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*

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<th>Remote</th>
<th>Rural</th>
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<tr>
<td><strong>Established</strong></td>
<td>1. Pilbara (WA)</td>
<td>3. Bowen Basin (Qld)</td>
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<td>2. Northern Province (Qld)</td>
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<td><strong>Emerging</strong></td>
<td>4. Far north South Australia (including Olympic Dam (SA))</td>
<td>5. Surat Basin (Qld)</td>
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<td>6. Gunnedah Basin (NSW)</td>
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*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 streamlining 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
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