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People Strategies

CME hosted its eighth annual Women in Resources Awards presentation breakfast in March to celebrate the contributions and achievements of women and men building diversity in the Western Australian resources sector.

More than 1000 guests attended the sellout event, including 100 students from more than 20 Western Australian schools, who were sponsored to attend by companies through the Inspiring Girls initiative. These students heard first-hand the benefits of choosing studies in science, technology, engineering and math (STEM) subjects and pursuing careers in the resources sector.

Following the Labor Party's win in the March State Election, CME has met with many of the new ministers relevant to People Strategies, including the Hon. Sue Ellery MLC, Minister for Education and Training; Leader of the Government in the Legislative Council; and the Office of the Hon. Simone McGurk MLA, Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services. These meetings provided CME with the opportunity to inform the new government of the proactive initiatives member companies have developed in these important areas.

In late June, CME sponsored the Get into Resources annual career awareness days, held at the North Metropolitan TAFE Campus. This interactive 3-day event, targeted at Year 10 students, their teachers and career advisers provided them with an understanding about the resources industry and the range of career opportunities available.

CME is represented on the WA Chief Scientist STEM Education Working Group, which has met twice since January 2017. Members of the group have collaborated to develop a list of STEM education service providers specific to Western Australia.

CME's Executive Council endorsed at its December meeting for CME to continue with the establishment of the High Risk Work Verification of Competency (VoC) Framework. This collaborative framework aims to deliver a consistent assessment approach, enable sharing of information and remove duplication in high risk work license VoC effort to reduce costs to industry resulting in more highly competent employees on site. The first high-risk work category being progressed is scaffolding. Work is underway towards testing the implementation of the framework before rolling it out across industry and other high-risk work categories.

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Occupational Health and Safety

In the second half of 2016, CME completed two significant submissions on the then draft Work Health and Safety (Resources) and Work Health and Safety (General) regulations.

The draft regulations did not proceed through the Parliamentary process ahead of the March election and CME is currently engaging with the new Government on the next steps. CME is represented on the Ministerial Advisory Panel for Safety Legislation Reform and will ensure industry has the opportunity to input into these critical reforms as they progress under the new government.

2017 commenced with the release of the final report from Deloitte's Independent Review into the Department of Mines and Petroleum (DMP) Mines Safety Branch. CME made an extensive submission to the review with the majority of the recommendations reflected in the report findings. Further to the release of the report, CME is continuing to engage with DMP on the implementation of the recommendations and has commenced work to develop industry's preferred methodology for a revised resources safety cost recovery mechanism. CME convened the first Safety Levy Issue Group meeting in June to progress these discussions.

In February 2017, CME hosted a Sharing Safety Lessons Learned forum on the topic of underground elevated work platforms (EWP). Forum members heard from their peers as well as representatives from DMP on the critical safety considerations and best practice risk mitigation measures for operating EWP's in an underground environment.

Recommendations from the forum were then considered by the Mining Industry Advisory Committee (MIAC) in April, with DMP committing to provide additional supporting material on their website.

CME was appointed to chair the MIAC Mental Health Strategies Working Group, which has been referred many of the recommendations from the 2015 FIFO Mental Health Inquiry. The group has been actively developing a strategy to prioritise and address the Inquiry's recommendations and provide recommendations to MIAC. In May, working group members were advised DMP and WorkSafe WA have been directed by the Minister to develop a FIFO Mental Health Code of Practice covering all industries. CME's representation on the working group, MIAC and the Commission for Occupational Health and Safety, will ensure industry views are taken into account.

CME has also been nominated to sit on the Mental Health Commission Mental Health Research Reference Group and attended a key meeting in April 2017 to finalise the group's governance arrangements. CME looks forward to working with the selected research team to ensure there is a sound evidence base to inform policy decisions and to enhance understanding of mental health issues across the resources sector workforce.

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Economics and Tax

CME released its Economic Contribution Survey results for the financial year 2015-2016.

