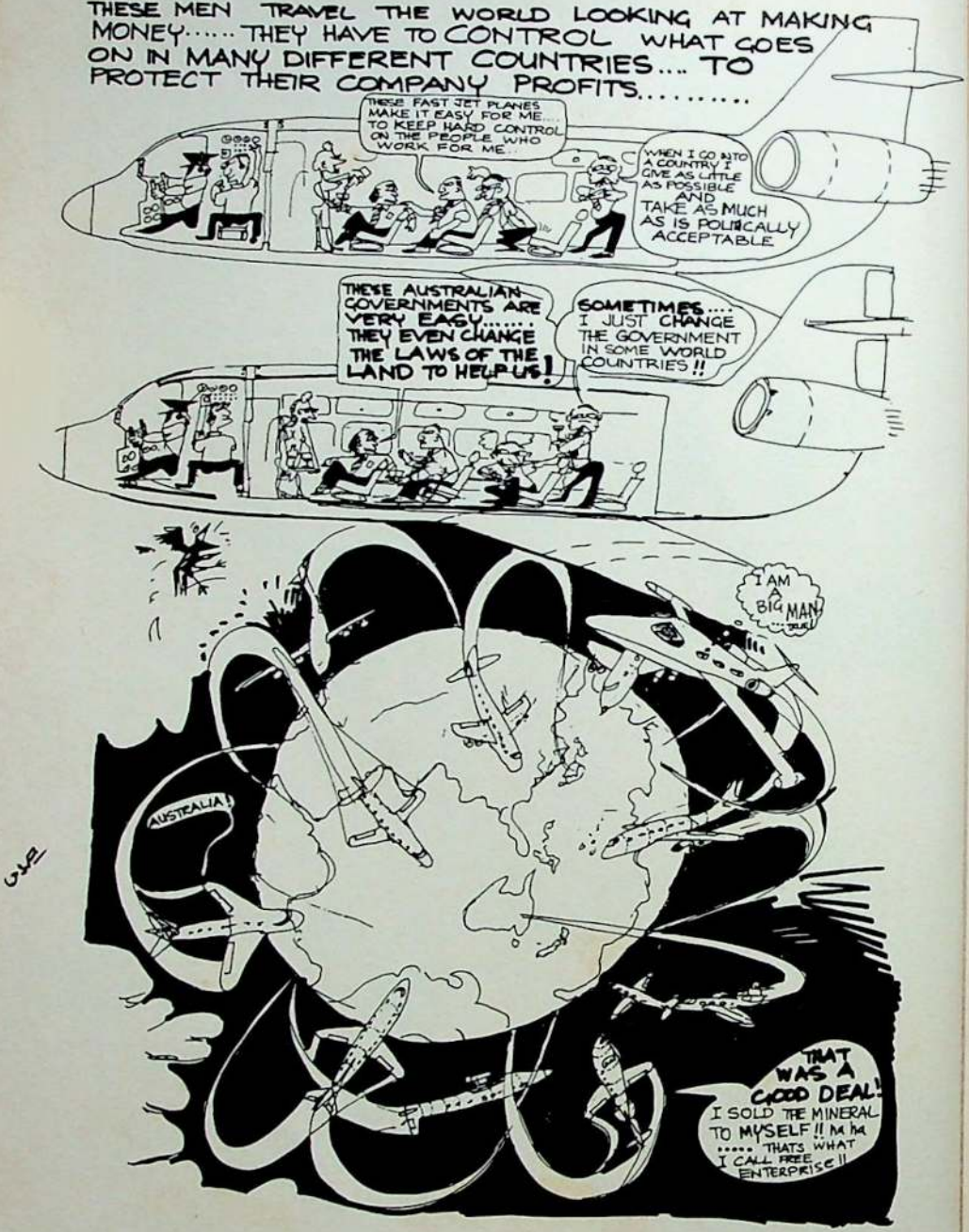
To develop the resources of the Canadian North is a responsibility to be shared by all who live in this country North and South. While native peoples in the North must be prepared to share in this responsibility, they rightly demand that their claims to justice be realized.

Across the Canadian north native peoples' groups have begun to articulate a common program for justice. Their goal is greater control over their own economic development. The key is a just settlement of their land claims. In recent years native groups have been taking the land issue into the courtrooms to establish their traditional rights to these lands.

The Living God calls on us to respond to these demands for justice. Christian love of neighbour and justice, cannot be separated in the development of people. 'For love implies an absolute demand for justice, namely a recognition of the dignity and rights of one's neighbour'.

BUT THEY SMILE MORE NOW DAYS!
BUT THEY SMILE MORE




THESE MEN TRAVEL THE WORLD LOOKING AT MAKING MONEY..... THEY HAVE TO CONTROL WHAT GOES ON IN MANY DIFFERENT COUNTRIES... TO PROTECT THEIR COMPANY PROFITS.....
THESE FAST JET PLANES MAKE IT EASY FOR ME TO KEEP HARD CONTROL ON THE PEOPLE WHO WORK FOR ME
WHEN I GO INTO A COUNTRY I GIVE AS LITTLE AS POSSIBLE AND TAKE AS MUCH AS IS POLITICALLY ACCEPTABLE
THESE AUSTRALIAN GOVERNMENTS ARE VERY EASY..... THEY EVEN CHANGE THE LAWS OF THE LAND TO HELP US!
SOMETIMES.... I JUST CHANGE THE GOVERNMENT IN SOME WORLD COUNTRIES!!
I AM A BIG MAN! TRUE
AUSTRALIA!
THAT WAS A GOOD DEAL! I SOLD THE MINERAL TO MYSELF!! Mm hm ..... THATS WHAT I CALL FREE ENTERPRISE!!

Foreword

Hon. E. G. Whitlam, AC, QC

After the Aboriginal Land Fund Commission was established in May 1975 the Winychanam Aborigines asked it to acquire a pastoral lease for them at Archer River in North Queensland. The existing lessees, who were willing to sell the lease, entered into a contract with the Commission in February 1976. Under Queensland law the Minister for Lands has to approve of the transfer of leases, but in this case he was precluded from doing so by a Cabinet decision of September 1972 against the development of leasehold land by Aborigines. (Apparently foreigners can get title to land in Queensland, but not Aborigines.)

Such racial discrimination contravened the Racial Discrimination Act, which was passed by the Federal Parliament in June 1975, and the International Convention on the Elimination of All Forms of Racial Discrimination, which was ratified by Australia in September 1975. Constant negotiations by Mr Grassby, the Commissioner for Community Relations, and by successive Federal ministers could not persuade the Queensland government to amend its policy. When the Aborigines took proceedings against the Queensland government in the Supreme Court of Queensland that government challenged the validity of the Act. Before the High Court of Australia Queensland's challenge was supported by the government of Western Australia and the former government of Victoria. On 11 May 1982, seven years after the Aboriginal Land Fund Commission was established, the High Court held that the Federal Parliament was entitled to pass the Act under its power to legislate on external affairs, such as the Convention.

The High Court judgment is a landmark in establishing the Federal Parliament's capacity and responsibility for enacting human rights of an international standard. Aborigines will not be the only Australians to be disturbed that only four of the justices rejected the Queensland challenge and that the other three would have upheld it. They should, however, be reassured that those three held that, after the Aborigines referendum in 1967, the Federal Parliament could have legislated to eliminate all forms of discrimination against Aborigines. The Chief Justice, who led the minority, stated 'It is now competent for the Parliament to make special laws with respect to the people of the Aboriginal race'. Justice Aickin agreed with him. Justice Wilson, the former Solicitor-General of Western Australia and the remaining justice in the minority, stated 'The power is apt to enable the Parliament, if it considered it necessary to do so, to prohibit racial discrimination against the people of the Aboriginal race'. Justice Murphy, who was one of the majority, pointed out that the Federal Parliament's power 'to make special laws for the people of any race' does not mean 'special laws with respect to the people of any race', such as adverse laws, but 'special laws for the benefit of the people of any race'.

The High Court's judgment has crucial implications for all the issues in this book. Never again can the Federal government assert to the citizens of Australia or to the governments of other countries that it has no authority under the Australian federal system to make acceptable legislative and administrative arrangements for Australian Aborigines. If it deems it necessary to make special laws for Aborigines it has the authority to do so. If State laws are inconsistent with the Federal laws on any issue concerning Aborigines, the former are invalid to the extent of the inconsistency.

New South Wales and South Australia are the only two States whose houses of parliament are as democratically elected as the Federal House of Representatives. The only house of parliament in Queensland, both houses of the parliaments of Victoria and Western Australia and the Legislative Council of Tasmania are all elected on electoral systems which give a dominant political influence to white land owners. Justice Mason, who was another of the majority, declared 'It is unrealistic to suggest in the light of our knowledge and experience of Commonwealth-State co-operation and of co-operation between the States that the discharge of Australia's international obligations by legislation can be safely and sensibly left to the States acting uniformly in co-operation'.

Australian Aborigines have won a triumphant vindication of their claims to land rights. Land rights are basic to the identity and dignity of Aborigines. A century ago European settlers in Australia, as in the United States, Canada, Argentina and Siberia, had acquired, with titles but without compensation, all the land which they thought they could use for agricultural and pastoral purposes. Within the last twenty years, however, there has been intense interest in much of the land which only Aborigines occupy, whether or not whites hold title to it, because that land is believed and often found to contain mineral and energy resources. White landowners are paranoid at the thought that their tenure of agricultural, pastoral and mineral lands will be jeopardised if the traditional rights of the continent's original inhabitants are examined and recognised. Many multinational companies operate behind the screen of white landholders and State governments.

The Federal government has no excuse for further procrastination and prevarication in introducing legislation in accordance with International Labor Organisation Convention No. 107 — Indigenous and Tribal Populations, 1957. Part II of this convention deals with land. On 10 September 1980 the United Nations Commission on Human Rights Sub-Commission on Prevention of Discrimination and Protection of Minorities, after considering a lengthy explanatory note from Australia, invited Australia to ratify the convention. On 21 April 1982 the National Aboriginal Conference resolved that the Federal government should ratify the convention. The High Court judgment makes it plain that no State could successfuly challenge Federal legislation implementing the convention. Five years before, on 18 May 1977, the Premier of Queensland wrote to the Prime Minister that his government had no objection to the Federal government proceeding to ratification of the convention. All other States had already conveyed their agreement eight or more years earlier. Thus no State would even challenge Federal legislation implementing the convention.

In the light of the High Court's assertion of Australia's opportunities and obligations under human rights conventions, the Australian Senate should now replace the clause which it removed from the Racial Discrimination Bill in 1975. The removal of this clause compelled my government to make an embarrassing and unprecedented reservation when it ratified the International Convention on the Elimination of all Forms of Racial Discrimination. The government should also now make a declaration under Article 14 of that convention to permit the

Committee on the Elimination of Racial Discrimination to receive and consider communications from individuals or groups of individuals within Australian jurisdiction claiming to be victims of a violation by Australia of any of the rights set forth in the convention.

The Australian government should make a further declaration under Article 41 of the International Covenant on Civil and Political Rights. Any other State party which had made such a declaration and which considers that Australia is not giving effect to the provisions of the covenant could then bring the matter before the Human Rights Committee. Furthermore the Australian government should now ratify the Optional Protocol to the covenant. Individuals subject to Australian jurisdiction could then communicate with the Human Rights Committee if they claim to be victims of a violation by Australia of any of the rights set forth in the covenant.

The real reason for the Federal government's failure to take action to ratify ILO Convention No. 107 has been to avoid the risk that Aborigines will test the degree of compliance with the convention by taking Australia before the ILO Committee of Experts on the Application of Conventions and Recommendations, just as they have just taken Queensland before the High Court for its defiance of the Racial Discrimination Act. If Australia expects to be accepted as a credible protagonist of human rights, she will have to be much more diligent and wholehearted in ratifying human rights conventions. If she expects her scrutiny of human rights in other countries to be accepted, she must make the unqualified ratifications and declarations which will allow other countries and her own citizens to have human rights in Australia scrutinised by the ILO Committee of Experts, the Committee for the Elimination of Racial Discrimination and the Human Rights Committee.

July 1982

Introduction

Europeans have occupied Australia for 200 years. In that short time they have achieved a material wealth which has provided the present generation of Australians with one of the world's highest living standards.

Most of that wealth has come from the land, in particular from the pastoral and mining industries, and as a result of the courage, initiative and endurance of the early pioneers.

However, there is another side to the story — Australia was occupied by the Europeans without the consent of the Aboriginal inhabitants, whose prior occupation goes back tens of thousands of years, and without the payment to them of any compensation.

As the frontier moved out from Sydney Cove, eventually to pass through the whole Continent, Aborigines were dispossessed of their land by the pioneers. More often than not that dispossession was achieved by force.

The result today is that the present generation of Aborigines are severely disadvantaged both in relation to non-Aboriginal Australians and in absolute terms. The extent of Aboriginal poverty can be gauged fairly well from statistics on unemployment, housing, health, life expectancy, infant mortality, educational attainment, imprisonment rates and so on. However, it is only by observing the living conditions of particular Aboriginal groups in cities and towns and on reserves that one can see and understand their poverty in human terms.

The existence of such a situation in a nation as wealthy as Australia places a particular responsibility on those who enjoy the fruits of economic development founded on the misappropriation

of land to commit themselves to action for justice and to stand with those who have suffered and continue to suffer the effects of that misappropriation.

Such action for justice comes within the Church's mission in the modern world. In pursuit of that mission, the churches have shown solidarity with the Aboriginal people in their struggle for justice. In recent times the active participation of the churches in the issues of Aurukun and Mornington Island, Noonkanbah and most recently in relation to the proposed legislation affecting Aborigines in Queensland has clearly demonstrated the willingness of the churches to take the option for the poor and to be the voice of the voiceless.

It is against this background that the Catholic Commission For Justice And Peace and the Commission For World Mission Of The Uniting Church in Australia set up the Corporate Study Group. The Group was formed in 1979/80, in the wake of the Aurukun dispute. Initially the project was to comprise an examination of the operations of a single mining company with particular emphasis on the effect of that company's operations on one Aboriginal community. At an early stage the group consulted with Aboriginal communities and councils. The group also reflected on the destructive impact which mining has had on the life and culture of Aborigines at places such as Nhulunbuy and Weipa, where alcoholism, prostitution and disease have rent the fabric of those communities. This was emphasised by the judge of the Queensland Supreme Court in the trial of Alwyn Peters from Weipa. In the light of these consultations and reflections, it was decided to broaden the scope of the project to examine the operations of transnational mining companies on Aboriginal land.

It was also decided that the primary emphasis of the project would be the preparation of material that could be used by Aboriginal people in protecting their rights when confronted with the advent of mining on their land. It was felt that accurate research and analysis could provide information that would be of assistance to Aboriginal people in negotiating with corporate forces on more equal terms.

Since many of the Aborigines for whom the information would be most relevant have difficulty with reading it was considered vital to the success of the project that the materials produced by the group be in a form that could be easily understood by those Aborigines.

In order that the material produced by the group would be of relevance to those to whom it was directed, a number of con-

sultants were engaged. The consultants all have experience with Aboriginal communities, as well as having expertise in particular fields, such as the preparation of wall charts, cassettes, comic and cartoon books and pamphlets.

At various stages throughout the course of the group's work, Aboriginal communities and land councils were consulted by the group. Also, the consultants, in the preparation of their contributions, carried out their own consultations with Aborigines. Senior executives of mining companies and of the Australian Mining Industry Council were also approached through correspondence and in many personal interviews.

As a result of the thorough and painstaking manner in which the group has gone about its task, materials for publication were not available until mid-1982, some two-and-a-half years after the group was established.

The materials already prepared and published by the Corporate study group include a comic book, a wall chart and cassettes (in aboriginal languages as well as English). These resources were prepared for the use of aboriginal communities.

The material was well received by Aboriginal groups and won high praise from them. Unfortunately, the Australian Mining Industry Council (AMIC) objected to the material and lodged formal complaints with all Australian Bishops, the President of the Uniting Church and all State Moderators. AMIC did not see fit to dialogue with the Commissions concerned. Consequently, it was very difficult for the Commission to respond to the AMIC criticisms, firstly because these criticisms were made to the Bishops and the Moderators; and secondly because public criticisms were very general and lacking in particulars. In January, 1983, the Australian Episcopal Conference instructed the Commission to withdraw the comic-style booklet.

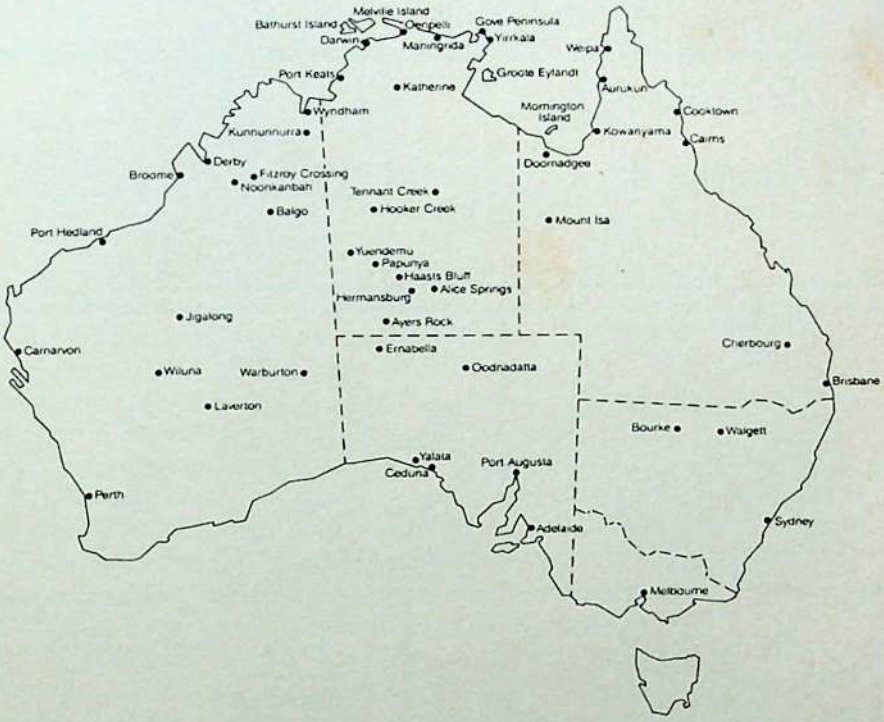
This book deals in some detail with the issues raised in these resources and it is directed more widely than the aboriginal communities.

The Corporate Study Group requested John Douglas to prepare the body of the book by condensing two reports by Richie Howitt which were prepared as part of a post-graduate research programme towards a degree of Ph.D. at the School of Geography, University of New South Wales.

The Study Group also invited the Hon. E. G. Whitlam, AC, QC to write the foreword.

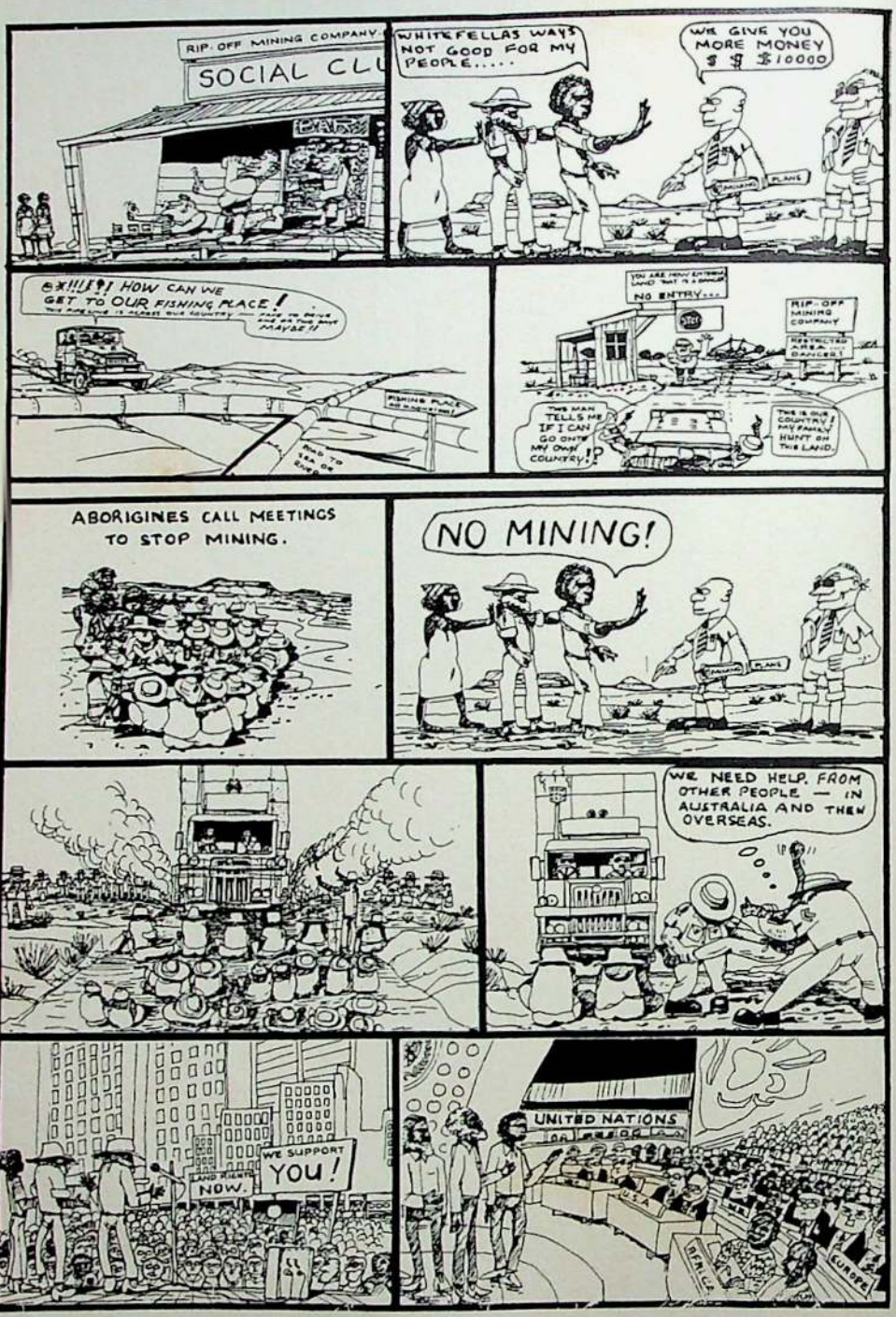
In addition the group collected a number of background articles which have been reproduced with permission and which elucidate

the main concern of the book: The negotiating relationship between Aborigines and mining companies.



