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## People Strategies

CME released its 2017 Diversity in the Western Australian Resources Sector report in September. Survey findings indicate the percentage of women working in the sector increased by only 0.2 per cent to 18 per cent between 2015 and 2017, with the oil and gas workforce having the highest percentage of female employees across the resources sector. While the survey revealed Indigenous participation has decreased from 5.5 per cent in 2015 to 4 per cent in 2017, this compares to just 1.6 per cent Indigenous representation across the entire Western Australian workforce.

In July, CME wrote to the Federal Minister for Education and Training, the Hon. Simon Birmingham, highlighting the importance of recognising in-home childcare at a federal policy level. For many parents who work in the sector on a shift or Fly In Fly Out basis, being located away from traditional support networks means their only childcare option is to engage an in-home nanny. CME considers the recognition of in-home care as an approved childcare service as vital to ensure employees in the resources industry have access to affordable, accessible and flexible options.

In August, winners of the 2017 CME Women in Resources Awards travelled to Launceston as finalists for the Women in Resources National Awards (WIRNA). Vanessa Torres from BHP Iron Ore won the Exceptional Woman in Australian Resources award and Rachel Leong from Woodside received the Exceptional Young Woman in Australian Resources award. Sharron Freitas from Alcoa was recognised with a high commendation from the national judges in the Outstanding Tradeswoman/Operator/ Technician in Australian Resources category. Gold company St Barbara, who has a minesite in Leonora, won the Excellence in Company Diversity Programs and Performance award.

The 2018 Women in Resources Awards were launched by the Hon. Simone McGurk MLA, Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services, at a CME sundowner in September. Workshops have now been held in Perth and Kalgoorlie in October to assist companies and individuals interested in nominating for the awards.

CME continues to work with the Science Technology Engineering and Mathematics (STEM) advisory panel to support the development of a STEM Strategy, which the State Government has called for by 31 March 2018.

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## Media and Communications

CME launched its Industry Positioning campaign in November. The campaign name, [resourc.ly](http://resourc.ly), will be implemented via social media on behalf of the WA resources sector to improve public perception of the industry. The aim is to create fun, interesting and engaging content around key topics relevant to the resource sector that can be liked, shared and followed on various social media channels. Topics for content will be based on feedback from regular community surveys undertaken by CME on what West Australians think about the resources sector, with the first phases of the campaign focusing on gold, the environment and FIFO/living in regional communities.

Type 'resourc.ly' into your internet browser to visit the blog and from there, find links to the other social media channels on Facebook, YouTube and Instagram. CME would appreciate it if you could like, follow and share the content of [resourc.ly](http://resourc.ly).

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**resourc.ly**



## Workplace Health and Safety

The second half of 2017 commenced with an announcement from the State Government it had approved the development of a single modernised Work Health and Safety (WHS) Bill. The Bill will be based on the model WHS Act and provide the primary legislation for workplace health and safety across all Western Australian industries. CME has formed a Safety Legislation Working Group and represents the resources sector on the Ministerial Advisory Panel advising on the development of the Bill.

Noting concerns with the current Mines Safety Levy model, CME convened two workshops involving members and representatives from the Department of Mines, Industry Regulation and Safety (DMIRS) and subsequently advised the Mines and Petroleum Minister of the industry's recommendation to improve the current model. This included adopting governance arrangements similar to that used by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

CME provided a submission to the Standing Committee on Public Administration's Inquiry into WorkSafe WA. Although regulatory oversight of workplace health and safety for the majority of CME's member companies lies primarily with the Resources Safety Division of DMIRS, CME works closely with WorkSafe WA on a number of key policy issues and is represented on the Commission for Occupational Safety and Health (COSH).

The Sharing Safety Lessons Learnt (SSLL) forum in July focused on the topic of Mental Health in Resources Sector Workplaces. Forum members heard from their peers, DMIRS representatives and other industry experts on best practice measures to address mental health and wellbeing in the workplace. Following the forum, CME hosted a sundowner featuring the Hon. Roger Cook MLA, Deputy Premier; Minister for Health and Mental Health. Outcomes from the forum were considered by the Mining Industry Advisory Committee (MIAC) in October.

CME is chairing the MIAC Mental Health Strategies Working Group, which is currently drafting a FIFO Mental Health Code of Practice covering the resources and construction sectors based on a request by the Mines and Petroleum Minister. CME considers the decision by the Minister to limit the scope to FIFO as a missed opportunity to address mental health more broadly across industry.

