



**Centre for Social Responsibility in Mining  
Research Paper No. 3**

***Aboriginal Employment at Century Mine***

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This paper was prepared by Tanuja Barker and David Brereton. The analyses and interpretations presented in this paper are those of the researchers, and do not necessarily represent the views of Pasmaico/Zinifex or other organisations or individuals.

## EXECUTIVE SUMMARY

### Key findings

Century Mine employs a higher proportion of local Aboriginal people than do most other remote area mines in Australia. Since Century has been operational, the number of Aboriginal employees has ranged from 100-120, accounting for about 15-20 per cent of the total workforce.

- Normanton remains the largest source of Aboriginal employees for the mine, and is significantly over-represented on a per capita basis relative to Doomadgee and Mornington Island. However, there has recently been an increase in recruitment from the latter two communities.
- In 2003, 39 per cent of Aboriginal employees at Century were sourced from Townsville and Mt Isa. The proportion of Aboriginal employees being sourced from outside the Gulf communities has increased since 2001.
- Around 30 per cent of Aboriginal employees at Century are female, which is high by Australian mining industry standards.
- If existing recruitment and retention levels are maintained, the Indigenous employment rate at Century will increase only gradually over the coming years.
- Recruitment is currently running at about 50 new Aboriginal employees a year.
- The overall turnover rate for Indigenous employees in 2002-3 was around 30 per cent, which was roughly comparable to the rate for non-Indigenous employees.
- Turnover has been highest in the mine, where nearly half of Century's Indigenous employees work. The high turnover rate in this area has been at least partly attributable to the onerous work roster (3 weeks on / 1 week off) that applied during the study period. In February 2004 the roster was changed to 2 weeks on/1 week off.
- Around 20 per cent of Aboriginal people employed at Century have had a previous stint of employment at the mine.
- Aboriginal employment is concentrated in occupations and areas of the mine that require only basic entry level skills. Few Aboriginal people currently occupy supervisory positions and there has been only very limited career progression.
- Similarly, only a small proportion of Aboriginal employees are employed in trades or other positions that require formal qualifications. However, Century's continued investment in apprenticeships should help to elevate the skill profile of Aboriginal employees during the coming years.

## **Issues**

It will be difficult to significantly increase Aboriginal employment levels unless retention rates can be improved. The recent move to a less onerous roster in the pit should make a positive contribution in this regard. However, PCML and its contractors should also consider introducing more flexible working arrangements, such as job-sharing and fixed term contracts.

There is an urgent need to improve the range, quality and accessibility of data relating to employment and training outcomes under the GCA. This is currently being addressed by Century.

Key issues for further research include:

- What are the main reasons why Aboriginal employees leave Century and are they influenced by different considerations than non-Indigenous employees?
- What do ex-employees do after leaving Century?
- What are the long and short-term impacts of employment - both positive and negative – on Aboriginal employees and their communities?
- What is the size of the employment pool in the Gulf Communities and is it likely to grow or diminish in the future?
- To what extent, and by what means, can the employment gap between Normanton and Doomadgee and Mornington Island be reduced?

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## **PART 1: INTRODUCTION**

The provision of employment and training opportunities to Aboriginal people from the communities in the lower Gulf of Carpentaria forms a cornerstone of the Gulf Communities Agreement (GCA) between Pasminco Century Mine Limited (PCML)<sup>1</sup>, the Waanyi, Mingginda and Gkuthaarn/Kukatj peoples and the Queensland Government. In line with this agreement, PCML has committed to an employment strategy aimed at maximising employment of Aboriginal people from the Gulf communities.

The 2002 draft report on the five-year review of the GCA identified several employment and training issues. In particular it noted the need for better information on employment trends in the communities and expressed concern that adverse socio-economic conditions in the communities (particularly Doomadgee and Mornington Island) are having a 'significant negative impact on employment outcomes in those communities'. The research reported here was undertaken at the request of PCML and the Queensland Department of State Development, to address the issues raised in this review.

### **Overview of the Century operation**

Century is an open-cut zinc, lead and silver mine in the Gulf of Carpentaria, North West Queensland. Ore is mined and processed at the Lawn Hill site. Zinc and lead concentrate is then transported via a 304 kilometre underground pipeline to the port and dewatering facility at Karumba (Pasminco, 2003)<sup>2</sup>.

Construction of Century occurred during 1998/1999 with the first ore being mined in October 1999. The mine is expected to remain operational until 2018. Century employs various contractors including a principal contractor Roche Eltin Joint Venture (REJV) to undertake mining operations. Major operational areas of the mine include the pit, mill, engineering and maintenance services, site services (such as hospitality and cleaning), administration and the port.

Century is a fly-in, fly-out (FIFO) operation. As at the 12 December 2003 it had an estimated total workforce of 679 people<sup>3</sup>, including:

- 184 company employees
- 303 mining contractor employees
- 182 employees of other contractors; and
- 10 apprentices.

The majority of the workforce flies in from two regional Queensland towns (Mount Isa and Townsville) and three Gulf communities (Doomadgee, Mornington Island and Normanton) (see Figure 1).

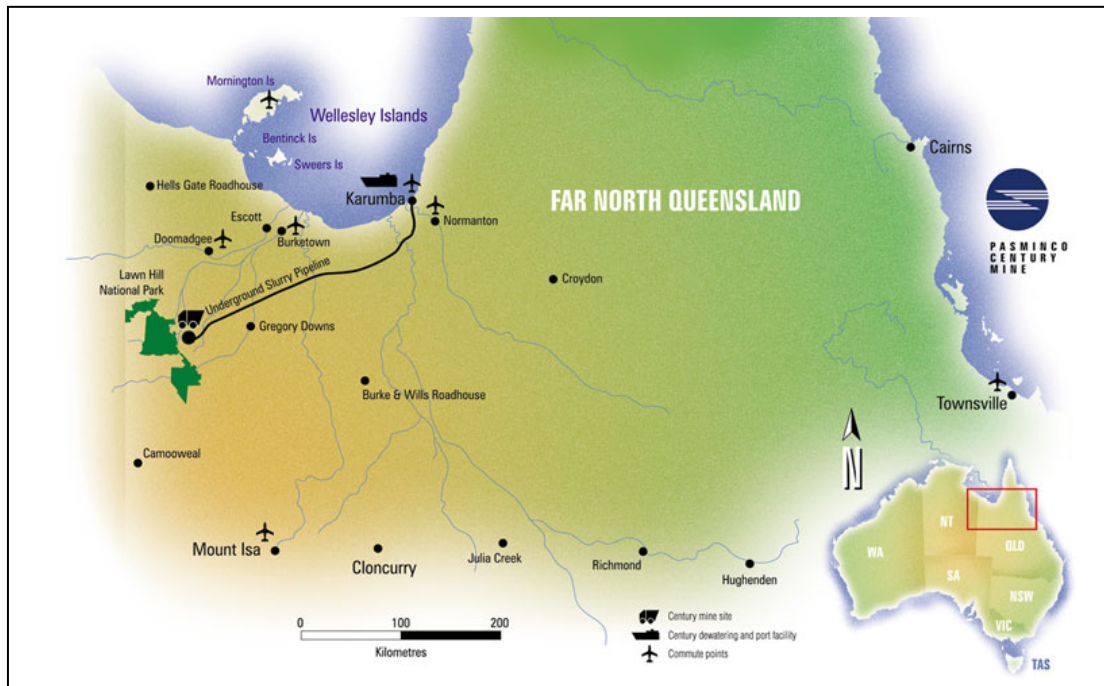
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<sup>1</sup> In March 2004 Pasminco was re-launched on the stock exchange as Zinifex. Given that this research was completed prior to then, we have retained the name Pasminco for the purposes of this report..

