




ANNUAL REPORT

2016–2017





Message from Acting President Jeroen Buren



It's an honour to have been recently appointed Acting President for CME. I would like to acknowledge the efforts of former CME President Brian Reilly who stepped down from the role in March 2017. Brian served as CME President from July 2013, and provided strong leadership through a period of challenge and change in Western Australia's (WA) resources sector.

The last year has certainly been eventful for both industry and politics. In a dynamic landscape, the CME team maintained its focus on members' priorities, leading campaigns on key issues impacting upon the sector. I thank the CME team for their efforts and recognise their significant achievements.

On behalf of CME I'd also like to thank individual member companies for their hard work and their contribution to the sector through participation in committees, forums, working groups and roundtables.

We had a busy calendar in 2016, with CME convening a range of activities, including several regional trips hosting members of parliament and shadow ministers to operations across the state. This exposure to the industry and a renewed sense of understanding of the sector has been very much valued by the policy makers governing the country.

A highlight for the industry was CME's Women in Resources Awards (WIRA), which attracted more than 1,000 attendees. The issue of gender diversity in the Australian workplace continues to generate discussion and debate across industry, including WA's resources sector.

Now in its eighth year, WIRA provides an opportunity to showcase not only the outstanding achievements of women working in our industry, but also the efforts of women and men who champion gender diversity, and the efforts made by companies to improve the participation of women in our workforce.

Message from Chief Executive Reg Howard-Smith



The Western Australian (WA) resources sector has continued its transition from a period of construction to production over the last year, and is in good shape. The sector is strong, resilient and well positioned to deliver important opportunities for our communities now and into the future.

From a political perspective, the last 12 months have been particularly busy. The Federal Election in July 2016 saw the return of the Liberal Government with an updated ministry and senate. The recent WA State election in March 2017 resulted in a change of State Government under WA Labor Premier, Mr Mark McGowan. CME looks forward to the leadership of working collaboratively with both governments to ensure the resources sector continues to thrive and benefit all Australians; it is imperative the voice of our industry continues to be heard by key decision makers.

As the peak resources sector representative body in WA, CME continues to represent the views of members and advocate on their behalf.

CME developed the successful iron ore mining tax campaign, as well as developing a broader industry positioning campaign which includes FIFO and subsequently the attraction of living locally; the industry's environmental stewardship and the importance of the gold sector. The iron ore campaign underpinned the importance of the sector to the State and National economy and the employment it provides. It was a message that clearly resonated with its intended audience.

The overarching objective for all campaigns has been and will continue to be to promote the importance of the resources sector and the extent of its contributions to WA communities. The FIFO element of the campaign launched in March. 'Giving Families Choice' is a positive campaign highlighting FIFO as one of a range of choices available to resources sector workers and their families. The new advertisement was shown in regional cinemas and will be followed by a campaign highlighting the choice to live and work residentially in regional communities.

The forthcoming environment campaign will focus on the sector's world leading environmental laws and industry practices. The Gold campaign will recount the history of WA's gold legacy, whilst promoting its contemporary role and export appeal.

In the face of the ever evolving political landscape, CME continues to work closely with members and key stakeholders across government and industry to ensure issues affecting the industry are understood.

CME looks forward to another busy year and is confident the sector will continue to thrive and contribute both socially and economically throughout Western Australia.

CME advocacy resulted in ...



People and Communities

Safety

Fibrous Minerals Safety Bulletin: the withdrawal of Mines Safety Bulletin No. 131 by the DMP on the management of fibrous minerals on mining operations and the involvement of industry in the discussion of next steps to consider this matter.

Employment (skills and diversity)

Women in STEM: the Department of Local Government and Communities developing and promoting 10 actions to support women in science, technology, engineering and maths (STEM) and trades.

Verification of Competency (VOC) Framework: industry collaboration to improve and streamline verification of competence for high risk work across the resources sector. The collaborative effort has resulted in the establishment of agreed assessment standards for scaffolding with implementation of the framework continuing throughout 2017.

High Risk Work Audit: the Training and Accreditation Council (TAC) recommending immediate action to address issues of non-compliance in Registered Training Organisations who deliver high risk work training.

Community

Industry Positioning: CME is developing an industry positioning, campaign, which includes FIFO as well as the attraction of living locally. The aim is for increased awareness by government, political and community stakeholders regarding the choices made by employees of the resource sector who choose to do FIFO or live regionally dependent on how it suits their lifestyle and family situation.

Mental Health and FIFO Inquiry: CME being appointed Chair of the Mining Industry Advisory Committee Mental Health Strategies Working Group which is charged with implementing the Inquiry recommendations, including sharing industry best practice in mental health strategies in the workplace. Sharing best practice has increased recognition by government and community stakeholders of the resources sector's proactive approach to wellbeing in the workplace.

