The fourth report (2016) under the Queensland Resources and Energy Sector Code of Practice for Local Content (2013)
EXECUTIVE SUMMARY

Local content is paramount to the economic development and fiscal sustainability of Queensland including to regional economies. The Queensland Resources and Energy Sector Code of Practice for Local Content (2013) (the Code) is a best practice framework for an outcomes based, flexible approach to achieving improved local content outcomes in Queensland.

The Code adopts a shared responsibility framework with the QRC, local suppliers, the resources sector, regional economic development groups and government encouraged to play joint roles in improving local content outcomes. Successful implementation of the Code has the potential to deliver benefits including employment and business growth in Queensland by expanding market opportunities for local industry while also gaining and maintaining the sector’s social licence to operate.

While compliance with the rigorous reporting framework within the Code of Practice is voluntary, QRC is pleased to report that participation increased by 53% this financial year as compared to 2014-15. This increased level of participation is reflective of the value the resources sector places on local procurement and sustaining regional economies. The reporting framework has continued to evolve since implementation in 2013 and QRC is proud to be proactively leading the extension of the Code of Practice to engage with key regional economic development groups and to also broaden the scope of reporting to also capture indigenous business participation. A new level of detailed data has also been added to demonstrate the broad economic impacts the Queensland resources operations have on the Australian economy.

The findings of the 4th Code Effectiveness Report demonstrate that $19.6 billion or 65% was purchased from vendors located in Queensland, an additional $9.4 billion or 32% was procured from vendors interstate and $1 billion or 3% procured from vendors located in 43 countries around the world. Overall, the reports submitted by participating companies demonstrate that the 2015-16 local content spend has largely remained the same or very similar with previous years while some companies noted small increases. Rather than increasing or decreasing, companies cite their local spend profile relates to project progression meaning that the amount of local content spend is dependent on and reflects the phase of the project. Companies continue to refer to a variety of methods being utilised to promote the ‘full, fair and reasonable’ (FFR) principle which is central to the Code of Practice. In response to more detailed questions, many respondents cited examples of local content provisions in contracts while others acknowledged this is an area that is being developed in line with project progression. Encouragingly many project proponents require data and periodic reporting to be submitted to demonstrate how local content provisions have been met while other respondents cited this as an area for further development.

Participants indicated that feedback on unsuccessful tenders can be requested from all proponents while many companies noted that feedback is offered to unsuccessful suppliers as either written feedback or verbal. As in previous years, the uptake of government funded local content programs and services is highly variable. It is again evident in this year’s responses that regional economic development groups are playing a very active role in supplier advocacy. The vast majority of companies that submitted their 2016 reports remain satisfied with the Code and supporting framework and industry preference is for a voluntary, outcomes-focused local content policy and not a prescriptive alternative. The benefit of a broad, non-prescriptive framework such as the Code allows companies to utilise existing methods while also developing new methods within their capacity at a level that is consistent with their project phase.

‘The Code provides flexibility to deliver a ‘Local Content Strategy’ appropriate and suited to our business needs and aligned with and leveraging broader business objectives and strategies’
The Code provides flexibility to deliver a ‘Local Content Strategy’ appropriate and suited to our business needs and aligned with and leveraging broader business objectives and strategies.

1. Introduction

2. The Code Framework

QER Case Study

3. Adoption of the Code

3.1 Status of adoption of the Code

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New Hope Group Case Study

4. 2015-16 Code Industry Reports: Key Findings and Calculations of Economic Benefits

4.1 Quantitative component

Ernest Henry Mining Case Study

4.2 Qualitative component

BMA Case Study

Gladstone Engineering Alliance Case Study

4.3 Code Industry Report Findings

Adani & Bowen Basin Mining Club Case Study

5. Improving the Code

Resource Industry Network Case Study

6. Other Initiatives

Evolution Mining Case Study

7. Additional Case Studies

New Hope Group & TSBE Case Study
The QRC is pleased to submit the fourth Code Effectiveness Report (2016) (the ‘report’) under the Code of Practice for Local Content (2013) (the ‘Code’) which the QRC is responsible for administering.

The objective of the report is to provide government with a summary of industry’s progress in implementing the Code, including best practice case studies, expenditure data – local, interstate and abroad, the sector’s economic contribution, how the full, fair and reasonable principle is being implemented, and suggestions for improving the Code framework.

Published March 2017

1. INTRODUCTION

ROLE OF THE QRC SECRETARIAT:

1. Provision of secretariat support for the Code’s broad administration and maintenance (ongoing)
2. Promotion of the Code to key stakeholders (ongoing)
3. Development and maintenance of a dedicated webpage that will give companies applying the Code access to further practical guidance material (ongoing)
4. Collect Code Industry Reports (to be completed by industry annually)
5. Facilitation of an annual Local Content Participation Forum of stakeholders where company initiatives and government programs will be discussed (to be held annually)
6. Development and maintenance of the Local Content Working Group (ongoing)
It is becoming evident that collaboration is one of the key ways that resources and energy companies can improve local content outcomes. Within our sector, this has been reflected in work to align training and development programs, common industry inductions and shared events with business communities. This generates potential advantages for industry as well as suppliers in regard to reduced cost and more time efficient engagement.

2. THE CODE FRAMEWORK

The QRC acknowledges and applauds the Queensland state government’s support for the existing outcomes based, flexible policy approach to achieving improved local content outcomes which commenced in 2013.

Much has been achieved through this voluntary approach to local content. In conjunction with the strong commercial and social licence to operate drivers that exist to buy local, the Code and supporting Implementation Guidelines provide a practical set of tools for resources companies to achieve the ‘full, fair and reasonable’ principle. Furthermore, the Code adopts a shared responsibility framework with the QRC, local suppliers, the resources sector, regional economic development groups and government encouraged to play joint roles in promoting local content outcomes.

Figure 1: A shared responsibility framework – incorporating regional economic development groups

P R I N C I P L E:
In accordance with a ‘voluntary’ self regulatory regime, provide full, fair and reasonable opportunity for capable local industry to compete for the supply of goods and services for significant projects.
Successful implementation of the Code has the potential to achieve a number of broader benefits, via:

- employment and business growth in Queensland by expanding market opportunities for local industry;
- long-term sustainability of local economies; and
- gaining and maintaining the sector’s social licence to operate.