<sup>2</sup> Pasminco (2003). Century Mine [www.pasminco.com.au](http://www.pasminco.com.au) accessed: November 2003.

<sup>3</sup> Includes 12 trainees.

**Figure 1. Century mine and communities in the Gulf of Carpentaria, Queensland**



Source: PCML

Employees work a variety of roster structures including a 21/7 pattern for the mining contractor (until February 2004, when it was changed to a 14/7 roster), 5/2, 9/5 or 10/4 for staff employees and a 14/7 work pattern for operations employees.

### **Project objectives**

The broad aim of this research project is to contribute to better employment outcomes under the GCA. The project is being conducted in two stages. The focus of the first stage has been on collecting and analysing available information on Aboriginal employment and training at Century. This paper is an outcome of the first stage. Key trends and issues are identified, with a view to enhancing the capacity of PCML to manage these more effectively.

The planned scope for the second stage is to:

- collect more detailed information about the possible factors that impact on employment and retention rates at Century;
- collect additional socio-economic data on the Gulf communities;
- provide comparative data and strategies from other Northern Australian mining operations; and
- develop practical strategies to increase Indigenous employment, especially from Doomadgee and Mornington Island.

## Structure of the report

The first section of the report provides key definitions and describes the data sources used in the analysis of employment data. This is followed by the presentation of data on overall trends and comparative data on employment within particular communities, operational areas, occupational categories and gender groupings.

Appendix A reproduces the datasheet used in the information gathering stage.

## Definitions

### *Aboriginal / Indigenous*

The words Aboriginal and Indigenous have been used interchangeably in this report and as a mark of respect we have capitalised both.

For the purposes of this report the term ‘Aboriginal’ / ‘Indigenous’ employee refers to all those employees identified as having local Aboriginal status in the GCA Excel database, as at the 31<sup>st</sup> March 2003 (the latest version made available to us). The term ‘local Aboriginal’ encompasses members of GCA Native Title Groups (regardless of whether they live locally) and other Aboriginal people who have lived in the Gulf communities for five years or more.

### *Employees*

As far as we are aware, the GCA employment database is inclusive of all Indigenous employees of the mine company and permanent contractors on site and at the port in Karumba. Given the short-term nature of traineeships we have excluded trainees from the employment analysis. Apprenticeships, which have a longer tenure, have been included.

### *Data*

There are two types of data used in this briefing paper:

- *Flow* measures show how many employees come and go within a given time period, usually a year. There are two basic flow measures: the number of new employees recruited in a year (inflow) and the number of separations (outflow). Flow measures can be used to monitor changes in recruitment and retention patterns.
- *Stock* measures show the number of employees at a specific point in time. The measure indicates whether progress is being made in increasing the number and proportion of Indigenous employees in the workforce. Stock measures are also used to map the distribution of employees in the workplace and to see if this distribution has changed over time.

Where annual data is reported this refers to the 12 month period prior to the 31<sup>st</sup> March of each year (eg 1/4/02 – 31/3/03 refers to the 2003 period). This timeframe was employed in order to make use of the most recent GCA employment data made



available to us. In some instances we have been able to obtain more recent data; this is reported in the text where relevant.

### *Operational areas*

Employer fields were categorised into the following operational areas, with the help of Century HR/GCA staff:

- Administration
- Engineering and maintenance services
- Mill
- Pit
- Port
- Site services (cleaning, hospitality services etc).

### *Turnover*

Turnover is defined as the number of departures divided by the average number of persons employed within a given annual period. ‘Aboriginal turnover’ is simply the number of Aboriginal separations divided by the average number of Aboriginal employees during a particular annual period.

Ideally, the turnover definition should just be confined to departures that create a vacancy and exclude those that are due to redundancies (Beach *et al.*, 2003)<sup>4</sup>. However, we did not possess data to the level of detail necessary to be able to distinguish between departure types.

Monthly and annualised turnover rates were calculated for operational areas according to the following formula:

Monthly turnover: separations per month / total persons employed in that month  
Annualised:  $(\sum \text{monthly turnovers} / 12) \times 100$

### **Data sources**

Four site visits were conducted during the course of the project to gather information, conduct interviews and present progress reports to the GCA Employment and Training Committee meetings.

A data table was circulated to HR/GCA site personnel to determine the range of data available on site (see Appendix A). Eventually we were able to obtain access to the following data:

- GCA employment database – excel file covering the period up to March 2003. This file contained records on 474 current and previous Indigenous employees and trainees. The main fields relate to: employee name, town, Native Title status, gender status, current position and type, length of service, starting date and finishing date for previous positions.

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<sup>4</sup> Ruth Beach, David Brereton and David Cliff. *Workforce Turnover in FIFO Mining Operations in Australia: An Exploratory Study*, Centre for Social Responsibility in Mining and Minerals Industry Safety and Health Centre, Brisbane, 2003.

- Trainee and apprenticeship database – excel file up to 19<sup>th</sup> May 2003. This file contained 208 records and the following major fields: name, apprenticeship / training completion status, date of birth, ATSI status, town, start and finish dates and name of apprenticeship / traineeship program.
- GCA monthly reports – word file - near complete set from July 2000 – January 2003. The contents of these reports vary, but they commonly provide data on: Aboriginal, trainee and gender status; recruitment town; position type; employer distribution; length of service; earnings to date and the number of local people employed to date.
- A hard copy of the employment registration form. This forms the basis of the FastTrack recruitment database, including applicant’s address details, education and qualification attainments, previous employment record details, special interest, medical and workers compensation history.
- Hard copies of numerous reports and graphs presented at the GCA Employment and Training Committee meetings e.g. REJV reports, table and graphs of flights from GCA communities.

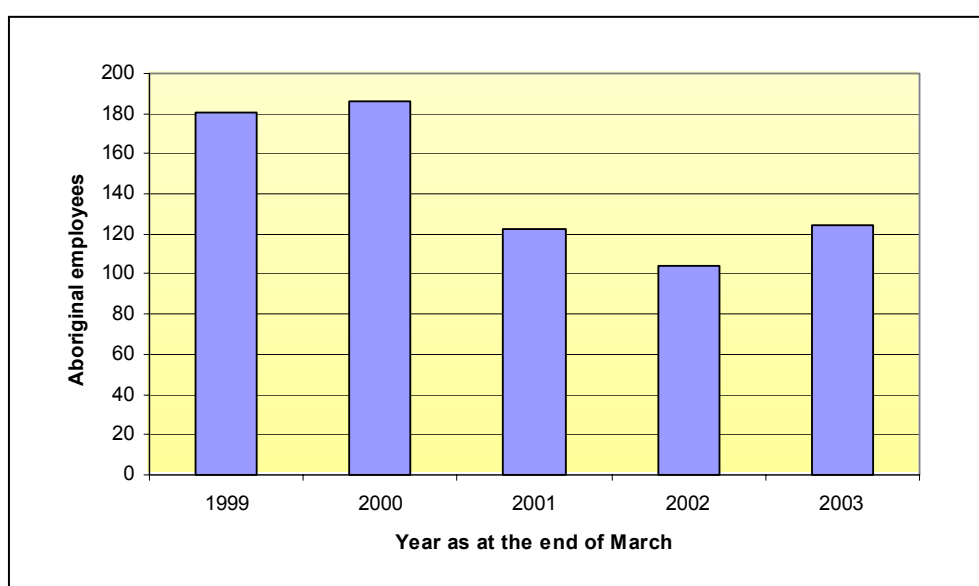
We were not able to access comparative data on non-Indigenous employees at Century, pre-vocational data, or data on exit interview outcomes.

