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## City of Kalgoorlie-Boulder

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ENQUIRIES TO:

3 May 2005

Ms Cheryl Scarlett  
Secretary  
Standing Committee on Aboriginal and Torres Strait Islander Affairs  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Ms Scarlett

### RE: INQUIRY INTO INDIGENOUS EMPLOYMENT

Thank you for the opportunity to comment on the matters referred to in the terms of reference of the Inquiry into Indigenous Employment (the Inquiry), which has been referred to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs (the Committee).

The City of Kalgoorlie-Boulder is widely considered to be a national leader on issues relating to reconciliation. The City hosted the inaugural National Reconciliation Forum in 2004 (now an annual event), as well as being the first local government in Australia to establish a Reconciliation Committee of Council that continues to successfully deal with local issues.

The level of cooperation between local, State and Federal agencies and the way issues are dealt with in the region, seeking positive outcomes, is recognised in Western Australia and nationally and is best demonstrated by:

- The development and signing of the first Indigenous Framework Agreement of its kind in Western Australia, between the City of Kalgoorlie-Boulder, the Western Australian Department of Indigenous Affairs (DIA) and the Mulga Mallee Regional Council of the Aboriginal and Torres Strait Island Commission (ATSIC) demonstrating the commitment from all three levels of government to address the needs of Indigenous people.
- The City of Kalgoorlie-Boulder, DIA and the Aboriginal and Torres Strait Islander Services (ATSIS) have each contributed one third of the costs to the development of Indigenous Consultation Protocols for our City, which arose from a visit to Kalgoorlie-Boulder by the Human Rights and Equal Opportunities Commission (HREOC) in 2002.

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- The Goldfields region has been chosen as Australia's only reference site for a 9.2 million Australian Government initiative that will enable General Practitioners across Australia to gain access to Broadband Technology, including General Practitioners who will be able to provide vastly improved services to Indigenous communities.

The Royal Commission into Aboriginal Deaths in Custody and the National Aboriginal and Torres Strait Islander Education Policy identified Indigenous students' social and economic disadvantage as key indicators leading to their educational disadvantage; a statistic that translates almost directly into difficulty in obtaining employment.

The relationship between the causal factors affecting educational outcomes for Aboriginal students are complex in scope, dynamic in nature and challenge existing power structures within educational and schooling settings. Despite over twenty years of specific policies, targeted programs and supplementary funding to achieve self-determination for Aboriginal communities, Aboriginal people are over represented in most of the categories that define social and economic disadvantage. The gap between Aboriginal and non-Aboriginal Australians has not been closed and is, in some cases, widening.

According to the 1999 ATSI submission to the HREOC Inquiry into Rural and Remote Education in Australia:

- In 1996, more than one-quarter of Aboriginal people in Australia lived in rural areas compared to only 14% of all other Australians. Furthermore, many Aboriginal rural dwellers are far removed from urban centres and remote from many urban-type service and labour markets.
- Nationally, the Aboriginal population counted in rural areas increased by 13% between 1991 and 1996. Over the same period, the rest of the rural population recorded no growth. As a consequence, the Aboriginal share of Australia's rural population increased from 3.6% in 1991 to 4.1% in 1996.
- Approximately 50% of working Aboriginal people in remote and rural localities in Australia work part-time. This includes approximately one-third of the Aboriginal labour force in remote and isolated rural locations who are employed on Community Development and Employment (CDEP) projects.
- In 1994, 64% of Aboriginal people living in rural areas in Australia lived more than 50 kilometres away from a TAFE.

Meaningful outcomes require the realisation that community capacity building for Aboriginal people and communities is not the sole responsibility of any Aboriginal unit, but is rather core business within educational and economic systems. This will affect educational and economic systems and structures in analysing operations as being more than just changes on the surface, and provision of greater depth of understanding of Aboriginal issues to create real and sustainable change. This change cannot exist without the cooperation and communication of key stakeholders – staff; community and structures within state, national and regional organisations.