Some towns and Aboriginal communities.

ABORIGINAL POWER



1 ABORIGINES GAINING ACCESS TO REAL NEGOTIATION WITH MINING COMPANIES

At the basis of this book are the beliefs that 'development' means more than economic development; and that economic growth, especially when it serves only limited vested interests, needs to be balanced by the legitimate interests and claims of other groups, particularly those people directly affected socially and culturally by the type of economic projects under consideration.

Groups of people the world over, and in particular the Aborigines in Australia, are striving to discover counter-strategies and indeed positive and effective strategies to balance the immense power and strategic know-how of the transnational mining companies. The Aborigines, especially in northern Australia are culturally and socially affected by mining activities.

Aborigines' religion and identity are intimately bound up with the land and its sacred sites. This is something which economic-oriented and materialistic Westerners cannot easily, and sometimes refuse, to understand. Aboriginal communities are fragile and easily destroyed. It is not primarily economic advantages that they seek through meaningful negotiations with mining companies, but *the protection of their rights to cultural and social identity*. It is not a matter of simplistically denying the rights of mining companies and governments but of protecting the minority rights of a relatively powerless people.

In the world of hard-headed negotiations and cut-throat economic competition, the legitimate rights of powerless groups can be easily ridden over. In order to stand up in that arena, Aborigines need to gain access to real power, grounded in Law, so that they can protect their own interests and concerns against the

encroaching power of large companies. It is not a matter of other people paternalistically protecting Aboriginal rights, but of the Aborigines themselves gaining the power to be at the negotiating tables as equals with the other parties involved.

While the issue of Aboriginal power and strategies is important in itself, it is also important as an example of the need to correct the power imbalance in the modern world in which there is a continual shift of real power away from a grass roots peoples' level, and even from governments, to the transnational corporate sector. In this sense it is an issue that affects everyone, and one not solved by burying one's head in the sand.

There is the danger, when faced with the apparently insuperable power and control by transnational companies of so many aspects of modern life, and the ideological and practical support that their philosophies gain from many governments, that people will give up in frustration at their apparent powerlessness. It is vitally important that appropriate networks of peoples and strategies be developed at all levels.

One of the key things in redressing this balance of power away from the corporate sector is the acquisition of good quality information. This would include an understanding and analysis of the mode of operation of transnational companies: their nature, their strategies and their interests.

Information is power. Information about the economics of particular projects in their global setting is important, so that the negotiators for other interests can know how far they can viably push a company. For example, what is the upper and lower limit of each negotiable item?

On the question of information, it is important that governments follow the USA precedent by imposing stringent demands for company disclosure and penalties for non-compliance. In the USA, the *K-10 Report* outlines in detail and in form the areas in which companies have to disclose publicly to the Stock Exchange. These reports are much more informative than *Annual Reports,* yet there are still many other areas of information about the economic feasibility of projects that companies keep secret, not only from their competitors but also from other affected parties.

The Aboriginal Land Councils are an important gathering point for information. In September, 1980, the Federation of Aboriginal Land Councils was established to share information and experience between Land Councils in their relationships with governments and companies. The National Aboriginal Conference (NAC) has begun a detailed inquiry into relations between Aborigines and mining

companies. An 'Aboriginal Mining Information Centre' (affectionately known as 'AMIC-us') was set up in Melbourne under the umbrella of the Joint Aboriginal Land Councils.

Two areas where overseas experience can inform the fledgling Australian attempts to curtail transnational corporate power are:-

- Gathering information.
- Broadening the basis for negotiation.

In the USA the American Indians have developed information-gathering techniques through a network of research centres. The impact of this new source and ordering of information on the negotiating strategies of tribal groups has been significant. Of particular importance is 'knowing the opponent': collecting, analysing and disseminating information on the companies being confronted.*

If such information- and experience-gathering is to bear fruit, there must be a legal right and encouragement for minority groups to enter into meaningful negotiation and dialogue with companies. Though this is a legal matter, it is more importantly a political matter: the preparedness of governments to protect minority indigenous peoples.

In Canada, a Royal Commission (1974-1977), headed by Mr Justice Thomas Berger, studied the social, economic and environmental impacts of a series of proposals to transport natural gas and oil from the Western Arctic to metropolitan markets in southern Canada and the USA. What is important about this Inquiry is the *process* that it involved.

Berger recognized the massive inequality between the companies and the indigenous peoples' organizations. He was also aware of the latter's unfamiliarity with and problems with normal court procedures. He ensured that the native peoples were heard in their own languages, were not intimidated by lawyers and had adequate funding to prepare their evidence. Berger insisted that reports be publicised and broadcast to the peoples in their own languages and that the Inquiry be as 'public' as possible. The inquiry itself became a process of social change and consciousness-raising, in a way that acknowledged that 'industrial goals do not at all times and in all places take precedence over environmental values and native rights'.

Berger ensured that a return to the previous regime of token

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*See Howitt 1981b, chapter 4 section 2b, pp. 134 to 138.

consultations and imposed decisions would not easily be accepted by the peoples themselves.*

The experiences mentioned in chapter four of this book, both of Aboriginal negotiations and of overseas examples, plus reflection upon these experiences, can be a source of *hope*. It is possible to enter into meaningful negotiations with transnational mining companies. It requires taking hold of power and demanding rights. There is perhaps a long way to go, but a start has been made. Neither companies nor governments can ignore groups of people who are organized, believe in themselves and their rights, and who have done their homework carefully.

This book is an attempt at some careful homework.

The first two chapters deal with two powerful mining companies: CRA and Amax. The information is taken from Richie Howitt's first report: *The Corporate Strategies of CRA Ltd and Amax Inc., with particular reference to their impact on three WA Aboriginal communities* (1981a). Much of the information used in the third chapter comes from chapter four of his *second report: Corporate Stategies in the Aluminium Industry* (1981b).

The particular focus of the two Reports and this book is the relationship between Aborigines and the mining companies in northern Australia.

Whilst all Australians are deeply affected in some way by the activities of transnational corporations, the Aborigines in the northern and central areas of the country are particularly vulnerable. It is all too easy for the Aborigines to have their social, communal and cultural life deeply affected and possibly destroyed by the impact of mining operations and the associated changes in social patterns. Their communal fabric, already considerably changed by the *missions* and the *pastoral industry* and just starting to recover, is very fragile. The Aborigines are struggling for survival and identity; and White Australia is just beginning to take seriously its reponsibility for its past treatment and neglect of Aborigines.

The cultural identity and religion of Aborigines are intimately bound up with the land. Land Rights has been the important issue in the Aborigines' struggle for justice in the past decade or so. Mining operations more than any other sort of white intrusion naturally destroy the character of the land and strike at the roots of Aboriginal identity, especially in the north. The ways in which

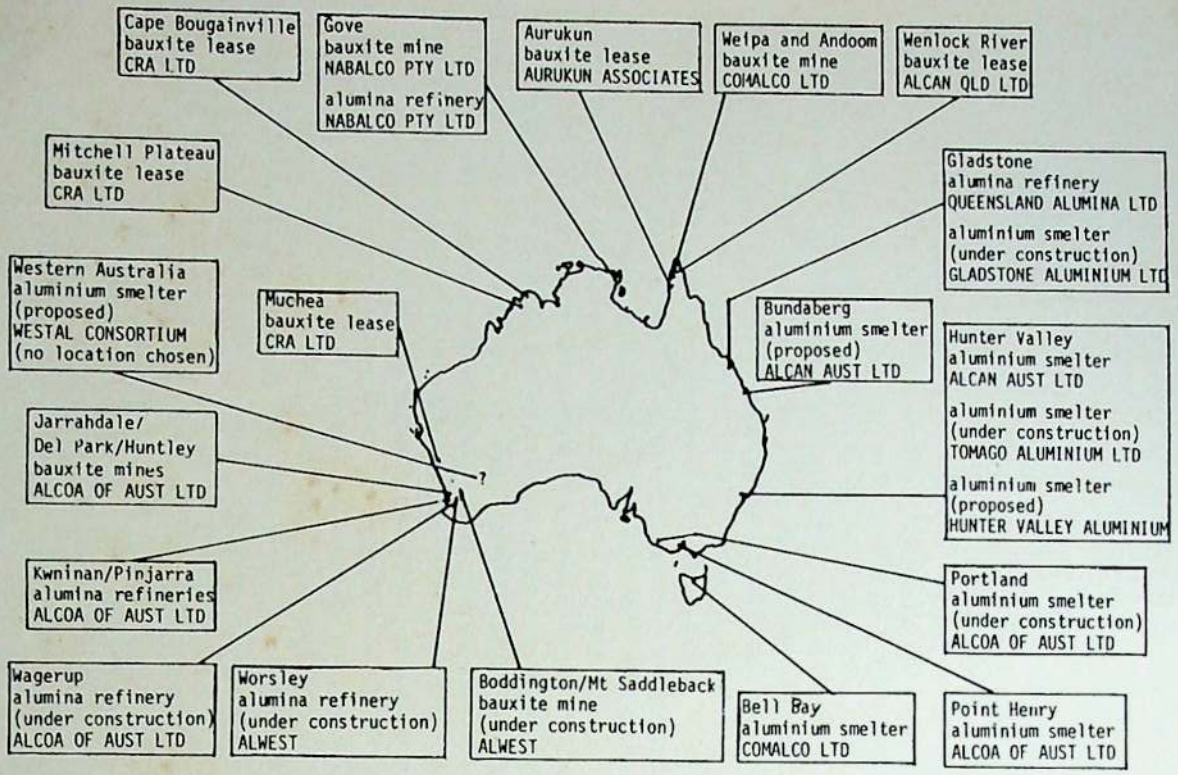
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*See Howitt 1981b, 2b pp: 138 to 149.

mining companies and governments have dealt with the land issue and Aboriginal rights is partially reviewed in this book through case studies. Other cases could have been taken, and several of these are dealt with in Howitt's *Reports*.

Perhaps the most important element to be considered is the transnational character of the companies. Many of the strategies and priorities of these companies are controlled by boardrooms in England and the United States, which direct some of the international webs of interlocking companies with immense economic and political power. Their priorities have little to do with what is best for the people in the host country. 'The essential strategy of the global corporation makes it an antagonist of local interests everywhere.'[1]

An essential belief behind this book is that these transnational corporations are *not* monsters that cannot be controlled. They are human-made institutions susceptible to pressure from other groups of people. It is possible to work on counter-strategies to challenge the power and apparent autonomy of these profit-making machines. Though not very susceptible to moral pressure, they are susceptible to legal and political controls. The first step is to understand their nature, their interests and strategies, and how to competently negotiate with them. The aim is not to wipe away these economic institutions but to find better ways of countering their power and controlling their manipulation of the political and economic patterns of our society. This needs to be done in such a way that all people, including the most powerless and oppressed people and not just vested interests, benefit from an economy that is balanced and controlled by the rights of all.



Corporate interests in the Australian aluminium industry, 1981.

2 CRA LTD

i) Corporate Interests of CRA and RTZ

CRA is the third largest public company in Australia.[2] Its business interests form a widespread and diverse network of mining, mineral processing, marketing and financial activities which span right across Australia. CRA also plays an important role in tieing Australia's minerals and the whole Australian economy into the international system, because CRA is a subsidiary company of the London-based RTZ Corporation Ltd. RTZ is one of the largest mining companies in the world and owns 57.2% of CRA.

Among CRA's subsidiary and associate companies[3] are three more which are in the *National Times* list of Australia's 15 largest publicly listed companies: Comalco Ltd. (CRA 70.3%); Hamersley Holdings Pty. Ltd. (CRA 93.7%); and Bougainville Copper Ltd. (CRA 53.6%). CRA also controls Mary Kathleen Uranium, and has a controlling interest in the Ashton Joint Venture's Argyle diamond project in northern Western Australia. Nearly 30,000 people work for the CRA Group.[4]

In 1980, CRA had control of, or a substantial interest in, many of Australia's most significant mineral reserves including about:

57% of known bauxite reserves;
30% of the annual salt production;
14% of the total uranium reserves;
10% of iron ore reserves;

as well as substantial interests in black coal, copper, lead and zinc.

The major interests of the CRA Group include a wide range of resources and associated services: in bauxite, aluminium, base metals, iron ore, diamonds, energy, salt and services.

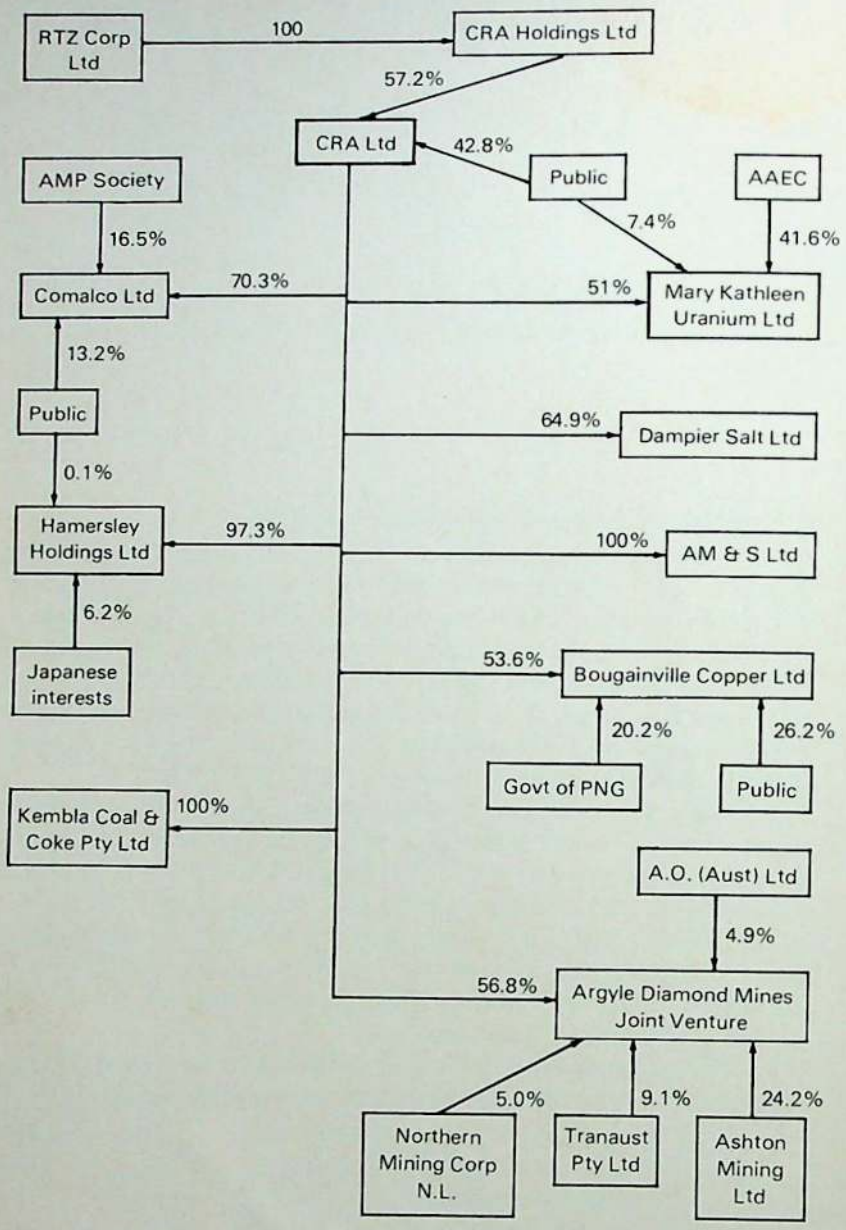


Figure 2.1: *Simplified corporate structure of CRA Ltd,* showing major subsidiaries and ultimate parent company.

Major interests of the CRA group

a) Bauxite — Aluminium

—*Comalco Ltd* (CRA 70.3%, AMP Society 16.5%, public 13.2%) operates bauxite mines at Weipa, North Queensland. CRA's role in the company has been principally to provide management in the mining sector, while Kaiser, which sold its interest in Comalco to CRA in October 1982, was historically responsible for refining and smelting. As well as the Weipa mines, Comalco has interests in alumina refining at Gladstone, Queensland (QAL), and in Sardinia, and aluminium smelters in New Zealand, Tasmania and the one under construction at Gladstone.

— *Mitchell Plateau Bauxite Co. Pty Ltd,* (Comalco 100%). There are large deposits of bauxite in this area of the Kimberley, W.A., as yet undeveloped. Comalco has an interest in a major joint venture to develop this field, and since June 1980 has taken over management of the project and is conducting detailed feasibility studies.

b) Base Metals (Copper, Lead, Zinc, Tin)

— *Bougainville Copper Ltd* (CRA 53.6%, public 25.3%). On Bougainville Island, Papua New Guinea, the social and economic impact of the mine has been considerable. In 1974 PNG renegotiated the Agreement, resulting in much higher tax revenue when BCL profits became very high.

— *AM and S Ltd* formerly Australian Mining and Smelting Ltd, (CRA 100%) is an international base metals company. It operates two of the world's richest lead/zinc mines at Broken Hill, NSW (through *Zinc Corp.* and *New Broken Hill Consolidated*), a rich copper, lead and zinc mine at Cobar (Cobar Mines Ltd, which is expanding rapidly), and manages the Kanmantoo copper mine in South Australia which is not producing at present. AM and S operates smelters at Cockle Creek near Newcastle, Port Pirie, Port Kembla, Avonmouth UK, and at Budel, Netherlands. The company also has processing facilities in Europe, Asia and Australia, exploration activities, one third interest in the *Woodlawn Mines Joint Venture* (open cut silver/copper/lead/zinc deposits near Goulburn, NSW), and AM and S subsidiaries provide services like power and timber to the Broken Hill mines.

— *Conzinc Riotinto Malysia* (CRA 100%). Dredges tin in Malaysia. Through the operation, CRA developed a close relationship with the Malaysian Government.

c) Iron Ore

Hammersley Holdings Ltd (CRA 93.7%,) has major mines at

Paraburdoo and Tom Price, W.A. For many years Kaiser Steel held 28.3% of HI, but CRA bought these shares in August, 1979. In 1981 CRA obtained virtually all outstanding public shareholdings in return for CRA shares, taking its equity to its current level.

d) Energy

— *Mary Kathleen Uranium Ltd* (CRA 51% and Atomic Energy Commission 41.6%, public 7.4%). MKU operated from 1958 to 1963, when it was placed on care and maintenence. It recommenced production in late 1976, despite trade union bans and community debate. Operations ceased at Mary Kathleen in 1982.

— *Kembla Coal and Coke Pty Ltd* (CRA 100%). Operates three collieries near Wollongong, NSW, producing nearly 3 million tonnes of coal in 1979, as well as coke.

— *Blair Athol Coal Pty Ltd* (CRA 62%; Atlantic Richfield Co. (USA) 38%). Open cut mine at Blair Athol, producing low suphur steaming quality coal. Has deposits of both steaming and coking coal nearby at Capella. (Shareholding subject to change as the two partners have agreed to permit a Japanese company to purchase up to 20% interest, subject to FIRB Approval).

— *Tarong Coal Project* (CRA 100%). Will be used to fuel the Queensland Government's new power station at Tarong, about which there was much controversy in 1978.

