

AGENDA

Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group Meeting

Upstairs of the Town Square Shopping Centre
Suite 1, 159 John Street, Singleton NSW 2330

Wednesday 12 June 2019, 1:00 pm to 3:00 pm

Teleconference details:
Dial-in Info: 02 8319 9443
Organiser Code: 577-981-85 / Participant Code: 412-946-51

No.	Item	Attachment
1.	Welcome and apologies	
2.	Minutes and Actions from previous meeting	
3.	Discussion: Mining Procurement Information Hub	
4.	Discussion: Mining Procurement Business Events Plan	
5.	Summary of the House Inquiry report 'Keep it in the Regions'	
6.	Update from other Dialogue Working Groups/Committees	
7.	Update on Communications Activities	
8.	Other Business	
9.	Next Meeting & Close	

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 2

MINUTES AND ACTIONS FROM PREVIOUS MEETING

DRAFT MINUTES

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group Meeting**

**UHMD Resource Centre, Upstairs of the Town Square Shopping Centre
Suite 1, 159 John Street, Singleton NSW 2330**

Wednesday 27 February 2019, 1:00 pm to 2:40 pm

Attending

Ngaire Baker (Chair)	Mount Pleasant Operation
Scott Fittler	Yancoal
Damien Butler	The Bloomfield Group
Leah Scheepers	BHP
Josh Harris	Glencore
Tony Chadwick	Singleton Shire Council
Sue Gilroy	Singleton Business Chamber
Mike Kelly	Muswellbrook Business Chamber
James Barben	NSW Minerals Council
Craig Milton	NSW Minerals Council

Apologies:

Deirdra Tindale	BHP
Craig White	Bengalla Mining Company
Gerry Bobsien	Muswellbrook Shire Council
Brett Wild	Branxton Greta Chamber of Commerce
Bob Mackie	theresource

1. Welcome and apologies

The Chair welcomed all attendees and noted the apologies received.

2. Minutes and actions from Previous Meeting

The minutes from the previous meeting were accepted, with all actions completed. Mr. Butler noted that he had replaced Ms. Spiteri on the Committee.

3. Working Group Terms of Reference

Members briefly discussed the revised Terms of Reference for the Working Group and supported the objectives agreed by members at the previous meeting being included.

4. Review of 2018 Annual Forum: Project Ideas from Discussion Sessions

Mr. Barben provided an overview of how the discussion would work, noting that the project ideas listed were summarised from those raised by participants at the 2018 Forum Discussion Sessions. The following tables have captured the key projects under each of the themes whereby specific projects were supported for the Dialogue's consideration by the JASC.

ECONOMIC DEVELOPMENT, MINING AND BUSINESS

Project Idea:

Develop a portal, or interactive website focused on procurement - this will help achieve a two-way understanding between industry and suppliers so that:

- industry will have greater knowledge of the capabilities of, and have access to a variety of local businesses for various procurement opportunities, and
- suppliers will know what work is being offered, have a specific single point of contact for each company or operation (name and details), and understand the key criteria that needs to be fulfilled to qualify as a supplier/contractor to seek opportunities.
- the procurement process can be clearly communicated for all parties, what is to be expected regarding responses and time frames etc.

Working Group Discussion:

Members were alerted to the free 'Local business buying network' that Singleton Council has launched through the 'Localised' platform and encouraged the Dialogue to leverage off this opportunity. The Dialogue is happy to work in partnership to help communicate other initiatives. Singleton Council encouraged industry procurement personnel to tap into this pipeline. The project was completed in late 2018, and recently launched with over 40 businesses in Singleton/Cessnock. It is the first council in NSW to try this initiative and is working with the Business Chamber and Business Centre to promote across networks. Singleton Council will share the website link with the Dialogue. Muswellbrook Council currently has a 'wait and see' approach to this platform.

Members supported the Dialogue scoping the development of a portal website of sorts that promotes the procurement process and capabilities statement for each company, with a direct link to each company's procurement portals.

Members encouraged a minimal approach to forming this, noting the definition of 'local' suppliers needs to be better defined before commencing work. This issue is highlighted in the House Inquiry.

BHP noted their Local Buying Program which provides BHP with visibility, transparency, of suppliers with 20 employees or less and helps the company going out to tender.

Members supported delegating promotional aspects of the portal website to the Communications Working Group to determine how best to share the resource across the Upper Hunter (via social media, direct emails, newsletters, print and visual media)

Project Idea:

Given the different procedures and requirements across Upper Hunter sites with regards to procurement matters, industry might consider a 'pre-qualification mechanism' for suppliers that is standardised across sites and to share this information through business chambers, local councils and NSWMC/Dialogue.

Working Group Discussion:

Members did not support a standardisation process being explored by the Dialogue given the complexities involved in aligning the various processes and requirements that each company has in place. Given the demand for business training, members supported a proposal to focus on providing training information to suppliers around developing capability statements, outlining a best practice procurement process, how to prepare and respond to tenders, and respond to what companies are looking for.

The information could be provided via e-learning platforms or done in modules to cover a range of topics. The Dialogue could seek to develop a generic procurement process that most mining companies follow. Business Chambers encouraged the Dialogue to leverage off existing events or lunches where possible to maximise exposure, interest and attendance.

Members noted that requirements vary depending on the type of supplier. While the Dialogue can't provide absolute clarity, we can seek to improve the knowledge that suppliers have by providing

information about general requirements.

Project Idea:

Develop a policy to recognise and demonstrate the value and importance of both local suppliers and business needs.

Working Group Discussion:

Members noted that the projects discussed above will provide support to local suppliers. The Dialogue could look to develop a brief statement similar to the Local Content Leaders Network, which somewhat mirrors the purpose of the Working Group as listed in the Terms of Reference.

Members noted the BHP/CSIRO Local Voices Program that is seeking to collate community opinions over three years. Information on community sentiments on various topics will be publicly available and can be shared more broadly.

Project Idea:

Host additional networking events, workshops, webinars (or combination of all three) using industry procurement personnel to:

- educate suppliers on engagement and advise on how they can access mining industry procurement opportunities;
- encourage suppliers to sell their competitive advantages to targeted opportunities; and
- build on relationships with business chambers, councils and other key community groups.