In July 2004, I was fortunate enough to be able to travel to Canada on a 2003 Churchill Fellowship to observe and have discussions with a range of individuals in various organisations who work with Aboriginal people. One of the key focus areas was Indigenous employment, and some of the measures that have been taken by industry in Canada to help promote the employment of Indigenous people. I include below an extract from my Churchill Fellowship report.

*"I had the opportunity to visit the remote minesite at Musselwhite in Northern Ontario Province which is operated by Placer Dome Canada, and the Eskay Creek minesite in Northwest British Columbia Province which is operated by Barrick Gold. Both mining companies have significant gold mining interests in Kalgoorlie-Boulder and the Goldfields region of Western Australia and were very supportive of my visiting their operations in Canada.*

*In the case of both the Musselwhite and Eskay Creek mines, they are fly in/fly out operations (FIFO) on Indian traditional lands with First Nation bands and communities nearby.*

*First, I will comment on Placer Dome Canada's Musselwhite Mine. The mine is 500 kilometres north of Thunder Bay and there are 293 staff and 105 contractors' staff. It is serviced by an air charter company, Wasaya Airlines, which is owned by 8 First Nation councils. The mine is on traditional lands of the Mishkeegogemong, Shibogamn and Windigo First Nations. There are no roads to most of the First Nation communities.*

*A formal Resource Development Agreement exists between these First Nations and Placer Dome Canada which covers employment, training and apprenticeships, scholarships, human resources development, traditional economic activities, economic and business development and environmental laws. The new Musselwhite Agreement was re-negotiated in 2001.*

*Part of the Agreement relates to revenue sharing with First Nation communities based on tonnage of production. There was originally a tonnage cap but this has been removed.*

*In 2003, more than \$1.7 million (Canadian) was provided to First Nation communities to help improve quality of life.*

*The goal is to have 30% Indigenous employment All minesite employees undergo 2 days of cultural diversity training with separate training for First Nation employees. A First Nation Coordinator played a key role, although he has recently retired and consideration is being given to what should be done in the future. One of the pit contractors has a joint venture arrangement with two First Nation communities whereby there is an agreement to engage First Nation employees if they are capable of doing the work and it is within market expectations.*

*At the time of writing, some 100 Indigenous employees of which 60 were core workers, were at the minesite who resided in the five communities [Wunnum Lake First Nation, North Caribou Lake First Nation (Weagamow Lake), Mishkeegogamong First Nation (Osnaburgh), Kingfisher Lake First Nation, Cat Lake First Nation]. There are other First Nation employees who have chosen to live in Thunder Bay.*

*Employees at the mine work 11 to 12 hour shifts and have 14 days on and 14 days off. As has been the case in Australia, by securing employment, there is a lessening of dependency on welfare payments and a gaining of financial freedom.*

*I met with several First Nation employees. Hardy Keeash is an Accounting Technician who has been with Placer Dome for 6 years. He is working towards his Accounting designation. Once each course is passed, Placer Dome reimburses Keeash for his educational expenses. Another of Hardy's brothers works at the minesite as a janitor.*

*I met with Dori Gray, a female, who works in the catering area, who likes the work and considers the pay to be good. Ultimately Dori wants to study law and there is the opportunity to do common core training underground.*

*There are 25 Indigenous employees who work in the catering and accommodation area. The majority are female. Cooking apprenticeships are being undertaken by 4 people. Some Aboriginal students come and work during their vacations.*

*Some catering staff have moved into other areas such as the laboratory. The Mine Manager wants to see a greater age range of Indigenous employees and more females underground.*

*There will be 5 new apprenticeships in 2004/2005 (Heavy Duty Equipment Technician, Industrial Electrician, 2 Facilities Maintenance Mechanics, Industrial Mechanic/Millwright). Preference will be given to employing Indigenous people for these apprenticeships. One limiting factor is that apprentices need a minimum of Year 12 education.*

*The Musselwhite Working Committee meets 6 times a year. It has representatives from Sustainability, Geology, as well as community representatives and the Tribal Council. Each has a Musselwhite Coordinator.*

*Likewise, the Environmental Working Committee meets 6 times a year. There is also an Implementation Committee.*

