Indigenous Employment and Business Development in the Queensland Resources Sector

Report to the Queensland Resources Council

June 2007*

* Sections of this report were updated in November 2007 to include data from the 2006 census.
Acknowledgements

This report was prepared by Pat Vidler, who was seconded to CSRM from the Office of the Coordinator General for several months to lead the project.

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Last but not least, our thanks are due to the companies that completed the survey and to the broad range of people in industry, Government and the Indigenous community who were interviewed for the project or otherwise assisted.

Research Team
Patrick Vidler (author and project manager)

Julia Keenan
Joni Parmenter
Sokar Phillpot
Jim Hondros
Philippa Hall

Centre for Social Responsibility in Mining
CSRM is a member of the Sustainable Minerals Institute.
Director: Professor David Brereton
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Abbreviations

ABARE  Australian Bureau of Agricultural and Resource Economics
CDEP  Community Development Employment Projects
CEO  Chief Executive Officer
CLC  Central Land Council
CSRM  Centre for Social Responsibility in Mining
CTQ  Construction Training Queensland
IBR  Indigenous Business Review
IFC  International Finance Corporation
IMETF  Indigenous Mining and Enterprise Task Force
JSAM  Pre-Job Skills Acquisition and Mentoring
MCA  Minerals Council of Australia
MISC  Mining Industry Skills Centre
MoU  Memorandum of Understanding
NGO  Non-Government Organisation
NILF  Not in Labour Force
NLC  Northern Land Council
NTRB  Native Title Representative Body
ODI  Overseas Development Institute
QG  Queensland Government
QIWG  Queensland Indigenous Working Group
QMEA  Queensland Minerals and Energy Institute
QRC  Queensland Resources Council
SRA  Shared Responsibility Agreement
WIP  Working in Partnership Program
Executive Summary

About the Project

The project brief for CSRM was to:

1. map current activity relating to Indigenous employment and business development in the resources and government sectors in Queensland and other Australian jurisdictions

2. highlight examples of good practice in these areas

3. assist QRC in developing a strategic position on Indigenous employment and business development.

The research undertaken for the study comprised:

- Analysis of available socio-economic data relating to Indigenous people in Queensland and, in particular, their employment in the mining industry.

- A desk-top review of relevant published and unpublished reports and policy documents.

- A web-based survey of resource companies and major contractors to resource companies operating in Queensland. Responses were received from 20 companies and two major ancillary service providers. This represented companies with interests in approximately 50 mining sites in Queensland.

- Twenty-one semi-structured interviews with representatives of Government agencies, Indigenous organisations and companies providing professional services to the resource industry.

- Compilation of case studies of Indigenous employment and business development initiatives that have been implemented in the Queensland resources sector.

The socio-demographic context

- Relative to the non-Indigenous population, Indigenous people in Queensland:
  - are more likely to live in a remote or very remote area
  - are less likely to participate in the workforce
  - experience much higher rates of unemployment
o are significantly less likely to be self-employed or engaged in a small business
o are more likely to live in overcrowded and sub-standard housing, especially in remote areas
o have a substantially lower life expectancy.

- From 2001–2009, the projected increase in the Queensland Indigenous population is expected to be between 9,300 and 15,400 people, with the greatest increases projected to occur in the 15-29 year age group. This age group is characterised by particularly high levels of unemployment.

- Without strong action by Government and industry the employment situation in many Indigenous communities, particularly those in remote areas, is likely to worsen as a consequence of this ‘demographic time bomb’.

**Indigenous employment and mining**

**The state-of-play**

- According to the 2006 Census, Indigenous people constituted 3.0 per cent of the mining workforce in Queensland, compared with 2.5 per cent in 2001. The total number of Indigenous people recorded as working in the sector increased from 487 to 911.

- In addressing issues relating to Indigenous employment in mining, it is very important to take a regionally-based approach, rather than treating Queensland as a single entity. The regions identified for this study were: North-West Queensland (centred on Mt Isa); Cape York; North Queensland; Bowen Basin; and, Southern Queensland. This division was endorsed by the QRC Indigenous Affairs Committee.

- Indigenous representation in the mining workforce is highest in the North West and Cape York and lowest in the Bowen Basin. However, between 2001 and 2005 the largest increase in Indigenous employment, in both absolute and relative terms, was in the Bowen Basin.

- In all regions examined for this study, Indigenous people remained under-represented in mining industry employment relative to their representation in the population of the region, notwithstanding that the situation has improved since 2001.

- Around half of the companies that responded to the survey indicated that they had specific policies in relation to Indigenous employment and formal agreements with employment and training provisions. Several examples of good practice are also identified and described in the case studies. However, most of the initiatives in place were on a limited scale,
with the exception of Century Mine and Weipa Mine where significant agreements with Native Title holders are in place.

• Only a small number of companies reported involvement in supply chain initiatives aimed at creating Indigenous employment (that is, arrangements with Indigenous-run companies or requirements for contractors and suppliers to address specific Indigenous employment and training objectives). Most companies that responded to the survey acknowledged that there were unrealised opportunities in this area.

• Representatives of Government agencies interviewed for the study perceived resource sector companies’ efforts to employ Indigenous people as generally weak and as not matching the rhetoric of key industry bodies. Interviewees generally considered it to be a ‘hard grind’ to engage with resource companies.

• Industry personnel, for their part, were often critical of Government support programs for employment. The main issues raised were: lack of flexibility and duplication among agencies; targeting one set of goals (Government) rather than industry goals; and too much focus on generic training rather than industry specific training.

• Many Indigenous organisations are engaged in seeking employment opportunities for their members in mining, but there does not appear to be any substantial cooperation amongst groups on a regional basis aimed at securing an improved industry-wide outcome for Indigenous people.

Improving outcomes

• Formal policy and agreements at the company level do not guarantee delivery of positive Indigenous employment outcomes. Site level implementation of a well designed program of actions by personnel who are able to empathise, encourage and enlist support is crucial (no plan → no objectives → no performance).

• Large sites in proximity to large Indigenous communities, such as Century Mine, are clearly better placed to employ larger numbers of Indigenous people and to create a supportive environment.

• For mining operations that are not located near major Indigenous communities, alternative means of creating a supportive environment should be explored. It may be that sub-contracting certain functions to Indigenous companies is a more effective means of increasing Indigenous employment numbers in these cases.
• Support to Indigenous organisations, through means such as joint venturing, is crucial to engaging effectively with the Indigenous community.

• Tri-sector partnerships between Government-Industry-Community, when well planned with clear objectives, are an effective means of advancing the objective of increasing mainstream Indigenous employment.

Indigenous business development

The state of play

• Based on survey responses and interviews, most companies appear to be putting substantially less effort into enterprise development than into employment initiatives. The majority of companies that responded to the survey had not adopted specific policies in relation to Indigenous business support and development.

• Some companies have supported indirect initiatives, such as the establishment of trusts for the purposes of promoting and funding business development. This approach is most prominent in the lower Gulf and Western Cape where relatively large amounts of capital are available.

• The majority of companies felt that there were unrealised business development opportunities in the area of supply chain initiatives.

• Explanations offered by companies for not being more involved in supporting Indigenous businesses focused on: the lack of aftercare and business support services for local businesses; the difficulties of operating in a large, usually global, marketplace with sophisticated competitors; and the often intermittent nature of services that are suitable for local procurement.

• The case studies illustrate that Indigenous people are pursuing business opportunities in the resource sector with some determination. However, there does not appear to be any significant degree of networking or planned approach to the identification of opportunities.

• The State Government’s Indigenous Business Development Program has invested in the establishment of a number of businesses in the resources sector, but does not operate with any apparent resource sector policy or strategy and has only has limited funding ($2.5M per annum for the whole of the State).

• Issues with Government business development services identified by industry personnel include: lack of timeliness; the inflexibility of
programs; and the general lack of provision of support services for fledgling businesses.

- Indigenous organisations and individuals commented on the time-consuming approval procedures for funding which could not match the time-frames imposed through commercial tender processes.

- Commonwealth Government business development support delivered through Indigenous Business Australia is characterised by similar issues to State programs. Both programs have difficulty in providing support services to business start-ups in the early critical phase of establishment.

**Improving outcomes**

- In remote areas, where there is little pre-existing market-based economic activity, there needs to be a proactive approach and the support of companies to assist Indigenous people to participate in the supply chain.

- In more developed mining provinces (e.g. the Bowen Basin) a supply chain analysis is likely to identify a number of areas suitable for fostering Indigenous enterprise development. In these areas, where there are no large predominantly Indigenous townships, Indigenous enterprises may provide a more supportive environment for increased Indigenous involvement than direct employment.

- Cooperation between companies to encourage regional business approaches, servicing a number of sites, may encourage more Government support and offer prospects of more sustainable outcomes.

**Recommendations**

The recommendations of the report address three broad themes:

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**Dialogue with government**

1.1 **The QRC should include Indigenous employment and business development in the agenda for high level dialogue with both Queensland and Commonwealth Governments.**

1.2 **The QRC should continue to support the development of state-wide baseline information to inform dialogue and planning for employment and business development, based on regions of relevance to industry.**
Capacity building

2.1 The QRC should initiate the development and implementation of a series of professional development workshops for mining company, Government and Indigenous organisation staff on the theme of Indigenous community development as it relates to resource projects.

2.2 The QRC, State and Commonwealth Governments should facilitate annual meetings for Indigenous entrepreneurs working in the resources sector to promote networking and facilitate the identification of opportunities.

Taking a regional approach

3.1 The QRC should advocate to Government the need for additional investment in basic economic infrastructure in remote areas.

3.2 Investment in infrastructure should be linked to skills training of benefit to employment in the resources industry. Collaboration between industry training bodies such as the Mining Industry Skills Centre (MISC) and Construction Training Queensland (CTQ) would be essential to ensure the relevancy of training content and effectiveness of training delivery.

3.3 The QRC and the State and Commonwealth Governments should develop a resource industry program of support for primary and high school education in remote areas with high Indigenous populations, potentially using QRC’s QMEA program.

3.4 The QRC in conjunction with member companies should develop the conceptual design for a regional resource industry employment/enterprise development project capable of support by all stakeholders.
1. Introduction

1.1 Purpose of the Study

Fostering economic development for Indigenous people, particularly through the provision of opportunities for direct employment and enterprise development, has assumed increasing importance for the minerals industry since the early 1990s. This is reflected in the growing body of reports and case studies relating to sites and regions across Australia (CLC 2006, IBA 2006b, Tiplady & Barclay 2006, Taylor & Scambary 2005).

The long term projections for human capital in the minerals industry, and the extent of socio-economic disadvantage in the Indigenous population, highlight the importance of industry, government and the Indigenous community developing and maintaining a sound appreciation of the underlying issues.

Early in 2006 the Board of the Queensland Resources Council (QRC) endorsed a revised set of goals and priorities for the QRC. One of the goals is to maintain the industry’s ‘social licence to operate’. A priority beneath that goal is to develop a QRC strategy for the resources industry in relation to Indigenous education, employment and business development.

In developing this strategy, the QRC determined that it needed to gain an understanding of contemporary practices and initiatives within the resources sector with respect to Indigenous education, employment and business development. The University of Queensland’s Centre for Social Responsibility in Mining (CSRM) was engaged to undertake this task. The terms of reference for the study are found at Appendix 1.

The objectives of the project are to:

1. map current activity relating to Indigenous employment and business development in the resources and government sectors in Queensland and other Australian jurisdictions

2. highlight examples of good practice in these areas

3. assist QRC in developing a strategic position on Indigenous employment and business development.

The focus was not only to be on what industry can and should be doing, but also on the contribution that State and Commonwealth Governments are making, and can make in this area.
1.2 Methodology

In order to assess current activity effectively, simple concept ‘maps’ for employment and enterprise development were established to ensure that key issues and stakeholders were not overlooked in the process of information collection. These maps, attached at Appendix 2, aided in the development of a questionnaire for resource companies, and for guiding discussions with Government agencies and Indigenous organisations.

Initiatives were characterised using the system developed by the Overseas Development Institute (ODI 2004). The aim here was to also capture important employment and business initiatives not directly associated with mine operations - an aspect is sometimes overlooked when there is a strong focus and effort applied to direct mine or operation employment. Consideration of initiatives beyond the mine boundary (i.e. in the local or regional area) is an essential requirement of a valid approach to sustainable development. The questionnaire is found in Appendix 3.

1.3 Structure of the report

Section 2 of the report establishes the context within which issues relating to Indigenous employment and business development need to be considered. This includes the socio-economic context pertaining to Indigenous people in Queensland, the policy environment at a state and federal level, and the business drivers for resource company involvement in this area.

Sections 3 to 6 present the key findings relating Indigenous employment and business development respectively. These sections are based on the survey responses, interviews conducted, and case studies of significant initiatives, Section 7 provides an overall assessment of the outcomes of the current initiatives and the appropriateness of current strategies to meet future needs. The section highlights potential opportunities for an enhanced contribution by the resource sector to improve Indigenous livelihoods and presents several recommendations for consideration by the QRC.
2. Context of the Study

2.1 Regions of Interest

The disadvantaged position of Indigenous people within Australian society is, by and large, universally acknowledged (ABS 2006, QG 2001, 2003, 2005b). However, the characteristics of that disadvantage need to be appreciated on a regional basis in order to devise effective initiatives to promote employment and business development.

Developing this understanding of key socio-economic features on a regional basis can be difficult as the standard geographical units used by the Australian Bureau of Statistics (ABS) in the Census (Statistical Divisions and Indigenous geographical areas) and by the Department of Employment and Workplace Relations (DEWR) in Small Area Labour Market Surveys (Labour Market Regions) do not correspond readily to broad geographic areas of interest to the resources industry (as shown in the figures below).

![Figure 2.1: ABS and DEWR regions for statistical purposes](image)

For the purposes of this study, five regional areas of Queensland have been identified. These represent logical groupings of resources companies and their ‘natural catchment areas’ for the purposes of employment and business development. The regions are shown on the map at Figure 2.2 with Local Government areas included in the region listed in Table 2.1 below.
Table 2.1 Regional Areas Considered.

<table>
<thead>
<tr>
<th>REGION</th>
<th>LOCAL GOVERNMENTS INCLUDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWQ</td>
<td>Mornington, Burke, Doomadgee, Carpentaria, Mt Isa, Cloncurry, McKinlay</td>
</tr>
<tr>
<td>Cape York</td>
<td>Hope Vale, Cook, Kowanyama, Pormpuraaw, Aurukun, Napranum, Mapoon, Weipa, Injinoo</td>
</tr>
<tr>
<td>North Qld</td>
<td>Yarrabah, Cairns, Mareeba, Douglas, Atherton, Eacham, Johnstone, Herberton, Cardwell,</td>
</tr>
<tr>
<td></td>
<td>Hinchinbrook, Palm Island, Etheridge, Dalrymple, Thuringowa, Townsville, Burdekin,</td>
</tr>
<tr>
<td></td>
<td>Charters Towers</td>
</tr>
<tr>
<td>Bowen Basin</td>
<td>Bowen, Whitsunday, Mirani, Mackay, Sarina, Nebo, Belyando, Broadsound, Peak Downs,</td>
</tr>
<tr>
<td></td>
<td>Livingstone, Fitzroy, Rockhampton, Gladstone, Calliope, Duaringa, Emerald, Bauhinia,</td>
</tr>
<tr>
<td></td>
<td>Banana, Mt Morgan, Woorabinda</td>
</tr>
<tr>
<td>Southern Qld</td>
<td>Bungil, Taroom, Warroo, Bendemere, Tara, Murilla, Chinchilla, Eidsvold, Mundubbera,</td>
</tr>
<tr>
<td></td>
<td>Wondai, Murgon, Cherbourg, Kingaroy, Wambo, Nanango, Rosalie, Crow’s Nest, Jondaryan,</td>
</tr>
<tr>
<td></td>
<td>Pittsworth, Millmerran, Balonne, Waggamba, Inglewood, Warwick, Clifton, Cambooya, Stanthorpe, Dalby, Goondiwindi, Roma, Toowoomba</td>
</tr>
</tbody>
</table>

Figure 2.2: Regional areas considered in the study
2.2 Socioeconomic Status of Indigenous People in Queensland

Broad indicators of the socio-economic status of Indigenous people in Queensland are detailed in the 2006 edition of Queensland’s Aboriginal and Torres Strait Islander Population (QG 2006a). Table 2.2 presents a summary of some of the key indicators derived from that document.

Table 2.2 – Key Indicators of socio-economic status

**POPULATION**

- In 2001, the estimated resident population of Indigenous Queenslanders was about 126,000 people representing 3.5% of the total population of Queensland.
- Between 1996 and 2001, the Indigenous population grew at 3.4%, more than twice the average annual growth rate for non-Indigenous Queenslanders (1.4%).
- A quarter of Indigenous Queenslanders lived in remote or very remote areas (8.8% and 14.6% respectively).
- The median age of Indigenous Queenslanders was 20.1 years; much younger than the non-Indigenous population median age of 35.6 years.
- The population pyramid below illustrates the younger age structure of the Indigenous population in 2001.

