



THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA

Centre for Social Responsibility in Mining

ARC Linkage Project

***Local government, mining companies and resources
development in regional Australia: meeting the
governance***

**Presentation at Mining and Community
Research Forum**

16th June 2010

ARC Linkage Governance

Local Government, mining companies, and resources development in regional Australia: meeting the governance challenge

- Project objectives: cross-jurisdictional analysis of current and emerging governance responses to mining-related development
- 7 industry partners:
 - NSW Assoc Mining Related Councils, LGAQ, LGASA
 - NSW Minerals Council, QRC
 - Rio Tinto and BMA

Why a project on governance?

- Regional governing entities **responses to development** challenges associated with mining
- **Shifting lines of responsibility** between the public and private sectors
- **Response capacities** of local governments
- **Cumulative impacts** of intensive development
- Comparative, **cross-jurisdictional** lessons
 - Queensland, NSW, South Australia, Western Australia

3 step methodology (over 2 yrs)

STEP 1

Cross-jurisdictional comparison of legal, policy and planning frameworks

Relevant policies, trends and responsibilities at local, regional, state and federal levels

STEP 2

Survey of Industry and LGA governance responses

Examining resources, capacities and interactions

STEP 3

Case studies: In-depth review and analysis of region specific governance responses

Mapping formal and informal governance in 6 cases



Step 1: Legal & policy review across four jurisdictions... preliminary observations

- Initial assessment of state and federal legislative provisions, policy documents, and emerging trends.
- Review developments in project approvals – developments in local government engagement.
- Preliminary input from key stakeholders – experiences on-the-ground, concerns about the state of play, future legislative/policy directions.

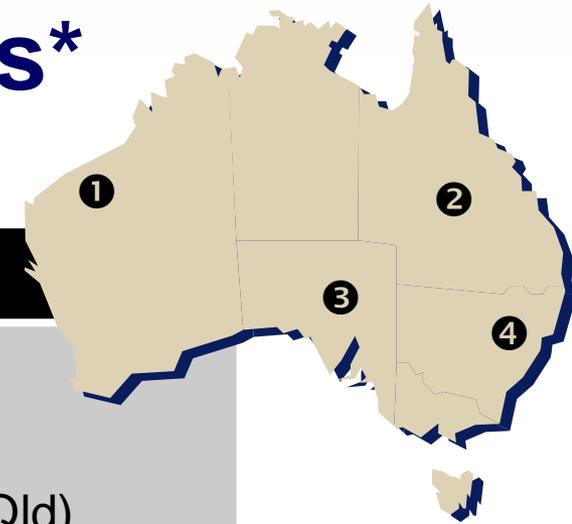
Step 2: LGA & Industry surveys

2. Industry and Local Government Surveys

- Example of issues to be examined (LGAs):
 - Human resource capabilities and needs
 - Financial resources
 - Capacity to cope with current and anticipated workloads
 - The level and type of engagement with the local mining industry and state government agencies involvement in regional initiatives

- Example of issues to be examined (Industry):
 - Level of commitment of local mines to corporate social responsibility and their contributions to the local community
 - Industry expectations of government and perceived adequacy of state government support
 - Key local governance challenges and views on how governance arrangements might be improved

Step 3: Case studies*



	Remote	Rural
Established	<ul style="list-style-type: none"> 1. Pilbara (WA) 2. Northern Province (Qld) 	<ul style="list-style-type: none"> 3. Bowen Basin (Qld)
Emerging	<ul style="list-style-type: none"> 4. Far north South Australia (including Olympic Dam (SA)) 	<ul style="list-style-type: none"> 5. Surat Basin (Qld) 6. Gunnedah Basin (NSW)

*Final case studies to be determined

Step 1: Legal & policy review across four jurisdictions... preliminary observations

