The federal government was today claiming a major victory in the Aboriginal land rights debate with one of the Northern Territory's most respected elders agreeing to start negotiating the surrender of his land for 99 years.

Indigenous Affairs Minister Mal Brough today also said the government welcomed Galarrwuy Yunupingu's plan to establish a senior elders' group in the Northern Territory to provide advice to the federal government on its radical NT intervention.

Mr Brough travelled to Arnhem Land and met with Mr Yunupingu several weeks ago to talk about the government's takeover, which the former Australian of the Year had labelled "sickening, rotten and worrying".

Mr Brough today said he and Mr Yunupingu had reached common ground during an open, frank and "historic" six hour talk brokered by Noel Pearson, another indigenous backer of the government's intervention. Mr Brough today announced he and Mr Yunupingu had signed a Memorandum of Understanding (MOU) to negotiate an agreement that would see Mr Yunupingu's Gumatj people surrender control of Ski Beach in North East Arnhem Land under a 99-year lease.

Mr Brough said the agreement would provide a basis for increased economic development, better services and the opportunity for home ownership. "It shows that what the government has been offering to indigenous people in the Territory does not strip away rights, it empowers people and it gives them the opportunity to actually do something on the land that they value so greatly, without losing any of their underlying title or rights," Mr Brough told reporters.

A member of the recently formed National Aboriginal Alliance (NAA) lobby group Olga Havnen said she found Mr Yunupingu's move "perplexing", considering his previous strident opposition to the government's agenda.

"You might go so far as to suggest it's rather opportunistic," Mr Havnen said. "You'd have to ask how genuine is that support, or is it about self-interest?"

Ms Havnen said the government's commitment to take advice from any advisory group set up by Mr Yunupingu was bizarre, considering it had been extremely critical of him in the past.

"What it says to me is the government is only prepared to take advice from people that they feel they can do business with," she said. "I would have thought that in a
democracy perhaps the best advice comes from a diverse range of views, and perspectives."

But Mr Brough today attacked the NAA's credibility. "I have no willingness to work with a group that actually puts out a flier that says `come and talk about the invasion of the NT'."

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