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Tourism and Resources

COMMUNITY ENGAGEMENT AND DEVELOPMENT

LEADING PRACTICE SUSTAINABLE
DEVELOPMENT PROGRAM FOR
THE MINING INDUSTRY



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LEADING PRACTICE SUSTAINABLE
DEVELOPMENT PROGRAM FOR
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COMMUNITY ENGAGEMENT AND DEVELOPMENT



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Leading Practice Sustainable Development Program for the Mining Industry

This publication has been developed by a Working Group of experts, industry, and government and non-government representatives. The effort of the members of the Working Group is gratefully acknowledged.

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Cover image: Open day at Newcrest's Cadia Gold Mine, New South Wales

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CONTENTS

	ACKNOWLEDGEMENTS	iv
	FOREWORD	vii
1.0	INTRODUCTION	1
1.1	Aims and focus	1
1.2	The business case	2
1.3	Acknowledging the challenges	3
2.0	KEY CONCEPTS	4
2.1	Defining the 'community'	4
2.2	Clarifying terminology: communities and stakeholders	5
2.3	Community engagement: a variety of processes	5
2.4	Community development in the context of mining	8
2.5	The relationship between community engagement and community development	19
3.0	COMMUNITY ENGAGEMENT: PRINCIPLES AND PRACTICES	13
3.1	Guidance sources	13
3.2	Principles of effective engagement	13
	Case study: Mines and wines, Xstrata Coal Beltana Mine	15
3.3	A systematic approach	16
	Case study: Ravensthorpe Nickel Project, BHP Billiton	23
3.4	Supporting community engagement	25
	Case study: Martha Mine at Waihi, New Zealand	26
3.5	Challenges of community engagement	29
4.0	COMMUNITY DEVELOPMENT	31
4.1	Industry principles for sustainable community development	31
4.2	The roles of industry and government	32
	Case Study: Sustainability planning engagement process Comalco, Weipa, Rio Tinto Aluminium	33
4.3	Key steps for sustainable community development	35
	Case study: Flyers Creek Landcare Group, Cadia Valley Operations	37
	Case study: BMA Community Partnerships Program	38
4.4	Challenges of community development	40
	Case study: MCA and Australian Government Memorandum of Understanding	41
5.0	CONCLUSION	44
	REFERENCES	45
	GLOSSARY OF TERMS	46
	FURTHER READING	47



The Leading Practice Sustainable Development Program is managed by a Steering Committee chaired by the Australian Government Department of Industry, Tourism and Resources. The 14 themes in the program were developed by working groups of government, industry, research, academic and community representatives. The Leading Practice handbooks could not have been completed without the cooperation and active participation of all working group members.

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The Australian mining industry is well aligned to the global pursuit of sustainable development. A commitment to leading practice sustainable development is critical for a mining company to gain and maintain its 'social licence to operate' in the community.

The handbooks in the Leading Practice Sustainable Development in Mining series integrate environmental, economic and social aspects through all phases of mineral production from exploration through construction, operation and mine site closure. The concept of leading practice is simply the best way of doing things at a given site. As new challenges emerge and new solutions are developed, or better solutions are devised for existing issues, it is important that leading practice be flexible and innovative in developing solutions that match site-specific requirements. Although there are underpinning principles, leading practice is as much about approach and attitude as it is about a fixed set of practices or a particular technology. Leading practice also involves the concept of 'adaptive management', a process of constant review and 'learning by doing' through applying the best of scientific principles.

The International Council on Mining and Metals (ICMM) definition of sustainable development for the mining and metals sector means that investments should be technically appropriate, environmentally sound, financially profitable and socially responsible. *Enduring Value - the Australian Minerals Industry Framework for Sustainable Development* provides guidance for operational level implementation of the ICMM Principles and elements by the Australian mining industry.

A range of organisations have been represented on the steering committee and working groups, indicative of the diversity of interest in mining industry leading practice. These organisations include the Department of Industry, Tourism and Resources, the Department of the Environment and Heritage, the Department of Industry and Resources (Western Australia), the Department of Natural Resources and Mines (Queensland), the Department of Primary Industries (Victoria), the Minerals Council of Australia, the Australian Centre for Minerals Extension and Research, the university sector and representatives from mining companies, the technical research sector, mining, environmental and social consultants, and non-government organisations. These groups worked together to collect and present information on a variety of topics that illustrate and explain leading practice sustainable development in Australia's mining industry.

The resulting publications are designed to assist all sectors of the mining industry to reduce the negative impacts of minerals production on the community and the environment by following the principles of leading practice sustainable development. They are an investment in the sustainability of a very important sector of our economy and the protection of our natural heritage.

The Hon Ian Macfarlane MP

Minister for Industry, Tourism and Resources



1.1 Aims and focus

This handbook addresses community engagement and development, a theme in the Leading Practice Sustainable Development Program. The program aims to identify key issues affecting sustainable development in the mining industry and provide information and case studies that illustrate a more sustainable basis for the industry. There are a number of other themed handbooks in the series, which aim to complement this handbook.

The importance of the social dimension of sustainable development is acknowledged in key industry policy statements such as the International Council on Mining and Metals' Sustainable Development Principles and the Minerals Council of Australia's Enduring Value framework. Among other things, signatories to these frameworks undertake to 'contribute to the social, economic and institutional development of the communities in which we operate' and to 'engage with and respond to stakeholders through open consultation processes'. In the same way, a growing number of small, medium and large companies have adopted policy frameworks which emphasise that community considerations are integral to each stage of a mining operation, from design and construction through to operation and closure.

This handbook provides guidance to mining industry practitioners on how these higher level policy commitments can be translated into improved practices at the mine site. It focuses on the challenges that companies may encounter as they engage with local communities and seek to contribute to their long-term development, using case studies to illustrate how these challenges have been addressed in particular contexts.

Specific aims are to:

- outline the benefits to companies and operations of engaging with, and contributing to, the development of communities
- provide a framework to help operations and companies assess the maturity of their current approach to dealing with communities
- describe the basic steps involved in effectively planning and managing for community engagement and development
- set out key principles that should guide these activities
- highlight examples of evolving good practice.

The primary audience for the handbook is management at the operational level; the key level for implementing leading practice arrangements at mining operations. The handbook is also relevant to people with an interest in leading practice in the mining industry, including community relations practitioners, environmental officers, mining consultants, governments and regulators, non-government organisations, neighbouring mine communities, and students. All users are encouraged to take up the challenge to continually improve the mining industry's sustainable development performance and apply the principles outlined in this handbook.

1.2 The business case

Engaging with communities and contributing towards community development is not only the right thing for companies to do, it also makes good business sense.

First and foremost, companies need to secure broad community support and acceptance in order to protect their 'social licence to operate'. As stated in *Enduring Value: The Australian Minerals Industry Framework for Sustainable Development*:

'Unless a company earns that licence and maintains it on the basis of good performance on the ground, and community trust, there will undoubtedly be negative implications. Communities may seek to block project developments; employees may choose to work for a company that is a better corporate citizen; and projects may be subject to ongoing legal challenge, even after regulatory permits have been obtained, potentially halting project development' (Minerals Council of Australia, 2004).

Companies that are perceived as closed and non-responsive will be much less likely to have the trust and support of a community than those which share information openly, listen and respond to people's concerns, and show that they care about the community and are committed to its development. By listening and engaging, companies will also be better placed to identify emerging community issues at an early stage and deal with them proactively rather than reactively.

The time taken to plan, finance, insure and regulate any operation has increased substantially in the past few decades, particularly in the case of large-scale mines. In these circumstances, there can be real financial returns for those companies that are able to show that they take their community responsibilities seriously (Harvey & Brereton, 2005). These benefits can include reduced time in obtaining approvals and negotiating agreements, easier access to new resources, an improved corporate risk profile and, potentially, the ability to secure access to capital on more favourable terms.

A further consideration is that many mining operations in Australia are located on land where Indigenous people hold and claim traditional rights and interests in country. Increasingly, agreements with Traditional Owners require mining companies to engage effectively with Indigenous communities and contribute to long-term development objectives. Companies that are unable or unwilling to do so, or fail to follow through on undertakings, are likely to be seriously disadvantaged when it comes to negotiating future agreements with Traditional Owner groups.

For those companies with residentially-based operations in relatively remote parts of Australia, another business driver is the challenge of attracting and retaining employees, particularly in the context of recurring skills shortages. Put simply, employees and their families will be more likely to move to, and stay in, communities if they are seen as offering a good quality of life with long-term educational, recreational and employment opportunities, for young people in particular. This provides a strong incentive for companies to invest time and resources in contributing to the development of these communities.

1.3 Acknowledging the challenges

Community engagement and development can be challenging as well as rewarding and there are no simple solutions for success. Communities are complex and dynamic entities and can react in a variety of ways to company efforts to engage with them. There is no guarantee that what works in one context will be readily transferable to another, or that following 'good practice' will always produce the desired outcome.

Companies need to take a long-term view when assessing the success of community initiatives; for example, a company may have worked with a community over a number of years on a process to ensure that local people have a voice in development that affects them, only for the community to then decide to oppose the company's development proposal, or components of it. This may seem like a failure of engagement from an industry perspective, but is it? In the short term, the company may be frustrated that it did not secure community support for the project. But on another project, in another location, the company may gain access as a direct result of operating in accordance with its values and respecting the views of the local community.

Knowledge about effective strategies for promoting community development is still evolving. This is, in part, because many mining companies in Australia have only recently become involved in structured community development activities and it is still too early to evaluate some of the long-term impacts of these initiatives. One of the keys to operating effectively, therefore, is to have good systems and processes in place, including regular evaluations, and the capacity to learn and adapt when circumstances change. (See the BMA Community Partnerships Program case study in this handbook for an example of the use of evaluation to inform program development).

Specific challenges related to community engagement and development are discussed in later sections of this handbook, and guidance provided on how some of these challenges might be addressed.