Mental Health Commission Mental Health Research Steering Group: securing industry appointments to the Mental Health Research Steering Group to ensure robust research is undertaken which will support ongoing efforts to address mental health issues in the workplace.

Economic Impact Study: improved awareness of the direct economic impact the resources sector has on the Western Australian economy through greater media coverage of CME's Economic Impact Study.



CME advocacy resulted in ...

Economic Competitiveness

Regulation

Review of EPA's Policy Framework: the Environmental Protection Authority (EPA) adopting a more simplified policy framework, arranged in a hierarchical manner which clearly links back to statutory functions and powers.

Department of Environment Regulation Part V Reform: new guidance documents and environmental standards relevant to the resources sector adopting a risk-based approach to licensing and regulatory duplication minimised.

Mining Proposal Guidelines: revised DMP guidelines which adopt a risk-based approach, provide greater flexibility and reduce the approval burden over the life of a mine.

Department of Mines and Petroleum (DMP) Mines Safety Branch (MSB) Independent Review: the review report prepared by Deloitte incorporating recommendations made by CME on the need to establish a set of regulatory priorities to support transparency and build industry's trust in the effectiveness of the regulator. DMP has supported the majority of review recommendations and will progress them in consultation with industry.

Ventilation Code of Practice: amendments to the draft Code of Practice to address ambiguity and provide clarity to where the guidelines sit within the proposed new legislative framework.

Taxation and royalties

Mid West Ports Port Enhancement Project (PEP): the Port's remaining PEP debt being repaid in full by the State Government with the \$2.56/tonne PEP charge removed from 1 July, 2016.

State Budget: recommendations regarding the ongoing funding for the Exploration Incentive Scheme and the Western Australian Biodiversity Science Institute being adopted.

Local Government Rates: the reduction of a number of local government rates following objections tendered by CME to proposed increases where justification for the increases could not be provided.

Mines Safety Levy: agreement from DMP to restructure the levy reporting methodology, in consultation with industry, to significantly reduce administrative burden of calculating levy payments.

Infrastructure

State Planning Policy: amendment to the drafting of State Planning Policy 2.5 to address the need to recognise the inter-relationship between the policy and other health and environmental policies.



CME advocacy resulted in ...

Natural Resources

Environment

Pilbara Environmental Offsets Fund: key industry requirements in relation to the governance, investment framework and reporting requirements of the non-statutory government administered fund for Pilbara offsets being adopted.

Land Access

Native Title Registration of Indigenous Land Use Agreements (ILUAs): immediate amendments of the Native Title Act 1993 to address uncertainty surrounding the registration of ILUAs created in the McGlade case.

Aboriginal Heritage: the exclusion of a statutory consultation right into the Aboriginal Heritage Amendment Bill. This would have led to litigation as its meaning was tested and generally a retrograde step outweighing any potential benefits of the Amendment Bill.

Rangelands Reform: the proposed rangeland leases not unduly prejudicing mining, petroleum and State Agreement interests.

Exploration

Exploration Incentive Scheme: funding for an additional \$30 million over three years from 2017-18 through the Royalties for Regions initiative. This investment is crucial to ensuring the future viability of the resources sector in Western Australia.



