



3 May 2021

Mr Julian Lesser MP
Chair
House of Representatives Standing Committee on Indigenous Affairs
CANBERRA ACT 2600

IndigenousAffairs@reps.aph.gov.au

Dear Chair

Responses to questions on notice from 25 March 2021 hearing

The MCA appreciated the opportunity to appear before the House of Representatives Standing Committee on Indigenous Affairs on 25 March. Your important inquiry will help shape new and better employment and enterprise pathways and participation opportunities for Indigenous Australians.

Noting the minerals industry's long-standing partnerships with First Nations landholders and communities, the committee requested further information and case studies to inform its inquiry. This adds to the MCA's February 2020 submission.¹

A long-standing partnership

Indigenous Australians are a core partner in mining and industry is a major stakeholder in the economic development of First Nations landholders and communities. Mining embraces its responsibility to support First Nations to achieve their economic aspirations and priorities.

Economic independence and development is a long-standing priority for many First Nations partners. Industry local employment, tailored training and preferential business opportunities aim to contribute to these aspirations. Opportunities for young people, especially those from remote communities and to work on country, are often particularly important. While direct project participation is a focus, skills and experience gained in mining industry can provide a pathway to other opportunities.²

Following deep engagement with national and local leaders, the minerals industry was one of the first sectors to implement specific Indigenous employment and enterprise targets, policies and programs. Activities directly link to or build on commitments in land use agreements. Voluntary activities are common. The MCA's submission to the ongoing inquiry into Traditional Owner participation in Northern Australia provides further information about this context.³

Increasing participation by Indigenous Australians across the mining value chain also enables industry to access a committed workforce and supplier network with strong ties to operations, communities and regions and with important perspectives and knowledge.

¹ Minerals Council of Australia, [Submission to the inquiry into pathways and participation opportunities for Indigenous Australians in employment and business](#), MCA, Canberra, February 2020.

² S. Holcombe & D. Kemp, [Indigenous Employment Futures in an Automated Industry: An Issues Paper and Agenda for Research](#), Centre for Social Responsibility in Mining, Brisbane, 2018, p. 8.

³ Minerals Council of Australia, [Submission to the Joint Standing Committee on Northern Australia inquiry into opportunities and challenges associated with Traditional owner participation in Northern Australia development](#), MCA, Canberra, 18 March 2019.

Working with Indigenous Australians – as well as governments and other stakeholders – to develop, deliver and improve economic opportunities for communities has delivered many positive outcomes. However there is much more to do. The industry will work harder to support Indigenous Australians to achieve their aspirations and priorities.

The MCA's role in Indigenous employment and enterprise pathways

The MCA represents Australia's exploration, mining and minerals industry processing industry with its members accounting for the majority of national minerals production. Advancing responsible business practices through policy advocacy and practical support is an important part of this role.

Contributing to policies, research and resources to enable industry to support the economic priorities of Indigenous Australia is a long-standing MCA priority. Key actions include:

- Developing [Enduring Value – The Australian Mining Industry Framework for Sustainable Development](#) in 2005 to articulate the sector's commitment and approach to sustainable development.⁴
- Partnering with the Australian Government to directly promote local employment, training and enterprise opportunities for Indigenous Australians between 2005 and 2015, including *Getting it right: Indigenous enterprise success in the resources sector*.
- Leading industry-wide engagement with national and regional Indigenous leaders to build shared understanding and unlock economic pathways. This led to the landmark 2011 *Minerals Industry Economic Development Strategy*.⁵
- Co-developing and jointly advocating for policies and programs to improve the native title regime, enable native title holders to realise economic benefits and support Indigenous Australian business owners and entrepreneurs.⁶
- Commissioning important research to understand, improve and guide strong partnerships between industry and Indigenous Australians, such as *Conflict to Cooperation* in 2015 and [Crafting the Future: Minerals industry engagement with Indigenous Australia](#) in 2017.
- Contributing to leading practice national and global guidance, including the Australian Government's [Leading Practice Handbook: Working with Indigenous Communities](#).

