



THE VOICE OF THE WESTERN AUSTRALIAN RESOURCES SECTOR

ANNUAL REPORT 2018 - 2019





Message from Acting President **Edgar Basto**

As an organisation, we achieved a lot in 2018, and we have much to celebrate. In mid-2018, we said farewell to Chief Executive Reg Howard-Smith, who stepped down from the role after 10 years. Taking his place was Paul Everingham, and he hit the ground running, quickly building relationships with key stakeholders and introducing fresh and innovative ideas to modernise the organisation.

Education and skills training was a big focus in 2018 for CME. We've continued to work with the State Government on the development and implementation of a Science Technology Engineering and Mathematics (STEM) Skills Strategy. Our submission recommendations have been included in the final strategy, which include preparing students with STEM skills for the jobs of the future, upskilling the current workforce with STEM skills, and increasing the participation of under-represented groups such as females and Indigenous Australians.

CME also established the Education and Training Strategy Working Group to oversee the development of the Future Skills Framework to address concerns about the future industry talent pipeline. The framework will ultimately inform the extent and targets of state-wide resources industry education and training investment in creating a sustainable and appropriately skilled workforce for the WA resources sector.

And throughout 2018, there was positive progression with the Verification of Competency (VoC) Project – a collaboration between mining and oil and gas companies to improve and streamline VoC for high-risk work across the resources sector. The six founding members are currently undertaking implementation. Once complete, membership will be opened to other resource sector operators.

Another major deliverable in 2018 was the release of CME's 2018-2028 Resources Sector Outlook Report. This report for the resources sector is focused on key areas of people, energy, water, infrastructure and innovation and technology. We are continuing to brief Ministers and Departmental representatives on the findings to inform government policy.

CME continues to be the peak representative body for the sector because of the input and efforts our members contribute. I would like to thank the individuals in member companies who dedicate their time to participate in our committees, working groups and regional councils.

I'd also like to thank Paul and the CME team for the professional manner in which they've carried out their work in the past year. They continue to handle an impressive volume and breadth of work and are great ambassadors for the sector and its representatives.



Message from Chief Executive **Paul Everingham**

This is my first year as CME Chief Executive and it has been a whirlwind since I commenced in mid-2018, with more than 500 meetings and 30 flights in the first six months alone. I am excited to be in this role as the sector prepares for an exciting new chapter in the next decade.

If you look at the number of WA resources projects either underway or in the planning stages, it paints a very positive picture for our economic future. These projects across iron ore, lithium, oil and gas and mineral sands, collectively add up to around \$75 billion of investment, creating tens of thousands of new jobs and business opportunities for West Australians.

A key priority for CME in 2019 will be to work with Government to ensure regulatory and assessment processes can be as efficient as possible to enable WA to take advantage of these opportunities.

It was such an honour in my first year as Chief Executive to be associated with CME's flagship event, the Women in Resources Awards (WIRA), especially for its 10th anniversary. Held in March, it was the first time the event was hosted as an evening event to mark the special occasion and it was a resounding success, with a record crowd of more than 1,200 people turning up for the occasion. WIRA is a great opportunity for CME to recognise the impact women have in our sector. Since we held the first WIRA in 2009, the event keeps growing every year, which reflects the increasing importance companies are placing on redressing the gender imbalance across the WA resources sector. During my visits to many of our mining and energy member company sites, I have encountered successful women in a wide range of roles who are excelling in their chosen field and paving the way for the next generation of female leaders. These awards are a fantastic example of the great strides companies have taken to improve diversity in its workforce and provide opportunities to enable employees to maximise their talents.

CME was busy in 2018 organising tours for State and Federal MPs around Western Australia's many mine sites and production sites in the Pilbara, South West and Goldfields. It was great to see so many MPs take a keen interest in learning more about the WA resources industry and its importance to the State economy. More tours are planned for the latter part of 2019.

As I approach my one-year anniversary of leading CME, I will continue to implement changes to modernise the organisation to ensure it is one of Australia's leading advocacy organisations. I have completed a review of current work programmes against key priorities, the current committee system, and staff skills and capabilities, to ensure we are focused on our highest impact levers. Moving forward, our three strategic priorities will be contribution, capability and competitiveness to position the State's resources sector as an integral part of the WA community.