Information provided by 46 member companies demonstrated a direct financial contribution to Western Australia of \$32 billion in wages and salaries, business purchases, community contributions and government payments. A further \$14.6 billion was spent across the rest of Australia. Various fact sheets by statistical divisions, State legislative council and State legislative assembly electorates and Federal electorates, are available on CME's website under Policies and Publications.

Accountability and transparency in the operation of local governments has long been advocated for by CME, especially in relation to rate setting methodologies and processes. In response to this issue, CME and the Association of Minerals and Exploration Companies (AMEC) have jointly commissioned a consultant to produce an evidence-based report investigating how rates and fees are set by local governments, with recommendations on how to improve consistency in their setting.

CME has lodged objections with several local governments regarding a lack of transparency around rate setting strategies and unjustified rate increases, especially where justifications for increased differential rates are inconsistent with the key values outlined in the Department of Local Government and Communities rating policies.

In response to the Australian Government's development of a new Foreign Policy White Paper to guide how the Australia Government should engage internationally to represent and advance Australia's interests, CME provided a submission calling for:

- a reduction in the corporate tax rate
- the Australian Government to continue to advocate for open markets and global trade
- the Australian Government to investigate and explore new future trading partners
- a working relationship with the State Government to identify areas where duplication of regulatory processes can be reduced.

Last year CME engaged ACIL Allen Consulting to undertake a review into the Royalties for Regions (RfR) program. The assessment reinforced a number of themes found in other reviews into the RfR program since it commenced in 2008, namely that there are concerns about the lack of strategic direction guiding spending; lack of mechanisms to monitor spending; absence of monitoring of project and program outcomes; and concerns about governance across the full spectrum of the program. CME will engage with the government to ensure continuous improvement of the RfR program.

CME provided a submission to the Australian Government's Productivity Commission review into Transitioning Regional Economies. The purpose of the report was to review the economic transition of regional economies following the mining investment boom and demonstrated that regions with a strong mining economy are well set to innovate and adapt to changes in the economy. CME will seek to continue informing the discussion on regional matters to assist in creating the most appropriate development frameworks.

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Environment

The first half of 2017 has seen a growing focus on mine closure and relinquishment.

This includes the Commonwealth Government initiating a Senate Inquiry into mine rehabilitation with very broad terms of reference. CME put forward a submission to the Inquiry focusing on the WA-based legislative framework as well as jointly preparing a submission with the Minerals Council of Australia and other State chambers and councils to cover broader industry aspects.

Hearings for the Inquiry are expected to be held in Perth later this year and CME will seek to make representations through this process. Additionally, CME is advocating for state-based policy reforms related to closure and relinquishment following finalisation of CME's discussion paper on these issues in December 2016.

Advocacy work for Mining Act amendments and reform of environmental regulation has resumed. Amalgamation of environmental approval agencies in to the new Department of Water and Environmental Regulation presents opportunities for efficiency and streamlining of industry regulatory processes.

In March, members of CME's South West Environment Forum participated in a field trip hosted by Premier Coal to Lake Kepwari, a formal coal mining area. Lake Kepwari is a pit void rehabilitated to a post-mining land use as a recreational asset for the community. This field trip allowed members to discuss practical closure and relinquishment issues including stakeholder engagement, inter-agency (government) requirements, rehabilitation techniques and long-term environmental monitoring.

Additionally, the Commonwealth Government is conducting a review of Australia's Climate Change Policy Framework. CME made a submission to this review during April 2017 highlighting industry concerns with trade-exposed businesses, target setting processes and reviews, and the Safeguard Mechanism.

Subterranean fauna issues have continued to affect resources projects during 2017. The EPA has highlighted improving knowledge of these as a priority, including addressing scientific knowledge gaps for taxonomy, distribution, habitat, ecological function and development impacts. In response, CME hosted a workshop for the Western Australian Biodiversity Science Institute with interested members to identify and prioritise subterranean fauna research needs. Implementation of the resulting research plan should reduce project and approval risks associated with these fauna and ensure their on-going conservation.