Key Events

April 2016 -
March 2017



28 April 2016
CME 115th Annual General Meeting and Business Lunch



8–10 June 2016
WA Labor Tour – Pilbara



2–3 August 2016
Federal Shadow Minister for Resources Tour – Pilbara



3 August 2016
CME Safety and Health Innovation Awards



8–9 August 2016
WA Labor Shadow Minister Tour – Goldfields



7 September 2016
Federal Minister for Resources and Northern Australia Tour



13–15 September 2016
CME and MCA Media Tour – Pilbara and Goldfields



22 September 2016
2017 WIRA Launch and WIMWA Diverse Boardroom Networking Event



6 December 2016
CME Christmas Cocktails



3 March 2017
WIRA Presentation Breakfast and Inspiring Girls Forum

CME Member List

Ordinary Members

Alcoa of Australia Ltd
Alinta Energy Pty Ltd
Alkane Resources Ltd
AngloGold Ashanti Australia Ltd
API - The Australian Premium Iron Joint Venture
ATCO Australia Pty Ltd
Barmenco Ltd
BC Iron Ltd
BGC Contracting
BHP Billiton Iron Ore
BHP Billiton Nickel West Pty Ltd
Buru Energy Ltd
Byrnecut Australia Pty Ltd
CalEnergy Resources (Australia) Ltd
Camco Australia
Centrex Metals Ltd
CFC Group
Chevron Australia
Citic Pacific Mining Management Pty Ltd
Cliffs Natural Resources
ConocoPhillips
Cristal Mining Australia Ltd
Cristal Pigment Australia Ltd
DBNGP (WA) Nominees Pty Ltd
Doral Mineral Sands Pty Ltd
Doray Minerals Ltd
Downer EDi Mining
Evolution Mining
FMR Investments Pty Ltd
Georgiou Group Pty Ltd
Gold Fields Australia Pty Ltd
Gold Road Resources Ltd
Hess Exploration Australia Pty Ltd
Iluka Resources Ltd
Inpex Australia
Kalgoorlie Consolidated Gold Mines Pty Ltd (KCGM)
Karara Mining Ltd
Lynas Corporation Ltd - Mount Weld Mining Pty Ltd
Macmahon Contractors Pty Ltd
Metals X Ltd
Minara Resources Pty Ltd
Minerals and Metals Group (MMG)
Minjar Gold Pty Ltd
Mitsubishi Development Pty Ltd
Monadelphous Group Ltd
Mount Gibson Iron Ltd
MZI Resources Ltd
Newcrest Mining Ltd
Newmont Asia Pacific
Northern Minerals Ltd
Northern Star Resources

Norton Gold Fields Ltd
Onslow Salt Pty Ltd
Orica Ltd
Premier Coal Ltd
Ramelius Resources Ltd
Regis Resources Ltd
Rio Tinto Ltd
Rosslyn Hill Mining Ltd
Roy Hill Holdings
Saracen Mineral Holdings Ltd
Sheffield Resources Ltd
Shell Australia Pty Ltd
Sinosteel Midwest Corporation Ltd
South32
St Barbara Ltd
Talisson Lithium Ltd
The Griffin Coal Mining Company Pty Ltd
Thiess Pty Ltd
Toro Energy Ltd
TransAlta Energy (Australia) Pty Ltd
Tronox Management Pty Ltd
Vimy Resources Ltd
Woodside Energy Ltd
Yara Pilbara Fertilisers Pty Ltd

Associate Members

AECOM Australia Pty Ltd
Allens
Alliance Airlines
Analytical Reference Laboratory (WA)
Ashurst
Bis Industries Ltd
Brookfield Rail Pty Ltd
Central Regional TAFE - Geraldton
Civeo
Clayton Utz
Clifford Chance
Compass Group (Australia)
Corrs Chambers Westgarth
CPC Engineering Pty Ltd
CSIRO
Curtin University - WA School of Mines
Dash Digital
Deloitte Touche Tohmatsu
Dentons Australia Pty Ltd
DLA Piper Australia
Economics Consulting Services Pty Ltd
Edith Cowan University - Joondalup Campus
ElectraNet Pty Ltd
EnerNOC
EY
Fremantle Ports
GE Oil & Gas
GHD Pty Ltd

Goldfields Land and Sea Council
GR Engineering Services Ltd
Herbert Smith Freehills
Integrate Sustainability Pty Ltd
Jebsens International (Aust) Pty Ltd
King & Wood Mallesons
Klohn Crippen Berger
Konica Minolta Business Solutions
KPMG
LGM Industries Pty Ltd
Logic Health
McGarry Associates
Mid West Ports Authority
Minter Ellison Lawyers
Mitsui Iron Ore Development Pty Ltd
MMWC Group
MWH (Australia) Pty Ltd
North West Shelf Gas Pty Ltd
People Solutions Australasia Pty Ltd
Perth Airport Pty Ltd
Pilbara Access
PricewaterhouseCoopers
Qantas Airways Ltd
Raeda Consulting
Rayner Consulting
Resource Capital Funds
Santos Ltd
Satterley Property Group
Skippers Aviation Pty Ltd
SolarReserve LLC
Strategen Environmental Consultants Pty Ltd
Telstra Corporation Ltd
The Perth Mint
The University of Western Australia - Energy and Minerals Institute
Toxfree Solutions Ltd
Umwelt (Australia) Pty Ltd
Virgin Australia Regional Airlines
Water Corporation of Western Australia
Winder Controls Australia Pty Ltd
Yamatji Marlpa Aboriginal Corporation

Small Business Associate Members

Force Equipment
Gold Security Group (International) Pty Ltd
Measurement Control Engineering
Pybar Mining Services Pty Ltd
Regal Engineering and Lineboring Pty Ltd
Specialised Reline Services
T.I.S. Engineering (WA) Pty Ltd
Wilmot Engineering

As at 31 December 2016

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