



Australian Government



**Memorandum of Understanding
on Indigenous Employment and
Enterprise Development**

Between

The Australian Government

and

The Minerals Council of Australia

Preamble

The Australian minerals industry is a significant economic catalyst in rural and remote Australia, both directly through employment and enterprise development, and indirectly through supporting broader economic opportunities. The minerals industry recognises that its future is inextricably linked to the economic futures of these regions and communities.

Through its Closing the Gap agenda, the Australian Government is committed to addressing Indigenous disadvantage and working with Indigenous Australians to strengthen their participation in the Australian economy. Economic participation lies at the heart of improving the lives of Indigenous Australians and Indigenous communities are seeking to share in the long term benefits that flow from minerals development.

Concurrently, members of the Minerals Council of Australia are committed to building and maintaining a social licence to operate, recognising the mutual benefits of Indigenous engagement and sustainable local communities. This commitment is evidenced in many ways including through agreements between minerals companies and Indigenous Australians that centre on respect for the rights and interests of Indigenous peoples and that lay the foundation for intergenerational benefits.

A wide range of other initiatives promoting access to economic opportunities are currently being undertaken by the minerals industry, Government and Indigenous communities. However, the Parties recognise that more effective collaboration and engagement will deliver enhanced outcomes.

This Memorandum of Understanding builds on the experience of the Memorandum of Understanding signed in 2005, providing a renewed focus on the importance of strong partnerships between the minerals industry, Government and Indigenous communities. It provides a formal mechanism for the minerals industry and Government to continue to work together with Indigenous people and communities to provide more sustainable economic outcomes for Indigenous Australians.

Parties

This Memorandum of Understanding is between the Australian Government and the Minerals Council of Australia (the Parties):

- The Australian Government will coordinate its participation across agencies, and draw on other levels of government consistent with the principles, agreements and national partnerships agreed by the Council of Australian Governments (COAG).
- The Minerals Council of Australia will coordinate participation of its member companies.

Partners

The Parties to the Memorandum of Understanding agree that Indigenous peoples and communities are primary and essential partners for implementation at the local level.

Other participants for implementation at the local level may include:

- Indigenous organisations and businesses;
- State and Territory governments and their relevant agencies;
- Local government;
- Industry bodies;
- Non MCA minerals companies; and
- Other employers, including those in the minerals industry and government supply chains.

Purpose

The purpose of this Memorandum of Understanding is to contribute to developing self sustaining and prosperous Indigenous communities in mining regions, in which individuals can create and take up employment and business opportunities.

This will be achieved by a strong partnership between the minerals industry and government that works with Indigenous people on a local or regional basis to:

- facilitate enhanced Indigenous participation in the minerals industry and related economic activities through supported pathways from education and training to employment and enterprise development; and
- contribute to positive socio-economic outcomes in Indigenous communities in supporting:
 - the Government's commitment to addressing Indigenous disadvantage and strengthening Indigenous economic development;
 - the minerals industry's commitment to ensuring societal benefit through the development of natural resources; and
 - a shared minerals industry and Government commitment to work with local Indigenous communities and organisations to enhance community capacity and support a sustainable future.

Scope

Through stronger engagement by the Parties, this Memorandum of Understanding will build sustainable partnerships between communities, government and industry in one or both of the following:

- Indigenous Employment:
 - pathways from education and training to employment;
 - flexible provision of pre-employment education and training services, mentoring and retention support;
 - career pathways and career development; and
 - employment opportunities in other co-located industries.
- Indigenous Enterprise Development:
 - identifying business opportunities and building business capacity in the minerals industry, related services and their respective supply chains;
 - building Indigenous business capacity in government service delivery; and
 - partnering to support business development.

The Parties recognise that increasing the capacity of communities and organisations to effectively engage in local partnerships is integral to the success of this Memorandum of Understanding, including through:

- strengthening community governance and organisations;
- enhancing the participation of the Parties and partners; and
- contributing to effective regional planning and its application.

Implementation

Oversight of the Memorandum of Understanding will be provided by a National Steering Committee comprising joint minerals industry and Government representation. The National Steering Committee will set the strategic direction and drive partnership arrangements that:

- provide national coordination between government and industry; and
- communicate the progress of the Memorandum of Understanding.

The activities under this Memorandum of Understanding will be coordinated by the Parties at local sites, building on existing industry, community and government initiatives, and recognising the appropriate roles of each Party. These activities will be delivered through:

- a flexible, place-based approach determined by local needs and aspirations, and supported by national coordination of capacity building and the sharing of leading practice; and
- the development of action plans, including objectives, accountabilities, resourcing and measures of success, agreed at the local level.

The Parties will encourage participation under this Memorandum of Understanding to build Indigenous employment and enterprise development opportunities. Participation will be on an opt-in basis by mining companies and Indigenous people or communities.

To achieve the outcomes of this Memorandum of Understanding:

- the Government will facilitate effective 'whole of government' coordination to enable Memorandum of Understanding sites to better access government services and programs;
- minerals companies, as members of the Minerals Council of Australia, will facilitate enhanced access to employment, employment related training and supply chain opportunities; and
- Government and industry participants at the local level will ensure agreed local processes are appropriately resourced and support the participation of local non-industry partners.

Arrangements under the previous Memorandum of Understanding, including existing agreements and Memorandum of Understanding sites, remain undisturbed except by agreement.

Resourcing

The Parties agree that appropriate resourcing is needed to achieve the purpose of the Memorandum of Understanding. The Parties, therefore, commit to:

- appropriately resourced national arrangements;
- resourcing a national facilitator, to be agreed by both Parties, to support the implementation of the Memorandum of Understanding; and
- supporting and appropriately resourcing the Parties' participation at the local level.

Timetable

The Memorandum of Understanding will come into effect on the date on which it is signed and will be in effect for five years, with extension/s by agreement of the Parties. A review of the implementation of the Memorandum of Understanding will be conducted during the fourth year of its operation. The National Steering Committee will report annual progress over the life of the Memorandum of Understanding including its contribution to Closing the Gap.



The Hon. Jenny Macklin MP
Minister for Families, Housing,
Community Services and
Indigenous Affairs

Outcomes

In line with the purpose of this Memorandum of Understanding to contribute to developing self sustaining and prosperous Indigenous communities in mining regions, the Parties will work together to achieve the following outcomes:

- Increased employability and jobs for Indigenous people.
- Increased business enterprises for Indigenous people.
- Increased Indigenous participation in minerals industry and government supply chains.
- Adoption of the approach set out in this Memorandum of Understanding in key mining regions.
- Identification and dissemination of leading practice in Indigenous employment and enterprise development.

By achieving these outcomes, this Memorandum of Understanding will contribute to the Closing the Gap targets, particularly the target of halving the gap in employment outcomes within a decade.



The Hon. Brendan O'Connor MP
Minister for Employment
Participation



The Hon. Martin Ferguson AM MP
Minister for Resources and
Energy, Minister for Tourism



Mr Ian Smith
Chairman
Minerals Council of Australia