![Population Pyramid](image)

Source: ABS 2003

- In 2001, the Indigenous age structure was similar across all geographic areas, however the population aged as remoteness levels increased.
- The Indigenous population will continue to grow across all age groups, with the greatest increases projected to occur in the 15-29 year age group. From 2001-2009, the projected increase is expected to be between 9,300 and 15,400 people.
HEALTH
- Indigenous people are more likely to die at younger ages than non-Indigenous people.
- In Queensland in 2004, the median age at death for Indigenous males was 53.7 years, 23 years younger than non-Indigenous males (76.2 years). Likewise, the median age at death for Indigenous females was 57.9 years, 25 years younger than for non-Indigenous females (82.5 years).
- A greater population of Indigenous people (14.6%) than non-Indigenous people (6.6%) died from external causes such as transport accidents, intentional self-harm and assault.
- Diabetes mellitus accounted for 7.4% of Indigenous deaths but only 2.3% of non-Indigenous deaths.

HOUSING
- In 2001, dwelling occupancy rates differed markedly by region, with more remote areas having much higher occupancy rates than the Queensland Indigenous household average.
- Nearly one-third (30.4%) of Indigenous households in very remote areas needed one or more extra bedrooms added.

LABOUR FORCE
- Labour Force participation rates for Indigenous people were considerably lower than for non-Indigenous people in Queensland.
- In 2001, the unemployment rate for Indigenous males (21.5%) was much higher than the rate for non-Indigenous males (8.5%), with similar patterns evident for Indigenous and non-Indigenous females (18.1% and 7.3% respectively).
- Unemployment rates were highest among young people. Joblessness among Indigenous males (30%) and females (27.3%) in the 15-24 years age group was roughly twice that of their non-Indigenous counterparts (16.2% for males and 13.4% for females).

Source: QG 2006a.

It is obvious then, that if the resources sector is endeavouring to increase the representation of Indigenous people in the workforce, there will be a range of relevant socio-economic factors to consider which would not normally be relevant to the non-Indigenous workforce. This is particularly likely to be the case in remote and very remote areas.

2.3 Regional Population and Labour Force Data

The key population and labour market indicators for Indigenous people in Queensland, for the regions described in Section 2.1, are summarized in Table 2.3. A more detailed statistical breakdown for each of the regions is provided in Appendix 4. (Note that these data are taken from the 2006 Census whereas Table 2.2 uses 2001 data.)
Table 2.3: Regional Indigenous Population and Employment Statistics (2006)(a)

<table>
<thead>
<tr>
<th>Population</th>
<th>NWQ</th>
<th>Cape York</th>
<th>Nth Qld</th>
<th>Bowen Basin</th>
<th>Sth Qld</th>
<th>QLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>28,250</td>
<td>11,237</td>
<td>406,217</td>
<td>337,656</td>
<td>262,162</td>
<td>3,904,534</td>
</tr>
<tr>
<td>Indigenous Population</td>
<td>6,823</td>
<td>5,605</td>
<td>31,906</td>
<td>14,369</td>
<td>10,360</td>
<td>127,581</td>
</tr>
<tr>
<td>% Indigenous</td>
<td>24.2%</td>
<td>49.9%</td>
<td>7.9%</td>
<td>4.3%</td>
<td>4.0%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Working age population</td>
<td>4,191</td>
<td>3,744</td>
<td>19,652</td>
<td>8,590</td>
<td>6,012</td>
<td>77,954</td>
</tr>
<tr>
<td>(% of total working age pop)</td>
<td>(20.1%)</td>
<td>(6.2%)</td>
<td>(3.3%)</td>
<td>(3.0%)</td>
<td>(2.5%)</td>
<td>(3.3%)</td>
</tr>
</tbody>
</table>

Indigenous Workforce Participation

| Labour Force | 2,124 | 2,209 | 10,031 | 4,945 | 3,233 | 43,847 |
| Not in the Labour Force | 1,598 | 1,426 | 8,426 | 3,146 | 2,500 | 30,038 |
| Participation Rate | 50.7% | 59.0% | 51.0% | 57.6% | 53.8% | 56.2% |

Employed (Indigenous)

| CDEP | 363 | 2,247 | 969 | 156 | 153 | 4,560 |
| (% of Working Age Pop) | (8.7%) | (33.3%) | (4.9%) | (1.8%) | (2.5%) | (5.8%) |
| Mainstream | 1,506 | 832 | 7,461 | 4,140 | 2,587 | 33,523 |
| (% of Working Age Pop) | (35.9%) | (22.2%) | (38.0%) | (48.2%) | (43.0%) | 43.0% |
| Total | 1,869 | 2,079 | 8,430 | 4,296 | 2,740 | 38,083 |
| % of Working Age Population | 44.6% | 55.5% | 42.9% | 50.0% | 45.6% | 48.9% |

Unemployed (Indigenous)

| Total | 255 | 130 | 1,601 | 649 | 493 | 5,764 |
| % of Working Age Population | 6.1% | 3.5% | 8.1% | 7.6% | 8.2% | 7.4% |

Not in the Labour Force (Indigenous)

| Total | 1,598 | 1,426 | 8,426 | 3,146 | 2,500 | 30,038 |
| % of Working Age Population | 38.1% | 38.1% | 42.9% | 36.6% | 41.6% | 38.5% |

Unemployment Rate(g)

| Indigenous Persons | 12.0% | 5.9% | 16.0% | 13.1% | 15.2% | 13.1% |
| % of Indigenous Mainstream Employment | (2.3) | (3.1) | (3.8) | (3.8) | (4.1) | (4.5) |
| % of Total Mining Employment | 8.2% | 7.5% | 4.3% | 2.3% | 3.5% | 3.0% |
| % of non-Indigenous Mainstream Employment | 23.5% | 6.0% | 2.1% | 9.1% | 1.2% | 1.7% |


(a) Place of enumeration basis
(b) Indigenous population aged 15 years and over
(c) Labour force as a % of 15+ population
(d) Census-based CDEP employment
(e) Census-based non-CDEP employment
(f) Census-based unemployed
(g) Census-based unemployed as a % of labour force

Table 2.4 compares data on Indigenous employment in mining from the 2001 and 2006 censuses. According to these statistics, the number of Indigenous people working in the Queensland mining industry rose from 487 to 911, an increase of 87 per cent. Notably, the proportion of the mining workforce who identified as Indigenous also increased: from 2.5 to 3 per cent.
Table 2.4: Indigenous Employment in Mining (2001- 2006)

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous Persons</td>
<td>170</td>
<td>237</td>
<td>74</td>
<td>14</td>
<td>46</td>
<td>171</td>
<td>114</td>
<td>335</td>
<td>12</td>
<td>49</td>
<td>487</td>
<td>911</td>
</tr>
<tr>
<td>% of Total Mining Employment</td>
<td>7.3</td>
<td>8.2</td>
<td>14.2</td>
<td>7.5</td>
<td>2.3</td>
<td>4.3</td>
<td>1.4</td>
<td>2.3</td>
<td>1.8</td>
<td>3.5</td>
<td>2.5</td>
<td>3.0</td>
</tr>
</tbody>
</table>


The largest increase in Indigenous participation, in both absolute and relative terms, was in the Bowen Basin, where the number of Indigenous mining employees rose from 114 to 335 and the proportion of the mining workforce identifying as Indigenous increased from 1.4 to 2.3 per cent. Although this trend is encouraging, Indigenous people remain under-represented in the mining workforce relative to their representation in the overall working age population of the Bowen Basin (3.3%).

The other regions also saw substantial increases in Indigenous employment, with the exception of Cape York, where the census data show a significant fall. This is almost certainly a statistical anomaly, resulting from an apparent misclassification by ABS in 2006 of many of the employees of Rio Tinto’s bauxite mining operation at Weipa as working in manufacturing rather than mining. (There is no other obvious explanation for why the number of Indigenous people recorded as being employed in manufacturing on Cape York would have increased from 6 to 108 over this period.) If mining and manufacturing are combined, Indigenous employment in the sector actually rose by 100 per cent between 2001 and 2006, from 64 to 127.

Discussion

Appendix 4 and Tables 2.3 and 2.4 highlight significant differences between regions. Northwest Queensland, Cape York and the Bowen Basin are regions where there are substantial employment opportunities in mining and where there continues to be significant under-representation of Indigenous persons in the mining workforce, notwithstanding the improvements that have occurred since 2001. CDEP employment is reasonably significant in the NWQ region and dominant in the Cape York region where it exceeds mainstream employment for all age groups. The proportion of overcrowded households is also higher in NWQ and Cape York when compared to other regions in Queensland.

While the selection of indicators considered here is limited, not including important areas such as health or crime on a regional basis, it should be apparent that the community context is complex and needs more than a cursory appreciation for the effective development and implementation of initiatives. There are published examples of socio-economic profiling on a
regional basis in the Pilbara and the north-east Kimberleys (Taylor & Scambary 2005, Pilbara Iron 2006, Taylor 2004), but comparable work has not been undertaken in Queensland.

On Western Cape York a socio-economic baseline is being compiled as a component of the Regional Partnership Agreement (RPA) being developed under the auspices of the Minerals Council of Australia (MCA) Memorandum of Understanding with the Australian Government (MCA 2005). Rio Tinto Coal Australia is also developing socioeconomic profiles in relation to its Queensland sites. However these are at a sub-regional level and specific to company requirements and so may not meet broader industry requirements.

Regional level data on Indigenous-owned business activity are difficult to obtain. The Indigenous Business Review report (IBR 2003) indicated that in 2001 only 4.8% of the Indigenous population was self-employed compared to 16 per cent of the non-Indigenous population. The report by Hunter (Hunter 2004) based on 2001 Census data presents a more detailed analysis of employer and self-employed Indigenous Australians. Key points of relevance to the resource sector are:

- The incidence of Indigenous employer and self-employed is most pronounced in metropolitan areas, and declines steadily as one moves away from the major cities.
- Most of the educational disadvantage of Indigenous employers appears to be driven by the failure of Indigenous people to fully complete secondary school.
- Indigenous people are about three times less likely to be self-employed than other Australians.
- Policies that encourage Indigenous self-employment are unlikely to have a substantial impact on the overall employment disadvantage experienced by Indigenous Australians.
- Structural impediments arising from education and access to capital require long-term commitments to address.

2.4 Policy Environment

Federal Government

Federal government policy in relation to Indigenous employment and business development is stated clearly in Indigenous Economic Development Strategy; Targeting jobs, business and assets (Australian Government 2005). This document was released jointly by the Minister for Employment and Workplace Relations and the Minister for Immigration and Multicultural and Indigenous Affairs. It states that:

A strategic goal of the Australian Government’s Indigenous policy is to increase Indigenous economic independence, through reducing dependency on passive welfare
and stimulating employment and economic development opportunities for Indigenous individuals, families and communities.

Programs under the strategy are grouped into two broad areas as follows:

**WORK INITIATIVES**
- local jobs for local people
- targeted Industry strategies
- CDEP reform
- employment service performance
- VET linkages
- developing enterprise opportunities
- business leader initiatives
- general business support.

**ASSET AND WEALTH MANAGEMENT INITIATIVES**
- private sector involvement in home ownership and business development
- co-ordinated economic development on land
- investment rules to improve returns from Trusts and encourage investment of income from land
- skills to realise economic opportunities.

The strategy makes explicit reference to the requirement for ‘a co-operative effort by Indigenous Australians, governments, business and industry and the wider community.’ It also acknowledges the fundamental issues such as ‘health, housing and roads and transport’ which are likely to present significant barriers in remote areas.

The principle of shared responsibility is central to the Federal Government’s approach to achieving better outcomes for communities, with Shared Responsibility Agreements (SRAs) being the mechanism to guide partnerships at the local level.

The development of a Regional Partnership Agreement on Western Cape York under the MCA-Australian Government Memorandum of Understanding is regarded as an element of a targeted industry strategy, as is the Working in Partnerships (WIP) program of the Department of Industry, Tourism and Resources. Given the significance of the resources industry in Queensland, and the Indigenous population in remote and very remote areas, there would appear to be justification for considering a further development of an industry strategy extending to regions other than Cape York.
Queensland Government

The Queensland Government’s strategic policy framework in relation to Indigenous Queenslanders is Partnerships Queensland. This policy is meant to guide State Government initiatives and establishes priority areas of:

- strong families, strong cultures
- safe places
- healthy living
- skilled and prosperous people and communities.

For the priority area of skilled and prosperous people and communities, the following are key elements:

- improving education participation and outcomes
- promoting accessible and relevant training opportunities
- creating wealth through sustainable employment and diversification of the economic base
- promoting the use and management of land and sea country.

In relation to employment, the Queensland Government’s ‘Submission to the House of Representatives Standing Committee for Aboriginal and Torres Strait Islander Affairs Inquiry into Indigenous Employment in 2005’ (QG 2005a) identifies various impediments and pre-requisites to achieving sustainable Indigenous employment. Surprisingly, the submission makes no reference to employment initiatives implemented in remote areas jointly with the resources sector, such as at Century Mine and Comalco Weipa. Given the significance of Indigenous population and unemployment in remote areas, it could reasonably be expected that a sector specific approach to employment would have merit. In fact, the Queensland Government recommended that the Commonwealth Government develop a ‘strategic policy framework’ that involved ‘partnerships with industry…to build private and community sector commitment to employment and training outcomes for Indigenous people.’ This submission was made in late July 2005 (and made no reference to the MCA-Australian Government MoU executed in June 2005), at a time when there was no comparable Resources Industry-State Government initiative in relation to Indigenous employment.

The Queensland Government’s approach to community engagement is characterised by ‘Negotiation Tables’, described as ‘a sustained process of consultation, planning and negotiation between community leaders and senior public officials’. The State and Commonwealth have also signed a ‘Bilateral Agreement on Aboriginal and Torres Strait Islander Service Delivery’ (QG 2005b) which commits them to cooperation and planning and ‘forging greater links between the business sector and Indigenous communities to promote economic independence’.
In relation to enterprise development, the State has an established Indigenous Business Development program that provides grants for either business development or capacity building. While there have been a number of projects which operate in the resource sector that have been supported (Northern Project Crushing/Waanyi Mining Services, Western Cape Earthmoving) there has been no focussed resource sector approach. A consultation draft Queensland Indigenous Economic Development and Participation Strategy has been prepared (QG 2004), with very limited input from the QRC as an industry representative. Further, government consideration of the strategy has not occurred at this stage.

Minerals Council of Australia

The Minerals Council of Australia (MCA) has a robust approach to relations with Indigenous Australians, as defined in the following policy documents:
- Australian Minerals Industry Indigenous Relations Statement (MCA 2004a);
- Indigenous Relations Engagement Strategy (MCA 2004b); and

It is reasonable to say that the MCA perceives the minerals industry to be particularly well-placed to support remote communities, as evidenced in the following quote (MCA 2004d):

In accordance with industry’s aims of making a significant positive socio-economic contribution to the communities in which we operate, we are uniquely placed to make THE most significant contribution to the socio-economic development of remote Indigenous communities. Due to the commodity, the majority of remote mineral operations are going to be inter-generational operations. This poses significant challenges and opportunities for both companies and neighbouring communities.

The MCA considers key ‘linkages into neighbouring Indigenous communities’ are likely to be ‘education, training, employment, contracting, joint ventures and facilitation of diversified business development.’

The MCA also recognises that in remote communities opportunities for socio-economic development are limited, and are often constrained by the poor delivery of services such as education, health, water and housing. In this context it promotes increasing understanding of ‘community development, and business and enterprise diversification models that can facilitate the establishment and maintenance of sustainable communities’ (MCA 2004b).

Specific recommendations that the MCA advocates to the Federal Government in its 2007-08 pre-Budget Submission (MCA 2006) include:

- Building sustainable regional communities:
The establishment of a COAG initiative on regional development which includes a focus on enhancing the provision of physical and social infrastructure.

- **Sustainable Indigenous communities:**
  - Support the further development of regional Indigenous representative structures.
  - Strengthen commitment to the provision of adequate and appropriate community infrastructure and social services to remote and regional Indigenous communities, increasing resourcing for literacy and numeracy, education, work readiness initiatives, drug and alcohol services, financial planning services, human and financial capital for enterprise development, and provision of adequate housing.

- **Expanding Indigenous employment in the minerals sector:**
  - Strengthen and expand Indigenous employment programs with particular attention to delivery in remote locations.