In its national leadership role, the MCA is working with industry to assist companies to strengthen First Nations partnerships. Work is led by a committee of senior industry executives and reports directly to the MCA Board. Actions underway or planned include:

- Implementation of the Towards Sustainable Mining system. MCA members will regularly and consistently report on site-level performance against defined social, community, environmental and governance through TSM. Adaptation for the Australian context, including indicators regarding First Nations partnerships, is ongoing.⁷
- A statement of commitment reinforcing industry's commitment to respectful partnerships with First Nations landholders and communities on common priorities.
- A baseline survey capturing the type and impacts of industry social and economic commitments and programs, such as preferential procurement programs.
- Supporting improvements to ensure an equitable, stable and practical native title regime, and better enable native title holders to deploy monies for economic development. Increased funding for Traditional Owner corporations is critical to improved economic outcomes.

⁴ Minerals Council of Australia, [Enduring Value Framework](#), MCA, viewed 19 April 2021.

⁵ Minerals Council of Australia, *Indigenous Economic Development Communique*, MCA, Canberra, 2016.

⁶ See various submissions, including the 2019 submission to the Joint Standing Committee on Northern Australia inquiry into Traditional Owner participation in Northern Australian development.

⁷ T. Constable (Chief Executive Officer), [Australian minerals industry takes transparency to the next level](#), media release, 3 March 2021.

- Acting as secretariat for an MCA-initiated pilot forum bringing together industry, Indigenous organisations, government agencies and academia to share strategies and research relating to land use agreement implementation. Outcomes include a world-first online library for leading practice research, tools and guidance.⁸
- Advancing industry Indigenous employment, career development and enterprise programs and advocating for fit-for-purpose Australian Government initiatives.

Indigenous Australian participation in the minerals workforce

Overview

The minerals industry is proud that approximately 6,600 Indigenous Australians choose to work in mining – representing a 2.5 times increase between 2006 and 2016.⁹

Indigenous Australians account for approximately 3.8 per cent of the national mining workforce, the highest rate of participation of any sector. Participation is generally higher in major mining regions. For example, the resources sector has reached employed parity in Queensland with Indigenous Australians representing four per cent of the workforce. The public service is the only other sector to achieve parity in the state.¹⁰

Analysis indicates mining became the largest employer of Indigenous Australian men in remote areas between 2011 and 2016, accounting for about 18 per cent of total employment by this group.¹¹

Indigenous Australians represent 9.7 per cent of all mining apprentices and trainees, higher than the all-industries average of 7.3 per cent.¹² In Western Australia, Indigenous Australians are estimated to account for approximately 22 per cent of all resources industry apprentices.¹³

2016 Census data provides a high level of overview of the types of roles Indigenous Australians are engaged in across the mining industry. Analysis indicates that approximately 55 per cent identified as in operational roles, such as truck, ancillary equipment and infrastructure operations.¹⁴ 24 per cent identified as in trades and technical roles, which could include as electricians, mechanics, diesel fitters, carpenters, plumbers as well as laboratory, processing and environmental technicians.¹⁵ Six Percent identified as in laboring roles, which could include site maintenance and other support services.¹⁶ The remaining five per cent identified as in professional roles, which could include geology, engineering, community and social performance, training and administration.¹⁷

Industry priorities

Increasing the number of Indigenous Australians in professional, trades, technical and leadership roles is a priority for the minerals industry. It is especially important as the minerals industry's skills and workforce profile adapts to increasing integration of technology.

The MCA is proud to be delivering the Mining Skills Organisation Pilot. The pilot is one of three pilots to strengthen Australia's vocational education and training system as part of the Australian Government's Skills Package. Through the pilot, industry will create 1,000 additional apprenticeships, develop accredited training products to support digital technologies and improve attraction and retention.¹⁸ Most will be in regional Australia.¹⁹

⁸ Centre for Social Responsibility in Mining, [Indigenous Mining Futures](#), University of Queensland, viewed 20 April 2021.

⁹ Department of Prime Minister and Cabinet, [Closing the Gap Report 2018](#), Australian Government, Canberra, 2018, p. 78.

¹⁰ Queensland Resources Council, [Indigenous communities](#), QRC, viewed 16 April 2021.

¹¹ D.Venn & N. Biddle, [Employment Outcomes: 2016 Census Papers](#), Centre for Aboriginal Economic Policy Research, Canberra, May 2018, p. 12.