2.1 Defining the 'community'

The concept of community is commonly used in the mining industry to indicate the geographic community in the operation's area of interest (see Table 1). However, there may be other equally legitimate ways to conceive of community; for example, as a network of people who are geographically dispersed but are linked together by a shared set of interests or experiences. In the context of the mining industry, an example of where the community of a mine may be broader than just people living in the surrounding area is fly-in, fly-out or drive-in, drive-out operations where employees and their families live in a distant town or city. Another example is where some of the Traditional Owners of the land on which a mine is located have maintained their link to the land but reside in regional centres some distance away.

Regardless of how a community is defined, it is very important not to treat it as a homogenous entity. In fact the opposite is usually true. Communities are political in the sense that power dynamics come into play just as much as they do in other group situations. Members of a community are likely to hold diverse opinions about the mine, its activities and the mining industry in general. Different sections of a community will also have different associations with the mine depending, for example, on whether they are near neighbours, employees, local business people or Traditional Owners.

The local historical, cultural, political and legislative context will help a mine to determine who comprises the local community, and the best way of interacting and engaging with the people in that community.

Early in the engagement process it is very important that companies seek views on how the local community is constituted from a broad cross-section of people and that engagement processes are tailored accordingly.

Gender is also an important consideration in understanding a community. Mining tends to be a male-dominated industry, but women play critical roles in communities as workers, family members and as individuals, and are often very active in community groups. In some situations, special effort may be needed to ensure that women's perspectives are sought and that women are proactively included in community engagement and development programs.

Enduring Value's definition of community

A community is a group of people living in a particular area or region. In mining industry terms, community is generally applied to the inhabitants of immediate and surrounding areas who are affected by a company's activities (Ministerial Council on Mineral and Petroleum Resources, 2005).

2.2 Clarifying terminology: communities and stakeholders

Stakeholders are generally defined as those people who have an interest in a particular decision, either as individuals or representatives of a group. This includes people who influence a decision, or can influence it, as well as those affected by it (Ministerial Council on Mineral and Petroleum Resources, 2005).

Applying this definition, local communities may be considered stakeholders. However, the two terms are not interchangeable. Some important stakeholders come from outside a local community, such as national and international non-government organisations, financial institutions, regional and national government, and media outlets. Conversely, not all people in a community would identify themselves as stakeholders some people consider this to be a generic term that does not apply to people living locally.

Some mines have addressed this tension by referring to local communities as 'primary' stakeholders or 'key' stakeholders. This acknowledges the special importance of the host community, while recognising that a company's obligation to engage with stakeholders extends beyond the boundaries of that community.

Given that more than 60 per cent of Australian mining operations have neighbouring Indigenous communities, particular consideration must be given to Indigenous Australians as 'key stakeholders' or, as some would argue, 'rights-holders', in recognition of Indigenous rights, interests and the special connections of Indigenous people to land and waters.

Legislation on Native Title, land rights and heritage protection provide the enabling framework for the protection of such rights and the development of mutually beneficial relationships between the Australian mining industry and Indigenous Australians. Additional information on land rights and cultural heritage protection is given in the Working with Indigenous Communities handbook which has been produced as part of the Leading Practice in Sustainable Development in Mining series.

2.3 Community engagement: a variety of processes

Community and stakeholder engagement is not new, in the sense that mining companies have always interacted with a diversity of external groups such as regulators, governments, customers and suppliers, Indigenous people, near neighbours, local councils and/or employees. However, in recent times the focal point and rationale for community engagement has shifted, with many companies now positioning these activities as part of their commitment to sustainable development and corporate social responsibility (CSR).

This section outlines two potentially useful frameworks which can be used to categorise and describe different approaches to community engagement within the mining industry.

2.3.1 The International Association of Public Participation (IAP2) Spectrum

The IAP2 Public Participation Spectrum represents community engagement as a continuum of activities, as shown in Figure 1.

Figure 1: The IAP2 Public Participation Spectrum



(see www.iap2.org.au/)

At one end of the spectrum, community engagement may involve no more than a basic level of interaction with the local community, such as providing information about the operation. This is often facilitated through information booths, media releases, newsletters, brochures, mail out programs, websites and hotlines. The use of these techniques is often perceived as a way to present basic information to the widest range of stakeholders. As the engagement process moves towards a more directed method of stakeholder interaction, consultation may be employed to ascertain specific areas of risk and opportunity. This interaction can involve public meetings, discussion groups, polls, surveys and focus groups.

Once key stakeholders have been identified, the process becomes more than information gathering and dissemination and moves towards a two-way interactive mode.

The involvement and collaborative steps represent more active and, at times, stakeholder-driven interaction. Activities in these areas can include workshops and discussion groups, learning circles, interviews, reference groups and community consultative committees. At the other end of the spectrum, empowerment represents a level of engagement that can extend to participation in planning and decision-making, not only on issues related to operational impacts, but also on decisions regarding the community's future once the mine has closed. The more advanced an operation or project is in terms of its engagement processes, the more use it will make use of techniques to the right of the spectrum.

Although the IAP2 Public Participation Spectrum is helpful for thinking about engagement, it applies more easily to consultation processes around specific events or decisions than to relationships that, for a mining company, may span decades, depending on the life of the mine. Sometimes more basic forms of engagement, such as information provision, will be entirely appropriate. These processes should be used and viewed as being part of an overall engagement process designed to enable appropriate engagement by all stakeholders. Empowerment is important, but it should not be the objective of every stakeholder interaction. A variety of approaches will be required at different times and on different issues.

2.3.2 A generational framework

Another framework, which relates specifically to the mining industry, is set out in Table 1 below. This framework (Kemp and Boele, 2006) describes the evolution of stakeholder and community engagement in the industry. The table highlights broad patterns only; in reality the lines between each generation are not as neat and elements of the different approaches will often coexist in the one organisation. Nonetheless, the table is helpful for summarising how the industry's approach to engagement has changed and continues to change and for identifying the challenges that lie ahead.

Table 1: Generations of stakeholder engagement in the mining industry

	Gen 1	Gen 2	Gen 3	Gen 4
Approach	Traditional		Emergent	
Concern	Legal compliance	Reputation	Social licence to operate (SLTO)	Humanity and ecology
Audience	Regulators	Influencers and elites	Impacted and affected	Inclusive of minorities and marginalised
Priority	Science	Message	Dialogue and relationship	Equity
Intent	Inform	Defuse	Understand	Empower
Management focus	Compliance	Risk	Risk and opportunity	Rights and responsibilities
Interaction	Pre-determined	Reactive	Proactive and systematic	Participatory
Occurrence	Issue	Crisis	Ongoing	Sustained
Access	Closed	Open	Transparent and accountable	Mutual
Discipline	Technical	Public relations (PR)	Community relations	Community development
Information flow	One-way	Two-way	Responsive	Complex and multidirectional
Communication focus	Internal	External	Internal and external	Holistic
Messaging	Set	Constructed	Tailored	Intuitive
Reach	Regional	Global	Local to global	Networked

Traditional approaches: first and second generation

First-generation stakeholder engagement largely stems from a compliance/legal framework. Technical and scientific considerations are the focus of engagement and regulators are usually considered primary stakeholders. Engagement mechanisms are largely formal and pre-determined with the intent of informing, rather than involving, specific groups.

In the 1980s and 1990s, several high-profile cases with serious environmental and social implications resulted in weakened public trust in the mining industry on a global scale. During this period, the industry became concerned about its reputation and companies started to broaden their focus and engage with a range of external stakeholders, including the global media and international NGOs. Crisis and issues communication, grounded in the public relations paradigm, emerged as an important corporate function. While second-generation engagement is more open than what had existed previously, interaction with stakeholders is primarily focused on defusing tensions, actual and perceived, rather than on building ongoing relationships.

Emergent approaches: third and fourth generation

In the new millennium, the mining industry has seriously engaged with the sustainable development agenda and has come to understand that local communities, in particular people who are impacted and affected, have the ability to influence the industry's ability to gain access to resources. Progressive companies have moved from a defensive, crisis mentality to one that incorporates dialogue with local communities. These companies use a variety of mechanisms in addition to public relations to understand and respond proactively to stakeholder issues, local community concerns and community aspirations.

In response to the sustainable development agenda, a growing number of companies are now focusing on how they can contribute to development of communities beyond the life of a mine. The full achievement of fourth-generation approaches is not imminent, and may never be fully realised, but many companies are starting to recognise some important aspects, such as including minority and marginalised groups in community development, and formally recognising the relevance and importance of human rights.

The generational framework highlights that third and fourth generation have emerged relatively recently, which goes some way towards explaining why the methodologies and approaches in these areas are still evolving.

2.4 Community development in the context of mining

Within the mining industry, community development has been a term largely associated with the international aid, development sector and developing country contexts. However, the terminology is now increasingly being applied in Australia as governments and other organisations recognise the importance of building sustainable communities and regions.

The corporate sector, including the mining industry, is also adopting the terminology of community development to communicate an approach that goes beyond one-off grants and paternalism, to one that is focused on long-term outcomes and is more

collaborative and partnership driven. In this emerging model, companies work with governments and communities on initiatives that help strengthen the social, human, economic and cultural capital of an area.

As discussed in more detail in Chapter 4 of this handbook, community development is fundamentally about contributing to communities so they are better able to meet their needs and aspirations, both now and into the future.

At its broadest, community development is as much about improving quality of life as it is about increasing standards of living in purely economic terms.

Many mining companies already contribute to their region by providing direct employment, creating business opportunities, paying taxes and royalties and providing community donations and sponsorships. Some companies have moved beyond this to generate employment and business opportunities outside of the mining industry, and are actively developing people's skills and capacities so that they can find employment in other industries and contexts once a mine closes. Other companies have focused much energy and effort on employment and business opportunities specifically for Indigenous people, and have developed programs to support them in their transition from welfare to work.