CME sits on the Mental Health Commission (MHC) FIFO Research Reference Group overseeing the design and implementation of the research plan for the University of Western Australia's (UWA) project into FIFO mental health. CME has been working closely with UWA and the MHC through the Reference Group, with the data collection phase of the research now underway.

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## Economics and Tax

In August, CME lodged its 2017-18 pre-Budget submission with the Western Australian Department of Treasury. This submission provided a number of recommendations for the Government's consideration in developing the 2017-18 State Budget. One of CME's key recommendations was that there should be no increase to any royalty rate.

On 7 September, the WA Government handed down its 2017-18 Budget, which included an increase to the gold royalty rate from 2.5 per cent to 3.75 per cent when the price of gold was A\$1,200 or above. The increase was to be applied from 1 January 2018, once the necessary regulatory amendments had been tabled in Parliament. CME, in conjunction with our gold members, advocated and campaigned strongly over five weeks against the proposed increase.

On 10 October, WA Nationals MLC, the Hon. Jacqui Boydell, and Pauline Hanson's One Nation MLC, the Hon. Robin Scott, gave notice of a motion to disallow the Mining Amendment Regulations (No. 2) 2017 to stop any increase to gold royalties. Two days later, the motion was put to a vote and successfully passed with the support of the crossbenchers, WA Nationals and Liberal Party. The WA Government tabled new regulations in late November, signaling its intention to increase royalty rates yet again at a revised rate to the original proposal.

Earlier this year, the Australian Government tasked the Productivity Commission with undertaking a review into the Horizontal Fiscal Equalisation system, which governs the distribution of GST among States and Territories. CME has engaged in the inquiry process by tendering a number of submissions advocating for a greater return of GST to Western Australia. CME recommended for the implementation of a 25 per cent discount to mining revenues. The final report and recommendations will be provided to the Government by 31 January 2018.

In October, in conjunction with the Minerals Council of Australia, CME hosted a tax forum to provide members with policy updates and insights on technical tax topics related to the resources industry. Topics included the Petroleum Resources Rent Tax, Horizontal Fiscal Equalisation Inquiry and the Placer Dome Inc (Placer) v Commissioner of State Revenue (Commissioner) [2017] WASCA 165 Court of Appeal decision.

In June, the WA Parliamentary Economics and Industry Standing Committee was tasked with undertaking an inquiry into regional airfares in Western Australia. CME provided a submission to the Committee and attended a hearing to give evidence. CME called for greater transparency in how local governments set their airport fees and charges.

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## Environment

In July, CME hosted the Hon. Stephen Dawson MLC, Minister for Environment; Disability Services at a sundowner. The Minister outlined his portfolio priorities and reaffirmed his commitment to a more efficient, simplified regulatory regime, pledging to work with CME and members to achieve this.

Machinery of government reforms, which commenced from 1 July 2017, have resulted in significant changes in how resources companies transact with Government on environmental approvals and compliance. New Directors General and other senior appointments have been made and the Environment portfolio has been in regular contact with Government to understand and communicate these reforms to members.

In September and November, Department of Water and Environmental Regulation (DWER) Director General, Mike Rowe, and his senior executives met with members of the Environment Committee to update and receive feedback on the agency's reform agenda. Implementation issues with previous Part V licensing reforms have caused significant concern for resources companies and CME is looking forward to meaningful progress in this area by the new agency. DWER has also evaluated opportunities to streamline and reform water and environmental approvals and compliance, with the aim of implementing a 'one-stop-shop.'

In August, Dr Tom Hatton, Chair of the Environmental Protection Authority (EPA) and Anthony Sutton (DWER), presented to the Environment Committee on their priorities including air quality, land clearing, access to biodiversity data, the effectiveness of dewatering discharge regulation, rehabilitation and reviewing the implementation of the EPA's new policies and procedures framework.

CME's South West Environment Forum (SWEF) and Goldfields Environment Forum (GEF) have each had busy agendas. In August, the Hon. Dr Steve Thomas MLC, Member for the South West Region and Shadow Minister for Environment; Water, presented to the SWEF focusing on environmental and energy policy priorities.