Working Group Discussion:

Members noted that we have already covered off this point in training and industry presentations at community events about business practices would close out this project idea.

Singleton Council noted that they have business training facilities available for use. Muswellbrook Council also has training facilities that are underutilised. Members noted that the Dialogue Resource Centre is always available for community groups and partners to use if they require a meeting room or office space.

Project Idea:

Developing an industry/supplier working group to advise on capability sharing and tendering process, e.g. webinars

Working Group Discussion:

Members noted that this group fulfils this function.

Project Idea:

GAP analysis to develop improvement program to address shortfalls around soft skills - including managing relationships and communicating capability, initiating quarterly/half yearly catch ups with structured conversations and questions. Better understanding of each side of business.

Working Group Discussion:

Members noted this is addressed in the discussion around improving capabilities of suppliers and opening up discussions through networking events.

Project Idea:

Investigate increasing flexibility of payment terms and timeframes across Upper Hunter sites, as some are too slow for SMEs. Some have returned to 30 days to help improve cash flow, which has been generally well received.

Working Group Discussion:

Members noted that this issue is currently being dealt and there are submissions to respond to this in terms of legislative changes. Members agreed it would be good to await the findings of the House Inquiry, which the Dialogue advised would be reviewed.

The Business Chambers noted that while important, this issue is generally not raised directly. Mines are cited at times as the reason for why companies cannot pay, as suppliers are awaiting payment.

Education on this has to be both ways. Suppliers need to understand the requirement to lodge invoices and other documentation in time to be approved to generate the payment within the terms.

Project Idea:

Keep bite-size engagement in mind. Keep it short and sharp. Don't need to tell everything at once. Whole day events are a big imposition on small business' time.

Working Group Discussion:

Members noted this comment and that these considerations will be incorporated into any future events.

Project Idea:

Coal Miners Insurance - Increased provision sources, to ensure there is not a monopoly. Third party authority.

Working Group Discussion:

Members noted the difficulty for the Dialogue to action this and that NSWMC has been working with Coal Services to address this issue.

ACTION:

- **Dialogue secretariat to include Working Group discussion and recommendations in Steering Committee papers for decision.**

5. Review of 2018 Annual Forum: Feedback from Participant Surveys

Members discussed the feedback collected by the Dialogue in relation to the 2018 Forum, noting that the Muswellbrook event was well attended with 150 persons in attendance. Members were advised that the 2019 Forum would be held at the Civic Centre, Singleton, which is a larger venue more suited to the format of last year's event. Members agreed that a similar rate of attendance for 2019 would be good, as any more participants might make the event unwieldy and impact on the quality of discussion and feedback received.

Members noted that some feedback focused on the need to better report results, however the newsletters are being used to better communicate to Dialogue stakeholders on progress throughout the year, rather than every November.

Mr. Barben advised that the Dialogue secretariat was keen to report back to stakeholders on what issues they raised, and how the Dialogue had considered and actioned projects to address these issues.

6. Update on Working Groups

Members noted the Working Group updates and were pleased to be able to have a greater degree of awareness of what the other groups were discussing and what projects they were working on.

7. Update on Communications Activities

Mr. Mackie provided an overview of the various communications activities, noting recent discussions with RDA Hunter regarding a proposal to incorporate the School Mine Tours in a STEM program, which will provide significant benefits for the Dialogue including the development of a curriculum, support for teacher training, and including the program in all Upper Hunter Schools whereas the current program is voluntary.

8. Other Business

No other business was discussed.

9. Next Meeting & Close

Mr. Milton noted that the next round of meeting dates will be scheduled shortly. Mr. Barben reminded members of the process moving forward regarding the project ideas, and that the Working Group would receive a list of agreed actions and recommendations by the Joint Advisory Steering Committee, shortly after their meeting in early March.

The meeting closed at 2.40 pm.

**Actions arising from meeting
UHMD Joint Economic and Social Development Working Group Meeting**

Action	Responsibility	Status
Review of 2018 Annual Forum: Project Ideas from Discussion Sessions		
Dialogue secretariat to include Working Group discussion and recommendations in Steering Committee papers for decision.	Dialogue secretariat	Completed

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 3

DISCUSSION: MINING PROCUREMENT INFORMATION HUB

Issue

The Dialogue Working Groups and Steering Committees have supported a project that seeks to collate existing industry information regarding procurement processes and practices to improve awareness and knowledge of engagement with industry for suppliers and other interested stakeholders.

Background

At the March 2019 Dialogue meetings, the Steering Committees endorsed a recommendation from the Joint Working Group to seek to provide a greater level of information about procurement and purchasing processes within Dialogue member companies operating across the Upper Hunter.

As a result, members supported establishing a Dialogue information hub to link directly to existing databases and education and training resources. The hub would also provide direct links to and information about company procurement processes, information for suppliers regarding capacity building, as well as how to engage with and respond to tenders.

Given the procurement process varies across operations, the Dialogue intends to provide an example of a generic procurement process to help inform suppliers about what they can generally expect in their dealings with the sector.

Members encouraged the involvement of the Communications Working Group to promote the information hub. Members encouraged selected representatives of the Joint Working Group to develop a project management approach to establish a purpose and define a measure of success for the project.

The Dialogue has sent out an information request to all Dialogue member companies seeking the provision of relevant web links, fact sheets and other company resources that the Dialogue can start collating to promote on the Dialogue website. A reminder will be sent shortly to all industry members with clear timeframes to facilitate this project.

Recommendation:

- **That Working Group members note the progress made in gathering relevant information for this project.**

FOR INFORMATION/DISCUSSION

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 4

MINING PROCUREMENT BUSINESS EVENTS

Issue

The Dialogue Steering Committees have supported a project that seeks to establish a program of mining procurement business events in conjunction with local Business Chambers to help promote local mining procurement opportunities and processes to the business community.

Background

At the March 2019 Steering Committee meetings, both the JASC and ISC endorsed a recommendation from the 2018 Forum following discussions from the Joint Working Group to support the Dialogue exploring a schedule of mining procurement-focused lunch events in partnership with the local Chambers.