## PART 2: RESULTS

### Trends in overall Indigenous employment

As shown by figure 2, Aboriginal employment was at its highest during the two year construction phase from 1998 through to mid-2000. There was then a shift from short-term project positions to full time permanent positions. Since 2001, the number of Aboriginal employees has varied between 100 and 120, accounting for around 15 to 20 percent of the total workforce.

Figure 2. Indigenous employment at Century



While direct comparisons are not possible due to different definitions and counting rules, it would appear that the level of Indigenous employment is equal to, or above that, of comparable Newmont and Rio Tinto mining sites (table 2). Aboriginal employment at Century is also much higher than the estimated average of 4.6 per cent for the Australian mining industry as a whole (Tedesco *et al.*, 2003<sup>5</sup>).

<sup>5</sup> Leanna Tedesco, Marat Fainstein and Lindsay Hogan. *Indigenous People in Mining*, Australian Bureau of Agricultural and Resource Economics (ABARE) eReport 03.19, Canberra, 2003.

**Table 2. Aboriginal workforce at a selection of Australian mine sites in 2002**

Mine site	Aboriginal workforce	Total workforce (no. of persons)
Century (Qld)	20.0%	575 <sup>5</sup>
Ranger <sup>1</sup> (NT)	20.0%	184
Argyle <sup>1</sup> (WA)	14.0%	805
Comalco Weipa <sup>1</sup> (Qld)	11.0%	507
Tanami <sup>2</sup> (NT)	9.6%	860 <sup>3</sup>
Hammersley Iron <sup>1</sup> (WA)	9.0%	2000 <sup>6</sup>
Pajingo <sup>2</sup> (Qld)	6.2%	324
Golden Grove <sup>2</sup> (WA)	4.6%	310
Australian mining industry average	4.6%	53,590 <sup>4</sup>

<sup>1</sup> Source of Rio Tinto Aboriginal workforce percentages is Harvey & Gawler, 2003. Total workforce numbers are from 2002 site sustainability reports, where available. Apparently Rio Tinto figures include non-local Aboriginals.

<sup>2</sup> Newmont Aboriginal workforce percentages are averaged staff and contractor percentages. Total workforce numbers include staff and contractors as reported in the relevant 2002 *Now and Beyond* site reports.

<sup>3</sup> Tanami operations include 3 open pits, 1 underground mine, the Tanami mill and a processing plant at the Granites (Tanami operations – *Now & Beyond* 2002).

<sup>4</sup> Tedesco *et al.*, (2003) – total number of workers employed at Australian mine sites as at 30 June 2002.

<sup>5</sup> Based on 2002 workforce numbers and includes trainees.

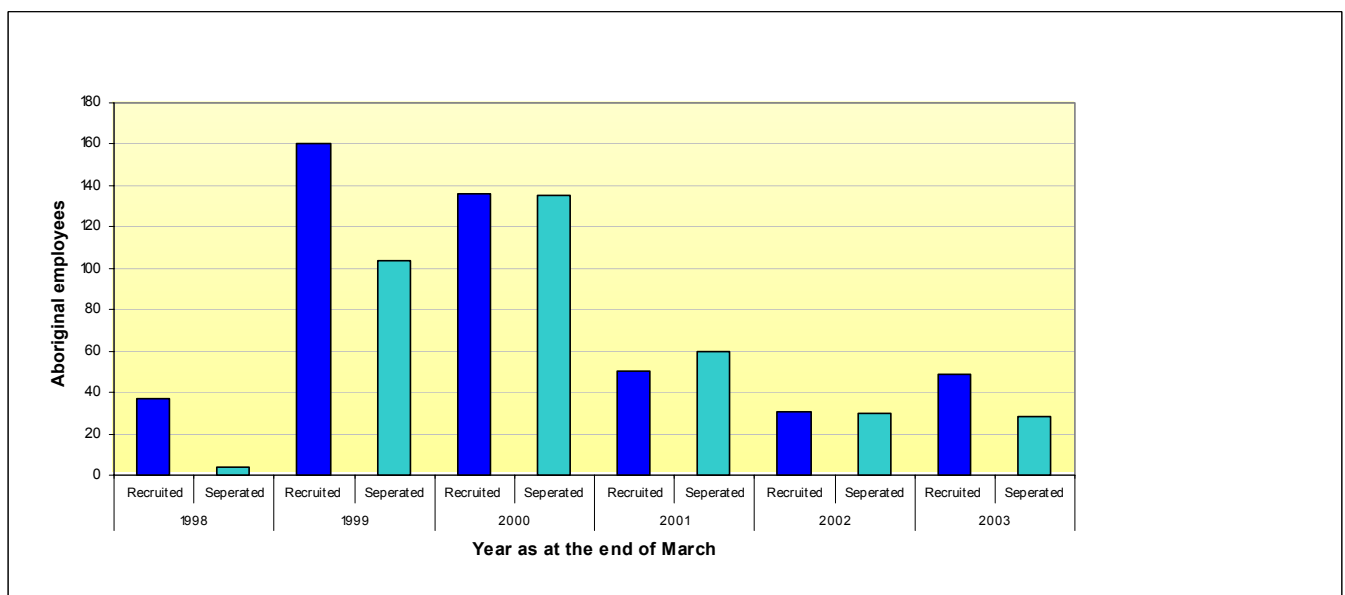
<sup>6</sup> Hammersley Iron operations include 6 mines.

### Trends in overall recruitment and separations

Recruitment exceeded separations during the initial construction phase, with separations matching and then overtaking the number of recruits in the following two years (figure 3). This reflected the transition from construction to operational mining.

Recruits equalled the number of separations during the 2002 period. In the 12 months up to 2003, recruitment exceeded separations leading to a slight increase in the total number of Indigenous employees. However, as noted above the number of Indigenous employees has fallen since then, indicating that separations are again exceeding hirings.

**Figure 3. Indigenous employment flow data**



Of those listed on the GCA database, 20 per cent (or 94) have been employed at Century more than once.

### *Turnover patterns*

Turnover amongst Aboriginal employees at Century decreased slightly from 34 per cent in 2001 to just under 30 per cent in 2003 (table. 3).

**Table 3. Aboriginal employee turnover**

Year as at the end of March	Employee turnover
2001	33.9%
2002	32.7%
2003	29.4%

Excluding the pit, where turnover rates are higher, turnover for Aboriginal employees was 26.4 per cent at March 2002. This approximated to the employee turnover rate for all PCML employees (25.7 per cent at June 2002).