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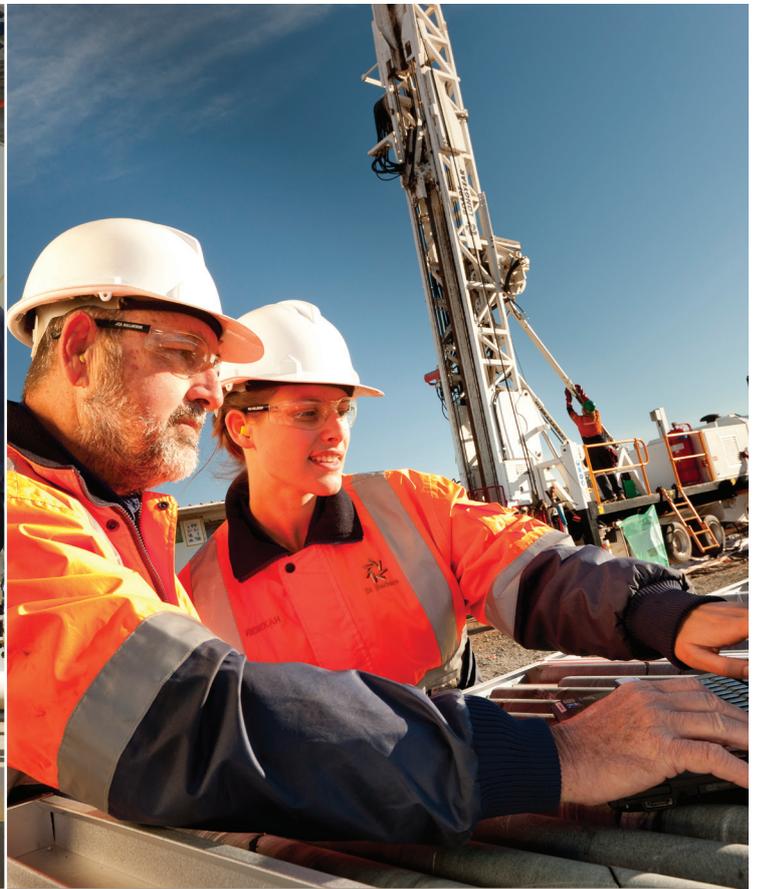
Infrastructure

In March 2017, CME participated in a Freight Policy Workshop conducted by the Department of Transport (DoT). Various government departments, industry bodies, transport companies and the Planning and Transport Research Centre attended the forum to identify issues within the freight supply chain in order to influence DoT's strategic work plan moving forward.

CME is in the process of developing the 2018-2028 Resources Sector Outlook (RSO). The RSO provides essential data on the expected demand arising from changes in the mining and resources sector over the next ten years, identifying implications for international competitiveness, government investment and planning and liveability. The RSO is a key CME advocacy document and is used to influence government policy settings and assist corporate planning and investment decisions.

CME continues to participate on the Department of Water's Water Resources Reform Reference Group to advocate for the passage of the Water Resources Management Bill. The Bill will aim to consolidate, simplify and modernise six existing water resources management acts into a single piece of legislation.

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Exploration

CME's Exploration Roundtable was elevated to a standing committee this year and held its first meeting for the year in March.

The Committee discussed the establishment of a new work plan including a priority focus on incentivising exploration, reducing mineral exploration reporting duplication, maintaining land access arrangements and local government rates.

The continuation of the State-based Exploration Incentive Scheme (EIS) is highly regarded as a key priority to ensure a future pipeline of mineral discoveries in Western Australia. This initiative recently shifted funding sources from consolidated government revenue to the Royalties for Regions Program. Royalties for Regions projects are currently undergoing a pre-budget review and the business case for the continuation of the EIS has been strongly advocated for by CME.

The Exploration Committee assisted in the development of a business case for the consideration of DMP's Mining Industry Liaison Committee on pro-rata tenement refunds. The business case presents an economic argument for the introduction of pro-rata refunds, but also includes an analysis of other jurisdictions to see where pro-rata rental returns are provided. The ability to recoup rental charges before its anniversary date would provide a strong financial incentive to only hold onto land where active exploration is occurring or likely to occur. Pro-rata rental refund would incentivise a greater turnover of exploration tenure through direct financial returns to tenement holders.