Under the Code, Queensland operating resources and energy companies are encouraged to:

- adopt the principle of ‘full, fair and reasonable’, develop a Local Content Strategy (using the Code Implementation Guideline as a starting reference), utilise complementary capacity and capacity building programs, and monitor and evaluate Local Content Strategy effectiveness;
- participate in an annual forum of resources companies and stakeholders where company initiatives and commercial and government funded supplier programs will be discussed;
- complete an annual Code Industry Report (CIR) that builds on the postcode data request that most QRC members currently complete; and
- participate on the QRC Local Content Working Group consisting of member company representatives. This committee is tasked with monitoring the sector’s application of the Code and to make recommendations on how the Code and supporting frameworks can be improved.
3. ADOPTION OF THE CODE

In the 12 months since the 2015 Code Effectiveness Report, the QRC has undertaken a number of important initiatives to encourage adoption of and compliance with the Code.

Most recently:

- In November 2016, QRC requested completion of Code Industry Reports (CIR). CIRs are collected by the QRC and provide a company by company account of progress in adopting the Code framework. The information from each CIR has been used to compile this report, the 2016 Code Effectiveness Report.

- In August 2016, the QRC hosted the third annual Local Content Participation Forum with representatives from local, state and federal government, supplier groups, resources and energy companies and other peak bodies;

- In July 2016, the QRC wrote to all QRC full member companies to request the 2015-16 expenditure data by postcode for Queensland, interstate and international spending amounts.

LOCAL CONTRACTORS BRINGING AUSTRALIAN ENGINEERING TO LIFE

Resource development company Queensland Energy Resources (QER) recently completed a project at its Gladstone demonstration plant site using local contractors and Australian steel.

QER’s engineers in Brisbane had developed a new, rotating ore-feed system to incorporate into a future commercial plant.

In order to test and refine the design, QER decided to build a 2/3 scale working model of the proposed feed system at its Gladstone site. The project had a budget of around $1m.

QER invited two Gladstone firms and one Brisbane firm to bid for the project. The company’s preference is to buy locally whenever practical, and QER’s assessment was that local contractors had the capability to undertake the work at a competitive cost.

A Gladstone firm – Xtreme Engineering – won the fabrication and installation work, and another local Company – Oaka Constructions, subcontracted the civils. More than 50 local people worked on the project.

According to QER, both firms did an excellent job. Xtreme suggested some improvements to the fabrication methodology to improve the efficiency and safety of the on-site construction phase. QER’s engineers worked closely with Xtreme to implement those changes and on-site construction time was reduced by more than half.

The project came in ahead of schedule and on budget and was not only a technical success, but also attracted a lot of local interest and so was a great opportunity for QER to demonstrate its commitment to the local community.
3.1 STATUS OF ADOPTION OF THE CODE

Companies seeking project approval through the Queensland Government’s Coordinator General’s office are required to comply with the Code however given the current investment environment there are a limited number of new projects seeking approval.

One key advantage of the Code is the ability to capture compliance, on a voluntary basis, from existing projects not seeking approval which helps record and improve local content outcomes for Queensland.

The table below summarises the status of adoption of the Code to date. A record number of companies participated in 2015-16, demonstrating the importance industry places on this policy area.

Companies that have adopted the Code

<table>
<thead>
<tr>
<th>Adani</th>
<th>Evolution Mining</th>
<th>QCoal</th>
</tr>
</thead>
<tbody>
<tr>
<td>APLNG (Origin Energy)</td>
<td>QGC Pty Ltd</td>
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<td>Glencore Zinc</td>
<td>Stanwell</td>
</tr>
<tr>
<td>Capricorn Copper</td>
<td>Glencore Coal</td>
<td>Thiess Pty Ltd</td>
</tr>
<tr>
<td>ConocoPhillips</td>
<td>GVK Hancock</td>
<td>WestSide</td>
</tr>
<tr>
<td>CopperChem</td>
<td>New Hope Group</td>
<td>Whitehaven Coal</td>
</tr>
<tr>
<td>Ensham Resources</td>
<td>Peabody</td>
<td></td>
</tr>
</tbody>
</table>

3.2 STEPS TO ENCOURAGE ADOPTION IN 2017

The QRC intends to continue to work collaboratively with members, governments, local supplier groups and regional economic development groups to improve how local suppliers engage with QRC members (i.e. how the ‘shared responsibility’ framework is adopted).

As per the Code, the QRC commits to:

- share information with QRC board members, including an annual agenda item regarding the outcomes of the 2016 Code Effectiveness Report;
- share additional information through QRC committee papers and QRC Bulletin articles;
- continue to develop and distribute case studies to exemplify implementation of the Code and;
- with representatives of government, local suppliers, QRC members and other invited experts, the QRC will host an Industry Participation Forum in 2017 to explore what commercial, program and policy initiatives are working well, what is not working so well, and agree to recommendations for improvement to be shared and implemented.

“Productivity improvements, innovation and non-traditional procurement solutions are being explored in the context of a new global operating model.”
ARROW: CASE STUDY

The Initiative
Arrow established a collaborative partnership with the Industry Capability Network (ICN) of Queensland to identify the supply capability of local, regional and indigenous businesses to the Surat and Bowen Basin.

ICN Queensland conducted a number of activities to support Arrow, including:

- supply chain mapping to identify specific supply capabilities (i.e. Indigenous, regional and maintenance);
- promotion of Expression of Interest (EOI) opportunities through ICN Gateway; and
- business matching.

Through this partnership, Arrow was able to publicly promote two major key supply opportunities through the ICN Gateway in 2015-2016. Over 46 suppliers registered expressions of interest (EOI) in at least one package, with some suppliers registering interest in multiple packages.

ICN Queensland recommended 28 suppliers, based on the supplier’s capability to meet criteria set by Arrow. The suppliers were then reviewed and shortlisted by Arrow with approximately 12 selected for prequalification.

The selection of the ICN Gateway, as Arrow’s preferred engagement portal, ensured that suppliers from all states and regions were provided with a fair and equal opportunity to view the packages and self-nominate their business for consideration.

The Outcome
The outcomes demonstrated that the process was fair and robust, with suppliers from all regions being recommended, with the vast majority coming from within Queensland. Additionally, the inclusion of EOI documents that provided detail about the actual scope of works and scope specific short listing questions provided a clear indicator to the supply market to the types of capability that Arrow was looking for.

To further support local business, Arrow opened registrations for subcontractors and sub-suppliers on ICN Gateway, through the “Partial Scope” registration process. The registered detail of these suppliers will continue to be provided to tender bidders. This provides subcontractors and sub-suppliers early visibility to the pool of bidders, one of whom will be the winning contractor.