In the pit, the annualised Aboriginal turnover rate at the end of December 2002 was 41 per cent. This was lower than the 49 per cent twelve month average for REJV's total workforce. However, more recent information indicates that GCA turnover during 2003 was above the rate for the pit workforce as a whole.

### *Reasons for leaving*

The only sources of available data on reasons for separations were the 2001 GCA employment monthly reports. According to the December 2001 report, the majority of departures up to that date were due to the completion of contracts, as to be expected at the end of the construction phase (table 4). The majority of GCA employees who resigned voluntarily had cited 'personal and family reasons' as the major contributing factor.

**Table 4. Reasons for GCA departures up to the 31<sup>st</sup> December 2001**

	GCA separations	No. of persons
Contract finished	44.8%	159
Resignation		
• Personal or family reason	30.7%	109
• Job offer (PCML / others)	5.6%	20
• Commence traineeship	1.4%	5
• Medical	0.6%	2
• Internal transfer	0.3%	1
Dismissals	9.6%	34
Audit – non-local <sup>1</sup>	7.0%	25
Total	100%	355

<sup>1</sup> 'Audit non-local' refers to those employees who are no longer deemed to have local GCA status due to data quality checks or changes to the local GCA definition.

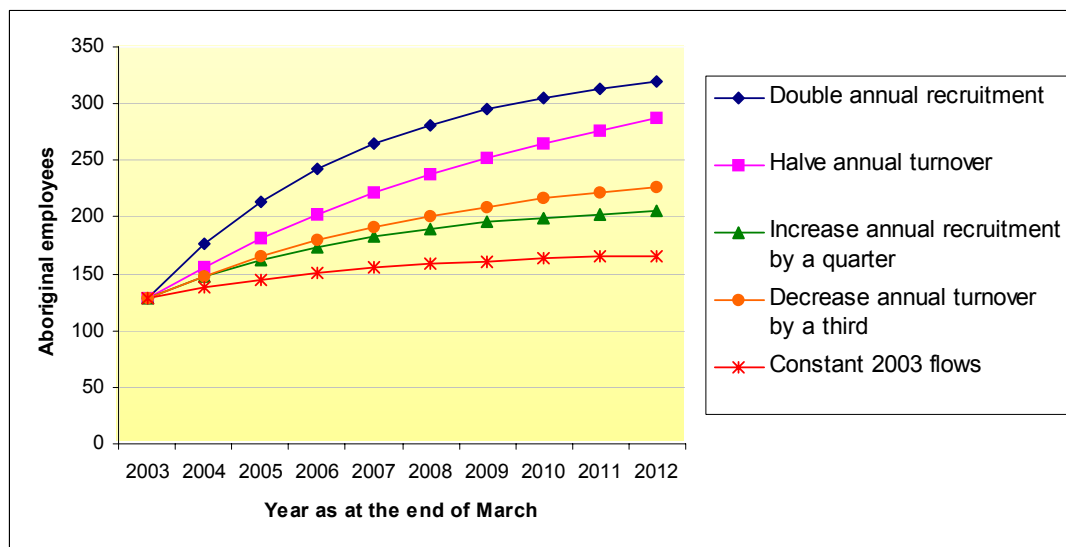
## Future employment scenarios

As the employment scenarios in figure 4 demonstrate, if Century is to further increase Indigenous employment at the mine, it needs to maintain a strong positive balance of recruitment versus separations.

Assuming that the 2003 recruitment rate of 50 people could be maintained and site-wide turnover held at 29 per cent, there would be only limited growth in Aboriginal employment, as the high turnover rate will largely cancel out the gains from recruitment.

If, recruitment were to be increased by a quarter or the turnover rate decreased by a third, more substantial gains would be possible. Current Aboriginal employment levels could be doubled by 2010 if turnover were to be halved or by 2007 if recruitment was doubled. However, these are both highly optimistic scenarios.

**Figure 4. Employment scenarios**



In summary, the scenarios indicate that substantial gains in Aboriginal employment can only be achieved by improving current recruitment and /or retention rates. This will be difficult to achieve under current conditions.

## Distribution of employment between Gulf communities

The draft report on the five-year GCA review noted that perceptions exist that some communities are benefiting more from employment at Century than others. The available data support this view.

Table 5 presents a rough estimate of per capita employment rates for the three Gulf communities of Doomadgee, Mornington Island and Normanton, based on 2001 census data. This indicates that in 2003 around 17 per cent of Normanton's Aboriginal labour force was employed at Century, compared to only 3 per cent from Mornington Island and 7 per cent from Doomadgee.

**Table 5. Proportion of community workforce employed at Century in 2003: Doomadgee, Mornington Island and Normanton**

	2003
Total no. of persons from Doomadgee, Mornington Is. and Normanton employed at Century	67
% of non-CDEP Aboriginal workforce from the 3 communities	25.9%
% of total Aboriginal labour force from the 3 communities	8.3%
% Normanton Aboriginal labour force	17.3%
% Doomadgee Aboriginal labour force	7.3%
% of Mornington Island Aboriginal labour force	3.1%

Note: Labour force estimates based on 2001 Census.

Figure 5 indicates that the proportion of Aboriginal employees at Century who came from Normanton decreased slightly between 2001 and 2003, whereas Doomadgee's share increased from 15 per cent to 19 per cent. Over the same period the share of employees from Mornington Island and Burketown decreased (figure 5).