¹² National Centre for Vocational Education Research, [Apprentices and trainees](#), NCVET, viewed 29 April 2021.

¹³ Chamber of Minerals and Energy Western Australia, [Diversity in the Western Australian Resources Sector](#), CME, Perth, 2020, p. 25

¹⁴ Centre for Social Responsibility in Mining, op. cit. p. 8.

¹⁵ *ibid.*, p. 8.

¹⁶ *ibid.*, p. 8.

¹⁷ *ibid.*, p. 8.

¹⁸ Minerals Council of Australia, [Mining Skills Organisation Pilot](#), MCA, viewed 29 April 2021.

¹⁹ Minerals Council of Australia, [Pre-Budget Submission 2021-22](#), MCA, Canberra, 2021, p. 3.

BHP and Rio Tinto have developed tailored programs to support Indigenous Australians to transition to different or leadership roles (Appendix 1).

At the same time, the minerals industry will continue to partner with local First Nations communities, Indigenous organisations and governments to provide tailored work readiness programs. These programs will remain especially important for employees with limited work experience and/or require additional assistance to transition to the minerals workforce.²⁰

First Nations women represent approximately 20 per cent of all Indigenous Australians directly employed in the industry.²¹ Industry's work to increase participation by Indigenous Australian women in the minerals industry includes supporting First Nations-led organisations such as the Stars Foundation and Indigenous Women in Mining and Resources Australia (Appendix 1).²² The Women in Resources National Awards is another important forum for increasing the visibility and recognising the contribution of First Nations women.

A long-term commitment to procuring from and partnering with Indigenous enterprises

Indigenous Australian businesses supply high quality goods and services to mining projects, operations and corporate offices across Australia. Industry is proud of its long-term and ongoing contribution to the development and growth of Indigenous Australian businesses, particularly Traditional Owner-owned businesses in host communities.

The University of Melbourne's first-of-a-kind study highlights the importance of the mining industry in supporting the Indigenous business sector growth over more than a decade.²³

Appendix 3 highlights Indigenous procurement and enterprise partnership approaches at Rio Tinto, AngloGold Ashanti and Thiess.

Various tools and resources have also been developed to assist industry to enhance engagement with Indigenous enterprises. An important tool is the Aboriginal Enterprises in Mining, Exploration and Energy Indigenous Procurement Evaluation Checklist, which enables mining and resources companies to assess and improve their systems and capability to successfully partner with Indigenous businesses.²⁴ Other resources include a benchmarking tool for leading practice procurement programs and the good practice guide to Indigenous employment, training and enterprise.²⁵

Creating an enabling environment by investing in the fundamentals

The committee sought further information about the circumstances and policies that could support Indigenous Australians to achieve their aspirations through employment and enterprise. Adding to its 2020 submission to this inquiry, the MCA recommends the Australian Government:

- Direct further efforts towards the appropriate collection, analysis and publication of data relating to the Indigenous business sector and Indigenous employment, training and education.
 - The December 2020 *Linking Indigenous Communities with Regional Development in Australia* report for the National Indigenous Australians Agency emphasises the importance of robust, timely and targeted data collection.²⁶

²⁰ Centre for Social Responsibility in Mining, op. cit. pp. 8 – 9.

²¹ Note: women represent approximately 17 per cent of the total minerals industry workforce nationally.

²² T. Constable (Chief Executive Officer), [MCA supports #EachforEqual by backing young Indigenous women and more female mining leaders, media release](#), Minerals Council of Australia, Canberra. 5 March 2020.

²³ Melbourne Business School, [Indigenous Business Sector Snapshot Study](#), University of Melbourne, Melbourne, April 2021, pp.14-15.

²⁴ Aboriginal Enterprises in Mining, Exploration and Energy, [Indigenous Business Procurement Evaluation Checklist](#), AEMEE, Brisbane, 2018.

²⁵ These and other resources are available from the [Indigenous Mining Futures](#) online e-library.

²⁶ Organization for Economic Cooperation and Developing, [Linking Indigenous Communities with Regional Development in Australia](#), OECD, viewed 29 April 2021.