The October meeting of GEF included engagement with the Goldfields Land and Sea Council Ranger Program. This program enables the Aboriginal people of the Goldfields/Esperance regions to offer practical environmental services and solutions to industry and government. The WA State Government has committed \$20 million over five years to Indigenous Ranger Programs and the Minister for Environment is seeking ways to increase industry participation in this initiative.

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## Infrastructure

The 2017 Western Australian Energy Awards, a joint initiative of CME and the Australian Institute of Energy (WA), were held in October to recognise individuals and organisations working to build a world-class energy industry. The Hon. Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs, announced the following winners:

- **Innovation of the Year**  
– Power Ledger, P2P Blockchain
- **Energy Professional of the Year**  
– Frank Tudor, CEO Horizon Power
- **Young Energy Professional of the Year**  
– Katharine McKenzie, Principal Policy Adviser, Office of the Treasurer; Minister for Finance; Energy; Aboriginal Affairs.

CME facilitated an Uptake of LNG as a Fuel workshop in November and brought together gas producers, end users, equipment manufacturers, mining services companies and government representatives to discuss the opportunities and challenges of transitioning from diesel as a fuel source to LNG, as well as the potential for industry collaboration to advance this opportunity.

CME continues to support the resources sector through facilitating the development of a scientific-based test method to determine corrosivity for solid bulk cargoes, in particular iron ore. The purpose of the research is to influence government policy on an alternative corrosion to metals protocol for solid bulk cargoes.

Energy access issues continue to be a concern for industry in the eastern region. CME is using its representation on the Provide Energy Solutions Stakeholder Group formed by the Kalgoorlie-Boulder City Council to ensure consideration of energy demand requirements for the short, medium and long term are being considered by the network provider as well as government.

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## Exploration

In August, the Minister for Mines and Petroleum, the Hon. Bill Johnston MLA, announced the continuation of funding of the Exploration Incentive Scheme (EIS) at a rate of \$10 million per year for a further two years. CME strongly advocated for its continuation.

Adding to the State-based EIS, the Federal Government announced its \$100 million Junior Mineral Exploration Tax Credit (JMETC) scheme in September to allow tax losses made by junior explorers to be distributed as a tax credit to shareholders. CME assisted in the development of the business case for the new scheme to boost investment in greenfields exploration.

Also in September, the WA Supreme Court handed down its ruling on *Brewer – v – John Francis O’Sullivan*, Warden at Kalgoorlie [No 2] WASC 269 (the Brewer case). The case provides important clarity for the Western Australian mining and exploration sector on what exploration activities may be counted towards the grant of exemption certificates. Inconsistencies between the then Department of Mines and Petroleum’s Policy Guidelines for Exemption from Expenditure Condition prescribed in Schedule 1 of the *Mining Act 1978* and the *Mining Regulations 1981* have been of significant concern for CME members.

In November, the Exploration Committee received an update from Ivor Roberts, Executive Director, Mineral Titles at the Department of Mines, Industry Regulation and Safety on the new department following machinery government changes, and legislation and policy reform priorities.

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## Land Access

The second half of 2017 has seen considerable activity in regards to native title judgements and reforms. The Full Federal Court of Australia handed down its judgement on the Timber Creek appeal in July 2017 and ordered the Northern Territory Government to pay \$3.3 million in compensation to the Ngaliwurru and Nungali Peoples. The Timber Creek case was the first compensation test case for the loss of native title rights. CME continues to remain engaged with the Native Title and Aboriginal Heritage Working Group on the implications for further potential compensation cases and liability as an outcome of the Timber Creek case.

The Australian Government continued to progress further reforms of the Native Title Act 1993 (Cth) (NTA) and has now released a reform options paper for public comment. In June, with the input of its members, CME made a joint submission with the Minerals Council of Australia to the Attorney General's Department regarding the reforms and further work is underway to develop an industry response to the options paper, which will be submitted in the new year.

As a result of machinery of government reforms, the new Department of Planning, Lands and Heritage, encompassing the heritage component of the former Department of Aboriginal Affairs, has been working towards streamlining heritage management in WA. CME has engaged early with the new Department and raised priority areas for reform, which should lead to efficiencies in heritage approvals processes for the resources sector.

The validity of mining leases was raised following the Forrest & Forrest case in the High Court of Australia in September. A majority of the High Court ruled a mineralisation report had to be lodged at the same time as the application for a mining lease in order to be a valid application. In the absence of a valid application, subsequent acts (ie. grant of a mining lease) are also invalid. CME's advocacy on the issue led to the announcement of retrospective legislation to address the decision on the validity, which is critical for providing certainty to the industry.

