



# A DAUGHTER LOOKS BACK ON A FATHER WHO LOVED HIS LAND

*As the country debates the ramifications of the Rudd government's resource super-profits tax, Gina Rinehart considers the legacy of her father Lang Hancock, one of the mining industry's founding fathers. Ms Rinehart, the chairman of Hancock Prospecting, examines the influences that shaped a unique and colourful character*

**GINA RINEHART**



DAD was born in Perth on June 10, 1909, to his parents Lillian and George Hancock who were pastoralists in the state's northwest.

Dad enjoyed his childhood growing up in the bush, hunting dingoes, mustering sheep, fixing windmills, riding horses over thousands of miles and getting to know the area, but the northwest of his youth was greatly different to the Pilbara of today.

For Dad to get to school in the 1920s, there were no cars to take him to the coast to catch the occasional ship to "civilisation" in Perth, but a long bumpy stretch of track over some 200 miles to the coast, for horse and buggy.

Such was the tyranny of distance and remoteness that there was little hope for people who became ill in the bush to get down to Perth for medical attention. Mothers had to look after sick children

as best they could themselves, and people who had serious accidents could not get hospital attention.

Nor was it possible to pick up a phone and ask for medical advice, as there were no phones in the Pilbara in those days, the people of the bush had to "learn to do for themselves, or do without". A phrase my father often said.

Living in this harsh and remote environment gave my father an understanding of the north and a very strong desire to see the conditions improve for his family, other pastoralists and all people battling up there.

Dad's battles to improve the conditions in the Pilbara were transformed during a legendary flight of discovery on November 22, 1952.

When flying south, storm clouds forced him to fly low alongside the walls of a gorge, freshly washed by the rain, and it spear-headed Dad towards pioneering the iron ore industry in the Pilbara.

Should I say, despite significant opposition and detractors.

My father, however, did have a witness, my mother Hope Hancock, who was in the plane, a little Auster, with him, and very

grateful for my father's piloting skills on that bumpy, hazardous flight.

Exciting as the initial discovery flight was, that was only the beginning.

My father went back early the next year, in 1953, after the cyclone season, found a flattish part of land, brought the Auster down in the spinifex and, over a period of time, walked 60 miles along the gorge area collecting rock samples.

He then had to arrange to get these rock samples back to Perth some 1000 miles, where the nearest laboratory was.

Months later, he learnt the assay results, the rock samples averaged a far higher grade than the feed then used for the American steel industry.

Dad had found an iron ore discovery of world significance.

But his recognising this and the government suitably recognising this, were a long way apart.

My father, in addition to his ongoing exploration, had to lobby Canberra over an eight-year period to get the federal government to lift its export embargo on iron ore.

This was eventually achieved in 1960.

In addition, my father had to lobby the then government of Western Australia to lift the pegging ban, so that it was possible to achieve title to the ore, required for investment and development.

News spread of the size and importance of this major iron ore field so close to Asia and, as a consequence, when the iron ore contracts were eventually written they were written in terms of an ore buyer's market, not an iron ore seller's market.

An important lesson was learnt, (or should have been learnt) about the difference.

This difference in revenue from ore sales directly and significantly impacted Western Australia.

The development of this major iron ore industry was achieved by substantial private investment, including for new towns for the Pilbara, initially at Tom Price, Newman and Dampier, and the private investment provided modern shops, hospitals, post offices, police stations, schools, sporting facilities, hotels, cafes, garages,



workshops, etc, plus more roads, better communications, airports, job training and opportunities, amenities those in the cities might take as the norm, but were greatly needed in the north.

Some of the amenities my father had strived over so many years to see brought to his beloved Pilbara, arrived in the mid-60s, thanks to this private investment. People came from many countries to work in the Pilbara.

New towns were built, railways constructed, new port and new mines.

The first ore from my father's discovery, Tom Price, was shipped from Dampier in 1966. Unfortunately, those jealous of my father's success even gave others the credit for discovering Tom Price — to which my father would reply — “well if I didn't find Tom Price, what in the bloody hell are Rio paying us royalties for?”