The intent of such events is to provide opportunities for companies to update on the progress of their operations and advise of any procurement opportunities available, as well as providing an opportunity for company personnel and suppliers to network. Members encouraged leveraging off existing events in Muswellbrook and Singleton where possible.

Members encouraged the Working Group to develop a detailed plan that has industry support to consider at the next Joint Working Group meeting. Other events ideas suggested by members included basing a supplier/industry networking event around the NSWMC Industry and Supplier's Awards dinner or facilitating a 'Meet the Buyers' session in the Upper Hunter, possibly through Business Chambers.

The Dialogue is seeking to ideally host two events (one each in Muswellbrook and Singleton) prior to November 2019. The Dialogue secretariat has engaged with both the Muswellbrook Chamber of Commerce and the Singleton Business Chamber regarding upcoming events, with the following details to note:

- Muswellbrook Chamber of Commerce's Breakfasts events are generally the first Tuesday of the month. MCOC have indicated they are happy to stage a standalone 'Mining Procurement' event in either July/August/September.
- Singleton Business Chamber have advised that a mining procurement event has been scheduled for **Thursday 12 September**. This provides an appropriate opportunity for the Dialogue to co-facilitate an event.

Industry members have discussed their preferred approach to the business events, supporting a proposal to have an initial grouped approach involving those mines operating in and around Muswellbrook and Singleton involved in each respective event. A formal commitment will be sought shortly from industry members to participate in each of the events most relevant to their organisations.

Recommendation:

- **That Working Group Members advise of their support for the Dialogue hosting two mining procurement events (Muswellbrook in July/August 2019, Singleton in September 2019)**

FOR DISCUSSION

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 5

SUMMARY OF THE HOUSE INQUIRY REPORT, 'KEEP IT IN THE REGIONS'

Issue

A House Inquiry report containing several recommendations of interest to the mining industry and associated communities requires consideration by the Working Group.

Background

The House of Representatives Standing Committee on Industry, Innovation, Science and Resources released a report in November 2018 following the Inquiry into how the mining sector can support businesses in regional communities.

The report explored five key issues in detail through the report, with 21 resulting recommendations. The key issues included:

- Returns for the Regions
- Local Procurement
- Terms of Payment and Contract Terms
- Skills, Innovation and Diversification
- Social Licence to Operate

Of significant interest to this Working Group are the recommendations regarding local procurement and payment terms, given these are the issues that have been highlighted through discussions with Dialogue stakeholders at the 2018 Forum.

Issue: Local Procurement

- The Federal Government should work with state, territory and local governments, and land councils to include:
 - targets for minimum levels of true local procurement;
 - clearly define 'local' using the Queensland Government's Local Zones model or similar;
 - require companies to make procurement opportunities readily available and accessible to regional SMEs, and to advertise their contracts and tenders for at least 30 days; and
 - require companies with higher-tier contractors to also commit to local procurement.
- The Federal Government should work with local governments and land councils to produce high-quality, accessible guidance materials for use by local councils and land councils in mining regions that will help councillors to:
 - negotiate effectively with companies in relation to agreements;
 - maximise rates receipts and other compensation from local active mining operations;
 - establishing minimum levels of local workforce participation;
 - negotiate guarantees around local procurement policies and processes; and
 - develop an action plan and guarantee of funding for rehabilitation and closure projects
- The Federal Government should review the mechanisms in place to support regional small and medium enterprises and locally based businesses of any size to engage with the mining sector by identifying support that needs to be made available to ensure regional businesses have the skills and capacity to:
 - find out about opportunities in the mining and resources sectors;
 - negotiate effectively with mining and resources companies;
 - secure and maintain the necessary accreditations; and
 - complete tender processes effectively and efficiently.

Issue: Terms of Payment and Contract Terms

- The Australian Government closely consider the outcome of the independent review into the Business Council of Australia's voluntary Australian Supplier Payment Code (the Code) once finalised. If the review does not strengthen industry compliance with the Code, the Australian Government should legislate maximum payment terms.
- Further if the Code is not significantly strengthened by July 2019, the Australian Government Should implement recommendation 9 from the Australian Small Business and Family Enterprise Ombudsman's Payment Times and Practices Inquiry - Final Report (2017) which calls for the Australian Government introduce legislation which sets a maximum payment time for business to business transactions, with allowances for certain industries to exceed the maximum term providing they are not grossly unfair to one party.
- In the absence of legislated payment terms, the Federal Government should work with state, territory and local governments, and land councils to ensure any new exploration licences are only granted to companies that agree to sign up to the Australian Supplier Payment Code.
- The Australian Government should prioritise reviewing the Australian Consumer Law with regard to unfair contract terms with specific amendments proposed in addition to the penalties imposed.

A full list of recommendations from the Inquiry Report have been included over the page for reference.

A government response to the report is yet to be provided as of 3 June 2019.

Industry members recently met to discuss the Inquiry recommendations that are relevant to the Dialogue's Working Groups terms of reference and supported the Dialogue secretariat undertaking a gap analysis of the recommendations, what industry is doing to address the issues raised and what projects the Dialogue can progress to support the recommendations. It is evident from this quick review that the Dialogue procurement information hub and business events will seek to address some of the issues raised in relation to supporting SMEs in accessing procurement opportunities, understanding qualification requirements and negotiating with industry.

Recommendation:

- **The Working Group consider the recommendations and discuss how the Dialogue might help to facilitate addressing some of the issues raised in the inquiry, and which are not already covered in existing Dialogue projects.**

FOR DISCUSSION

Attachment: Review of the Keep it in the Regions recommendations

HOUSE OF REPRESENTATIVES COMMITTEES

STANDING COMMITTEE ON INDUSTRY, INNOVATION, SCIENCE AND RESOURCES

INQUIRY INTO HOW THE MINING SECTOR CAN SUPPORT BUSINESSES IN REGIONAL ECONOMIES

Committee Membership

Hon Barnaby Joyce MP	Nationals	Chair
Mr. Luke Gosling OAM MP	ALP	Deputy Chair
Mr. Brian Mitchell MP	ALP	Member
Mr. Ted O'Brien MP	LNP	Member
Mr. Tim Wilson MP	Liberals	Member
Mr. Peter Khalil MP	ALP	Member
Mr. George Christensen MP	Nationals	Member
Hon Dr David Gillespie MP (from 10 September 2018)	Nationals	Member
Hon Michelle Landry MP (to 27 August 2018)	Nationals	Member

List of Recommendations

Issue: Returns for the Regions

Recommendation 1 (2.123) - The Committee recommends the Federal Government partner with state and territory governments and relevant research bodies to collate data on the wealth extracted from Australia's regions and the investments made in those regions by the mining and resources industries and governments, and make this data available in a simple and accessible format.

