

MRRT Repeal Bill

Minerals Council of Australia - response to questions on notice from Senator Pratt

Question

Senator PRATT: You might want to take the next question on notice. An estimated \$34 billion in community projects is spent in partnership with local businesses. The Australia Institute has suggested that 98.8 per cent of this figure is made up of payments to local and Indigenous suppliers and contractors. What proportion of the \$34 billion is spent on community projects? You are more than welcome to take that on notice.

Dr Kunkel: Rather than shuffle through papers I think it is probably best that we send the precise figure to the committee.

Senator PRATT: Yes.

Minerals Council response:

The Minerals Council of Australia (MCA) released figures on the first-ever study of national minerals industry spending on community projects and local businesses on 18 November 2013. The data on spending was based on a survey of 25 Australian mining companies, explorers and resources contractors by Corporate Social Responsibility consultants Banarra.

A table outlining the breakdown of payments was publicly released as part of the MCA's 18 November 2013 media release and is as follows:

Type of Spend	Detail	Value
Community infrastructure and services	Includes physical or 'hard' infrastructure (e.g. schools, libraries and museums) as well as 'soft' infrastructure (e.g. financial systems, educational systems, healthcare)	\$91.9 million
Education and training for non-employees	Includes direct costs of education (e.g. labour, materials and expenses) as well as ongoing support for facilities and/or programs	\$37.1 million
Other community investments	Includes contributions in the form of direct payments (e.g. to charities, or research institutions), matched giving programs and other direct costs associated with community investment and social programs. Examples included health programs, age and disability support to support for local farming, agriculture and sporting events	\$40.7 million
Land access related payments	Includes land access payments include native title related payments, mine development payments, and Indigenous and non-Indigenous heritage	\$259 million

	management related payments	
Local business development and support	Spend on local suppliers and contractors (excluding Indigenous contracting)	\$32.1 billion
Indigenous Contracting	Includes procurement for services such as rehabilitation, seed collecting, catering, land management, road maintenance, earth works and cultural awareness training as well as any commercial contract serviced by an Indigenous supplier and/or organisation	\$2.2 billion
Total		\$34.7 billion