— *IOL Petroleum Ltd* (CRA 100%). IOL was formed in 1955; completely bought by CRA in 1978. The company holds CRA's 25% interest in the Hail Creek coal project in Queensland, has interests in the Roma natural gas field as well as in uranium and petroleum.

e) Salt

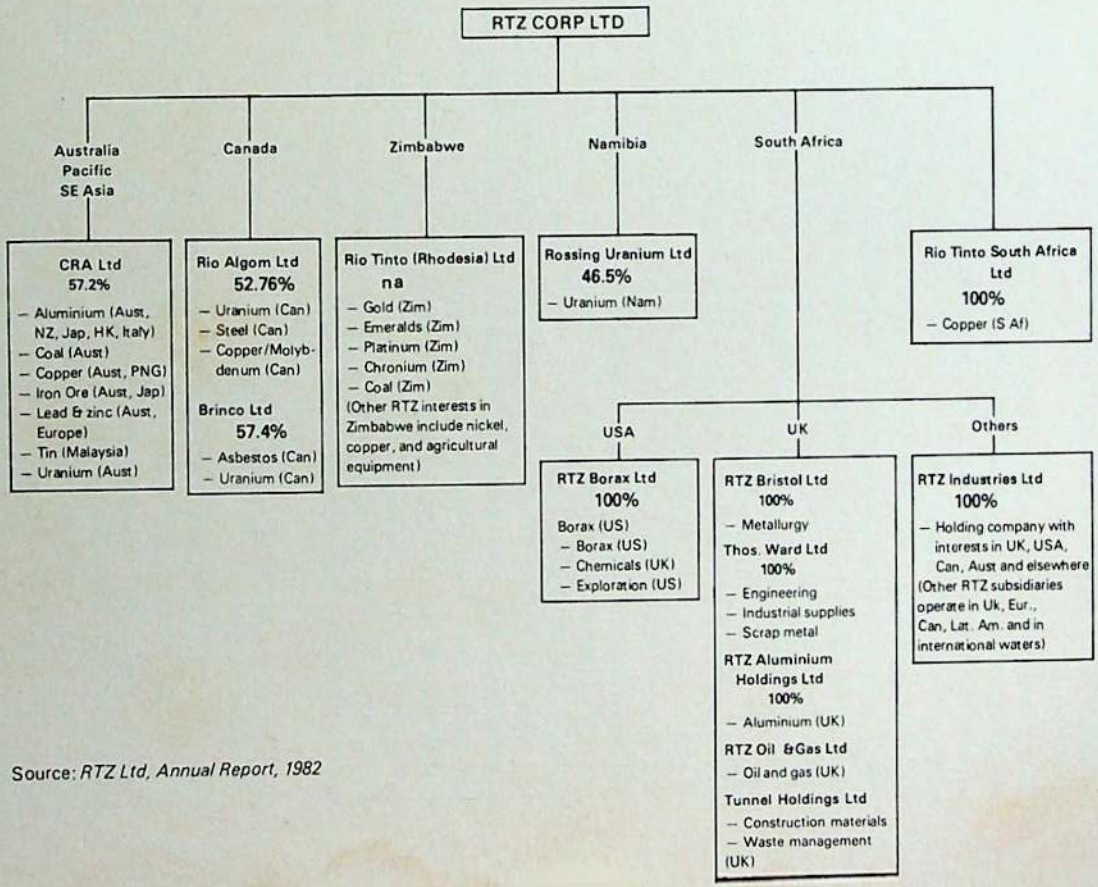
— *Dampier Salt Ltd* (CRA 64.9%). In 1979 produced 2.8 million tonnes of salt — product sold to Japan and countries in South East Asia

f) Services

CRA has an extensive network of specialist service subsidiaries and departments to meet the needs of the whole group. This includes office and property management, computer and share registry services and 'problem' areas such as Aboriginal and environmental affairs.

As mentioned above, CRA is 57.2% owned by the London-based mining giant, *RTZ Corp. Ltd,* so that its corporate strategies and projects are controlled by its parent company. RTZ also has major interests in Canada, South Africa and the USA

Figure 2:2
Simplified Corporate Structure of RTZ Corp Ltd (1982) — showing regional organization of interests



Source: *RTZ Ltd, Annual Report, 1982*

Official and public acceptance of CRA as an Australian company is indicative of the success of RTZ's master plan. CRA public-shareholding (38.9%) and its partnership with government institutions in Mary Kathleen Uranium (MKU), Bougainville Copper and the Malaysian tin operations suggest the success of 'localizing'. Yet the primary responsibility of CRA remains to ensure that profits flow to RTZ and co-operate within the RTZ worldwide network of developments. For example, MKU was shut down in 1963 because RTZ continued to fill uranium contacts from Rio Algom in Canada.

(iii) Corporate Strategies

In the hardheaded arena of international business and corporate power RTZ-CRA has been a leader in developing strategies to preserve its own interests against those of its competitors and those of host countries/communities.

(a) Diversification and Consolidation

Two important associated strategies are diversification and consolidation. By *diversifying* into a wider range of resource items, CRA and other companies reduce their dependence on one commodity and are less likely to be financially affected by booms and busts. CRA, as we have seen, is involved with bauxite/aluminium, iron ore, copper, zinc and lead. Since the mid 1970's, with the increased profitability of energy resources, has been very active in getting into coal in Queensland and NSW and diamonds in WA. CRA's continuing commitment to diversification is indicated in development of bio-engineering interests in recent years.

Consolidation means 'vertical integration' in a particular industry, i.e., interests in more than one stage of an interconnected industrial process. For example, an aluminium company like Comalco is involved in mining bauxite, refining alumina, smelting aluminium, producing the needed power, fabricating aluminium products and even in retailing. At different times, different parts of the process are more profitable. Vertical integration allows a company to organise production to maximize profits and guarantee supplies of raw materials and outlets for products. It also allows for 'transfer pricing' (see below on 'taxation — strategies') to minimise the tax bill. Vertical integration is a new form of 'monopoly', which makes it difficult for smaller companies to move into any stage of the industrial process, or to survive if they are already there. The cartels can easily exert pressure in a variety

of ways to keep a whole massive industrial process with a group of 'sisters' such as the Six Sisters of the international oil industry or aluminiums Seven Sisters. CRA's continuing commitment to vertical integration has been confirmed by the recent digestion of 50% of Showa Industries' aluminium interests in Japan.

(b) Finance

To develop large-scale, capital-intensive mining ventures requires enormous amounts of *finance*. RTZ has been at the forefront in developing methods of assembling the necessary financial deals:

1. It has developed into a large-scale merchant bank, drawing on available finance in return for commodity-imports (e.g., large amounts for German money into the Palabora copper complex in return for long-term supply contracts).
2. RTZ enters into partnership-equity with large U.S. companies with access to money-raising and loan-finance. CRA, with Comalco and Hamersley, entered partnership with the Kaiser Group. CRA has turned more recently to Japan for both equity (i.e., money put in at a rate of percentage of ownership) and loan funds.
3. CRA typically used the value of minerals in the ground to guarantee its debts in raising loan capital. Long-term supply contracts are important in making the guarantee surer (e.g., in 1964 CRA was able to get a 25 year contract for bauxite).
4. Operating capital is easily met by mobilising domestic funds from insurance, superannuation, building societies and banks; and by retaining profits generated by the project itself.

RTZ Profits: Group Profit (Loss) Before Tax 1982

Region	1979		1982	
	£ million	%	£ million	%
U.S.A.	48.9	10.8	59.4	17.4
Aust. & N.Z.	88.8	19.6	98.3	28.8
U.K.	51.9	11.5	21.9	6.5
Papua New Guinea	103.7	22.9	30.5	8.9
Canada	72.8	16.1	8.9	2.6
Namibia	27.2	6.0	91.2	26.8
South Africa	45.3	10.0	29.8	8.7
Europe	11.7	2.6	7.1	2.1
Other	2.4	0.5	(6.1)	(2.0)
TOTAL	452.7	100.0	341.0	100.0

Source: *RTZ Ltd, Annual Reports, 1979 and 1982.*

(c) Foreign Investments

To survive in its difficult global economic environment, any transnational corporation must have strategies which divert or counteract criticism of their 'foreign' investments by nationalist interests in host nations. In developing their own strategies RTZ management has had a variety of strategies to choose from. Some transnational companies have clearly been involved in covert paramilitary destabilization of national governments as in Chile in 1972.* Less controversial are the strategies which involve developing close business and other relationships between the company and national (even government) interests. Another widely used strategy involves the development of increasing national dependence on the activities of the corporation (the 'banana republic' strategy employed so clearly in the Caribbean bauxite industry. (See second report, pp. 122-134, unpublished.)

RTZ has clearly used at least two strategies to minimize disruption of its global interests by nationalist interests. *Firstly,* it has encouraged decentralized corporate structures, with local involvement in management and in company equity. *Secondly,* it has invested mainly in politically conservative, white-dominated, former British colonies.

CRA involves government bodies as partners in equity in projects, e.g., the Australian Government has 41.6% ownership of Mary Kathleen, and the PNG government has 20.2% ownership of Bougainville Copper. It attracts local companies through issued public shareholding, not only in itself but also in its subsidiaries and associates [Bougainville Copper (26.2%), Comalco (13.2%), Hammersley (formerly 6.2%), and MKU (7.4%)]. It also involves local corporate interests in projects. The aim of all this is to have a low-profile as a transnational company.

In the terms of the Foreign Investment Review Board (FIRB), CRA has 'naturalizing' status, which means it is outside the scope of the Board. Naturalizing status means:

i) 25% Australian equity
ii) a majority of Australian citizens on the board, and
iii) the promise to raise Australian equity to 51%.

A 'naturalized' company is one that has reached 51% Australian equity. CRA, like other Australianizing companies, keeps *control*

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* Spokesman Books 1972, *Subversion in Chile: a case study of U.S. Corporate Intrigue in the Third World.* Bertrand Russell Peace Foundation, Nottingham.

in the hands of the transnational parent by a simple strategy: offering CRA shares in return for shares in the Australian company, thus increasing public equity of CRA without creating large local shareholdings which would threaten RTZ's control of the company.

When a company like CRA is crossed by the FIRB, as it was in October 1977 when it tried to take over AAR (formerly Aust. Associated Resources — involved in the Bowen Basin Coalfields), it can prove very hard-headed. At that time it booked one quarter of a million dollars advertising space to publicize its criticism of the Federal Government's politically stable image, if the takeover was not approved within 24 hours. CRA did not carry through the threat and has since demonstrated its return to being a favourite with the Federal Government by negotiating naturalizing status.[7]

(d) Taxation

This is another area of strategic importance for companies whose only *raison d'etre* is to make profits: this is taxation.

In Australia, the Federal Government is reponsible for company taxation while State Governments levy mineral royalties. Tax practices in the mining sector were the subject of great controversy in the final year of the Federal Labor Government, when Minerals and Energy Minister, R. F. X. Connor, suggested that the mining industry had actually received a $55 million subsidy from federal funds (1967-73) and had not made any overall tax contribution.

The *Fitzgerald Report* argues that the practices of many large mining companies which aim at minimizing their individual tax liabilities have an industry-wide impact of minimizing the actual contribution of the whole industry to Australian welfare. The *Report* has been challenged for its method and conceptual approach but the basic argument has never been satisfactorily answered. Fitzgerald was particularly critical of the industry's use of 'deferred tax' provisions in the Tax Act, which allow companies to 'defer' tax payments while they are engaged in major investment programmes. Combined with other tax-reducing mechanisms available, particularly to transnational corporations — such as *transfer pricing, intracorporate loans, technology sales* and a huge array of *confusing accounting procedures* — the deferred tax provisions provide the companies with almost unlimited tax avoidance opportunities.*

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* *T. M. Fitzgerald, 1974, The Contribution of the Mineral Industry to Australian Welfare,* Australian Government Publishing Service, Canberra.

Like all transnational companies, CRA actively seeks ways to minimise its loss of income through taxation. To this end the company seeks what are commonly called 'loopholes' in taxation laws, lobbies for legislative reform of tax laws to favour mining companies, and has also undertaken legal challenges to existing tax provisions.

Transfer pricing is one useful tax minimisation strategy. For example, when Comalco signed long-term bauxite agreements with Japanese companies, CRA set up a jointly owned Hong Kong-based sales company: Comalco Bauxite (HK) Ltd, owned 52% by Comalco and 48% by the two Japanese companies. Between 1967 and 1971, the Hong Kong company purchased all the bauxite bound for Japanese customers at the low price of 33 = shillings per ton (average) and then sold it to the Japanese at 40 = shillings per ton (average). Yet the bauxite travelled directly from Australia to Japan.

Hong Kong was selected as the location for the sales company because its Corporation Tax (at 12%) was very much lower than Australia's and Japan's. When the Australian Taxation Commissioner challenged the company's failure to pay taxes on income gained, the case dragged on for 4 years until it was rejected in the High Court (Mr Justice Murphy being the only judge to find favour with the Commissioner's case).

An important Section in the Taxation Act (No 136) was thus undermined.

(e) Exploration and Project Development.

CRA's expansion is primarily through mergers, share deals and takeovers rather than through its own fieldwork, and yet its exploration programme is the largest in Australia. It keeps a constant watch on the activities of small exploration companies, and when things look promising it moves in with generous offers for joint ventures or takeovers: e.g., Mary Kathleen Uranium, Bougainville Copper, Mitchell Bauxite and Argyle Diamonds. All the involved exploration, research and development expenditure is written off as tax deductions while at the same time, CRA, like other large companies, can push smaller operators out of the picture. The transnationals can control international markets, can control the technology for project development, and have access to the capital required. Ironically, many of the valuable mineral deposits in northern Australia were first discovered by Aborigines in the 1940's and 1950's. For example, the Aboriginal controlled *Nomads Group*

was once the largest privately owned company in the Pilbara region of W.A.

(iv) A case study of the Argyle Diamonds Project (Ashton Joint Venture) in relation to the treatment of Aborigines

The Ashton Joint Venture (AJV), in which CRA has a 56.8% interest and management responsibility, has begun preliminary work on what is the largest single diamond find anywhere in the world: at the Argyle site, Lissadel Station, in the Kimberley's in Western Australia.

The stakes are high at Argyle — the reserves are estimated to be worth well in excess of $15,000 million. The State and Federal Governments have been loathe to interfere with any aspect of the project, though the Prime Minister did briefly threaten to prevent the Joint Venture selling through the South African gem cartel De Beers in mid October 1981. The State government has gone out of its way to clear the path for the Joint Venture to proceed without legal challenges from other companies or from Aborigines.[8]

In 1976, the discovery of gem-grade diamonds was announced by the AJV's partner, Northern Mining. At first, CRA had a 15% interest in the AJV; this has since been raised to 56.8%. The third party in the Venture is Ashton Mining. The AJV pegged claims in two areas: the Forrest River Aboriginal Reserve (Oombulgurrie Aborigines) and on Ellensdale Station.

The Oombulgurrie people negotiated an agreement with one of the AJV's founding members, Tanganyika Holdings, and later with CRA, to give the AJV exclusive rights to explore in the Forrest River area. BHP and De Beers subsidiaries, which were interested in the area, were thus excluded. The Aborigines could not exclude mining companies from Reserves. This was achieved by altering the *Aboriginal Affairs Planning Authority Act* early in 1978, removing control of entry into the Reserves from the Department of Aboriginal Affairs and the Aboriginal Affairs Planning Authority and placing it with the State Minister alone.

In time, interest in the diamond search shifted from the Forrest River Reserve to Ellensdale and finally to Argyle. The first hint of diamonds at Argyle came in a CRA report on October 21, 1979. CRA tied up the whole area with claims for the AJV and claimed that 'Aboriginal land holders are consulted before exploration is commenced on their land and care is tak n to safeguard sacred sites. The assistance of the relevant museum authority is also sought in order to avoid unwitting disturbance of sacred sites'.[9]

In direct contradiction of this admirable public relations statement, CRA failed to make any meaningful contact with local Aborigines before beginning exploratory excavations at Argyle. The first initiative for consultation came from Aborigines after helicopter musterers flying over the area saw CRA activity, which included excavation of Devil Devil Spring, an important sacred site. The Aborigines notified the Kimberley Land Council and the WA Museum. On November 7, 1979, the Kimberley Land Council and the Warmun Aboriginal community telegraphed CRA about sacred sites, asking for a halt to work. CRA replied the following day by cable, saying we 'are making inquiries with the WA Museum regarding the location of any sacred sites in the area you mentioned'.

On December 5, 1979, the WA Museum submitted its preliminary survey to CRA, locating 58 sacred sites in the area (three of which were in the main area of CRA's activities). The Museum requested that CRA repair the damage, recommended that CRA not do further work without proper evaluation of the sites by the Museum, and that CRA apply to the Minister to continue work and to employ a Warmun Aborigine to help in identifying the boundaries of the sites.

CRA basically ignored this report and the Museum did not take independent action under legal provisions available to it to enforce the law and protect the documented sites. Press reports revealed that CRA had continued to work despite the Museum's recommendations. The Museum, therefore, wrote once more to CRA on January 15, re-stating their earlier recommendations, in particular reminding CRA that they had to apply to the Trustees of the Museum if they wished to continue their exploration activities on the registered sacred site. CRA apparently did try to get something from the Warmun people to help identify boundaries, but the people seemed uninterested. The Kimberley Land Council wrote to CRA about Aboriginal concern over the project and asked for information on the social and physical impact of the project. Two months later, CRA acknowledged receipt of this letter and 'noted' the concerns expressed.

On April 22, 1980, Mr Mike Bell (CRA's newly-appointed research officer on Aboriginal Affairs) had a meeting with the Warmun people at Turkey Creek. The Kimberley Land Council anthropologist Kim Ackerman, had completed a survey of sacred sites by this time, though reports went to the press before going to CRA. Bell promised the Warmun people that work would keep two

miles from sites, but CRA decided in May that one kilometre was sufficient.

The West Australian Government put pressure on the Museum to keep out of the dispute, even making it difficult for officers to visit the area. On June 5, 1980, the Australian Institute of Aboriginal Studies issued a report on sacred sites, but already CRA was working within 200 metres of the centre of the Barramundi site.

In June, 1980, John Toby (a leader of the Warmun people) laid charges against CRA, based on the *Aboriginal Heritage Act,* at the Kununurra Court. He dropped this action on July 6 when the Museum commenced a similar course; but this latter action was never followed through. John Toby, one of the 50 traditional owners, then reversed his objections to the project. There seems to have been enormous pressure from his family to negotiate a settlement with CRA.

On July 22, 1980, CRA met with Toby's family at Mandangala and was prepared to negotiate with this outstation. The outcome was the *'Argyle Agreement'* (July 26, 1980), which was signed by only four Aborigines. CRA had successfully divided the Aborigines. Other owners and groups did not accept the Agreement and declared it invalid. There was larger unified opposition. However, the dispute over the Argyle Agreement was quickly overshadowed by the Noonkanbah Convoy dispute, which came to a head early in August, 1980.

Since then, most Australian interest in the Argyle project has been in the AJV meeting the Foreign Investment Review Board's requirements for Australian equity. In February, 1981 the AJV was given 'naturalizing status'.

The WA government has done all in its power to clear the way for the AJV to develop the project. Pressure has been continued on the W.A. Museum authorities not to take up legal challenges on behalf of the Aborigines for alleged breaches of the *Aboriginal Heritage Act.* In September, 1980 the Minister for Cultural Affairs announced that CRA had been given *approval to work on all* its mining tenements in the area. In October, 1981, Sir Charles Court, the Premier announced that legislation would be introduced to prevent further legal challenges to the AJV's Argyle diamond project, specifically from the WA company, Afro-West Mining Pty Ltd, which had launched a court action in August, 1981. By this time, the Government seemed able to ignore any Aboriginal claims concerning the area. CRA had successfully divided the Aborigines,

and any respect for sacred sites (and 'ownership')[10]* seemed to be swept aside as the hunger of government and company pushed powerfully ahead with its pro-development (at all costs) ideology. Since fieldwork for this book was completed, development of the Argyle project has continued rapidly. Commercial production of diamonds commenced in January 1983, with CRA establishing a sales relationship with De Beers' Central Selling Organisation.

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* See CRA Annual Report 1979, p. 19.

3 AMAX INC.

(i) Corporate Interests of Amax

Like RTZ, Amax Inc. has developed innovative strategies and has often gone against business trends to pursue its corporate profile goals. Until recently, the US based Amax maintained a very low profile in Australia. The Noonkanbah dispute brought Amax to public attention in August, 1980.

Until the late 1950's, Amax was basically an investment company, relying for its income on investments in companies run by others. Its only major productive investment was in *molybdenum* (a specialty metal used in the production of pipe equipment and automobiles and in the arms industry). At that time Amax started to become a highly diversified and aggressive producer in a whole range of minerals. This change was led by Ian MacGregor (Chairman of Amax 1967-1977).