Community development includes helping people to link up and support each other through organisations and networks. It can also involve industry working with, or influencing, governments, other institutions and agencies to contribute to, for example:

- the improvement of public health and other services
- enhancing the local environment, building community pride
- strengthening local institutions
- working with marginalised groups to help them participate more fully in the development of their community.

The focus of community development programs will vary based on the location of the community; the capabilities, needs and aspirations of its members; community priorities; economic base of the community and the wider region; and the strength and capacity of other institutions – such as regional organisations and state/territory or local governments – which often have direct responsibility for providing services and infrastructure. In the Australian context, it is usually not necessary—or even desirable – for a company to be the lead player in the community development process. Rather, the focus should primarily be on partnering with other organisations and government agencies which have expertise in the area, aligning activities with established community planning processes and augmenting successful existing programs and initiatives.

2.5 The relationship between community engagement and community development

Community engagement and development are overlapping but distinct processes. Effective community engagement is an integral part of community development, but engagement can also be undertaken for other purposes; for example, to address

community concerns about environmental impacts. Community development likewise involves more than just interacting with the community; for example, designing programs and linking with government and other organisations.

Table 2 provides illustrative examples of the types of activities that can be broadly categorised in terms of these two processes. Examples are given for each stage of the project life cycle to demonstrate how these activities can be undertaken throughout the life of a project. The examples span a wide variety of engagement and development activities, from information provision through to empowerment. They are provided to give an indication of the sorts of activities individual operations may choose to undertake – they are by no means prescriptive, as the activities listed will not be appropriate for every operation.

Table 2: Community engagement and community development activities

Project stage	Examples of community engagement activities	Examples of community development activities
Exploration	<p>Discussions and dialogue for the purposes of:</p> <ul style="list-style-type: none"> • seeking permissions for access to land • negotiating land use and other agreements • identifying and addressing cultural heritage issues • informing people of exploration activities and timetables. <p>Managing expectations and addressing community concerns about:</p> <ul style="list-style-type: none"> • the impacts of exploration • potential for future development • opportunities for the community if the resource is developed. 	<p>Facilitating opportunities for local people to find employment with, or provide products or services to exploration undertakings. Assisting Traditional Owner groups to build their capacity to negotiate. Supporting or contributing to infrastructure development in areas where exploration is occurring.</p>
Project development	<p>Engaging in further discussion and negotiation for the purposes of:</p> <ul style="list-style-type: none"> • ongoing permission for access to land • fulfilling the obligations of land use and other agreements • identifying cultural issues that may extend beyond exploration such as mapping exclusion zones, active protection of sites. <p>Providing information regarding project development particularly when project development is uncertain.</p> <p>Involving the community in baseline monitoring of environmental and socio-economic and cultural aspects.</p>	<p>Undertaking community needs analyses and baseline studies, including understanding community capacity to cope with change, and the strength of community networks and institutions.</p> <p>In collaboration with key stakeholders, planning the company's community development programs which may include:</p> <ul style="list-style-type: none"> • establishing trusts and foundations to manage royalties, and/or corporate community contributions

	Establishing consultative forums and structures (such as community liaison committees).	<ul style="list-style-type: none"> • supporting and/or contributing to improvements in community infrastructure (such as schools, housing) • outreach programs for marginalised groups • building the capacity of local and Indigenous businesses to provide products or services to the facility • building the capacity of local and Indigenous people to gain direct employment at the facility. <p>Liaising with governments about regional development planning.</p>
Construction	<p>Understanding and addressing community concerns about the environmental and social impacts of large-scale construction activity. Dealing with community expectations about employment and economic opportunities in the construction phase and beyond.</p> <p>Liaising with near neighbours to manage amenity and access issues.</p>	<p>Implementing programs to help integrate employees and their families into the community. Partnering and collaborating with government and other organisations to ensure the delivery of improved services (such as childcare, education, housing) to communities impacted by construction activity. Providing employment, training and business opportunities for local people in the construction phase and beyond.</p>
Operations	<p>Dealing with ongoing amenity and environmental issues and addressing other matters of community concern. Establishing systems to ensure the operation can respond to community concerns and ensuring that agreements are complied with and undertakings honoured.</p> <p>Keeping people informed about what is happening at the mine (such as through open days, newsletters, hotline).</p> <p>Participating in consultative groups and forums and maintaining the involvement and focus of these groups</p>	<p>Working in collaboration with the community to allocate and distribute community development funding, in line with community needs analyses. Implementing or supporting initiatives that address identified community needs.</p> <p>Building the capacity of local organisations (such as through the provision of funding and in-kind support to volunteer and not-for-profit organisations). Providing training, employment and business development opportunities for local people. Partnering and collaborating with other organisations to deliver improved services for the community.</p> <p>Supporting or funding a community visioning exercise.</p>

Planning for closure	<p>Involving external stakeholders in decisions about post-mine land use and beyond, preferably from early on in the life of the operation.</p> <p>Ensuring that the community is kept informed of significant developments and understands the timetable for closure.</p> <p>Liaising with key agencies (such as local government, housing authorities) to minimise disruption to services and mitigate adverse community impacts.</p> <p>Dealing with uncertainty and anxiety in the community and workforce about closure.</p>	<p>Working with communities to help them define a post-mining future or providing support for the community to undertake these processes independently.</p> <p>Identifying viable alternative uses for mine land and project infrastructure.</p> <p>Helping to build the capacity of local people to utilise opportunities presented by mine closure.</p> <p>Providing employment and business opportunities around closure (such as rehabilitation work and environmental monitoring).</p> <p>Considering programs that aim to establish alternative businesses and activities that are not dependent on mining (such as tourism, agricultural projects).</p> <p>Where appropriate, establishing structures such as trusts and foundations to provide economic benefits beyond the life of the mine.</p>
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Ideally, planning for closure needs to commence early in the life of the operation. Development and engagement activities focused on closure should be undertaken in parallel with the ongoing management of the operation. More details on mine closure strategies are provided in the Mine Closure and Completion handbook which has been produced as part of the Leading Practice is Sustainable Development Program for the Mining Industry.



3.1 Guidance sources

A range of toolkits and guidelines are available to help mining companies engage more successfully with local communities and, where appropriate, assist them to move towards community development. Details on how to access many of these resources are provided at the end of this handbook.

While these tools and guidelines provide practical advice on community engagement, each program should reflect the individual needs of the parties involved. Mining companies should adapt their engagement programs in response to community feedback.

3.2 Principles of effective engagement

There are some broadly accepted principles that provide companies with guidance on what is required to move organisations past routine information provision and consultation processes to include more proactive processes.

Table 3: Industry principles for engagement with communities and stakeholders

Principle 10 of the **Enduring Value Sustainable Development Framework** is to 'implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders'. This breaks down into the following elements:

- 10.1 report on economic, social and environmental performance and contribution to sustainable development
- 10.2 provide information that is timely, accurate and relevant
- 10.3 engage with and respond to stakeholders through open consultation processes.

The Ministerial Council on Mineral and Petroleum Resources' (MCMPR) Principles for Engagement with Communities and Stakeholders are:

- 1. communication both listening and talking
- 2. transparency clear and agreed information and feedback processes
- 3. collaboration working cooperatively to seek mutually beneficial outcomes
- 4. inclusiveness recognise, understand and involve communities and stakeholders early and throughout the process
- 5. integrity conduct engagement in a manner that fosters mutual respect and trust.

Principles of 'inclusivity'

An internationally recognised framework that provides a simple set of overarching principles for engagement is the AA1000 series (AccountAbility, 2005). While this framework relates more broadly to stakeholders, the principles apply equally to community-level engagement. This is one of the only recognised international standards that deals with the quality of stakeholder engagement, rather than simply mechanisms and processes that make up the engagement process.

The overarching principle of AA1000 is that of inclusivity. Being inclusive means providing all members of the community, including the most marginalised, the right to be heard and accepting an obligation to respond to them. In the context of the mining industry, inclusivity also requires that companies identify and understand the downstream impacts of their activities and products, as well as community needs, expectations and perceptions.

Inclusivity is operationalised by AA1000's three other key principles materiality, completeness and responsiveness:

- materiality means knowing the crucial and most important concerns of the community and the organisation
- completeness requires not only knowing about material concerns but understanding them fully, including others' views, needs and performance expectations
- responsiveness requires that companies respond in full to the crucial and most important concerns or explain why they cannot.

For example, to align with these principles, a minerals processing facility with dust and noise issues would recognise that these issues are material for the community. The facility would also fully understand the views of the community and their needs in relation to reducing dust and noise levels, including what would constitute acceptable performance indicators, respond with actions to address these issues and communicate subsequent performance. The Beltana Mine case study is an example of the application of these principles to address community concerns about the environmental impact of mining activities.

Case study: Mines and wines, Xstrata Coal Beltana Mine

This case study demonstrates the mutual benefits of investing in a strong industry and community partnership in addressing community concerns on the environmental impacts of a project.

In the mid-1990s Xstrata's Bulga Coal mine, operating in the Hunter Valley, New South Wales applied for exploration licences to investigate further coal resources in an area beneath 40 commercial vineyards and adjacent to Wollombi Brook, a significant second-order stream in the area. In a public meeting attended by 200 local residents, strong concerns were expressed about the impacts of underground mining on viticulture and the area's water resources, which were reported in state-wide press.

In response, the company formed a specific project team and established a community consultation committee to address the community's concerns. Agreement was reached with the community on the construction of a simulated vineyard over the existing South Bulga underground mine, to assess the impacts of subsidence on the vineyard infrastructure. The community was kept informed of the results of both the exploration program and the viticulture trials through field days and newsletters.

