



Submission No 86

Review of Australia's Relationship with the Countries of Africa

Organisation: Department of Resources, Energy and Tourism -
Answers to Questions on Notice

AFRICA INQUIRY - SUPPLEMENTARY/FOLLOW ON QUESTIONS
Department of Resources Energy and Tourism

Investment in Africa

1. During the public hearing you noted that the department has developed a leading practice sustainable development program for the mining industry. You add that a series of 14 booklets on operations within the mining industry have been created with input from industry, governments around Australia, NGOs and academia.

- *Would you provide the Committee with copies of those booklets?*

A full set of the 14 Leading Practice Sustainable Development Program (LPSPD) handbooks has been provided separately to the Committee Secretariat (sent 17 June 2010).

- *What advice do you give to companies seeking to invest in Africa?*

Austrade has responsibility for inward and outward investment. Therefore, the Department does not provide specific advice to companies seeking to invest in Africa and if asked would direct companies seeking advice to Austrade.

2. The Committee has received information concerning corporate social responsibility. How do you encourage companies investing in Africa to follow 'good practice in corporate social responsibility'?

The Department is involved in collaborative work with Austrade, Department of Foreign Affairs and Trade and AusAID to work with countries on best practice policy and regulatory frameworks for the resource and energy sector. This work aims to draw on Australia's experience to improve sustainable development outcomes. Australia recognises the rights of jurisdictions to apply their own laws locally, and oversight is a matter for domestic authorities. The Australian Government also expects that Australian mining companies operating in other countries comply with the relevant laws in that jurisdiction and where possible maintain the same standards as in Australia.

The Australian mining industry also plays an active role in encouraging resources companies to undertake best practice mining in all jurisdictions which they operate. The actions of Australian companies that are members of the Minerals Council of Australia (MCA) are governed by the internal mechanism of the MCA's "*Enduring Values the Australian Minerals Industry Framework for Sustainable Development*" developed by the MCA of Australia provides guidance for operational level and implementation of the International Council on Mines and Metals principles, and if they breach these practices their membership can be terminated.

Tourism

3. Your submission notes (p. 2) that there were over 84 000 visitor arrivals to Australia from sub-Saharan Africa, the vast majority of which were from South Africa (Australia's 18th largest in-bound market).

- *Would you discuss how you promote Australia as a tourist destination to African countries and in particular South Africa?*

Tourism Australia's focus in Africa is the South African market. The strategy is to capitalise on the market's growth potential. This market is currently managed from our London office. In 2009, there were 60,255 visitor arrivals from South Africa to Australia, a decline of 12% compared to 2008.

In South Africa we aim to protect and maintain the volume of visitors by inspiring consumers to come to Australia with deep and engaging messages and move them along the consumer purchase cycle and travel to Australia. Activities in the last fiscal year have included co-operative advertising with partners, digital, PR and visiting media. An example of this activity is working with *V Australia* on a press conference and media visits to promote the launch of their twice weekly Johannesburg-Melbourne services in March 2010.

In South Africa we have a focus on maintaining Australia's position with key trade partners and developing ambassadors for the destination through joint investment in co-operative marketing campaigns. We also have a focus on travel trade development and support and motivate South African Aussie Specialists to sell Australia, whilst building on their capabilities. This is achieved through the training and education of travel agents and direct sellers on Australian destinations and experiences through the Aussie Specialist Program and the provision of selling tools. Tourism Australia has also invited Aussie Specialist agents to attend training workshops in Australia in May 2010.

Tourism Australia also invites South African tour operators to be part of Australia's major annual trade forum, the Australian Tourism Exchange (held in Adelaide in late May 2010). Tourism Australia invested AUD \$98,954 in marketing Australia in South Africa in the 2009-2010 financial year

All other African markets fall in our 'Rest of World' category. Tourism Australia services travel industry demand in countries where we do not have an active presence (all 'Rest of World' markets) through our Aussie Specialist Program (online travel agent training), and working with Austrade. These markets are managed from the Tourism Australia's Sydney office.

- *Is there opportunity to grow the African market?*

While the market saw a decline in arrivals during 2009, the increase in aviation capacity from South Africa to Australia by *South African Airways*, *V Australia* and *Qantas* presents an opportunity to grow the number of visitor arrivals from this market. Direct capacity from South Africa to Australia increased by 16% in 2009 and Tourism Australia forecasts that capacity will increase by 22% in 2010.

- *How might international sports events such as the Rugby Union Super 14 and tri-nations competitions be used to promote tourism to Australia from South Africa?*

Major sporting events do provide an opportunity to create awareness of and promote Australia as a holiday destination. Tourism Australia leverages off major sporting events such as the Rugby World Cup, similar to the work we are currently doing in the United Kingdom to leverage off the Ashes series being held in Australia from November 2010 to January 2011.

Recommendations by the Australian Conservation Foundation

4. Would you comment on the recommendations made by the Australian Conservation Foundation (ACF)?

The ACF recommendations seek to apply additional conditions on Australian companies with uranium activities in Africa.

The safe and responsible mining and milling of uranium does not breach any international conventions. The International Atomic Energy Agency (IAEA) performs an important role in global efforts to further nuclear non-proliferation and safeguards. The IAEA actively promotes the safe operation of nuclear activities, including uranium mining. The IAEA supports the training of nuclear regulators throughout Africa through activities such as workshops and providing fellowships to those from African countries.

The Australian Uranium Association (AUA) has developed a “*Code of Practice*” which defines principles of behaviour and standards of best practice for the Australian industry operating within or externally to Australia. All members of the AUA are obligated to adopt this Code and operate in a manner consistent with the Code. This Code builds on and extends the coverage of existing mining industry standards in recognition of the need to address the specific properties of uranium.

The Code covers areas including:

- continuous improvement to best practice in management
- safely managing the containment and transport of all hazardous material, tailings and other wastes
- providing adequately for mine closure and rehabilitation
- continuous improvement in best practice in radiation control
- regulatory obligations, and
- providing information about uranium and its properties to stakeholders.