Recommendation 2 (2.124) The Committee recommends the Federal Government advocate through the Council of Australian Governments for states and territories with significant mining and resources sectors to adopt 'Royalties for Regions'-type programs, which guarantee a share of royalties from resource extraction are reinvested in regional areas, especially those directly impacted by mining.

A certain proportion of the royalties allocated through the program should be set aside to create an Infrastructure Impacts Fund, which would be made available to councils in mining-affected regions to fund initiatives addressing impacts on infrastructure caused by the activities of the resources sector. This funding should not be used for general or routine maintenance.

Issue: Local Procurement

Recommendation 3 (3.169) - The Committee recommends the Federal Government work with state, territory and local governments, and land councils, who make licensing agreements with companies to ensure these agreements:

- include targets for minimum levels of true local procurement, based on the specific circumstances of the region and the project, including regional business capability;

- clearly define 'local', using the Queensland Government's Local Zones model, or a similar model;
- require companies to make procurement opportunities readily available and accessible to regional small and medium enterprises and locally based businesses of any size, and to advertise their contracts and tenders for at least 30 days; and
- require companies to ensure their higher-tier contractors also commit to local procurement.

Recommendation 4 (3.170) - The Committee recommends the Federal Government work with local governments and land councils to produce high-quality, accessible guidance materials for use by local councils and land councils in mining regions. These materials would help councillors to:

- negotiate effectively with mining and resources companies when setting up or reviewing agreements;
- maximise rates receipts and other compensation from mining and resources companies active in their local government area;
- secure commitments to minimum levels of local workforce participation, training and apprenticeships;
- negotiate guarantees around local procurement policies and processes; and
- develop a clear action plan and guarantee of adequate funding for rehabilitation, clean-up and community sustainability projects as mining retracts.

Recommendation 5 (3.171) - The Committee recommends the Federal Government review the mechanisms in place to support regional small and medium enterprises and locally based businesses of any size to engage with the mining sector.

The review should identify any additional supports that need to be made available to ensure regional businesses have the skills and capacity to:

- find out about opportunities in the mining and resources sectors;
- negotiate effectively with mining and resources companies;
- secure and maintain the necessary accreditations; and
- complete tender processes effectively and efficiently.

Issue: Terms of Payment and Contract Terms

Recommendation 6 (4.202) - The Committee recommends that the Australian Government closely consider the outcome of the independent review into the Business Council of Australia's voluntary Australian Supplier Payment Code (the Code) when it is finalised. If the review does not result in a significant strengthening of, and compliance by industry with, the Code, the Australian Government should move to legislate maximum payment terms. A strengthened Code would need to include:

- coverage for medium sized businesses;
- reporting and enforcement mechanisms; and
- more signatories, especially from the mining and resources sectors.

Recommendation 7 (4.203) - If the Australian Supplier Payment Code is not significantly strengthened by July 2019, the Committee recommends the Australian Government implement recommendation 9 from the Australian Small Business and Family Enterprise Ombudsman's Payment Times and Practices Inquiry - Final Report (2017):

- Recommendation 9: Australian Government to introduce legislation which sets a maximum payment time for business to business transactions. Certain industries may need terms greater than the maximum which can be agreed providing they are not grossly unfair to one party. Where a longer term is called into dispute it will be considered an unfair contract term.

Recommendation 8 (4.204) - The Committee recommends that, in the absence of legislated payment terms, the Federal Government work with state, territory and local governments, and land councils, who make licensing agreements with mining and resources companies to ensure any new exploration licences are only granted to companies that agree to sign up to the Australian Supplier Payment Code.

Recommendation 9 (4.205) - The Committee recommends that the Australian Government prioritise reviewing the Australian Consumer Law with a view to:

- Amending the law so that Unfair Contract Terms in business-to-business contracts are prohibited under the law;
- Including potential penalties for imposing Unfair Contract Terms;
- Clarifying or widening the definition of a 'standard form contract', as required to meet the intent of the legislation; and
- Amending the thresholds to ensure a larger proportion of small and medium sized businesses can be protected by the law.

Issue: Skills, Innovation and Diversification

Recommendation 10 (5.141) - The Committee recommends the Federal Government work through the Council of Australian Governments (COAG) Industry and Skills Council to develop a plan to increase the availability and accessibility of mining-related trades training, and mining-related tertiary courses, in mining regions. Such training should be:

- Developed in consultation with mining and other local industries to ensure the right skills are being taught;
- Funded and promoted jointly by government and industry;
- Affordable and accessible to local young people in mining regions;
- Available through online learning wherever appropriate; and
- Connected to industry, with specific job opportunities attached to successful completion of training.

Recommendation 11 (5.142) - The Committee recommends the Federal Government work with state, territory and local governments and land councils who make licensing agreements with companies to ensure these agreements include a requirement for companies to invest in skills training, provide minimum numbers of apprenticeships and traineeships, including Indigenous opportunities, and report on these investments. Levels of investment required should be based on the specific circumstances of the region and the project.

Recommendation 12 (5.143) - The Committee recommends the Federal Government partner with the mining sector to promote careers in mining, and mining equipment, technology and services (METS). Initiatives should:

- Be aimed at recruiting workers for the industry from the towns and regions closest to the mines;
- Incorporate promotion aimed at recruiting tradespeople and apprentices, as well as engineers and other tertiary-qualified professionals;
- Work to challenge the perception that the mining industry is in decline, or that a career in mining is unstable;
- Promote the Western Australian School of Mines and other mining specialist tertiary education centers; and
- Promote the industry as being at the cutting-edge of technology and innovation.

