

Question on Notice

No. 211

Asked on 20 March 2014

MS MILLER asked the Deputy Premier, Minister for State Development, Infrastructure and Planning (MR SEENEY) –

QUESTION:

With reference to the failed process by the Newman Government to issue development rights for the \$25b Aurukun bauxite deposit –

Will the Deputy Premier (a) release the details of what would have been delivered for the Indigenous community under the rival bids and, if not, explain why the government did not accept either bid and (b) guarantee that any future process for the development of this resource will be open to all interested parties?

ANSWER:

I thank the Honourable Member for Bundamba for her question.

- (a) In November 2012, the government commenced a competitive bid process to identify proponents that were capable of developing the Aurukun bauxite resource.

The government's objectives have been clear from day one—proponents had to show how their proposal would benefit Traditional Owners and the state, and ensure that the development would be delivered at no cost and no risk to the state over the life of the project.

Early development of the project was identified as being critical to maximising the benefits to all parties and proponents were required give a binding commitment to a realistic timeframe for development.

Proponents were invited to advance whatever proposal for the project they considered best responded to the state's objectives.

Under the terms of the competitive bid process, the state is required to keep the proposals confidential. I intend to abide by this requirement and I will not be releasing details of any aspects of the bids.

What I can say is that a considered assessment of the proposals submitted by Australian Indigenous Resources and Glencore International AG showed that neither proposal fully satisfied the state's objectives.

The easy decision would have been to grant the rights and hope for the best, however, this would merely have repeated the mistakes of the past where companies were granted rights but were later unable to deliver on the commitments they made. It was decided that the better course of action is not to accept either of the proposals, but keep an open mind to future development opportunities that will meet the state's objectives.

- (b) The state government remains interested in developing this resource for the benefit of the local community of Aurukun and all Queenslanders and to this end is committed to working with mining companies and Indigenous communities to ensure benefits flow from the development of bauxite resources on Western Cape York. Any future process will of course take place in an open and transparent manner.