



# Queensland Resources Sector's Strategies to Boost Indigenous Participation

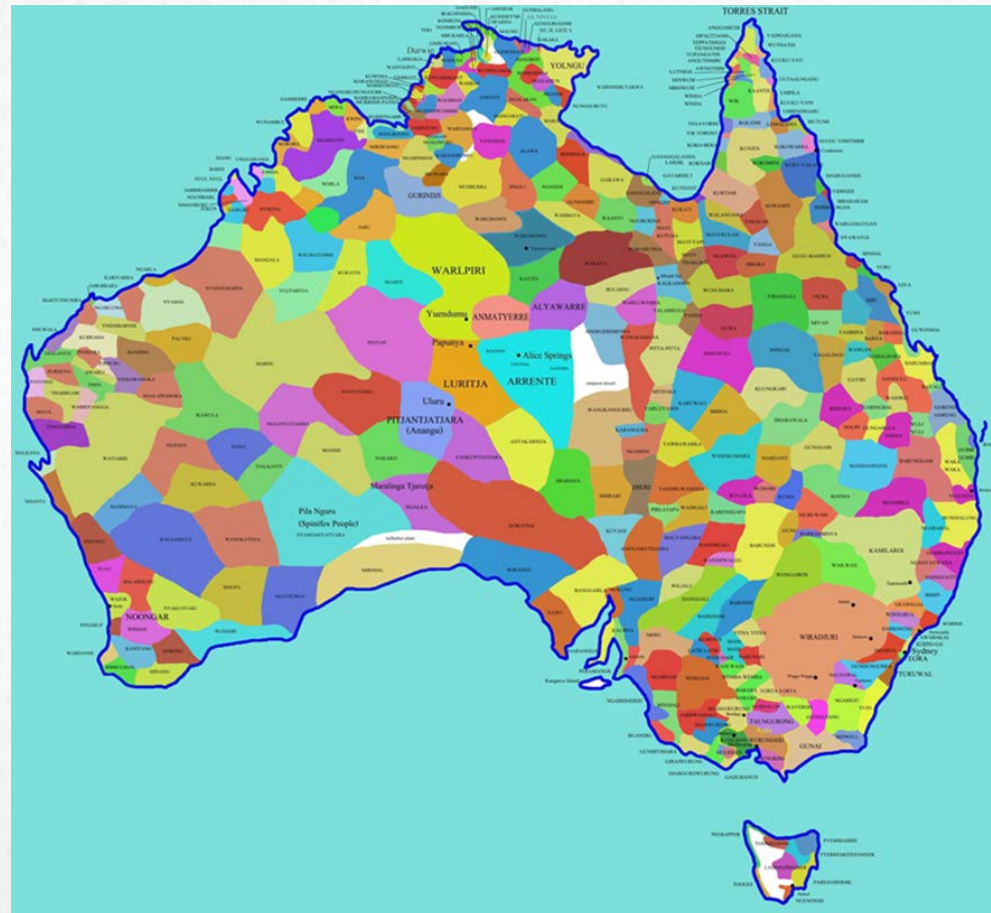


Dr Michael Limerick

Mel Sutton

12 JUNE 2019

# Acknowledgement of Traditional Owners



# The Memorandum of Understanding

- MoU is a partnership between the Queensland resources industry (through the peak body, QRC) and the Queensland Government
- Started in 2008
- Goal is to work together to boost Indigenous participation in the resources sector, through:
  - **training and employment** and
  - **business opportunities**

# What is the motivation for the parties?

- Government wants:
  - better alignment of government effort / funding with industry needs
  - greater participation by Indigenous people in the economy, especially in regional areas
- Mining companies want:
  - to maintain their 'social licence to operate' on Indigenous lands
  - to meet legal requirements
  - to meet more of their workforce and supply chain needs locally
- Indigenous communities want:
  - to share in the benefits of resource developments on their land

## How does the partnership drive change?

- Safe space for ongoing networking, information-sharing and collaboration
- Builds relationships across sectors (resources industry, government, training sector, business sector, Indigenous communities)
- Motivation and peer support for staff of companies who want to make a difference
- Builds the cultural capability of the sector



# MoU Activities



## Regional Working Groups (quarterly)

South  
Queensland

North West  
Queensland

## Practitioner forums (twice yearly)

Indigenous  
Employment &  
Training

Indigenous  
Participation in  
Supply Chains

Meet the  
Buyer events

## Additional activities

Special Workshops  
(e.g. JVs, Indigenous  
business development,  
Indigenous Mentoring etc)