The MCA has also developed ‘Enduring Value – the Australian Minerals Industry Framework for Sustainable Development (MCA 2004c), to ‘ensure that industry operates in a manner which is attuned to the expectations of the community.’ Principle 9 of Enduring Value, its elements and implementation guidance notes focus primarily on socio-economic development. While all guidance notes are relevant, the following are particularly important in remote areas:

- Apply a development model which identifies communities’ strengths and long-term needs for economic, social and institutional security.
- Undertake social and economic research and assessment in partnership with communities and appropriate organisations to support planning and development of operations.

where ‘implementing sustainable development principles requires us to think about relationships in complex systems with effects that play out over many years and great distances.’

**Queensland Resources Council**

The QRC has developed an Indigenous Affairs Policy and Guidance Notes (QRC 2005a, 2005b), similar in intent to those published by the MCA. The Guidance Notes indicate the desire to establish programs in the following four areas:

- cross-cultural understanding within industry, including community development and business and enterprise diversification models that can facilitate the establishment and maintenance of sustainable economies including education, training, employment, contracting, joint ventures and remote and regional business opportunities
- cross-cultural understanding within Indigenous communities
• building mutual understanding into agreement-making capacity
• building corporate governance skills within Indigenous communities.

A corporate governance program has been run previously but it is currently under revision/review. The QRC has entered into an MoU with the Queensland Indigenous Working Group on two occasions, initially in October 2003 followed by an updated version in May 2005. The MoU provides a forum for consultation on the broad engagement of the minerals sector with the Indigenous community, including on economic and social development.

The QRC is also active in promoting the development of human capital through the Queensland Minerals and Energy Academy (QMEA) initiative, encouraging high school students to enter careers in the minerals and energy sector.

Resource Companies

Resource companies in Queensland have adopted a variety of policies relating to Indigenous employment and business development. A number of companies have signed on to the MCA’s Enduring Value initiative and are endeavouring to report accordingly. Some companies operate under agreements with Indigenous people negotiated in accordance with the provisions of legislation, while others operate under agreements entered into on a voluntary basis. Still others operate with simple polices in relation to local community benefit.

No one particular policy instrument appears better than another when assessing corporate performance in this area; however, a common sentiment seems to be that those companies that publicly commit to targets, particularly in relation to employment, implement more structured initiatives and so have a greater chance of delivering positive outcomes (Tiplady & Barclay 2006). The success of these initiatives is also influenced by an enabling environment that is characterised by a corporate champion at a high level and site level personnel responsible for community engagement who have exceptional people skills in cross-cultural situations, are results driven, and who can marshal resources and agencies into effective partnerships.

2.5 Business case for Indigenous participation in the resource sector

The business case for Indigenous participation in the resource sector is well established. The MCA (MCA 2004b, Section 2) outlines the case which it asserts to be ‘overwhelming.’ This is founded on respect for Indigenous people’s legal and cultural interests in land, the advantages associated with access to a local labour force and the contribution to sustainable development in local communities. The benefits to industry include the strengthening of a
‘social licence to operate’ and on-going access to land for exploration without undue delay and excessive transaction costs.

However, while the business case would appear to be strong on an industry basis, the strength of the case would appear to be perceived differently depending on the particular company and area of operations. Interviews with Indigenous groups during this study have unearthed a number of examples where company interest in maintenance of the ‘social license to operate’ wanes considerably once access to land has been secured.

Given the socio-economic disadvantage experienced by Indigenous people, satisfaction of their legitimate aspirations for participation through employment or business development is likely to be expensive. It is essential, therefore, that industry engage also with government to secure complementary resources for training and other legitimate community support needs. This needs to be delivered in the most cost-effective manner, which could require broader industry and community engagement and cooperation on a regional basis.

The importance of this issue is reinforced when account is taken of the forecast labour requirements for the resources sector, and the demographic projections for the remote and regional Indigenous population. The Flinders University National Institute of Labour Studies (Lowry, Molloy & Tan 2006) has forecast labour requirements in a report released in May 2006. Key points made in this study were:

- To achieve predicted output, the sector needs to employ 70,000 more workers by 2015 (15,000 in Queensland).
- The largest shortages are projected for tradespersons (27,000) and semi-skilled workers (22,000), for which the minerals industry will need to attract a greater economy-wide share of these people.
- Labour shortages are likely to be a major constraint on growth in the minerals sector, particularly in the period from 2006 to 2010.
- Acute shortages in the semi-skilled category indicate the need for appropriate training systems for quality on-the-job training.
- All alternative labour reservoirs, including regional and remote Indigenous communities, need to be identified, targeted, and understood in terms of their socio-economic characteristics.

Recent forecasts by the Australian Bureau of Agricultural and Resource Economics (ABARE 2007) indicate that it expects mining companies to raise production by 21 per cent over the next two years and by a third over the next four years, with resource rich states of Queensland and Western Australia being assured of a sustained period of rapid economic growth. ABARE also makes the point that the main constraint on the development of projects is the shortage of skilled labour and equipment.
Demographic forecasts for Indigenous populations near northern Australian mining operations (Taylor 2002) indicate that the Australian Indigenous population is growing at between 2 and 4 per cent per year, and that by 2016, 15 to 45 year olds will comprise 50 per cent of the Indigenous population in regions associated with these operations. The social implications of these figures need to be recognised and responded to adequately by both Government and by the resource industry, which has a significant investment in these areas.
3. Indigenous Employment Initiatives

This section presents an overview of employment initiatives for Indigenous people across the resource sector in Queensland. It is based on an analysis of company survey responses, interviews with company, Government and Indigenous organisation staff, and an assessment of documentation (such as annual reports, sustainable development reports and conference papers) provided or accessed through the course of the study.

The survey (Appendix 3) was sent to 45 resource companies and major contractors to resource companies operating in Queensland (35 of who were QRC members). Responses were received from 20 companies and interviews were held with two major ancillary service providers. This represented companies with interests in approximately 50 mining sites in Queensland. A further 21 semi-structured interviews were held with representatives of Government agencies, Indigenous organisations and companies providing professional services to the resource industry.

3.1 Industry Sponsored Initiatives

Around half of the respondents to the survey indicated that they had specific policies in relation to Indigenous employment and formal agreements with employment and training provisions, most of which were of a general nature. All of the companies implemented a range of direct initiatives, most of which were on a limited scale, with the exception being the Century Mine and Weipa Mine where significant agreements with Native Title holders were in place.

A considerable number of companies are supporting education initiatives, though most of the initiatives are in the secondary and tertiary sectors. There are a small number of companies undertaking other community support initiatives for employment aims. The MCA/Federal Government MoU initiative on western Cape York is a significant attempt, in its early stages, to address social issues thought to be affecting employment.

Supply chain initiatives aimed at Indigenous employment were reported by only a small number of companies. This may be an indication of non-familiarity with this approach, though in the environmental management and safety areas it is a recognised means of achieving corporate objectives. Most companies indicated that they felt there were unrealised opportunities through supply chain management to achieve a better outcome in relation to Indigenous employment. It has not been possible to explore further just what these initiatives may be.

The survey also sought the opinion of companies in relation to employment barriers that they perceived were not being addressed. Most companies
expressed no opinion on this issue. Those that did respond highlighted the following issues:

- provision of housing and family support
- overcoming literacy deficits and low standards of education
- addressing personal issues, such as drug and alcohol abuse, especially for the 30+ age cohort that has little mainstream workforce experience, and
- creating a supportive workforce culture.

Opinion was also sought on the merits of Government support programs for employment. The dominant themes in responses were: lack of flexibility and duplication among agencies; targeting one set of goals (Government) rather than industry goals; and overly supportive of generic training rather than industry specific training. One company was dismissive of the programs, indicating that they would not be utilised because the bureaucratic process was ‘too hard’ to accommodate.

The following comments, received through surveys and interviews, illustrate a range of industry views on the issue of Indigenous employment:

**Table 3.1: Industry views on Indigenous Employment**

| Company 1 | • responds to Indigenous employment on a project by project basis  
| focus of HR policy is to increase the number of women employed |
| Company 2 | • believe smaller local industry partners have stronger ties and relationships with local Indigenous employees  
| • need for better integration of Government programs with company approaches |
| Company 3 | • government needs a higher level of awareness of industry need, plus the ability to apply resources in a flexible manner  
| • employment projects must be designed to meet defined objectives  
| • government and industry must share the risk and cost of programs |
| Company 4 | • lack of appreciation in government bureaucracy of the difficulties of working with communities at the site level |
| Company 5 | • consider employment initiatives to be best delivered through the development of Indigenous businesses  
| • if there are low numbers of Indigenous employees in a workplace it can make it difficult to recruit new Indigenous employees |

**3.2 Government Support Initiatives**

The State and Federal Governments fund a range of initiatives targeting training and providing a period of wage support to act as an incentive for employers to engage Indigenous employees. Funding is also made available for the development of Indigenous employment strategies on an individual company basis.
As discussed previously, there does not appear to have been any effort, by either State or Federal agencies, to develop a resources sector specific strategy, based on an analysis of labour market and socio-economic conditions, in regions of high Indigenous unemployment with significant mining activity. This would allow programs to be tailored to industry needs and may better serve the development of cooperative regional approaches. This would be of particular benefit to smaller companies operating with a more limited training infrastructure.

Representatives of Government agencies interviewed for the study perceived resource sector companies’ efforts to employ Indigenous people as generally weak and as not matching the rhetoric of key industry bodies. Interviewees generally considered it to be a ‘hard grind’ to engage with resource companies (though this was interpreted as meaning site level operations in this instance). The provision of Government training funds is premised on the commitment of companies to employ following training, and in some cases Government agencies felt that this commitment may have been weak to begin with.

In remote areas with a high level of community disadvantage, the Federal Government is actively pursuing Regional Partnership Agreements with mining companies in order to target broader socio-economic barriers to employment (e.g. housing, health, education). While the western Cape York initiative is under the auspices of the MCA/Federal Government MoU, there is interest in engaging with industry on a regional basis in other mining areas, around a substantial employment initiative, should one be able to be formulated.

### 3.3 Indigenous Organisation Activity

Many Indigenous organisations are engaged in seeking employment opportunities for their members in mining, either directly or through participation in the supply chain. Some examples are described in the case studies. However, in general, there does not appear to be any substantial cooperation amongst groups on a regional basis aimed at securing an improved industry-wide outcome. Companies, both small and large, perceive this to be an issue as it affects the cost of delivering training and employment programs and the associated consultation and negotiation that precedes the programs.

Queensland Native Title Representative Bodies (NTRBs) have personnel that deal with socio-economic development issues, including mining; however, their capacity to deliver services in this area is generally perceived by all parties to be quite limited. This is in contrast to the Central and Northern Land Councils in the Northern Territory who act as brokers or facilitators with major developers in order to place Indigenous people into employment under exploration and mining agreements.
Services provided by the Central Land Council include employment placement, pre-employment checks, training, workplace mentoring, and pre-employment services (CLC 2006). The Northern Land Council has developed what it terms a ‘5 Ps’ (NLC 2006) model to provide a structured approach to Indigenous employment in a range of industries. The 5 Ps are:

P1: Provision of Jobs – established through agreements for major projects with job numbers and specifications, company requirements and resources to implement the 5P plan

P2: Partnership formation – long-term strategy agreed with the industry partner

P3: Preparation – to inform potential candidates of industry requirements

P4: Planning – development of a project specific, pre-job skills acquisition and mentoring plan (JSAM) to avoid irrelevant training and produce a ‘job-ready’ candidate

P5: Project management of JSAM Plan – management of the implementation of the plan from commencement to completion.

This approach has been applied successfully to the Alice Springs to Darwin Railway project and in relation to pastoral industry employment.

Individual Indigenous organisations, including potential businesses, often struggle with a lack of support when difficulties arise in the implementation of agreements. With limited organisational infrastructure, and minimal political power, breaches of either the letter or intent of agreements are not able to be pursued and rectified with companies. This lack of support also extends to Governments, where most interaction and support occurs at the agreement-making stage, with very little support given to implementation. The Century Agreement and the Western Cape Communities Coexistence Agreement are notable exceptions; however, even these agreements, while large and significant, have struggled to ensure Indigenous party engagement with the implementation process.

3.4 Conclusions and Key Lessons - Employment

The following lessons are apparent from the surveys and interviews conducted during the study:

- The existence of formal policy and agreements is no guarantee of positive Indigenous employment outcomes. Site level implementation of a well designed program of actions by managers who are able to empathise, encourage and enlist support is crucial (no plan → no objectives → no performance).
• Large sites in proximity to large Indigenous communities, such as Century Mine, are clearly better placed to employ larger numbers of Indigenous employees and to create a supportive environment. The ability to create this environment is important. For mining areas that are not located near to major Indigenous communities, alternative means of creating a supportive environment should be explored. It may be that sub-contracting tasks to Indigenous companies is a more effective means of increasing Indigenous employment numbers.

• Support to Indigenous organisations is crucial to engaging effectively with the Indigenous community. A well developed example of this is the Compass Group policy of joint venturing with local Indigenous people for the provision of accommodation and catering services to remote mine sites, thereby linking to local human capital which is supported and developed by the Compass Indigenous Training and Employment Program.

• Tri-sector partnerships between Government-Industry-Community, when well planned with clear objectives, are an effective means of bringing the strengths of each sector to bear on the issue of increasing mainstream Indigenous employment. Commitment to realistic time frames for the achievement of objectives (typically in the order of 5+ years) is essential to success.
4. Employment Case Studies
This table lists different employment initiative categories and indicates the case study illustrative of that category. It should be noted that the categories are not clear cut and some case studies are illustrative of more than one category.

<table>
<thead>
<tr>
<th>INITIATIVE</th>
<th>EXAMPLE</th>
<th>RELEVANT CASE STUDY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DRIVERS OF INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Indigenous Employment Policy</td>
<td>This may be a corporate or site specific policy aimed at stimulating Indigenous employment from the local or regional area of the mine or mine-related operation.</td>
<td></td>
</tr>
<tr>
<td>2 Formal Agreements</td>
<td>Examples of these could be ILUAs, RTNs, ‘Good Neighbour Agreements’ with Indigenous people or MoUs with Govt that contain employment and training provisions</td>
<td>Century Mine RTN Agreement (GCA) Western Cape Communities Coexistence Agreement</td>
</tr>
<tr>
<td><strong>DIRECT EMPLOYMENT INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Direct local recruitment with on-the-job further competency development</td>
<td>Examples of this could be the recruitment of skilled workers (eg from Councils or Government), or school leavers into traineeships or apprenticeships, to meet mine or mine-related operational needs</td>
<td>Myuma Pty Ltd</td>
</tr>
<tr>
<td>4 Outreach local recruitment and skills development for the direct benefit of the mine (inward linkage)</td>
<td>A typical example of this could be pre-vocational courses to raise participants skills and work readiness to entry level requirements for a mine or mine-related operations</td>
<td>WMPF ZCM Pre-Vocational Training Hudson - Ngarda</td>
</tr>
<tr>
<td>5 Outreach training and skills development for other markets (outward linkage)</td>
<td>Examples of this could be community training support (eg rangers or administrative staff or pastoral industry training) to enable the pursuit of improved livelihoods in the local area without employment at the mine or mine-related operation.</td>
<td>Myuma Pty Ltd</td>
</tr>
<tr>
<td><strong>COMMUNITY SUPPORT INITIATIVES AIMED AT IMPROVING EMPLOYABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Education support</td>
<td>This could include bursaries, support for costs such as boarding fees and travel for students from remote areas, or incentives linked to school attendance for community schools</td>
<td>Education Today</td>
</tr>
<tr>
<td>7 Community support programs</td>
<td>Examples here could include direct family support, community investments in health promotion or housing, advocacy to government for increased community support (eg Western Cape College)</td>
<td>WMPF</td>
</tr>
<tr>
<td><strong>SUPPLY CHAIN INITIATIVES</strong></td>
<td></td>
<td></td>
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<tr>
<td>8 Tender criteria related to local employment</td>
<td>Examples could include main contractors taking on the obligations of agreements, or setting their own local employment targets in response tender selection criteria</td>
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</tbody>
</table>
THE BUSINESS OF TRAINING

It is not that common to have the delivery of training as a principal purpose of a business. However, two Indigenous-owned and operated businesses, both in remote areas, are in the process of developing and marketing training services for the resources sector as an integral element of their business activities. The commercial viability of their core business is essential to their on-going ability to deliver training to Indigenous people.

Myuma Pty Ltd

Purpose and Business Activity
Myuma is the business arm of the Dugalunj Aboriginal Corporation based in Camooweal in North West Queensland. It has been developing for the past ten years, commencing initially with the undertaking of cultural heritage services for infrastructure projects in the region.

Myuma was established ‘to promote and benefit the welfare of the Aboriginal communities of the upper Georgina River region’. It does this by managing commercial business operations that include:
- labour and plant hire for the civil construction and mining industries;
- undertaking civil construction contracts that provide employment and training opportunities for Indigenous people;
- participating as a joint venture partner in a limestone quarry producing material for the construction industry.