- Its recommendations for a consistent Indigenous business identifier, improved data access and strengthening Indigenous data governance models are relevant for this committee.²⁷
- Continue to support collaborative research to understand features of leading practice Indigenous preferential procurement programs. The Melbourne Business School's innovative Indigenous Business Sector Snapshot Study provides important new perspectives on the sector's depth, diversity and operations.
- Promote the diversity and capability of Indigenous businesses operating in urban, regional and remote areas.
- Support place-based planning initiatives that aim to integrate Indigenous economic empowerment strategies and broader regional development programs.
- Co-develop Indigenous business development and procurement programs with First Nations business owners, entrepreneurs and specialists and major customers, including the minerals industry.

Recommendations in the MCA's submission to the inquiry into Traditional Owner participation in Northern Australia development are also relevant for this inquiry, particularly:

- Applying a strengths-based and community-led approach to Indigenous economic development strategies and approaches
- Increasing government funding and support for Traditional Owner organisations, especially Prescribed Body Corporates, to establish strong foundations and unlock economic opportunity.

More information

The MCA appreciates the opportunity to contribute to the committee's important inquiry. Please do not hesitate to contact Principal Adviser Social Policy Jillian D'Urso [REDACTED] for further information.

Yours sincerely

[REDACTED]
TANIA CONSTABLE PSM
CHIEF EXECUTIVE OFFICER

²⁷ *ibid.*

APPENDIX 1 – EMPLOYMENT, TRAINING AND LEADERSHIP PATHWAYS

Whitehaven Coal – A whole-of-mine approach leads to success

In 2015 Whitehaven Coal set an important target: achieve 10 per cent Indigenous Australian employment at its Maules Creek mine by 2015. This is equal to the proportion of Indigenous Australians in the surrounding area.

Working with local Traditional Owners, Whitehaven Coal quickly exceeded its target. In 2020, about 20 per cent of its Maules Creek Workforce – 150 people – identified as Indigenous Australians. The majority are employed in operational roles with a focus on upskilling and career pathways.

Whitehaven attributes this outcome to a strong and consistent focus and commitment by site and company leadership. All team members are responsible for supporting Indigenous Australian team members. Active and ongoing engagement with Traditional Owners through jointly celebrating success and identifying opportunities is integral. A respectful workplace culture also contributes to a high retention rate.

This approach has benefits for Indigenous Australian employees, local Traditional Owners and Whitehaven: communities benefit from highly paid, stable employment and the company benefits from a committed residential workforce with strong ties to the area.

A new partnership established in 2020 will build on this success. Together with Traditional Owners, Whitehaven is working to attract Indigenous Australians from other mining regions to the site.

Whitehaven employed 219 Indigenous Australians in 2020 – nine per cent of its total workforce.²⁸

BHP Indigenous Leadership and Development Programs

BHP has a leadership parity aspiration of three per cent of Indigenous Australian representation at manager-level and above across its Australian operations by 2028. The BHP Indigenous Leadership Program – a tailored initiative assisting Indigenous leaders within BHP to develop their careers – will help achieve this.

The program builds on the Indigenous Development Program. Established in 2014-15, the development program assists Indigenous Australians to move into different roles or prepare for leadership positions within BHP. It responded to research indicating Indigenous Australian employees would benefit from improved access to training, mentoring and more exposure to senior leaders. Since its establishment, 49 per cent of program participants have moved into new roles and 20 per cent have been promoted into leadership position.²⁹

Increasing Indigenous Australian leadership at Rio Tinto

Rio Tinto is investing US \$50 million to increase the number of Indigenous Australians in leadership positions across its business.³⁰ The comprehensive approach includes:

- Enhancing hiring practices
- Pairing senior leaders with Indigenous employees to support two-way learning. Senior leaders enhance cultural competence and Indigenous employees receive support to develop their careers
- Developing a career development for all Indigenous Australian employees
- Building cultural competency across the organisation.³¹

²⁸ Whitehaven Coal, *Sustainability Report 2020*, Whitehaven Coal, Australia, 2020, p. 53.

²⁹ BHP, *Developing Indigenous leaders in Minerals Australia*, BHP, viewed 19 April 2021.

³⁰ Rio Tinto, *Annual Report 2020*, Rio Tinto, Australia, 2021 p. 76.