Amax first entered Australia in 1963, when a team of executives 'on a world tour seeking new mining projects' learned of a rich iron ore deposit in the WA Pilbara region (Mt Newman). In July, 1964, Amax was joined by CSR in the Mt Newman project. BHP entered the joint venture in 1966, taking over management of the project through its wholly owned subsidiary, Dampier Mining. Amax retained control of the project's overseas sales. Mt Newman began production in 1969 and from 1972 to 1979 contributed a yearly average of 19% of Amax's pre-tax earnings.

As well as the Mt Newman project, Amax is involved in oil, diamonds, nickel, and copper and prospects in WA, and has only recently withdrawn from coal projects, coal in NSW and

Queensland, and from an aluminium smelter proposed in the Hunter Valley, NSW. It owns one-third of *Australian Consolidated Minerals* (ACM), which is a member of the UK-based giant, the Consolidated Goldfields group, with interests in nickel and uranium (WA and NT); diamonds (WA); gold (WA); oil (WA); tin (Q'LD); brown coal (WA); and a copper-gold-uranium prospect at Tennant Creek (NT).

In 1979 Amax further strengthened its commitment to Australia when it set up a new subsidiary, Amax Australian Ventures Inc., with the aim of maintaining exploration programmes in Australia and arranging new Amax ventures. A further development came in March, 1981, when Amax announced its intention to seek 'naturalization' under Australian foreign investment guidelines (*SMH* 11.3.81). However, in September, 1981, the first float of shares was deferred 'until market conditions improve' (*SMH* 15.9.81, p. 17). Since its withdrawal from the coal development project, Amax's need to be seen to be Australianizing has been reduced and no share issues have yet been made.

Amax itself has not been immune from takeover by larger companies. In 1975, when Amax was in trouble and its shares were selling below book value, it was able to sell off 20% of itself to *SOCAL* (Standard Oil of California, the 6th largest Corporation in the USA). Anti-trust Laws prevented a complete takeover by SOCAL, because Amax was also involved in energy resources (SOCAL's main area of operation). In 1981, SOCAL made another bid to take over Amax.

Amax manages its vast international interests using a corporate structure based on product divisions, of which there are three. (It is thus much more centralised in management that RTZ).

Amax's corporate organisation

Following 1982's sharp decline in profitability across Amax's diverse interests, the company reorganised its interests in three groups: (1) Metals; (2) Energy and Chemicals; and (3) Strategic Planning and Development. The intention was to create ' a leaner and more efficient organisation . . . (able to) act more effectively in attending to . . . current and future needs and opportunities' (Amax, *4th Quarter Report 1982:* p. 2).

Prior to 1982, Amax's interests were organised into six product divisions. The 1982 reorganisation emphasises the importance to Amax of strategic, centralised planning. But a review of the earlier corporate organisation reveals the scope of Amax's activities:

Amax's Six Product Divisions

1. Molybdenum, nickel, tungsten and specialty metals division
In 1979, this division supplied 52.8% of Amax's total pre-tax earning. Amax has two producing molybdenum deposits around the world, including the American Indian sacred site Mt Tolman (Washington State, USA) and Coppers Gap (near Port Headland, WA). Amax operates five molybdenum conversion plants in USA and Europe.

2. Base metals division: copper, lead and zinc.
In 1979, this supplied 19.3% of pre-tax earnings. All its producing interests are in North America.

3. Energy division: coal, oil, gas.
In 1979, this supplied 9.8% of pre-tax earnings. As the third largest coal producer in the USA, Amax has 14 coal mines, and has exploration leases and permits in other areas (including Montana, where their legality has been challenged by the local Indian Nations). In Australia, Amax is equal partners with BHP in the Boggabri coal prospect in Northwest NSW and has direct and indirect coal interests in Qld and WA. Amax has interests in oil and gas: in 1979 in a total of 2154 providing oil wells, 468 producing gas wells and 7 wells in process of drilling. Of importance here is Amax's activities in the Noonkanbah area in Western Australia.

4. Industrial minerals and resources division: iron ore, phosphate.
The main interest here is the iron ore interest at Mt Newman, WA. This division gave 6.6% of pre-tax earnings in 1979, but in 1972 Mt Newman iron ore gave 34% while even in 1977 it gave 19%.

5. Aluminium Division.
Alumax was created in 1973 when half of Amax's aluminium division was sold to Mitsui and Nippon Steel. Although not in the same league as the 'Six Sisters', Alumax is North America's fifth largest Aluminium company. In 1979, this division gave 11.0%.

6. Investments Division.
As noted above, Amax was once dependent on dividend income from investments. During the 1970's, reliance on this income was reduced, so that by 1979 it supplied only 0.5% pre-tax earnings. However, this division is also responsible for operating companies which Amax can use to take advantage of tax havens such as Luxembourg.

(ii) History of Amax

Amax (American Metals Climax) was formed in 1957 when Amco (American Metals Co.) merged with Climax Molybdenum. Amco

had been incorporated in New York in 1887 by a consortium of 3 family businesses (English, German and American) to treat and carry out trading of metallic ores. In 1910, Amco took its first interest in Molybdenum, but the mine at Climax Colarado did not get into production before World War I had ended, and it was closed until 1924. With the War in 1914, the English family went into liquidation, and the German shares were confiscated by the US government and sold to American citizens.

By 1925 the Climax molybdenum mine was re-opened, Amco having through its wholly-owned subsidiary, Climax Molybdenum, convinced peace-time industry of the value of the metal. Sales rose through the 1930's despite the Depression, as Amco profited from the arms industry.

In 1930, Amco began investing in Africa — (in North Rhodesia, South Africa and Namibia (SW Africa)), from the profits of its American interests. These interests were mainly in base metals (copper and lead) and nickel. By the late 1960's these African investments produced an average of 32.4% of the company's total pre-tax profits.

Rising black nationalism in southern Africa in the 1960's and early 1970's forced Amax to reassess its investment strategy there. This was particularly so in Zambia (formerly Northern Rhodesia). International pressure arose from a variety of social justice groups which sorely critized Amax and its associates, the Anglo American Corporation and Newmont Mining Corporation, both for their treatment of black workers and the huge profits they were drawing from Africa. The fall in copper prices around 1975 also encouraged companies like Amax to reduce dependence on African investments and seek more stable targets for investment. This led to Amax to move more solidly into the Australian resources search with the capital accumulated from African investments and sell-offs. Amax, however, retains significant minority holdings in its main African interests. The international recession in mining and metals hit Amax badly in 1981 and 1982. 1981 earnings were $US230.8M, but reversed in 1982 to a net loss of $US390.1M. The aims of the company continue to emphasise the primacy of profits.

(iii) Corporate Strategies

AMAX is a particularly useful case-study because its corporate strategies have been innovative and trend-setting in a turbulent period of the development of global capitalism. The success of Amax's strategies is widely recognised among the large cor-

porations. Like RTZ's innovative global strategies of the 1950's, Amax's careful and diverse investment programme; its arrogant *liassez-faire* attitudes to government controls and public intervention; and is political and economic sophistication are rapidly becoming common weapons in the corporate power game against local interests.

Some of the key components in Amax's global strategies success were outlined in an article in *Business Week,* August 2, 1976. These were:

— diversifying its natural resources base;
— avoiding 'environmental' conflicts;
— pursuing extensive research and development programmes;
— investing in politically stable areas; and
— using a 'direct hands-on' management style.

To these could be added Amax's financial practices and their method of dealing with indigenous peoples.

a) As we have seen, Amax had changed from being an investment company to a diversified resources company — as a result of a carefully planned strategy to reduce its vulnerability to the ups and downs of the resources markets. Amax's diversification has been financed principally through the sale of 20% of its shares to SOCAL; through the sale of many of its African investments; and the sale of 50% of its aluminium interest to Japanese companies.

b) To avoid environmental conflicts, Amax has a public relations machine, aiming to produce an image of Amax as a very responsible company. Amax has received a number of mining industry and government awards.

At its Henderson molybdenum mine in Colorado, USA, Amax spent an extra $US 100 million to build a 9½ mile tunnel beneath a mountain range between the mine and its processing plant. A subsidiary company, Meadowbank Farms Inc., operates farms on Amax land before and after mining, arranging award-winning reclamation work at a number of its open cut coal mines. Amax exploits this image well, but it is also legally required to disclose in its annual *Form 10-K Report* any actions against it for pollution and environmental degradation.

The 1979 Report revealed that Amax was being prosecuted for water pollution from the Port Nickel nickel refinery, for excessive sulphur content in its coal and on a number of other matters (1979 *Form 10-K Report*, pp. 9. 17-21). Amax is a producer of large amounts of refined lead and actively supported the Lead Industries Association's opposition to stringent new environmental lead standards in the USA.

Companies like Amax are concerned with environmental questions only because other bodies such as governments and ecological groups force the issue. Their only concern ultimately is the profitability of a project, and *part of that is having a 'good reputation'* and an image of being 'environmentally responsible'.

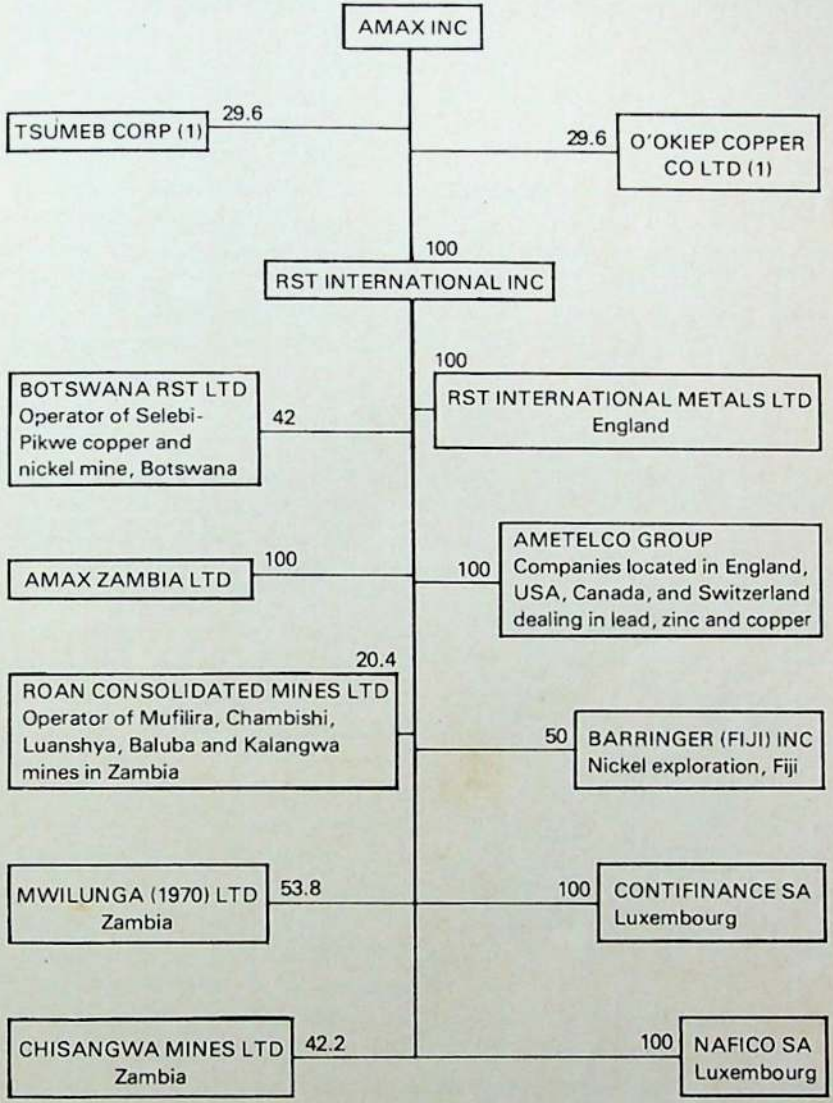
c) In the research and development area, Amax (through its specialty metals division) is very active in devising new metals and aggressively developing markets. For example, it is company policy to expand its productivity and sales by 6% per year in the molybdenum area. Research and Development gives Amax close links with government research establishments, universities and the US Defence Department. This helps keep Amax a step ahead of its competitors, and gives its profit-seeking an air of scientific respectability.

d) Amax seeks projects and developments in countries that are *politically stable.* As a general rule, it does not go to Free Trade Zones in third world countries. It also seeks projects where governments and the public are relatively unsophisticated. For example, Alumax chose Farley, NSW, in preference to Oregon, USA as the site for an aluminum smelter, because concentrated opposition arose in Oregon. When controversy did arise in NSW, Alumax threatened to pull out in order to contain debate within the State government. In general, Amax prefers to operate in stable western countries where long-term investments and contracts bring greater security rather than short-term spectacular successes.

e) Amax's last two Chairmen and Chief Executives (Ian MacGregor, 1967-77, and Pierre Gousseland, 1977-), have led a *management style* described as *heavy, direct, hands-on.* Amax is a very centralised company, divided by division of metals rather than by major local subsidiaries. (Here, there is a contrast with RTZ's strategy.) MacGregor is a devotee of the *laissez-faire* economist, Adam Smith, who 'always stressed *free* economic activity as *the* means to achieve mankind's longing for personal freedom'. In 1982, Gousseland presided over imposition of a severe austerity programme.

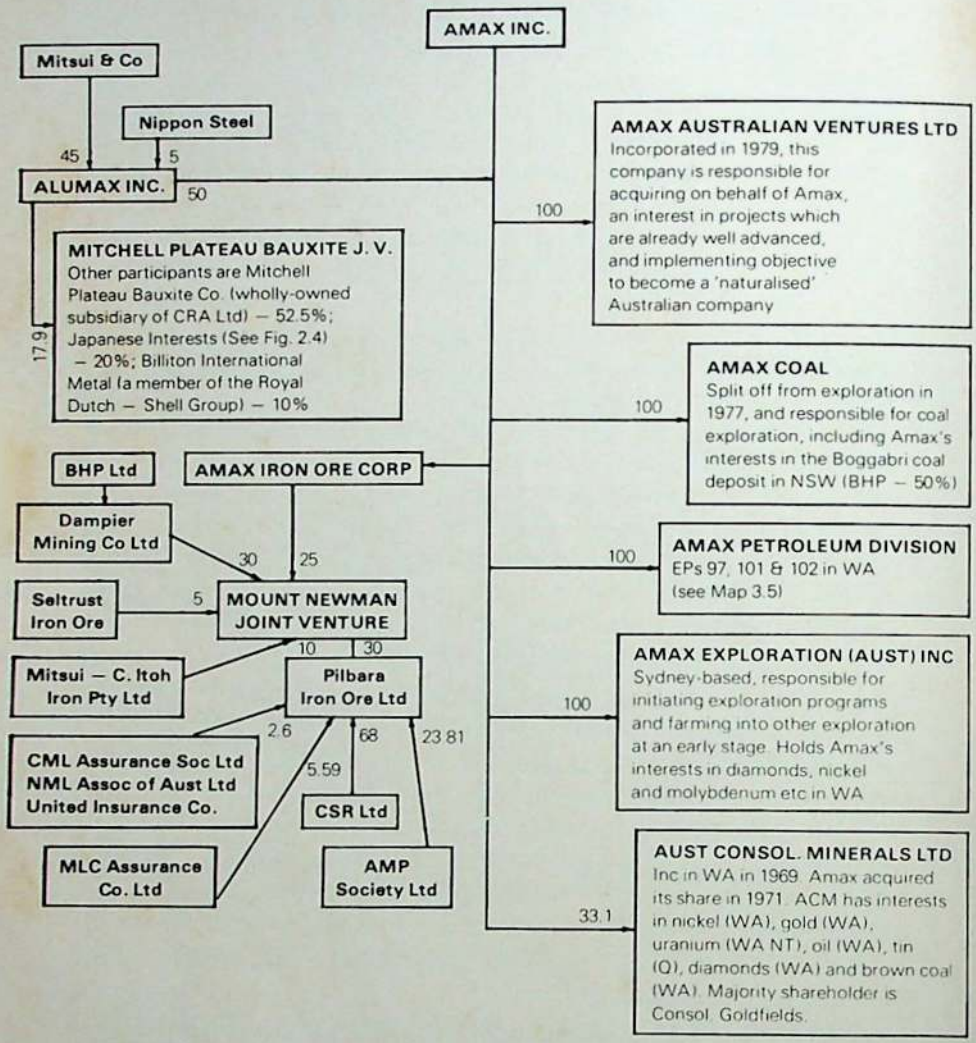
f) Like other transnational corporations, Amax is able to manipulate its *finances* in ways that maximize profits and minimize tax-payments. The existence of two finance subsidiaries (Contifinance and NAFICO), which are registered in the European tax-haven of Luxembourg, and the lack of any reference to these in the company's Annual Accounts is a good example of this sort of activity. Through deferred taxation and the incorporation of

Figure 3:2
Basic organisation of Amax's international portfolio investments



Sources: Compiled from various Amax *Annual Reports,* and Amax, *Form 10-K Report, 1979.*

Figure 3:3
Amax's interests in Australia, 1980



Sources: A. Woodhill, (WA Regional Manager, Amax Expl.) Interview, Perth, 16.5.1980; Alexander & Hattersley, 1980, pp. 123-125; Amax Inc, various *Annual Reports; The Miner Newspaper,* various editions.

subsidiaries in the low-tax State of Delaware, USA, Amax minimizes tax payments.

In 1979, nearly 32% of Amax's total tax payments were deferred. Of its 180 subsidiary companies, 86 were incorporated in Delaware.

To finance projects, Amax has differed from RTZ (which became a sort of merchant bank). Amax has sought loans from the American capital market, and has sold off large share holding (for example, to SOCAL and Mitsui).

g) **Part of the public relations image** that Amax seeks to project is 'no conflict' with indigenous peoples and other local interest groups. In the Noonkanbah dispute, an Amax spokesman was quoted as saying: '. . . we have never had these problems before, not with (American) Indians'. (Tribune, 9/4/80, p.8). In fact, nothing could be further from the truth, as the following four cases indicate.

1. **Since 1969,** there has been a legal action over ANAMAX's excessive use of water from the Santa Cruz River Basin (Arizona) for its copper mining. This is alleged to interfere with the water rights of the Papago Indians on the San Xavier Indian Reservation (ANAMAX is 50% owned by Amax and 50% by Anaconda).

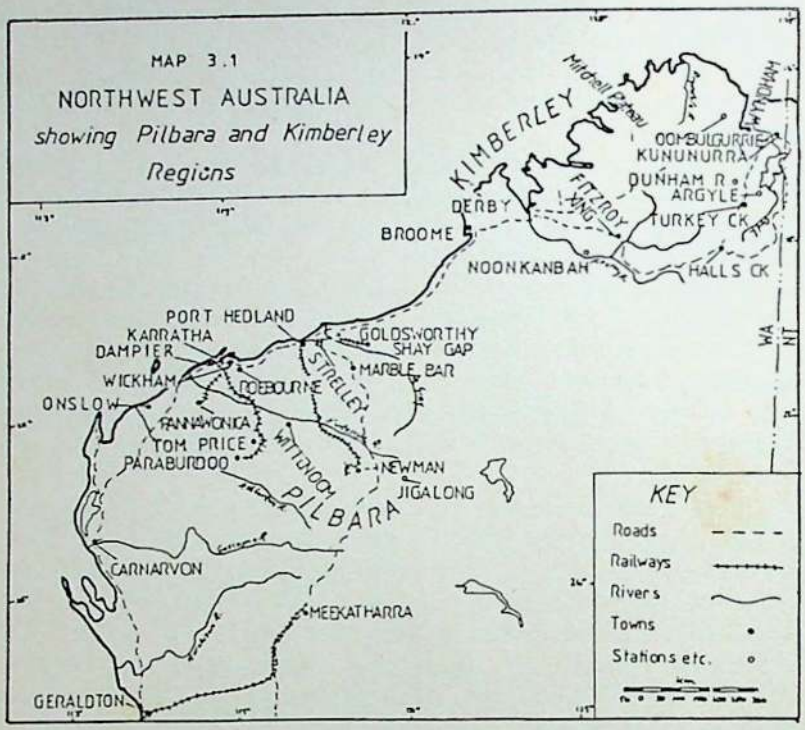
2. **In December, 1979,** the Navajo Indian people took Amax to the Arizona District Court, claiming damages for personal injuries and death resulting from employment in certain underground uranium mines on the Navajo Reservation.*

3. **Amax is hoping to begin mining** low-grade molybdenum at Mt Tolman (Washington State, USA) in 1985. The mountain is a sacred site for the eleven Indian tribes of the Colville Confederation. Amax successfully negotiated a mining agreement with the tribal government, but the legality of the Referendum favouring the aggreement with Amax has been challenged by the Tolman Alliance. Amax and other interested companies have been able to serve their own interests by playing on, exploiting and deepening divisions among the Indians, especially by negotiating only with one sympathetic group.

4. **Amax, along with other companies,** has coal interests in two Montana Indian Reservations. The company leases have been challenged in the courts by the Indians of the Crow and Northern Cheyenne reservations. While the whole future of the Indians' cultures and communities is at stake in these legal battles, Amax can blandly say that, if there is an adverse ruling on the Crow

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*See Appendix 5.