Recommendation 13 (5.144) - The Committee recommends the Federal Government partner with relevant state, territory and local governments and land councils to develop localised plans to increase capacity and skills in mine site rehabilitation and post-mining clean-up within mining regions.

Recommendation 14 (5.145) - The Committee recommends the Federal Government provide support to assist local governments and land councils to advocate for downstream resources processing industries to be developed in regional locations.

Recommendation 15 (5.146) - The Committee recommends the Federal Government continue to fund initiatives promoting innovation and commercialisation in the mining equipment, technology and services (METS) sector. Specifically, the Australian government should direct more funding towards 'clustering' initiatives, especially those located in mining regions and involving local businesses and organisations.

Recommendation 16 (5.147) - The Committee recommends the Federal Government partner with state, territory and local governments to provide incentives to mining and resources companies to develop Remote Operating Centres in regional towns close to mining operations, rather than in metropolitan areas.

Recommendation 17 (5.148) The Committee recommends the Federal Government work with relevant state, territory and local governments, land councils, resource companies and community groups to establish well-funded, region-specific resilience and sustainability plans to help mining-dominated regions diversify and thrive in the long-term.

Issue: Social Licence to Operate

Recommendation 18 (6.143) - The Committee recommends the Federal Government review the provisions of the Fringe Benefits Tax that relate to businesses providing housing for their workers. The aim of the review should be to remove the existing incentives for companies to use fly-in/fly-out workforces as opposed to providing housing for their workers to live in regional communities close to mines.

Recommendation 19 (6.144) - The Committee recommends the Federal Government conduct a review into the use of casualised workforces and labour hire companies in the mining and other sectors with a view to amending the Fair Work Act 2009 (Cth) in order to prohibit the move towards replacing directly-employed, full time workers with 'permanent casual' employees, and other similar casualised employee types.

Changes to the Act should also include provisions that guarantee that employees have a legal right to convert from casual to permanent employment after a set period of time.

Recommendation 20 (6.145) - The Committee recommends the Federal Government consult with state and territory governments on existing legislation and frameworks that govern the issuing of licences for gas extraction. Frameworks should be amended to ensure:

- Transparency: affected landholders should be informed of the gross production of wells on their land;
- A fair return: affected landholders should be entitled to a share of the revenue produced by the well/s, of no less than 2 per cent; and
- Dispute resolution: affected landholders should have access to an accessible arbitration process to settle disputes with companies.

Similar measures should be considered for landholders whose land is affected by other extractive industries.

Recommendation 21 (6.146) - The Committee recommends the Federal Government consult with state and territory governments on existing legislation and frameworks that govern the issuing of licences for resource extraction, with a view to developing a national framework to take to the Council of Australian Governments (COAG) for endorsement.

The framework should set minimum standards for mining and resources companies in relation to securing and maintaining a social licence to operate in regional areas, including the requirement to develop social impact assessments for their projects.

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 6

UPDATE FROM OTHER DIALOGUE WORKING GROUPS AND COMMITTEES

The Dialogue has several Committees and Working Groups with differing objectives. It is important that information and knowledge is shared amongst these groups to help inform discussions within this Working Group regarding the Dialogue's communication activities.

Please see below for updates on the other Dialogue Working Groups and Committees:

Joint Advisory Steering Committee

The JASC met shortly following the Industry Working Group meetings to discuss the outcomes of both industry and joint working group recommendations. In total 11 clear projects were supported with other actions considered to help fulfil the recommendations provided in the 2018 Forum discussion session feedback.

The Dialogue Chair and Secretariat are working to finalise a new community/business representative for the JASC following recent advertisements across the Upper Hunter media.

The JASC is scheduled to meet next on **Thursday 4 July 2019**.

Communications Working Group

The Communications Working Group has not met since the previous IWG meeting. The CWG is scheduled to meet next on **Tuesday 18 June 2019** to discuss progress made to date on the two projects endorsed by the Steering Committees, which include:

- Continuing STEM Education Program discussions - The Dialogue is continuing its discussions with Regional Development Australia (RDA) Hunter, regarding the introduction of a new Science Technology Engineering and Maths (STEM) program into Upper Hunter schools including utilising the Dialogue's School Mine Tours Program. The discussions with RDA could help facilitate a number of linked project ideas raised at the annual forum including arranging classroom mine personnel visits, utilising and developing VR materials for in-classroom learning, developing in-class teaching material relevant to the NSW school curriculum and improving training support for teachers.
- Continued stakeholder engagement - Over the past few months, the Dialogue has been busy updating Upper Hunter Community Consultative Committees (CCCs) on the Dialogue's work. With the initial round of (CCC) briefings almost complete, the Dialogue is looking to expand its engagement activities including presentations to more general community groups such as Rotary and Lions clubs.

Joint Environment Working Group

The Joint Environment Working Group met the following day after the Industry Working Group meetings to discuss the recommendations provided in the 2018 Forum discussion session feedback. The key environmental-themed projects supported by the Steering Committees included:

Emissions & Health:

- Analysis of Air Quality Monitoring Network Data - An assessment of long-term trends of PM10 and PM2.5 levels in the Upper Hunter will help provide contextual information to how the valley compares with other NSW regions, given the perception of recent poor air quality.

Land Management, Rehabilitation & Final Land Use:

- Pilot Pathway for Post-Mining Land Use - Working with the DPC and using a hypothetical final land use option to map out the key considerations, timeframes and challenges that may be

- encountered by a mining company to ultimately enable a simplified process to transition.
- Seeking Information About Buffer Land in Annual Rehabilitation Reporting Project - Seeking latest member figures to quantify the amount of total buffer land that could potentially be used for a productive purpose across Upper Hunter operations.
 - Publishing a Beneficial Reuse of Voids project summary document - Repackaging the various components of the Dialogue's voids project work into a concise summary document.
 - Investigating Availability of Long-Term Void Water Quality Information - Seeking available water data from companies for anticipated mine voids to build a databank of information regarding long-term water quality to assist in identifying future void uses.