During the development of the environmental impact statement (EIS) for the continuation of South Bulga's underground workings to the new Beltana highwall, longwall punch mine, a more detailed impact assessment was carried out for each property to be undermined. Private property management strategies were developed and tailored to each property and provided to owners in their own booklets. Following project approval, the booklets were further enhanced as a part of the subsidence management plan process. Finally, a comprehensive consultation program was established for the ongoing management of Beltana Mine.

These initiatives strengthened the relationship between the mine and the community and minimised the environmental impacts of mining on the vineyards. A testament to the success of the consultation programs was that only two community objections were received on the development application and the supporting EIS.

Undermining operational vineyards was a first for Australia, possibly the world. Without previous experience or research to rely upon, it was imperative that the potential impacts of mining subsidence on the vineyards were investigated and that the vignerons' concerns were addressed. This led to the development of a world-class vineyard monitoring program, developed in consultation with the key stakeholders and the assistance of academics and consultants. The positive outcomes could only be achieved through a well-coordinated community consultative program, the close involvement of affected landowners and the commitment of the mining company. The following outcomes were achieved:

- formation of an exploration community liaison committee
- ongoing comprehensive consultation
- formation of a technical review committee to oversee the results of the vineyard monitoring program
- enhanced relationships with the community
- approvals obtained in a timely manner.

The following trials, plans and programs were developed:

- the vineyard trellis trial
- private property subsidence management plans
- vineyard monitoring program.



Consultation with key stakeholders in the development of the vineyard monitoring program

Case study comment:

'By taking the time to listen to local landowners and address their individual concerns, we were able to work together throughout the various stages of the project to achieve a positive result for both the mine and the community' (David O'Brien, Group Manager Environment and Community, Xstrata Coal NSW).

3.3 A systematic approach

Obtaining and maintaining a social licence to operate from local communities and other stakeholders requires consistent performance. For some companies, poor social performance at one site can affect its social licence at another. A systematic approach will help to maintain consistency within and between operations over time.

Systems provide institutional memory so that commitments made by key personnel at a particular time, such as during exploration, are captured and managed appropriately for the entire life cycle of an operation, instead of information being lost when individuals leave or the operation moves on in its life cycle.

Some mining companies have invested considerable resources in developing and implementing management systems for community engagement. The elements of these systems typically include the use of socio-economic baseline studies and social impact assessments, planning processes, documentation of procedures, program delivery, regular reviews and audits against defined standards and objectives, and a strong focus on information management. These elements apply to all stages of mine life, including closure.

Some key components of a systematic approach to community engagement are outlined in the following sections, under the headings of:

- community and stakeholder identification and analysis
- socio-economic baseline studies and social impact assessments
- risk and opportunity assessment
- engagement plans
- audit and evaluation.

Community and stakeholder identification and analysis

Community and stakeholder identification and analysis are the first steps to establishing positive relationships with stakeholders, including the local community. This includes developing a stakeholder database and conducting a stakeholder mapping exercise.

Community and stakeholder identification should be undertaken by a multidisciplinary team of staff from across company sections, with significant input from community members. Consistent with the principle of materiality outlined above, the process should aim to identify all relevant stakeholder groups and the issues and impacts that relate to them. Physical, social, historical, cultural and political aspects of the community need to be considered including levels of dependency certain groups may potentially or already have on the company. Sensitivity to issues of gender will help ensure that women as well as men are appropriately represented in the analysis.

Community and stakeholder identification and analysis increasingly forms part of the social impact assessment (SIA) for new projects, but can be undertaken at any stage in the life of the mine. Regardless of when the exercise is first conducted, the stakeholder database and map need to be reviewed regularly as a way of keeping track of changes in the community and the mining operation, and the emergence of new issues.

Baseline studies and social impact assessments (SIA)

Large development projects in Australia are generally required to conduct an SIA as part of the environmental approvals process. Traditionally, this was the only time when the issue of social impacts was given formal consideration.

However, leading companies in the industry are now voluntarily undertaking the equivalent of SIAs at their existing operations to develop a better understanding of local communities and to manage significant events such as expansions and closures. A variety of terminology is used to describe these exercises – such as social monitoring, social assessments or socio-economic baseline studies – but the common element is the focus on identifying and tracking the social impacts of a project, both positive and negative, and the key community issues associated with the project.

A comprehensive SIA should aim to:

- identify the key social, environmental, demographic and economic factors that constrain or drive change in the particular community or region
- understand how the establishment, expansion or closure of a mining operation will impact on the community or region
- define key baselines against which to measure past and future changes, and whether or not these relate specifically to the impact of the mining operation
- identify potential risks and opportunities to the community or region from the presence of the business and indicate how these might be avoided or secured
- look to identify existing programs, services, projects and/or processes (such as a community or regional plan) with which an operation could integrate potential initiatives.

Assessments should utilise both qualitative data (from interviews and focus groups) and available quantitative data (on demographic trends, labour market and employment data, income distribution, education levels and health indices).

In obtaining community input, it is important to be as broad and inclusive as possible to ensure that all relevant issues have been identified. In particular, operations need to avoid only engaging with groups and individuals who are positive or have high influence. It is just as important to involve marginalised groups who may not necessarily come forward voluntarily, plus the 'silent majority', whose perspective is sometimes overlooked due to vocal community groups or individuals. As previously emphasised, women are also important stakeholders within communities and workplaces and may bring different perspectives and views on issues from men.

The engagement processes that are used need to take account of the circumstances and communication needs of particular circumstances. Sessions may have to be held after hours, in different locations, and different styles of presentation and communication will often be necessary. Consideration of literacy levels and working cross-culturally with communities for whom English is not the primary language may also be important.

There are a variety of methods and approaches to conducting baseline studies and social impact assessments. Researchers may use different frameworks, based in methodologies derived from a range of social sciences, including economics, sociology, anthropology, social geography, community development, rights-based frameworks, communication, public affairs or social psychology. Company or site representatives commissioning the SIA/ socio-economic baseline study and writing the scope should understand that there are many different approaches available.

Risk and opportunity assessment

Once social and community issues have been identified through an SIA or similar process, a risk and opportunity assessment should be undertaken to rank issues associated with the activities of the facility, based on actual and perceived impact. Ranking is important in order to prioritise what needs to be addressed first. Operations should focus not only on potential liabilities but also on identifying opportunities to contribute constructively to the long term development of communities and regions. Further community engagement may be required at this stage to better understand and prioritise issues and identify possible responses.

Risk assessment and ranking needs to be repeated regularly because, as a project moves through its life cycle, changes occur, including perceptions of the project and its performance, relationships with community members, and people's priorities, both within the company and the community.

Developing a community engagement plan

The culmination of the assessment process should be the development of a community engagement plan, or similar, which is informed by the stakeholder identification and analysis, SIA, risk and opportunity assessment, as well as other interactions.

Plans should ensure that the community is aware of the operation's activities, that the site has systems and processes in place to ensure that it continues to understand and respond to community issues and concerns, and that relationships are built proactively, not only when issues occur. A dispute resolution process should also form part of any engagement plan.

Operations will need to ensure alignment between their engagement plan and other key strategy documents, such as the plan of operations, as well as other wider community, regional and national development plans. The plan should also include performance measures, so that the effectiveness of company initiatives can be assessed and improvements made where required.

Undertaking audit and evaluation

Operations should regularly check that the systems and processes that have been established are being consistently applied. Audit results enable operations to change actions, behaviours or the system itself to ensure better alignment with the operating context and community engagement outcomes. Audits can be conducted by a third party or operations can undertake their own self-assessments. Whichever approach is taken, standards need to be clearly defined and consistently applied.

While checks against systems and processes are important, periodic evaluations should also be undertaken to assess the way in which an activity or program of activities is undertaken and the impact that it is having. Evaluation results help inform and improve planning and decision-making about the activity or program, or future similar activities, and to report on practice (Queensland Government Department of Communities, 2004). Evaluation of community engagement and community development initiatives can take place at either the project level, for one-off initiatives, or the program level when there are a number of related activities or

events. The scope of the evaluation should reflect the scale and significance of the activity or program to be evaluated. (See the BMA Community Partnerships Program Case study on page 46).

3.3.1 Using a variety of mechanisms

Rather than taking a generic approach, companies should employ a combination of engagement processes, formal and informal, that encourage different members of a community to engage in ways that suit them.

The choice of mechanism will depend on the community, complexity of the method, the issues involved, levels of literacy, cultural appropriateness, gender considerations, resources available and the stage of the project. The choice of mechanisms will also be informed by the processes outlined above.

Offering a variety of vehicles, such as those in Table 4, increases the likelihood of engaging a diversity of people, from powerful influencers to people who are impacted and affected but have not traditionally engaged in public dialogue, such as marginalised groups.

Table 4: Engagement processes

Informal

One-on-one impromptu discussions and informal conversations: These are important for forming and maintaining relationships, understanding personal perspectives and gaining an appreciation of general community sentiment. Valuable information can be obtained from informal interaction with community members. However, companies need to recognise that informal engagement with just a few individuals may be perceived as favouring the views of particular individuals. In such circumstances there may be greater benefit in first establishing open, transparent and public forms of engagement.

Formal/structured

Combining informal and formal mechanisms provides greater depth to engagement programs.

Public displays: In the early stages of a project, posters and models of proposed operations displayed in public locations, such as retail centres, councils and local fairs can expose the project to many people and raise public interest in a project. Mobile displays can be used in remote locations. Feedback should always be sought.

Briefings: Regular briefings of community stakeholder groups, such as the local media, government personnel, Indigenous leaders and employees are an important way of disseminating information. Presentations should be tailored to meet the information needs of each group. Translating information into other languages may also be necessary in some cases; for example, when communicating with traditional Aboriginal communities.

Public meetings: These may be useful in smaller communities; however, they require careful organisation, often with a skilled facilitator, to ensure that everyone has the opportunity to voice concerns and interests.