³¹ *ibid.*

Women in Resources National Awards

The MCA is proud to host the National Women in Resources Australia, an initiative to celebrate and promote the achievement, opportunities and career paths of women across the sector.

In 2020 two exceptional First Nations women were among five winners at the annual Women in Resources National Awards. Jennifer Ward received the Thiess Outstanding Operator Award for her leadership at Newmont's Boddington mine and in the community. Compass Group's General Manager Diversity, Inclusion and Indigenous Engagement Vanessa Davies received the St Barbara Excellence in Company Programs and Performance Award for the company's 'Launch into Work' program.³²

Indigenous Women in Mining and Resources Australia

The MCA is proud to be a long-standing supporter of Indigenous Women in Mining and Resources Australia. IWIMRA is a First Nations-led organisation celebrating, promoting and connecting Indigenous women working in the mining and resources industry nationally and globally.

IWIRMA is transitioning to provide direct support for companies to improve practices to support the recruitment, retention and career advancement of First Nations women.³³

APPENDIX 2 – TAILORED EMPLOYMENT PROGRAMS

Thiess – Partnering to build skills for inmates in New South Wales

For more than a decade, mining services company Thiess has worked with local partners to established tailored employment pathways for Indigenous Australians.

In another first of a kind partnership, Thiess' Mount Pleasant and Mount Arthur Coal teams and New South Wales Corrective Services Industries worked together to help inmates at a local correctional centre develop new skills.

CSI developed quality refurbished and new buildings to meet site requirements through the partnership. More than 45 inmates assisted with the work, gaining trade and practical skills that will help them transition to employment post-release.

Local Aboriginal companies Blackrock Industries and Bodycote Constructions were also engaged to assist with installation. Both companies drew on the skills of workers from the program.

Thiess' mining clients were fully supportive of its involvement.³⁴

Glencore – Supporting an Indigenous-led pilot work readiness program

Glencore Oaky Creek's support for a pilot work readiness program by the Indigenous-owned DBS QLD Pty Ltd in 2019 led the company establishing an Indigenous Employment Pathways Program in 2020.

The pathways program aims to prepare and provide employment opportunities for unemployed Indigenous Australians living in or with connections to areas directly affected by Glencore's coal operations and actively seeking industry employment held over 26 weeks, the program includes site-based work and training.

The 2020 program was rolled out in Queensland's Teiri and Glenden communities with positive results. In Queensland, nine of the 14 participants that completed the program gained employment with Glencore contractors. In an equally valuable outcome, some other graduates are now working outside the resources sector.

The New South Wales 2021 program commenced in March and two Queensland programs in April.³⁵

³² T. Constable (Chief Executive Officer), [Talent & Diversity Shine at BHP Women in Resources National Awards, media release](#), 16 September 2021.

³³ Indigenous Women in Mining and Resources Australia, [About](#), IWIRMA, viewed 20 April 2021.

³⁴ CIMIC, [Thiess among finalists for prospect awards](#), CIMIC, viewed 14 April 2021.

³⁵ Glencore, [Sustainability Report 2020](#), Glencore, Switzerland, April 2021, p. 66.

APPENDIX 3 – INDIGENOUS ENTERPRISE PROGRAMS AND PARTNERSEHIPS

Prioritising Indigenous Australian suppliers in Australia

In 2020 Rio Tinto's Australian businesses procured A\$293 million in goods and services from Indigenous Australian-owned suppliers and contractors.³⁶ Rio Tinto's approach to continuously increasing procurement from Indigenous businesses includes:

- Implementing procurement policies and targets
- Establishing local employment and targets
- Dedicated local procurement teams and officers.

AngloGold Ashanti – A 25 year partnership with Carey Mining

Carey Mining – an Aboriginal owned and operating mining services business – celebrated 25 years of operations in February 2021.