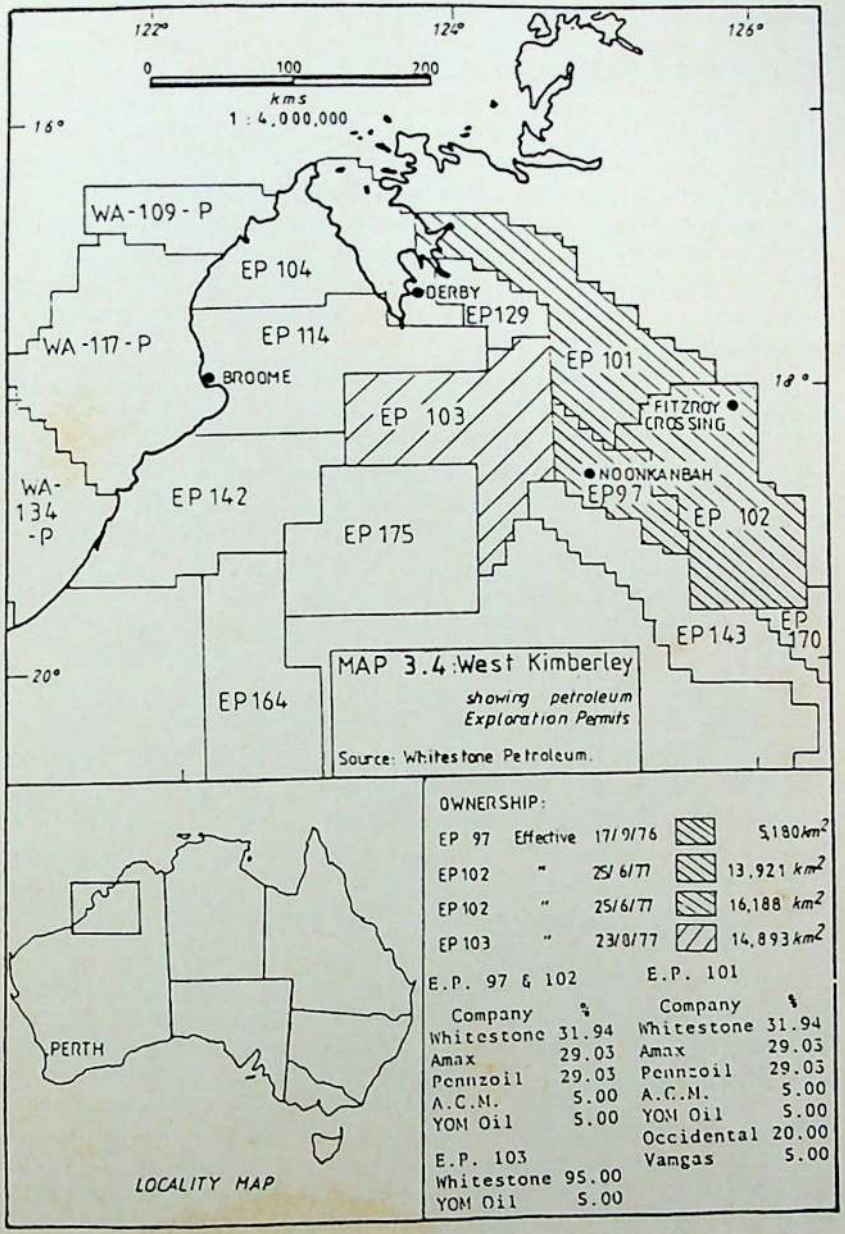


project, this would not have a material adverse effect on Amax's business and operations' (*Form 10-K Report,* 1979, p. 203) Amax has also vigourously opposed the unionising of labour in its US coal mines.

(iv) A case study of the Noonkanbah oil-exploration programme in relation to the treatment of Aborigines

The events at Noonkanbah station in the Kimberley region of WA between 1978 and 1980 focused international attention on the struggle of Aboriginal people in Australia to enter into meaningful negotiations with large-scale mining companies. It also focused on the issue of the role of governments when such conflicts arise and where the sympathies of governments tend to lie.

The legal issue at Noonkanbah was sacred sites. Western Australia has no Aboriginal land rights and the Aborigines' claims related to the Aboriginal Heritage Act (1972) No. 53, but the


122°
124°
126°
0
100
200
kms
1 : 4,000,000
16°
18°
20°
WA-109-P
EP 104
DERBY
EP129
WA-117-P
EP 114
BROOME
EP 101
EP 103
FITZROY CROSSING
NOONKANBAH
EP97
EP 102
WA-134-P
EP 142
EP 175
EP143
EP 170
EP164
MAP 3.4: West Kimberley
showing petroleum Exploration Permits
Source: Whitestone Petroleum.
PERTH
LOCALITY MAP
OWNERSHIP:
EP 97 Effective 17/9/76 5,180 km²
EP102 " 25/6/77 13,921 km²
EP102 " 25/6/77 16,188 km²
EP 103 " 23/8/77 14,893 km²
E.P. 97 & 102
Company %
Whitestone 31.94
Amax 29.03
Pennzoil 29.03
A.C.M. 5.00
YOM Oil 5.00
E.P. 103
Whitestone 95.00
YOM Oil 5.00
E.P. 101
Company %
Whitestone 31.94
Amax 29.03
Pennzoil 29.03
A.C.M. 5.00
YOM Oil 5.00
Occidental 20.00
Vamgas 5.00

deeper issue was the concern of the Yungngora community to have some control over the development of their land and the impact this would have on their fragile community.

Brief History of Noonkanbah Station

Noonkanbah was a sheep station until 1972, when cattle were introduced up to a maximum of 12,400 in 1975. Aboriginal workers suffered under terrible conditions there for many years, only staying in order to keep up their ceremonies on their land with its sacred sites. In 1972, they went on strike and walked off the station. The people went to the notoriously racist Fitzroy Crossing, camping on the river there and descended into the social welfare/alcohol spiral.

In 1976, Noonkanbah and the adjacent lease were put on the market by the European owners. The area was purchased by the Aboriginal Land Commission and transferred to the WA Aboriginal Lands Trust. Noonkanbah station became the responsibility of the Yungngora Community. On their return to the station, the community found it in very poor condition, largely because of overstocking and mismanagement. The Yungngora people went about the task of improving the viability of the pastoral operation, and also developing their own style of community.

The project has been a great success. Cattle sales in 1978 and 1979 brought in $51,456 and $95,783 respectively. The station had 40 men from the 125-member community on the payroll in August, 1980. Since the end of the 1977-78 financial year, there has been no direct Federal Government support for the pastoral operation.

As well as developing a pastoral operation capable of supplying both food and cash to the community, the Yungngora have made Noonkanbah an important cultural and educational centre in the Kimberley. They have a bi-lingual community-controlled school. The Kimberley Land Council was established during a cultural festival of Noonkanbah in March, 1978; and the Federated Land Councils of Australia was formed there in September, 1980 during a joint meeting of all the Aboriginal Land Councils.

Mining Companies

Noonkanbah station has attracted attention because of its potential wealth in two resources: diamonds and oil. In the northern section, more than 30 companies (including Amax, CRA, BHP, and MIM) have lodged mining claims for diamonds. Because of the large

number of companies involved, pastoral activities have been disturbed on many occasions. The dispute of 1978-80 concerned oil exploration, but it is likely that the interest in diamonds will have a larger impact on the area in the long term.

On-shore oil exploration permit EP 97 covers Noonkanbah and surrounding areas. It was originally taken up by an American Company, Whitestone Petroleum, after the WA government had gazetted the area. Whitestone went into the venture with Amax and Pennzoil, and in 1977 three further permits were taken up, covering the surrounding areas (two of them with these three companies in partnership, and EP 103 by Whitestone alone.[12].)

*The Noonkanbah Dispute**

The detailed history of this dispute cannot be dealt with here. In their long struggle to re-assert their authority over their land and the development of their community, the Yungngora people have come face to face with the very considerable power of large corporations *and* the WA government. Their first use of the whiteman's law came in November, 1978, when the Noonkanbah Pastoral Co. lodged 95 objections to claims pegged by CRA, asserting desecration of sacred sites, damage to fences and equipment, and disturbance of stock. In dismissing the objections on legal technicalities, the Broome Mining Warden, Mr McCann, however, pointed out to the government the limitations of the law in protecting the sincere and deep concern of the Aborigines regarding the further impact of mining operations. This has not been of much concern to the WA government which has been prepared to change and interpret the law to give Amax and its partners a better go.

In June 1979, the WA Government overruled the recommendation of a WA Museum's report concerning sacred sites Earlier, on March 25, 1979, the government had instructed the Board of Trustees of the Museum to approve drilling at Noonkanbah. The government betrayed a very original attitude towards 'sacred sites', rejecting the Museums anthropological basis for defining these sites. The Museum bowed to the pressure from the government and withdrew its objections, thus lessening the legal basis in the Aboriginal Heritage Act for the Yungngora people to lodge injunctions against drilling. Aborigines in the Kimberleys were out-raged at the weakness of the Museum Trustees. Amax

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*See Appendix 2, page 93.

first proposed entering Noonkanbah in June, 1979 to drill a water bore to support the proposed oil well. The Yungngora people successfully opposed this initial move, but Amax was back in March, 1980 and started to drill for water on the sacred land. The WA Premier, Sir Charles Court, authorized the use of police to protect Amax contractors (10 Amax contractors were protected by 34 policemen). This became a key issue in the dispute.

The Yungnogora people appealed to the Trade Union movement for support in black-banning the project, but the WA government has since 1976 been introducing legislation and amendments that, if put into effect, severely and repressively curtail the civil liberties of people with different views from the government, especially organized labour. The Yungnogora appeal to the unions gave the government the opportunity to try to shift the focus away from Aboriginal concerns to the questions of 'white manipulation' and 'union power'. For example, the police were instructed to arrest only white unionists and not Aborigines as the Amax convoy (drilling rig) moved towards Noonkanbah in August, 1980.

The Western Australian government was prepared to go to extreme lengths to ensure that Amax 'carried out its legal obligations to drill'. It provided a paramilitary escort for the drilling convoy, commandeered the drilling equipment and provided non-union labour. It seems that Amax was under pressure to go through with an excercise with which they would have preferred not to have been involved.

The Government's desire was to crush developing Aboriginal opposition to mining throughout the Kimberley before the expected 'resources boom', and to reduce the credibility of the sacred sites argument as a basis for Aborigines to have a right to be party to negotiations on matters concerned with mining in the Kimberleys. The Noonkanbah dispute showed blatantly where the aggressive sympathies of the WA government lay.

The relative success of the Yungngora's counter-strategies (in terms of making it a national and international issue) was founded on a number of important features:-

a) The community retained control of its own campaign. Its advisors remained advisors and did not take over.

b) The community remained strong and cohesive. It refused to compromise or accept obviously false promises from the company and the government. It was not divided by accepting attractive offers nor broken by open intimidation.

c) The Yungngora and Kimberley Land Council ensured that Noonkanbah was not isolated, but became a national and then

international issue. They achieved this by distributing a lot of information to the media and to support groups, so the misrepresentations and misunderstandings were minimized.

d) They sought alliances with people who really could *do* something to help: the churches raised money to send speakers to the cities, the race relations groups organized equipment black-bans. The Yungngora did not rely just on words: they asked for *action* from their supporters.

In the short-term, the Noonkanbah dispute developed strategies with a capacity for success, and because Noonkanbah is culturally strong it drew together Land Councils and groups to share information on counter-strategies. There still remains the long-term need to confront the societal-structural problems that face Aboriginal and other minority local interest groups in getting to a properly constituted negotiating position with mining companies and other powerful corporations. Such a programme is made very much more difficult when governments indicate their preference for international corporate interests over the valid interests of their own people.

4 NEGOTIATING WITH TRANS-NATIONAL MINING COMPANIES

Much has been written about the relations between Aborigines and mining companies. Most studies have been more concerned about the impact *on* Aborigines than the thing which is having the impact, the mining company. This can have the unfortunate and unintended result of 'giving' information about Aborigines to the mining companies, which enables them to deal more easily with the 'Aboriginal Problem'.

Our concern is with the strategies used and with the possibilities of meaningful negotiations between mining companies and Aboriginal interests. A central issue in this is the role and functions of Governments.

(i) Aborigines at the Negotiating Table

Four of the many situations where Aborigines have had some sort of negotiations with mining interests are:

- The Gove (NT) land rights case (1963, 1969, 1976)
- The Groote Eylandt negotiations (1963-1967)
- The Ranger negotiations (1977-1978)
- The Pitjantjatjara-Comalco negotiations (1979-1980)

a) Legal Strategies: The Gove (NT) Land Rights Case

The bauxite deposits at Gove were discovered in the early 1950s and various proposals were made to develop the deposits but none eventuated. In 1963, a large area of the Aboriginal Reserve was excised and granted to Gominco. In 1958, it had been agreed that no mining would occur within two miles of the Mission boundary.

In the 1963 Gominco Agreement, this was reduced to one mile — a condition which was 'acceptable to the Government, to the Mission, and to that particular company'.[13] The Yirrkala people were angered by this unilateral change in the status of their land and sent their famous 'Bark Petition' to Federal Parliament in mid-1963, with the Support of the Methodist Mission.

Gominco also failed to develop the deposits and, after the withdrawal of the other companies, Nabalco (a joint venture of Alusuisse and Australian interests, principally CSR Ltd) gained the lease and proposed to move the Mission and rebuild it, since they wanted to mine there.

The Yirrkala people took legal action in March, 1969, in an attempt to protect their community and have land rights recognised. Part of their affidavit to the Supreme Court said: '. . . it seemed to us that nothing could stop the mining company or any other white man who wanted our country'.

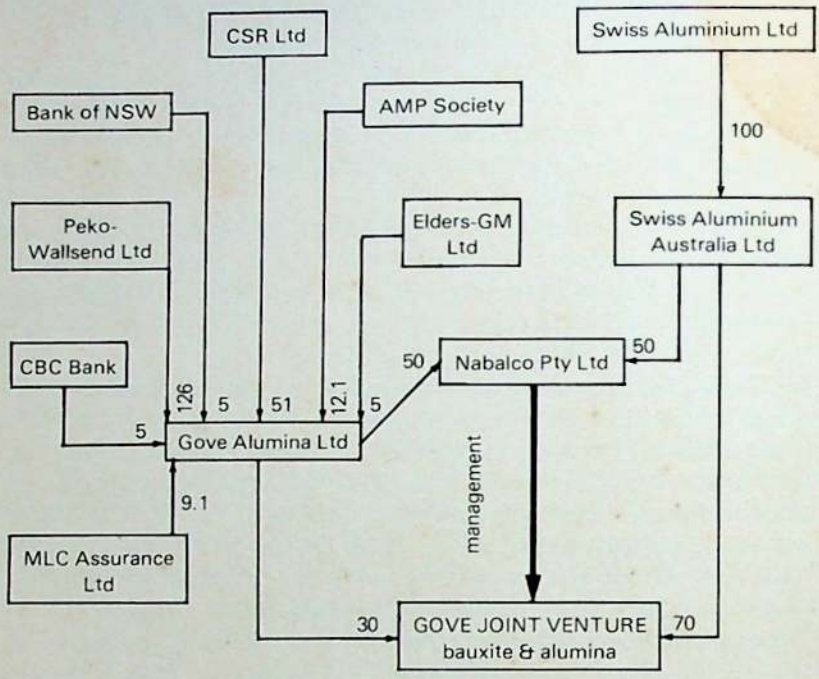
This move can be seen as a 'legal strategy' to force recognition of an Aboriginal group's right to participate in negotiations about their land. The case and Justice Blackburn's judgement are documented elsewhere.[14] The case against Nabalco and the Commonwealth was dismissed (though Blackburn noted that many of the apprehensions of the Yirrkala people in 1963 had become realities). There was no real legal basis for the litigation[15] and this highlighted the fact that the real struggle for land rights was not strictly a legal one, but a political one.

Ownership of the Gove Joint Venture

Although it was only of limited success in legal terms, in political terms the case changed many of the comfortable stereotypes and pre-conceptions which underlay Federal Aboriginal policies before the 1970s. Before the Gove Land Rights Case, the Federal Liberal and Country Parties had no policy and the Labor Opposition gave little attention to Aboriginal affairs. By the end of the case both parties had formulated land rights policies and recognition of Aboriginal land rights became an important issue in the 1972 election, which saw the first Labor Government for 23 years come to power. An early decision of that Government was to set up a judicial inquiry into how to recognise Aboriginal land rights, conducted by Justice Woodward, who had been legal counsel for the Yirrikala community in the Gove case.

The Gove case shows the possibility of engaging in legal action which is designed not primarily for the legal arena but rather for

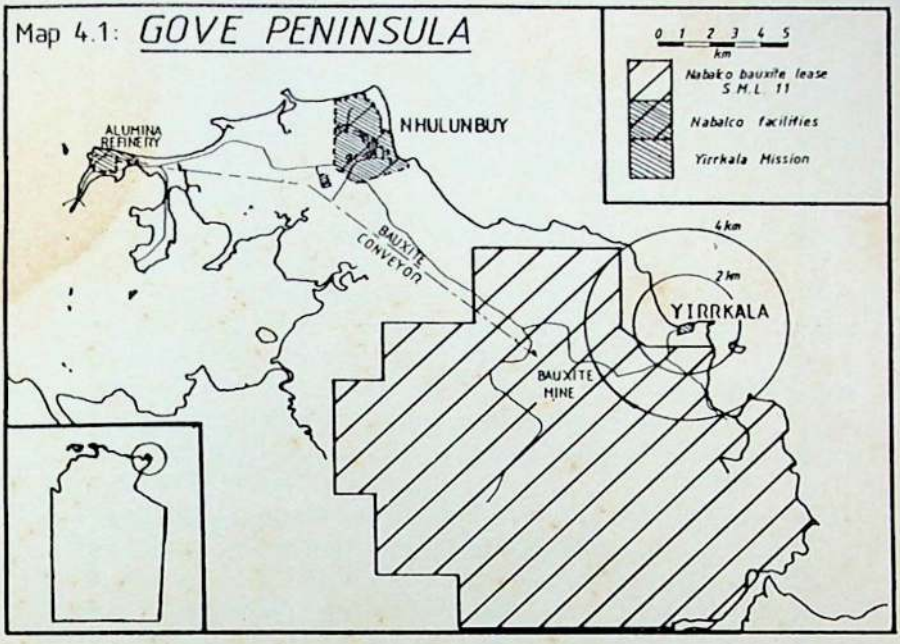
Figure 4:1
Ownership of the Gove Joint Venture
Source: *Trumbull, 1977, p. 56*



the political arena. The legal argument was important so that the political argument could even be acknowledged.

b) Limitations of early negotiation Groote Eylandt

The western part of Groote Eylandt is rich in manganese, an important component in special steels. In 1961, the Church Missionary Society (CMS) took out prospecting permits on behalf of the Aborigines. This gave the company involved, BHP, material reason for considering Aboriginal welfare. BHP has shown itself relatively enlightened in this matter. By mid 1963, the CMS negotiated an agreement with BHP's wholly-owned subsidiary, Groote Eylandt Mining Company (GEMCO): that GEMCO pay $10,000 annually to the CMS for the period it held the mining leases surrendered by the Society. In 1967, the royalty was set at 14% of the value of annual production in excess of 100,000 tons.

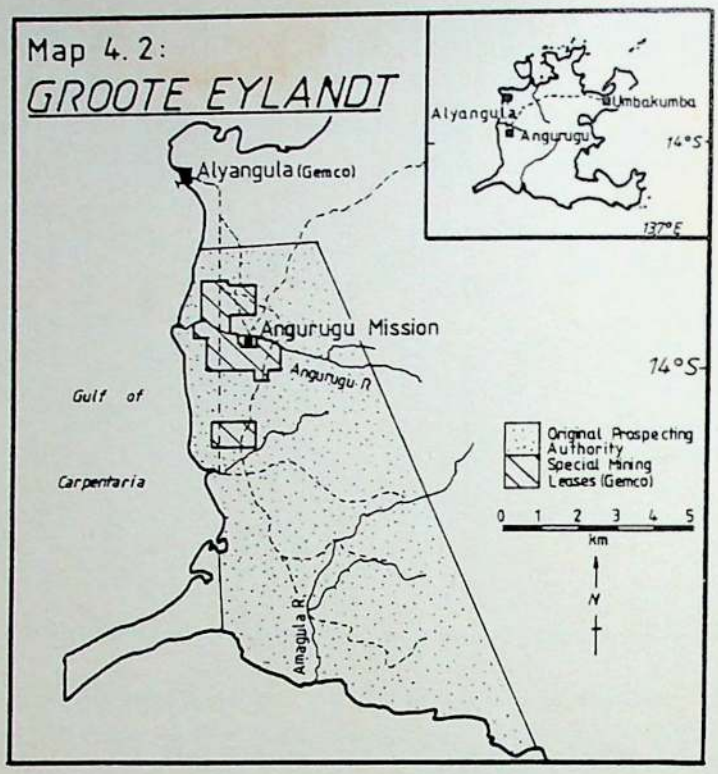


This money is paid into the Aboriginal-controlled organisation, The Groote Eylandt Aboriginal Trust Fund, for community purposes on the island.