**Figure 5. Aboriginal employees by main source communities**

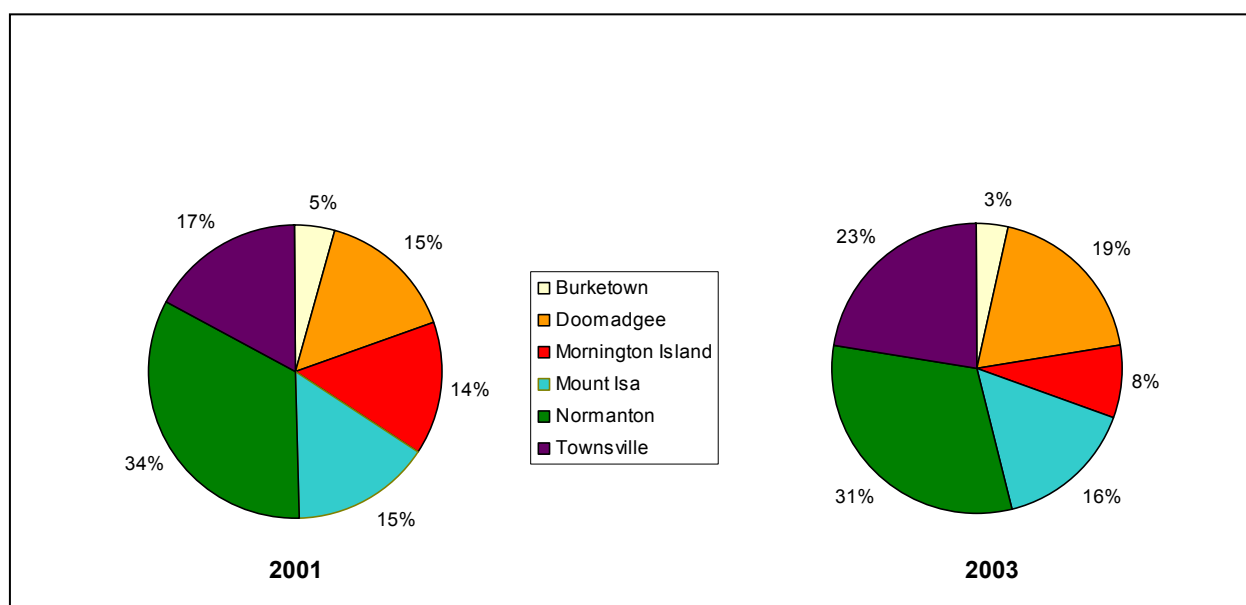
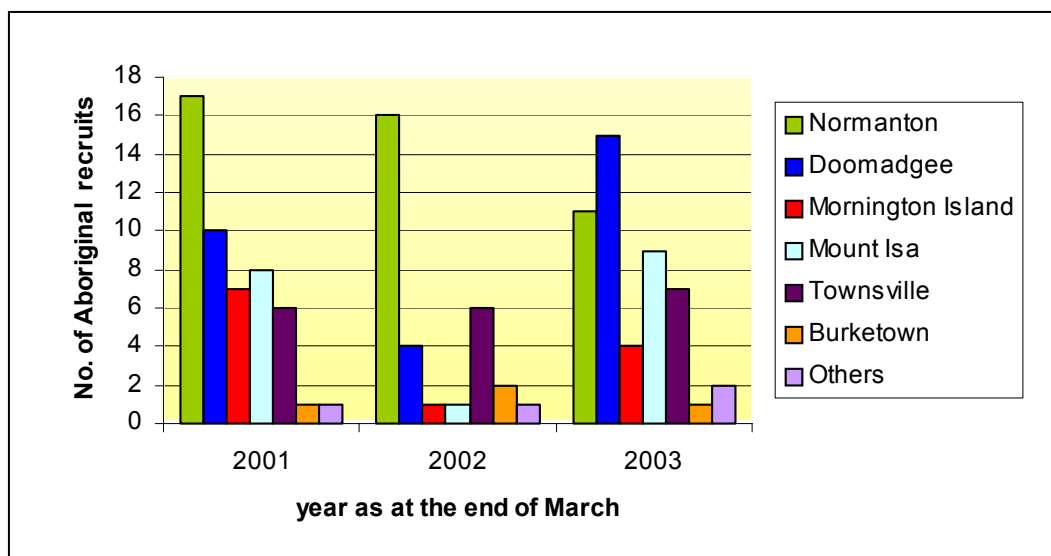


Figure 5 also shows that an increasing number of Aboriginal recruits are being sourced from outside the Gulf (principally Townsville and Mt Isa). This could indicate that:

1. the size of the recruitment pool in the Gulf communities is diminishing;
2. Indigenous people once employed at Century have moved out of the Gulf to regional centres or elsewhere; or
3. it is easier to source Aboriginal employees from regional centres than the Gulf communities.

While Normanton remains the largest single source of local Aboriginal employees, there has been some shift recently in recruitment patterns. As figure 6 shows, Doomadgee overtook Normanton as the top recruitment community during the 2003 period (accounting for 31 per cent of new recruits). This may be due to recent attempts to balance recruitment between the Gulf communities through such mechanisms as focussed pre-vocational programs and recruitment drives in Doomadgee. There has also been a recent push to increase recruitment from Mornington Island, with seven new employees being recruited from this community in 2003 to the beginning of December. (Note that some of these recruits are not represented in figure 6, which only covers the period up to March 2003).

**Figure 6. Aboriginal recruits by source communities**

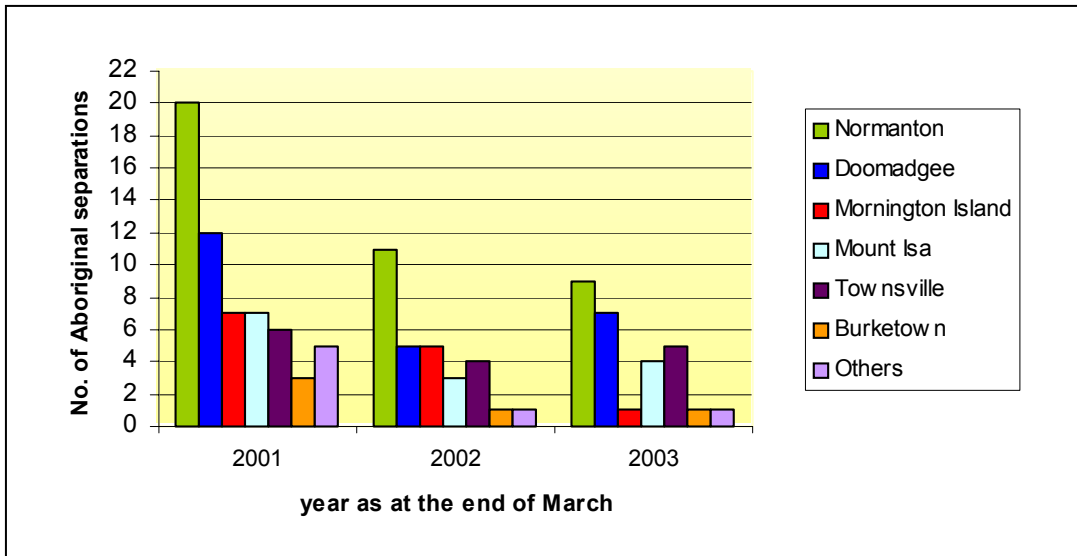


### *Separations by community*

The largest number of separations of Aboriginal employees occurred towards the end of construction in 2001. Since then, the number of departures has declined (figure 7). Most separations during 2001 to 2003 were of Aboriginal employees originally recruited from Normanton. This is consistent with Normanton being the largest source community for Aboriginal employees.



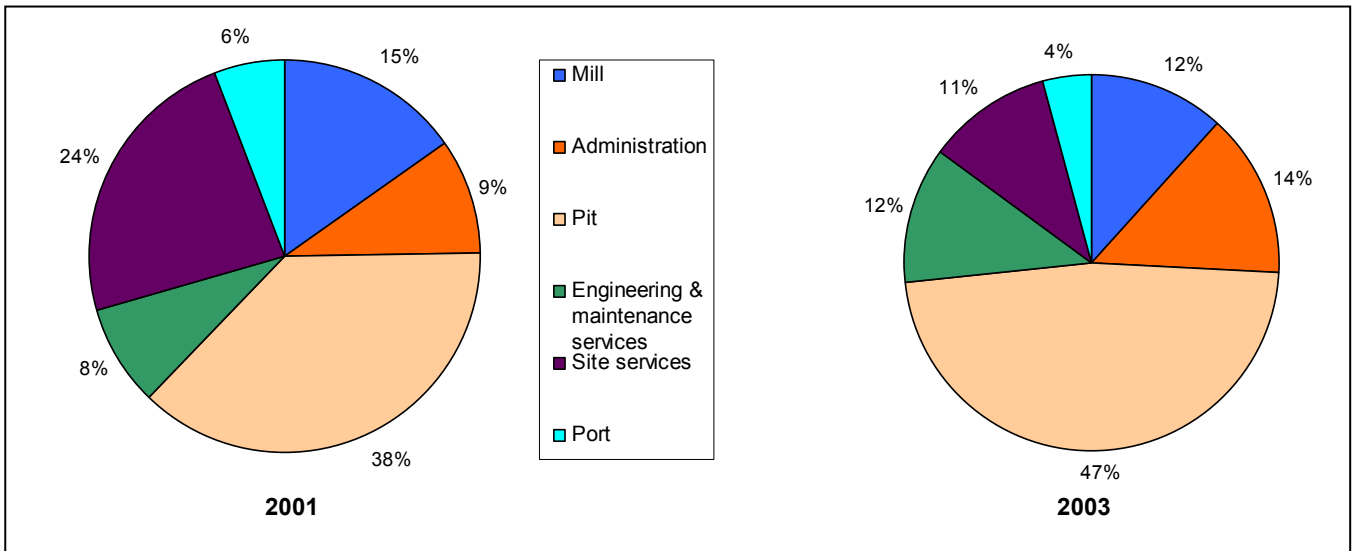
**Figure 7. Aboriginal separations by source community**



