

## MOU KEY PERFORMANCE INDICATORS

### Purpose of the MoU Key Performance Indicators

The MoU key performance indicators will be collated by the National MoU Facilitator on an annual basis and used to report to the National Steering Committee (NSC) to:

- Measure the level of impact MoU activities are having at each site cumulatively across all sites.
- Provide the opportunity for the NSC identify barriers to implementation at sites and support sites to resolve them.
- Review the effectiveness of the MoU governance and administrative systems and undertake actions as required.

The annual report and agreed NSC actions will be distributed to the Site Steering Committees (with the exemption of identified confidential measures).

### MoU Outcomes to be measured

The outcomes that the MoU is committed to achieving are:

- a. Improved employment outcomes for local Indigenous Australians
- b. Enterprises that are owned and managed by local Indigenous Australians are established and supported
- c. Increased participation of Indigenous Australians in minerals industry and government supply chains
- d. Effective governance and administration of the MoU including increased Indigenous Australian participation
- e. Leading practice employment and enterprise development opportunities for Indigenous Australians are identified and disseminated

### Measurement of Outcomes a, b & c

The MoU sites will differ in respect to which combination outcomes they will focus on. They will also differ in how they measure these outcomes as their strategies for achieving outcomes will be relevant to the locally identified barriers and opportunities. The availability of data to measure progress in each of these sites can also be expected to differ. For these reasons it will be expected that:

- Each site will identify which combination of outcomes it will be addressing in their strategic plan.
- The strategic plan will identify the indicators that will measure progress against these outcomes.
- The MoU Facilitator can provide guidance on the selection of indicators during the preparation of the strategic plan and will provide feedback on the appropriateness of the proposed indicators when the strategic plan is completed.
- The Site Coordinators will report annually on how their respective indicators are tracking.

- The MoU Facilitator will collate this information in the form of indicators moving forward, neutral or regressing for each site and compile an annual report for all sites to illustrate how they are performing against the outcome measures.

Some potential indicators that could be used to measure performance against outcomes a, b & c are outlined in Attachment One where the value of these indicators are analysed. As there isn't a 'perfect' indicator it will be expected that sites will use both a number of indicators and a combination of qualitative and quantitative indicators in order to tell a story and to counterbalance the inadequacies of a single indicator to measure progress against an outcome.

### **Measurement of Outcomes d & e**

The indicators for measuring d & e, and how they are to be collected, are listed in Attachment One. They are predominantly satisfaction measures, as well as an analysis of how MoU site annual action plans and National Steering Committee (and State) action plans have been implemented. It will be expected that each site will develop annual action plans, that sit under the Strategic Plans, which are provided to the MoU National Facilitator.

### **Reporting**

An annual report will be prepared compiling the information collected at sites to identify the cumulative outcomes achieved, common issues identified and actions that will be implemented to address them. This report will be made available on the Minerals Council of Australia website. Identified staffing and management issues will be dealt with through NSC meeting procedures and will not be made public.