Founded by Daniel Tucker AM, Carey Mining today employs more than 360 people across its mining, rehabilitation, civil, construction, plant, equipment and training services arms. About 40 per cent of Carey Mining's employees are Indigenous Australians.³⁷

AngloGold Ashanti was the first mining company to award Carey Mining a contract in 1995. In 1996, Carey Mining partnered with Downer EDI on the mining contract at AngloGold Ashanti's Sunrise mine – a significant milestone for an Indigenous business.³⁸

It is a relationship that remains strong, with Carey Mining recently awarded the contract to provide full mining services at AngloGold Ashanti's Golden Delicious open cut mine in Western Australia. Full mining services includes loading and hauling, drilling and blasting and ore haulage.

AngloGold Ashanti has a long-term commitment to procuring from Indigenous suppliers and contractors. Commencing during construction in 2011, AngloGold Ashanti 'unbundled' contract packages into discrete contractors and custom-designing contracts for local and Indigenous enterprises.³⁹

Thiess - Partnering to build long-term capability

Mining services company Thiess partners with Indigenous businesses on various mining contracts.

In 2018, Thiess and Anangu Mining, an Antakrinija Matu-Yankunytajita enterprise, were awarded a five year \$112 million contract for mining services at OZ Minerals' Prominent Hill mine. Thiess is assisting Anangu Mining to build their plant and equipment fleet and commercial capability as part of the contract. Strengthening the Anangu Mining business will assist to minimise impacts of demobilization on local Aboriginal employment.⁴⁰

In 2019, Wirlu-murra Enterprises Pty Ltd was awarded a major infrastructure contract with FMG. Thiess assisted its Wilru-murra partner to develop its business capability through a partnership at the Solomon Mine between 2015 and 2019.⁴¹

Partnering to support a community environmental programme in Wepia

In planning for the development of the Arumn project, Rio Tinto worked with Traditional Owner Elders to develop a long-term plan to protect cultural heritage sites, support environmental conservation and

³⁶ Rio Tinto, Annual Report 2020, [Rio Tinto](#), Australia, 2021, p. 19.

³⁷ D. Tucker (Chief Executive Officer), [Carey Group celebrates 25 years in business](#), media release, 12 February 2021.

³⁸ D. Tucker (Chief Executive Officer), Carey Mining and AngloGold Ashanti [Australia celebrate 20 year relationship](#), media release, 6 July 2017.

³⁹ AngloGold Ashanti, [Indigenous employment programme in Australia](#), viewed 14 April 2021

⁴⁰ CIMIC, [Prominent Hill](#), Thiess, viewed 14 April 2021.

⁴¹ Fortescue Metals Group, [Fortescue awards A\\$179 million in contracts to Aboriginal businesses](#), viewed 14 April 2021.

contribute to community aspirations. The plan ensures Traditional Owners are involved in all heritage, environmental and community activities.

A key aim of the plan is to support young people to understand their culture, responsibilities and connections as Traditional Owners. To support these aims, the Wik-Waya people and Rio Tinto worked to establish a tailored environmental management program.

To support the program's development, the team and program are currently operating within Rio Tinto's land and rehabilitation department. Over time the program is intended to become a standalone community organisation delivering services to the mine.

BHP – Contributing to economic empowerment

'Meet the Buyer' events and increased local outreach and support is helping BHP to increase procurement spend with Traditional Owner business. As a result, BHP Western Australian Iron Ore increased the number of Aboriginal business it engaged with from 31 to 43 between 2018-19 and 2019-20. 27 businesses were Traditional Owner-owned.⁴²

The BHP Local Buying Program – delivered through the specialist cost-neutral organisation C-Res - has contributed to these outcomes. Its approach includes:

- Working with BHP business areas to promote leading practice local procurement approaches⁴³
- Attending BHP events to promote the program among BHP employees not directly involved⁴⁴
- Participating and promoting local business events such as the Pilbara Summit and Pilbara Aboriginal Business Forum to network with Aboriginal business and community representatives.⁴⁵

Over the next five years BHP expects to spend more than \$400 million with Indigenous Australian businesses.⁴⁶

⁴² BHP, [Western Australian Iron Ore Community Development Report 2020](#), Australia, 2020, p. 8.

⁴³ BHP, [Western Australia LBP Highlights – July to September 2019](#), viewed 29 April 2021.

⁴⁴ *ibid.*

⁴⁵ BHP, [Western Australian Iron Ore Community Development Report 2020](#), Australia, 2020, p. 8.

⁴⁶ *ibid.*