This process provided local business with a fair and equitable opportunity to promote their business to the buyer and provided early visibility for subcontractors and sub-suppliers. Arrow was able to use this process to drive efficiency and rigour in the bidder selection process and it has been able to identify a number of new and innovative potential suppliers. Along with the efficiency gains achieved, Arrow anticipates that this will create significant value for the company for current and future works.
NEW HOPE GROUP: CASE STUDY

Coops (QLD) Pty Ltd is an earthworks, construction and equipment hire business that has been operating in the Darling Downs region since 2005. Located in Oakey, Coops is within 10km of the New Acland Coal Mine.

David Cooper was an employee at New Acland when he saw the opportunity to fill a void in the market supplying small(er) machinery and general handyman services to the operation. Coops has been working closely with the New Hope Group since that time and both companies have been able to benefit and grow as a result of the relationship.

Starting as a very small one-man operation, Coops is now an up and coming Small to Medium Enterprise providing multi services of Civil Construction, Earthworks and Maintenance, Sandblasting and Plumbing.

Currently employing 23 staff, (5 casuals, 3 trainees, 1 school based trainee, 14 FTE) employees ranging in ages from 18-65, all reside within the Toowoomba Regional Council boundaries.

Coops employ and purchase locally:
- Oils and tyres are purchased from either Tyre Right Oakey or M & H Oakey
- Heavy equipment purchased from Truck Line or other businesses in Toowoomba
- Sandblasting purchasing from Burwell and Painting Sedl agencies
- Bernborough Hardware is utilised for all ad-hoc requirements Eg. Cement, locks, fixings

In 2015 David Coops attended the Local Procurement workshops facilitated by the New Hope Group and was introduced to Anthony Holzwarth from the Department of State Development. David Coops was able to access opportunities available through Department of State Development to build capacity, showcase and restructure his business to achieve better efficiencies. Some of the outcomes have been;
- Enhancing company website
- Developing capability statement
- Attending tender readiness training (DSD facilitated in association with New Hope Group)
- Introductions to potential business partners
4. 2015-16 CODE INDUSTRY REPORTS: KEY FINDINGS AND CALCULATION OF ECONOMIC BENEFITS

The 2015-16 Code Industry Reports have a qualitative and quantitative component as illustrated as Part 1 and Part 2 (page 10).

4.1 QUANTITATIVE COMPONENT INCLUDING CALCULATION OF THE FLOW ON ECONOMIC BENEFITS

For the past seven years, the QRC has requested its full members to submit total expenditure data for goods and services (where possible separating operational and capital expenditure), salaries, community contributions all by postcode. Companies were also requested to submit information relating to local and state government payments including rates, royalties and taxes. In addition, companies were asked to detail interstate, New Zealand and other international supplier payments or purchases.

This year 40 companies submitted data and great effort is taken to ensure the data entry most accurately reflects the point of expenditure. For example, the QRC approaches contractor companies or key suppliers to exchange data for member companies’ data to avoid large payments appearing in the Brisbane postcodes when expenditure occurred in the regions.

This valuable data sample allows us to analyse the Queensland expenditure, compare this expenditure to the interstate spend and also understand the international expenditure.

TOTAL ECONOMIC CONTRIBUTION (DIRECT AND INDIRECT)

DIRECT CONTRIBUTION

Across the 42 companies, the Queensland resources sector in 2015-16 procured $30.1 billion in goods and services (both opex and capex). This consisted of:

- $19.6 billion or 65% purchased from vendors located in Queensland. This compares to $24.5 billion in 2014-15, $29 billion in 2013-14, $30.8 billion in 2012-13, $30.9 billion in 2011-12, $20.8 billion in 2010-11; and $18.8 billion in 2009-10;
- an additional $9.4 billion or 32% was procured from vendors interstate as compared to $11.7 billion last financial year and;
- $1 billion or 3% procured from vendors located outside of Australia. This compares to 1.6% in 2014-15, 4% in 2013-14 and 5% in 2012-13.

<table>
<thead>
<tr>
<th>Purchases ($B)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queensland resources and energy industry</td>
<td>$19.6 billion</td>
</tr>
<tr>
<td>Interstate</td>
<td>$9.4 billion</td>
</tr>
<tr>
<td>Total Australia</td>
<td>$29 billion</td>
</tr>
<tr>
<td>International</td>
<td>$1 billion</td>
</tr>
<tr>
<td>Total</td>
<td>$30.1 billion</td>
</tr>
</tbody>
</table>
The combination of the direct contributions, (primary data) with an estimation of the additional benefits or indirect contribution of the resources sector, allows us to see the full contribution of the Queensland resources sector. The expert economic modelling undertaken for the QRC by Lawrence Consulting estimates that in conjunction with the direct expenditure, additional workers and flow-on purchases supported 275,738 indirect jobs and stimulated an additional flow on spend of $28.9 billion in the Queensland economy.
**TOTAL CONTRIBUTION TO QUEENSLAND**

The total economic contribution of the resources sector in 2015-16 was approximately $55.7 billion. Therefore, directly and indirectly, the Queensland resources sector is estimated to have supported approximately 1 in 7 Queensland jobs and 1 in 5 dollars (Gross Regional Product) flowing through the state’s economy.

**Image 1: QRC contribution to Queensland**

This valuable economic contribution is a supporting factor for the resources sector’s social licence to operate. Further analysis of the economic contribution by the resources sector including royalties and community contributions as well as land use by Local Government Area can be found [here](#).

More information on the local expenditure by resources companies in Queensland can be found in the Lawrence Consulting, ‘Economic contribution of the minerals and energy sector to the Queensland economy 2015-16’ [Report](#).

**Image 2: QRC contribution to Queensland**

Over the past 7 years, the Queensland minerals and energy sector has generated more than $476 billion in value to Queensland.
PROCUREMENT FROM INDIGENOUS BUSINESSES IN QUEENSLAND

For the first time QRC members were also asked to identify the procurement of goods and services from indigenous businesses based in Queensland. In total $50 million in goods and services were sourced from 59 indigenous businesses in 2015-16. A number of respondents indicated they would amend their reporting systems to enable indigenous procurement information to be captured in 2016-17.

ERNEST HENRY MINING (EHM): CASE STUDY

EHM sources casual labour hire from two local providers – Western Labour Hire (formerly Curry Contracting) and K&R Contracting. Both businesses have a high proportion of indigenous personnel that are used to meet EHM’s casual labour requirements. K&R Contracting supply a number of personnel for Underground Operations – typically Timbermen and Bomber Relief positions; Curry Contracting supply a number of personnel for Warehouse operations – typically Stores Officers and Logistics Operators.