Water Quality and Stewardship:

- Seeking Contextual Information from Industry Regarding Water Stewardship initiatives - Gathering additional information from industry to provide some context to annual water results and develop case studies on specific water management or stewardship initiatives to improve community understanding of industry water use.

The JEWG is scheduled to meet next on **Wednesday 12 June 2019** to discuss progress made to date on the various environmental-themed projects. New Working Group members have been invited to attend as a result of the recent media advertisements seeking new members.

FOR INFORMATION/DISCUSSION

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 7

UPDATE ON COMMUNICATIONS ACTIVITIES

Community and stakeholder engagement

- The School Mine Tours Program 2019 schedule has now been finalised with the first tours scheduled to roll out starting in May. The May/June schedule includes 8 tours across 7 mine sites and 11 schools before taking a break in July and early August and recommencing in late August and September with 13 tours from 7 schools to 6 mine sites. All but two Upper Hunter schools – in our catchment – are participating and all but one of the Dialogue’s active mine sites have agreed to take part.
- Discussions continue with Regional Development Australia (RDA) Hunter branch in regard to the NSW Education Department’s education strategy to introduce a greater focus on STEM courses into Hunter public schools. Those discussions include the Education Department and RDA assisting in the development of in-class teaching material.
- The Dialogue was again on display at the Upper Hunter Show in March. While the number of community interactions was low at 19 with only five surveys collected, many of the conversations were detailed and lengthy and provided good contacts. In April the Dialogue display attended the Newcastle Knights Voice for Mining Hi Vis match and collected 10 surveys from 18 interactions. Tocal Field Days in May was again busy for the Dialogue display with 76 surveys collected from 82 interactions and the public debut of our Virtual Reality video attracting 78 viewers (separate to the interactions total). A summary of the analysis of the Dialogue Community Surveys has been **attached** for reference.
- The Virtual Reality video is being fine-tuned to make it a more educational experience. A script using previously approved Dialogue messaging has been written and will be used as a voice over as viewers negotiate through the main video. Additional video footage is also being added to better explain the entire mining process. A shorter, 5-7-minute video is also being produced, using the highlights from the main video and again with the scripted voice over to allow viewers to more quickly tour a virtual reality mine in a user-friendly format.
- The Dialogue has now attended and presented at 14 of 17 CCC meetings for Dialogue industry partners in the Upper Hunter. This has provided an opportunity to improve awareness of the Dialogue amongst highly engaged community members as well as site personnel. Face to face meetings with additional community interest groups are now being sought with the first being held with a representative from the Singleton Rotary Club shortly.
- The Dialogue also had the opportunity to present to NSW Deputy Premier and Minister for Resources John Barilaro during his recent visit to Upper Hunter mines. The briefing covered the Dialogue’s origin, historical projects and current strategies, The Deputy Premier supported the Dialogue and recognised its value and contribution to making the Upper Hunter a better place for everyone to live.

Communication Resources

- The Dialogue’s third newsletter was published in May and has been distributed electronically across the Dialogue’s database as well as printed copies being distributed at community engagement events.
- The Dialogue’s Facebook page continues to grow engagement; since July 2018 its posts have reached 2230 people.

Media

- In recent media, articles detailing the Dialogue’s proposed new projects for 2019, the 2019 roll-out of the School Mine Tours Program and the Dialogue’s work with the Virtual Reality video have all appeared in local media outlets.

FOR INFORMATION

Attachment: Analysis of Upper Hunter Mining Dialogue Community Surveys (May 2019)

Demographics

- Over 540 surveys collected from 19 events attended since 2016.
- Bulk of responses from Tocal Field Day participants (65%), with the Singleton and Upper Hunter Shows also generating significant interactions.
- Roughly 60% of survey responses are from males and 40% from females.
- Survey responses are evenly spread between those aged 39 and younger (32%), those aged 40 to 59 (36%) and those 60 or above (31%).
- Survey respondents can generally be categorised as either from the Upper Hunter (e.g. Singleton, Muswellbrook and Scone) (29%), Lower Hunter (e.g. Maitland, Cessnock, Branxton) (32%), Other Hunter locations (e.g. Lake Macquarie, Newcastle and Port Stephens) (19%), and the Rest of NSW (e.g. Sydney, Central Coast, Mid North Coast and New England) (21%).
- The majority of respondents either live and work in the Upper Hunter (39%) or have no relation to the area whatsoever (40%). 14% of respondents live in the area, but do not work, and 7% of respondents work in the area but reside outside the Upper Hunter.

Priorities

- When asked what priority the Dialogue should focus on, respondents have consistently advised that rehabilitation strategies are their top priority, although this has fallen somewhat to 65% of respondents in 2019, from 73% of respondents in 2017. Related to this priority, respondents are increasingly advising that the development of voids should be a priority issue, rising from 45% of respondents in 2017 to 53% of respondents in 2019.
- Air Quality has emerged as a significant issue for respondents over the past year, rising from 48% of respondents to 55% in the last 2 months. Noise reduction has also seen an increase as being a priority issue from 17% of respondents in 2018 to 26% of respondents in 2019.
- Water Quality is consistently ranked as the second priority for the Dialogue to address since this question was posed in 2017, with around 56% of respondents each year.
- Female respondents were more likely to report Air Quality as a priority issue (58%) than male respondents were (45%), whereas male respondents were more likely to report the development of voids as a priority issue (52%) than female respondents (43%).
- Rehabilitation strategies were the top priority for those aged 39 and younger (64%) and those 60 or above (69%), although ranked only third ranked for those aged 40 to 59 (33%).
- Water quality was the top priority for those aged 40 to 59 (59%), and was ranked second by those 60 and above (66%) and third by those aged 39 and younger (43%)
- Air Quality was the second ranked priority for those aged 39 and younger (47%), while the development of voids was a key priority for the 40 to 59 group (53%), and 60 and older (61%)
- Upper Hunter respondents reported air quality as priority issue compared with other regions, with Lower Hunter respondents and those from outside the Hunter more likely to report Water Quality as a priority issue. Other Hunter respondents reported the development of voids as a top priority. Respondents from all regions reported rehabilitation strategies as a priority issue.