Following participation in alliance contracts for major construction works associated with the Barkly Highway upgrade (Georgina River Bridge, Nowrangie Creek Bridge, Split Rock-Inca Creek Road Upgrade), Myuma now operates and maintains a construction camp that accommodates up to 50 people. It plans to use this facility to support and deliver accredited vocational training for the civil construction, mining, hospitality and tourist industries. Over the five year period 2001-2006 Myuma enlisted 82 trainees (Certificate I, II and III Civil Construction, Certificate II & III Hospitality and Certificate II & III Business Administration) of whom 69 completed courses and moved on to full-time work or further training.

Sustainability and Governance
Since 2000 Myuma has undertaken commercial contracts in excess of $10.0M. It is undertaking further commercial works in association with the Lady Annie Mine and in the road maintenance sector. Profits from the contracts have been invested in the camp facilities and plant purchases. With the completion of major highway upgrading work, Myuma will have to secure future civil works contracts, most likely further from its base, to provide the on-the-job training environment which is crucial to its training effectiveness. It will also have to develop the market for its ‘product’, which is trained and
experienced Indigenous workers, amongst mining companies and contractors in the region.

In relation to governance, the Indjilandji / Dhidhanu People have established a clear demarcation of responsibilities in their corporate structures as follows:

Rainbow Gateway Limited: Social, welfare and charitable projects
Dugalunji Aboriginal Corporation: Cultural heritage, Native Title, Land and Riverine Management
Myuma Pty Ltd: Economic enterprises, training

There has been effective networking for training support through the establishment of a Training and Employment Consultative Committee composed of representatives of State and Commonwealth Governments, Job Network and training providers, business and industry bodies (such as Construction Training Queensland and the Mining Industry Skills Centre). There is evidence of strong operational management and use of effective corporate advisory services when required.

Key Points:
- The Myuma training model has been developed to satisfy industry technical requirements and is characterised by on-the-job training on commercial contract jobs under similar conditions to major construction or mining sites.
- Myuma has established a supportive environment for Indigenous trainees while not compromising on the achievement of high standards. Personal matters are dealt with effectively because of the management’s understanding of the socioeconomic background of the trainees.

Weipa Multi Purpose Facility Pty Ltd (WMPF)
Purpose and Business Activity
The WMPF was established in early 2003, having its origins in an opportunity to convert Comalco-owned building assets (Single Persons Quarters) into commercial hostel accommodation and training facilities. It is owned by the communities of Aurukun, Napranum and Mapoon who each hold two shares. The Vision and Mission of the WMPF are as follows:

Vision: To establish a self sufficient company wholly owned by the three Indigenous communities and predominantly operated by Indigenous employees to improve Indigenous employment outcomes in the western region of Cape York.

Mission: To develop new enterprises and partnerships within and alongside existing businesses that foster the preparation and training of Indigenous people towards permanent employment
and empower Indigenous enterprise whilst maintaining the sustainable operation of the company.

The core business is the provision of short and long-term accommodation, with ancillary business activities (such as landscaping and ground maintenance, cleaning, catering, training centre hire etc) dependent on market demand. These businesses form the operational environment for employment and on-the-job training in a range of skilled fields. Training services are marketed to the local Chamber of Commerce and Community Councils to establish a strong support network.

Sustainability and Governance
The WMPF has an asset base of approximately $3.0M, with an annual turnover in excess of $1.0M. It depends on operational income, derived as fees for services including Government sourced training allowances, but receives no recurrent subsidies from Government. It does access Government grants for specific purposes. Directors meet quarterly while an advisory board (composed of representatives of the Commonwealth and Queensland Governments, Rio Tinto Aluminium, the Chamber of Commerce and the communities) meets bi-monthly. There is an annual review of operations in November each year.

The core business provides for a measure of income security provided that effective management is maintained. The facility is also well-placed to coordinate work-readiness training in conjunction with other Indigenous-owned businesses such as Western Cape Earthmoving. Ultimately, success will depend on the commercial viability of business activities undertaken.

Key point:
- The WMPF is an example of regional cooperation enabling the establishment of a training facility with the prospect of commercial viability. With the demand for labour and skills shortage in the region, it could be expected that the WMPF would achieve operational viability.

EDUCATION TODAY = JOBS TOMORROW

A sustainable development approach to employment requires attention to systemic issues, and a key issue in the capture of employment opportunities is the attainment of required educational standards from schooling. Within Queensland there are a number of significant industry initiatives in the secondary and tertiary sector aimed at encouraging eventual employment in the resources sector. These initiatives include:

- The Queensland Minerals and Energy Academy (QMEA), based on three ‘hubs’ of Mt Isa, Moranbah and Gladstone, providing
students with clear pathways into the resources sector, and involving close contact with minerals and energy companies through work experience and other on-site activities;
- Support for University schools delivering mining and minerals processing education and training; and
- The establishment of a Coalfields Engineering Skills Centre at the Moranbah State High School.

Many companies, either through the provisions of agreements or through community support policies, offer a small number of tertiary scholarships or secondary school bursaries annually.

On western Cape York, Rio Tinto Aluminium (RTA) has worked closely with the State Government to establish the Western Cape College to improve educational outcomes for Indigenous students. RTA also provides significant support for the Transition Support Unit which was established to support students transitioning to boarding schools to complete high school. In the Central Highlands, BHPBilliton Mitsubishi Alliance has supported the Learning Development Centre, Literacy which provides teachers with professional training and support for literacy teaching. In urban areas, and smaller regional centres, there are initiatives being implemented to improve the access of Indigenous students to Vocational Education and Training as a pathway for successful transition to employment. The Mackay Region Schools Industry Links Scheme supports one such initiative, the Indigenous Students Links with Industry Project (ISLIP).

However, it is clear that in more remote areas, where the Indigenous proportion of the population is highest, there are issues with both the retention of Indigenous students to Grade 11 and 12, and with the lower rates of participation and educational attainment compared to all students in Queensland.

The percentage of students whose highest level of schooling was year 8 or below is higher for Indigenous students across all the regions examined in this study (Figure 4.1). The difference between Indigenous, and non-Indigenous is particularly marked in Cape York (22.4% of Indigenous compared to 6.4% of non-Indigenous students) and in Northwest Queensland (16.1% of Indigenous compared to 7.6% of non-Indigenous students).
There is a similar pattern for Year 12, with a lower percentage of Indigenous students completing Year 12, across all the regions examined in this study (Figure 4.2). Again, the gap between Indigenous and non-Indigenous percentage is greater in Cape York (13.4% of Indigenous compared to 40.3% of non-Indigenous students) and in Northwest Queensland (16.6% of Indigenous compared to 40.3% of non-Indigenous students).
The percentage of the Indigenous population attending primary school was significantly higher than the state average (8.9%) in all study regions (Figure 4.3). The percentage of the non-Indigenous population attending primary school was only slightly higher than the state average (8.9%) in four regions, North West (9.4%), North Qld (9.2%), Bowen Basin (10.0%) and Darling Downs (9.9%). In Cape York (8.0%) the percentage of the non-Indigenous population attending primary school was below the state average.

This serves to indicate the importance of primary schooling (which accommodates the majority of Indigenous students) to Indigenous families.

To be more specific, Zinifex Century Mine has pre-vocational programs to facilitate employment from Doomadgee, where a large number, if not the majority, of Waanyi Native Title claimants live. The recent Senior Certificate Project, undertaken by the Queensland Studies Authority, prepared a case study on Doomadgee and described the education system in Doomadgee in the following terms:

Doomadgee State School is 612 kilometres northwest of Mt Isa and for the most part is serviced by a dirt road. Approximately 77 per cent of students are in preschool or primary school, and 23 per cent are in secondary school. Given current Census information, it is estimated that approximately 20 per cent of school-age children in Doomadgee do not attend school. The numbers in the secondary grades are small and do not reflect the size of the cohorts in the primary grades.
Local health surveys also show a significant percentage of students, mainly in the primary school, have conductive hearing loss.

Attendance is the most significant barrier to participation in learning at all year levels in Doomadgee.

The main problem being that there is little or no incentive for the students to work toward a Senior Certificate. Doomadgee is an isolated community with no industry in the town……The major challenge for teachers in the upper school is to find real and purposeful reasons to encourage students to engage in any sort of Worthwhile Learning.


The educational issues on Mornington Island, another community source of employment for Zinifex, are likely to be equally significant. It is conceivable that some concrete longer term support for primary education, similar to that which BHP Billiton Iron Ore provides through its Indigenous Education Partnerships in the Pilbara, could have a significant positive impact on educational outcomes in the lower Gulf and greater Mt Isa area.

**GOVERNMENT + INDUSTRY COLLABORATION = JOBS TODAY**

**Pre-vocational training at Zinifex Century Mine (ZCM)**

**Purpose and Business Activity**

ZCM has been required, under the Gulf Communities Agreement, to undertake an on-going program of pre-vocational training to establish a substantial locally engaged workforce. Central to the achievement of this aim has been the establishment of an Employment and Training Committee (E&TC) composed of company, Native Title Group, community and State and Commonwealth Government representatives. The intention of the Native Title groups under the GCA was that ‘the maximisation of vocational, educational, training and employment opportunities for local Aboriginal People and Local Aboriginal Corporations will be a key objective of the Century Employment and Training Plan.’ A key role of the E&TC is to provide on-going advice to Zinifex on the Employment and training plan.

Also critical to the achievement of a significant local workforce has been the employment and activities of full-time Community liaison Officers at Doomadgee, Mornington Island and Normanton. These officers play a valuable role in mobilising potential recruits in local communities where the communication infrastructure that is standard in less remote communities is often missing.

Financial support for the pre-vocational training, in addition to the resources committed by ZCM under the GCA, has been provided through a long-term partnership with the State Government formalised through a series of three three-year Memorandum of Understanding agreements with the Department
of Education, Training and the Arts (formerly the Department of Employment and Training). This relation is underpinned by the recognition in the GCA that ‘The responsibility for the establishment of a job-ready pool of labour sits with State and Commonwealth agencies’, and by the evident success in recruiting and training local workers from some of the most challenging potential labour sources in the State. ZCM has consistently achieved a local workforce level of around 20 percent, and in the ten years of operations has employed well over 600 local people. There is, however, a view that the core group of potentially employable persons has been accessed and that those older persons (30+ years of age) who have not been recruited face significant barriers to employment (often related to alcohol or drug issues, limited education or other lifestyle issues associated with long-term unemployment).

There is an emerging case for the E&TC to consider support for improvements to schooling outcomes in communities, and for ZCM to consider supporting regional-based training initiatives, such as that being developed by Myuma Pty Ltd, and to advocate with the State Government to ensure that adequate resourcing is made available for on-going support through investment in regional infrastructure. This would be in accordance with the GCA which states that ‘ZCM will, in conjunction with the Century Employment and Training Committee, actively encourage Queensland to develop off-site job training programs which will enable potential employees to obtain necessary tickets to qualify them to operate machinery such as bulldozers before taking up on-site employment’.

THE BUSINESS OF RECRUITMENT

The Hudson–Ngarda Foundation Indigenous Recruitment Service in the Pilbara

Purpose and Business Activity
Hudson is an organisation that delivers professional recruitment and human resource solutions worldwide, while Ngarda Foundation is an Indigenous organisation established in 2000 to improve business and employment opportunities for Indigenous people of the western Pilbara region. In November 2005 the two organisations formed a strategic alliance to provide permanent and contract recruitment services for Indigenous candidates identified by the Ngarda Foundation. Hudson provides services such as screening, assessment and development guidance, and facilitates appropriate assistance, coaching and counselling if required. The idea of the alliance originated from recognition that there was often a lot of assistance provided for training and the acquisition of skills, such as in plant operation, but often little assistance to attain jobs, and that for sustainability there is a requirement for skills to be combined with experience.

The alliance operates on a commercial model with companies paying a fee to Hudson for the recruitment of a skilled worker, and a percentage of the fee
being passed on to the Ngarda Foundation as payment for its role in identifying candidates. Without the service, potential recruits would have to secure their own jobs by approaching companies directly or preparing applications which could be a daunting task. It is felt that most candidates find the alliance approach more user-friendly as it operates from an Indigenous environment.

Effectiveness and Sustainability
The service has been in a trial and evaluation phase, and its long-term success is not yet certain. It has been observed that most success has been when candidates are place in organisations where there is an existing core of Indigenous employees. As the number of trained Indigenous employees grows, and mobility between sites increases, it could be expected that demand for the recruitment service will increase. The model could have applicability in areas of Queensland that are characterised by a significant previous training and employment effort.
5. Indigenous Enterprise Development Initiatives

There are a range of services required for mine site operations that are suitable for provision by Indigenous owned businesses. These can be done either through existing businesses or possibly businesses established for this specific purpose. Benefits of supporting Indigenous enterprises include establishing a supplier relationship with Indigenous stakeholders (rather than just an employer-employee relationship), creating a business entity that has an opportunity to develop and add value in the future, and providing examples to the community of what can be achieved with a disciplined approach to commercial enterprise. In remote areas, the comment was made that the community has to be educated away from the concept that business equates to ‘obtaining, spending and acquitting’ a Government grant.

5.1 Industry Sponsored Initiatives

The survey returns indicated that most companies put substantially less effort into enterprise development than employment initiatives. The majority of respondent companies had not adopted specific policies on Indigenous enterprise development despite (in some cases) having formal agreements with enterprise development provisions. The use of indirect initiatives, such as the establishment of trusts for the purposes of promoting and funding business development, has been adopted by a number of companies, but is most prominent in the lower Gulf and Western Cape where relatively large amounts of capital are available.

The majority of companies felt that there were unrealised opportunities in the area of supply chain initiatives. A supply chain analysis would give some indication that a company was being purposeful in its endeavours to establish a number of contract packages suitable for local Indigenous businesses to tender on. As indicated by the International Finance Corporation (IFC), ‘the developmental benefits to local communities from a timely supply-chain analysis should not be underestimated’ (IFC 2003).

Common issues cited in survey returns were: the lack of aftercare and business support services for local businesses; the difficulties of operating in a large, usually global, marketplace with sophisticated competitors; and the often intermittent nature of services that are suitable for local procurement.

Issues with Government business development services included: lack of timeliness; the inflexibility of programs; and the general lack of provision of support services for fledgling businesses.

The following comments, received through surveys and interviews, serve to reflect a range of industry views on the issue of Indigenous enterprise development:
### Table 5.1: Industry views on Indigenous Enterprise Development

| Company 1 | • have no policy on Indigenous business development 'as we have not been approached' |
| Company 2 | • assesses enterprise development to be more valuable than employment on site |
| Company 3 | • Indigenous people are reluctant to create businesses that work outside their traditional regions, but  
• Indigenous businesses may be successful if they can supply a large market of short-term opportunities across sectors and regions, and  
• there is a need for a ‘well-planned and resourced initiative’ based on market research and capacity development, with a strategic focus |
| Company 4 | • company did not pursue opportunities with any vigour, despite provisions of an agreement |
| Company 5 | • company felt that there was not much interest in business development, and that to force action could impose a risk of harm to the relationship |

### 5.2 Government Support Initiatives

The State Government’s Indigenous Business Development Program has invested in the establishment of a number of businesses in the resources sector, but does not operate with any apparent resource sector policy or strategy. The program has limited funding ($2.5M per annum for the whole of the State) and substantial commitments to the maintenance of business hubs on Cape York (where the program commenced).

A common comment from Indigenous organisations and individuals concerned the time-consuming approval procedures for funding which could not match the time-frames imposed through commercial tender processes. State employed Indigenous Business Development Officers based in regional offices were thought generally to have a limited effectiveness and capacity to identify and promote opportunities associated with resource sector developments.

Commonwealth Government business development support delivered through Indigenous Business Australia is characterised by similar issues to State programs. Both programs have difficulty in providing support services to business start-ups in the early critical phase of establishment.

### 5.3 Indigenous Business Development Activity

As the case studies illustrate, despite the issues identified Indigenous people are pursuing opportunities in the resource sector with some determination. However, there does not appear to be any significant degree of networking or planned approach to the identification of opportunities. This may be
hindering progress in the resources sector (e.g. there appears to be a much more supportive approach to increasing Indigenous participation in the tourism sector). Support from Native Title Representative Bodies has been minimal, despite State support to these organisations for the appointment of mining capacity development officers.

5.4 Conclusions and Key Lessons – Enterprise Development

Key points from the surveys and interviews are as follows:

- In remote areas, where there is little pre-existing market-based economic activity, there needs to be a proactive approach and the support of companies to assist Indigenous people to participate in the supply chain. Sustainability may be an issue should an operation have a limited life.

- In more developed mining provinces (e.g. the Bowen Basin) a supply chain analysis is likely to identify a number of areas suitable for fostering Indigenous enterprise development. In these areas, where there are no large predominantly Indigenous townships, Indigenous enterprises may provide a more supportive environment for increased Indigenous involvement than direct employment.