Members enjoyed a sundowner with the Hon. Ben Wyatt MLA; Treasurer; Minister for Finance; Energy; Aboriginal Affairs in October. The Minister gave an overview of his portfolio priorities, including the need to reform the Aboriginal Heritage Act.

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## Eastern and North Eastern

September was a busy month for the Goldfields region, with the State Government's proposed increase to gold royalty rates causing significant concern among members in terms of job losses and future exploration in the region. Following the announcement of the increase in the State Budget, CME hosted the Hon. Ben Wyatt MLA; Treasurer, Minister for Finance; Energy; Aboriginal Affairs in Kalgoorlie for a roundtable discussion with its gold members.

In mid-September, Kyran O'Donnell, Member for Kalgoorlie and Shadow Minister for Aboriginal Affairs, organised a protest rally in Kalgoorlie, which attracted more than 1,000 gold industry workers and local business people. CME chief executive officer Reg Howard-Smith launched the Jobs First for WA campaign at the rally.

CME has prioritised its efforts on tackling the issues identified in its attraction and retention of staff workshop held in June and has raised several concerns in the region with the City of Kalgoorlie-Boulder's Governance Group of the City's Strategic Plan. CME has also strengthened its relationship with Regional Development Australia Goldfields Esperance by contributing background information and research to a strategic positioning campaign, to attract people to the Goldfields-Esperance region and increase livability within the region.

Recent events hosted by CME included the Goldfields Community Relations Forum as well as a stakeholder sundowner with guests including the Gold Stealing Detection Unit, Regional Development Australia Goldfields Esperance, Goldfields-Esperance Development Commission, Water Corporation, City of Kalgoorlie-Boulder, West Australian School of Mines and the Goldfields Education Mining Industry Alliance.

CME met with the Prime Minister, the Hon. Malcolm Turnbull, in August at a reception in Kalgoorlie to discuss a number of issues, including attracting and retaining staff and tertiary students in the Goldfields, the current skills shortage in the resources sector, and the potential of Kalgoorlie-Boulder in becoming an innovation hub for the mining sector.

In October, CME hosted WA Leader of the Opposition Dr Mike Nahan at a roundtable meeting in October in Kalgoorlie with members. Goldfields regional issues were discussed including the gold royalty, skills shortages, as well as the attraction and retention of staff and the flow-on effect to regional cities and towns.

CME has teamed up with the Cooperative Research Centre for Optimising Resource Extraction (CRC ORE) to establish a major new mining innovation hub in the Goldfields to test new technologies in the hope of revolutionising the way gold and other mineral deposits are extracted. Kalgoorlie-Boulder's close proximity to several operating mine sites made it a natural choice as the site for the new hub, which aims to innovate and add significant value to Western Australia's growing resources sector. CRC ORE will be located at the CME Kalgoorlie office.

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## North West

Work has continued by the North West Regional Council (NWRC) to develop the Pilbara Collaboration Framework. In August, the Premier, the Hon. Mark McGowan MLA, hosted a meeting with CME and Pilbara resources companies to discuss the development of this collaborative initiative and government framework to respond to regional and community issues in the Pilbara in a proactive and sustainable way.

Building on from this meeting, CME's NWRC met in September to progress the implementation of the Pilbara Collaboration Framework. The framework intends to deliver improved social and economic outcomes to North West communities with agreed priority focus areas.

The first of the four priority focus areas for collaboration will be education, employment and training. CME is collating information from members on the scope of initiatives already underway in the region on this priority area and has reviewed recent reports by stakeholders to develop a common understanding of the outstanding problems.

In July, CME hosted 14 Federal Senators and State Members of Parliament (MPs) on a three-day tour of some of Western Australia's major resources projects in the Pilbara and Goldfields. Participants included Tasmanian Senator Jacqui Lambie, WA Senator Glenn Sterle and the Hon. Matt Thistlethwaite MP, Member for Kingsford Smith in NSW, as well as 11 of the new local Labor MPs who were successful in the March State Election. The familiarisation tour included the CITIC Pacific Sino Iron Project, Woodside North West Shelf and Pluto gas plants, Yara Pilbara, Rio Tinto Cape Lambert, FMG Solomon Hub, BHP Whaleback and AngloGold Ashanti Tropicana.

