

Rio Tinto challenged over Indigenous credentials

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Rio Tinto iron ore chief executive Andrew Harding has come under fire over the group's indigenous relationships, with an Aboriginal contractor and a native title group accusing the miner of falling short of expectations.

Taking audience questions at a business breakfast in Perth yesterday, Mr Harding was challenged over the miner's dealings with indigenous groups in the Pilbara, where it has its world-leading iron ore operations.

Rio Tinto has long touted its credentials on indigenous issues, describing itself as one of the largest private sector employers of indigenous Australians, earlier this year joining the Recognise campaign for constitutional recognition of Aboriginal and Torres Strait Islander people.

Peter Todd, the managing director of indigenous-owned crane group Koodaideri Contracting Services, said his company had been unable to win more work from Rio Tinto.

"We do not have any opportunities whatsoever in the crane space," Mr Todd said.

"I find that disappointing considering the agreement between native title owners and the blue-chip miners."

In response, Mr Harding said while he and Rio Tinto had a strong commitment to Aboriginal business development, it was important to be mindful of the shift in the mining cycle from a period of construction — where there were "massive amounts" of contracting jobs available — into an operating phase with far fewer business opportunities.

"Every business has to be able to adapt to those cycles, and over time the successful businesses that manage that will absolutely win," Mr Harding said.

"We have to recognise that there is a cycle. In the high points it will be easy, in the low points it will be very difficult."

Rio Tinto was also criticised at the event by Tony Bevan, a director of Wintawari Guruma Aboriginal Corporation, for not paying native title royalties over mines established before the introduction of native title rights in 1994.

Wintawari Guruma Aboriginal Corp holds the native title for the Eastern Guruma people, whose land covers more than 6500sq km around Tom Price.

"Rio Tinto has mined its flagship Mt Tom Price mine for 50 years — 50 very lucrative years — but has not paid 1c in royalties to the Eastern Guruma, who are recognised by this nation's highest court as the rightful owners of this land," Mr Bevan said.

"Do you believe it is right for Rio Tinto, which often trumpets its relationship with indigenous Australia, to continue to ignore this injustice?"

Mr Harding said he was not an expert on the situation with the Eastern Guruma people but he believed the miner's indigenous relationships were working well.

"We've been at the forefront of pushing land use agreements across our businesses that are viewed as leading edge," Mr Harding said.