*It is planned to ensure that when the new First Nations Coordinator is appointed, that person will do more community development work with communities.*

*First Nation employees who live on communities (Indian reservations) do not pay any tax so they get an additional financial incentive as their employer is on the reservation.*

*The Musselwhite Mine and camp is alcohol free. However, there are issues associated with communities concerning alcohol consumption and illicit drug use. Where this applies to an employee, they are referred to an appropriate professional as part of the Employee Assistance Plan.*

*It was interesting to note the positive comments from a broad cross-section of staff that culture is not a problem and everyone is treated fairly and equitably. A new video is being produced by Big Soul Productions to promote mining opportunities to potential Indigenous employees (15 minutes duration). Once produced, I have asked for a copy, as it may be helpful to us in Western Australia as we encourage mining companies in the Goldfields to seriously consider Indigenous employees.*

*Mine Manager, Dan Ganyon, is very committed to building an even stronger relationship with First Nation communities. He said that 50% of his work time is devoted to this task. Currently he said communities prefer to joint venture with a third party in part because of a lack of trust towards Placer Dome Canada. His goal is to move towards direct joint ventures with Placer Dome, for example, in areas like exploration in the region.*

*At the corporate level, Placer Dome makes the statement that the Company is committed to creating and maintaining a relationship with Aboriginal peoples based on trust and respect.*

*The following are extracts from a Placer Dome Canada publication:*

***Placer Dome recognises the importance of the land and traditional territories to Aboriginal communities.***

***We welcome local Aboriginal community consultation, input and involvement in areas where we have mutual interests.***

*We recognise that mineral development must contribute to the benefit of all parties involved.*

*Placer Dome Canada is committed to:*

- *Recognising in all phases of Company activities the unique historical, linguistic and cultural status of Aboriginal peoples and their strong attachment to and respect for the land, the environment and traditional lifestyles;*
- *Consulting with local communities regarding programs proposed on mineral claims covering lands of mutual interest;*
- *Working with local communities to develop plans that will incorporate traditional knowledge and that will protect spiritual sites, traditional pursuits and the environment during exploration, mining and reclamation activities;*
- *Working with local communities and other parties, including government, to support social development in these communities;*
- *Working with interested local Aboriginal peoples and educational institutions to support their efforts to develop knowledge and upgrade skills that will prepare them for employment in the Company's projects;*
- *Ensuring participation of interested Aboriginal people by providing training and employment opportunities at all stages of mineral property activity and by creating a working environment that encourages the participation of qualified Aboriginal people at all levels of the Company;*
- *Working with local Aboriginal communities in the development of business opportunities created as a result of the Company's local activity;*
- *Promoting positive relationships with Aboriginal communities by listening, through consultation and through providing cross cultural training programs for Aboriginal and non-Aboriginal employees.*
- *Placer Dome Canada is committed to working with Aboriginal peoples.*

*Placer Dome Inc contracted the Centre for Innovation Management (CIM) to conduct a study of the local stakeholders around 15 of its mines. The study design was conducted by the Office of Research Ethics at Simon Fraser University (SFU), Vancouver. CIM is an independent Centre in the Faculty of Business Administration at SFU specializing in research and management education in all aspects of stakeholder relations.*

*The Musselwhite Mine was included in the study.*

*The general approach used for this study was a census of leaders of stakeholder groups and organisations. In this study, the focal company in which stakeholders had a 'stake' was taken to be the operating subsidiary of Placer Dome at each mine. The study was limited to local stakeholders, that is, those based in the communities around the mines.*

*A local First Nations liaison consultant conducted 10 interviews with Musselwhite's stakeholders. Eight represented First Nations, one represented a municipal government, and one represented a more senior level of government. Stakeholders' contacts with the mine mostly occurred while working on committees related to various agreements and projects with the company.*

*Regarding their satisfaction with their relationships with the company, the stakeholders were about evenly divided among satisfied, neutral and dissatisfied. On the positive side, they said the company communicates information about the mining operation and fulfills most of the First Nations' requests.*