### Employment by operational area

The pit is the largest employer of Aboriginal people onsite and increased its significance during the 2001 – 2003 period (figure 8). Aboriginal employment levels also rose in the administration, engineering and maintenance areas of the mine. Levels stayed constant in the mill and declined in the site services and port areas<sup>6</sup>.

**Figure 8. Aboriginal employees according to operational area**



<sup>6</sup> In some cases there was insufficient information to determine the operational area where employees worked. For example, an employee labelled ‘Pasminco apprentice’ was excluded from the analysis because we were not able to determine in which section of the mine the apprentice was placed, but ‘Pasminco apprentice Eurest’ was included.

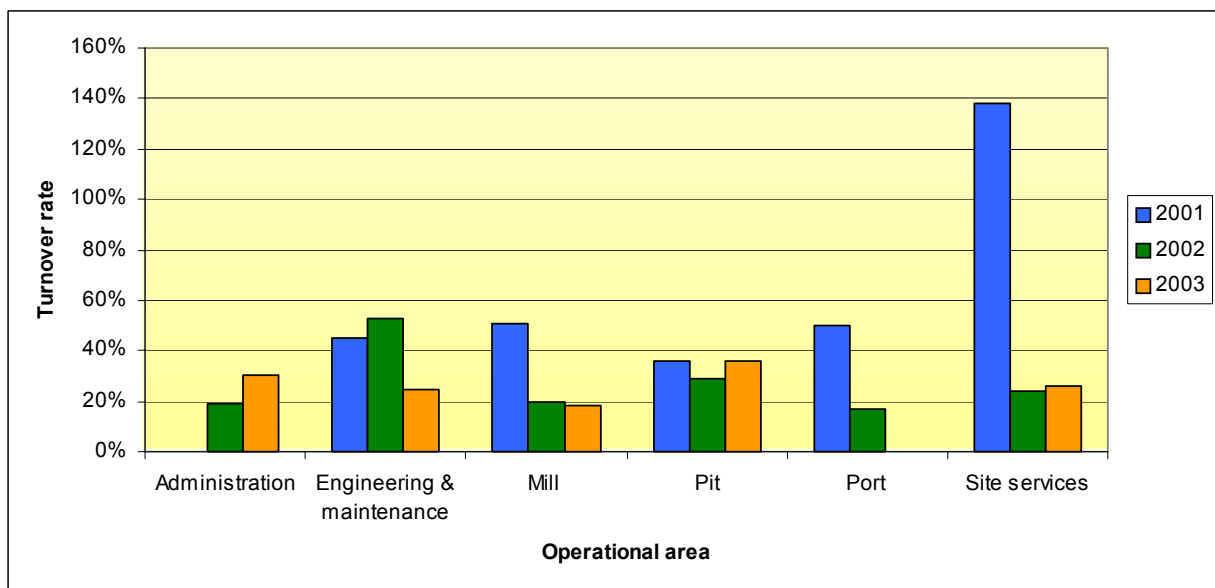
The mine accounted for 45 per cent of new recruits between April 2002 and March 2003. The share of recruitment to the administration and port areas of the operation has decreased over time, levelled off for site services, increased for engineering and maintenance services and fluctuated for the mill.

Possible reasons why recruitment to the pit is higher than to other areas of the operation are:

- REJV management commitment to sourcing local Aboriginal recruits;
- the pit is the largest operational area and for new entrants without the necessary formal qualifications, it provides the main entry point;
- a greater number of vacancies have been created due to the higher number of separations within the pit.

The pit accounted for the highest rate of Indigenous turnover during the 2003 period (36 per cent)<sup>7</sup>. Figure 9 shows that separations from the mill, port and site services decreased between March 2001 and March 2003, levelled off for engineering and maintenance services and increased for the administration area of the operation. Apart from the port and mill, all other areas of the operation had an Indigenous employee turnover rate of 25 per cent or more during the 2003 period.

**Figure 9. Aboriginal turnover rates by operational area**



<sup>7</sup> Employees in the pit work for the following companies: Pasminco MTS, NSK, Orica and REJV. Turnover rates reported for REJV are consistently higher than estimates from the GCA excel database. This is most likely attributable to the way in which turnover has been calculated (monthly annualised versus twelve month rolling average) and the use of Indigenous versus GCA based figures. However, it is important to reconcile the databases and to define common reporting terms in order to obtain consistent results between company and contractor.