- Cooperation between companies to encourage regional business approaches, servicing a number of sites, may encourage more Government support and offer prospects of more sustainable outcomes.
6. Enterprise Case Studies

The table following lists the enterprise initiative categories and indicates the case study illustrative of that category. Again, it should be noted that the categories are not clear cut and some case studies are illustrative of more than one category.

<table>
<thead>
<tr>
<th>INITIATIVE</th>
<th>EXAMPLE</th>
<th>RELEVANT CASE STUDY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DRIVERS of INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Local or regional economic development policy (targeted at Indigenous persons)</td>
<td>This may be a corporate or site specific policy aimed at stimulating Indigenous-owned enterprise development from the local or regional area of the mine or mine-related operation.</td>
</tr>
<tr>
<td>2</td>
<td>Formal Agreements</td>
<td>Examples of these could be ILUAs, RTNs, ‘Good Neighbour Agreements’ with Indigenous people or MoUs with Govt that contain Indigenous-owned enterprise development provisions</td>
</tr>
<tr>
<td><strong>DIRECT ENTERPRISE DEVELOPMENT INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Purchase of goods and services from existing community suppliers with / without help to meet project standards (eg Quality, Safety etc)</td>
<td>Examples here could include cultural heritage services, site civil maintenance, mine rehab services, accommodation services etc.</td>
</tr>
<tr>
<td>4</td>
<td>Assistance with the establishment of community suppliers to provide mine related goods and services (inward linkage)</td>
<td>Examples could include the establishment of companies to provide site maintenance services, provision of large volumes of crushed aggregate, labour hire services etc.</td>
</tr>
<tr>
<td>5</td>
<td>Assistance to community suppliers to access other markets (outward linkage)</td>
<td>Examples of this category could include assisting a civil contractor to tender for Local Government and Main Roads Dept road maintenance programs</td>
</tr>
<tr>
<td><strong>INDIRECT ENTERPRISE DEVELOPMENT INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Assistance with the establishment of community enterprises not supplying project services</td>
<td>A typical example of this category is the establishment of business development trusts to finance the development of local businesses, or provision of support for local economic development boards.</td>
</tr>
<tr>
<td><strong>SUPPLY CHAIN INITIATIVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Tender packages and criteria that encourage local supply</td>
<td>An example of this category would be the tendering of smaller civil works packages that are more appropriate to local suppliers in order to minimise risk</td>
</tr>
</tbody>
</table>
Hookey Contracting

Hookey Contracting was established in 1998 to provide civil maintenance site services in response to an opportunity made available by Century Mine. The company is locally owned by the Hookey family, based in Mt Isa, and was established with bank finance, underpinned by a longer term commercial contract with Century Mine. Over the past nine years it has grown from three employees and one truck at start-up to its current status of 25 employees with over 40 pieces of equipment. Services provided include:

- Earthworks for dam walls and creek diversions;
- Road maintenance, including heavy and light grading and resheeting, for both mine roads and local government roads off-site;
- Supply of plant and labour for ongoing maintenance and shut downs.

Success to date can be attributed to: a sound understanding of the business possessed by the owner (a former plant operator with significant machinery expertise); the implementation of robust business systems maintained by a family member; and the initial medium term contract with Century Mine, which enabled the operator to consolidate the business, embark on a modest expansion, and to tender for off-lease work from a secure base. Long term viability will depend on increasing the proportion of off-lease work obtained, especially as the mine advances toward closure. In the lower Gulf area, this could be assisted by the allocation of increased road funding to the area by the State in the lead up to closure, and for a number of years beyond closure, to improve regional infrastructure.

Century Mine Site – Site Cleaning and Laundry Contracts

Zinifex Century Mine has structured a modest contract for site cleaning services which has been offered as an Indigenous business development initiative. The contract is worth approximately $2.4M over a three year term, and was offered for a second time recently. On this occasion sixteen individuals and groups attended a pre-tender meeting indicating the widespread interest in enterprises of this nature. Representatives of other Indigenous communities in the north-west commented positively on the approach of Zinifex. With the majority of the sixteen groups requiring assistance to prepare a business plan and tender documentation, as well as needing to negotiate finance, the Aboriginal Development Benefits trust sought to provide or arrange assistance for all parties as State and Commonwealth assistance was not able to meet a demanding timeframe.

The site laundry contract is also targeted at aspiring Indigenous entrepreneurs. It is a small scale business employing up to three persons and requires minimal establishment capital. Notwithstanding the relatively basic
nature of the services that these businesses provide, holders of these contracts in the past have experienced difficulty in meeting business administrative requirements (principally centred on accounting).

Key points to note:
- A reasonable timeframe, both in terms of duration and time of tender calling, needs to be set by the principal for the preparation of tenders as many interested and potentially capable groups are at an early stage of preparedness.
- There needs to be better coordination and advice of up-coming tenders provided to both the State and Commonwealth Indigenous business development agencies. In this case they could liaise with the ADBT to provide a coordinated support package for business plan preparation.
- Post-establishment support is crucial, especially in remote areas where access to professional services is usually difficult.
- For such small-scale businesses, focussed on a single service, the ability to secure other contracts external to the mine site is problematic. This will have an impact on sustainability, but does not diminish the importance of the business experience gained.

Wyna Bimbi Pty Ltd
Wyna Bimbi is based in Townsville and is an emerging Indigenous small business with Directors being Elders representing the Birri, Wirri and Kalkadoon clans, with strong links to the Palm Island community. It currently holds a cleaning contract with Newmont Australia’s Pajingo Mine site at Charters Towers and also provides day labour hire services to the site. The current employment level is around 10 persons. Wyna Bimbi is well positioned to develop further its industrial cleaning and labour hire expertise to service markets in the north Queensland area centred on Townsville, provided access to finance and management advice and expertise is assured.

Key point to note:
- An opportunity made available by the Pajingo mine has the potential to develop into a business servicing other markets. It may be in the mining company’s interests to support this outward linkage effort.

Sole Operators
Indigenous Economic Development Officers, employed by the State Government, are located in key regional centres. The experience of these officers gives some insight into the endeavours of Indigenous people to establish small businesses. Some observations made include:
- Commercial relationships with resource companies appear to be dominated by Native Title interests. This can act as a disincentive to
business engagement if you do not belong or have some connection
to the Native Title group for the area in question.
- Business opportunities associated with small mining operations can
be limited, with the need for aggregation of demand on a regional
basis to support business viability.
- The concept of commercial viability is not well understood by some
aspiring Indigenous entrepreneurs and requires an on-going
program of education.
- There are on-going enquiries from Indigenous employees who
possess skills that are in demand (eg plant operators) regarding the
possibilities to purchase equipment and supply services on a
contract basis.
- In some cases the size of contract packages offered by resource
companies are not conducive to encouraging Indigenous suppliers
who are at an earlier stage of development or business maturity.
Notwithstanding this, there is a high level of interest in providing
services on a business basis.
- Short tender timeframes do not assist Indigenous business
preparation, especially if the calling of a tender is the first indication
that an opportunity is available. It often precludes Indigenous
aspirants seeking assistance from Government programs which
often have long approval timeframes. A substantial notification
period prior to the calling of tenders would be of assistance.

**Western Cape Earthmoving (WCE)**

**Purpose and Business Activity**

WCE was established in March 2005 to provide general earthmoving, haulage
and plant hire services to the mining and construction industries on Cape
York. In doing this on a commercial basis its intent is to provide a vehicle for
on-the-job training for Indigenous people of the Western Cape. WCE is
owned by the communities of Aurukun and Napranum through the Southern
and Central Regional Trusts of the Western Cape Community Trust Pty Ltd.
Current equipment includes a backhoe, loader, grader, dozer, excavator,
water cart, trucks and light utility vehicles.

**Financial Viability and Sustainability**

WCE has been established with a substantial equity contribution from the two
regional trusts and with significant State and Federal Government grants for
equipment and salary support. It has a long term contract with Rio Tinto
Aluminium to haul bauxite rejects which provides a core income stream. It
has a close working relationship with Nanum Tawap Ltd, on whose behalf it
operates a sand quarry providing material for its block making operation, and
also provides services to a number of existing Weipa-based earthmoving and
road construction contractors. WCE is operating in a relatively ‘contractor
rich’ and competitive environment which will make the winning of on-going
business a challenge and require a high level of management expertise and
commitment. Its objective of, and capacity to deliver on, Indigenous employment and training and Indigenous ownership should also be capable of creating a degree of competitive advantage over other locally based contractors.

**Governance**
The Board of WCE is composed of two directors each from Aurukun and Napranum. It is supported by a professional advisory panel which includes general management, accountancy, legal and earthmoving experience.

**Key points:**
- Utilisation of training through WCE as an element of a pathway to mining employment merits consideration by industry and Government.
- A key issue for the business to consider is its reliance on Government grants, and the application of commercial viability criteria to all contract operations.

**Nanum Tawap Ltd (NTL)**

**Purpose and Business Activity**
NTL is an Indigenous business, incorporated in 2003, based at Napranum near Weipa. It is involved in sawmilling, the production of cement blocks and pavers, a laundry and sewing centre, and the operation of a sand quarry. Timber to be milled is sourced from mining leases in the Weipa area, and the sand quarry is leased under a Memorandum of Understanding with Rio Tinto Aluminium (RTA). In relation to timber, an arrangement with RTA and the State now permits selective harvesting of trees prior to clearing for mining, rather than salvage following clearing as happened prior to 2004. This has led to a significant improvement in timber resource management on the mining lease. NTL engages in activities that meet local needs and which provide training and long-term employment opportunities for local residents.

**Financial Viability and Sustainability**
NTL businesses received establishment grants in the order of $360,000 from the State Government in 2005 under the Cape York Partnerships Economic Development Strategy. The purpose of the grants was to upgrade equipment prior to re-establishing operations in line with a business plan prepared by Westpac. Markets for services and products provided by the businesses exist in the local area while milled timber is available for sale and transport nationally.

**Governance**
NTL is owned by the five major Indigenous clan groups in the Napranum / Weipa area that each has a director on the Board. While initial business planning has been undertaken by Westpac, there is a need for on-going advice
and monitoring of performance against plan, and for the further development of markets for products.

**Key point:**
- Commercial viability and sustainability will be on-going issues for the Board who will need to establish financing strategies that do not overly rely on grant funding.

### Waanyi Mining Services Pty Ltd (WMS)

**Purpose and Business Activity**
WMS (formerly Northern Project Contracting Pty Ltd) is a company wholly owned by Waanyi Nations Aboriginal Corporation (WNAC). It was formed in late 2003 to facilitate the pursuit of commercial business development opportunities on behalf of the Waanyi people, traditional owners of the Century Mine site. Its main business to date has been the operation of a rock crushing business at Century Mine, which commenced in November 2004, supplying aggregate for mine purposes and, to a limited extent, for off-site road building purposes. The crushing business is operated as a joint venture with Exactmix, and Adelaide-based earthmoving and civil engineering contractor. The term of the joint venture is five years. WMS also engages in labour hire to Century Mine through an association with the Doomadgee Community Development Employment Project (CDEP).

**Financial Viability and Sustainability**
WMS has received substantial establishment capital through an equity contribution from WNAC and grants from the State Government Indigenous Business Development Grants Scheme. It expects to achieve an annual turnover of $1.5M for the first three years of operation, and to eventually take over full responsibility for the crushing contract following the end of the joint venture with Exactmix. It is pursuing further commercial contracts both on and off-site and is seeking further capital to finance these ventures.

It will be important for additional capital to be provided on a commercial basis to ensure that opportunities are fully costed, and that conflict is not generated with existing non-Indigenous contractors in the region who are potentially in competition with WMS. There is also a case for the State Government to expand the market for infrastructure suppliers in the lower Gulf area through additional investment in regional roads. This would expand the market for WMS, supported by the existing State Government policies with respect to Indigenous training and employment in State Government financed contracts.

**Governance**
WMS governance appears sound, however communication of operational and financial results to Native Title group members could be improved.
Key point:
- Financing of commercial operations through grants requires careful consideration and a robust and transparent justification.

**Dugine Mine Services Pty Ltd (DMS)**

**Purpose and Business Activity**
DMS is based in Mackay and is an equal joint venture between BBKY Services Ltd (representing the Barada, Barna, Kabalbara and Yetimarala People) and Coalroc Contractors Pty Ltd. The stimulus for the joint venture formation arose in the need for skilled and unskilled labour in the Bowen basin, and from the prior experience of Coalroc in partnering with Indigenous people in the Upper Hunter Valley to deliver mine services on a commercial basis. Services provided include site clean-ups, fencing, erosion control, hay mulching and seeding, revegetation and maintenance, concreting and shotcreting and High Wall support. DMS also has plans for establishing a native flora nursery for rehabilitation and revegetation work.

**Sustainability**
A key driver for the formation of DMS has been to provide employment opportunities for local Indigenous people in the Mackay area. The company was established on a commercial footing from the outset, and does not intend to access Government grants for operational purposes. Experience gained with DMS is seen as excellent preparation for more technical mining training and employment with Coalroc Contractors.

Key points:
- The partnering with an existing contractor has enabled use of established management systems in OHS&E and administration.
- DMS and Coalroc recognise and deal with cultural issues while demanding and achieving high standards from all employees.
- Management strives to ensure that a relationship with employees is developed through mentoring, providing services such as financial awareness training, and exhibiting a patient approach to employee development.

**Worri Wood**

**Purpose and Business Activity**
Worri Wood is a community owned enterprise based in Woorabinda, engaged in harvesting and milling timber, producing wooden furniture, and fencing. Its purpose is to provide sustainable on-going employment for residents of Woorabinda. At the request of community leaders in Woorabinda, the establishment of the enterprise has been supported by Anglo Coal who have provided personnel with relevant competencies to assist with planning and construction of a workshop, recruiting a project manager, and development of appropriate OH&S procedures, a business plan and a marketing strategy.
The initiative was implemented in accordance with a Shared Responsibility Agreement between the community, Anglo Coal and the Federal Government, and is an example of a company using its core competencies, and not direct financial contributions, to assist local economic development. The approach aligns with Anglo Coal’s policy to work in partnership with communities in its region of operations, and also allowed the dialogue between the community and the company to move beyond compliance with Native Title and Cultural Heritage obligations to economic development issues.

Coorumburra Rural Enterprises Pty Ltd (CRE)

Purpose and Business Activity
CRE is a joint venture, established in 2001, between two Native Title groups, the BBKY (Barada, Barna, Kabalbara and Yetimarala People) and the Darumbal people, who have a Native Title agreement with the Marlborough Nickel Project. Under the agreement, CRE has a twenty year lease with Marlborough Nickel on Coorumburra Station, which is 11,030 hectares in area and 130 kilometres from Rockhampton. Freehold ownership of the property is to be transferred to the traditional owners following the completion of mining.

The enterprise runs 500 cattle and agists up to 1500 head of cattle at any one time. It has plans to develop its herd over time, and re-invests any profits into property improvements. In the long run the enterprise envisages growth through the acquisition of other complementary properties.

Sustainability and Governance
CRE is engaged in an industry for which the Marlborough district is noted. While the station will not support large numbers of people, it is seen as a foundation element in a strategy to acquire further land for economic development purposes. The enterprise is governed by a Board of six directors (three from BBKY and three from Darumbal). The overlap in Native Title claim areas, of which Coorumburra Station is a part, was seen by the groups as ‘an area of shared interest’ rather than as an area for disputation. While some finance has been obtained from the Indigenous Land Corporation (ILC), a strength of the enterprise has been its development without the assistance of Government grants.

Key point:
- While the Marlborough Nickel Project is in the feasibility study phase, the willingness to lease the land to the traditional owners for strategic enterprise purposes assists the development of a sound relationship that should be of benefit to all parties during the operational phase.
Lawn Hill and Riversleigh Pastoral Holding Company Pty Ltd (LHRPHC)

Purpose and Business Activity
LHRPHC was formed in 1999 as part of the Gulf Communities Agreement, and is a joint venture between the Waanyi People (through the Waanyi Special Purpose Company Pty Ltd) and Zinifex Century Mine. It is the registered proprietor (Crown Lessee) of Lawn Hill and Riversleigh Pastoral Holdings in the lower Gulf surrounding the Century Mine. Its core business is cattle production, through a combination of developing its own herd and agisting other cattle to generate income for development purposes. LHRPHC also has an active training program in stock work for young Indigenous persons and is considering some diversification into tourism based on the proximity of Boodjamulla (Lawn Hill) National Park and access to the World Heritage listed Riversleigh fossil fields.

Governance and Sustainability
LHRPHC has shifted its ownership since its formation to be now majority owned by the Waanyi People (51%). The Board is composed of nine directors, of which five are appointed by the Waanyi SPC Pty Ltd and four are appointed by Zinifex Century Mine. A cattle business development plan, aimed at the establishment of a viable cattle enterprise, was developed in 2000/2001 and supplemented with a procedures manual to guide board and management actions. The enterprise is located in country with a reputation for cattle breeding and there should be no insurmountable obstacles to enterprise success.