Collaborative  
Projects  
(e.g. TO Governance  
Program, From Jails to Jobs)

# Typical resource company strategies to boost Indigenous participation



- Build the company's cultural capability
- Increase Indigenous employment in the company
- Improve retention and development of Indigenous workers
- Increase procurement from Indigenous businesses
- Increase Indigenous participation in the supply chain
- Implement native title agreements with Traditional Owners
- Build positive relationships with local communities and Traditional Owners



# Indigenous employment strategy

## Cultural capability

- Cultural awareness training for managers and staff
- Staff engagement with Indigenous communities
- Organisational commitment to diversity

## Pre-employment training

- Sourcing from external pre-employment training programs
- In-house pre-employment training programs

## Attraction

- Engagement targeted to Indigenous communities

## Recruitment

- Appropriate recruitment methods

## Retention

- Mentoring and other support
- Culturally sensitive conditions of work and HR policies
- Career development opportunities



# Indigenous procurement strategy

## Cultural capability

- Cultural awareness training for managers and staff
- Staff engagement with Indigenous suppliers
- Organisational commitment to supplier diversity

## Re-engineering Procurement Processes

- Removing barriers for Indigenous businesses (eg- payment terms etc)
- Provide weighting for Indigenous businesses in tender evaluations
- Contract de-bundling, sole sourcing smaller work packages
- Accessing Indigenous business databases (Black Business Finder, Supply Nation)

## Indigenous Participation Plans (IPP's)

- Creating supply opportunities for Indigenous businesses with contractors and throughout resource sector supply chains
- Weighting for IPP's in tender process

## Business Capability Support

- Communicate supply opportunities to Indigenous business
- Run Indigenous supplier briefings on requirements (eg- pre-qualification)
- Linking with Indigenous business support agencies
- Providing funding, business mentoring and other supports
- Explore JVs and other partnerships with Indigenous business

# Current trends

- Increase in Reconciliation Action Plans
- More requirements on contractors through Indigenous Participation Plans – aided by stronger Government requirements
- Greater focus on Indigenous business procurement – aided by rapid growth in Indigenous business sector
- Company investment in work readiness programs seems to follow the industry cycle
- Larger companies starting to focus on Indigenous career development – progression from entry level roles (vulnerable to automation)
- Increasing focus on governance capacity building for Traditional Owners

# Traditional Owner Governance for Prosperity Program



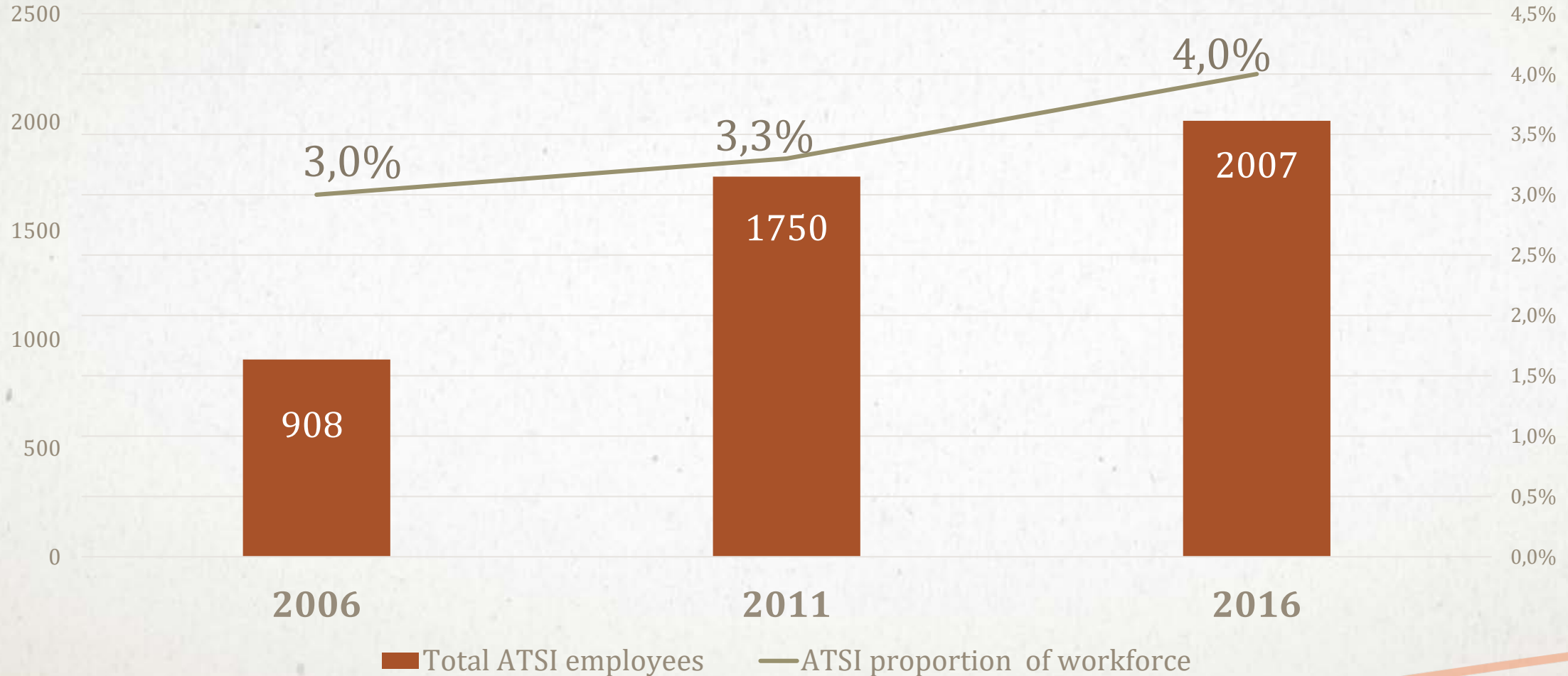
- annual program sponsored by resource companies
- designed for Traditional Owner groups with resource sector agreements:
  - vision, strategic plan, engaging members, resolving disputes, good governance, corporate structures, implementing native title agreements
  - managing trust funds, business development, social programs etc
- run over two weekends one month apart
- case studies/presentations from other successful TO groups
- tailored workshopping – “governance and corporate health checks” and capacity-building plan
- volunteer ‘Governance Friends’ from corporate sector