## MOU KEY PERFORMANCE INDICATORS

KPI	Explanation	Collection of Data	Comments on reliability/availability
<b>a. Improved employment outcomes for local Indigenous People</b>			
<ul style="list-style-type: none"> <li>The proportion of mining companies at MOU sites that have set employment targets Indigenous Australians increases over the lifetime of the MoU implementation.</li> </ul>	<p>This indicator measures the commitment of mines at MOU sites to employing Indigenous Australians. It is anticipated that this figure will either remain the same or increase over the period of the MoU.</p>	<p>The data would need to be collected by Coordinators at the MOU sites and the National Facilitator will collate a total figure. Any published information will not identify mining companies.</p>	<p>This data could be difficult to obtain from non participating mines in the MoU. The indicator is not a measure of commitment to implementing the target and/or retention.</p>
<ul style="list-style-type: none"> <li>The proportion of Indigenous Australians employed by mining companies at MOU sites cumulatively increases over the lifetime of the MOU implementation.</li> </ul>	<p>This indicator measures the actual employment of Indigenous Australians at mines at MoU sites over the period of the MOU. It is anticipated that the figures should increase over the period of the MOU.</p>	<p>As above. <i>It would also be useful to collect qualitative data on what is working well and not well for local, state and national committees to use in their strategic planning processes.</i> Any published information will not identify mining companies.</p>	<p>There could be problems collecting this information from non participating mines.</p>
<ul style="list-style-type: none"> <li>The retention rates of Indigenous Australian employees by participating mining companies in the MoU increases over the lifetime of the MOU implementation.</li> </ul>	<p>This indicator will measure how successful participating MoU mining companies are in retaining Indigenous Australian employees, as there appears to be an issue of mining companies investing and getting a poor return. Strategies in the MOU should be enabling them to achieve better value for their investment.</p>	<p>As above.</p>	<p>There is a question as to whether mining companies collate retention data. Mining companies participating in the MoU will need to be encouraged to compile the information and to release it.</p>
<ul style="list-style-type: none"> <li>The proportion of Indigenous Australians</li> </ul>	<p>This indicator measures the actual employment of Indigenous</p>	<p>As above.</p>	<p>Smaller communities are serviced by outreach workers</p>

employed by local Government agencies at MoU sites cumulatively increases over the lifetime of the MoU implementation.	Australians in government agencies at MoU sites over the period of the MOU. It is anticipated that the figures will remain the same or increase over the period of the MOU.		which will make this indicator redundant.
<ul style="list-style-type: none"> <li>The retention rates of Indigenous Australian employees in local Government agencies increases over the lifetime of the MOU implementation.</li> </ul>	This indicator will measure how successful local government agencies are in retaining Indigenous Australian employees. Strategies in the MOU should be enabling them to achieve better value for their investment.	As above.	As above.
<ul style="list-style-type: none"> <li>The number of local Indigenous Australians that are registered as employable and unemployed, and receiving Centrelink payments decreases over the period of the MOU.</li> </ul>	This indicator is attempting to measure whether the MOU is contributing to reducing the unemployment levels of Indigenous Australians at MOU sites.	The Site Coordinators will be responsible for obtaining this information from their local Centrelink office. The National Facilitator will collate this information.	The direct attribution of the MOU to reducing unemployment levels will be more questionable as the size of the community increases and the range of employment options is more diverse. Also questionable is whether Centrelink will release this information for smaller communities and the fact that not all unemployed Indigenous Australians are registered. However as an indicator used with the other indicators it may help to tell a story.
<ul style="list-style-type: none"> <li>Perception of local Indigenous Australians that young people's access to 'real' local employment opportunities has increased.</li> </ul>	This indicator is to gauge whether local Indigenous Australians feel more positive about local employment opportunities for young people being available at MOU sites.	Each site Coordinator will convene a focus group of 8 Indigenous Australians including community leaders and some young people (with a gender balance) at MOU sites to rate	It will be essential that interested Site Coordinators are provided with clear instruction from the National Facilitator as to how the focus group will be selected,

		<p>levels of agreement with this statement on a scale of 1 – 5. The Coordinator should also note the reasons for the assessment, and also what else the focus group believes the MOU Steering Committee should do. The National Facilitator will collate the ratings into a national figure and document comments.</p>	<p>conducted, ratings and comments recorded. Whilst qualitative measures are often viewed as less reliable than quantitative measures, this indicator will provide an Indigenous perspective of whether there is reason to be more hopeful and how the MOU might be more useful. Importantly this question does not specifically measure the success of the MOU as it cannot be expected that all Indigenous people would be aware of the specific actions of the MOU.</p>
<ul style="list-style-type: none"> <li>Perception from the local steering committee that more Indigenous people are being employed by local businesses as a result of the MOU activities specifically.</li> </ul>	<p>This indicator provides an opportunity for the local steering committee to rate their effectiveness. It also broadens the activity away from mining specifically to try and capture opportunities created by Indigenous Business Enterprises, and people being employed by other sectors eg construction, as a result of training facilitated through the MOU.</p>	<p>The National Facilitator will convene a discussion with MOU site Committees in person or via teleconferences to determine to rate levels of agreement with this statement on a scale of 1 – 5. The National Facilitator will also note reasons for the assessment, and also what else the local steering committee believes it could be doing to be more effective. The National Facilitator will collate the ratings into a national figure and document comments.</p>	<p>The National Facilitator will need to apply a ratings process consistently across all the Site Steering Committees that have chosen to measure this indicator. This process will help Local Steering Committees in their strategic planning processes. Whilst qualitative measures are often viewed as less reliable than quantitative measures, this indicator provides an indication of how effectively the MOU process is contributing to Indigenous employment outcomes at each site. Note it is not a measure of the number</p>