Key points:
- LHRPHC has operated with a stable board which has focussed on the development of a viable business plan that is capable of implementation in stages. The presence of Zinifex representatives on the Board has helped to support the Waanyi representatives deal with complex intra-community issues.
- The enterprise is implementing a robust training scheme for Indigenous pastoral trainees, and has negotiated an agreement with the North Australian Pastoral Company to provide employment for successful trainees.
- LHRPHC, using its profile in the region, is working closely with the ADBT to facilitate broader economic development.

Trust Funds
The establishment of trust funds with income derives from mining agreements is often seen as an effective way to stimulate and finance business initiatives and investment in regional economic development. Two examples of this sort of initiative are the Aboriginal Development Benefits Trust (ADBT) operating in the lower Gulf region and the Western Cape Community Trusts (WCCT) operating in western Cape York. A brief description of these
organisations follows. While their operations appear sustainable, developmental effectiveness could be enhanced by complementary support funding, better coordination with Government programs, and additional strategic investment by Government in regional infrastructure.

Aboriginal Development Benefits Trust

Purpose and Business Activity
The ADBT was established in 1998 as an initiative of the Century Mine Gulf Communities Agreement. Its Vision and Mission are as follows:

| Vision: | The ADBT Board of Directors is committed to the development of self sufficient and economically sustainable Gulf Communities that continue to value traditional culture. |
| Mission: | The ADBT Board of Directors will create an enterprise culture that fosters economic empowerment through the following; |

- Identify, promote and support Aboriginal businesses in the Gulf;
- Develop business networks within and beyond the Gulf region;
- Attract other funding and financing agencies to support ADBT activities;
- Invest in joint ventures with private enterprise; and
- Manage regional investments beyond the life of Century Mine.

Source: ADBT Activity and Finance Report Yrs 2001-2004

The ADBT aims to achieve this mission by:

- Providing low interest loans (and grants in special cases) to fund new and existing ADBT funded business ventures;
- Providing finance for equity in other ventures and, at the ADBT Board’s discretion, local land purchases associated with business development;
- Providing finance for relevant business and corporate training; and
- Assisting in community development programs.

In addition to servicing private clients, the ADBT also implements a Community Infrastructure Program (CIP) which focuses on investment in high-value community enterprises. Some projects undertaken to date include:

- Completion of a feasibility study into aquaculture;
- Funding the establishment of the Normanton Driveway for the Kukatj Aboriginal Corporation;
- Construction of an accommodation complex at the rear of the Doomadgee Bakery;
- Feasibility studies for visitor accommodation on Mornington Island; and
• Feasibility study for the transfer of ownership of the Doomadgee Store to local ownership.

The stimulus for the establishment of the CIP was recognition of the lack of economic infrastructure in the Gulf communities. Also in recognition of this fact, the ADBT has formed a partnership with the Lawn Hill and Riversleigh Pastoral Holding Company to form a Regional Development Committee for the purpose of advocacy for increased investment in regional development. The RDC has signed a Memorandum of Understanding with the Department of State Development and Innovation to access funding for feasibility studies but has encountered bureaucratic constraints in its implementation that have proved difficult to overcome.

Sustainability and Governance
The ADBT will receive an annual income stream from the Zinifex Century Mine for the life of the GCA (life of mine, currently forecast as 2015). The Board is focussed on sustainable operations post the life of the GCA and has appointed an investment manager to ensure that its funds are invested to generate robust returns with adequate security. The Board is also strict with the application of lending criteria and in the recent past has made no loans over a twelve month period due to a lack of worthwhile applications (during the period 2001 – 2004 the ADBT received 42 completed loan applications, of which 13 were approved by the Board). It also actively manages its loan book to ensure minimal arrears and that clients are supported on a path to business success.

The ADBT Board is composed as follows:
• Eight Indigenous representatives from the lower Gulf region;
• One representative of Zinifex Century Mine;
• One financial director; and
• One independent director.

The Board meets at least eight times per year and has formed a credit sub-committee to advise the Board on business decisions. The organisation operates with two full-time staff and a contract business development officer. There appears to be limited engagement with either the State or Commonwealth agencies responsible for promoting Indigenous business development. More effective engagement at this level could enhance developmental impact in the lower Gulf region.

Key points:
- The ADBT has a clear mandate and focus on business development in the lower Gulf. It has been flexible with its charter in an attempt to drive investment in key community enterprises and to promote broader regional development, though not at the expense of the Trusts long-term viability.
- After nine years of operation, the administrative arm of the Trust remains lean.
- Representation on the Board by Zinifex Century Mine ensures that there is a well developed understanding of business opportunities available through the mining operation.

**Western Cape Community Trust Pty Ltd (WCCT)**

**Purpose and Business Activity**

The WCCT, established as an initiative of the Western Cape Communities Coexistence Agreement (WCCCA), commenced operations on September 23rd 2002. There is a Main Trust (Western Cape Communities Trust Pty Ltd) which is responsible for receiving quarterly contributions from Rio Tinto Aluminium (RTA) and annual contributions from the Queensland Government. This income is distributed by the Main Trust as follows:

- 60% to secure investments for at least 20 years;
- 5% to administration costs; and
- 35% to the Southern, Central and northern Regional trusts.

The Trusts are established as charitable trusts and have a wide breadth of activity as indicated in the Vision and Objectives listed below:

<table>
<thead>
<tr>
<th>Vision:</th>
<th>As members of the Western Cape Communities Trust, we recognise honour and respect our past, and in unity, we seek sustainable advancement and development for the future of our communities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objectives:</td>
<td>To engage the principles of sustainability for our social, economic, ecological and environmental development together with good governance in decision-making;</td>
</tr>
<tr>
<td></td>
<td>To facilitate and assist our elders to return to their country;</td>
</tr>
<tr>
<td></td>
<td>To rebuild, preserve and maintain our culture;</td>
</tr>
<tr>
<td></td>
<td>To invest a better future for our children through Education, Training and Employment; and</td>
</tr>
<tr>
<td></td>
<td>To seek out and create opportunities, local, regional, national and international to enable a greater choice and freedom.</td>
</tr>
</tbody>
</table>

**Source:** Western Cape Communities trust Annual Report 2005

Significant needs were recognised earlier on as education, training and outstation road access and establishment. There has also been support for social services in relation to drug and alcohol issues. Business enterprises supported include:

- Aurukun Wetland Charters
- Western Cape Earthmoving
- Aurukun Earthmoving
- Nanum Tawap Ltd
- Weipa Multi-purpose Centre and
- Mapoon Ecotourism (Turtle Protection)

The Northern Regional trust has also contributed significantly to the establishment of the Mapoon Sports and Community Centre.

**Sustainability and Governance**

The Trusts have a secure long-term income stream from RTA and the State, and have a custodial trustee responsible for investing income in secure Authorised Investments with reasonable returns. Following a number of years of operation the Directors of the Main Trust authorised new investment rules to enable investment in shares, land and commercial ventures, as the original guidelines, restricting investment to cash management and managed funds, were felt to be too restrictive.

Governance of the Trusts is an intensive activity made complex by their broad purpose and the number of traditional owner groups served. While there has been some strategic planning, existing published goals, objectives and strategies are quite non-specific in their desired outcomes. There has been on-going development of Director responsibilities in the Main Trust with the establishment of Investment, Operational, Environmental and Employment and training committees. However it has still proven difficult to sustain Director effort with many competing priorities in the Western Cape calling for attention. There has been a limited focus on business development and there is no evident strategy or use of advisory and support services for increasing Indigenous ownership of economic assets in the Western Cape or elsewhere.

**Key point:**

- To be effective, Trust operations need to be focussed on well defined and measurable sustainable development outcomes and well supported by thorough planning and on-going professional advice.
7. Overall Assessment and Recommendations

The purpose of this study was to map current activity, highlight examples of good practice and assist the QRC to develop a strategic position on Indigenous employment and business development. The study has identified three thematic areas where further targeted activity by the QRC, its member companies, government and Indigenous stakeholders could contribute to improved outcomes.

These thematic areas are:
1. dialogue with government
2. capacity building (for program identification, development, implementation and management)
3. regional livelihoods (advocacy for investment to leverage local and regional economic development in mining areas).

Delivering improvements will require long-term commitments where activity is monitored and results measured. The breadth of issues and resource requirements (particularly in remote areas) will necessitate partnerships with Government and that the complexity of issues will require improved understanding and insight of causal factors based on robust and relevant data and research.

The following sections list recommendations for consideration under each of these themes.

7.1 Theme 1: Dialogue with Government

**Recommendation 1.1**

*The QRC should include Indigenous employment and business development in the agenda for high level dialogue with both Queensland and Commonwealth Governments.*

**Outcome sought:**
Specific consideration of the resource sector in State Government policy, allocation of State Government resources with responsibility for working with the resource sector (e.g. Indigenous Business Development Officer – Mining), agreement to supporting a regional employment or business development initiative.

**Recommendation 1.2**

*The QRC should continue to support the development of state-wide baseline information to inform dialogue and planning for employment and business development, based on regions of relevance to industry.*
Outcome sought:
More effective planning of initiatives and monitoring of industry contribution to improvements in Indigenous employment and business development outcomes.

Rationale
While consultation with individual companies, where it occurs, was regarded as good, senior Government representatives interviewed for the study expressed a desire for a closer dialogue with the resource industry as a whole, through representative bodies. The focus of these consultations would have to be on specific issues of Indigenous development (in this case, employment and business development) as previous attempts at closer engagement with Government on Indigenous issues have foundered, partly due to a lack of focus on priority issues.

The parties to the consultations would have to have sufficient organisational standing and interest in the issues. Participants should include: the QRC Chief Executive Officer and Advisors, with members of the Indigenous Affairs Committee with specific interest and expertise in the area; CEOs of relevant State and Commonwealth agencies (e.g. Coordinator-General, Department of State Development and Innovation, Department of Employment Training and the Arts, Department of Employment and Industrial Relations, Office of Indigenous Policy Coordination, Department of Employment and Workplace Relations and Indigenous Business Australia), and the CEOs of Queensland NTRBs.

It is envisaged that these meetings would be held on a six-monthly basis, and informed by a robust information base, based on regional areas of interest to the resource industry (as discussed earlier in the report). This would enable a focus to be kept on employment on a regional industry basis, as well as on underlying socio-economic disadvantage issues, and over time enable regional industry outcomes to be monitored.

Intermediate outcomes from the dialogue could be identification of resource sector initiatives for inclusion in Queensland policy (e.g. the draft Queensland Indigenous Economic Development Strategy and any future development of employment and training strategies), and the agreement of the State Government to nominate staff in key agencies with responsibility for engaging with the resource sector. For example, the Department of State Development and Innovation may consider the appointment of a Senior Indigenous Economic Development Officer (Mining) for a period of five years. Initially, this officer could take responsibility for working with existing regional Indigenous Economic Development Officers on mining issues, liaison with the QRC and mining companies, State and Commonwealth officials, and NTRBs on mining and development issues. He or she could also act in a
coordination role for State input on Indigenous Economic Development in association with the resources sector.

A medium term outcome would be State Government and resources sector support for a substantial regional initiative to improve Indigenous employment levels and business development activity.

7.2 Theme 2: Capacity Building

Recommendation 2.1

The QRC should initiate the development and implementation of a series of professional development workshops for mining company, Government and Indigenous organisation staff on the theme of Indigenous community development as it relates to resource projects.

Outcome sought:
Improved capacity of industry, government and community to initiate, plan, implement and manage local and regional socio-economic development initiatives.

Recommendation 2.2

The QRC, State and Commonwealth Governments should facilitate annual meetings for Indigenous entrepreneurs working in the resources sector to promote networking and facilitate the identification of opportunities.

Outcome sought:
Focus on resource sector opportunities and issues in relation to business development for Indigenous people, leading to a more structured approach to the provision and take-up of opportunities in the resources sector in the medium to longer term.

Rationale
To be able to develop and implement programs that aim to improve Indigenous employment and business development outcomes requires people with competencies in a range of areas not commonly found in resource companies. Principle 9 of Enduring Value, listed in the box below, gives an indication of broad competency requirements.

Principle 9

Contribute to the social, economic and institutional development of communities in which we operate

Element 9.3
Contribute to community development from project development through closure in collaboration with host communities and their representatives.
Implementation Guidance
Contribute to the development of sustainable communities. Apply a development model which identifies communities’ current strengths and long-term needs for economic, social and institutional security (emphasis added).

Source: MCA (2004c)

The International Finance Corporation in its ‘Good Practice Note Number 3’ (IFC 2003) makes the case for the development of community development plans. The Indigenous Business Review (IBR 2003, Chapter 13) also advocates the need for the adoption of a community development model for remote communities in relation to the adoption of an enterprise culture and moving away from welfare. However, through the course of this study there was little evidence of the application of a ‘development model’ to guide sustainable development initiatives associated with any operation or region of operations, either from resource companies, Government agencies or Indigenous organisations. Consequently there is commonly a one-dimensional approach to issues (e.g. assuming that the provision of training alone will lead to employment) that is not likely to be effective in remote areas with a complex set of inter-related barriers to socio-economic development.

As well, industry, government and Indigenous organisations appear to lack a sound understanding of each others’ objectives and operating constraints, as evidenced by some of the comments received during the course of the study. All parties feel that the others are either inflexible, focussed only on the short-term, or focussed narrowly on their own objectives to the exclusion of an appreciation of the other parties’ objectives.

There is common usage of the term ‘partnership’ but little evidence that there is a structured approach to, or understanding of, partnership development, implementation and maintenance. Most professional training appears to be in the areas of native title or cultural heritage awareness and legislative requirements, or corporate governance for Indigenous organisations and enterprises.

In order to address this issue, the QRC may wish to consider developing and implementing a program of training in the field of community development associated with resource sector projects. Material on a range of topics could be developed and delivered through a series of professional development workshops (e.g. say six one-day workshops, or three two-day workshops, over a two-year period) for mining company, Government and Indigenous organisation staff. Suggested topics include characterisation of communities; approaches and models of community development; social baselines and socio-economic impact assessments; impact mitigation and the development of community sustainable development plans; program implementation, monitoring and the measurement of results; partnerships for sustainable development; and the role of NGOs. A program of this nature may be suitable...
for joint development and promotion with the MCA and Department of Industry, Tourism and Resources as it would be consistent with the sustainable development focus of their respective programs.

These workshops could be complemented by a program of short-term secondments between resource companies, Government and Indigenous organisations to build an appreciation of organisational culture, purpose and operational approaches. This could build on the work commenced with the Department of Industry, Tourism and Resource’s Working in Partnership program, with mentoring of secondees. The outcome aimed for would include personnel with a better appreciation of, and competency in using, community development tools, and an awareness of a growing body of material on international good practice in this area, as well as the establishment of a professional network of practitioners in this field.

A further initiative worth considering would be to hold an annual meeting for Indigenous entrepreneurs working in the resources sector. This would bring a focus on resource sector opportunities and issues, and would be fundamentally different to the Premier’s Reconciliation Business Awards, though it could be held in conjunction with that event. Its aim would be networking and professional development and it could be facilitated by an organisation such as a Chamber of Commerce with funding support from the State and Commonwealth Governments and the resources sector. It may in time lead to a more structured approach to opportunities for Indigenous businesses in the resources sector, similar to the operations of the Indigenous Mining and Enterprise Task Force (IMETF) in the Northern Territory.

Long-term capacity in communities is built on the capabilities of individual members, which are intrinsically linked to sound education outcomes. In this context, consideration could also be given to the development of a resource industry program of support for the development of human capital in remote Indigenous communities. Skilled labour is widely regarded as a current and future constraint on industry development, and the demographic characteristics of Indigenous communities clearly indicate their potential as a labour source for the mining industry. While a higher level of infrastructure provision would provide the opportunity for on-the-job training of working age persons, it is crucial that there also be significant improvements in primary education outcomes in the medium term. The possible scope of such a program of support requires development with State and non-Government education authorities prior to discussion at the high level forum described in Recommendation 1.1. A precedent for such a regional Industry-Government cooperative endeavour is the Carpentaria Mt Isa Mineral Province Study implemented in the early 1990s, and credited with the delivery of significant physical infrastructure (gas, power and water) to north-west Queensland.
7.3 Theme 3: Regional Livelihoods

**Recommendation 3.1**

The QRC should advocate to Government the need for additional investment in basic economic infrastructure in remote areas.

**Recommendation 3.2**

Investment in infrastructure should be linked to skills training of benefit to employment in the resources industry. Collaboration between industry training bodies such as the Mining Industry Skills Centre (MISC) and Construction Training Queensland (CTQ) would be essential to ensure the relevancy of training content and effectiveness of training delivery.

**Outcome sought:**
Increased Indigenous employment in the resource sector and more robust regional economies less dependent on mining in the longer term.

