



Government of South Australia

Primary Industries and Resources SA

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28/10/09

Speech by

Hon Paul Holloway MLC

Minister for Mineral Resources Development

Representing the Premier

***Aboriginal Enterprises in Mining Energy and
Exploration Conference 2009***

9.10am Thursday 29 October 2009

Opening Address

20 Minutes duration

Location

Adelaide Convention Centre

North Terrace, Adelaide

Good Morning

I would like to acknowledge this land that we meet on today is the traditional land of the Kaurna people and that we respect their spiritual relationship with their country. We also acknowledge the Kaurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kaurna people today.

Acknowledge VIP guests:

Parry Agius Chairman of AEMEE *Aboriginal Enterprises in Mining Energy + Exploration*

Other invited speakers who have travelled from PNG and across Australia to tell their stories.

Finally delegates who have come from across Australia to hear about the success, the traps and pitfalls of running small - medium sized businesses.

Ladies and Gentlemen

On behalf of the Premier of South Australia Mike Rann, I welcome you all to the Aboriginal Enterprises in Mining, Energy and Exploration Conference.

The South Australian Government has worked hard during the past seven and a half years to create a robust, sustainable mining industry that gives explorers, miners, investors and service providers the confidence they need to plan long-term investments in the mining sector.

I am confident the momentum created during that time will carry us through these turbulent economic times to ensure investment in mining continues to underpin the State's future growth and prosperity.

In 2004, the South Australian Government embarked on the \$30.9 million, seven-year, Plan for Accelerating Exploration (PACE) initiative.

Four key outcomes were set in 2004

- To significantly increase private exploration expenditure in the minerals, petroleum and geothermal sectors leading to new discoveries, opportunities for regional development, employment and exports.

- The emergence of sustainable and vibrant indigenous communities engaged in economic development in and around the mining sector.
- To improve land access decision-making under a multiple land-use framework.
- For South Australia to be recognised as a world-class centre of excellence in the science and practice of exploring under cover.

And the government is particularly pleased with the progress made towards these outcomes – despite the current global financial climate.

The internationally renowned PACE initiative has significantly boosted mineral exploration activity in this State.

At the same time, PACE has also provided opportunities for indigenous communities to become engaged in economic development in and around the mining sector.

This initiative has allowed the South Australian government, through PIRSA, to establish positive working relationships with indigenous communities across the State.

In the Anangu Pitjantjatjara Yankunytjatjara Lands in the states north west activities have included;

- hosting a fact finding tour of mining operations in the Kimberley region of Western Australia and the Northern Territory to assist community representatives in gaining a better understanding of mining industry and the benefits it can bring to indigenous communities,
- appointment of a Mining Liaison Officer and Anangu Mining Liaison Officer to assist with exploration access processes,
- funding to APYLC for consultant anthropological services,
- conducting a community awareness education program within all APY schools, for both students and all member of the community,
- establishing the Wiltja Geoscience program at Woodville High School to provide geological and technological training to year 11 Anangu students,
- certified training for 25 Anangu community members in the rehabilitation of an abandoned chrysoprase mine site near Pipalyatjara,
- commissioning of three artworks that depict a traditional knowledge map of the areas where geological mapping has been undertaken by PIRSA. I was privileged to open the exhibition featuring these works at Tandanya in August 2007.

In strengthening the relationship between PIRSA and the APY communities through these kinds of activities we are seeing real progress both from the mining and community perspective.

A standard deed of agreement for mineral exploration is now in place along with a protocol of negotiation and processing of exploration licences and there is also a noticeable increase in community interest and acceptable PIRSA and exploration company activities.

Currently there are

- 17 approved exploration licences in the APY Lands, represented by 5 mineral exploration companies,
- 6 Exploration Licence Applications with Ministerial approval for negotiation with APY,
- 12 Exploration Licence Applications under review by PIRSA,
- 6 Petroleum Exploration Licence Application with Ministerial approval for negotiation with APY.

As exploration activity increases across the APY Lands employment opportunities will continue to flow through these communities. The South Australian government will continue to work with the APY communities and industry to identify

these opportunities and develop appropriate projects to boost exploration and future mining in the highly prospective northwest of the State.

While the APY lands have been the primary focus under the PACE initiative the South Australian government supports other state wide educational programs designed to provide skills training in geoscience and exploration to ensure aboriginal people are well placed to participate in future mining ventures.

The Resources, Engineering Skills Alliance (RESA), was first established as the Mineral Resources and Heavy Engineering Skills Centre in 2006 with \$8.3 million in government funding over four years.

The specific objective of RESA was through collaborative arrangements with companies and organisations deliver innovative solutions to address the anticipated skills shortages of South Australia's expanding mining industry.

One of RESA strategic priorities is to promote indigenous employment programs particularly in South Australian regional areas. 2009 Projects include the;

- **BHP Billiton Indigenous Pathways Project** – Upper Spencer Gulf. BHP Billiton will be offering scholarships to a number of indigenous students to undertake

engineering and science based courses at TAFE leading to university entrance. It will also include work placement with BHP Billiton.

- **Simulation Demonstration Project.** A \$1.1 million regionally based simulation training facility in partnership with Oz Minerals and Theiss to introduce and train people for heavy equipment operations for the mining industry
- **GetSet Apprentices Program.** A school based apprenticeship program in Port Augusta to encourage indigenous and non-indigenous students to enter into apprenticeship pathways for careers in the resources sector.