Visitors centre: Establishing or providing materials at a visitors centre can provide the local community with easy access to information about the operation, and can also serve as a venue to hold community meetings or briefings.

Contact points: Some sites operate 24-hour telephone lines for providing information and as a method for recording complaints and issues.

Direct mail and newsletters: These are effective for informing specific people about the project, including how the company is responding to community concerns. Correspondence may be personalised, with supporting information, or it may be a regular newsletter describing community activities that the company is involved in.

Community liaison and advisory groups: Community liaison or advisory groups established specifically for the mining project can help the operation focus its engagement program. See the Ravensthorpe Nickel and Martha Mine case studies in this handbook. Groups can cover general matters or be focused on a particular aspect (establishing a community funds foundation, planning mine closure, rehabilitation). The success of these groups will depend heavily on how they are structured and whether their role is clearly defined and understood.

Websites: The internet is effective for providing general information about the project and providing 'real time' updates on activities and progress. Some stakeholders may prefer the option of engaging through this technology or at least have the option of gaining information this way.

Workshops and focus groups: Workshops enable company personnel to work with a variety of stakeholders to brainstorm solutions to issues raised by the community that may not have been adequately considered in project design.

Research: Various forms of research, whether undertaken directly by the company or operation, or commissioned from a third party, can provide valuable information about community needs and perceptions about the facility. A range of research methods may be used, from surveys and focus groups to interviews.

Scheduled personal visits: Face-to-face discussions are important for establishing personal rapport with key individuals, such as fence line neighbours.

Open days and site visits: These activities are a valuable mechanism for keeping the community and families of employees up-to-date about the operation and how it is being managed. Such events also provide an opportunity to hear about community concerns and issues. Site visits for particular stakeholder groups are a more focused and targeted option and can often serve to demystify what happens at a project.

Staff membership on community groups and committees: Developing links between mining operations and other community groups can help community understanding about the project, and also help the project understand more about community priorities and sentiments about the operation.

Employee interaction: Employees are a valuable resource for understanding community concerns and issues. They are also one of the most important ambassadors of the company and need to be engaged with in a variety of ways, from toolbox talks to more structured employee forums.

Whatever engagement mechanisms are used, companies should try to build on existing structures, processes and mechanisms where possible, rather than creating new ones.

Case study: Ravensthorpe Nickel Project, BHP Billiton

The Ravensthorpe Nickel Project is a \$1.4 billion project on the south-east coast of Western Australia, close to the towns of Ravensthorpe, Hopetoun and Esperance. A new mine and processing facility are being constructed to produce a mixed nickel-cobalt hydroxide product over approximately 25 years. The project is 100 per cent owned by BHP Billiton and managed by Ravensthorpe Nickel Operations (RNO).

Since pre-feasibility commenced in 2002, RNO has been addressing local socio-economic issues that arise from establishing this operation within a small regional community. A commitment to building positive relationships with the community is an essential factor in this process.

The project is located in a farming district of less than 100 residents, many from families who cleared the land to establish their farms and have strong ties to the land.

There is a rich biodiversity of flora and fauna, most of which is endemic to the region, together with a pristine coastline. An estimated 300 employees and hundreds more indirectly employed by the project, and their families, will become part of the local community.

The project offers a significant regional development opportunity for southeast Western Australia. A challenge for the Company is to develop a mining operation within this community of farmers, retirees and summer tourists, who are naturally protective of their rural and regional lifestyle.

Building relationships

The company project team focused on establishing close relationships with local councils and worked with the Western Australian and Commonwealth governments to provide multi-user infrastructure, including residential land, upgraded water, power, roads, community services buildings and educational facilities within the townships.

The project team encouraged local and regional businesses to participate in the construction phase and established online registration of these businesses to ensure the visibility of local goods and services to larger contractors from outside the region.

The project team also actively supported initiatives by local business chambers to help members adapt to the longer-term service and maintenance requirements of a large mining and processing operation.

This will facilitate increased capacity building within local businesses, broaden skills capability and increase retention of younger people within the region. This will, in turn, enhance the sustainability of the local communities.

Historically, community concerns about large resource projects have been addressed within the environmental impact study; however, the project team recognised that locals were not confident regulatory authorities would

adequately address their concerns. RNO facilitated the establishment of two committees to assist community participation in decision-making processes. Both groups will continue for the life of the project.

Community Liaison Committee (CLC)

The CLC was formed to help the wider regional community adapt to the project. It assists in reducing potential tensions that could come from differences between the mining and agricultural sectors, and with the influx of new families into the small community. The CLC also administers and evaluates sponsorship applications from the community and recommends to RNO how to allocate its annual sponsorship funds. The CLC includes representatives of the local business and farming community, local government, the education sector, young people and a regional environmental organisation. A Traditional Owner representative from the Esperance area joined the Committee in 2006.

The Jerdacuttup RNO Working Group (JRWG)

The JRWG, which represents the project's near neighbours, was formed to ensure no social or environmental harm occurs as a result of the project's operations. The group was involved in establishing environmental and community baselines prior to the commencement of the project.

The JRWG Chairperson is a member of the CLC, which aids the effectiveness of the two committees by enabling the JRWG to be represented in discussions of broader initiatives without losing its focus on project/neighbour issues.

Outcomes to date

Studies and baselining work have been completed through the JRWG, including trial blasting, air quality, farm values and groundwater, and soil and vegetation programs.

Several programs are still in progress, including a community health self-assessment, surface water flow predictions and an independent review of the proposed designs for the tailings storage facility and evaporation ponds.

Source: BHP Billiton Sustainable Development Report 2005
www.hsecreport.bhpbilliton.com



Members of the RNO Community Liaison Committee and the Operations General Manager Isak Buitendag on a site inspection tour

3.4 Supporting community engagement

Community engagement requires high levels of commitment in order to be effective. As highlighted below, commitment must come first and foremost from senior leadership at the operation. Adequate financial as well as human resources must also be made available.

Support from senior leadership

Although there are long-term benefits to be gained from an open and transparent approach to community interaction, it is not easy. It is essential that community engagement processes are supported and seen to be supported by senior leadership at a mine site; this means not only the general manager or mine manager, but the senior leadership team more broadly. Support will require active and visible involvement in engagement processes; for example, regular attendance at community meetings and stakeholder briefings.

Engaging internally and externally

Community engagement requires company personnel to work in the community, for example, through community visitations, meetings and other activities. This external work takes time and is essential for understanding the community perspective and building trust. However, community engagement is not only about external relationships. Operations need to ensure that employees and internal company systems support the external engagement program. Site personnel should be encouraged to participate in community engagement processes and incorporate community perspectives into their work, for example in designing recruitment and training programs, developing rehabilitation plans, or designing plant upgrades (where there may be a new opportunity to address community concerns over issues such as noise or dust).

Adequate resourcing

Adequate resources must be allocated for socio-economic baseline studies and social impact assessments, building a community relations management system, employing staff with appropriate knowledge and skills, and providing for their professional development.

Resourcing also means allowing adequate time and financial support to plan and undertake engagement processes, and to evaluate of engagement processes to ensure outcomes are effective and appropriate.

Continuity of personnel

Community engagement relies on local relationships. However, in an industry such as mining, personnel often move between different operations and locations for career development and to gain experience in different contexts. As continuity of relationships with local people is important, succession and transition plans for key positions should be considered before key personnel move on. Operations could also consider incentives to retain key personnel and ensure that relationship building is shared by the senior management team, rather than only relying on key individuals.

Cross-company cooperation

In cases where there are multiple mines in a region, there may be benefits in companies taking a more collaborative approach to engagement. For example, the Minerals Council of Australia and Federal Government Memorandum of Understanding on Indigenous Employment and Enterprise Development (see case study page 49) encourages greater industry collaboration, rather than competition in ensuring improved outcomes in Indigenous employment within mining regions.

Case study: Martha Mine at Waihi, New Zealand

This case study demonstrates the value of developing sound processes for community engagement and local capacity building.

Martha Mine is located at the centre of Waihi township (population 4700) in New Zealand, which has been operated by Newmont since 2000. It is an open-pit mine established in 1987 and is scheduled to stop production in 2009.

In 2003, Newmont Waihi Gold sought to establish a forum to facilitate community participation in planning for the closure and rehabilitation of the Martha Mine, through a community consultation process initiated with the local council. The company agreed to fund the costs of an independent facilitator, venue hire and associated running costs. The Waihi Community Consultation Committee was subsequently formed as an independently run group, with the company just one of many representatives on the committee.

The key outcome of this process has been to provide a broader opportunity for the community to be much more proactive in working towards the long-term social, environmental, cultural and economic sustainability of the town. The committee has subsequently renamed itself Waihi Community Vision, formed various working groups to focus on particular projects, and established an organisational structure to bring community ideas to fruition.

The success of this example of community engagement is attributed to:

- use of an independent facilitator, who could develop and maintain the confidence of the company, the community and the local council
- active, long-term and senior-level (site manager and Mayor) participation and contribution from the company and local council
- an inclusive process that worked hard to ensure that everyone's views were heard and considered
- a commitment to a community-driven process and achieving community-based goals, rather than an approach based primarily on the company's requirements
- commitment to respectful and open communication
- commitment to the development of trust and confidence

- commitment to integrity and transparency by providing as much information as possible, in non-technical terms, to the community
- decision-making using a consensus model.

The first stage of consultations sought to elicit as many ideas and projects as possible that could contribute to a long-term vision of Waihi. These ideas were consolidated through presentations to the company, the council and the public. In the next stage, consultants were engaged to assess and rank each project based on economic feasibility and contribution to community values. Their report assisted in the collaborative prioritisation of projects. The committee then established a trust with trustees from the community, local council and company to further develop projects. The trust now also employs a chief executive officer whose role is to project manage the development of community projects.