*On the negative side, some felt much more could be done to educate and employ First Nations community members. Two complained of a lack of respect and a colonial attitude on the part of mine management. One observed that continual personnel changes meant that senior mine managers were always learning about First Nations issues. Two said more community consultation could have been done. One said their agreement with the company had been breached but another praised their new agreement with the company as being at the cutting edge of partnerships with First Nations. Eight of the ten stakeholders said the quality of their relationships with the company has stayed the same. The government officials cited a lack of communication from mine management. The First Nations representatives most often mentioned a lack of progress on hiring more community members.*

*Despite these criticisms, when asked to describe the relationship in their own words, most First Nations stakeholders said it was an adequate to good working relationship.*

*Stakeholders felt that the company was not listening, most because first Nations goals have not been met. One stakeholder summed it up by saying "They listen but don't do anything to improve employment or revenue sharing". Some stakeholders noted incidents when Musselwhite kept its promises and others pointed to promises that have not yet been fulfilled.*

*Most stakeholders had mixed feelings about whether their organisation had common goals with the company. As evidence for shared goals, some mentioned economic development plans and revenue sharing agreements. Others said that an agreement about the future was still needed.*

*All of the interviewed stakeholders agreed that their communities were better off because of the mine being there. Several said the jobs and revenue sharing delivered net benefits. However some said the average person in the community receives no benefits. Two thought that there would have to be more community people employed at the mine for it to have a beneficial effect.*

*Stakeholders were less positive about the effects that would be left after the mine closes. Three said that even though mine employees in the community would have the skills needed by other employers, the people would rather stay in their community than move for the sake of a job. Some noted that the loss of wages and revenue sharing would adversely affect their communities. Two said it would partially depend on the long-term environmental impact of the mine.*

*In summary, Musselwhite's First Nations stakeholders generally wanted more training and jobs. Some also wanted more consultation and communication with the company. A few of them seemed quite happy about the state of their relationships with Musselwhite but more of them sought a greater financial return to their communities, including earnings from partnerships and joint ventures.*

*Placer Dome's response was that Musselwhite Mine management and the First Nation communities are working hard at developing a plan to ensure that community members are employable through education and training, and that they also develop the skills to manage businesses which will permit them to provide services to the mine. An attempt to raise the bar in these areas also requires the help of sound business partners, government agencies and educational institutions.*

*In 2003, there were regular Musselwhite Working Committee, Environmental Working Committee and Implementation Committee meetings. The meetings are important information sharing forums and help us understand issues and common goals so that we may continue helping the communities improve their quality of life through mine developments, even then Placer Dome has gone.*

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**Observation:** *The initiatives being taken by Placer Dome Canada with Aboriginal people at Musselwhite are very positive from an employment perspective as well as giving support to the local community. Notwithstanding the fact that these arrangements saw their origins in Placer Dome negotiating to mine on First Nations land, there is a genuine desire to achieve a positive outcome to benefit Aboriginal people.*

*When asked if Placer Dome should consider a similar approach in Australia and more specifically, the Eastern and North Eastern Goldfields in Western Australia, I received a positive response.*

*Placer Dome has already made a commitment to Aboriginal youth in our City by sponsoring the Goldfields Football Academy for young Aboriginal Aussie Rules footballers. The next step will be to have some of these players obtain apprenticeships at Placer Dome.*

*An Aboriginal trainee, Jaylen Sambo, who is working at Placer Dome's Paddington operation, has just been awarded the Kalgoorlie-Boulder Chamber of Commerce and Industry Trainee of the Year Award.*

**Recommendation:** *That Placer Dome Asia Pacific (PDAP) be approached to work with key stakeholders in the Eastern and North Eastern Goldfields of Western Australia to pursue Indigenous employment initiatives at PDAP's mines with particular emphasis on youth.*

*Barrick Gold operates the Eskay Creek Mine in the north west of British Columbia Province, 82 kilometres north of Stewart and 500 kilometers north of Smithers. The mine produces gold, silver and mercury.*

*Underground mine operations began in 1995. The mine produces both direct ship ore and concentrates that are sold to third party smelters and refineries. There are 8 to 10 years of mine life remaining.*