In August, CME presented at the New Pilbara Economic Development Conference 2017. The conference attracted more than 400 key community and business stakeholders to engage in discussion about the diversification of the Pilbara's economic base and highlight emerging industries that have the potential to drive sustained economic growth.

The long awaited Port Hedland Dust Management Taskforce Report was released in September. CME's response highlighted the urgent need for the State Government to drive resolution of potential land use conflicts at Port Hedland in the best interests of the State. Overall, this report has been welcomed by industry as a constructive way forward.

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## South West

Industry water management continues to be a key area of interest for South West members, with CME hosting a water workshop in late June. Members heard from the Department of Water and Environment Regulation about available water resources in the region, predicted impacts of climate change and government plans to support future demand. A follow up meeting was held in October for members to discuss common issues and progress.

CME's South West Regional Council hosted Alinta, Synergy and Western Power representatives for a discussion on energy issues at its October meeting. Given the complexities and importance of energy use and supply in the region, the issue will be further discussed at the Council's December meeting.

In October, CME lodged a submission to the Southern Ports Authority's Post Amalgamation Review to provide feedback and comments from regional members and Bunbury Port Users. Port users are seeking greater engagement with the Southern Ports Authority relating to longer term port planning, as well as for Southern Ports to harness the collective knowledge of industry best practice in port services to provide greater efficiencies.

CME hosted a familiarisation tour for crossbench Members of the Legislative Council in the South West during August. Members toured the operations at Newmont Boddington Gold, South 32 Bauxite Mine, Cristal Pigments, Alcoa and Talison Resources to enhance their understanding of the industries within the region.

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## Resources Industry Training Council

The Resources Industry Training Council (RITC) is a state government funded joint venture between CME and the Australian Petroleum Production and Exploration Association.

In October, the RITC lodged a case for change with the Department of Training and Workforce Development (DTWD), advocating for the immediate priority reclassification of Drillers to the State Priority Occupation List (SPOL) and the Western Australian Skilled Migration List (WASMOL). As a result of decreased exploration expenditure between 2012 and 2016, employment numbers in the sector have significantly decreased, with employees either seeking work interstate or in other industry sectors. However, with exploration showing signs of improvement and the trend for total mineral exploration expenditure on the rise, there is increasing evidence of a skills and labour shortage in this area.

The RITC attended the State Government's Plan for Jobs Consultation sessions in September, which provided an opportunity for industry stakeholders to input into how to increase the uptake of apprenticeships and traineeships in WA, and to identify services needed from local TAFE's.

Subsequently CME has lodged a submission to the State Training Board (STB) on growing apprenticeships and traineeships in Western Australia.

Nearing completion is the RITC project on High Risk Work Licenses (HRWL): Strengthening Existing Arrangements. Noting concerns previously expressed over the HRWL system, the RITC has sought to identify opportunities to improve the training and assessment system relating to these licenses.

Research and consultations undertaken on behalf of CME over the past 3 years in examining the changing nature of work driven by innovation and technological advances, has consistently identified gaps in the higher level skills of para-professional workers in the resources sector. To explore this issue further, the RITC has commenced a project to understand the circumstances under which the resources sector would access (or not) nationally recognised VET products (qualifications/skill sets/units) to address the higher-level skill requirements of the para-professional workforce.

In addition, the RITC has been undertaking the Demand for Multi-Skilled Workers for Surface Mining Operations project to determine industry requirements to train multi-skilled workers for entry to surface mining operations. This project aims to assess the value of a cross-role, supply chain based training model and the potential for broader application across the mining industry.

Due to the similar nature of the Remote Operations Centres (ROC) project and the Multi-skilled Training Model project and the growing trend for operators to move to remote operations centres through re-skilling, rather than multi-skilling, the reports for these two projects will be delivered as companion reports.