**Recommendation 3.3**

The QRC and the State and Commonwealth Governments should develop a resource industry program of support for primary and high school education in remote areas with high Indigenous population, potentially using QRC’s QMEA program.

**Outcome sought:**
Improvement in the formation of human capital, evidenced through better education results, leading to a higher level of Indigenous employment in the resources sector over the long term, and a social environment supportive of the resources industry.

**Recommendation 3.4**

The QRC in conjunction with member companies should develop the conceptual design for a regional resource industry employment project capable of support by all stakeholders.

**Outcome sought:**
A measurable improvement in Indigenous employment in the resource industry for the region selected, and a practical demonstration of the issues associated with regional co-operation together with the tools and approaches needed to address the issues.
Rationale

Local economic development, particularly in remote areas, is often constrained by deficits in a range of asset categories (human capital, physical capital, natural capital, social capital and financial capital). Given the Government revenue generated through mining activity in these areas, there are sound arguments for the allocation of at least a portion of these resources to build the capital base of the region to enhance economic activity, especially in cases where mines have a relatively short life. In north-west Queensland this could mean the allocation of additional funds for road construction in rural areas, both to provide a better level of economic infrastructure and to train construction workers and plant operators as a first step toward employment in mining. This is desired by local communities who do not have the influence (or political capital) to pursue this outcome on their own and who are interested in working jointly with the resource industry to achieve this aim.
Appendices

1. Project Brief
2. Concept Maps
3. Survey Pro-forma
4. Regional Socioeconomic Characteristics
5. References
Appendix 1 – Project Brief

Indigenous Employment and Business Development in the Queensland Resources Sector

Project Brief for the Queensland Resources Council

Centre for Social Responsibility in Mining, The University of Queensland

Amended 14 September 2006

Project Objectives and Scope

1. map current activity in the Queensland and other Australian jurisdictions resources sector in relation to Indigenous employment and business development

2. highlight examples of good practice in these areas

3. assist QRC in developing a strategic position on Indigenous employment and business development.

The focus will not only be on what industry can and should be doing, but also on the contribution that State and Commonwealth Governments is making, and can make, in this area.

Project Outputs

The project will have two main outputs;

1. A report, suitable for dissemination to relevant stakeholders, that:

   - provides a context to the study, including a brief outline of the business case for greater resources sector involvement in Indigenous employment and business development activities

   - identifies the various ways in which companies and Government are contributing - and can contribute - to Indigenous employment and business development in the resources sector

   - where practical, presents indicative data on the uptake and effectiveness of different types of programs and initiatives

   - presents brief case studies of effective initiatives

   - directs readers to useful resources, including sources of assistance (governmental and private) for developing business and employment initiatives involving Indigenous people.

The primary target audience for the report will be QRC member companies. Other potential target audiences include Government agencies and Indigenous organisations.
2. A confidential briefing paper for the QRC that identifies:

   a. opportunities to enhance the contribution of the Queensland resources sector to Indigenous employment and business development, focusing particularly on the regional level

   b. ways in which the sector might work more effectively with Government to develop these opportunities

   c. potential risks and obstacles and how these might be addressed.

Methodology

The study will comprise the following:

1. A desk-top review to identify any relevant published and unpublished reports.

2. Design and administration of a survey to QRC member companies.

3. Interviews and discussions with State and Commonwealth Government personnel responsible for administering relevant Government programs

4. Interviews and discussions with representatives of companies that have been active in developing business opportunities and innovative employment initiatives with Indigenous groups, focusing primarily – but not exclusively – on Queensland.

5. Interviews and discussions with representatives of Indigenous organisations that have been actively involved in developing employment and business opportunities with the resources sector.

6. An initial meeting in November with members of the QRC Indigenous Affairs Committee, followed by a half day workshop in February 2007 to help finalise the confidential briefing paper.
Appendix 2 – Concept maps

QUEENSLAND RESOURCES SECTOR
Indigenous Enterprise Development Map

Policy Environment
- Industry (eg MCA, QRC)
- Company (CSR, SD)
- Fed Govt
- State Govt

Indigenous Community Priority Needs and Preferences

Industry Support
Company (incl Policy or Agreements)
Company-Company
Company-Govt

Government Support
State (DSDT)
Fed (DEWR, DITR, IBA)

Desire for Local Supply of Goods and Services

Strategies for Indigenous Enterprise Development

Enterprise Development Initiatives

Indigenous Enterprise Development Outcomes
Direct Employment
-Size of businesses
-Debt levels
-Customer Base at inception and later
-Investment return

Regional Performance
Company Performance

Promotion of Local and Regional Economic Development and Diversification as Part of Commitment to Sustainable Development

Key Barriers to Enterprise Development
- Education (Lit & Num)
- Skill levels
- Motivation and experience of business
- Availability of business support services

Indigenous Community Support

Business Support Service Providers
- Eg Accountants, business consultants, business hubs
Appendix 3 – Survey Pro-Forma

Survey in Relation to Indigenous Employment and Business Development in the Queensland Resources Sector

<table>
<thead>
<tr>
<th>Project on behalf of:</th>
<th>Queensland Resources Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undertaken by:</td>
<td>The Centre for Social Responsibility in Mining, The University of Queensland</td>
</tr>
<tr>
<td>With support from:</td>
<td>The Queensland Government, The Coordinator-General</td>
</tr>
</tbody>
</table>

Instructions for completing the survey:

1. The purpose in conducting the survey is to:
   - enable the identification of the various ways in which companies are contributing - and can contribute - to Indigenous employment and business development in the resources sector
   - where practical, gain some indicative data on the uptake and effectiveness of different types of programs and initiatives

2. Individual responses to the survey will treated as confidential and used to establish a sector-wide position.

3. The following Tables 1 and 2 describe the categories of employment and business development initiatives of interest.

4. The survey may be completed online at www.qrc.org.au/ or completed offline and emailed to p.vidler@smi.uq.edu.au.

5. For clarification of any issue or assistance with completion of the survey please contact:

   Mr Pat Vidler
   Project Manager
   QRC Indigenous Engagement project
   Centre for Social Responsibility in Mining
   The University of Queensland
   Ph 07 3346 4048
   Mob 0417 733 589
   Email p.vidler@smi.uq.edu.au

6. Once surveys are completed and returned there may be a follow up with a phone interview to clarify answers already provided.
## Table 1: Indigenous Employment Initiative Categories

<table>
<thead>
<tr>
<th>Initiative Categories</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DRIVERS OF INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>1 Indigenous Employment Policy</td>
<td>This may be a corporate or site specific policy aimed at stimulating Indigenous employment from the local or regional area of the mine or mine-related operation.</td>
</tr>
<tr>
<td>2 Formal Agreements</td>
<td>Examples of these could be ILUAs, RTNs, ‘Good Neighbour Agreements’ with Indigenous people or MoUs with Govt that contain employment and training provisions</td>
</tr>
<tr>
<td><strong>DIRECT EMPLOYMENT INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>3 Direct local recruitment with on-the-job further competency development</td>
<td>Examples of this could be the recruitment of skilled workers (eg from Councils or Government), or school leavers into traineeships or apprenticeships, to meet mine or mine-related operational needs</td>
</tr>
<tr>
<td>4 Outreach local recruitment and skills development for the direct benefit of the mine (inward linkage)</td>
<td>A typical example of this could be pre-vocational courses to raise participants skills and work readiness to entry level requirements for a mine or mine-related operations</td>
</tr>
<tr>
<td>5 Outreach training and skills development for other markets (outward linkage)</td>
<td>Examples of this could be community training support (eg rangers or administrative staff or pastoral industry training) to enable the pursuit of improved livelihoods in the local area without employment at the mine or mine-related operation.</td>
</tr>
<tr>
<td><strong>COMMUNITY SUPPORT INITIATIVES AIMED AT IMPROVING EMPLOYABILITY</strong></td>
<td></td>
</tr>
<tr>
<td>6 Education support</td>
<td>This could include bursaries, support for costs such as boarding fees and travel for students from remote areas, or incentives linked to school attendance for community schools</td>
</tr>
<tr>
<td>7 Community support programs</td>
<td>Examples here could include direct family support, investments in community health promotion or housing, advocacy to government for increased community support (eg establishment of the Western Cape College)</td>
</tr>
<tr>
<td><strong>SUPPLY CHAIN INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>8 Tender criteria related to local employment</td>
<td>Examples could include main contractors taking on the obligations of agreements, or setting their own local employment targets in response to tender selection criteria</td>
</tr>
</tbody>
</table>
### Table 2: Indigenous Enterprise Initiative Categories

<table>
<thead>
<tr>
<th>Initiative Categories</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DRIVERS of INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>1 Local or regional economic development policy (targeted at Indigenous persons)</td>
<td>This may be a corporate or site specific policy aimed at stimulating Indigenous-owned enterprise development from the local or regional area of the mine or mine-related operation.</td>
</tr>
<tr>
<td>2 Formal Agreements</td>
<td>Examples of these could be ILUAs, RTNs, ‘Good Neighbour Agreements’ with Indigenous people or MoUs with Govt that contain Indigenous-owned enterprise development provisions</td>
</tr>
<tr>
<td><strong>DIRECT ENTERPRISE DEVELOPMENT INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>3 Purchase of goods and services from existing community suppliers with / without help to meet project standards (eg Quality, Safety etc)</td>
<td>Examples here could include cultural heritage services, site civil maintenance, mine rehab services, accommodation services etc.</td>
</tr>
<tr>
<td>4 Assistance with the establishment of community suppliers to provide mine related goods and services (inward linkage)</td>
<td>Examples could include the establishment of companies to provide site maintenance services, provision of large volumes of crushed aggregate, labour hire services etc.</td>
</tr>
<tr>
<td>5 Assistance to community suppliers to access other markets (outward linkage)</td>
<td>Examples of this category could include assisting a civil contractor to tender for Local Government and Main Roads Dept road maintenance programs</td>
</tr>
<tr>
<td><strong>INDIRECT ENTERPRISE DEVELOPMENT INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>6 Assistance with the establishment of community enterprises not supplying project services</td>
<td>A typical example of this category is the establishment of business development trusts to finance the development of local businesses, or provision of support for local economic development boards.</td>
</tr>
<tr>
<td><strong>SUPPLY CHAIN INITIATIVES</strong></td>
<td></td>
</tr>
<tr>
<td>7 Tender packages and criteria that encourage local supply</td>
<td>An example of this category would be the tendering of smaller civil works packages that are more appropriate to local suppliers in order to minimise risk</td>
</tr>
</tbody>
</table>
**Respondent Details**

Company
Name:  
Address:  
Web site:  

Person responsible for completing the survey
Name:  
Position:  
Contact details: Phone:  
Mobile:  
Email:  

1. **Are you responding to the survey**
   - On behalf of a single site or operation?
   - On behalf of a company with multiple sites?
     If multiple sites, please indicate the number of sites?

2. **Is the company:**
   - A mining company with an operating mine(s)? (If yes, please indicate
     Commodity:  
     Location(s):  
     Scale of the operation(s) (Tonnes mined, Number of Employees):  
     Mode of operation(s) (Owner operator or contract mining):  
   - A mining company undertaking exploration and feasibility work (If yes,
     please indicate
     Commodity:  
     Exploration region:  
     Potential scale of operation (if known):  
   - A major contractor (please indicate type of service provided)
     Mining
     Maintenance / Site services
     Equipment supply and maintenance
     Transport / logistics / accommodation / hospitality
     Engineering / Environmental services

3. **Are your work site/s**
   - Located in proximity to an Indigenous community (eg Woorabinda,
     Doomadgee)?  
   - Located in a region with a substantial Indigenous population?  
   - Located in a region with a relatively low Indigenous population?

**SURVEY OF INDIGENOUS EMPLOYMENT INITIATIVES**

4. Has the company given consideration to the adoption and implementation of
   Indigenous employment initiatives?
   - No (Please describe the reasons why no consideration has been given)
     Go to Q 30
   - Yes (go to Q 5)

**Initiative Drivers**

5. **Does the company have a specific policy or policies that guide its approach to
   Indigenous employment?**
   - No
□ Yes (please list type; eg Corporate Social Responsibility, Sustainable
Development, Indigenous employment, other)

If yes, how is policy implementation managed? (tick each that applies)
□ High level championing
□ Staff awareness sessions
□ Senior management with designated responsibility
□ Regular monitoring and reporting on effectiveness
□ Incorporation of targets into operational plans

6. Does the operation have a formal agreement with local or regional
Indigenous people or government?
□ No (go to Q 8)
□ Yes (Please tick type of agreement)
   □ Right to Negotiate Agreement
   □ Indigenous Land Use Agreement
   □ ’Good Neighbour’ or ’Good Will’ Agreement’
   □ Other (eg Memorandum of Understanding with Government)

7. Does the agreement have employment and training provisions?
□ No
□ Yes
If yes, are the employment and training provisions:
□ Of a general nature (eg use best endeavours) or
□ Specific in nature (eg setting training budgets, employment
  targets, reviews of rosters etc)
   • Please list the key provisions

**Direct Employment Initiatives**

Direct local recruitment with on-the-job further competency development

8. Does the company currently have a program that targets the direct
recruitment of local Indigenous people?
□ No (go to Q 11)
□ Yes (please indicate the areas targeted)
   □ Skilled workers
   □ School leavers to apprenticeships
   □ School leavers to traineeships
   □ School leavers to cadetships
If yes, how is the program implemented?
□ By company staff
□ By external recruitment agents
□ In collaboration with local Indigenous organisations

If yes, please list the key features of the program (eg annual targets set for
recruitment, substantial training budget, support for targeting through
community engagement, work arrangements that consider cultural obligations
etc)

9. Does the company receive State or Commonwealth Government support for
these direct recruitment programs?
□ No
□ Yes
If yes, please indicate the type and level of support
State Type Level ($)
Commonwealth Type Level ($)
10. What is the indicative annual effort that the company applies to current direct recruitment programs?
   Expenditure: $
   Apprentice intake number:
   Trainee intake number:
   Cadet intake number:

Outreach training and skills development for the direct benefit of the operation

11. Does the company implement or support outreach programs aimed at preparing local Indigenous people for work? (eg prevocational or work readiness training including numeracy and literacy)
   □ No (go to Q 15)
   □ Yes
   If yes, what are the key features of these programs? (eg, focus, duration, on or off site, mix of technical Vs life skills etc)
   If yes, how are the programs delivered? (eg company staff, external training providers, combination of company and external, involvement of community organisations etc)

12. Does the company receive State or Commonwealth Government support for these outreach programs?
   □ No
   □ Yes
   If yes, please indicate the type and level of support
   State Type Level ($)
   Commonwealth Type Level ($)

13. What is the indicative annual effort that the company applies to outreach training and skills development?
   Expenditure: $
   Number of participants:
   Job take-up by participants:

14. In your view, do these outreach programs address the main barriers to employment for local Indigenous people?
   □ No
   □ Yes
   If No, please indicate what you consider to be the main barriers that need to be addressed.

Outreach training and skills development for employment in other markets

15. Does the company implement or support outreach programs aimed at preparing local Indigenous people for work other than at its operation? (eg environment rangers, pastoral industry work, tourist industry work etc)
   □ No (go to Q 17)
   □ Yes
   If yes, what types of programs are or have been supported?
   How, generally, are these programs delivered?
   • External training providers
   • Use and involvement of community organisations
   • In partnership with government
16. What is the indicative annual effort that the company applies to outreach training and skills development for other markets?
- Expenditure: $
- Number of programs supported:
- Number of participants:

**Outcomes of direct employment initiatives**

17. How long has the company been implementing direct Indigenous employment initiatives?
- 0-5 yrs
- 5-10 yrs
- 10 yrs+
- What is your operations total number of employees?
- What is your operations total number of Indigenous employees?
- What is the operations Indigenous apprenticeship completion rate?
  - % of starters, number per year
- What is the operations Indigenous traineeship completion rate?
  - % of starters, number per year
- What % of trainees proceed to full-time employment with the operation?
- What % of trainees proceed to full-time employment elsewhere?

18. What, in your view, are the main issues involved with implementing direct employment initiatives for Indigenous people?

19. How effective is, and what are the main issues associated with, government support in implementing direct employment initiatives?
- State Government programs:
- Commonwealth Government programs:

20. To improve the implementation effectiveness of initiatives, what would you most like to do?

21. Do you consider that there are unrealised opportunities for implementing direct employment initiatives and if so what are they?

**Community Support Initiatives Aimed At Improving Employability**

*Education support*

22. Does the company support programs that aim to improve education outcomes for local Indigenous people?
- No (go to Q 25)
- Yes

If yes, what form does this take? (eg bursaries and scholarships, assistance with school costs such as travel to boarding school and boarding school fees, incentives for schools to improve attendance outcomes etc)

How are these programs delivered? (eg managed by company staff, targeted at individuals [such as employees] or through community organisations, partnerships with governments / schools etc)

23. What is the indicative annual effort that the company applies to education support programs?
- Expenditure: $
- Number of individuals supported:
- Number of schools supported:
24. How would you rate the results of these education support programs?
   Very good  Good  Average  Poor
Please explain the reasons for your rating.