Benefits

- When asked to identify the key benefits from mining in the Upper Hunter, respondents have consistently ranked the following benefits (grouped for similarity in responses) each year:
 1. Jobs/Employment/Work (70%)
 2. Economy/Income/Money/Taxes (32%)
 3. Community Support/sponsorship (19%)
 4. Infrastructure/Growth/Development/Investment (12%)
 5. Energy/Resources/Electricity (7%)

Coexistence

- Overall, 60% of respondents provided a strong positive response to the question of whether they believed the mining industry coexists with the Upper Hunter community, and this has increased about 5% since 2016.
- Encouragingly only 6% of respondents returned an overly negative response to this question, and 'No' responses have reduced from 6% in 2016 to 2% in 2019.
- Roughly 1 in 5 responses to this question have been a suggestion to increase coexistence between industry and the community.
- The number of respondents advising that they were either unsure of mining's coexistence doubled over the duration of this survey from 9% to 18%.

Beneficial use of voids

- Of the total respondents to this question, nearly half (45%) have indicated that they believe voids can be used beneficially post-mining.
- Only around 5% of respondents stated that they did not believe voids could be used beneficially.
- Over a third of respondents did not indicate a Yes/No response, but simply provided a post-mining land use, which could imply that they do believe voids can be used beneficially for their state
- 1 in 8 respondents were unsure or provided a response that indicated that they may be.
- The top 5 suggestions provided by respondents have not changed dramatically from when these questions were first posed in 2017. A majority of the responses were for voids to be used as water storage dams, or to look at using them as hydro power. Other key suggestions were to provide recreation facilities (fishing, water sports, bike trails) and for waste storage and landfill. Finally, many respondents indicated they would like to see voids rehabilitated and returned to native vegetation and/or agricultural land.

Awareness of Dialogue and Website

- In total, only 3 in 10 respondents are aware of the Dialogue. This result is largely unchanged since 2016.
- The amount of people unaware of the Dialogue remains static at about 67%.
- Less than 1 in 10 respondents have accessed the Dialogue website.

Demographics

Gender	2019		2018		2017		2016		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%
Female	37	40.2%	42	45.2%	65	37.6%	74	40.7%	218	40.4%
Male	54	58.7%	51	54.8%	105	60.7%	107	58.8%	317	58.7%
N/A	1	1.1%	0	0.0%	3	1.7%	1	0.6%	5	0.9%
Total	92	100%	93	100%	173	100%	182	100%	540	100%

Age	2019		2018		2017		2016		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%
<18	7	7.7%	6	6.5%	12	6.9%	20	11.0%	45	8.4%
18-20	1	1.1%	2	2.2%	8	4.6%	4	2.2%	15	2.8%
21-29	4	4.4%	11	11.8%	8	4.6%	12	6.6%	35	6.5%
30-39	16	17.6%	16	17.2%	30	17.3%	14	7.7%	76	14.1%
40-49	17	18.7%	10	10.8%	24	13.9%	30	16.5%	81	15.0%
50-59	19	20.9%	16	17.2%	32	18.5%	48	26.4%	115	21.3%
60+	27	29.7%	32	34.4%	58	33.5%	52	28.6%	169	31.4%
N/A	0	0.0%	0	0.0%	1	0.6%	2	1.1%	3	0.6%
Total	91	100%	93	100%	173	100%	182	100%	539	100%

Location	2019		2018		2017		2016		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%
Upper Hunter	14	15.4%	28	31.1%	63	36.8%	48	26.4%	153	28.7%
Lower Hunter	37	40.7%	27	30.0%	41	24.0%	65	35.7%	170	31.8%
Other Hunter	22	24.2%	23	25.6%	23	13.5%	31	17.0%	99	18.5%
Non-Hunter	18	19.8%	12	13.3%	44	25.7%	38	20.9%	112	21.0%
Total	91	100%	90	100%	171	100%	182	100%	534	100%

Relation to Area	2019		2018		2017		Total	
	Count	%	Count	%	Count	%	Count	%
None	39	43.3%	32	34.4%	71	41.3%	142	40.0%
Live/Work	33	36.7%	35	37.6%	71	41.3%	139	39.2%
Live Only	11	12.2%	21	22.6%	19	11.1%	51	14.4%
Work Only	7	7.8%	5	5.4%	11	6.4%	23	6.5%
Total	90	100%	93	100%	172	100%	355	100%

Event	2019		2018		2017		2016		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%
Total Field	77	83.7%	41	44.1%	71	41.0%	160	87.9%	349	64.6%
UH Show	5	5.4%	9	9.7%	21	12.1%			35	6.5%
Voice4Mining	10	10.9%							10	1.9%
Broke Fair			6	6.5%	8	4.6%			14	2.6%
Singleton Sh.			9	9.7%	30	17.3%	22	12.1%	61	11.3%
BHP Comm.			9	9.7%					9	1.7%
Coal Festival			19	20.4%					19	3.5%
MB Xmas Sp.					6	3.5%			6	1.1%
HSEC Conf.					22	12.7%			22	4.1%
Tom Farrell					11	6.4%			11	2.0%
Cessnock Sh.					4	2.3%			4	0.7%
Total	92	100%	93	100%	173	100%	182	100%	540	100%

Priorities

Priorities	2019		2018		2017		Total	
	Count	%	Count	%	Count	%	Count	%
Voids Develop	46	52.9%	45	50.6%	74	45.1%	165	48.5%
Water Quality	49	56.3%	50	56.2%	91	55.5%	190	55.9%
Air Quality	48	55.2%	43	48.34%	80	48.78%	171	50.29%
Noise reduce	23	26.4%	15	16.85%	31	18.90%	69	20.39%
Rehab strat.	56	64.4%	54	60.67%	119	72.56%	229	67.35%
Research	27	31.0%	20	22.47%	48	29.27%	95	27.94%
Total	87	N/A	89	N/A	164	N/A	340	N/A

Priorities by Gender	Female			Male		
	Count	%	Rank	Count	%	Rank
Development of Voids	57	42.9%	4	105	51.5%	3
Water Quality	72	54.1%	3	115	56.4%	2
Air Quality	77	57.9%	2	92	45.1%	4
Noise reduction	26	19.6%	6	41	20.1%	6
Rehabilitation strategy	92	69.2%	1	133	65.2%	1
Research	38	28.6%	5	55	27.0%	5
Total	133	N/A	N/A	204	N/A	N/A