<table>
<thead>
<tr>
<th></th>
<th>2014-15 spend ($)</th>
<th>2015-16 spend ($)</th>
<th>2016-17 spend ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Labour Hire</td>
<td>$28,919.00</td>
<td>$444,551.55</td>
<td>$129,054.31</td>
</tr>
<tr>
<td>(Curry Contracting)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>K&amp;R Contracting</td>
<td>$724,390.59</td>
<td>$920,238.55</td>
<td>$739,973.30</td>
</tr>
</tbody>
</table>

With changes in the labour market in 2015, EHM’s need for casual labour increased; with longer term contracts on offer through these entities, in lieu of permanent FIFO positions. This change in requirement has benefited the indigenous community in a number of ways:

- More indigenous personnel in the workforce through these organisations;
- As the placements are longer term, this gives the labourer more economic confidence to commit to lifestyle needs (rental houses, car loans or similar);
- Functional and safety training provided to these personnel improves on previously held skill sets, making personnel more employable in future roles; and
- Creates additional opportunities for other indigenous people to backfill the temporary roles that were left vacant by personnel now filling longer term roles.

The directors of both companies have been quite proactive in engaging EHM – both have sent capability statements to ensure that EHM is aware of their full suite of services. Both companies are also regular attendees of the community forums at which government representatives convey information on services available to small businesses as support for engaging with corporations such as Glencore and Ernest Henry Mine.
ECONOMIC CONTRIBUTION TO OTHER AUSTRALIAN STATES AND TERRITORIES

In addition to the significant expenditure in Queensland, the resources and energy sector procures goods and services from Australian businesses based interstate. A total of $9.4 billion was spent by Queensland operations on goods and services interstate in 2015-16. The coal sector accounted for 48% of the interstate expenditure while the gas sector was responsible for 40% and the metals sector 12%. The sum of the Queensland supplier expenditure ($19.6 billion) and the interstate expenditure ($9.4 billion) makes the total Australian expenditure from Queensland resources and energy operations $29 billion in 2015-16.

This direct procurement from interstate businesses has significant flow-on effects for other suppliers and employment in the other Australian states and territories. This additional, or second-round effect has been estimated by experts Lawrence Consulting in the tables below.

Table 4: Interstate and total Australian impact

<table>
<thead>
<tr>
<th>DIRECT ECONOMIC IMPACT</th>
<th>Queensland total</th>
<th>Rest of Australia</th>
<th>Australia total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct full time employees</td>
<td>33,839</td>
<td>-</td>
<td>33,839</td>
</tr>
<tr>
<td>Associated salaries $m</td>
<td>$4,904</td>
<td>-</td>
<td>$4,904</td>
</tr>
<tr>
<td>Goods and services purchases ($m)</td>
<td>$19,583</td>
<td>$9,447</td>
<td>$29,030</td>
</tr>
<tr>
<td>Total direct stimulus $m</td>
<td>$26,770</td>
<td>$9,447</td>
<td>$36,217</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FLOW-ON ECONOMIC IMPACT</th>
<th>Queensland total</th>
<th>Rest of Australia</th>
<th>Australia total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect full time employees</td>
<td>275,738</td>
<td>99,946</td>
<td>375,684</td>
</tr>
<tr>
<td>Associated salaries $m</td>
<td>$16,378</td>
<td>$7,967</td>
<td>$24,345</td>
</tr>
<tr>
<td>Value added (second round) ($m)</td>
<td></td>
<td></td>
<td>$28,903</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL ECONOMIC IMPACT</th>
<th>Queensland total</th>
<th>Rest of Australia</th>
<th>Australia total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment (FTE persons)</td>
<td>309,577</td>
<td>99,946</td>
<td>409,523</td>
</tr>
<tr>
<td>Value added $m</td>
<td>$55,673</td>
<td>$25,771</td>
<td>$81,444</td>
</tr>
<tr>
<td>% of GRP</td>
<td>17.6%</td>
<td>1.9%</td>
<td>4.9%</td>
</tr>
<tr>
<td>% of total employment</td>
<td>13.2%</td>
<td>1.1%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Source: Lawrence Consulting

INTERNATIONAL PROCUREMENT

The Queensland resources and energy sector also procured $1 billion in goods and services from international businesses. Table 5 below summarises the origin of these goods and services from 43 countries in 2015-16.

See Part 4 for more information on why it was necessary to import these goods and services during 2015-16.

Table 5: International procurement

| Argentina | Austria | Bahrain | Belgium | Canada | Chile | Cyprus | Denmark | Egypt | Finland | France | Germany | Hong Kong | India | Indonesia | Ireland | Israel | Italy | Japan | Liberia | Luxembourg | Marshall Islands | Mexico | Netherlands | New Zealand | Norway | Pakistan | Russia | Scotland | Singapore | South Africa | South Korea | Spain | Switzerland | Taiwan | Thailand | Ukraine | United Arab Emirates | United Kingdom | United States of America | America | Vietnam |
4.2 QUALITATIVE COMPONENT

The Code Industry Reports (CIRs) were sent to member companies requesting completion of a short three-page report structured in five parts:

1. comment on whether local content has generally increased or decreased;
2. provide evidence on how the “full, fair and reasonable” principle and Code framework has been or is to be applied;
3. provide comment on the effectiveness of the Code and the Code’s supporting framework and materials, as well as local content services; and
4. consider providing comment on why imported goods and services were not procured locally and
5. consider providing a case study.

In response to feedback at the 2016 Local Content Participation Forum, a number of additional questions were asked:

- What are the contributing factors that may have led to local content increasing or decreasing?
- Do you include a local content provision in your contracts?
- How do you measure whether local content provisions have been met?
- Do you provide feedback to unsuccessful suppliers? How is the feedback delivered?
- Is your company involved in capacity building with local or potential local suppliers?

Responding to this year’s request, 23 companies submitted reports, being:

<table>
<thead>
<tr>
<th>Table 6: Participating companies 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adani</td>
</tr>
<tr>
<td>APLNG (Origin Energy)</td>
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<td>WestSide</td>
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<tr>
<td>Whitehaven Coal</td>
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</tbody>
</table>

This compares to a total of 15 reports in 2014-15 and 16 reports in both 2012-13 and 2013-14. Encouragingly, six companies who have not previously submitted a voluntary CIR did complete the request this year. Overwhelmingly the feedback from existing operations who have not completed voluntary reports was due to a lack of available resources.