			of positions filled, but a measure of how/whether the MOU contributed to people being employed.
<b>b. Indigenous Business Enterprises established and supported.</b>			
<ul style="list-style-type: none"> <li>Evidence that MOU sites are facilitating the development Business Enterprises owned by Indigenous Australians.</li> </ul>	<p>This indicator will identify the number of Business Enterprises owned by Indigenous Australians that the MOU is in process of facilitating/supporting.</p>	<p>The Site Coordinator will provide the number of Business Enterprises owned by Indigenous Australians that the local steering committees are responsible for facilitating/supporting to the National Facilitator who will compile a National figure. It would be useful for the Site Coordinator to also provide a status report to the National Coordinator on the progress being made, a timeframe for establishment, and the number of Indigenous Australians anticipated to be employed.</p>	<p>This indicator may change over a period of time because projects have been defined as non feasible, or new ideas are being tested. It can be expected that given the lead in time for business development there won't be much movement with this figure.</p>
<ul style="list-style-type: none"> <li>The number of Indigenous Australians employed by Business Enterprises owned by Indigenous Australians across the MOU sites has increased.</li> </ul>	<p>This indicator measures the number of Indigenous Australians employed by Business Enterprises owned by Indigenous Australian that are operating in MOU sites. These businesses may have been established independently of the MOU project.</p>	<p>The site coordinator will identify Business Enterprises owned by Indigenous Australians that are currently employing local Indigenous Australians (they maybe based outside of the MOU site) and liaise with them to get local employment numbers. These could be identified through local knowledge and through JSAs operating in the local area.</p>	<p>This indicator will complement the actual numbers provided by mining companies and provide an indicator of the sustainability of local Indigenous employment opportunities post mining presence.</p>

**c. Increased participation of Indigenous Australians in minerals industry and government supply chains**

<ul style="list-style-type: none"> <li>Procurement practices of participating MOU site mining companies and governments require contracted agencies to have Employment Strategies for Indigenous Australians that include employment targets.</li> </ul>	<p>This indicator will measure the commitment of companies and agencies participating in the MOU process to requiring that contractors employ Indigenous Australians as a condition of engagement.</p>	<p>The site coordinator will need to ask participating MoU mining companies and government agencies to identify whether the procurement practices are compliant with MOU expectations. The number and proportion of compliant members should be provided to the National Facilitator for compilation.</p>	<p>MoU sites may wish to measure the number of Indigenous Australians who have been employed through the supply chain and whether it is increasing or not. However many contracting agencies will be working across a region or a number of regions and maybe based in another community. The Indigenous Australians employed may not necessarily come from or service the MoU site and therefore the direct community benefit could be tenuous.</p>
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**d. Effective governance and administration of the MOU including increased participation of Indigenous Australians**

