



COMMUNITY ENGAGEMENT IN THE NSW MINERALS INDUSTRY

Mines have been a major part of regional communities in NSW for more than 100 years. Many communities have been built from and around the economic activity generated by the minerals industry. The proximity of many mining operations to major population centres in NSW means that the State faces different challenges to other mining regions in Australia. The communities in the Hunter, Central West and Illawarra, in particular, have changing expectations about how they see themselves and the regions they live and work in.

The NSW Minerals Council (NSWMC) provides a united voice for mineral producers, operators, explorers and extractive material producers operating in NSW and associated service providers. NSWMC believes the industry should be striving to achieve community engagement and partnerships that go beyond compliance and improve relationships with its local communities.

The NSWMC has developed a Community Engagement Handbook to assist companies in the minerals industry understand, and where possible meet, these expectations as they change over time. This can be achieved through establishing effective partnerships with the local communities in which they operate. This brochure provides a brief overview of the themes, strategies and tools examined in the Handbook.

DEFINING THE COMMUNITY

Mines are an important member of the community in which they operate.

For a given project, the “community” is made up of various groups which have different relationships with the project. In general these groups tend to be defined by their proximity to the mine, as defined below.

Neighbours: those people living or working in direct proximity to the proposed or existing mining operation.

Local community: those people living and working in the nearby community (including minor and major towns) who have an indirect relationship with the project proposal but an active interest in what happens in their part of the world.

Regional community: the community of people within a region who have a shared interest in the economic, social and environmental profile of the region but who in most cases will not live or work near the project itself.

The broader NSW community: the people of NSW who share in the common interests and aspirations of the State as a whole.

Stakeholders: all those who have an interest in the project, either as individuals or as representatives of a group. This includes people who could or do influence a decision, as well as those affected by it e.g. neighbours, the local, regional and broader community, government (including local councils), non-government organisations, mining employees and special interest groups. It can also include those who are not defined by a geographic relationship to the mine.



STATE AND LOCAL CONTRIBUTION

Not only does mining deliver benefits to local communities through jobs and wealth creation, it delivers benefits to the wider region and State through royalties, economic activity (including generating primary products for use by Australian industries) and exports. It also provides benefits globally by increasing the supply of a valuable resource.

The NSW minerals industry is one of the largest sectors in NSW, equivalent in size to the State's entire farm sector including wool, crops and livestock. The industry employs more than 21,000 people, mainly in rural and regional areas including the Hunter Valley, Namoi Valley, Lake Macquarie area, Broken Hill, Lithgow, Illawarra, Cobar and Orange. A further 100,000 jobs in NSW are dependent on the minerals industry. Mining companies in NSW spend more than \$1.5 billion a year on local and regional suppliers, and contribute up to \$10 million a year for amenities in the communities where they operate. These considerable benefits are enjoyed across a wide range of direct and indirect stakeholders.

By contrast, the physical impacts of mining are felt most intensely at the local level. The act of moving millions of tonnes of material to extract natural resources in an open cut mining operation has obvious consequences on the local environment. This can manifest itself in various ways – noise, dust, changes to local ecosystems and human developments, impacts on water systems and other natural features.

THE IMPORTANCE OF UNDERSTANDING LOCAL ISSUES

The local impact of mining operations tends to result in relationships with groups within our communities that have varying expectations. Understanding these differences is an important part of successful community engagement. Listening, understanding and responding to members of our communities is an essential part of doing business for the entire life-cycle of each mine – from the preliminary exploration phase, to planning and approvals, operation and eventually mine-closure.

Regulatory requirements and the practicalities associated with major events like planning, operation, and mine closure drive most mining operations to adopt a systematic approach to their consultation. That said, the most effective relationship with members of our community is one that is ongoing and represents a genuinely participatory approach.

Effective engagement means giving the community an early and decisive voice at different stages of a project and seeking their assistance and contribution to help solve planning challenges. It also includes developing partnerships that add value for both parties. For mining companies this means belonging to the community and being able to understand and address many of their concerns. This involves communicating the details of mining projects and being genuinely involved in community issues which extend beyond meetings, newsletters and other formal engagement. It means being part of a community as a respected and contributing neighbour, a significant local landholder and a business stakeholder.