The operations of this fund ($744,052 in 1977) have been beneficial to the community. The 1963 Agreement gave unprecedented and unparalleled attention to Aboriginal interests, but it was made without adequate guidelines as to what an acceptable royalty might be. Since then, what is more reasonable has been worked out elsewhere, e.g., between American Indians and mining companies but for Gemco the 1963 agreement is adequate, and the company does not wish to *re-negotiate*. It must also be noted that there was an exclusion of direct Aboriginal involvement in the negotiations of 1963. The morality of arguments from minority groups for a better deal is virtually irrelevant in the world of corporate power. Companies appear to resist any suggestion of re-negotiation if their profit-making interests are threatened in any way.

c) The Ranger Negotiations — Losing at the Start (see also Appendix 1)

One of the most widely publicised negotiations over mining



development on Aboriginal land was the Ranger negotiation between the Northern Land Council (on behalf of the Oenpelli people) and the Federal Government. This followed the completion of the Ranger Uranium Environmental Inquiry and the Government's decision in 1977 to allow development of uranium mining.

The Aboriginal Land Rights (NT) Act of 1976 had excluded any Aboriginal right to veto a number of specific mining projects including Ranger, even though in his *Second Report,* Mr Justice Woodward had written 'I believe that to deny to Aborigines the right to prevent mining on their land is to deny the reality of their land rights.[16] However, the Ranger Inquiry concluded that 'their (Aborigines) opposition should not be allowed to prevail'.[17]

The Oenpelli people and the Northern Land Council thus had three possible strategies as they approached negotiations in September 1977: —

a) To refuse to negotiate and make Aboriginal rights a big issue;

b) To agree to negotiate but on terms unacceptable to the Government; or
c) To accept that they had been overruled and try to get the best deal.

They basically chose the third strategy and obtained the services of Stephen Zorn, who was experienced in such negotiations for Third World and American Indian groups.* The professionalism of the first Northern Land Council draft surprised the Federal Government and a second round of talks was postponed for seven months. Such professional assistance as comes from expert lawyers and negotiators must always be in the role os advisers, to help implement the Aborigines' own policies.

The Northern Land Council advantage in the first round was lost when the Government countered by proposing a new format for the agreement. Also, throughout the negotiations the Government straddled *two* roles:

1. as an advocate of uranium mining interests, committed to extracting the best deal from the Aborigines; and
2. as an ostensibly objective overseer of development, holding various sectional interests in balance with an overall 'national interest'.

The Government threatened the very exitence of the Northern Land Council unless an agreement was reached, and the Council was bullied into the November, 1978 Agreement. The spirit of the Northern Land Council was broken, as it was realized that nothing would stop the white Australian desire for mineral development. The fears of the Oenpelli people about the impact of the project on their community were well-founded, as the reports of the ongoing impact-study by the Australian Institute of Aboriginal Studies (AIAS) under Prof. Colin Tatz have shown. The AIAS report in October 1979 recommended a halt to the project, but the Federal Government put this aside and increased the pace of development.

d) The Pitjantjatjara Council (SA) and the 'Comalco Model'

After the trouble at Noonkanbah (August, 1980), a number of groups — governments, Aborigines and mining interests — began seeking a standardized procedure for dealing with and negotiating between mining and Aboriginal interests.

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*See The Lament of Chief Seattle, page 9, Eskimo Land Rights, page 13, and the Appendices, particularly Appendix 5 and 6.

Of these, the most widely discussed has been the so-called 'Comalco Model', developed on the initiative of the Pitjantjatjara Council in negotiations with Comalco and other companies. Comalco wished to mine sodium carbonate (a basic ingredient for caustic soda, used in refining alumina). In June, 1979, the company applied for exploration licences in the 'non-nuclear lands' of the Pitjantanjatjara people (i.e. land which the people have a traditional interest in, but not freehold title). In negotiating the Pitjantjatjara people were assisted by the fact that they have considerable control of the development of their land through the Pitjantajatjara Land Rights Act which was introduced in 1979 by a Labor government. The final legislation (passed by a Liberal government) in 1981 was a considerable compromise on the concessions that the Labor government originally came to with the Pitjantjatjara Council.

In April and May, 1980, a series of meetings was held between Comalco, the Pitjantjatjara Council's legal counsel, and, finally, with 20 Pitjantjatjara elders. This resulted in a working agreement and a model for negotiations was established. Two basic principles underlie the model: —

1. the Aboriginal people *themselves* alone are the experts on the religious significance of their land, and have to be involved directly in the negotiations; and
2. companies must be completely open and honest as to what their interests and intentions are, though this is not ensured by law and penalties.

As it worked out in the case under discussion, the company disclosed what minerals it was looking for, where it wished to explore, what activities it proposed and the number of people involved as well as the social scenario that would result. A field trip with the company representatives and Mines Department personnel enabled the Council to suggest modifications to plans such as re-routing roads. At no time did the Aborigines have to reveal the exact location of their sites; and the company met all the Council's expenses for negotiations and fieldwork.

There are, however, no legal assurances that the company must follow such procedures in respecting Aboriginal tradition and in disclosing its intentions and plans. The model used in this case is not binding. Although the Pitjantjatjara Land Rights Act does require a company to apply to the Council for permission to operate, there are arbitration provisions in the Act that allow the Government to overrule the Council.

There are a number of weaknesses in the Comalco Model, as a

general guideline for negotiations beyond those for which it was specifically developed.

- absence of any legal power for an Aboriginal Council to ensure compliance with the Model.
- absence of any legal back-up to enforce full disclosure by the company of the information plans it has concerning a project.
- the model can only work if negotiations began *before* any field work commences (as Argyle, WA, shows, companies cannot be relied upon to listen to Aborigines after significant resources are discovered; nor can governments). However it is *not* relevant to negotiations dealing with precious stones (e.g. diamonds) since disclosure of precise locations contradicts the interests of companies involved in prospecting for precious stones.
- re-negotiating an agreement after a project is under way remains a problem. Yet the value of the Model is that its existence strengthens the argument that Aborigines have a right to demand re-negotiation (especially of those agreements, like Comalco's 1957 agreement with the Queensland Government about the Weipa bauxite which was made without Aboriginal participation).
- The Model involves negotiating about the wrong thing; it takes place on the assumption that mining will go ahead and hence is concerned about getting the 'best deal' for Aborigines.

In general, the Model was appropriate in the conditions that prevailed in the Pitjantjatjara-Comalco case, but to accept general guidelines from this one instance would be naive, because there are many variables. For example, what is the stage of interests that a particular company has in a project, and what is the legal backing that an Aboriginal group has to its claims for negotiations?

(ii) Australian Mining Industry Council's guidelines

The reaction of the Australian Mining Industry Council (AMIC) to the 'Comalco Model' is important. In its *Declaration of Policy* (1981), AMIC dealth with Aboriginal Affairs, Mineral Exploration and Guidelines. The final section — 'Special Guidelines for Communication with Aboriginal Communities' — was developed partly in response to Comalco's experience with the Pitjantjatjara people. It does not, however, claim to be AMIC's version of the Comalco Model.

Understandably, the 'Special Guidelines' reflect the basic adversary or *conflict model* the industry seems to use in understanding its relationships with Aborigines. Given the basic conflict of interest between the economic priorities of the companies and the social and cultural priorities of most Aboriginal communities, this seems reasonable and is a central feature of the whole issue under discussion in this paper.

'6. Special guidelines for communications with Aboriginal Communites'

- *It is essential that where it is required, government permission should be obtained as early as possible for the exploration company to hold discussion directly with the traditional Aboriginal group concerned. Such discussions must be with the traditional land owners because sooner or later, they alone are in a position to identify the sites which are of significance to them. (NOTE: In the Northern Territory, at present, it is mandatory that you must work through the relevant Land Council and not the traditional land owners).*
- *When talking to Aboriginal communities, try to give notice of your visit and be prepared to meet on Community Council meeting days.*
- *Such visits should not be overdone as the privacy of the communities must be respected.*
- *Remember that Aborigines will be particularly concerned with two matters:*
  — protection of the Aboriginal community
  — protection of sites of significance
- *Discussions should be carried out with patience and with continuity of personnel on the company's part. A company officer should be clearly nominated as the liaison officer.*
- *At the outset, the nature of the exploration programme (whether drilling, seismic, costeaning or other activity with some degree of impact on the land surface) should be explained fully and patiently. If necessary the work program should be repeatedly explained and accompanied by visual aids and/or visits to similar sites that will allow its nature to be grasped.*
- *Only when the nature of the work to be carried out has been satisfactorily explained will it be possible to move to the next stage which must concentrate on identifying known sites of significance to all people concerned.*
- *A register or plan should be prepared to record sites mutually agreed upon and any limitations as to access. With the*

concurrence of the Aboriginal Community Council, the plan or register showing the location of Aboriginal sites of significance, as well as any agreements covering the negotiations for exploration access, should be submitted to the relevant government authorities.

- *All company and contractors' employees should sign a compliance letter which prohibits them from contravening the agreements reached with the Aboriginal community. Failure to comply should result in instant dismissal from the project.*
- *During the course of the work program, contact with the Aboriginal community should be through the nominated company representative, and all decisions taken recorded in a manner understood by the Aborigines.*
- *Despite efforts in the initial stages to identify all sites of significance, additional sites may be brought to attention during the course of exploration. If these sites are considered significant they should be added to the register of sites and access limitation relating to them should be determined in discussion with the Aboriginal Council.*
- *An updated register of sites should be submitted annually to the relevant government authorities.*

These Guidelines are notable for a number of features which would lessen Aboriginal strength in negotiations: —

— By attempting to bypass the Land Councils and regional organizations in order to go directly to the traditional owners, AMIC seeks to deny traditional owners proper access to the legal, financial and other advice and support that such regional organizations can give small groups of owners.

— The Guidelines omit any agreement that companies meet the costs of negotiations for the Aboriginal groups involved. Such costs can be considerable when legal advice, fieldwork and consultation costs are large. Often there is the added burden for an Aboriginal community in dealing with several exploration companies at once.

— The Guidelines exclude the important notion of Aborigines keeping control over information concerning sacred sites. AMIC wants each company to keep its own register of sacred sites. This negates a principle established in the Comalco-Pitjantjatjara negotiations, namely, that the Aborigines can say where the company may work rather than where it may not.

(iii) Governments and mining companies

In terms of real power, the most important element in negotiating the development of mining projects is the relationship between governments and the mining companies. Governments, both State and Federal, seek to regulate exploration, mining, processing and marketing, especially the foreign investment component which is of central significance.

In recent years, the amount of conflict between State and Federal Governments over the regulating of the mining industry has increased. The Western Australia and Queensland State Governments have been particularly aggressive in defending their rights to regulate mining. These two governments have poor records in terms of protecting the interests of local minority groups like the Aborigines, whose social fabric is very fragile and deeply affected by mining developments. In 1981 the WA Minister for Resources Development said that the State Government would strongly oppose any moves by the Federal Government to impose a national code of practice on exploration companies governing their relationship with Aboriginal communities (*The Australian,* October 20, 1981, p. 3).

When governments have a narrow interpretation of 'national interest' that is bound primarily to economic development and growth, rather than to a broader concept of fully human development for *all* its people, they do tend to see the transnational companies as their chief allies in national development. No doubt there is an economic component in such development, but there are other questions: *who* shares the cake and what is the human cost?

Governments are tempted to enter into complete collusion with large companies to defeat the claims of minority interests by legislation and the use of force. They seek maximum financial returns to their own coffers (through taxation and royalties) — a useful and valid source of revenue. Sometimes however the motivation can be mixed, where through shareholder friends of politicians also benefit.[18]

The deeper links between the political and business establishments is one that deserves greater attention. Such overt and covert links leave minority and powerless groups in the difficult position of where to turn for justice.

It must be noted, however, that whilst governments may have apparent legal control over mining development, they typically do not choose to exercise that control because they do not hold real power. Even national governments can be very dependent on the

transnational companies for the very possibility of developing resources and minerals. The large companies have immense power when it comes to negotiating conditions with governments, through,

1. vertical integration and global sourcing;
2. the agreements and arrangements within the big cartels; and
3. the control of information and technology.

The transnational companies can often simply withdraw from developing a project if they do not get the terms favourable to themselves; they can move elsewhere. Given the way in which the cartels wrap up whole areas of global resources development, other operators, including national governments, have little chance of making projects economically viable. Global sourcing and vertical integration give transnational mining companies a powerful weapon in their relationship with governments.[19]

When the economic interests of transnational corporations are *not* served by governments, the companies are prepared to threaten and cajole. In October, 1977, when CRA was unhappy with the Federal Government's refusal to let it takeover AAR interests in the Bowen Basin (Queensland) coalfields, the company booked $¼ million of advertising time to discredit the stable economic image of the government. The media campaign was not, however, carried through. In the Federal Labor Government years (1972-75), large companies that did not like the reformist policies of Mr Whitlam added their pressure to the economy by slowing their Australian projects down. Profits could be maintained elsewhere; meantime, Australia could suffer until political opinion would swing back to a government more congenial to the interests of the world wide companies.

The corporations also invest large amounts of money (though only a fraction of their profits) in public relations exercises aimed at projecting their image as good corporate citizens. Their philanthropic gifts — to culture, the arts, medical and other research, scholarships, etc — are, though admirable in themselves, a part of their campaign to be acceptable, so they can quietly get on with their rationale for existence: to maximize and increase profits.

It is not being claimed here that such profit-maximizing is an illegitimate pursuit, but that there are other claims and interests, of minority and other vastly less powerful groups in society, which Governments must take into consideration. There is always a set or 'community' of claims in any social decision, and, if any institution in society is to have the responsibility of making decisions

balancing this community of claims, it must examine its own assumptions and not abuse its power by opting for vested economic interests.

In the mining industry in Australia, it would seem that more progress has been made between the Aborigines and the mining companies (e.g., the Comalco Model and the AMIC Guidelines), than between the Aborigines and the Governments (especially the Queensland and Western Australian Governments). The Federal Government, though far from perfect in its own dealings with Aborigines, constantly runs into trouble because of the limitations of its own effective power in controlling the aggressive anti-Aborigines and pro-mining ideology of these two State Governments.

Governments, both Federal and State, provide immense infrastructure contributions from the public purse for the operations of mining companies: power, roads, subsidized housing, and services. There seems a reluctance to do a proper and full cost-benefit analysis of this whole area of partnership between governments and *mining* and mineral processing companies.[20]

(iv) Governments and 'local interests/claims'

One of the chief ways in which governments serve the interests of the transnational corporations is in providing *legislation* to protect the interests of the companies and to minimize opposition and interference from other groups. And this is done on the assumption that they are serving the interests of their own people.

In Western Australia, for example, a whole series of legislative actions (and amendments to existing legislation) was introduced in the late 70s and early 80s. The general purpose was to ensure that there was no legal interruption to the growth of mining and resources development. Much of this legislation aimed to curb trade-union interference: Police Act, Industrial Arbitration Act, Flour Act, Essential Foodstuffs and Essential Commodies Act, Electoral Act Amendments, State Energy Commission Act, Government Agreements Act, Mining Act, etc.

> *'It is not until all the legislation is seen together that we realize what a frightening package it is. The Court Government has prepared itself with sufficient legislation to outlaw all opposition; already many civil liberties and basic rights such as the right to protest and organize on the job have been severely restricted'.*[21]

The Queensland Government, through the Essential Services Act and amendments to the Police Act and the Traffic Act, has taken a similar stance. The sort of security arrangements that seem necessary to protect the growing uranium industry provide governments with a much greater excuse for greater surveillance and control of their people, especially dissident elements. All such elements are conveniently placed in the same category, without any discrimination. Such a procedure tends to intimidate many middle of the road people into remaining hidden and silent about their misgivings.

In Western Australia, amendments to the Aboriginal Affairs Planning Authority Act and Aboriginal Heritage Act in 1978-80 have further curtailed the already inadequate legal protection for Aborigines. The Minister for Community Welfare now has the power to grant permits for exploration companies and others to enter Aboriginal Reserves, rather than the Commissioner for Aboriginal Planning acting on the advice of the Aboriginal Land Trust. The amendments to the Aboriginal Heritage Act take away from the Trustees of the WA Museum the right to declare sacred sites. The WA Government is very determined not to recognise any form of 'land rights' or legal status for land Councils, nor is it interested in responding to any Federal Government initiative to impose a national code of practice governing mining companies' relationships with Aboriginal communities.

Even in areas of Australia where some form of Land Rights has been legislated (the Northern Territory and the Pitjantjatjara area of South Australia), this legislation has been weakened from its original Bill form. Other legislation compromises the effectiveness of the provisions for the adequate protection of Aboriginal interests (e.g. the Oenpelli people at Ranger NT see sections (i) and (ii) above).

In a significant decision by the High Court of Australia on September 18, 1981, a group of Aborigines in Victoria won the right to challenge the construction of an aluminium smelter by Alcoa, on the grounds that Aboriginal sacred relics are in the area near Portland. The decision was a recognition that the appellants had a special interest in the matter beyond that of any other members of the public. It was a broadening of the basis of 'legitimate interest'. As Senator G. Evans commented:

> *'Until now it has been necessary for a plaintiff to show a significant financial, property or other similar stake in the outcome of case'.*[22]

Epilogue: equality at the negotiating table?

Aboriginal communities throughout Australia are increasingly demanding a greater say in their own futures. Greater control over the activities of transnational companies, particularly mining companies, is a key element of their demands, just as it is with the indigenous people of other wealthy industrial countries and many people throughout the Third World. The goals of Aboriginal self-determination cannot be achieved without influence over companies whose operations have immensely disruptive impacts on their communities and threaten to destroy forever their culture.

If the Aboriginal Communities are to improve their position in relation to the companies then recognition of the rights of Aboriginal communities and their representative organisations to negotiate the terms on which a company's activities can occur is crucial.

Negotiations involve parties bargaining as *equals*. As the examples used in the previous chapter illustrate, at present Aborigines do not approach the negotiating table as equals to transnational corporations. In the face of corporate control of vital information and their own lack of access to independent and informed advice, they are powerless to implement their communities' wishes. Where such inequality exists, 'negotiations' are really little more than a parody and a public relations exercise for companies who make minor concessions which have only a minimal impact on a project's overall profitability to them, and which in no way threaten the actual balance of power.

For many indigenous communities, the 'choice' boils down to choosing to develop their resources on the terms offered by one company or another, with at best a few minor concessions, or not to develop them at all. In many cases, (for example, the Oenpelli people and the Ranger Uranium project), they do not even have that choice. That is the essence of corporate power and community powerlessness.

In the face of such powerlessness Aboriginal communities have been unable to obtain guarantees that development of mineral resources will benefit Aboriginal communities in ways they value. Instead, alien styles of 'development' have been imposed and the domination by White Australia has continued.

However, equality at the negotiating table will not be granted without a fight. The mining companies, the State Governments, the Federal Government and all the other groups with vested interests have too much to lose. Equality at the negotiating table must be

fought for. Better access to better quality information is a key advantage that companies have over Aboriginal groups. One of the many challenges facing Aboriginal organisations in their dealings with mining companies is to find practical ways of dealing with the companies without always starting from the losing position currently defined for them. The 'Comalco Model' is a strong step in this direction, whatever its specific weaknesses may be. Access to information which puts Aboriginal negotiators on a more equal footing with their corporate counterparts is essential. This means that negotiations have to be thoroughly prepared. The negotiators have to know to what limits a company can be pushed, and what alternatives have to be prepared if a company is likely to pull out, or radically change its proposal. What items are non-negotiable? What are the upper and lower limits on each negotiable item? What is the aim of the negotiation? To stop the project completely? To maximise economic or social benefits to a particular group? All these things must be considered in preparing for a negotiation.

Of course, such thorough preparations take a lot of time, and many people must be involved. Among the companies there is a saying that 'time is money' and they usually demand that everything gets done at *their* speed. This often means that one community will be pressured by a number of companies at once. Wherever possible, this should not be allowed to reduce the thoroughness of the community's preparation. After all it is the future of the whole community which is at stake, and for the companies each project is generally only one of a number of alternative projects right around the world. If they are in such a hurry, they should be asked to pay for the community to employ outside assistance of the community's choice, with no strings attached. A number of companies have already done this through the 'Comalco Model' and with the Central Land Council. If a company tries to rush, it is time to be cautious, even suspicious. If they really are in such a hurry they should be willing to agree to very significant concessions, such as restrictions on alcohol, higher royalties, community contributions, employment, training programmes, and so on.