Other educational programs include:

Salisbury TAFE with the assistance of PIRSA's Minerals Resources Group Education Services has developed a Geoscience Program that prepares young indigenous adults for working within the resources sector. It should be noted that three of the 2008 class have since have secured work with BHP Billiton.

Similarly the Wiltja education programme at Woodville High School with the assistance of PIRSA's Minerals Resources Group Education Services has introduced an Intensive Short Geoscience

course for indigenous students from South Australian schools. The course will be SACE accredited

The ongoing progress toward developing new mines in South Australia points to increased employment. With the appropriate training and skills opportunities for indigenous people from communities right across the State will be able to share in the economic benefits these mines will bring to South Australia.

I should take this opportunity to highlight the current indigenous employment situation within South Australia's resources sector.

BHP Billiton is an active supporter of a range of indigenous community projects and initiatives both at local and national levels.

At Olympic Dam the company has established and participates in a number of programs providing indigenous employment, training and education including:

- The Indigenous Participation Program offers apprenticeships and traineeships. In 2008 the number of apprentices and trainees at Olympic Dam totalled 96 and 56 graduates.
- Indigenous Master of Business Administration Scholarship.

- Young Indigenous Entrepreneur and Polly Farmer Foundation Programs to encourage young aboriginal people to pursue business skills and higher education.
- The Pathways to Success Program is to provide study assistance for aboriginal high school students. This is run in collaboration with RESA, which I have already mentioned.

Oz Minerals Prominent Hill Copper gold mine operates with a focus on creating opportunities for increased indigenous employment.

Currently the mine employs 580 workers, 25% from Coober Pedy, towns and centres in Upper Spencer Gulf with a further 49% from within South Australia.

The very successful Pre-employment Training program has run since 2006 whereby trainees receive a nationally accredited Certificate II in Metalliferous Mining and are offered employment at Prominent Hill.

Four PEPs have been run to date with 34 people successfully completing the program.

In 2008, 10 trainees (including five Indigenous trainees) completed the program and are now employed with OZ Minerals.

In 2009, the program aims to increase the number of applications and trainees from the Antakarinja Native Title Group.

OZ Minerals has also developed a new Indigenous business development program, which began this year.

The program involves inviting successful Indigenous businesses from around Australia to mentor and train Indigenous contractors on-site, with a view to Indigenous businesses taking over some contracts.

Prominent Hill also contributes to education and training initiatives for the Antakarinja people through the Antakarinja Trust Fund. These initiatives include scholarships and ongoing support for educational outcomes post mine closure.

During 2009, Oz Minerals will also focus on identifying and providing training for potential on-site mentors as part of the Indigenous Mentoring Program.

Management at Prominent Hill have also engaged with a local program, which supports at-risk youth gaining work experience and the opportunity to participate in an apprenticeship program.

In the Northern Flinders Ranges Heathgate Resources which operates the Beverley In Situ Recovery uranium mine has a number of Native Title agreements in place that benefit the local indigenous communities through the provision of a number of funding pathways.

In addition, Heathgate has set, and achieved, the target of providing 20% indigenous employment within its Beverley workforce.

Opportunities for these employees are in a number of areas including geological field assistance, maintenance and production and environmental work.

Heathgate also actively encourages the development of indigenous businesses in the Beverley area and has built a 5% advantage into quotations by indigenous businesses for the supply of goods and services to the mine.

On the west coast, Iluka Resource's Jacinth/Ambrosia Heavy Minerals Sands mine is providing employment and business opportunities for the region's indigenous communities.

With construction well ahead of schedule the mine is expected to be in production in early 2010.

About 250 workers are currently employed in the construction with 120 (including contractors) expected to be on-site once full operations begin.

Indigenous workers currently employed at Jacinth/Ambrosia represent 20% of the workforce and one in three workers are from the Ceduna area.

But it is not only in the minerals sector where indigenous employment opportunities exist.

Officer Basin Energy's search for petroleum in the Officer Basin has provided the Maralinga Tjarutja communities in the west of the state with substantial business opportunities.

In 2007, MT was successful in securing contracts for seismic line preparation on the first phase of OBE's exploration program, which involved a 1250km seismic survey, over mostly new but temporary access tracks.

The contract was a major business success for MT providing a track record for future work as well as a major employment and training opportunity for many people from the local MT community. MT will also have further business opportunities during OBE's subsequent target definition and drilling phase.

Further employment for MT has been possible through OBE - MT native title negotiations in which OBE employed a MT cultural heritage team to complete work area clearances - a skill that can now be employed in future business ventures.

MT must be congratulated from its current business enterprises all of which stand it in good stead to continue working within the resources sector.

Twelve months ago, Commissioner for Aboriginal Engagement Klynton Wanganeen noted that: *“Mining has created a world of opportunity for Aboriginal people in their communities in the north and west – opportunities that we can re-create here in South Australia if we work together with mining companies and government and support Native Title holders to be included in the process”*

I would like to think that from what I have outlined here today that we can confidently say that through the collaborative efforts of the government, resources industry and educational institutes business, training and employment opportunities for South Australian Aboriginal people and their communities are now being realised.

In closing, I would like to again thank you for the invitation to speak today and wish you all a productive conference.

Thank you.