From the seed of opportunity offered by the Local Buying Program, CPH Mining and Civil has grown into a strong and sustainable organisation successfully competing in a national market.

After safely delivering a number of work opportunities for BMA through the Local Buying Program, CPH Mining and Civil recently won a competitive tender process to supply top soil for site rehabilitation works at BMA’s Caval Ridge Mine.

CPH Mining and Civil Owner, Colin Ritson praised the Local Buying Program for providing the exposure to BMA that helped his company compete for direct contracting opportunities.

"Being able to develop a more direct relationship with BMA’s sites through the Program is an important factor for smaller local businesses, because we don’t have the broader reputation that would otherwise help us be included on invitations to tender for projects like this."

Since CPH Mining and Civil first engaged with BMA, the Company has experienced a 600% increase in annual turnover. They now employ over 130 people, predominantly locals from the Bowen Basin community.
CORFIELD’S ELECTRICAL GLADSTONE
Founded in 1983 by Ken Corfield, Corfield’s Electrical Service has grown to become one of the largest privately owned electrical contracting companies in Central Queensland.

Corfield’s currently employ approximately 40 personnel across their Gladstone premises and various project sites in Queensland and Western Australia. Local projects across Central Queensland which Corfield’s have undertaken include the Gladstone Port, Wiggins Island Coal Terminal (WICET), the Curtis Island LNG Plants and Caval Ridge Coal Mine.

Corfield’s is committed to working alongside and together with other companies, contractors, government and industry bodies local to Gladstone and the Central Queensland region whenever possible.

Ken and his team pride themselves on their proactive approach to their work, being responsive to the business requirements of their clients and adding value to projects. Corfield’s commitment to ongoing business improvement led them to diversify the company by exploring the delivery of their services interstate.

Over recent years Corfield’s has built a strong, professional relationship with ATCO Structures & Logistics Pty Ltd (“ATCO”), who specialise in the construction of workforce accommodation villages, both temporary and permanent. In 2011, Corfield’s were subcontracted by ATCO to undertake electrical works for the construction of a Temporary Workers Accommodation Facility (TWAF) for the Gladstone LNG project on Curtis Island. The successful completion of this subcontract led to an opportunity on the Wheatstone LNG Project in Western Australia in 2014. ATCO were delivering a contract for the construction of onsite modular buildings and facilities for the Wheatstone Gas Plant in Onslow, Western Australia. Corfield’s were successful in securing a $2.5 million subcontract for the supply of electrical, instrumentation, telecommunications and civil installation associated with the installation of the new modular building facilities for the construction of this project.

The delivery of this subcontract proved the viability of Corfield’s entering the Western Australia market. A second opportunity then arose on the Wheatstone site, as ATCO were tasked with the expansion of the existing 4,000 person workers construction village. Corfield’s secured a further subcontract in 2015 for the design, supply and installation of the high voltage reticulation, low voltage reticulation, and communications systems including GPON, PAGA, fire detection and CCTV which ultimately has been worth $22 million.

The award of this subcontract allowed Corfield’s to expand into a new market, remain competitive and maintain their staff levels within the changing economic environment in Gladstone. While the business is well known within Central Queensland, the Wheatstone project was the first that Corfield’s had carried out in Western Australia. Corfield’s were also able to employ an additional 50 project staff for the period of these subcontracts. This team was made up of supervisors and electrical personnel from Corfield’s Gladstone office as well as electrical personnel from across Australia.

Cardno are a well-known company within Central Queensland holding offices across Australia. Corfield’s worked closely with Cardno BEC, the electrical division of Cardno, to deliver the design element of the expansion of the construction village subcontract. Corfield’s also sourced components for the works though Hayman’s Gladstone office, directly supporting the local industrial community.
CODE INDUSTRY REPORT FINDINGS
The findings are categorised below as per the questions asked within the report.

Part 1: Increase or decrease in local content
As in the past, the reports demonstrate that 2015-16 local content spend has largely remained the same or very similar with some companies noting small increases.

“Local content tends to continually increase as local service providers develop and grow their business to support our operational needs”

Rather than increasing or decreasing, companies cite their local spend profile relates to project progression meaning that the amount of local content spend is dependent on and reflects the phase of the project.

Encouragingly, despite the sector wide emphasis on cost reductions to stay globally competitive, this has not resulted in any major change to the proportion of local industry spend as companies do not report a discernible increase in off-shore or interstate spend.

The following changes may have contributed to increases or decreases in local content spend including:
- Securing new business
- Expansion of existing mining operations
- Closure of existing mine operations
- Environmental impacts
- Client changes to scope
- Maintenance of mining fleet
- Mobilisation and demobilisation of mining materials and equipment

Part 2: “Full, fair and reasonable” principle and Code framework
Companies continue to cite a variety of methods being utilised to promote the ‘full, fair and reasonable’ (FFR) principle. These include:
- expression of interest (EOI) alerts to regional industry groups and local chambers of commerce;
- local supplier briefings and speaking at conferences on supply opportunities, prequalification and registration requirements;
- publishing EOIs on ICN Gateway with a link to the Gateway on company websites;
- compilation of a local vendor database, distributed internally to the Contracts & Procurement team for consideration during the design of contracting strategies;
- periodic reviews of procurement policies and procedures;
- maintenance of an online portal to communicate available work opportunities for local suppliers;
- publishing company local content policy on website;
- not placing unreasonable specifications or requirements that rule out local industry; and
- engaging very early with local companies to desktop audit their systems and processes to build their capacity and capability.

“Supported supply chain capacity building through both direct and indirect mechanisms”
Part 3: Government-funded local content programs

General feedback is consistent with previous years in that the uptake of government-funded local content programs and services is highly variable.

It is again evident in this year’s responses that regional economic development groups are playing a very active role in supplier advocacy. A number of case studies illustrating the supply chain opportunities facilitated by regional economic development groups are featured throughout this report.

In response to the following question, ‘What else can government do to achieve improved local content outcomes in the resources and energy sector?’ the following responses were given:

“Application and usability of ICN – e.g. search by location (Gladstone) and linking Indigenous Content search capabilities to ICN”

“Perhaps consider policy initiatives that provide a form of benefit or reward for companies who demonstrate high levels of local content”

“In order to achieve improved local content outcomes in the resources and energy sector, the government could offer additional business incentives for being based local in the form of offsets and rebates”

Part 4: Imported goods and services

Expenditure on goods and services procured from international suppliers was slightly higher in 2015-16 as compared to 2014-15. A high proportion of the international expenditure relates to the procurement of specific original equipment manufacturer (OEM) equipment and related services that are not available from Australian suppliers.