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Land Access

In February 2017, a landmark Federal Court case *McGlade v Native Title Registrar* [2017] FCAFC 10 (*McGlade Decision*) rejected some established practices around the execution of Indigenous Land Use Agreements (ILUAs).

As industry are significant stakeholders in the native title agreement making area, CME supported immediate amendments to the Native Title Act 1993 (NTA) to address uncertainties surrounding ILUAs created by the *McGlade Decision*. The Senate's Legal and Constitutional Affairs Legislation Committee conducted an inquiry into the Amendment Bill. CME put forward a detailed submission in collaboration with the Minerals Council of Australia and the Queensland Resources Council recommending the passage of the Bill.

Following significant debate, the Native Title Amendment (Indigenous Land Use Agreements) Bill 2017 passed parliament during the June sitting, and received Royal Assent on 22 June 2017. The passing of the Bill ends a protracted period of uncertainty in relation to the native title system following the Federal Court's decision in *McGlade v Native Title Registrar* [2017] FCAFC 10. The passage of the Amendment Bill will provide certainty for Western Australian resource companies who hold ILUAs with local native title claimants, and enables the State Government to progress with the South West Native Title Settlement.

Following the WA State Election, machinery of government reforms have resulted in the split of the Department of Aboriginal Affairs (DAA) between the Department of Premier and Cabinet and the newly formed Department of Planning, Lands and Heritage. Administrative and legislative reform to the Aboriginal heritage approvals process has long been advocated for by CME.

The Minister for Aboriginal Affairs, the Hon. Ben Wyatt MLA, has advised CME he plans to revisit reform of the Aboriginal Heritage Act 1972 as a priority. CME's Native Title and Aboriginal Heritage Working Group has begun planning for the next attempt at legislative reform and in May hosted a meeting with Greens Mining and Pastoral MP, the Hon. Robin Chapple MLC.

CME also put forward a submission to the Senate Environment and Communications References Committee inquiry into the protection of Aboriginal rock art of the Burrup Peninsula. CME's submission raised concerns the terms of reference for the inquiry did not represent a balanced approach to the significant work industry, government and traditional owners have contributed to carefully manage the rock art of the Burrup Peninsula. On 19 June 2017 the Senate granted an extension of time to report until 18 October 2017.

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Eastern and North Eastern

CME joined the Eastern Regional Council and stakeholders to host a regional dinner in May in Kalgoorlie. Guests of honour included Rick Wilson, Federal Member for O'Connor, and Kyran O'Donnell, Member for Kalgoorlie and Shadow Minister for Aboriginal Affairs. Issues discussed included the attraction and retention of staff in Kalgoorlie, access to energy, the upcoming federal budget and factors facing liveability in the region.

In June, CME hosted a workshop for CME members as major employers in the Goldfields to discuss issues around attraction and retention of employees in the region. The key findings were then shared with the City of Kalgoorlie-Boulder and other stakeholders.

CME continues its partnership with the City of Kalgoorlie-Boulder, bringing industry perspectives to a number of forums, including the Governance Group of the City's Strategic Plan. The aim of the plan is to strengthen the City's strategic positioning, attract business and investment, support the growth of competitive industries and increase liveability.

The Goldfields Community Forum hosted by CME in July also enabled local industry to share engagement stories, local participation programs and facilitated discussions about the liveability of regional areas.

Access to energy has been an issue faced by the resources sector in the Goldfields region for a number of years. CME hosted Western Power in Kalgoorlie in May to gain a better understanding of the energy needs for the region both at present and into the future. Topics included whether mining companies were in the process of planning major mining loads, planning a major generation connection, and assessing the need for extra network capacity or generation to provide back up in the region.

Representatives from gold member companies met in April to discuss the future strategy of the gold sector's Mines Security Services. The issues discussed included the role of the Gold Security Detection Unit, the provision of CME police clearances, budget planning and the retention policy of reserves.

The annual Surface Mine Rescue Competition was hosted by Gold Fields St Ives in May, with the Kambalda host mine team taking out top honours. Fellow competing teams included BHP Nickel West, Evolution Mining, Gold Fields Combined and Northern Star Resources. Teams competed in nine challenging events, including confined space rescue, fire-fighting, vehicle extrication, rope rescue, hazardous chemicals, first aid, team skills, an incident management scenario and a theory assessment.