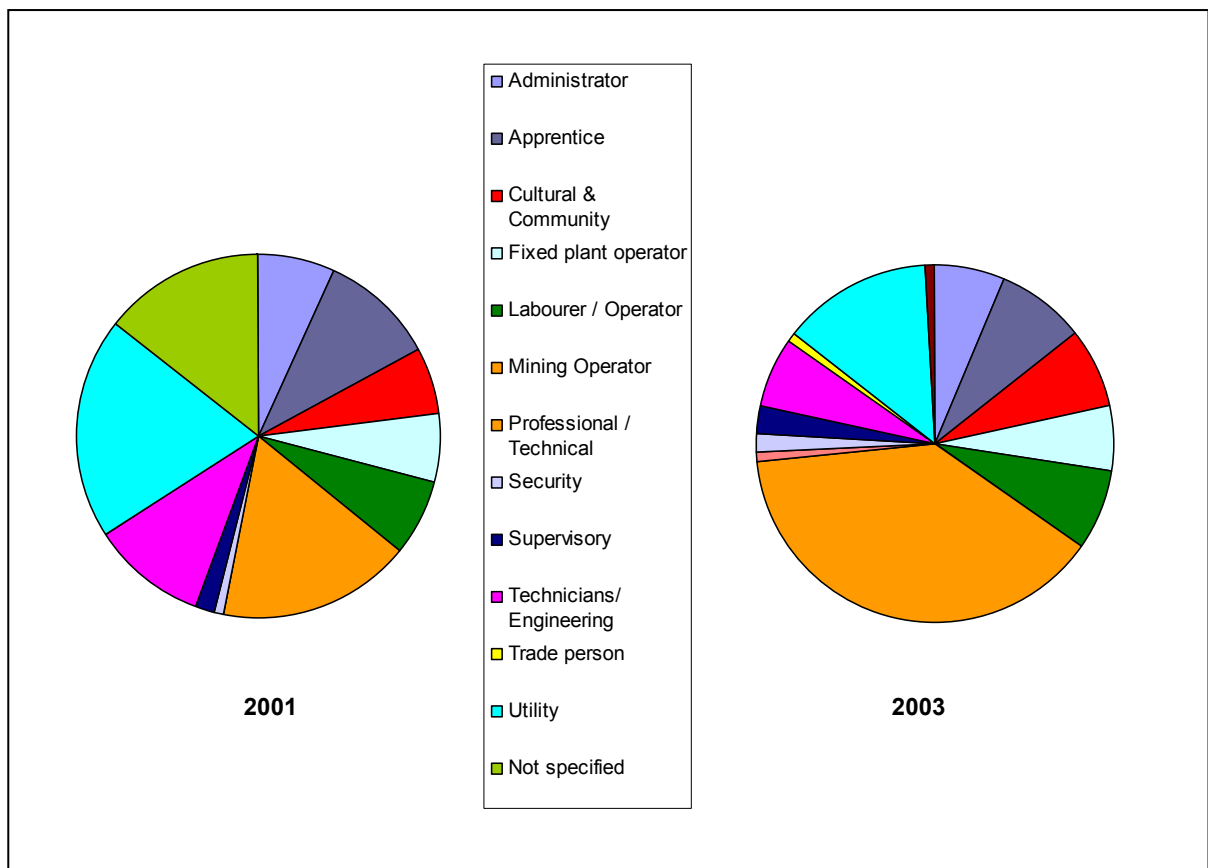
## Employment by position type

In line with the growing importance of the pit as a source of employment, the number of Aboriginal mining operators doubled in the 2001-2003 period, to account for 39 per cent of all positions held by Aboriginal employees in March 2003 (figure 10).

The number of Aboriginal people employed in and being recruited to 'utility' positions (i.e. service providers such as cleaners and hospitality staff) declined over the same period. There was also a levelling off in the number of apprentices.

The recent ABARE study of 112 mine sites in Australia likewise reported that most Aboriginal people were employed production positions. However, in comparison to the industry average, a greater proportion of Aboriginal employees at Century are employed in administrative and utility positions and less in trade and labouring occupations.

**Figure 10. Occupational composition of Indigenous workforce**



### Career progression

Figure 10 illustrates that up until March 2003 very few Aboriginal employees had progressed to supervisory level positions (although this may change if the current group of apprentices complete their training and elect to stay at Century). Similar findings have been reported in the recent ABARE study.

The need for Aboriginal employees in mentoring positions is critical, not only for personal development reasons, but to boost the morale of other Aboriginal employees. Leadership qualities and skills developed in supervisory roles are also transferable beyond the mine and will help build human capital in the Gulf.

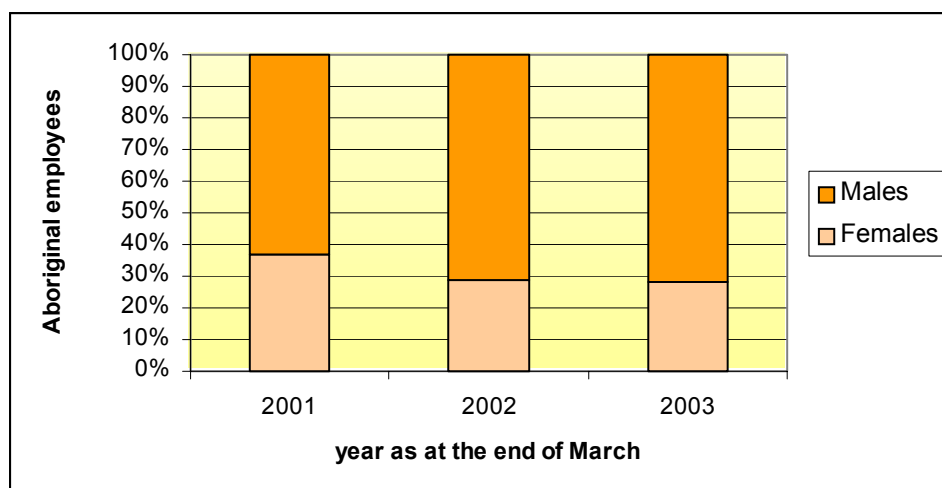
Support needs to be provided to those who show supervisory potential and willingness to take on the role. Another suggestion has been to employ Aboriginal persons from outside the Gulf if suitable local persons cannot be found for supervisory positions.

It was pointed out to us that the GCA employment database may under-represent actual career progression. For example, the database does not differentiate between the six staged competency and pay scale levels of REJV employees. It is likely that the company and the various contractors have adopted different competency and pay level scales. A suggestion is to standardise these by classifying all position types into a defined set of skill / competency categories. In this way, career progression across the whole site could be tracked and comparisons made between different employment areas.

### Gender trends

Aboriginal females as a percentage of all Indigenous employees declined from close to 40 percent in 2001 to just under 30 per cent in 2003 (figure 11). This trend could be related to a drop in the number of utility positions (a traditionally female dominated occupation) since 2001 and the increasing dominance of mining operators (a traditionally male dominated occupation). According to the GCA employment database, during the 2001 – 2003 period only five females were recruited to the pit and three to the administration part of operations.

**Figure 11. Gender composition of the Indigenous workforce**



Barriers to employment of women in the mining industry are many. Further research is required to assess the impact of such factors as age distribution, family commitments, and FIFO rosters. For example, the three-day working week for the casual work pool in the administration area may provide the flexibility that allows women to combine work and family commitments. This model may be transferable to some other sections of the mine. The gender composition of the Aboriginal workforce should continue to be monitored.

While there is scope to increase the employment of Aboriginal women at Century, it should be noted that the representation of women in the Aboriginal workforce is much higher than in the Australian mining industry as a whole, where women account for only six percent of full-time employees (ABS, 2003<sup>8</sup>).

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<sup>8</sup> ABS. Labour Force, Australia, Detailed 6291.0.55.001 - Table 11: Employed persons by Actual hours worked, Industry and Sex <http://www.abs.gov.au/ausstats/> Accessed: 5 November 2003.

## **PART 3: ISSUES FOR CONSIDERATION**

### **Targets and performance measurement**

As discussed, if current recruitment and retention rates are maintained, the proportion of Aboriginal employees at Century will increase only marginally in the coming years. Further substantial gains in Aboriginal employment will only be achieved by improving performance in one, or both, of these areas. Arguably, the most cost-effective strategy is to increase retention, given the substantial costs involved in recruiting and training new employees.

The setting of short term, incremental targets and specific sub-targets (eg: to increase the number of Aboriginal employees in supervisory positions by X amount; or reduce workforce turnover by X amount) is likely to focus efforts on achievable goals and will help build good will between PCML and the communities when these goals are met.

### **Information management & dissemination**

The draft GCA review report, which was circulated for comment in August 2002, observed that:

There is a shortage of valid employment data held on site. There is an urgent need for a more comprehensive information system to support the improvement of recruitment and selection practices.