Priorities by Age	39 or younger			40 to 59			60 or older		
	Count	%	Rank	Count	%	Rank	Count	%	Rank
Voids Develop	41	35.7%	4	49	52.7%	2	68	61.3%	3
Water Quality	49	42.6%	3	55	59.1%	1	73	65.8%	2
Air Quality	54	47.0%	2	25	26.9%	5	57	51.4%	4
Noise reduce	21	18.3%	6	17	18.3%	6	29	26.1%	6
Rehab strat.	74	64.4%	1	31	33.3%	3	76	68.5%	1
Research	26	22.6%	5	26	28.0%	4	36	32.4%	5
Total	115	N/A	N/A	93	N/A	N/A	111	N/A	N/A

Priorities by Location	Upper Hunter		Lower Hunter		Other Hunter		Rest of NSW	
	Count	%	Count	%	Count	%	Count	%
Voids Develop	51	51.0%	53	51.0%	34	53.1%	24	35.8%
Water Quality	55	55.0%	61	58.7%	31	48.4%	40	59.7%
Air Quality	67	67.0%	46	44.2%	33	51.6%	23	34.3%
Noise reduce	27	27.0%	19	18.3%	11	17.2%	9	13.4%
Rehab strat.	74	74.0%	68	65.4%	43	67.2%	41	61.2%
Research	30	30.0%	28	26.9%	21	32.8%	16	23.9%
Total	100	N/A	104	N/A	64	N/A	67	N/A

Benefits, Coexistence, and Beneficial Reuse of Voids

Benefits - multiple answers per response	2019	2019	2018	2018	2017	2017	2016	2016	Total	Total
	Count	%	Count	%	Count	%	Count	%	Count	%
Jobs/Employment	65	73.0%	64	69.6%	112	65.9%	129	72.6%	370	70.1%
Economy/Income	28	31.5%	22	23.9%	63	37.1%	54	30.5%	167	31.6%
Support/sponsorship	21	23.6%	21	22.8%	30	17.7%	27	15.3%	99	18.8%
Infrastructure/Growth	11	12.4%	15	16.3%	20	11.8%	19	10.7%	65	12.3%
Energy/Resources	5	5.6%	8	8.7%	14	8.2%	10	5.7%	37	7.0%
Lifestyle/Cultural	3	3.4%	3	3.3%	9	5.3%	5	2.8%	20	3.8%
Rehab/enviro support	1	1.1%	1	1.1%	7	4.1%	4	2.3%	13	2.5%
Exports	2	2.3%	0	0.0%	3	1.8%	3	1.7%	8	1.5%
Total respondents	89	N/A	92	N/A	170	N/A	177	N/A	528	N/A

Coexistence	2019	2019	2018	2018	2017	2017	2016	2016	Total	Total
	Count	%	Count	%	Count	%	Count	%	Count	%
Yes/Positive	55	66.3%	49	56.3%	91	58.3%	104	60.5%	299	60.0%
No/Negative	2	2.4%	5	5.8%	10	6.4%	11	6.4%	28	5.6%
Unsure/Maybe	15	18.1%	13	14.9%	18	11.5%	16	9.3%	62	12.5%
Unrelated/Suggestion	11	13.3%	20	23.0%	37	23.7%	41	23.8%	109	21.9%
Total	83	100%	87	100%	156	100%	172	100%	498	100%

Voids put to beneficial use	2019	2019	2018	2018	2017	2017	Total	Total
	Count	%	Count	%	Count	%	Count	%
Yes	28	41.2%	32	39.0%	73	49.7%	133	44.8%
Unsure/Maybe	8	11.8%	11	13.4%	18	12.2%	37	12.5%
No	2	2.9%	6	7.3%	7	4.8%	15	5.1%
Suggestions Only	30	44.1%	33	40.2%	49	33.3%	112	37.7%
Total	68	100.0%	82	100.0%	147	100.0%	297	100.0%

Suggestions	2019	2018	2017	Total
	Count	Count	Count	Count
Water storage/Dams/Hydro	30	26	46	102
Recreation/sports	16	22	27	65
Landfill/Waste	14	10	14	38
Native vegetation/habitat	11	4	10	25
Agriculture/grazing	8	7	5	20
Parklands/trails	4	4	3	11
Aquaculture/fish farms	3	0	7	10
Backfill voids	2	1	4	7
Commercial/housing development	2	4	5	11
Research sites/facilities	0	3	2	5

Awareness of Dialogue and Website

Awareness of Dialogue	2019	2019	2018	2018	2017	2017	2016	2016	Total	Total
	Count	%	Count	%	Count	%	Count	%	Count	%
No	59	66.3%	69	75.8%	101	60.8%	119	69.6%	348	67.3%
Unsure	6	6.7%	2	2.2%	11	6.6%	0	0.0%	19	3.7%
Yes	24	27.0%	20	22.0%	54	32.5%	52	30.4%	150	29.0%
Total	89	100%	91	100%	166	100%	171	100%	517	100%

Access Dialogue website	2019	2019	2018	2018	2017	2017	Total	Total
	Count	%	Count	%	Count	%	Count	%
No	85	95.5%	86	94.5%	145	89.0%	316	92.1%
Unsure	0	0.0%	2	2.2%	4	2.5%	6	1.8%
Yes	4	4.5%	3	3.3%	14	8.6%	21	6.1%
Total	89	100.0%	91	100.0%	163	100.0%	343	100.0%

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 8

OTHER BUSINESS

**Upper Hunter Mining Dialogue
Joint Economic and Social Development Working Group - 12 June 2019**

Agenda Item 9

NEXT MEETING / CLOSE

The next Joint Working Group meeting is to be held on **Wednesday 11 September 2019**, 1:00 pm to 3:00 pm.

This will be the final JWG meeting prior to the 2019 Annual Forum on Tuesday 19 November 2019, which is to be held at the Singleton Civic Centre.

FOR INFORMATION