In circumstances good and services are sourced from international or interstate companies, it is often due to either one or a combination of following factors impacting competitiveness:

Local industry’s inability to supply as a result of:
- Shortage of suitable and competent local suppliers
- Inability to supply:
  - At a competitive price
  - Within the timeframe required
  - At a sufficient scale of production required
  - To the standards required
  - A lack of demonstrated industry experience or technical expertise
- Inability to meet project prequalification criteria

“Other major work packages that were delivered by international suppliers included highly specialised goods and services such as pressure control systems, process compressors, oil and gas risk management, petroleum property analysis, propellant stimulation and manufacturing of pressure vessels”
Q: DO YOU INCLUDE A LOCAL CONTENT PROVISION IN YOUR CONTRACTS?

Many respondents cited examples of local content provisions in contracts while others acknowledged this is an area that is being developed in line with project progression. Some examples are provided below.

“Local content clauses are included in contracts and as part of the internal review process. In addition, successful suppliers have an initial meeting with the Stakeholder team to discuss expectations and opportunities, for local and Indigenous employment and spend along with broader community contribution”

“Irrespective of the nature of works, all tender packages require the successful bidder to commit to a certain level of community support once the contract has been awarded. This ensures that the local community benefits, regardless of whether or not the successful bidder is a local company”

“There is a local content provision in our tenders whereby suppliers must demonstrate how they support the local community through employment, donations, or in kind support”

Example clause: “The Supplier acknowledges that the Principal seeks to share economic benefits with indigenous and local communities through business and employment relationships, and in performing this Contract the Supplier will seek to encourage opportunities to benefit indigenous people and local communities”

Q: HOW DO YOU MEASURE WHETHER LOCAL CONTENT PROVISIONS HAVE BEEN MET?

Similar to above, many project proponents require data and periodic reporting to be submitted to demonstrate local content provisions have been met while other Code Industry Reports cited this as an area for further development.

“All major suppliers and the business report monthly and this data is reported internally to management”

“As part of the assessment of tenders we will consider the tenderers’ local procurement and employment plans. During contract execution, we may request contractors to report on actual local procurement and local employment statistics”

“We are in the process of developing reporting standards and establishing a baseline”

Q: IS YOUR COMPANY INVOLVED IN CAPACITY BUILDING WITH LOCAL OR POTENTIAL LOCAL SUPPLIERS? PLEASE PROVIDE AN EXAMPLE.

Responses to this question included examples of proponent-led capacity building and direct engagement with suppliers while many other CIRs cited a collaborative approach to capacity building through partnerships with local organisations or government.

“New Hope Group is passionate in regard to building capacity in our suppliers. Supplier briefings were held in Toowoomba and Oakey. These briefings were co-ordinated in conjunction with the Department of State Development, Toowoomba and Surat Basin Enterprise (TSBE) and the Toowoomba and Oakey Chambers of Commerce. New Hope Group also coordinated ‘tender readiness’ training for local businesses”

“Supported supply chain capacity building through both direct and indirect mechanisms”

“Additionally, we contribute to the BMA Business Support and Development Program which supports the appointment of a local Business Development Officer. The Business Development Officer is responsible for developing training and development to improve capacity, sustainability and viability of businesses amidst changing economies. The program runs workshops for the local community, focusing on trend analysis and operational development opportunities in response to the region’s needs. During 2016, the Business Development Officer worked with more than 350 businesses in 13 local communities to provide direct support, strategic operational advice and opportunities for business owners to connect with relevant networks”

Q: DO YOU PROVIDE FEEDBACK TO UNSUCCESSFUL SUPPLIERS? HOW IS THE FEEDBACK DELIVERED?

The Reports indicated that feedback can be requested from all proponents while many companies noted that feedback is offered to unsuccessful suppliers as either written feedback or verbal. One company provided the example that tender debriefings were available to unsuccessful applicants.

“If a supplier has been unsuccessful in a tender or request for quote, they may seek feedback which is provided to them within the constraints of confidentiality and anti-competition”

“Verbal feedback is provided to all unsuccessful suppliers regarding their submission. Detail is provided on how they were rated against the assessment criteria, the areas where they weren’t competitive, and where appropriate, how they might improve their chances of success in future tender processes with Evolution and/or other organisations”
ADANI & BOWEN BASIN MINING CLUB: CASE STUDY

ADANI SUPPLIER ROADSHOW
For the past six years, the Bowen Basin Mining Club has hosted keynote speakers and mining executives for regional Queensland events, developing connections and supply chain capability. However, it was a completely new idea to take these mining executives on a bus through regional Queensland to facilitate community engagement with suppliers, businesses and Indigenous groups.

In late 2016, the Bowen Basin Mining Club worked with Adani Australia to coordinate a supplier roadshow across five regional communities – Rockhampton, Emerald, Clermont, Mackay and Townsville.

Following key supplier announcements around the Carmichael Port, Rail and Mine Projects, the Roadshow came at a perfect time to encourage regional businesses to be ready to work with Adani and Downer Group, and to map the region’s supply chain capabilities.

Execution
The Roadshow took place across three days in January 2017, with presentations from Adani and Downer Group executives. Over 1,300 people attended the Roadshow, evidencing a strong interest in supply chain opportunities for the project.

To make the Roadshow a success, the Bowen Basin Mining Club worked in collaboration with regional industry and business development groups (such as the Central Highlands Development Corporation, Austmine, Resource Industry Network and Townsville Enterprise) to promote the roadshow in each location. Austmine and Industry Capability Network (ICN) also had representatives on the Roadshow to offer assistance in relation to tendering and to connect attendees with capability-building opportunities.

Indigenous supplier sessions were also held prior to each Roadshow event, connecting local Indigenous businesses and Traditional Owners with senior executives. These sessions were designed to reaffirm Adani’s strong commitment to Indigenous Participation, in addition to advising how to make their offering stand out in the supply chain. With Indigenous supply, training and jobs a main priority for the Carmichael project’s procurement, this was a valuable community engagement initiative.

Presentations at the Roadshow included detailed information about project commencement timelines, supply packages and opportunities, and how to best lodge an expression of interest. Direct email addresses were provided exclusively to regional businesses to register their interest in supply chain opportunities and put forward their capabilities and services.