Community groups were initially mixed in their response to the proposal for a community consultation process. The process was lengthy, with uncertain outcomes and was, at times, frustrating. Community consultation did not exist simply to validate the views of the company or even the majority of community representatives, but provided a forum for inclusive, robust debate and discussion. The community consultations provided the opportunity for attitudinal shift and subsequent community action, and to help facilitate a range of diverse community projects.



Martha Mine and the Waihi township

Case study comment:

BERYS DALY, representing the arts community

'The body language on some of those nights! I would come away with my mind thinking, this is not going to get there. Well I think there's great hope in a whole range of different areas and, like I say, it's the catalyst for people to go there and make something of it for themselves. I think the company has gone out of its way to support the ideas and try to dispel what I call the "them and us" scenario.'

JOHN MCLVOR, representing tangata whenua

'From the tangata whenua perspective, it's always challenging when you go into an environment that has a lot of non-Maori people and a lot of views that are very anti-Maori. From a tangata whenua perspective, probably the high point is being able to tell our story and tell our community what Pukewa (the hill, the maunga) meant to us. Being able to tell that story and have it accepted and not

being ridiculed; that was great. Newmont has certainly shown a willingness to understand our story, acknowledging that, and there's their willingness to work with us, their willingness to understand our culture. This has been something we have appreciated. We would certainly appreciate them a lot more if they stop mining.'

MARK SAMSON, representing Waihi Tourism Group

'It's probably the first time in Waihi's history that the town has had the opportunity to plan its future, and it's come from the community, not from the regulatory authorities.'

3.5 Challenges of community engagement

Some specific challenges that mining operations face when engaging with communities are discussed in the following sections.

Managing expectations

Community engagement processes can inadvertently raise community expectations beyond what the company can reasonably deliver. To reduce the risk of this occurring, mining operations must be clear about why they are engaging and what they hope to achieve. Engagement for engagement's sake is not helpful as it can raise unrealistic expectations rather than allowing companies to work with the community to prioritise needs, clarifying what the companies can address and what remains the responsibility of others, such as government. Companies must also be prepared to report back on the outcomes of engagement processes, particularly to those directly involved, and be clear and transparent on what they will and will not (or cannot) undertake.

Dealing with conflict

While engagement may seek to achieve consensus, this will not always be achievable. For example, there may be a fundamental divergence of opinion between a company and significant sections of a community on the issue of whether mining should be allowed in an area at all. In other cases, the 'solution' to the conflict may be beyond the direct control of the company (for example, it may require a change of government policy).

A measure of effective engagement may not necessarily be the absence of conflict and disagreement, but rather, the ability of the different parties to maintain a constructive dialogue. Mining companies can facilitate this by being transparent in their actions, engaging with all players, treating them with respect and sharing information openly with them.

Good procedures for dealing with grievances are also important. Some companies have established formalised grievance processes, which can include involving a third party to mediate on a particular issue. Regardless of which particular model is used, companies should consider how they are going to deal with grievances before issues escalate and make sure that they have appropriate processes in place.

Valuing informal engagement

Another challenge is finding an appropriate balance between formal and informal engagement. As emphasised earlier, good systems and administrative processes are important, but managers need to be careful not to undervalue informal vehicles of engagement, such as talking to people at sporting events, in shopping centres and elsewhere around the community. These informal interactions encourage a greater flow of information and help build rapport with community people, which is central to building relationships of trust. For example, unless issues escalate, some community members prefer to make complaints 'off the record' rather than putting them in writing. If there is too much emphasis on formalisation, this informal, yet extremely valuable, feedback may be missed.

Prioritising understanding

Good community engagement is focused on understanding before acting. However, managers are sometimes keen to identify solutions without first fully understanding the social issues and dynamics involved, particularly when a technical solution appears obvious. This needs to be addressed by educating managers about the importance of understanding the social dimension and the potential consequences of ignoring or mismanaging social risks.

Other challenges

Other challenges that should be acknowledged include:

- engaging with communities that are volatile, or have a lot of internal conflict
- overcoming legacies of distrust
- dealing with 'consultation fatigue' in communities.

Some of these challenges can be very complex to address as they each come with a unique sets of drivers and issues, which will require a reflective approach on the part of companies. However, if companies follow the processes and methods outlined in this section, it should be easier to anticipate and address these challenges. Some of the resources listed at the end of the report also provide useful practical advice on how particular challenges could be addressed.



As outlined in the introduction, the term community development can have various connotations, but there is a general core of agreement among community development practitioners, government, non-government organisation representatives and specialists about the fundamentals of what this activity involves.

Community development encompasses economic, social and cultural development—that is, all aspects of human life and well-being. It is the process whereby people increase the strength and effectiveness of their communities, improve their quality of life, participate meaningfully in decision-making and achieve greater long-term control over their lives. Women and men participate in local development every day through their family life, livelihood activities and community responsibilities. Community development is an important concept anywhere that there is concern for improving standards of living and people’s way of life, regardless of location.

4.1 Industry principles for sustainable community development

As pointed out at the beginning of this handbook, Principle 9 of the Enduring Value Sustainable Development Framework includes a commitment to:

‘Contribute to the social, economic and institutional development of the communities in which we (mining companies) operate.’

The specific elements of this principle are listed in Table 5.

Table 5: Elements of Enduring Value Principle 9

The elements of Enduring Value Principle 9 are:

- engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts
- ensure that appropriate systems are in place for ongoing interaction with affected parties, making sure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement
- contribute to community development from project development through closure in collaboration with host communities and their representatives
- encourage partnerships with governments and non-governmental organisations to ensure that programs (such as community health, education, local business development) are well designed and effectively delivered
- enhance social and economic development by seeking opportunities to address poverty.

4.2 The roles of industry and government

The mining industry in Australia operates in diverse settings, ranging from communities in urbanised areas to country towns and remote Indigenous communities. In urban areas there is usually a diverse economy and good government services. However, in some country towns, the economy can be polarised and resources stretched; and some Indigenous communities have limited participation in the mainstream economy and welfare dependency. Consequently, what constitutes community development, and what is expected of a mining company, can vary markedly across these different settings.

The approach and content of a mining operation's contribution to community development should be determined by local conditions such as the nature and scale of the operation, available government resources and local people's specific needs and priorities. Mining companies should work in support of local community priorities and existing programs rather than having predetermined projects or approaches to offer local communities. Full and active engagement as described earlier in this handbook is, therefore, essential for sustainable community development (see the Comalco Weipa case study in this handbook).

A company's community development program might be managed by a specific department, such as a community relations or Indigenous affairs, or perhaps through a foundation or trust. Other departments, such as human resources, purchasing or supply, are also often integrally involved. According to the International Finance Corporation (IFC, 2000) some of the most innovative community development efforts by private companies arise from cross-functional partnerships between groups within a corporation. Mining companies have skills to share with communities in a range of areas such as trades, administration, management, finance, operating and maintaining machinery, and improving local supplier and contractor capability. In addressing community development challenges, mining companies need to focus on where their own areas of expertise intersect with community needs.

Where practical, companies should avoid filling roles which are the responsibility of others, particularly governments. Mining companies in remote parts of Australia have often responded to an obvious local need, for example, for improved local health and educational infrastructure, particularly when the company is partly responsible for stretching community resources. However, companies need to be careful that they do not indefinitely fund the maintenance, upkeep and running costs for services that are the responsibility of governments or, at least, are shared with government. Direct involvement in services that are not part of their core business skills does not always make sense for mining operations nor help local communities develop their own capacity and secure government services.

In other words, independently providing services without any government involvement, or a plan for transferring responsibility may inadvertently create a situation of community dependency upon a mining operation in the long term.

One of the best ways a company can contribute to community development is by acting as a catalyst for economic and social development opportunities. One way of achieving this is to foster dynamic linkages between communities and external support agencies, such as non-government organisations, service providers,

training organisations and employment agencies (see the case studies of the BMA Community Partnerships Program and the Argyle Diamond Mine - Beacon Foundation Kununurra No Dole Program in this handbook). Working with state/territory and local governments on local development programs is equally essential, particularly as most governments have their own regional and local development plans (see the Comalco Weipa case study in this handbook).

For mining companies, regional cooperation may involve several different mining companies with operations in a particular region working together on community development projects, rather than working separately in an effort to maintain competitive advantage. Coal mines in the Hunter Valley of New South Wales and iron ore mines in the Pilbara of Western Australia are examples of regions with multiple mining operations in a single area and where joint community development efforts may benefit all. It also makes sense for companies to consider supporting existing programs by providing additional skills and resources, where appropriate, rather than duplicating or competing with the efforts of others.

Case Study: Sustainability planning engagement process Comalco, Weipa, Rio Tinto Aluminium

This case study describes processes used at Rio Tinto's Comalco bauxite mining operations at Weipa to engage both Indigenous and non-Indigenous community groups of the Western Cape York Peninsula of Queensland, in sustainability planning for the region. The mine has been operational for 50 years, with mining expected to continue for at least another 50 years.

In 2001, Comalco finalised negotiations for the Western Cape Communities Coexistence Agreement (WCCCA) with the Indigenous communities surrounding the mine. This agreement commits the operation to Indigenous employment and regular payments into a benefits receiving trust, amongst other things.

There were several complex issues to consider in developing the engagement process. Of primary importance was the need to implement the WCCCA while also addressing issues impacting non-Indigenous community members. There were internal organisational issues to overcome before external engagement could take place as there had been a history of limited communication between corporate and site personnel on long-term and strategic issues. There were also numerous local, state and federally-driven consultation forums and development initiatives in the region to link with, but not duplicate. Further, it was necessary to fully understand issues of importance to the local communities, particularly Indigenous communities where there had been a long history of previous disputes and a lack of trust.

Once issues of importance to local communities were understood, an initial forum meeting was conducted mid-2004 which included members from Weipa operations, Rio Tinto Aluminium and corporate as well as external advisors; with independent facilitators to coordinate the process. A scope, vision, objectives, targets and action tasks were developed.