CME advocacy resulted in...

People and Communities

Employment (Skills and Diversity)

Building and Construction Industry Training Fund (BCITF) Levy Disbursements: amendments to the draft report to address issues raised by industry.

Building and Construction Industry Training Fund (BCITF) Levy and Collection Act Review: the appointment of CME to represent the resources sector on the Review Steering Group tasked with reviewing legislative implications of the BCITF levy on the resources sector.

Women in Resources Awards: a record crowd of more than 1,200 people at the 10th anniversary of the event recognising the power of gender diversity in the Western Australian resources sector.

Inspiring Girls Careers Forum: attendance of more than 160 female students and their teachers to meet and interact with around 30 company representatives from the WA resources sector at a half-day careers forum.

Flexible and Responsive Training System: the development of nationally recognised training products to meet industry needs, including development of a suite of automation products for the resources sector.

Health and Safety

Work Health and Safety Legislative Reform: resource industry concerns with proposed content of the WHS Bill being captured through the Ministerial Advisory Panel and in a detailed public submission, as well as CME's appointment to the Commission of Occupational Safety and Health's sub group, the Legislative Advisory Committee, responsible for considering the WHS Regulations consultation package.

Radiation Management: the postponement of a proposed Code of Practice on radiation management in Western Australian mines following CME feedback that a significant portion of its content duplicated existing requirements.

Incident Data Analysis Project: a funding commitment being secured from the Department of Mines, Industry Regulation and Safety to progress a project analysing serious potential incident data provided by a number of resource sector companies. With the project now due to commence in 2019, findings will assist industry and government in ensuring efforts to improve safety and health are being targeted in the appropriate areas.

FIFO Mental Health Code of Practice: the removal of significant detail in the appendices of the draft Code, which would have created confusion and unnecessary complexity for industry in interpreting its requirements.

FIFO Mental Health Research: the opportunity to significantly contribute to Curtin University's project on the mental health of FIFO workers via our position on the Mental Health Commission Research Reference Group. CME members made a substantial contribution to the research project, with more than 50 per cent of participants in the final sample being obtained from member companies.

Proactive Mental Health Partnership: a partnership with Lifeline WA, which will be instrumental in assisting industry to respond to the research recommendations and to provide a more accessible suite of industry specific tools.

CME advocacy resulted in...

Economic Competitiveness

Regulation

Mining Regulation Amendments: concerns regarding proposed changes to Regulation 86 of the *Mining Regulations 1981* being addressed. CME provided a submission noting the changes would have unintended consequences and the Department of Mines, Industry Regulation and Safety took action to ensure there were no adverse consequences from the amendments.

Assessment efficiency and streamlining: changes in the Department of Water and Environmental Regulation's Part V licensing process to more easily accommodate the transition from construction to commissioning and subsequent operations, as well as improvements to the Department of Mines, Industry Regulation and Safety's assessment process to focus on transparency of reported timeframes, better application tracking, system enhancements to expedite (automate) inter-agency referrals and introduction of low-impact notifications.

Taxation and royalties

Horizontal Fiscal Equalisation: the Federal Government passing legislation to put a floor in place for a greater return of GST to Western Australia, following submissions from CME and other industry bodies to the Horizontal Fiscal Equalisation Inquiry.

Local Government Act: legislation introduced into State Parliament for Phase One of the Local Government Act review, which has included making information available electronically and allowing for administrative efficiencies.

R&D Tax Incentive: the Senate Economics Legislation Committee making a recommendation to the Federal Government to refine the offset cap for the proposed changes to the R&D Tax Incentive, following CME requesting no change to the framework or implementation of grandfathering provisions.

Infrastructure

Infrastructure WA: the State Government introducing legislation into Parliament for the establishment of Infrastructure WA, an independent body to coordinate planning and development of strategic infrastructure to support the resources sector and economic growth for the state.

2018 Western Australian Energy Awards: recognition of individuals and organisations working to build a world-class energy industry in Western Australia.