*There are 144 employees and 201 contractors at the mine. Barrick's mission statement identifies mining in a socially responsible manner as an essential part of being the world's best gold company.*

*Social responsibility for Barrick Gold involves open dialogue, fair dealing and sharing the benefits of mining development with their neighbours.*

*The Eskay Creek Mine is located in Tahltan country. The Tahltan people live in a vast mainly remote area of north west British Columbia which covers some 93,500 square kilometers. (The City of Kalgoorlie-Boulder covers an area of 95,000 square kilometers).*

*For the most part, the watershed is without roads and access is only available by helicopter, float plane canoe, riverboat, horseback, sled and foot. The town of Iskut is on Highway 37, the only major road in the area, as is Dease Lake which lies just outside the Stikine watershed but serves as the region's service hub. Telegraph Creek, located in the heart of the watershed, is connected by gravel road to Dease Lake.*

*Two large protected areas lie within the Stikine Watershed; the Spatsizi Plateau Wilderness and Mount Edziza Provincial Park. They are linked by the Stikine River Recreation Area which also enjoys protected status.*

*The area is home to some 1,300 people, of which about a thousand are from the Tahltan First Nation. Two bands comprise the Tahltan First Nation; the Tahltan Band centred in Telegraph Creek, and the Iskut Band centred in Iskut. Dease Lake is also home to a significant number of Tahltan.*

*The Tahltan connection with mining goes back thousands of years, starting with the extracting and trading of obsidian. Modern mining activity dates from 1861 when gold was discovered on the Stikine River. Like all First Nation people, the land was part of their life, it was the root of their culture and there is a belief that they belong to the land.*

*Sustainability has become a key policy consideration from the social, environmental and economic perspectives. The Tahltan people have developed the Seven Questions to Sustainability Assessment Framework. This was motivated by a desire to apply the ideas of sustainability in a practical way on the ground so that it is meaningful to mining exploration people, mine managers, mill superintendents, community leaders or public interest group.*

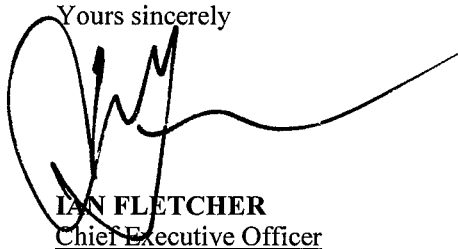
*The methodology adopted whereby 7 topics were identified that were deemed essential for consideration. For each of these, a question was crafted to be applied to any given project or operation. From the 7 questions falls a hierarchy of objectives, indicators and specific measurements. This is matched by an "ideal answer" to the initial question. In this way, a single initial motivating question – is the net contribution to sustainability positive or negative over the long term? This then cascades into progressively more detailed elements which can be tailored to the project or operation being assessed."*

The report includes a number of recommendations relating directly to the City of Kalgoorlie-Boulder and Goldfields Region, in terms of what can be learnt by way of Indigenous employment initiatives that have been put into practice in Canada. I have also included a copy of my entire report with this submission, as Australia can learn much from the way in which Canada has gone about addressing issues relating to Indigenous employment. The report outlines positive factors and examples amongst Indigenous communities in Canada, and how industry has gone about improving employment outcomes in both the public and private sectors.

The 2005 National Reconciliation Forum will have Indigenous employment as its key topic. The forum takes place in Kalgoorlie-Boulder from 25 – 27 October, with people and organisations from throughout Australia expected to attend. Attached are some relevant details, or you can access the website at <http://reconciliation.biz/>. The newly appointed Western Australian Minister for Local Government & Regional Development the Hon John Bowler MLA, who is also the local ALP Member for Murchison-Eyre, has stated that Indigenous employment will be one of his highest priorities whilst he remains in government.

Should you have any queries relating to any of the above information, please do not hesitate to contact me directly, on 9021 9631 or email [Ian\\_Fletcher@kalbould.wa.gov.au](mailto:Ian_Fletcher@kalbould.wa.gov.au).

Yours sincerely



**IAN FLETCHER**  
Chief Executive Officer

Enc.