

Native title royalty cash payments face axe

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Cash payments to native title landowners from gas and mining companies could be abandoned following fears indigenous communities are missing out on the bounty of the resources boom.

Under sweeping changes being considered by the Rudd Government to the way royalty deals are structured, resources companies would provide community infrastructure and help create jobs and educational opportunities for Aboriginals.

Native title legislation now requires companies to compensate traditional landowners via royalties and land use deals in exchange for mining rights.

But a report by the Government's Native Title Payments Working Group released yesterday revealed many agreements had been prepared in secret, lacked accountability and did not deliver full financial and social benefits to indigenous owners.

It also found complex negotiations were skewed in favour of miners.

A discussion paper also released yesterday suggested mining companies provide longer lasting benefits, including creating jobs, enhancing education and public works.

National Native Title Council chairman Brian Wyatt agreed mining deals had not delivered maximum benefits.

The Minerals Council of Australia backed the proposed measures.