For local businesses, the Roadshow emphasised the importance of identifying a place in the supply chain, as well as working collaboratively with other small and Indigenous businesses to increase value offering and capacity. To encourage local content, Adani and Downer Group’s packaging strategy was explained in detail, including how businesses could work together to increase their competitive edge in the supply chain and outlined their commitment to use local suppliers.

Outcomes
The Roadshow initiative had the following outcomes for Adani and Downer Group:

• Engagement with regional businesses in key project supply locations
• Indigenous business procurement opportunities
• Connecting with businesses who will be impacted by future operations
• Evaluating the level of business community support for the Carmichael project
• Mapping and developing the supply chain capabilities of regional Queensland
• In the 4 weeks after the roadshow, 90 businesses had registered their interest for the mine packages and 70 for the rail project.

As Adani has indicated they will be adopting the Queensland Resources and Energy Sector Code of Practice for Local Content. The Supplier Roadshow was a well-received start to establishing a strong regional supply chain.
5. IMPROVING THE CODE

The vast majority of companies that submitted their 2016 reports remain satisfied with the Code and implementation guidelines. Some of the larger companies with greater resources have mature local content strategies in place and their practices go beyond that outlined in the Code framework. Other companies believe that the Code framework will enhance their existing policies and procedures in ensuring continuous improvements; whilst others believe the framework will take some time to bed down and to assess its effectiveness. A number of reports identified suggestions for sharing best practice case studies and increases QRC resource allocation to local content policy as shown below.

‘Further focus on profiling best practice in the resources and energy and sharing with members will lead to improved local content outcomes’

‘It would be of benefit to hold the Local Content Participation Forum at least twice per year with a focus on sharing of information, resources and knowledge’

‘It would be great to have a specific QRC Local Content Representative out in the field, working with business, local industries, Chambers and Department of State Development to provide a road map to delivering effective Local Content’

Overall the industry preference is for a voluntary, outcomes-focused local content policy and not a prescriptive alternative. The benefit of a broad, non-prescriptive framework such as the Code allows companies to utilise existing methods while also developing new methods within their capacity at a level that is consistent with their project phase.

‘The Code provides flexibility to deliver a ‘Local Content Strategy’ appropriate and suited to our business needs and aligned with and leveraging broader business objectives and strategies’

‘The framework as it stands provides opportunity for the resources sector to focus on the local impacts of its sourcing processes and strategies and the ability to tailor realistic pathways to best support local business participation whilst retaining the latitude to make procurement decisions that best underpin project and operational success (cost competitiveness in a tight market environment). Any additional reporting requirements that will require additional resource inputs from companies should be discouraged’
At the 2016 Local Content Participation Forum & Review, participants identified the barriers to better local content outcomes in Queensland. The barriers were discussed in the context of the shared responsibility framework and a summary of the actions to overcome these barriers is included in table 7 below.

### Table 7: 2016 Local Content Forum Summary

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<tr>
<th>Shared responsibility framework</th>
<th>Actions to overcome barriers to better local content outcomes in Queensland</th>
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| **QRC**                         | • Share more widely the industry data and statistics – distribute to regional partners to drive message  
                                   | • Training & development packages to use to inform stakeholders about the Code of Practice  
                                   | • More promotion and media around positives – proactive media |
| **Resources and Energy Sector** | • Senior management commitment  
                                   | • KPIs in procurement teams  
                                   | • Feedback to the market  
                                   | • Engagement with business stakeholder group |
| **Suppliers**                   | • Develop and maintain relationship with key stakeholders  
                                   | • Seek feedback for unsuccessful bids  
                                   | • Communicate true value of their offering  
                                   | • Continuous improvement |
| **Government**                  | • Lead by example through Government procurement practices/policies  
                                   | • Avoid prescriptive processes – outcomes orientated  
                                   | • Ways to reduce legislative risk when engaging small business  
                                   | • Consider local content incentives for the private sector |
| **Regional Economic Development Group** | • Sharing best practice across regions  
                                   | • Clear advocacy on behalf of regional business  
                                   | • Promote value proposition |
ABOUT PIMS GROUP
PIMS Group was originally formed in January 2006 by five coal mining professionals with a wealth of experience across senior operational positions within the coal mining industry.

Services offered by PIMS Group include mining/production services and associated mining activities, project management, consultancy (geology, geotechnical, and ventilation), mine planning, survey, engineering, equipment hire, safety management and training. The collective operational experience of the group created expertise to assist clients to deliver optimised production; productivity improvement; safety focused delivery; environmental responsibility; reserve recovery; and costs which are optimally balanced to have the maximum positive impact on the bottom line.

THE INITIATIVE
PIMS has recently embarked on a new venture in its Moranbah workshop, undertaking mine refurbishment. The process involves collecting from mine sites materials that would otherwise be discarded and replaced and carrying out full refurbishment to Australian Standards before delivering it back to the site.

PIMS currently offers:
• Ventilation tube repairs
• Mining hose refurbishment
• Conveyor roller refurbishment; and
• Air pump repairs

Specific work includes:
• Ventilation tubes – Collect, thorough clean, identification of damage, repairs, delivery back to site.
• Hose refurb – Collect, sorted into groups, tested, cleaned, refurbished, tagged and packaged ready for delivery.
• Roller refurb – Collect, tested, sorted into different categories, refurbished, repacked and delivered back to site.
• Air pumps – Collect, tested, repaired and packaged, delivered back to site.

All services are reported back to the owner on-site so that they know what has been refurbished and what was discarded. PIMS also works with the local JJ Richards waste company to co-ordinate transport of the materials.

PIMS provide a tailored approach to each mine site, understanding that each site has specific requirements and a different process to follow. Feedback from existing clients has been overwhelmingly positive, all seeing the huge benefits both cost-wise and environmentally.

THE OUTCOMES
This new initiative has had a positive impact at a local level with PIMS employing an additional 5 staff in Moranbah since commencing in late September 2016. With work expected to increase PIMS will be utilising more local resources to grow the Refurbishment division.

For those companies who are using the process, it has a two-fold benefit in that it assists them to reduce their environmental impact by refurbishing not replacing, and it greatly reduces their costs (40% - 60%) as refurbishment is far less expensive than disposal and replacement. Both of these positives are key to a sustainable mining industry.