Even in later years, after Tom Price was developed, Dad tried for a long time to get Rio executives interested in Paraburdoo.

He was told by Rio, “No, you could never build a railway in that country. It's too rugged.”

However, Dad persisted and eventually Paraburdoo was developed, a railway was built between Tom Price and Paraburdoo, a railway that has carried hundreds of millions of tonnes of ore, earning royalties for this state and providing many jobs, and great revenue for Rio.

Indeed, from Dad's discoveries, more than two billion tons of ore have been sold, and this continues.

Try to imagine where WA

(which up until the Pilbara iron ore industry had been a mendicant or handout state, unable to support itself via its then largely agricultural and pastoral industry) would be without the benefit of such revenues.

My father strongly believed in the importance of the mining industry to Australia and our future, to grow Australia's economy, to improve the standards of living for Australians, to help pay for our defence, our police, our hospitals and medical care, to improve our infrastructure in remote areas, to provide opportunities for Australians and so on.

My father also recognised the importance of continuing to welcome investment into the Australian mining industry for our future.

He recognised Australia was not in a unique position having mineral resources and never closed a blind eye to the reality that the rest of the world also had mineral resources, but recognised we must compete for investment.

My father became increasingly outspoken against policies that he believed would be destructive to Australia's future. Such as policies that reduced our competitiveness when our resources need to compete on the world market, or policies that made our country less attractive to investment.

He did not go along with theoretical views that did not consider the real world, that could be harmful to Australia's future.

My father was well known for his views that greater taxation levels did not lead to greater investment and greater tax rev-

enues, stating instead if you raise taxes excessively those who can leave that tax regime will do so instead of paying increased taxes.

He used to cite the doctors who left Britain when personal taxes were raised and the obvious result this had on the standard and availability of medical care in Britain.

As Dad used to say, “It takes a hell of a lot of thought and effort to create something, but it only takes little thought to destroy.”

So today (June 10), as we commemorate what would be my father's 101st birthday and think of the efforts he put into this country to give it a far better future, is there really any question as to what his birthday wish would be?

“Keep Australia Strong — No RSPT”.

If you asked me, as some do, if Lang Hancock were with us today what would he do? I can guess after munching on some birthday pavlova, he would be off to the office, stirring up so called industry “leaders” who try to delicately walk a tightrope without commitment, in the hope that they are devoured last, encouraging those who do stand up for Australia's interests, trying to correct a barrage of misinformed or theoretical comment and, in particular, stating that this RSPT debate has gone on too long.

Australia is being badly damaged.

And later, he would head off for a game or two of tennis.

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*This is an edited extract. A full version can be found at [www.theaustralian.com.au](http://www.theaustralian.com.au)*

‘It takes a hell of a lot of thought and effort to create something, but it only takes little thought to destroy’



HANCOCK PROSPECTING

**Mining magnate Lang Hancock and daughter Gina Rinehart at Rhodes Ridge iron ore deposit site in WA in the early 80s**



Lang Hancock made a lasting contribution on the Pilbara, on WA, on the entire Australian economy, and on the global

iron and steel industry. His vision was truly remarkable. I admire his perseverance and inexhaustible levels of optimism and energy, to provide the catalyst and foundation for what now is a truly great iron ore industry.

TOM ALBANESE  
 CHIEF EXECUTIVE, RIO TINTO



In a sense, Lang Hancock was the father of the WA iron ore industry, which has in turn become one of the great

economic mainstays of Australia. Without his faith, this industry would not have taken off and Australia's prosperity and future prospects would be very different. He was the kind of rugged individual that nation building needs.

TONY ABBOTT  
 FEDERAL OPPOSITION LEADER



Lang Hancock shaped Australian history not only as the iconic "flying prospector"

who unlocked the natural wealth of Western Australia, but as a man who contributed immeasurably to the development of his state and to the economic growth of the entire country.

JOHN ROSKAM  
 EXECUTIVE DIRECTOR,  
 INSTITUTE OF PUBLIC AFFAIRS