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North West & Kimberley

CME's North West Regional Council met in March in Karratha and gave consideration to the various approaches by companies in developing their community investment programs. Subsequent to this work has been undertaken to explore opportunity for the development of a collaboration framework for the Pilbara Region.

In June, CME attended a session at the Town of Port Hedland, championed by BHP, to explore a collective approach by government, community and businesses to respond to local issues.

Senator the Hon. Michaelia Cash, Minister for Women; Minister Assisting the Prime Minister for the Public Service; Minister for Employment; and Melissa Price MP, Member for Durack attended a roundtable lunch hosted by CME in Karratha in May. The roundtable provided women working within Pilbara-based CME member companies the opportunity to hear the Minister speak about the economic empowerment of women.

Other topics covered included improving access to flexible and quality child care in the region, exploring flexible work practices, the importance of female role models and promoting career pathways in the sector.

CME's Kimberley Regional Council met in June in Broome and engaged with key local stakeholders from the Broome Shire, Chamber of Commerce and Industry, and Kimberley Land Council.

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South West

CME South West Regional Council hosted a workshop in June to address regional water supply and allocation issues for Peel and South West members. The workshop identified risks, opportunities and innovative solutions for the management of water resources for industry in the south west.

CME recently hosted meetings of companies that import and export through Bunbury Port, including a meeting with Qube to look at opportunities for resource sharing and added efficiencies. CME continues to support members through ongoing port development and collaboration to identify best practices for users of Bunbury Port.

Along with the South West Development Commission, Regional Development Australia South West, Geographe Chamber of Commerce and Bunbury Wellington Economic Alliance, CME is working towards hosting Procure South West during 2017. Procure South West showcases local business capability and provides a platform for business and industry to connect and discuss the needs of industry within the region.

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Resources Industry Training Council

The Resources Industry Training Council (RITC) is a state government funded joint venture between the Chamber of Minerals and Energy of Western Australia (CME) and the Australian Petroleum Production and Exploration Association (APPEA).

The RITC facilitates the continual development of workforce skills in support of improving productivity to enhance the competitiveness of Western Australian industry. Importantly, the RITC provides industry with an avenue to voice concerns and opportunities for any developing training and employment needs for the future.

Work is currently underway to explore issues relating to High Risk Work Licenses (HRWL) seeking to improve the rigour in the licensing system. In April and May, the RITC met with Worksafe and the Training Accreditation Council to discuss ways to address the issues surrounding HRWL.

Further projects underway include exploring the future of high level qualifications in the resources sector, assessing the requirement for a new multi-skilled training model for integrated mining operations and competency requirements for workers within remote operation centres. All projects revolve around training issues now and into the future to give consideration to how government, training providers and industry can prepare for emerging occupations and training needs.

With recent changes to requirements for visas and migration, the RITC plays an ongoing role in advising and providing insight into emerging resources industries labour market trends to government through the Department of Training and Workforce and the State Training Board. This information will play a part in shaping Western Australia's State Training Plan and training investment.

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In the News



Women in Resources Awards



AGM Annual Business Lunch



Brookfield Tour



Minister Bill Johnston Sundowner



Karratha Lunch

Recent Events

27 April

CME Annual General Meeting and Annual Business Lunch

6 June

Sundowner with the Hon. Bill Johnston MLA, Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs; Asian Engagement

8 June

Attraction and Retention of Staff in the Goldfields Workshop

4 July

Sundowner with the Hon. Stephen Dawson MLC, Minister for Environment; Disability Services

17-19 July

ALP State and Federal Resources Tour - Pilbara and Goldfields

20 July

Health and Safety Sundowner with the Hon. Roger Cook MLA, Deputy Premier, Minister for Health; Mental Health

Upcoming Events

3-4 August

State MPs Resources Tour – South West region

27 September

Boardroom Breakfast with Jeanette McGill, Head of Telstra Mining Services, Telstra