# Indigenous employment outcomes



Indigenous employment in Qld Resources Sector, 2006-2016

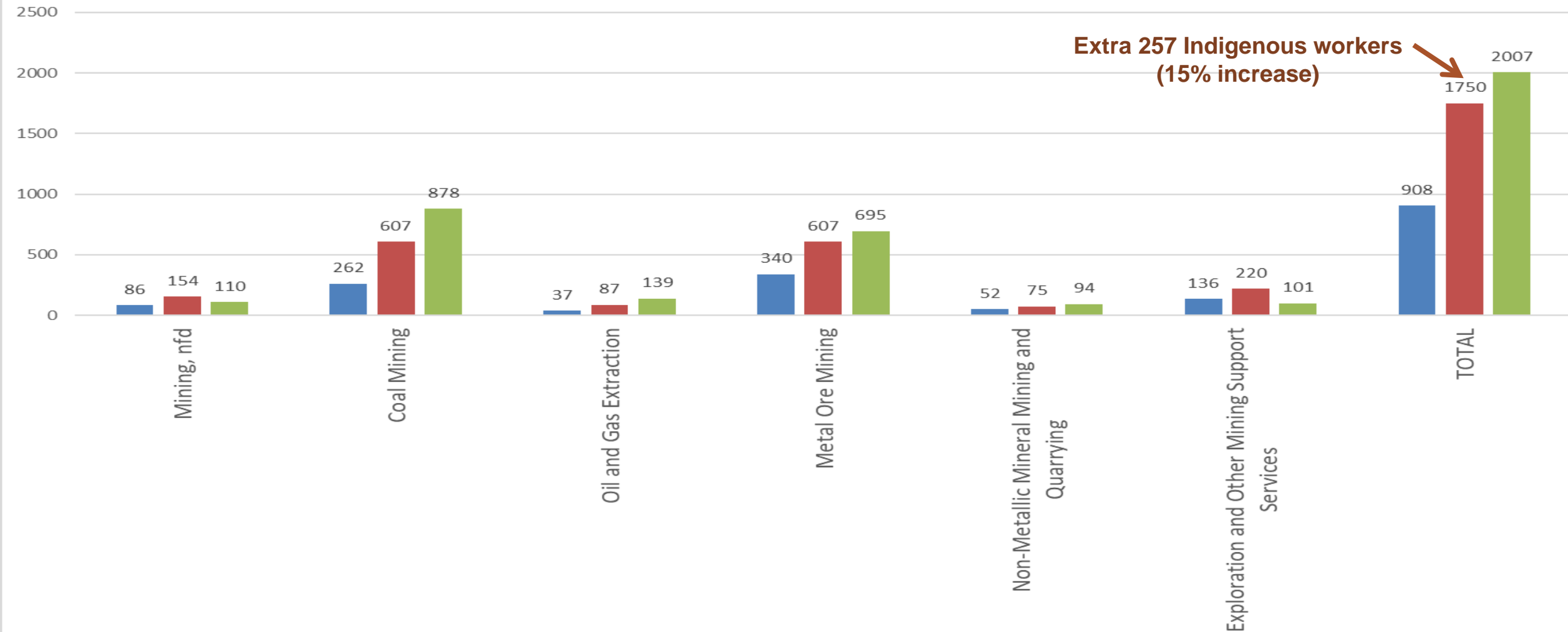


# Industry breakdown



Indigenous Employment in Queensland resources industry, 2011-2016

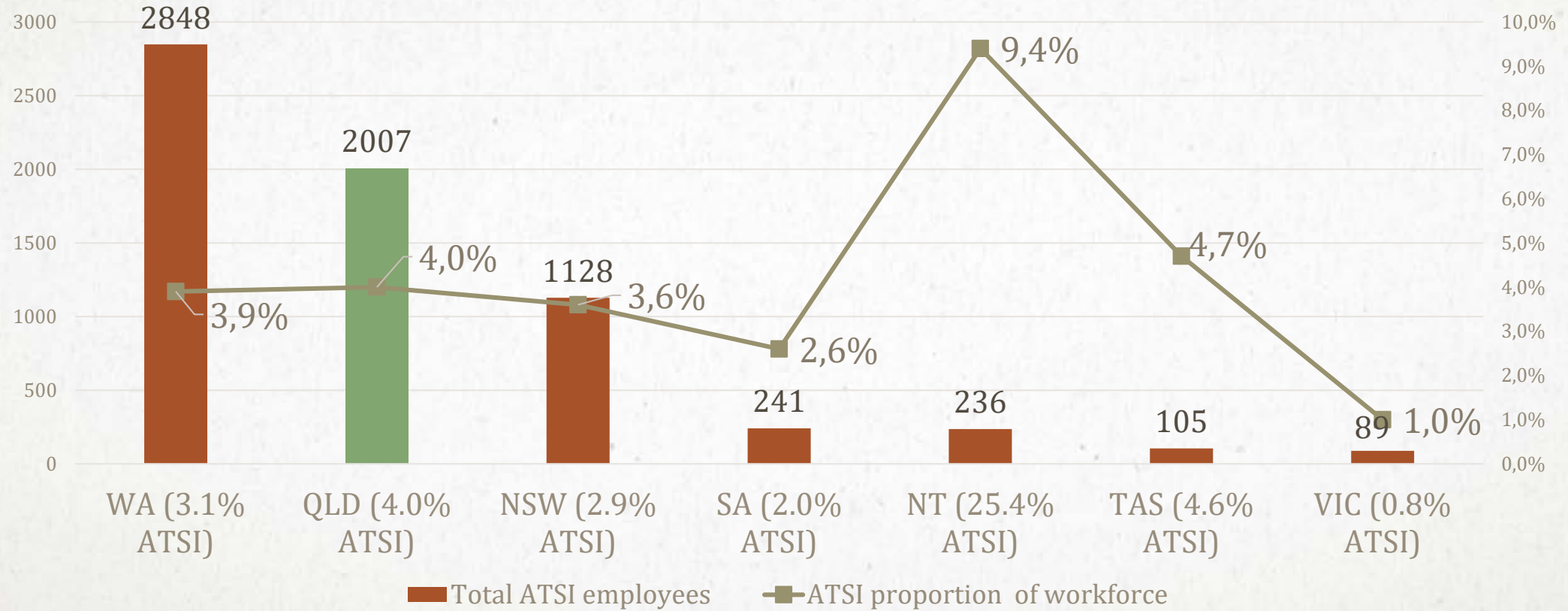
■ 2006 ■ 2011 ■ 2016



# States and Territories comparison



Indigenous employment in mining, Australian States/Territories, 2016

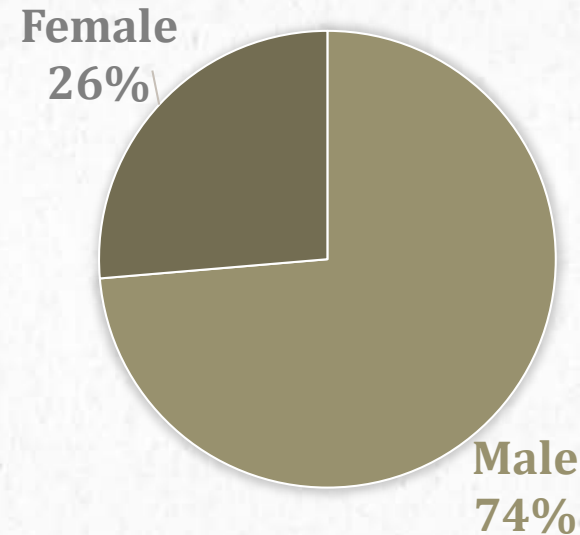


# Indigenous workforce profile

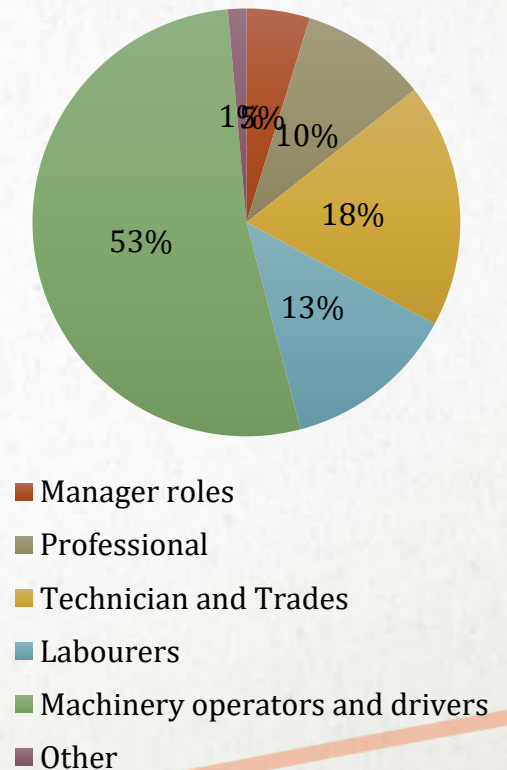