Other community support programs

25. Does the company provide direct community support aimed at increasing the participation of Indigenous people in employment?
   □ No  (go to Q 27)
   □ Yes
   If yes, what form does this support take? (eg provision of childcare, support for health education, advocacy with government etc)

26. What is the indicative annual effort that the company applies to community support programs?
   Expenditure: $
   No of programs supported:

27. Do you consider that there are unrealised opportunities for implementing community support initiatives and if so what are they?

Supply Chain Initiatives

28. Does the company impose conditions or set criteria in relation to the employment of Indigenous people when calling tenders for the supply of goods and services?
   □ No
   □ Yes
   If yes, what is the basis for this initiative? (eg corporate policy, provisions of an agreement etc)
   If yes, please provide examples and comment on the effectiveness of the initiative and how it is implemented and managed.

29. Do you consider that there are unrealised opportunities for supply chain initiatives that could encourage Indigenous employment?
   □ No
   □ Yes
   If yes, please describe the opportunities.

30. Do you have any further views or comments to make on Indigenous employment initiatives?

SURVEY OF INDIGENOUS ENTERPRISE DEVELOPMENT INITIATIVES

31. Has the company given consideration to the adoption and implementation of Indigenous enterprise development initiatives?
   □ No (Please describe the reasons why no consideration has been given)
   Go to Q 61
   □ Yes (go to Q 32)

Initiative Drivers

32. Does the company have a specific policy or policies that guide its approach to Indigenous enterprise development as a part of local or regional economic development?
   □ No
Yes (please list type; eg Corporate Social Responsibility, Sustainable Development, Local Suppliers, other)

If yes, how is policy implementation managed?
- High level championing
- Staff awareness sessions
- Senior management with designated responsibility
- Regular monitoring and reporting on effectiveness
- Incorporation of targets into operational plans

33. Does the operation have a formal agreement with local or regional Indigenous people or government that has enterprise or economic development provisions?
- No
- Yes (Please state type of agreement)
  - Right to Negotiate Agreement
  - Indigenous Land Use Agreement
  - ‘Good Neighbour’ or ‘Good Will’ Agreement’
  - Other (eg Memorandum of Understanding with Government)

If yes, are the enterprise or economic development provisions:
- Of a general nature (eg use best endeavours) or
- Specific in nature (eg nominating enterprise types, purchasing guidelines, etc)
- Please list the key provisions

Direct Enterprise Development Initiatives

Purchase of goods and services from existing local Indigenous-owned suppliers with or without help to meet project standards

34. Does the company purchase goods and services from existing local Indigenous-owned enterprises?
- No (go to Q 37)
- Yes

If yes please indicate or estimate:
- the type of goods and services eg cultural heritage management, civil maintenance, mine rehabilitation etc
- the number of Indigenous-owned enterprise suppliers as well as the form of ownership (eg Council, community organisation, CDEP, private company, sole operator etc)
- the number of Indigenous employees engaged by the enterprise
- the average length of time the enterprises have been suppliers
- the annual value of goods and services supplied

35. Does the company provide any assistance to these local Indigenous-owned enterprises to meet standards or otherwise operate effectively?
- No
- Yes

If yes please indicate or estimate:
- the forms of assistance supplied (eg tendering, upgrading management systems, business planning, corporate governance training, mentoring etc)
- the annual $ value of assistance supplied
- How the assistance is delivered (eg company staff or consultants)
36. Does the company receive State or Commonwealth Government support to provide business assistance?

- No
- Yes

If yes, please indicate the type and level of support:

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Assistance with the establishment of local Indigenous-owned enterprises to supply mine or operations related goods and services

37. Has the company assisted the establishment of Indigenous-owned enterprises to provide mine or operations related goods and services?

- No (go to Q 41)
- Yes

If yes please indicate or estimate:

- the type of goods and services eg cultural heritage management, civil maintenance, mine rehabilitation etc
- the number of Indigenous-owned enterprise suppliers as well as the form of ownership (eg Council, community organisation, CDEP, private company, sole operator etc)
- The form of assistance supplied (eg capital, guarantees, business planning and set-up, technical advice, corporate governance training, mentoring etc)
- How the assistance was delivered (company staff or consultants)
- the number of Indigenous employees engaged by the enterprise
- the average length of time the enterprises have been suppliers
- the annual value of goods and services supplied

38. What is the indicative annual effort that the company applies to the establishment and on-going operations of these Indigenous-owned enterprises?

- Expenditure: $
- No of businesses supported:

39. Does the company receive State or Commonwealth Government support to establish these Indigenous-owned enterprises?

- No
- Yes

If yes please indicate the type and level of support:

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40. Have the Indigenous-owned enterprises received State or Commonwealth Government support to establish?

- No
- Yes

If yes please indicate the type and level of support:

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Assistance to local Indigenous-owned enterprises supplying the mine or operation to access other markets
41. Does the company provide assistance to local Indigenous-owned enterprises supplying its operations to access other markets?
   - No (go to Q 43)
   - Yes

If yes please indicate or estimate:
   - the enterprises and the type markets accessed (e.g., Civil maintenance business accessing State or Local Government road contracts)
   - The form and amount of assistance supplied (e.g., business planning, technical advice, corporate governance training, mentoring etc)
   - How the assistance was delivered (company staff or consultants)

42. Have the enterprises themselves received State or Commonwealth Government support to access other markets?
   - No
   - Yes

If yes, please indicate the type and level of support

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Outcomes of direct enterprise development initiatives

43. How long has the company been implementing direct enterprise development initiatives?
   - 0-5 yrs
   - 5-10 yrs
   - 10 yrs+

How many enterprises have received assistance?

How many start-up enterprises have received assistance?

44. How would you rate the results of direct enterprise development initiatives?
   - Very good
   - Good
   - Average
   - Poor

Please explain the reasons for your rating.

45. How effective is, and what are the main issues associated with, government support in implementing direct enterprise development initiatives?

State Government programs:

Commonwealth Government programs:

46. What, in your view, are the main issues involved with implementing direct enterprise development initiatives for Indigenous people?

47. Has the company made any unsuccessful attempts at implementing direct enterprise development initiatives for Indigenous people?
   - No
   - Yes

If yes, can you explain why they failed?

48. To improve the implementation effectiveness of initiatives, what would you most like to do?

49. Do you consider that there are unrealised opportunities for implementing direct enterprise development initiatives and if so what are they?

Indirect Enterprise Development Initiatives

Assistance with the establishment of Indigenous-owned enterprises **not necessarily providing services to the company’s mine or operation**
50. Has the company supported the establishment of Indigenous-owned enterprises not necessarily providing services directly to the mine or operation?

- No (go to Q 55)

- Yes

If yes please indicate or estimate:
- The form of assistance supplied (e.g., providing the capital to construct a community store, establishment of a business development trust fund, provision of business planning advice, corporate governance training, mentoring, etc.)
- How the assistance was delivered (company staff, consultants, participation on board of a trust fund, etc.)
- The annual value of assistance provided.

51. Do the company, or any business development organisations established, receive State or Commonwealth Government support to establish Indigenous-owned enterprises?

- No

- Yes

If yes, please indicate the type and level of support

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52. How long has the company been implementing indirect enterprise development initiatives?

- 0-5 yrs
- 5-10 yrs
- 10 yrs+

How many enterprises have been established?

53. Has the company made any unsuccessful attempts at implementing indirect enterprise development initiatives for Indigenous people?

- No

- Yes

If yes, can you explain why they failed?

54. How would you rate the results of indirect enterprise development assistance?

- Very good
- Good
- Average
- Poor

Please explain the reasons for your rating.

55. How effective is, and what are the main issues associated with, government support in implementing indirect enterprise development initiatives?

State Government programs:

Commonwealth Government programs:

56. What, in your view, are the main issues involved with implementing indirect enterprise development initiatives for Indigenous people?

57. To improve the implementation effectiveness of indirect enterprise development initiatives, what would you most like to do?

58. Do you consider that there are unrealised opportunities for implementing indirect enterprise development initiatives and if so what are they?

Supply Chain Initiatives
Work packages and tender criteria that encourage local supply

59. Does the company establish work packages or selection criteria that encourage supply by indigenous-owned enterprises when calling tenders for the supply of goods and services?
   □ No
   □ Yes

   If yes, what is the basis for this initiative? (eg corporate policy, provisions of an agreement etc)

   If yes, please provide examples, and comment on the effectiveness of, the initiative and how it is implemented and managed.

60. Do you consider that there are unrealised opportunities for implementing supply chain initiatives that encourage indigenous-owned enterprise development and if so what are they?

61. Do you have any further views or comments to make on indigenous enterprise development initiatives?

62. Are there any persons (with partners such as companies or indigenous organisations and who may have valuable insights in relation to the contents of this survey) who you would recommend to be interviewed during the course of the study?
   □ No
   □ Yes

   If yes, please list name, organisation, position and contact number.

THANK YOU FOR YOUR ASSISTANCE
Appendix 4 – Regional Socioeconomic Characteristics (based on 2006 Census data)

North-West Queensland

- Indigenous persons comprise 24.2% of the population;
- CDEP employment accounts for 8.7% of the working age population, or 8.6% for areas outside of Mt Isa;
- The labour force participation rate is 50.7%;
- The unemployment rate is approximately 12%, or five times that for the non-Indigenous labour force;
- Mining industry employment accounts for approximately 16% of the Indigenous mainstream workforce (compared to approximately 24% for the non-Indigenous mainstream workforce);
- Indigenous persons account for 8.2% of the total mining workforce (while they account for 20.1% of the working age population);
- Outside of Mt Isa, CDEP employment is significantly greater than mainstream employment for the critical 15-24 year age group, as shown in the chart below;

![Indigenous labour force status rates by age group, NWQ (excluding Mt Isa), 2001](image)

Source: Australian Bureau of Statistics 2001 Census of Population and Housing

- In relation to schooling, in 2006 for persons aged 15 years or over, 16.1% of Indigenous persons attained a level of Year 8 or below (compared to 7.6% for non-Indigenous persons), 30.0% attained Year 10 or equivalent (compared to 32.3% for non-Indigenous persons), and 16.6% attained Year 12 or equivalent (compared to 40.3% for non-Indigenous persons). This indicates that important areas in relation to education are maintaining attendance at primary school and increasing the proportion of Indigenous persons who complete upper secondary school to Year 12;
- In relation to housing, 66.8% of Indigenous households were renting, the majority from the State housing authority or a community housing
group, while 34% of Indigenous households were regarded as being overcrowded.

Cape York

- Indigenous persons comprise 49.9% of the population;
- CDEP employment accounts for 33.3% of the working age population;

![Indigenous Labour Force Status Rates by Age Group, Cape York 2001]

- The labour force participation rate is 59.0%;
- The unemployment rate is 5.9% (compared to 3.1% for the non-Indigenous labour force);
- Mining industry employment accounts for 1.7% of the Indigenous mainstream workforce (compared to 6.0% for the non-Indigenous mainstream workforce);
- Indigenous persons account for 7.5% of the total mining workforce (while they account for 45.5% of the working age population);
- In relation to schooling, in 2001 for persons aged 15 years or over, 22.4% of Indigenous persons attained a level of Year 8 or below (compared to 6.4% for non-Indigenous persons), 32.1% attained Year 10 or equivalent (compared to 32.7% for non-Indigenous persons), and 13.4% attained Year 12 or equivalent (compared to 40.3% for non-Indigenous persons). As for NWQ, this indicates that important areas in relation to education are maintaining attendance at primary school and increasing the proportion of Indigenous persons who complete upper secondary school to Year 12;
- In relation to housing, approximately 86.7% of Indigenous households were renting, the majority from the State housing authority or a community housing group, while 36.8% of Indigenous households were regarded as being overcrowded.

North Queensland

- Indigenous persons comprise 7.9% of the population, significantly lower than NWQ and Cape York but slightly more than twice the Queensland rate;
• CDEP employment accounts for 4.9% of the working age population;
• The labour force participation rate is 51.0%;
• The unemployment rate is 16.0%, or four times that for the non-Indigenous labour force;
• Mining industry employment accounts for approximately 2.3% of the Indigenous mainstream workforce (compared to 2.1% for the non-Indigenous mainstream workforce);
• Indigenous persons account for 4.3% of the total mining workforce (while they account for 6.2% of the working age population);
• While Indigenous people are under-represented in the mining workforce, employment by mining as an industry is much less significant in NQ than in NWQ or Cape York;
• While the proportion of the working age population employed in CDEP is low (4.9%), the percentage of the working age population not in the workforce is the highest of the five regions considered (42.9%);
• In relation to schooling, in 2001 for persons aged 15 years or over, 11.2% of Indigenous persons attained a level of Year 8 or below (compared to 8.1% for non-Indigenous persons), 26.9% attained Year 10 or equivalent (compared to 29.4% for non-Indigenous persons), and 24.6% attained Year 12 or equivalent (compared to 41.6% for non-Indigenous persons). While this indicates that important areas in relation to education are maintaining attendance at primary school and increasing the proportion of Indigenous persons who complete upper secondary school to Year 12, the percentage of persons progressing to Year 12 in North Queensland is greater than that of NWQ and Cape York;
• In relation to housing, approximately 67.7% of Indigenous households were renting, the majority from the State housing authority or a community housing group, while 25.5% of Indigenous households were regarded as being overcrowded.

**Bowen Basin**

• Indigenous persons comprise 4.3% of the population, significantly lower than NWQ and Cape York but slightly more than the Queensland rate;
• CDEP employment accounts for 1.8% of the working age population while mainstream employment at 48.2% is the highest of the five regions considered;
• The labour force participation rate is 57.6%, almost equal to the Queensland rate and ranked second behind Cape York for the five regions considered;
• The unemployment rate is approximately 13.1%, or three times that for the non-Indigenous labour force;
• Mining industry employment accounts for 8.1% of the Indigenous mainstream workforce (compared to approximately 9.1% for the non-Indigenous mainstream workforce);
• Indigenous persons account for 2.3% of the total mining workforce (while they account for 3.3% of the working age population);
• While Indigenous people are under-represented in the mining workforce, employment by mining as an industry is the least significant for the five regions considered;
• While the proportion of the working age population employed in CDEP is low (1.8%), the percentage of the working age population not in the workforce is significant (36.6%);
• In relation to schooling, in 2006 for persons aged 15 years or over, 10.7% of Indigenous persons attained a level of Year 8 or below (compared to 9.6% for non-Indigenous persons), 29.7% attained Year 10 or equivalent (compared to 33.3% for non-Indigenous persons), and 24.6% attained Year 12 or equivalent (compared to 35.4% for non-Indigenous persons). While this indicates that important areas in relation to education are maintaining attendance at primary school and increasing the proportion of Indigenous persons who complete upper secondary school to Year 12, the percentage of persons progressing to Year 12 in the Bowen Basin is greater than that of NWQ and Cape York;
• In relation to housing, 58.3% of Indigenous households were renting, the majority from the State housing authority or a community housing group, while 21% of Indigenous households were regarded as being overcrowded. Home ownership was the highest of the five regions with 37% of Indigenous households either owning or purchasing a home.

**Darling Downs**

• Indigenous persons comprise 4.0% of the population, significantly lower than NWQ and Cape York but slightly more than the Queensland rate;
• CDEP employment accounts for 2.5% of the working age population, while mainstream employment at 43.0% is the second highest of the five regions considered;
• The labour force participation rate is 53.8%, slightly below the Queensland rate and similar to the NWQ and NQ regions;
• The unemployment rate is approximately 15.2%, or almost four times that for the non-Indigenous labour force;
• Mining industry employment accounts for approximately 1.9% of the Indigenous mainstream workforce;
• Indigenous persons account for 3.5% of the total mining workforce (while they account for 3.0% of the working age population);
• While the proportion of the working age population employed in CDEP is low (2.5%), the percentage of the working age population not in the workforce is significant (41.6%);
• In relation to schooling, in 2001 for persons aged 15 years or over, 13.5% of Indigenous persons attained a level of Year 8 or below
(compared to 11.9% for non-Indigenous persons), 30.7% attained Year 10 or equivalent (compared to 32.8% for non-Indigenous persons), and 20.7% attained Year 12 or equivalent (compared to 34.9% for non-Indigenous persons). Once again, this indicates that important areas in relation to education are maintaining attendance at primary school and increasing the proportion of Indigenous persons who complete upper secondary school to Year 12;

- In relation to housing, 63.3% of Indigenous households were renting, the majority from the private rental market, while 19.4% of Indigenous households were regarded as being overcrowded. Home ownership was the second highest of the five regions with 32.8% of Indigenous households either owning or purchasing a home.
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