CME advocacy resulted in...

Natural Resources

Greenhouse Gas Emissions: the withdrawal of the Environmental Protection Authority's guidance to allow for industry and other stakeholder consultation. The guidance initially recommended a 100 per cent offset for direct (Scope 1) greenhouse gas emissions for projects over 100,000 tonnes of CO₂e per annum.

Tenure Certainty: the introduction of the *Mining Amendment (Procedures and Validation) Bill 2018* to resolve the uncertainty created for tenements potentially affected by the outcome of the Forrest & Forrest High Court Case. Resolution of this matter is anticipated in the coming year.

Biodiversity Conservation Act 2016: Ministerial Orders gazetted to provide certainty for existing projects interacting with Threatened Ecological Communities, as well as amendments to the draft Regulations prior to passage to expand exemptions to more practically cover the resources sector.

North West

The Pilbara Collaboration: progression in the first priority area of employment, education and training, resulting in collaboration structures being put in place between industry and government, as well as approval by the Minister of the five initiatives put forward by industry.

Kimberley

Hydraulic Fracturing: the lifting of the moratorium on hydraulic fracturing in the majority of the Kimberley region following implementation of recommendations from the scientific inquiry. Ongoing advocacy will occur to ensure practical and timely implementation of the 44 recommendations.

Eastern and North Eastern

Designated Area Migration Agreement (DAMA): approval of the DAMA to provide flexibility for Goldfields members to attract labour to live and work in the region. Through an agreement-based framework, employers in areas experiencing skills and labour shortages can sponsor skilled and semi-skilled overseas workers.

CME Mine Emergency Rescue Competitions: the return of the CME Underground Mine Emergency Response Competition, in which member teams competed and had their skills tested in various scenarios including firefighting, search and rescue, first aid, breathing apparatus skills, incident management and a theory exam.

Child Care Centre Long Term Viability: the Goldfields Child Care Centre doubling their available places to fill a shortage in the region, and exploring further opportunities to offer working parents flexible care.