## Wages

- In 2017/18, 10 respondents, employing a total of 728 Indigenous people, paid a combined **\$84.4 million** in wages to indigenous employees.
- This is an average of **\$115,980** per worker.

## Gender



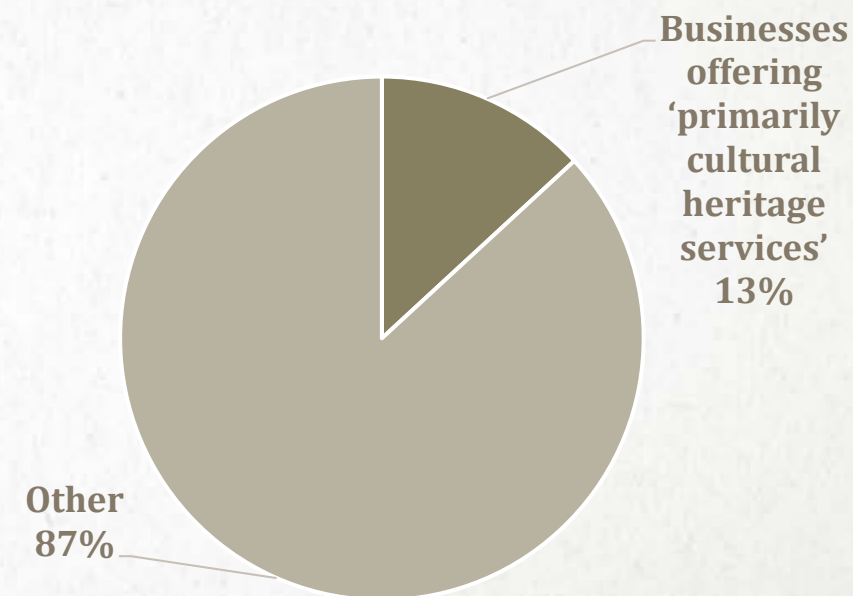
## Occupations



# Procurement from Indigenous businesses

- In 2017/18, QRC members (23 responses):
  - spent **\$40.5 million** on Indigenous businesses
  - engaged **104 Indigenous businesses**

'Cultural heritage services' expenditure as a fraction of total Indigenous business expenditure (\$), 2017/18





# ACARP Research Project

- Indigenous employment in Queensland's coal sector has more than tripled since 2006
- What are the flow-on economic and social wellbeing impacts on Indigenous employees and their families and communities?
- QRC and Myuma successfully sought funds from the Australian Coal Association Research Program (ACARP)
- In 2019, Myuma will research the impacts on about 30 Indigenous employees at BHP and QCoal operations in the Bowen Basin
- Literature review and research design are underway.



# Questions and discussion