

Miners point to Wik bill: \$30bn and counting

Australian - 7th January, 1998

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THE native title debate has cost the country \$30 billion in lost mining revenue and forgone investment opportunities, a study by one of the big six accounting firms has found.

But the total impact on the economy may be much greater as the study does not take into account the growing financial burden on the pastoral industry or forgone jobs that would have come from new project developments.

The report, by Coopers & Lybrand partner Wayne Lonergan, is the clearest evidence yet on the impact of the native title debate on the economy.

In addition, independent research group Access Economics has for the first time tried to put a value on projects subject to Native Title claims.

The value of new mining and mineral processing projects on hold or delayed totals \$10 billion. Infrastructure projects add a further \$1.5 billion.

The Lonergan report values the cost of delays in new project developments since the Native Title Act came into effect in December 1993.

The issue is politically sensitive, given that the Wik legislation will be back before parliament in March.

The Government has refused to accept amendments to its 10-point plan imposed by the Senate in December. It will resubmit the original legislation. Its rejection could trigger a double dissolution election later this year.

Seizing on the Lonergan report's findings yesterday, a spokesman for Resources Minister Warwick Parer said: "The (Lonergan) report confirms that those in the Senate, Labor, the Democrats and the Greens, who are obstructing the delivery of certainty in the area of Native Title by deliberately emasculating the Government's 10-point Wik plan, care nothing about the national economy or jobs.

"Their continued support of discredited legislation that imposes a \$30 billion cost on the mining industry, and a \$1 billion a year loss to revenue through royalties and taxes, to say nothing of jobs, raises the question of where loyalties lie". But Mr Lonergan has determined that even if the Government implemented its proposed amendments to native title legislation, the loss to the mining industry would still be about \$20 billion, as the greater risks associated with native title would scare away 20 per cent of future development.

The pastoral industry is a relatively new entrant into the native title debate as it was affected by the High Court's Wik decision in December 1996 -which held that pastoral leases did not automatically extinguish native title. The decision sent concern coursing through rural communities.

The mining industry has been involved since the Mabo decision in June 1993 overturned the proposition that Australia had been Terra Nullis (land belonging to no-one) before European settlement in 1788.

No figures have been compiled on the impact on the pastoral industry, but evidence has mounted that it is substantial.

In the Riverina region of western NSW, a wine grape and grafting development that would have employed 50-60 people has been moved across the border into Victoria to avoid conflict with possible native title claims.

NSW Farmers Association spokesman Mr Ben Russell said about 50 applications were pending to change lease applications from grazing to other uses, but that native title issues were holding up the changes.

The National Farmers Association has documented instances where properties in Queensland have been devalued substantially by their vulnerability to potential native title claims.

The Queensland Grain Growers Association has been told of instances where banks have refused to issue loans because of fears about native title claims -although it is a claim the banks deny.

But it is the mining industry and its massive input into the Australian economy that has been affected most.

In the 1996-97 financial year, mineral resources represented 34 per cent of total export revenue and contributed \$12 billion to the economy through the purchase of goods and services from domestic companies.