Key Events April 2018 – March 2019



20 April 2018
**117th Annual General Meeting
and Annual Business Lunch**



11 October 2018
Sundowner with Treasurer Wyatt



3-4 May 2018
**South West Resources Tour
with Liberal Party of WA MPs**



26-28 October 2018
Mines Rescue Competition

19 May 2018
Karratha Resources Tour with Minister McVeigh



11 December 2018
Member Christmas Celebrations



6 June 2018
**Boardroom Lunch with
Elizabeth Prout**



8 March 2019
**International Women's Day
Celebration with the Prime Minister**



14 June 2018
Kalgoorlie Visit with Minister Canavan



12 March 2019
**Boardroom Dinner with Minister
Canavan**

10 July 2018
**Boardroom Dinner with Minister Johnston and
Shadow Minister King**



15 March 2019
**Women in Resources Awards
Presentation Dinner**

11 July 2018
Boardroom Dinner with Shadow Minister Clare



18 July 2018
**Sundowner with By-Election
Candidates**



19 March 2019
Boardroom Lunch with Shadow Minister O'Connor



4 September 2018
**Sundowner with Minor
Political Parties**



29 March 2019
Inspiring Girls Careers Forum



6 September 2018
Sundowner with Minister Johnston



2 April 2019
Lunchbox Learnings | Life Under Labor



9-11 October 2018
**CME/MCA Federal ALP
Pilbara Resources Tour**



3 April 2019
**CME/CCI/PC Sundowner with
Professor Sparrow**

Ordinary Members

Cockburn Cement Ltd
 Alcoa of Australia Ltd
 Alinta Sales Pty Ltd
 Alkane Resources Ltd
 AngloGold Ashanti Australia Ltd
 API - Australian Premium Iron Joint Venture
 APT Management Services Pty Limited
 Artemis Resources Limited
 Barmenco Limited
 BBI Group Pty Ltd
 BCI Minerals Limited
 BGC Contracting
 BHP
 Buru Energy Limited
 Byrnegut Australia Pty Ltd
 CalEnergy Resources (Australia) Ltd
 Cameco Australia Pty Ltd
 Centrex Metals Limited
 CFC Group
 Chevron Australia
 CITIC Pacific Mining
 Cristal Mining Australia Limited
 DBNGP (WA) Nominees Pty Ltd
 Doral Mineral Sands Pty Ltd
 Doray Minerals Limited
 Downer EDI Mining
 EMR Capital Group
 Evolution Mining
 FMR Investments Pty Ltd
 Fortescue Metals Group Limited
 Georgiou Group Pty Ltd
 Global Advanced Metals Pty Ltd
 Gold Fields Australia Pty Ltd
 Gold Road Resources Ltd
 Hastings Technology Metals Limited
 Iluka Resources Limited
 INPEX Ichthys Pty Ltd
 Karara Mining Limited
 Lynas Corporation Ltd
 Macmahon Contractors Pty Ltd
 Minara Resources
 Minjar Gold Pty Ltd
 Mitsubishi Development Pty Ltd
 Monadelphous Group Limited
 Mount Gibson Iron Limited
 MZI Resources Ltd
 Newcrest Mining Limited

Newmont Australia
 Northern Minerals Ltd
 Northern Star Resources Ltd
 Norton Gold Fields Ltd
 Orica Limited
 Pilbara Minerals Limited
 Premier Coal Limited
 Ramelius Resources Ltd
 Regis Resources Ltd
 Rio Tinto Limited
 Rosslyn Hill Mining Limited
 Roy Hill Holdings Pty Ltd
 Saracen Mineral Holdings Limited
 Sheffield Resources Ltd
 Shell Australia Pty Ltd
 Simcoa Operations Pty Ltd
 Sinosteel Midwest Corporation Limited
 South32
 St Barbara Limited
 Talison Lithium Limited
 The Griffin Coal Mining Company
 Thiess Pty Ltd
 TransAlta Energy (Australia) Pty Ltd
 Tronox Management Pty Ltd
 Woodside Energy Limited
 Yara Pilbara Fertilisers Pty Ltd

Associate Members

AECOM Australia Pty Ltd
 Allens
 Alliance Airlines
 Arc Infrastructure (formally Brookfield Rail)
 Ashurst Australia
 Bis Industries Limited
 Central Regional TAFE
 Civeo
 Clayton Utz
 Clifford Chance
 Compass Group Australia
 Corrs Chambers Westgarth
 CPC Engineering Pty Ltd
 Curtin University of Technology of WA
 Deloitte Touche Tohmatsu
 Economics Consulting Services Pty Ltd
 Edith Cowan University
 ElectraNet Pty Limited
 Ernst and Young
 Fremantle Ports

Freo Group Pty Ltd
 GHD Pty Ltd
 Goldfields Land and Sea Council
 GR Engineering Services Limited
 GRA Partners Pty Ltd
 Herbert Smith Freehills
 Hexion Australia Pty Ltd
 Huawei Technologies (Australia) Pty Ltd
 Integrate Sustainability Pty Ltd
 King & Wood Mallesons
 KPMG
 LGM Industries Pty Ltd
 McGarry Associates
 Minter Ellison Lawyers
 Mitsui Iron Ore Development Pty Ltd
 MMWC Group
 People Solutions Australasia Pty Ltd
 Perth Airport Pty Ltd
 Qantas Airways Limited
 RED OHMS Group Pty Ltd
 Resource Capital Funds Management Pty Ltd
 Santos Ltd
 SolarReserve Australia Pty Ltd
 Strategen Environmental Consultants Pty Ltd
 Talis Consultants Pty Ltd
 The Perth Mint
 The University of Western Australia
 Tranen Revegetation Systems
 Umwelt (Australia) Pty Ltd
 Virgin Australia
 Winder Controls Australia Pty Ltd
 Yamatji Marlpa Aboriginal Corporation

Small Business Associate Members

Force Equipment
 Gold Security Group (International) Pty Ltd
 Pybar Mining Services Pty Ltd
 Regal Engineering and Lineboring Pty Ltd
 Specialised Reline Services

As at 31 December 2018



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