Many project proponents seek to capture some of the broader economic benefits of mining and direct it to the communities which both do the most to contribute to the wealth and which are the most proximate to its regional impacts. Companies which have been most successful in this type of investment have sought direction from the community itself as to where the greatest value can be added.

WHAT IS COMMUNITY ENGAGEMENT?

Community engagement is a planned process with the specific aim of working with identified groups of people – whether they are connected by location, interest or affiliation – to understand and address issues affecting them.

Community engagement is a social imperative and responsibility but it also makes good business sense. It allows the company to understand the issues early and respond to community concern. This proactive approach can lead to more certainty for project planning and government confidence that issues have been addressed. By contrast, a project that has had little discussion or involvement with the community can delay production, make operational decisions difficult and have significant cost implications.

ENGAGEMENT AND SUSTAINABLE DEVELOPMENT

Historically in NSW, as in other parts of the world, the minerals industry has evolved in how it addresses the social and environmental impacts of its operations. Not only has there been continued and increased efforts and focus on these aspects of operations, the industry has demonstrated its willingness to continually improve its performance.

The Minerals Council of Australia (MCA) has developed an Australian industry framework for sustainable development – ‘Enduring Value’. This framework is designed to translate the principles of sustainable development into clear and achievable practices that ensure the industry operates in accordance with the expectations of the community for effective natural resources management. ‘Enduring Value’ is based on the ten principles identified in the Sustainable Development Framework developed by the International Council on Mining and Metals (ICMM) – both can be found at www.minerals.org.au/enduringvalue.

The Federal Government has also developed its own guidelines to showcase leading practice in sustainable development for the minerals industry. These include a specific Guideline on Community Engagement and Development which can be found at www.industry.gov.au. This document provides a broad discussion about community engagement in the industry across Australia and focuses on the community development opportunities for the minerals industry. The national guideline complements the practical focus of the NSWMC Community Engagement Handbook.

STEPS IN COMMUNITY ENGAGEMENT

Critical to community engagement is the development of a plan which aims to link engagement activities to both specific issues and overall engagement objectives. Planning community engagement activities at an early stage of the mining project enables you to reflect on and analyse the activities being undertaken – to determine which elements should be repeated, changed, adapted or discontinued. In this planned approach, each stage of the community engagement process builds on the next, allowing for continuous improvement of the process.

There are eight essential steps in community engagement. As shown in the diagram on the previous page, each of these steps informs the next step on an ongoing basis.

Each of the steps is explained in detail in the NSWMC Community Engagement Handbook in the specific chapters indicated in the diagram.



COMMUNITY ENGAGEMENT TECHNIQUES

There are a potentially large and diverse range of community engagement techniques that can be applied to individual mining projects. These techniques can be classified on the basis of differing levels of engagement – information, participation and partnership. Effective community engagement will usually include a mix of all levels of engagement, although the mix will vary over time. Information is usually the starting point for any community engagement with participation and partnership techniques usually building in intensity as the project progresses – however you will always need to keep informing the community as the project progresses.

Level of Engagement	Objectives
Information	<ul style="list-style-type: none">▪ To provide a factual description of the actual or intended operation of the mine to the community▪ To ensure the community is kept up to date with developments▪ To acknowledge likely issues or impacts and outline mitigation strategies
Participation	<ul style="list-style-type: none">▪ To obtain feedback and discussion▪ To identify specific interests and concerns▪ To ensure that concerns and aspirations are consistently understood and considered
Partnership	<ul style="list-style-type: none">▪ To build long term collaborative relationships with the community on issues of mutual interest▪ To adopt joint decision making on mine policies and strategies to address problems or concerns▪ To share the skills and knowledge of the mining and local community on projects for mutual benefit

The NSWMC Community Engagement Handbook is not intended to provide a definitive guide on how to meet community expectations, as local communities are unique and expectations change over time. Rather, the objective is to provide insight and direction and to generate innovative thinking on the development of relationships that foster genuine two-way communication.

The Handbook is a collaborative effort of NSWMC and its member companies, in association with ERM consultants. It has had input from state and local government agencies and representatives of the community. The Handbook is endorsed by the Association of Mining Related Councils.

For further information on the NSW minerals industry or to obtain a copy of the NSWMC Community Engagement Handbook, please visit our website at www.nswmin.com.au.