In a report provided to PCML in September, we identified a range of shortcomings with existing data systems and proposed a number of specific actions in response. Century management is currently addressing these issues.

Various perceptions exist on site and in the communities as to how well Century is faring in terms of Aboriginal employment and training. Maintaining a comprehensive and accurate employment and training database will allow for the better monitoring of trends. This information also needs to be clearly presented and explained – both onsite to management, contractors and employees and off site to the Gulf communities. This is so all parties can grasp the issues and the complexities involved. For Aboriginal people, personal stories are also important and need to be conveyed along with the numerical data.

Improved information systems are also required to support the evaluation of training, recruitment and retention initiatives. The State Government has recently committed \$1.5m over three years to continue to provide training support under the GCA, although not all of this money will be used to support employment initiatives at Century. PCML and REJV have likewise made a heavy investment in this area. Given the money and effort being expended on training local Indigenous people for employment, it is essential that there be on-going monitoring of these programs. In addition to periodic, more detailed reviews (such as the evaluation undertaken by Hall and Driver in 2001)<sup>9</sup>.

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<sup>9</sup> John Hall and Mark Driver, *Queensland Support for Training and Employment through the Gulf Communities Agreement and Century Mine*, Department of Employment and Training, January 2002.

## **Implications for recruitment and retention**

The primary purpose of this study has been to identify and analyse patterns and trends, rather than propose specific strategies for increasing Aboriginal employment at Century. Detailed strategy development is the responsibility of PCML and the major contractors, in consultation with the GCA Employment and Training Committee. However, some issues have been highlighted that warrant attention.

- Former employees will become an increasingly important recruitment pool the longer that the mine operates. PCML and the major contractors need to continue with their efforts to implement strategies to make contact with ex-employees in the communities and facilitate their return to Century.
- It will be difficult to make significant headway against employment targets unless retention rates can be improved. The recent move from a 3 weeks on/1 week off roster in the pit to a 2 weeks on/ 1 week off roster is a positive development in this regard, although it will be some time before the impact of this change can be gauged.. Consideration should also be given to the practicality and desirability of allowing local employees to work more flexible arrangements (eg. 1 on/1 off at commensurately lower pay). The concept of ‘tours of duty’, with periodic extended breaks, likewise warrants further investigation.
- While Century’s performance on female recruitment is good by comparison to most mines, further gains may be possible in this area, particularly if more flexible working arrangements can be implemented.

## **Further research**

This initial study has identified a number of areas where further research would be beneficial. They include the following:

*What are the main reasons why Aboriginal employees leave Century and are they influenced by different considerations than non-Indigenous employees?* This information is critical for designing effective retention strategies.

*What do ex- employees do after leaving Century?* The issue here is whether former employees take up other paid work elsewhere or otherwise build on the skills and experience that they have developed, or instead become dependent on Community Development Employment Projects (CDEP) or welfare benefits. Such information is needed to assess the contribution of the GCA, and the Century project in particular, to the development of human capital in the Gulf region and beyond.

*What are the long and short-term impacts of employment – both positive and negative – on employees and their communities?* For instance: to what extent is the additional income generated from employment being spent in the communities, and what is it being spend on? How many people are being supported directly or indirectly by wages earned from Century?

In particular, are employees taking steps to invest in the education of their children? Is money being saved and/or invested? Some of these questions may be sensitive and difficult to explore, but an attempt needs to be made to collect these data in order to assess the overall value and impact of the GCA.

*What is the size of the employment pool in the Gulf Communities and is it likely to grow or diminish in the future?* This information would assist Century to develop realistic short-term targets for the Gulf communities and focus its recruitment efforts, and would also aid in the development of Government policies for the region.

*To what extent, and by what means, can the employment gap between Normanton, Doomadgee and Mornington Island be reduced?* The uneven distribution of employment opportunities between these communities has been a cause of considerable discontent in the Gulf. Further work is required to identify obstacles to increasing employment from Doomadgee and Mornington Island and develop strategies for addressing this discrepancy.



## APPENDIX A: CENTURY DATA COLLECTION TABLE

<b>Data Sought</b>	<b>Rationale for collecting data</b>	<b>Is this information currently held in a database? (If yes, please provide details and indicate time frame for which available)</b>	<b>If not in a database, is the information retrievable from personnel files or other sources? (If yes, provide details)</b>	<b>Importance of collecting data. (To be determined by Project Steering Committee)</b>
<p><i>Training</i></p> <p>Number of people from each GCA community who have enrolled in pre-employment training courses provided under the GCA</p>	<p><i>To identify the extent of inter-community differences in training participation</i></p>			
<p>Training completion rates (i.e. % of people enrolled in programs who finish them) for each community group</p>	<p><i>To identify whether 'drop out' rates are an issue</i></p>			
<p>Number of people from each GCA community who have completed pre-employment training courses and subsequently obtained employment at Century</p>	<p><i>To help assess the overall effectiveness of pre-employment training and recruitment processes</i></p> <p><i>To identify any significant inter-community differences in employment 'take-up' rates from training programs</i></p>			

Number of people from each GCA community who have obtained employment at Century without undergoing pre-employment training	<i>To assess the contribution of pre-employment training to overall Indigenous employment at Century</i>			
<i>Employment</i> Number of Indigenous employees employed in each major occupational category; also broken down by employment status (permanent, contract, casual) and employing company	<i>To map the overall representation of Indigenous people in the Century workforce</i>  <i>To assess the extent to which there has been changes over time in the Indigenous employment profile at Century</i>			
Educational/trade qualifications of Indigenous employees	<i>To help assess the extent to which lack of qualifications and education is an obstacle to increasing Indigenous employment at Century</i>			
Gender composition of Indigenous and non-Indigenous workforce	<i>To help determine whether there are particular difficulties in recruiting women employees from the communities</i>			

<p>Number of people recruited from each GCA community who have obtained employment at Century since the commencement of operations <u>plus</u> the length of time they have each worked at Century (include periods of broken employment)</p>	<p><i>To assist in assessing the net direct economic contribution of Century employment to the local communities</i></p>			
<p>Current residence details for Indigenous employees, according to community of origin</p>	<p><i>To assess the extent to which there is significant movement out of the communities once people obtain employment</i></p>			
<p><i>Turnover and Retention</i></p> <p>Annual rate of turnover for:</p> <ul style="list-style-type: none"> <li>(a) the workforce as a whole, broken down by operational area (mine; plant; admin; maintenance)</li> <li>(b) Indigenous vs. non-Indigenous employees in each operational area</li> <li>(c) Indigenous employees according to community of origin</li> </ul>	<p><i>To ascertain whether turnover rates for Indigenous and non-Indigenous employees differ</i></p> <p><i>To check for possible inter-community differences</i></p>			

Absenteeism, sick leave and special leave levels for Indigenous and non-Indigenous employees	<i>To help assess whether Indigenous employees are experiencing more stresses in their non-work environment</i>			
Results of exit interviews	<i>To ascertain whether this data throws any light on reasons for leaving – for both Indigenous and non-Indigenous employees</i>			
Number of employees dismissed for failing D&A tests, according to Indigenous/non-Indigenous status and community of origin	<i>To assess whether this a significant factor impacting on Indigenous employment and turnover</i>			