It is careful consideration of issues like this which will help provide a basis for more equal negotiations between Aboriginal groups and mining interests. The basic step in that direction, however, is to dispose of the widely-held myth that transnational corporations act like human beings. Transnational corporations are not philanthropic welfare institutions. They exist to produce wealth for their owners. There are few, if any, limits to the lengths

they have gone and will continue to go to, in order to ensure their profits. Whatever the public relations images produced for them may try to show, the only reason that company 'cares' is because it is good for profits. Each person within an efficient company is called upon to justify their position, not in human terms, but in economic terms. This does not, of course, preclude corporations making very significant community contributions from time to time. The point is that the wealth used to fund such contributions is obtained not by a selfless pursuit of human values but through the self-interested pursuit of economic values.

Clearly, then, struggle for equality at the negotiating table is a political struggle and a practical struggle. On the one hand there must be a *political* recognition of the legal right of all Aboriginal communities and their representative organisations to decide whether, and to renegotiate unsatisfactory existing agreements. On the other hand, Aboriginal groups must be supported in the continuing struggle to find *practical* solutions to the dilemma they now face without such recognition. It must be realised also that the underlying issue is the structural inequality upon which corporate power is based, and that removal of political obstacles is merely the beginning rather than the end of the struggle for justice for Aboriginal people and for many other victims of corporate power around the world.

Resources

'Aborigines and Mining Companies in Northern Australia' was originally prepared by the Corporate Study Group for the Catholic Commission for Justice and Peace and the Commission for World Mission of the Uniting Church in Australia. The Catholic Group was since withdrawn from the publication at direction of the Australian Catholic Bishops.

The Corporate Study Group has also prepared other materials on Aborigines and mining companies as an *Information Kit for Aboriginal Communities.*

The resources in the kit include:

*A wallchart —Mining and the Survival of the Aborigines
*A cassette — Side 1: Information about mining
Side 2: Songs about mining

These materials are available through:

*Local Land Councils
*The Federation of Land Councils
P.O. Box 9,
Alice Springs, NT 5750
Phone (089) 521 149
*Aboriginal Mining Information Centre
5 Candy Street,
Northcote, Vic, 3070

The issue of Aborigines and mining companies is intimately related to land rights for Aborigines. The following books may serve as an introductory resource list for anyone intending to participate in the land rights movement:

ABA (Asian Bureau Australia): 'Together: Davenport Aboriginal Training Centre' (a good case study in self-reliance)

Carne, D., 'Land Rights: A Christian Perspective' (a good overview resource book. Chapters deal with Land Rights and Aboriginal Culture, Land Rights and European Culture, Land Rights and the Church). Alternative Publishing Co-op.

CCJP (Catholic Commission for Justice and Peace): 'Your Church and Land Rights: a study guide designed to be used with D. Carne's book)

CCJP (Catholic Commission for Justice and Peace): 'Aborigines: A Statement of Concern'. E. J. Dwyer & Sons. (The 1978 Social Justice Statement)

FAIRA (Foundation for Aboriginal and Islander Research Action): 'Beyond the Act: Queensland Aborigines and Islanders: What do we Want?' (a good resource book for the

Queensland situation: probably better for groups who have done some work already)

Howe, M. B. 'Aborigines and Christians'. Leader Press, Brisbane. (easy to read introduction to the question of the chequered relationship between Aborigines and the Church)

Further Reading:

Harris, S. 'It's Coming Yet . . . An Aboriginal Treaty Within Australia, Between Australians'. Aboriginal Treaty Committee, 1979

Roberts, Jan., 'From Massacres to Mining: the Colonization of Aboriginal Australia'. Dove Communications, 1981, revised edition

Rollsason, R., ed. 'Racism in Australia in the 80's' (Resource Book Bible Study discussion papers). Available from the Australian Council of Churches

Rowley, C. D. 'The Destruction of Aboriginal Society', Penguin, 1972

Woodward, Justice A. E., 'Aboriginal Land Rights Commission, Second Report', April, 1974. Australian Government Printing Service.

A number of *films* are available which are excellent for introducing groups to the issue of Aboriginal land rights. They could usefully be shown at public meetings, church groups and in schools. The best of these are:

'My Life as an Aboriginal', produced by Essie Coffey (Life in an Aboriginal township in rural NSW)

'The Land my Mother' (depicts the conflict between land rights and mining

'Dirt Cheap' (a feature length film on the results of the Ranger Uranium Agreement, the effects of mining on the manufacturing sector, land rights or traditional owners, etc.)

'Sons of Namatjira' (A documentary on the sons of the famous painter, Albert Namatjira, which shows the problems encountered by tribal people forced into fringe settlements by the loss of their traditional livelihood).

These and other films are available through State film Libraries, Aboriginal land rights groups or through different Church-related agencies.

Other films available from the local Land Councils (which look more directly at mining) are:

'On Sacred Ground' — concerning Noonkanbah

'Two Laws' — concerning the Borroloola People

'Home on the Range'

References

1. R. Barret and R. Muller, *Global Reach: the Power of Multinational Corporations*, New York, 1974, p. 379.
2. Based on *'Market capitalisation'*, from *National Times*, 4 October 1981, p. 57.
3. A *'subsidiary'* is a company in which CRA holds more than 50% of the company's capital. An *'associate'* is one in which CRA holds between 20 and 50%.
4. *Facts about CRA*, 1980, p. 4.
5. R. Howitt, 1981a, *First Report: The Corporate Strategies of CRA Ltd and Amax Inc., with particular reference to their impact on three WA Aboriginal communities*, unpublished report to Corporate Study Group, Sydney.
   R. Howitt, 1981b, *Second Report: Corporate Strategies in the Aluminium Industry*, unpublished report to the Corporate Study Group, Sydney.
6. Mark Turner, Val Duncan and Roy Wright.
7. See SMH, 21/10/77, p. 2 where Brian Toohey comments on this incident.
8. (*The Australian* October 16, 1981, pp. 1, 23, 30).
9. (CRA. *Annual Report* 1979, p. 19).
10. (as acknowledged in the CRA *Annual Report* 1979, p. 19)
11. The Mt Newman venture: Amax 25%, BHP 30%, Mitsui 10%, Seltrust Iron Ore 5%, Pilbara Iron Ore 30%. Pilbara Iron Ore is owned by CSR 68%, AMP 23, 81% and other groups 2.6%.
12. EP 97, 101, 102: Whitestone 31.94%, Amax 29.03%, Pennzoil 29.03. According to the industry, the chances of finding oil are relatively good, based on seismic surveys, but so far drilling has not been very encouraging. Fitzroy No. 1 well at Noonkanbah (the well over which the 1980 dispute flared) was the first in the current round of exploration. However it failed to reveal oil or gas.
13. Australia *House of Representatives* 1974, p. 29.
14. Blackman J., 'Milirpum and others v's Nabalco Pty Ltd and the Commonwealth of Australia', *Federal Law Reports*, 1971, 17/141.
    Hookey (1972), *'The Gove Land Rights Case' Federal Law Review*, 1972: 185.
15. See though John Little in *Aboriginals, Human Rights and The Law* ed. Garth Neinham.
16. E. Woodward, *Aboriginal Land Rights Commission, Second Report*, (AGPS, Canberra, 1974) p. 108.
17. R. W. Fox, etc, *Ranger Uranium Environmental Inquiring Second Report* (AGPS, Canberra, 1977) p. 9.
18. For example, in 1970 Comalco offered a special issue of shares to important political people in Queensland, which CRA's partner in Comalco, Kaiser Aluminium, thought was inappropriate: the *'Comalco Share Scandal'*.
19. *See 2nd Report*, Charter 4, section 2 (a), pp. 123-134, where two examples of the failure of national governments to assert effective control over transnational mining companies are given. In 1970-71, Guyana (Central America) attempted to nationalize Alcon's bauxite-

aluminium interests; Guyana wished to cease her role as an economic satellite of Alcan. The exercise failed. In 1974, Jamaica increased its taxes on bauxite, attempting to re-negotiate a more equitable slice of the cake for itself. The Six Sisters of the aluminium industry, though unable to prevent this increased taxation, were able to counter its effectiveness in many ways by their combined power in that industry.

20. Australia, *House of Representatives* Sept 17, 1981 (3.30).
21. See 1st *Report,* Appendix 3, *'WA — State of Seige'.*
22. (S.M.H., Sept 19, 1981, p. 3).

APPENDIX 1

The Inside Story

On the Signing of the Ranger Agreement

Statement by Leo Findlay, Community Advisor — Borooloola Community

On Wednesday 1st November, 1978, I was at the meeting of the Northern Land Council at Bamyili, near Katherine.

I did not know what the Northern Land Council meeting was meant to be about. I did not think it was a meeting to discuss the Ranger signing. We had got a telegram from Northern Land Council saying 'NLC meeting next week. Bring swag as meeting may be out bush. It is to discuss general business'.

I arrived at Bamyili about 9.00 am. We were taken to meeting place. While we sat around a lot of planes came in bringing people for the meeting, we had lunch while we waited. After lunch everyone was there but a few were missing so we had to start up.

There were about thirty councillors at the meeting plus observers. Some places with missing delegates were Numbulwar, Rockhampton Downs and Roper River. There may have been others missing too.

The meeting started about 1.30 pm Galarrwuy was chairing it. The other non-delegates from Borroloola were present. Also present were Alex Bishaw, Manager of the Northern Lands Council, Eric Pratt a Barrister employed by the NLC, Mrs Mitchell Administrative Secretary of the NLC, another Secretary Chris, from NLC, two Solicitors from Mildren and Partners (the firm employed by Bishaw and Yunipingu to fight our injunction case).

They were all just sitting there. The girl Chris was taping the meeting.

The meeting started with Galarrwuy and there was discussion about the motion passed at Don Hotel which said that the lawyers were to go out to communities to explain the Ranger agreement. A lot of us then talked about this and said that this Bamyili meeting was not connected with what was decided at the Don Hotel meeting. I was saying that we were getting ahead of ourselves.

A lot of other issues were talked about but not related to mining agreement.

Thursday

Meeting started about 9.00 am. Viner was there when I got back from Katherine. Bill Gray of D.A.A., Mines and Land Section in Canberra.

Viner, Gray (D.A.A., Canberra), Pratt (Lawyer), Bishaw and Gavin O'Brien (NLC, did not sit in on meeting), two solicitors (Mildren and Partners), Mrs Mitchell (NLC), Chris (NLC).

Galarrwuy started off and made a long speech of welcome. He said Viner will tell us the Governments' ideas about Ranger. This meeting was being taped.

Viner gave a very long speech. Seemed about two hours. He just spoke uninterrupted. He talked about how the Government in Australia had started uranium mining and entered into agreement. In 1972 the Liberal Government entered the agreement to start mining for Japan and then 1974/75 Australian Labor Party entered into agreement with Japan then 1976 the Liberal Government entered agreement to start the mine. He showed us a paper which was the agreement between the Mining Company and the Federal Government.

He showed us the Woodward Report and said how we did not have a right to stop the mining. He said the Government must act in the national interest and not just for Aboriginals. He said we have to think about the interests of other people overseas. Japan and Australia have entered in agreement. Japan needed these minerals.

He said Northern Lands Council has been negotiating for a long time. He spoke of meetings with traditional owners that had been at the meetings. He spoke of Murgenella, Nudginberry and Red Lilly meetings. He said we've come to the end now. The negotiating team have finished their work. I think this is to bring it to an end. The Government has agreed, the mining company has agreed. It's up to you now to bring it to an end. He said that your people have been fighting this for six years now. I think you should get the weight off your shoulders. It's been dragging on for six years.

He said the revolution at Oenpelli put Kakadu first. He said I think we should put that issue aside. When the Government gave the land, Fox recommended that the land was to be leased back to the Government and that's why the Government is leasing it.

After he stopped he wanted people to ask questions. Galarrwuy said 'you can ask questions'.

I felt it was too rushed to ask for questions straight away. I said we needed a break. So we closed for morning tea.

Gavin O'Brien then left with two of our people.

Then we returned and went inside Galarrwuy was about to open the meeting and I walked in with a tape recorder. There was a fight about whether the meeting should be taped.

Galarrwuy leant over and I heard him say to Viner 'You better leave'. So all the whites left because of the argument.

When the white people left the meeting the NLC tape recorder kept running so all this is on tape.

I said we should have a lawyer here who is from the other side. We have only got lawyers from one side. What about the people from the other side. It was the ALP that first brought in Land Rights, the LCP had been approached, Labor set up Woodward. The Libs did nothing but today here we are and the people from Labor who gave us land rights. We've got no-one here, Labor lawyer or politician, to give the other side. We've only got Liberals here. What will happen in Arnhem Land? There will be four mining towns including the present ones. Ranger will build a big town in Aboriginal Land. Those towns are white towns, they will destroy us and our culture. They will destroy us like they destroyed Aboriginal people down south. Now there are big cities and the Aboriginal people down south are just pushed into little corners without their culture. The white people have taken over their land. I said that your children will not forgive you. In twenty years time we will be nothing after these big towns get going. It will be the same as they have down in the big cities. I said we should be allowed to hear both sides. You know Viner is pushing to get agreement today to get approval. You have seen him doing it.

Blitner said 'We don't know if these people here are Labor of Liberal. We don't care what they are. They are helping us.'

I said 'You must be silly. You can tell by their actions what side they are on. Labor people can't work with these people. The NLC should have the two sides, two lawyers. People who take one side and people to take the other side so we can hear both sides and decide for ourselves. That is the proper way.

Galarrwuy then called the whites back.

When they returned we talked about Kakudu briefly. Our argument with Galarrwuy had taken a long time.

We broke for lunch. There was dancing over lunchtime. School kids danced.

After lunch we went to the meeting.

Viner started off again repeating the same things. He said the Oenpelli motion should be put aside. 'We don't have to worry about that.' He said we'd talk about Ranger.

Galarrwuy spoke about Kakudu and said the people should get control of it. Discussion followed.

Galarrwuy said: I just want one thing now. The Federal Government and the mining company have accepted this agreement so it's up to us now. Will you accept this agreement?

I said What for? I will not accept this agreement.' A lot of people stayed quiet.

Galarrwuy kept repeating it. 'Will you just accept it, the Government and Mining Company's have'.

I said that agreement is too weak. The negotiator himself has said that the agreement was not strong enough.

Harry Wilson said 'If we accept that agreement how will the lawyers still go out to consult with the communities'.

Galarrwuy, 'Oh yes. They will still go out and consult. It will be up to the traditional owners to say yes or no to the agreement.'

The people, including me, accepted that the consultation was going to continue. So people put up their hands and someone said 'Well that's O.K. If the consultation is going to go on then we can accept it'.

I voted against it and so did Gordon Lansen. We didn't put our hands up.

Galarrwuy asked me 'What about you Leo? I said 'No I won't accept it'. I knew it was a trick.

Everyone else put up their hands.

Before that vote there had been no discussion at all about the agreement itself.

There was never an actual motion. We put up our hands but no one knew what exactly we were agreeing to.

I relied on the Oenpelli people because I knew they were strong and would not let the NLC rush them.

Galarrwuy gave a speech and said he was satisfied. He, Viner and the other whites looked really happy. None of the Aboriginal people looked very happy. Just puzzled and a bit sad. Dick Malwagu looked very frightened to me.

So the meeting finished.

Friday

The first plane came and got Viner, Galarrwuy, Bishaw and Pratt and two lawyers. They flew to Oenpelli.

I was on the third plane. When we got to Oenpelli, Viner and Co. were there.

We waited 1½ hours for the traditional owners. None appeared. Then the meeting started.

Viner, Pratt, Bishaw, two lawyers, Mrs Mitchell, Chris (secretary), George Chaloupka.

A man was taking a video tape of the meeting.

Also present were Executive Member Leo Finlay, Harry Wilson, Dick Malwagu, Bill Lalara (taking Blitner's place) and another executive member. Some members hadn't come. Gordon Larsen had come, John Marali and John Gwadpu were there too (Goulburn Island) members.

Traditional owners were Toby Gangale (who was on the NLC and came from Bamyili), Joseph Garadpul (Oenpelli — member of NLC — been at Bamyili), Nipper (brother of Joseph).

I could see that the strong talking traditional owners like Big Bill, Albert Balmana, Rachael, and Wanna were not present.

There were a few family around but hardly any traditional owners.

Yunupingu started off. He spoke about how the Government was looking to us. The NLC has come now to an agreement because we have been fighting for six years. We have carried this for a long time. We should finish it up now so we can talk about other things like the land claims for Borroloola and Daly River.

Viner then spoke and gave a speech again.

Then Galarrwuy said Toby, 'you better talk now'.

Toby said 'Well we talked about it at Bamyili.'

Galarrwuy said 'Talk language'.

So Toby spoke language and said 'I've given up. It's been six years now. I'm not fighting any more'.

Then Galarrwuy said 'Now you all heard straight from the traditional owners because Goulburn and Croker Island people belong to the country here and you just heard them speak. Thank you very much for your time and inviting us here'.

(He never once said the agreement was about to be signed. He never asked even the Oenpelli owners who were there if they agreed to sign the agreement.

The agreement itself was never discussed with them. They were never asked about their opinion of it. The words in the agreement

were not talked about at all. Just why they should agree now because it had taken six years!

We were told lunch was on. Viner and the others went to the office.

After lunch a care came to pick us up. We thought we were going to the airport but we were going to the office and saw the agreement all set to be signed. That was a big shock to me.

A lot of people signed and a platinum pen was handed out to everyone. I refused to accept one when Viner handed them out.

APPENDIX 2

Noonkanbah

By Jeremy Salt

UNAA Research Officer

The refusal of the Federal Government to intervene in the conflict between mining 'rights' and aboriginal sites in Western Australia will have come as a heavy blow to the Yungngora people who run the Noonkanbah pastoral lease.

It was, in fact, more than a refusal to intervene. When speaking in Derby to a group of aborigines representing communities from all over the Kimberleys, the Prime Minister made it clear that he stood firmly behind Sir Charles Court's decision to press ahead with mining at Noonkanbah. Unlike the aborigines, he was able to accept Sir Charles' 'total commitment' to the protection of sacred sites. Thus the residual hopes of the Yungngora people that the Federal government would step in and protect their interests were finally crushed, although Mr Fraser's remarks did have the merit of resolving the ambiguous and rather santimonious statements which have been emanating from Canberra for months. Not one politician has been honest enough to concede what cynics regarded as self evident all along: that mining interests carry more weight with the Federal Government than aboriginal interests and that there would certainly be no attempt to override the wishes of a State Liberal government in an election year.

Now the die is cast and the battle lines firmly drawn. On one side stands the WA government and all the legislative and material power it can muster. On the other are the Noonkanbah people and their supporters. The groundwork has already been laid for the next stage of the drama, by the gazetting of the road across the

property as a public road. While the State government has not disclosed its plans, it is expected to arrange a convoy of government trucks and private contractors to bring an oil rig to Noonkanbah to start drilling within the next month or so. The Noonkanbah people can be expected to offer passive resistance, providing the world, as Robert Duffield wrote in *The Age* on June 17, 'with what it will see as the greatest racist spectacle since the desegregation battles in the American Deep South'.

The stand taken by the Noonkanbah people a few months ago attracted the attention of the world's press.

The conflict between them and the WA government and the Amax mining company was interpreted as a clash between an ancient culture (40,000 years or more old) and the demands of modern acquisitive capitalism. The outcome seemed inevitable — the aborigines would lose — but to everyone's surprise the tactics of the Yungngora people in March and April seemed to work. The role of Perth and national media in this was probably crucial. With reporters and television crews flying into the station and the dispute taking up pages of the *West Australian* every day, the government clearly did not want to be seen to be trampling on the already trampled rights of a long suffering people. Thus it was that the Yungngora people (whose views on the importance of the sacred sites were backed up by WA anthropologists) succeeded in blocking drilling plans and putting the state government on the defensive.

What is the importance of Noonkanbah? Its prime importance is the land itself, and particularly the sacred sites which are threatened by Amax and the many other companies which have pegged out mining claims to various parts of the station. The relationship between the land and people is unknown in European society: to quote from a submission prepared by the Moongong Darwung Aboriginal Association of Kununurra (WA) on the impact of the Ord River Irrigation Area development on aboriginal society:

> 'In the Aboriginal view, man, natural species and the phenomenon of nature are all one and part of the same social, moral and psychological order. People and things, human and animal beings, persons and environment can and do compenetrate each other. Such a view of the link between man and land does not permit of an exploitative relationship on one by the other such as is to be found in the western conception of land as capital.
>
> 'This non exploitative attitude is manifest in the compelling emotional interest of Aboriginals in the topography as it has been left to them.

> 'When Europeans appropriated the land they also perforce appropriated the Aboriginal people who are also the land. For an aboriginal to leave the land would have been tantamount to an act of self-destruction. When Europeans began to change (and in Aboriginal terms to destroy) the landscape in the process of what was called development they began to change and destroy the Aboriginal people who are that land'.