26 September

The 2018 Women in Resources Awards Launch and Sundowner with the Hon. Simone McGurk MLA, Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services

2-4 October (TBC)

State Director Generals and Federal Department Secretaries Resources Tour

5 December

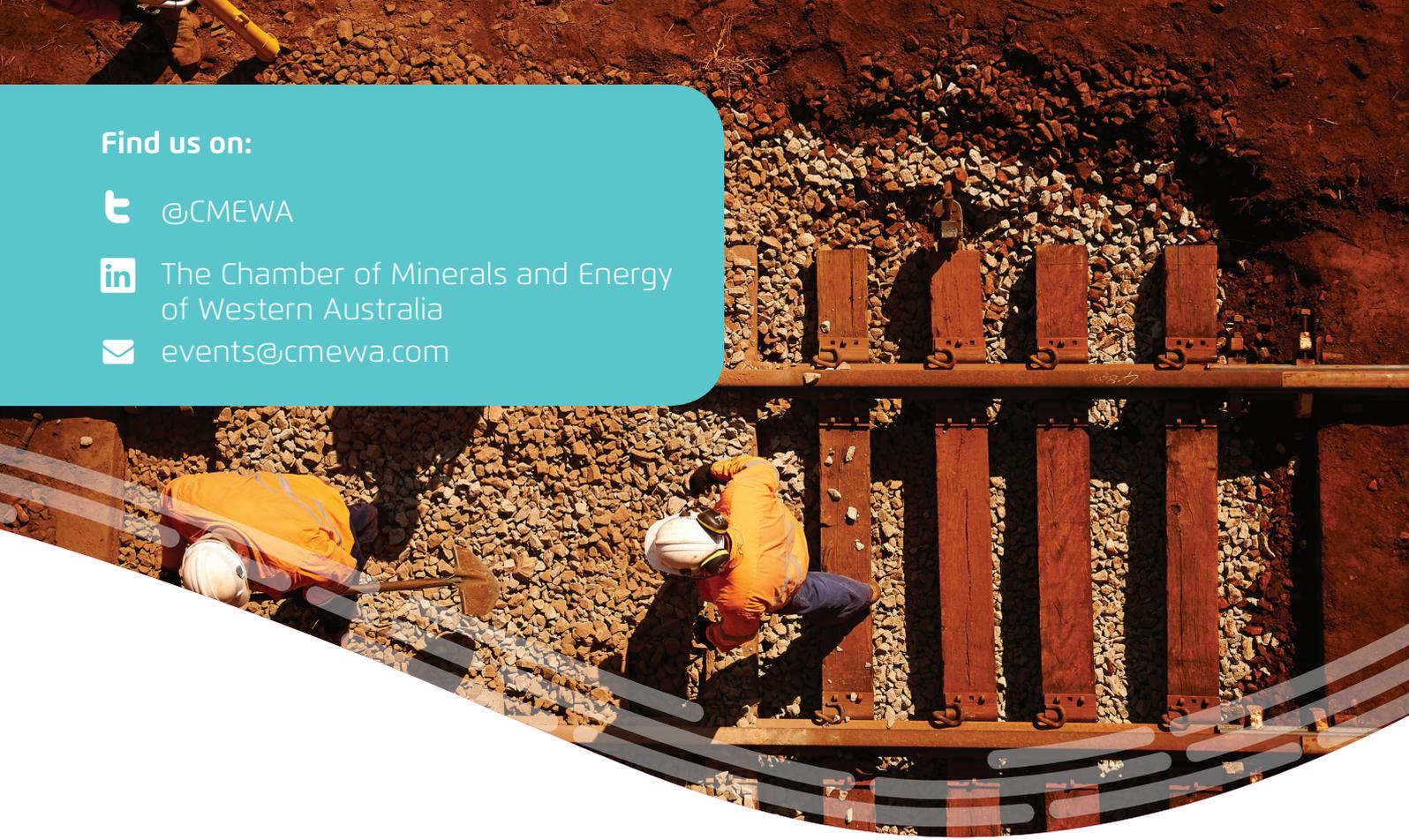
Member Christmas Cocktails

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