The group met on a quarterly basis during 2005 until significant progress had been achieved. Aligning the ideas and language of corporate and site personnel was a critical factor in the success of the forum. External engagement initially involved forum members attending other existing forums (such as quarterly WCCCA coordinating group meetings and regular Weipa Town Council meetings) to communicate objectives or achieve specific tasks.

Following the successful implementation of this strategy, the forum met twice yearly and then once in 2006. This included an open discussion component with key local stakeholders in Weipa, followed by one meeting per year in Brisbane with the company personnel and advisors.

Outcomes that have been achieved since the start of the process include:

- a partnership between Comalco, Queensland Health and the local community which has enabled redevelopment of the old Weipa hospital into a new regional health facility and precinct – this project is due for completion in 2007
- a memorandum of understanding and action plan for 2006 regarding Indigenous training and employment in the mining industry through a regional partnerships agreement which involves Comalco, federal and state government agencies, and local service providers
- the participation by Comalco and other local employers in the Western Cape College Education Forum to increase alignment between educational outcomes and employment opportunities in the region
- initiatives to improve social harmony in and around Weipa, including a revision of the cross cultural training package, and development of an induction program for new Comalco employees and their families.

Case study: Argyle diamond mine and the Beacon Foundation's 'No Dole' program at Kununurra High School

The Beacon Foundation's No Dole program was introduced at Kununurra High School, Western Australia, in 2006. This program encourages and assists secondary school students to complete Year 12 studies. In particular, the program at Kununurra is focused on encouraging Indigenous students to complete Year 12 so that they can achieve the prerequisite educational requirements for entry into TAFE and university courses, and the subsequent career and employment opportunities that education provides. The program has two objectives—finding local jobs for school leavers in preference to unemployment benefits (the dole) and preparing them for life beyond secondary school.

The Kununurra No Dole Program is being funded by Argyle Diamonds as part of its community development program and a commitment to increasing its already high levels of Indigenous employment. Argyle's support of this program is more than helping to educate young people; it is offering the opportunity of a permanent job in the local area, linked to accredited and portable training, with ongoing career prospects. Argyle is a major local employer, providing direct and indirect employment.

As part of the program, students are encouraged to make choices about their future:

- Do they want to enter the workforce with a 'real job'—which may encompass ongoing education and training leading to recognised, accredited and portable qualifications—or do they want to advance their education?
- What type of career line do they wish to pursue—either in employment or education?

The program helps students to recognise their interests and talents, and to match them to vocational opportunities in the local region. They are encouraged to make their own decisions without fear of punitive measures.

The No Dole program was launched in May 2006 with a business-school partnership celebration. The aim of the business-school partnership is to link students with potential employers across the region. In addition to mining, there is employment potential within the region's strong rural sector based on the Ord River Irrigation Scheme and the vibrant tourism industry.

As part of the program, school leavers, employers, and all interested and supportive local parties sign a No Dole Charter, pledging not to choose the dole. This commitment is publicly recognised through a major promotional event to highlight the importance of the pledge to the community. The charter signing launch was conducted by Tania Doko from the pop group Bachelor Girl at Kununurra High School on 31 October 2006.

For more than a decade, the Beacon Foundation's No Dole program has repeatedly achieved positive results in increasing school attendance and helping school leavers to reject the dole as a 'career' by obtaining employment, completing training programs or enrolling in further education. No Dole is now operating in more than 80 secondary schools across Australia.

4.3 Key steps for sustainable community development

Historically, the industry's contribution to the community was often managed by outside planners without the involvement of people in the local community. Planners, who may have been mining company managers, consultants or government officials from national or state/territory governments, tended to inform communities of what programs were available for them and sought their agreement rather than their participation. International leading practice in community development – including World Bank requirements–calls for communities to be included in planning processes, and encouraged and supported to participate to the extent of their interest and capabilities. Involving community members, both women and men, in the actual planning stages of development programs, will make success much more likely.

Development work is complex and fluid in nature, and can be approached in diverse ways, but there are some logical steps.

Step 1: Dialogue

The first step starts with community engagement, preferably incorporating elements from third and fourth generation engagement (see Table 2). Dialogue for community development should not have an explicit agenda other than to understand the needs and expectations of people. It should seek to establish trust and confidence in the process. Without this, development work has no basis to move forward. This first step of gaining understanding includes undertaking socio-economic baseline studies and social impact assessments, as discussed earlier.

Step 2: Working in collaboration

Once concerns have been understood, community development work can become more collaborative; people are encouraged to work together to tackle issues that concern them. In this step, community development focuses on connecting people and building a sense of community cooperation.

Step 3: Building partnerships and strengthening organisations

The third step in development work is to help build partnerships between different groups and organisations so there is a sense of shared focus for achieving agreed outcomes. Organisational strengthening may be necessary, particularly where there is a lack of capacity for undertaking community development work at a local level. (See the Flyers Creek Landcare Group Case Study).

Step 4: Broader connections

The fourth step is about encouraging connections with people outside the community on similar issues. An example of this is where a mining company facilitates the sharing of information and experiences about effective Indigenous employment programs with Traditional Owner groups from another part of Australia. Another example is where links are facilitated with other organisations which have expertise and resources that they can share with the community (see the BMA Community Partnership Case Study in this handbook).

Case study: Flyers Creek Landcare Group, Cadia Valley Operations

In 2003 Cadia Valley Operation (CVO), a gold and copper mine in New South Wales, commenced a progressive revegetation program across 8000 hectares of its agricultural farms surrounding the active mining lease area.

Other farmers in the district were briefed about the five-year revegetation strategy, and provided useful feedback on a number of aspects about the program.

At the same time, CVO launched the Free Farm Trees program, which provided 50 free native seedlings to active Landcare members and was administered through the executive committee of the Landcare groups.

The primary objective of the Free Farm Trees was to make it easier for local landholders to establish revegetation programs on their own properties which would complement the CVO revegetation program.

The Free Farm Trees' second objective was to address a long-held belief that CVO had decimated local community activities, including Landcare initiatives, by purchasing more than 8000 hectares of pastoral land, thereby removing active community members from that area.

At the time, the existing Panuara Landcare Group was inactive and the activities of the Springside Landcare group had diminished as a result of declining membership and interest.

Initial interest in the Free Farm Trees initiative was minimal with less than 300 seedlings distributed in the first year. However, over time, interest and membership in the existing Landcare groups gradually increased and, two years later in 2005, CVO had orders for more than 3000 seedlings.

Formation of the Flyers Creek Landcare Group was directly related to the Free Farm Trees program. A growing awareness of CVO's campaign to reinvigorate Landcare groups in the region triggered some interest from local landholders in establishing a new group in the Flyers Creek district.

CVO was contacted by several landholders independently of each other, expressing an interest in forming a Landcare group but with no real idea of how to go about doing it. In response to the interest, CVO used its resources to arrange several community meetings, completely removed from the mining operations, to allow the community to gauge support for the proposal.

After several exploratory meetings the community meetings resolved to proceed with formation of a Landcare group. CVO offered to provide a secretary to the group for a period of one year to assist with establishment of the Flyers Creek Landcare Group.

The group was formed in January 2005 with the objective of removing non-native vegetation and rehabilitating Flyers Creek and its tributaries and was successful in attracting funding from Australian Government Envirofund to support the program.

The secretary provided by CVO was instrumental in helping to establish the group but did not have a decision-making role. To foster a level of self-sufficiency, the CVO originally stipulated that it would withdraw from operational matters once the group was well established and had started the willow removal program.

CVO has no landholdings on Flyers Creek although it does have a licence to harvest water from the Creek, subject to minimum flow conditions.

Case study: BMA Community Partnerships Program

The BHP Billiton Mitsubishi Alliance (BMA) owns and manages seven Bowen Basin coal mines and the Hay Point coal export terminal near Mackay. The Bowen Basin is a large, sparsely populated area inland from Mackay, where much of the population lives in purpose-built mining towns. BMA is the largest private employer in the region.

The BMA Community Partnerships Program (CPP) was launched in September 2002, following a review of the company's community support activities and an extensive consultation process to identify ongoing needs for the area. This review concluded that, although BMA was providing community support, a failure to prioritise and address community needs on a coordinated basis, exacerbated by a period of prolonged and divisive industrial activity in 2000-01, had resulted in a community perception that the organisation did not care about people.

It was noted that women, in particular, were feeling marginalised, while young people were leaving the region due to a lack of training and employment alternatives. The remaining youth were unable to access activities available in larger communities.

The CPP aims to address these issues by providing support within six broad categories: youth support, business and skills training, community welfare, sport and recreation, arts and entertainment, and the environment. The emphasis of the CPP is on targeting identified needs through partnership arrangements with government, community groups and employees. The program is administered from BMA's Brisbane office through a full time community relations coordinator who monitors the program from Central Queensland. Program expenditure exceeds \$2.5 million annually. The primary target communities for the program are Moranbah, Dysart, Emerald and Capella, Hay Point, Blackwater and Nebo/Coppabella.

Evaluation of the CPP

In 2004, The Centre for Social Responsibility in Mining (CSRSM), an independent research centre based at The University of Queensland, was contracted to undertake an initial evaluation of the program. The CSRSM concluded that most activities funded through the Program:

- had reasonably well-defined goals and plans on how to achieve these goals
- were mainly targeted at women and youth, which aligned with the priorities of the CPP
- had been reasonably effective in attracting participants/clients from these groups
- could point to some evidence—such as positive feedback from service users and individual 'success stories'—that indicated they were having a positive impact.

The CSRM review noted that one of the strengths of the CPP was its focus on partnering with existing organisations. However, it was also evident that community organisations operating in the region faced a number of challenges, including financial uncertainty, attracting and retaining staff, recruiting volunteers, distance and a lack of government support. These factors often made it difficult for locally-based groups to develop and sustain significant community initiatives.