Thus the intention of the Amax company to drill within the area of influence of a goanna replenishment site was seen as nothing short of catastrophic by Noonkanbah community leaders. In the words of a statement they issued: 'The area is a goanna place, all round on top of the ground the stones are really goanna eggs. These sacred goannas have been living under there, under the ground since the dreamtime. If the drill goes down and kills the goanna, it will kill the spirits of the dead people there too and it will make all the goannas leave the country so there will be no more for us to eat'.

There is a related reason for the Yungngora people opposing the presence of mining companies on their pastoral lease. In the parlance of the *guida* (European), Amax is the thin end of the wedge. Only nine years ago the Yungngora people drifted away from Noonkanbah because of friction with the white management, setting up camp as fringe dwellers at Fitzroy Crossing and gradually disintegrating as a community under the corrosive effects of town life. In 1976 the station was acquired for them by the Federal Aboriginal Lands Fund Commission, giving them the chance to regroup as a community and establish a pattern of life in accordance with traditional values. This they have done. Moreover, they have turned the station into a viable concern (which it was not in the last years of European management), repairing windmills, bores and fences and holding a successful muster each year.

All this is threatened by the mining companies. If one of them strike oil or gas or whatever, there will be a rush for Noonkanbah which will ultimately result in Yungngora people again becoming aliens on their land — driven deeper into the property or away from it altogether by these intruders and their proliferation of camps, drills, four wheel drives and bulldozers.

Noonkanbah also represents the thin end of the wedge from the point of view of the WA government and the mining companies: if the Yungngora people can block mining at Noonkanbah, others will be encouraged to do the same elsewhere in the Kimberleys. The possibility of confrontation already exists at Smoke Creek, where the Ashton joint venture (in which CRA is the major partner) plans

to dig for diamonds on a sacred site within a barramundi replenishment site. So it's important for the State government to win at Noonkanbah.

Since the Noonkanbah situation developed there have been suggestions that aborigines throughout the Kimberleys are suddenly discovering sacred sites as a means of extracting royalties from the government and the mining companies. There is no basis for this. Conversations with the people of Noonkanbah, for instance, leave no doubt that given the choice between mining with royalties/no mining and no royalties they would opt for the latter. The same is true of others.

Insinuations of this kind can only arise because the Noonkanbah situation is inexplicable in materialistic European terms: a white pastoral leaseholder would probably be delighted to have miners on his property, building roads and mending fences (Amax even offered to pipe hot water to the Noonkanbah homestead!), and no European would think of leaving a wealth of diamonds under the ground for the sake of a mythological 'pregnant barramundi', as Mr Rupert Murdoch cursorily discribed it.

Even if Noonkanbah people and other Kimberleys communities agree to some mining on traditional land, the arbitrary nature of mining means that the companies and aborigines must eventually come into conflict over sections of land which neither are willing to relinquish. Whose will should prevail? If white Australians mean what they say about making amends for the historical record, it is surely time for aboriginal claims to take precedence over sectional (and generally foreign controlled) commercial interests. As John Toby, the principal owner of traditional land at Smoke Creek, remarked with more than a little bitterness: 'The whiteman pushed us off our land. They gave the blackfella back a little bit of land. Then they find a bit of mineral and take it away from us. When are they going to give us a fair go, the bastards?'

The situation which has developed at Noonkanbah is only one of many problems face by Kimberley aborigines. There is not enough space here to discuss them all: it is perhaps sufficient to close by saying that security over land is seen by aboriginal community leaders as a basic prerequisite to overcoming economic and social problems.

APPENDIX 3

Aboriginal Land Rights

The need for a national consensus

Australian Mining Industry Council

The issues involved in granting Land Rights to aboriginal communities are relevant to the rights and interests of all Australians. But five years after the passage of the Aboriginal Land Rights (Northern Territory) Act 1976 by Federal Parliament there is still no national consensus on the matter. AMIC believes that such a consensus can be achieved without compromising the interests and rights of the Aboriginal people or the Australian population as a whole. The comments in the following pages are AMIC's contribution towards the debate which must be pursued to achieve that consensus.

Summary

As the appended extracts from AMIC's 'Declaration of Policy' show, the mining industry has consistently recognised and supported the desires of the Aboriginal people:-

- to be free to choose their own way of life be it traditional or otherwise;
- to have their say in their own affairs.
- to ensure protection of archaeological, anthropological and cultural sites which are of significance to them; and
- to become less reliant on others for their economic well-being.

The major premise enunciated in this new AMIC statement is that these objectives can all be achieved while Australia still maintains its position as one nation with one community of people.

In AMIC's view, however, the continued operation of the

Federal Land Rights Act in its present form, may only assist in dividing the nation, thereby creating a legacy for future generations of Australians for which they may not be grateful.

But there is another equally important principle which AMIC believes the present Act fails to uphold — one with significant international implications for Australia.

Australians make up only 0.3% of the world population, yet occupy about 1/20th of the world land mass and an area relatively rich in mineral resources. In the eyes of the rest of the world, therefore, Australia has a special responsibility to make its resources available to the world community on equitable terms. In AMIC's view, the Federal Land Rights Act serves only to lock away many of those resources.

The Act's four major deficiencies are summarised as follows:-

(1) Absence of Time Limit on Land Claims

- the Aboriginal people make up about 20% of the Northern Territory population.
- already over 25% of all land in the Northern Territory has been declared Aboriginal land while a further 25% is under claim.
- as pastoral leases, which compromise most of the balance of the Territory, either expire or are acquired by Aboriginal interests, many of these could be the subject of successful land claims as well.
- unless some time constraint is imposed of the land claims system, most of the Northern Territory could end up as inalienable Aboriginal Land.
- what has been happening in this regard in the Northern Territory has unfortunately given rise to unreal expectations elsewhere in Australia.

(2) Inadequate Land Claims Procedures

- in AMIC's view, the Federal Land Rights Act permits the Land Commissioner to recommend the grant of land as Aboriginal land without proper regard to the national interest or the rights of other land users.

(3) Inappropriate Right of Veto Over Mineral Activity

- under the Federal Land Rights Act, all minerals in Aboriginal land remain vested in the Crown on behalf of the whole Australian community.
- inconsistent with this is the provision that the Aboriginal people may veto mineral activity on their land.
- a provision within the Act aimed at safeguarding the national

interest in this regard is, in AMIC's view, quite meaningless in the practical sense.

(4) In appropriate Compensation Rights

- again the Federal Land Rights Act is inconsistent with the Crown ownership of minerals principle in that it permits the Aboriginal people to deal with minerals in their land as though they, not the Crown, are the legal owners of them.
- this has led to what AMIC regards as unrealistic compensation claims whereby each negotiated agreement becomes the starting point of the next.
- before long, what will amount of enormous sums of money (millions of dollars per annum) will be accruing to relatively small numbers of Aborigines.
- this, AMIC believes, will cause confusion and division not only in the general sense, but also within the wider Aboriginal community itself.

It is AMIC's view, that in taking the steps necessary to remove these deficiencies from the Act, the Federal Government would not be acting against the best long-term interests of the Aboriginal people. Indeed it could be setting the scene for a much more realistic advancement of their well-being across the nation.

APPENDIX 4

Land rights are no joke

Sir, Ken Wallace (Letters, July 19) appears to be labouring under some serious misapprehensions when he writes that the so-called 'average Australian' thinks land rights are a joke. Only the extremely callous treat the rights of the dispossessed as a joke.

He says land claims have been 'extravagant'; but the most extravagant and unfounded land claim in the history of the human race was by Arthur Phillip, when he raised the British flag at Port Jackson in 1788. He claimed a whole continent, most of which he never saw, or needed, or knew anything about; nor did his countrymen.

He didn't speak the local language and the new migrants from Britain chose not to assimilate but to retain their old ways.

None of them could trace their ancestry back to pure-blooded anything, because the English are a mixture, over many centuries, of Romans, Celts, Angles, Saxons, Jutes and other European races.

Mr Wallace writes: 'Australia cannot put back the clock to Captain Cook's day'. Why then does he talk about 'pure-blooded' as if it were such an important issue?

Aborigines never gave permission for European migrants; they were illegal from the start at Farm Cove. In those days black Australians had their own democracy and this meant that every person had rights to land.

But in so-called 'advanced' countries, democracy means only some people get land. This is becoming more true of Australia as interest rates rise and young people can no longer afford to buy land or homes.

Mr Wallace deplores the giving of 'special privileges to one section of the population at the expense of others'. Aborigines are not asking for land privileges, they are asking for land rights. Everyone has a right to the necessities of life. If you are poor, it's not 'an easy Australian society' as Ken Wallace seems to think, but rather a very difficult one. Only those with privilege of wealth find it easy.

Brian Hancock,
Avenue Road,
Glebe Point.

Courtesy, *Sydney Morning Herald*, 19 July, 1982

APPENDIX 5

New Navajo chief leads fight against exploitation

Among the US State governors, senators and other local and Federal politicians who have taken office this month will be the recently elected and most powerful Indian chief in North America.

Officially, Peterson Zah is the chairman-elect of the Navajo Tribal Council, ruling a starkly beautiful territory stretching across parts of Arizona, Utah and New Mexico, and including the Painted Desert and Window Rock.

The land also contains billions of dollars worth of gas, oil, coal and uranium, making the 175,000 Navajo people potentially one of the richest groups of Americans in the country. In fact, they are among the poorest.

Their reservation is ringed by generators powered by the coal they help to produce, including the Four Corners Station, the largest coal-fired power plant in the world. Yet the pylons which march across their land carry power to Phoenix, Los Angeles, or Las Vegas: the Navajo people have almost no domestic supplies of their own.

Although the reservation is 'dry,' Navajo bootleggers smuggle in beer and wine, making alcoholism the single worst health problem, afflicting up to 40 per cent of the people. Unemployment is about 30 per cent, nearly treble the national figure.

Chairman Zah, aged 43, is a Democrat who ran a populist campaign to defeat easily the former chief, Mr Peter Macdonald, aged 53, veteran of an unprecedented 12-year term as a Republican leader.

Mr Zah's predecessor was originally named Hashkasilt Begay.

He changed his name while a schoolboy when he heard someone singing 'Old Macdonald had a farm.'

Mr Macdonald is given credit for committing the tribe to development of their territorial resources, while preserving their culture and religion. However, like many long-term rulers he became autocratic. His chaffeur-driven Lincoln Continental, three-piece suits, games of golf with white lawyer friends, and attendance at a Baptist Church seemed to belie his declared reverence for traditional Navajo life.

Mr Zah, who wears jeans and prides himself on his availability, shares tribal impatience with decades of exploitation by energy companies, and indifference from the Federal Government to native American rights. Although the tribe has about 17 law suits for royalties and contracts, they seem interminable.

The new chief's war cry has been 'renegotiation.' Parity with similar mining contracts elsewhere, he has said, would increase tribal income five times.

Navajo tribal income this year is estimated at $67 million. Oil contributed $21 million, coal $9 million and uranium $2 million. There was an additional $6 million interest on reserves and the rest came from Navajo businesses and lumber.

As well as multiplying the coal income, Mr Zah has declared that another $35 million could result from sweeping away the system whereby the local State Governments earn more than the tribe from the minerals.

This is because the Navajo native must pay State taxes while being prohibited from taxing the mining companies. Although the Supreme Court in Washington has declared this improper, tough bargaining by the tribe will still be needed.

The hardest task of all for Mr Zah will be to win new terms from the companies: Anaconda, Arco, Exxon, Philips, Utah International and United Nuclear. Contracts were made mainly in the middle 1960s and were to last for 20 years, with no escalation clauses.

Thus, one lease with a coal company was for 32 cents a tonne of coal in 1967. It has yet to be renegotiated, although it represents a ludicrous sum by today's prices.

As well as striving for a better deal on contracts, the new chief intends to divert mineral earnings more directly to the tribe. One way may be to use coal as a bargaining point to bring electricity directly to the reservation, and another by setting up a Navajo-owned mine and energy plant.

Despite their underground wealth, hardiness and survival are

probably the Navajo's greatest assets. Only 120 years ago the tribe was almost extinct. Now, some sociologists fear that riches could ruin the Navajo culture. But for Mr Zah and his tribal council, it would be satisfactory at this stage to acquire their financial rights.

Guardian, London; reprinted in *Sydney Morning Herald*, January 13, 1983

APPENDIX 6

Worldly Joyce Hall Cries, For Weipa

By Joseph Glascott
Environment Editor, Sydney Morning Herald

'This is a sad day for me', said Mrs Joyce Hall, a 50-year-old Aboriginal mother of 12, of Weipa, in far north-west Queensland.

'When I went to London, your people treated me like white lady. I wanted to return the courtesy. But now I can not even show you my home'.

Mrs Hall was speaking in an emotional scene in the office of Mr Max Summers, Queensland government manager of the Weipa South Aborigine Settlement at the bauxite mining town on Cape York Peninsula.

Joyce Hall has been to London and to most capitals of Europe. She did not go to London to see the Queen, but to confront the chairman of the RTZ Mining Company, Lord Shackleton.

At a three-hour meeting at the company's head office in St James Square, she and representatives of the North Queensland Aborigines' Land Rights Council told Lord Shackleton about the impact of mining on Aboriginal communites, and asked him to support their claims for land rights.

On that visit, in 1978, sponsored by the London group, Colonialism and indigenous minorities research action, Joyce Hall toured the UK and the capital cities of Europe speaking about the conditions of Australian Aborigines.

She returned for a second visit in 1980.

Pople who were present at the meetings said Nancy Hall, the Aboriginal lady from Weipa, made European audiences cry with her description of Aboriginal conditions.

However, Joyce Hall's international recognition has not impressed the Queensland Government's Aborigine and Islanders' Advancement Department.

Mr Summers, the department's manager at Weipa South Settlement, strongly resisted Mrs Hall's request to show a Herald photographer, Gerrit Fokkema, and me her house and introduce us to the people on the settlement.

We first met Mrs Hall at the Comalco Company's bauxite mining town of Weipa North.

Mrs Hall said: 'I placed all my trust in the Lord and I know that He will answer our plight eventually. But my people have received no benefits from mining in our lands.

'Most of the children don't go to school. They are drinking alcohol and sniffing petrol. There are few jobs for young people and no entertainment.

'The Torres Strait Islanders get all the jobs for black people. There is nothing for Aboriginal boys to do but go and drink. Then they get into trouble and end up in jail.

'When the miners came here they promised us houses and said mining would make us rich. They said there would be plenty of beer to make us happy. They did not say it would kill us.

'Where are all the riches? All the royalties from mining have gone to the Queensland Government. When we asked for more police at the settlement, or a motor vehicle the Government says there is no money.

'They call me a radical and they probably don't like me'.

Mrs Hall's estimation proved correct.

When we travelled out to the Weipa South Aborigine Settlement she said: 'We will do everything above board and ask permission from the manager for your visit'.

In a confrontation in the department's office, Mr Summers said journalists were banned from all Aboriginal settlements.

In the end, Mr Summers told us to leave and return to Weipa North town. However, that same afternoon Senator J. Keefe (ALP) and the ALP candidate for Moreton, Mrs Barbara Robson, were planning a visit to the settlement.

Senator Keefe told Mr Summers he would like the Herald representative to accompany him, and we were eventually allowed into the settlement.

Joyce Hall accompanied us.

Courtesy, *Sydney Morning Herald*

APPENDIX 7

People of the Sacred Mountain

Reviewed by Tom Krause in The Australian

The American Indians have received such a battering from Hollywood over the years, it is impossible to believe that any book could redress their grievances.

People of the Sacred Mountain comes close. It comes in weighty tomes, in a literal and figurative sense, each volume scaling in at 3kg.

It is not just any white historian's view of the People since the author, Peter Powell, an Anglo-Catholic priest, is an adopted son of a Cheyenne family, an elected member of the Cheyenne Chief Society who has taken part in the People's holiest rituals upon their sacred mountain.

This mountain, Noaha-vose, near Sturgis, South Dakota is considered to be the origin for all the sacred power Ma'heo'o the All Father, pours out upon the People and their world. As Powell writes: 'It was He Who, at the Sacred Mountain, gave the Sacred Arrows and the Sacred Code of Law for the People to Sweet Medicine, the Great Prophet of the Cheyennes.'

Even the most casual observer will notice certain parallels between the Australian Aboriginies and the American Indians.

Perhaps the most significant parallel occurs in the relationship between the white pioneers and the People. The Cheyenne's name for the whites is 'vehoe,' the name used for the Spider trickster, which features in many stories recited to amuse children. But when the word was used to mean white man, it implied intricacy, trickery or trap.

The following passage from *People of the Sacred Mountain* illustrates the closeness of both aboriginal peoples:

'From the beginning it was clear that the vehoe had no respect for Mother Earth, from whose body sprang forth new food, shelter, and fuel for the People each spring. First the whites chopped down and wasted what little wood there was growing along the Platte River road. Familiar groves of cottonwoods, trees that had warmed, sheltered, and, in summer, cooled the People for years, now were destroyed in a few short seasons . . . And, from the very beginning, the whites slaughtered the buffalo wantonly, cutting from their bodies only the choicest portions of meat, leaving the rest to rot under the blazing Sun of summer.'

As if that weren't enough, the whites also brought cholera in 1849, or as the Cheyenne put it so colorfully, the Winter When the Big Cramps Took Place. It was no laughing matter for the Cheyenne or the Lakotas, for nearly half the Southern People died from cholera that year.

There were also the white man's promises of peace and friendship which would later be broken.

Footnotes

1. R. Barret and R. Muller, *Global Reach: the Power of Multinational Corporations,* New York, 1974, p. 379.
2. Based on *'Market capitalisation'*, from *National Times,* 4 October 1981, p. 57.
3. A *'subsidiary'* is a company in which CRA holds more than 50% of the company's capital. An *'associate'* is one in which CRA holds between 20 and 50%.
4. *Facts about CRA,* 1980, p. 4.
5. R. Howitt, 1981a, *First Report: The Corporate Strategies of CRA Ltd and Amax Inc., with particular reference to their impact on three WA Aboriginal communities*, unpublished report to Corporate Study Group, Sydney.
   R. Howitt, 1981b, *Second Report: Corporate Strategies in the Aluminium Industry,* unpublished report to the Corporate Study Group, Sydney.
6. Mark Turner, Val Duncan and Roy Wright.
7. See SMH, 21/10/77, p. 2 where Brian Toohey comments on this incident.
8. (*The Australian* October 16, 1981, pp. 1, 23, 30).
9. (CRA. *Annual Report* 1979, p. 19).
10. (as acknowledged in the CRA *Annual Report* 1979, p. 19)
11. The Mt Newman venture: Amax 25%, BHP 30%, Mitsui 10%, Seltrust Iron Ore 5%, Pilbara Iron Ore 30%. Pilbara Iron Ore is owned by CSR 68%, AMP 23, 81% and other groups 2.6%.
12. EP 97, 101, 102: Whitestone 31.94%, Amax 29.03%, Pennzoil 29.03. According to the industry, the chances of finding oil are relatively good, based on seismic surveys, but so far drilling has not been very encouraging. Fitzroy No. 1 well at Noonkanbah (the well over which the 1980 dispute flared) was the first in the current round of exploration. However it failed to reveal oil or gas.
13. Australia *House of Representatives* 1974, p. 29.
14. Blackburn J., 'Milirpum and others v's Nabalco Pty Ltd and the

Commonwealth of Australia', *Federal Law Reports*, 1971, 17/141. Hookey (1972), *'The Gove Land Rights Case' Federal Law Review*, 1972: 185.

15. See though John Little in *Aboriginals, Human Rights and The Law* ed. Garth Neinham.
16. E. Woodward, *Aboriginal Land Rights Commission, Second Report*, (AGPS, Canberra, 1974) p. 108.
17. R. W. Fox, etc, *Ranger Uranium Environmental Inquiring Second Report* (AGPS, Canberra, 1977) p. 9.
18. For example, in 1970 Comalco offered a special issue of shares to important political people in Queensland, which CRA's partner in Comalco, Kaiser Aluminium, thought was inappropriate: the *'Comalco Share Scandal'*.
19. *See 2nd Report,* Charter 4, section 2 j)a), pp. 123-134, where two examples of the failure of national governments to assert effective control over transnational mining companies are given. In 1970-71, Guyana (Central America) attempted to nationalize Alcon's bauxite-aluminium interests; Guyana wished to cease her role as an economic satellite of Alcan. The exercise failed. In 1974, Jamaica increased its taxes on bauxite, attempting to re-negotiate a more equitable slice of the cake for itself. The Six Sisters of the aluminium industry, though unable to prevent this increased taxation, were able to counter its effectiveness in many ways by their combined power in that industry.
20. Australia, *House of Representatives* Sept 17, 1981 (3.30).
21. See 1st *Report,* Appendix 3, *'WA — State of Seige'*.
22. (S.M.H., Sept 19, 1981, p. 3).

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