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## In the News



Ichthys LNG Project report launch



State MPs South West Tour



2017 WA Energy Awards



Dr Mike Nahan Kalgoorlie visit



State & Federal MP Resources Tour

## Recent Events

### 14 July

Launch of ACIL Allen's Economic Impact Report on the INPEX-led Ichthys LNG Project

### 3-4 August

State MPs South West Tour

### 13 September

Boardroom Lunch with the Hon. Eric Ripper AM

### 26 September

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

### 27 September

Boardroom Breakfast with Jeannette McGill, Head of Telstra Mining Services

### 3 October

2017 Western Australian Energy Awards with the Hon. Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs

### 10 October

Save Our Jobs Rally at Parliament House

### 18 October

Goldfields Community Relations Forum & Sundowner

### 24 October

Sundowner with the Hon. Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs

### 27 October

CME and MCA Mineral Industry Tax Forum

### 27 November

Western Mining Corporation Book Launch

### 5 December

Annual Christmas Celebrations

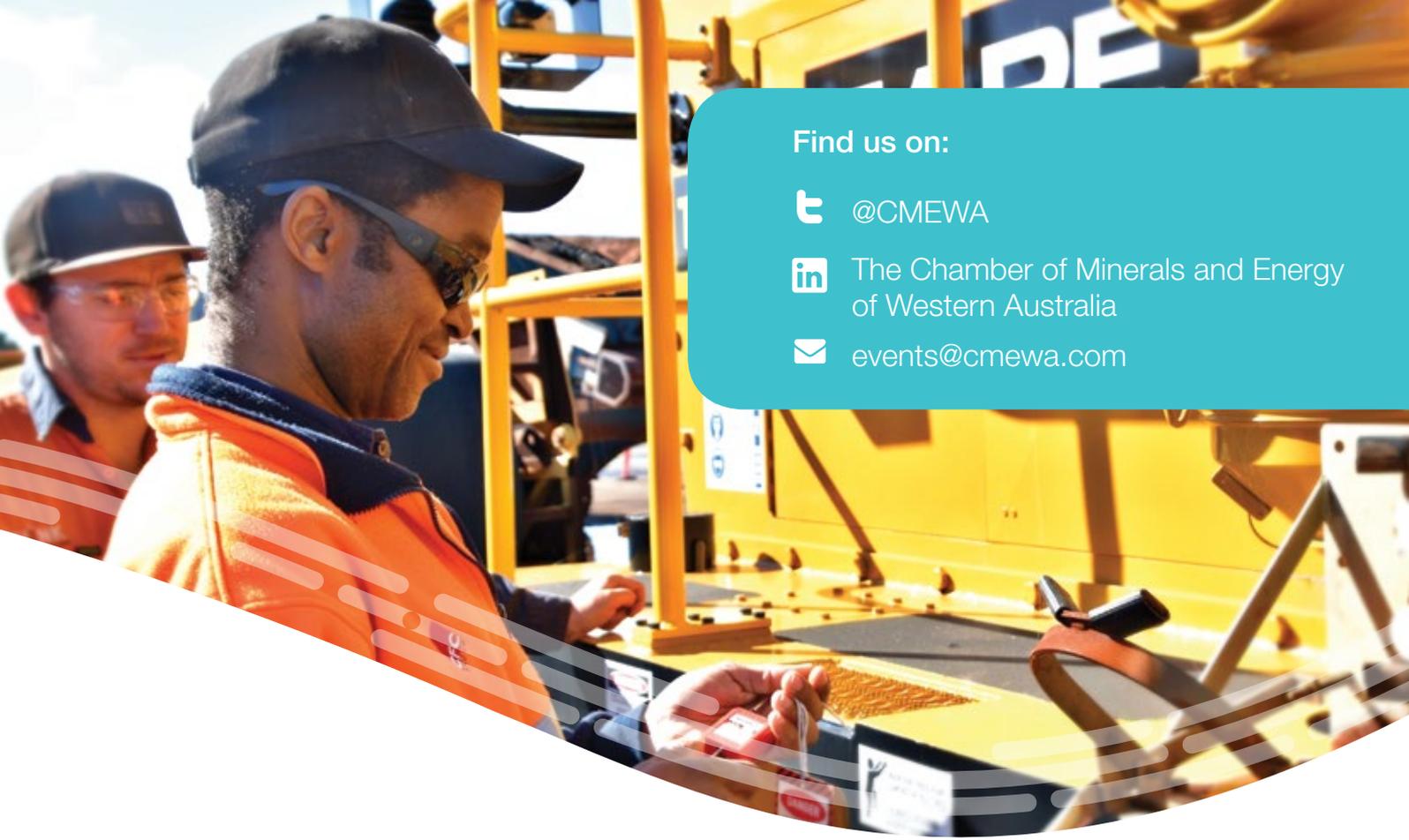
## Upcoming Events

### Late January (TBC)

Release of CME's 2018-2028 Resources Sector Outlook report

### 9 March

2018 Women In Resources Awards



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