Once clients see the data that has been compiled and reports of what the other mines are saving it becomes an easy decision to make. It really is as simple as “do we want to be saving dollars and being environmentally responsible”. PIMS’s Refurbishment division is growing and they have only looked at the underground opportunities and are starting to explore the open cut opportunities.
6. OTHER INITIATIVES

The QRC also acknowledges the ongoing developments being progressed by the Queensland Local Content Leaders Network (QLCLN) and the Joint Statement of Commitment: Maximising Industry Local Content in Regional Queensland.

This proactive project, originally initiated by the Central Highlands Development Corporation (CDHC) and supported by QRC has evolved to identify and collaboratively develop procurement and economic development initiatives and resources to expand capability and sustainability of businesses in industry sectors in the Bowen, Galilee and Surat Basins.

Under the initiative, the following signatories have committed to working with industry to maximise supply chain opportunities for local operators in regional areas, and to being a convenient communication point for industry and local businesses.

**Signatories**

- Central Highlands Development Corporation
- Capricorn Enterprise
- Toowoomba Surat Basin Enterprise
- Greater Whitsunday Alliance
- Central Highlands Regional Council
- Livingstone Shire Council
- Rockhampton Regional Council
- Toowoomba Regional Council

- Mackay Regional Council
- Banana Shire Council
- Gladstone Regional Council
- Isaac Regional Council
- Gladstone Engineering Alliance
- Resource and Industry Group
- Resource Industry Network
- Queensland Resources Council


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**EVOLUTION MINING: CASE STUDY**

As part of our mining operations we have a requirement for extensive earth works, when lifting the walls of our tailings dams. An unknown (to Evolution) regional business based out of Toowoomba tendered for the work. They were a young private family business who were able to demonstrate the experience they had, the organisations they worked for and what type of projects these were. They had sound safety systems, however these were not relevant to the mining sector, as they had no experience within this sector or with tailing lifts.

They understood how important local procurement and employment is to communities, had researched local businesses within the mine region and clearly articulated whose services they would use and estimated the local spend if awarded the contract.

They were successful and after completing that work have gone on to complete other tailing lifts (through the tendering process) at our other mines.

Local employment (workforce) varies by project, as it is dependent of the mine location, however as an average it would be 30-40% local content, the balance comes from the Toowoomba region. Once again depending on the goods and service available within the mine location, they source; accommodation, tyre repairs and replacement, mechanical requirements, fuel and lubes, catering groceries, equipment hire e.g. portable buildings, lifting gear, poly pipes etc. For one of the larger projects this equates too; 15 local people employed and average spend on goods and services of $500-$600K – this would span over a seven month period.

When evaluating tender submission we take all of the above into consideration and for this specific company we provided additional support to ensure they had the opportunity to demonstrate their capability, which included value to the communities we operate within.
7. ADDITIONAL CASE STUDIES

QGC

In order to further improve our performance at this level, QGC convenes a monthly Local Content Committee, which includes representatives from our Contracts and Procurement, Social Investment, Indigenous Relations and Sustainability Performance teams. The committee is driven by our Vice President for External Affairs and Sustainability and so is supported by the highest level of management. The committee helps QGC identify opportunities for engagement with local businesses, implementation of capacity building programs and specific work packages which are suited for local or Indigenous participation.

To view QGC’s local content report, click here.

CENTRAL HIGHLANDS DEVELOPMENT CORPORATION (CHDC)

Mobbs Engineering Pty Ltd has been contracting manufacturing and portable welding and repair to the Central Highlands resource sector since 2007. Through this Local Small Business they have employed 100% local staff and created 24 full time positions in the community that are required to live within the region as terms of their employment.

Mobbs Engineering Pty Ltd Source their products locally, 92% of their steel for fabrication is bought through local business that drives local economies. Several local businesses rely on the business that is created through major contracts with the coal mines in the northern region of the Bowen Basin.

Flow on effects of the resource sector to the emerald region has created full time work and sustained businesses like Mobbs Engineering from closing its doors. Through this the business has established and diversified through to different sectors and created a local option for agricultural businesses and industries alike. Without the support from the resource sector this business would not be fully viable today.

RIO TINTO

Local Western Cape York company, NQ Civil Engineering Contracting Pty Ltd (NQCEC) has successfully secured the 2016 road maintenance contract on Rio Tinto’s A$2.6 billion Amrun project.

The crew started on site in late September to undertake maintenance work on the project’s site access roads, including re-sheeting, dust suppression and maintaining required stormwater controls.

Managing Director of NQCEC and Wik Traditional Owner, Bruce Martin, said “The Amrun project is practically in our backyard, so when the opportunity presented itself to express interest in securing one of the site based contracts, we were keen to grab it with both hands.”

For link to more information about the project, click here.
LIVEWELL AUSTRALIA
On the professional and corporate health services front, LiveWell Australia provide expert Health and Wellness services for the New Hope Group. The contract was secured in 2012 for the design and delivery of a formal program of work known as the New Acland Coal Live Well, Work Well program.

LiveWell’s approach as the supplier of services has been to design an award winning program of health support services for New Hope Group from their core areas of expertise in the traditional allied health services such as physiotherapy, occupational therapy, dietetics, psychology and exercise instruction. They have also maximised their relevance to the New Hope Group by developing value-added consultancy services for employees such as financial advisors, work cover consultants and drug/alcohol awareness seminars.

In addition, over the past 26 months, New Hope Group employees at New Acland Mine have participated in an innovative range of programmed activities implemented through the employee-led Health and Wellness Committee. These have included increasing water intake, doing healthy food swaps, undergoing free skin cancer checks, participating in fun runs and taking steps to reduce stress and manage fatigue. This has been achieved by LiveWell recruiting a number of other local specialist providers to New Hope Group’s program.

New Hope Group have displayed a genuine appetite to inform, motivate and empower employees to take ownership of their own health and wellness. New Hope Group have also expanded their utilisation of the LiveWell Australia model to other asset locations within their mining operations. The local LiveWell business incorporates a range of partner providers servicing Ipswich and Brisbane.

New Hope Group took out the title of Best Workplace Health and Wellbeing Initiative at the 2015 Queensland Safe Work Awards for the New Acland Live Well, Work Well program, a much-celebrated nod to their continued commitment to health and safety excellence. Having been recognised for its success, both New Hope Group and LiveWell Australia are looking forward to seeing future improvements the program will make to the lives of New Hope Group employees.

LiveWell Australia’s head office is located in Toowoomba, servicing a wide range of organisations in the industrial, commercial and resource sectors. With several contracts in place similar to that of New Hope Group, they have a strong staff and sub-contractor network of 20.