The review recommended that BMA address this issue by sponsoring local workshops on topics such as project management, evaluation and grant writing, and recruiting and managing volunteers, to assist individuals currently involved in managing CPP funded initiatives and other community-based programs.

BMA accepted this and other recommendations and, in May 2006, sponsored a two-day workshop in Emerald on project planning and management, delivered by Volunteers Queensland.

Representatives of community organisations from throughout the region attended the workshop. Participants reported very positively on what they learned and, just as importantly, were able to use the forum as an opportunity to network with like-minded people from across this large region.

A more comprehensive evaluation of the CPP is planned for 2007-08, when there will be a stronger focus on assessing the outcomes of the individual activities funded through the CPP and the program as a whole.

A summary of the CSRM's evaluation is available from the publications page at: www.csrn.uq.edu.au .

Case study comment:

'The CPP has been of great value to my position. It has enabled me to work with and empower young people in our small community to take responsibility for their lives by giving them the opportunity to build their self esteem and play a positive role in society,' Bowen Basin youth worker.

4.4 Challenges of community development

Community development is a challenging concept to apply in practice, even for organisations that specialise in this area. It also holds particular challenges in a developed country context, such as in Australia.

Although mining companies have made considerable progress at the level of policy and commitments for community development – and increasingly in terms of participatory approaches – translating commitments into improved practices at the site level remains one of the industry's toughest challenges.

Some community development challenges are shared with community engagement, such as including women in decision-making processes, but there are others that are particularly difficult in the context of mining. Some of these are outlined below.

Issue of control

Community development encourages local communities to influence and share control over decisions and resources that affect them. In practice, this may be difficult for mining companies given their conventional orientation towards project management, where control is essential for running an efficient and profitable operation, including working to tight timeframes.

Mining companies, like many successful businesses, operate through lines of authority where roles and responsibilities are formalised and relatively clear. However, the lines of authority and areas of responsibility may not be as clear when undertaking community engagement and development work, particularly in the early stages.

Valuing local knowledge

Community development challenges the view that professionals and experts know best. While it makes inherent sense that affected people should have a say in their own development, genuinely valuing local knowledge runs counter to the conventional approach in the mining industry where expert opinions are sought, consultants are brought in to advise on specific issues, and employees are expected to work in a managerial way. While good management is vitally important for operating world class assets, expert knowledge must be balanced with community knowledge and participation when undertaking development work. For instance, the mining industry is increasingly incorporating and respecting traditional ecological knowledge in undertaking environmental impact assessments (EIAs) and also in monitoring and rehabilitation work.

Program reach

One of the greatest challenges in community development is reaching people who are most vulnerable; that is, those people who are typically the most marginalised and the least vocal members of a community. Standard community engagement processes tend to gravitate to the more visible and influential players in a community; that is, those people or groups who have the greatest capacity to threaten an operation's social licence to operate. However, community development programs, if they are to be successful in strengthening vulnerable communities, must extend beyond these groups to engage all sectors of the community.

Fly-in, fly-out

In Australia, many mines operate on a fly-in, fly-out basis, where employees live some distance from an operation, mostly in coastal areas, and commute inland to work. Although the social impacts of fly-in, fly-out operations on surrounding areas are likely to be less than for residentially-based operations; this does not absolve fly-in, fly-out operations from responsibility for supporting locally focused community development initiatives. Many of the communities that are located in the vicinity of such operations are economically and socially disadvantaged and have large Indigenous populations. From a business case perspective, contributing to the development of these communities will make it easier to negotiate access to land in the future and help to deflect criticisms that remote and regional areas derive little or no benefit from fly-in, fly-out mining operations. Development strategies that may be suitable to this context include: providing employment and training opportunities for local people and offering flexible transport arrangements (buses, local flights) to enable them to work at the mine, facilitating the establishment of local enterprises (such as small-scale tourism ventures) and partnering with other organisations to address priority needs of people living in the area.

Case study: MCA and Australian Government Memorandum of Understanding

Consistent with the minerals industry's commitment to sustainable development, the industry considers that the socio-economic benefits of mining should be shared with communities affected by its operations. This is best achieved through partnerships between the minerals industry, government and non-government organisations that facilitate the delivery of effective programs.

To this end, the Minerals Council of Australia (MCA) established a strategic partnership with the Federal Government through signing a five-year Memorandum of Understanding (MoU), launched in June 2005. The MoU establishes a platform for government and industry to work together with Indigenous people to build sustainable and prosperous communities in which Indigenous people can create and take up employment and business opportunities in mining regions.

The MoU is founded on principles that guide activity at the regional level:

- collaboration and partnership between the parties based on mutual respect
- collaboration and partnership between the parties and Indigenous communities based on shared responsibilities and respect for culture, customs and values
- the integration of sustainable development considerations within the MoU partnership decision-making process
- joint commitment to social, economic and institutional development of the communities with which the parties engage.

The minerals industry recognises that companies can assist community development through providing employment, training and enterprise development opportunities related to its mining activities. However, industry clearly differentiates between its own responsibilities and government's responsibilities in delivering integrated basic social services to remote and regional communities, which are essential to building social and economic wellbeing in Indigenous communities. It is hoped that the MoU will deliver enhanced government accountability and service delivery to Indigenous people through improved access to:

- literacy and numeracy education
- work readiness initiatives such as fitness to work programs
- drug and alcohol services
- financial services
- family support services including child care and counselling services
- human and financial capital to facilitate Indigenous enterprise development.

The implementation of the MoU provides an opportunity for MCA member companies, the Australian Government, State and Territory governments and Indigenous organisations to establish a new way of working together. It builds on previous relationships and practices, but requires parties to agree on principles for engagement to ensure that the first priority is increased employment outcomes for local Indigenous people. Specifically, the MoU encourages parties to work together through the development of an overarching regional partnership agreement that provides a strategic approach, with a focus on achieving high-level alignment between the parties before consideration of project details.

The parties to the MoU have engaged with Indigenous communities and agreed to eight priority areas for its implementation during the pilot stage. They are:

- Western Cape York (Queensland) – involving Comalco Aluminium;
- Tanami (Northern Territory) – involving Newmont Australia;
- East Kimberley (Western Australia) – involving Argyle Diamond Mine and Roche Mining;
- Pilbara, Port Hedland (Western Australia) – involving BHP Billiton;
- Pilbara, Newman (Western Australia) – involving BHP Billiton and Newcrest;
- Pilbara, Karratha and Roebourne (Western Australia) – involving Pilbara Iron;
- South-West Region (Western Australia), Boddington – involving Newmont Australia; and
- Wiluna (Western Australia) – involving Newmont and BHP Billiton.

A MoU of Understanding National Steering Committee has been established to oversee the implementation of the MoU. It includes representation from the Office of Indigenous Policy Coordination, the Department of Industry, Tourism and Resources, the Department of Employment and Workplace Relations and the MCA, including member companies participating in the pilot phase.

There is a strong focus on evaluation of the MoU of understanding at the national and regional level, not only to assist effective communication of the successes and learnings of the project, but also to support the replication of these new working arrangements between government and industry to other mine sites.



5.0 CONCLUSION

The focus on sustainable development has brought about a significant policy and practice transformation in the mining industry. Two vital social aspects of sustainable development are community engagement and community development. This handbook has sought to outline key concepts, drivers, practice examples and challenges in a form useful for mine managers and community relations practitioners.

Adopting a more systematic approach to community engagement will help align and ultimately integrate the management of community issues with management practices in other operational areas. To support this approach, the handbook has identified a range of principles and toolkits relating to community and stakeholder engagement that practitioners can refer to for guidance.

Community development, with its focus on strengthening communities and their wellbeing, necessitates community engagement, but entails much more. In Australia, mining companies have become involved in this practice area relatively recently, and this is driving a significant change of approach to social issues. While community development work can be complex, there is an emerging body of knowledge and some logical steps that can be followed, and these have been outlined in this handbook.

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GLOSSARY OF TERMS

Adaptive management

A systematic process for continually improving management policies and practices by learning from the outcomes of operational programs. The ICMM Good Practice Guidance on Mining and Biodiversity refers to adaptive management as 'do-monitor-evaluate-revise'.

Collaboration

Working together to share expertise and ownership of outcomes; joint engagement in projects and activities.

Community

There are many ways to define 'community'. In mining industry terms, community is generally applied to the inhabitants of immediate and surrounding areas who are affected by a company's activities. 'Local community' usually indicates a community in which operations are located and may include Indigenous or non-Indigenous people. 'Host community' is sometimes used to place emphasis on the fact that it is the community that accommodates or 'hosts' a company's operation until resources are depleted.

Consultation

The act of providing information or advice on, and seeking responses to, an actual or proposed event, activity or process.

Consultation fatigue

This phenomenon can occur when there are frequent or overlapping consultation initiatives in a community, either from different areas of the same company or operation, or from a different organisation, including government agencies.

Development

Community development encompasses economic development, social development and cultural development – that is, all aspects of human life and well-being. It is the process whereby people increase the strength and effectiveness of their communities, improve their quality of life, and enable themselves and others to participate meaningfully in decision-making and to achieve greater long-term control over their lives.

Engagement

At its simplest, engagement is communicating effectively with the people who affect, and are affected by, a company's activities (its stakeholders). A good engagement process typically involves identifying and prioritising stakeholders, conducting a dialogue with them to understand their interest in an issue and any concerns they may have, exploring with them ways to address these issues, and providing feedback to stakeholders on actions taken. At a more complex level, engagement is a means of negotiating agreed outcomes over issues of concern or mutual interest.

Social licence to operate

The social licence is the recognition and acceptance of a company's contribution to the community in which it operates, moving beyond meeting basic legal requirements towards developing and maintaining the constructive stakeholder relationships necessary for business to be sustainable. Overall it comes from striving for relationships based on honesty and mutual respect.