

31 July 2020

Committee Secretariat
Joint Standing Committee on Northern Australia
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INQUIRY INTO THE DESTRUCTION OF 46,000 YEAR OLD CAVES AT THE JUUKAN GORGE IN THE PILBARA REGION OF WESTERN AUSTRALIA

On behalf of the Australian Council of Superannuation Investors (ACSI), thank you for the opportunity to make a submission to the Inquiry into the destruction of 46,000 year old caves at the Juukan Gorge in the Pilbara region of Western Australia (Inquiry).

Established in 2001, ACSI exists to provide a strong, collective voice on environmental, social and governance (ESG) investment issues on behalf of our members, who include 39 Australian and international asset owners and institutional investors. Collectively, our members own, on average, 11 per cent of every ASX200 company, on behalf of millions of beneficiaries. Our members recognise that ESG risks and opportunities have a material impact on investment outcomes.

Investors, like the community at large, are shocked and saddened by the destruction of these significant sites and the irreversible loss of cultural heritage.

As a representative of large institutional investors, many of whom are investors in Rio Tinto, we have great interest in the Committee's inquiry. The investigation of this individual event, as well as any legislative or systemic issues that contributed to it, are critical to ensuring that similar events never occur again. We feel that the issues involved have application beyond this individual event and the mining sector.

We hope this inquiry, combined with a transparent investigation by and within Rio Tinto, lead to significant improvements to the way companies operate; to substantial improvement in not just company engagement with Traditional Owners but in improvements to the state and federal laws that support that engagement.

We are not representatives of Traditional Owners, or experts on the legislative framework that allowed the destruction of the caves at the Juukan Gorge, however, our engagement with ASX200 companies and other stakeholders in recent months has revealed:

- concerns with outdated legislative settings in Western Australia which are currently under review;
- the need for companies to go beyond mere compliance with legislative minimum standards to establish effective engagement with Traditional Owners to ensure appropriate free, prior and informed consent; and
- general acceptance that the Aboriginal Heritage Act 1972 has rarely successfully protected heritage sites, such as the Juukan Gorge. As Sen. Siewert cited in Parliament in June, of 463 applications under Section 18 in the past decade, none have been rejected.

ACSI, and many investors, have met with Rio Tinto in relation to the destruction of the caves. Our expectation is that, alongside this inquiry, the company must provide an independent and transparent review that extends beyond the narrow issue of legal compliance to consider broader issues that reflect company culture, board oversight and any systemic issues within the company. That review must involve members of the PKKP

community, and other First Nations groups, and demonstrate changes in the business and accountability for what has happened.

I trust our comments are of assistance. Please contact me or Kate Griffiths, ACSI's Executive Manager - Public Policy and Advocacy, should you require any further information on ACSI's position.



Louise Davidson AM
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