<ul style="list-style-type: none"> <li>Implementation of local and National Committee strategic plans.</li> </ul>	<p>This indicator will measure the effectiveness of Steering Committees to both develop and implement their strategic plans. The strategic plans will be reported against by measuring the proportion of actions implemented that cumulatively will contribute to the MoU outcomes eg participation in training should lead to employment outcomes.</p>	<p>Each Committee will be required to develop a strategic plan which is clear about outputs and outcomes that will be achieved. The Coordinators will be responsible for providing an annual report highlighting the achievements against the annual report and to identify how much of the plan was implemented which should be endorsed by the Committee. The National Facilitator will be responsible for reviewing the reports to ensure consistency or response and to</p>	<p>This indicator will incur the most time to compile and could be the most contentious. Timeframes will need to be established and the National Facilitator supported in negotiations where required.</p>
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		negotiate ratings as required. The National Facilitator will compile all the ratings into a single rating for MOU implementation.	
<ul style="list-style-type: none"> <li>Satisfaction from local site Steering Committees with support/leadership provided by the State (where relevant) and National Steering Committee.</li> </ul>	This indicator is a measure of performance of the National Steering Committee.	The local steering committee will provide a rating of satisfaction from 1 – 5 on the annual review sheet and provide comments to support the rating. The National Facilitator will collate the ratings into a national figure and document comments.	The National Facilitator will need to apply a ratings process consistently across all the Site Steering Committees.
<ul style="list-style-type: none"> <li>Satisfaction among the members of the National, State, and Local Steering Committees that the MOU is achieving local outcomes.</li> </ul>	This indicator measures the perceived success of respective Steering Committee in achieving outcomes that include employment but which maybe broader as specified in Action Plans.	The respective Steering Committees will provide a rating of satisfaction from 1 – 5 on the annual review sheet and provide comments to support the rating. The National Facilitator will collate the ratings into a national figure and document comments.	The National Facilitator will need to apply a ratings process consistently across all the Site Steering Committees.
<ul style="list-style-type: none"> <li>Satisfaction that the National MoU Facilitator is providing support in developing Strategic Plans and Action Plans and assisting Coordinators to address barriers to implementation.</li> </ul>	This indicator will measure the perceived effectiveness of the National MoU Facilitator in supporting the work of the Local Steering Committees and their Coordinators.	Coordinators and the Chairs of the Local Steering Committees will provide a rating of satisfaction from 1 – 5 on the annual review sheet and provide comments to support the rating. The MCA will compile the ratings into a single National figure and will document comments.	Should be used as feedback to the Coordinator and for the knowledge of the Working Group & NSC.
<ul style="list-style-type: none"> <li>Participation of local Indigenous Australians in the MoU governance and administration activities.</li> </ul>	This will be a measure of how effectively Indigenous Australians are being engaged in the MoU decision making processes.	Coordinators will be required to report on how local Indigenous Australians were involved in the MoU governance and administration activities in the	Involvement of local Indigenous Australians will vary from site to site dependent on capacity, perceived relevance, funding that is available, and



		annual review sheet. The nature and level of involvement of Indigenous Australians will be collated across the sites and reported to the NSC.	Coordinator skills.
<b>e. Identify and disseminate leading practice in employment and enterprise development for Indigenous Australians.</b>			
<ul style="list-style-type: none"> <li>Satisfaction among Coordinators with the support provided by the National MoU Facilitator to identify and develop leading practice initiatives.</li> </ul>	This indicator will measure the level of satisfaction that Site Coordinators have with the National Facilitator in providing best practice advice on models/projects/funding that could be relevant to the work undertaken at MOU sites.	Coordinators and the Chairs of the Local Steering Committees will provide a rating of satisfaction from 1 – 5 on the annual review sheet and provide comments to support the rating. The MCA will compile the ratings into a single National figure and will document comments.	Should be used as feedback to the Coordinator and for the knowledge of the Working Group & NSC.
<ul style="list-style-type: none"> <li>Satisfaction among Coordinators that the Coordinator's network is providing adequate opportunities to share good practice.</li> </ul>	This indicator will measure how useful liaising and sharing information with other MOU Coordinators has been. The indicator should serve as a reminder to Coordinators to utilise the network effectively.	Coordinators and the Chairs of the Local Steering Committees will provide a rating of satisfaction from 1 – 5 on the annual review sheet and provide comments to support the rating. The MCA will compile the ratings into a single National figure and will document comments.	Should be used as feedback to the Coordinator and for the knowledge of the Working Group & NSC. The information will provide feedback on capacity development strategies which may need to be incorporated.