- Emerging issues:
 - Absence of a formal/regulatory framework underpinning local government/council involvement in the project approval process
 - Growing recognition of the importance of an SIA as part of the EIS (especially in Qld) at the State Government level
 - Centralisation of powers relating to project approval and planning processes at the State Government level
 - Focus on stream-lining and fast-tracking project approvals
 - Marked difference in the way the Local Government Act rates provisions are utilised vis-à-vis mining companies
 - Legislative push at the State Government level towards greater financial transparency and accountability of Councils

WA – Pilbara



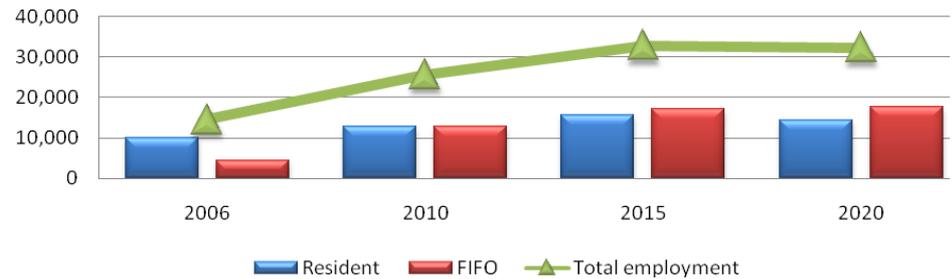
- Mature mining region: developed in 1960s
- Area of 507,896 km² (including offshore islands). Population of just under 40,000 people. Iron ore industry employs 9000 people here
- Pilbara is host to many major resource projects
 - Iron Ore (most of Australia's iron ore mined in the Pilbara)
 - Oil & Gas
 - Nickel / copper
- Two major coastal towns: Karratha and Port Hedland
- Area covers four LGAs: Roebourne, Ashburton, East Pilbara, Port Hedland
- Many established projects operate under State Agreements



WA (Pilbara) - Key issues

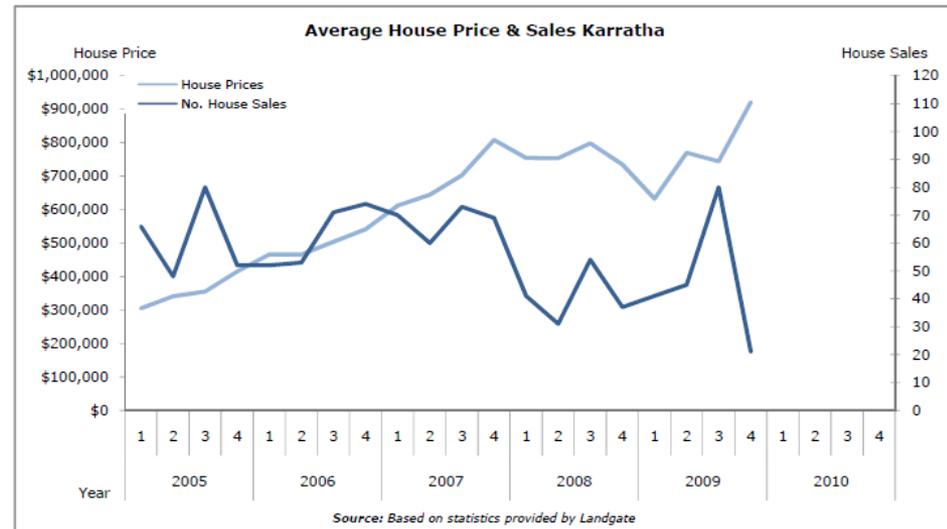
- Projected tripling of regional population by 2020 with greater reliance on fly-in-fly-out workforce
- Substantial infrastructure pressures
 - Housing costs: trebled in 5 years
- Innovative Governance
 - Pilbara Industry’s Community Council (PICC): Multi-sectoral governance response to development challenges
 - Initial focus areas: Population projections; Service delivery: Education and Training, Health; Land & Accommodation.
- Royalties for regions

Pilbara: resource related employment 2006-2020



Source: PICC Planning for Resources Growth in the Pilbara, 2008

Average House Price & Sales Karratha



Source: Based on statistics provided by Landgate

Source: Pilbara Development Commission, Government of Western Australia

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