International Mining for Development Centre
Mining for Development: Guide to Australian Practice

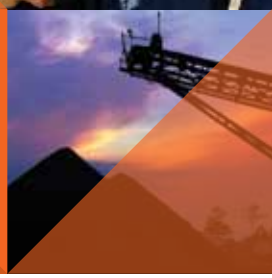
Social impact assessment of resource projects

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Introduction

The social performance of resource projects has attracted greater attention and scrutiny from communities, governments and increasingly mineral and energy companies in recent times. **How the costs and benefits of resource development are distributed can have an enormous influence on the success of projects and this realisation has led to a strengthening of government and corporate policy with regard to social impact assessment (SIA), social responsibility and community relations.**

This paper describes aspects of the legislative and policy framework for the assessment and management of the social impacts of resource projects in Australia. Australian state governments have adopted varied approaches to the assessment and management of social impacts. The paper does not attempt to provide a comprehensive review of SIA policy in Australia, nor should it be used as a guide to the jurisdictional requirements. Instead the paper highlights the leading practice initiatives that have improved outcomes for the communities and social groups impacted by projects.

The paper begins with an outline of the social issues associated with resource development and an explanation of SIA and its importance. A range of case studies of initiatives and policies adopted by governments in Australia are summarised.

The importance of a policy environment that encourages good social performance

Experienced resource development companies with the capabilities to develop projects and a track record of being respectful and responsive in their dealings with governments, communities and civil society, are attracted to jurisdictions with clear and effective governance regimes. These companies have come to appreciate the economic, social and environmental challenges that mineral development can bring. They understand that irresponsible management of economic, social and environmental issues reduces the prospects for long-term success of developments and can lead to delays, shutdowns, and even the closure of projects.

The advantages for business and government of an effective policy regime for assessing and managing social impacts include:

- Ensuring developments contribute to economic growth and social development over the long-term;
- Attracting experienced and capable companies;
- Reducing project risks and providing greater certainty for investors, government, and society;
- Increasing long-term success and avoiding delays, shutdowns, and even the closure of projects;
- Identifying issues early, avoiding and reducing costs when compared to unplanned solutions, and incorporating unavoidable costs into feasibility, project development and planning;
- Planning for social and physical infrastructure;
- Informing and involving internal and external stakeholders and assisting to build trust and mutually beneficial outcomes;
- Improving the quality of life of employees and improving attraction and retention of skilled workers;
- Enhancing competitive advantage and reputation, by implementing innovative approaches, setting high standards for other businesses and leaving a positive legacy beyond the life of the project; and
- Complying with international principles and standards.

THE SOCIAL IMPACTS OF RESOURCE DEVELOPMENT

Resource development brings change. Projects have the potential to negatively impact the environments, communities and economies overlying and surrounding developments. Conversely, they also can bring opportunities through the conversion of the natural resource into financial resources, the development of social capacities and skills, infrastructure and business development, and the investment of those resources into environmental and social programs.

Economic, social and environmental changes are interlinked. The impacts on ecosystems, for example, can disrupt the environmental services that are provided by these ecosystems and the economies and livelihoods of people reliant on these services. Impacts are also dynamic. For example, new employment opportunities often considered a key benefit of projects may in fact lead to social challenges if the specialist skills required by the industry are not available locally or take time to develop through vocational training programs. Planned and un-planned in-migration of workers and the associated population growth can create greater demands on social services, such as health, education, housing and commerce as well as physical and social infrastructure. If managed well, population growth can be a driver for improved infrastructure and services, however, the long lead-time required to improve existing services and infrastructure has created challenges in many resource regions.

In-migration and demographic change can also challenge the social cohesion and customs of communities and disrupt social order. Where single male workers make up a significant proportion of the workforce, prostitution can be a common feature. Work camps can be a source of local dissatisfaction if not effectively integrated into local communities.

Developments also have the potential to disrupt existing land uses and industries, such as agriculture, tourism and fishing. As resource development activities grow, the demand for goods and services can lead to increases in prices. People working in service and agricultural industries, which commonly do not attract the same level of pay as resource sector workers, may not be in a position to afford these increased costs. At the same time resource development, if well planned, provides the opportunity to strengthen local businesses and economies and generate royalties and taxes.

The way in which change comes about also influences how that change is experienced by society. When stakeholders have an opportunity to actively participate in the decision-making of resource developments and ensure the project is consistent with their values and livelihoods, their experience of those developments tends to be more positive and their attitudes toward projects more supportive. Public participation may take the form of local community consultation, opportunities for civil society involvement in impact assessment processes, or more active participation such as involvement in ongoing community reference panels, or participatory environmental and social monitoring initiatives.

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Table 1: Common change induced by mining that can lead to social impacts (Franks, 2011).

Social and Cultural Change	
Population and demographics	In-migration, out-migration, workers' camps, social inclusion, growth or decline of towns, conflict and tensions between social groups
Social infrastructure and services	Demands on and investment in housing, skills (shortages and staff retention), childcare, health, education, and training
Crime and social order	Corruption, domestic violence, sexual violence, substance abuse and trafficking, prostitution, change in social norms, pace of change for vulnerable communities
Culture and customs	Change in traditional family roles, changing production and employment base, effect of cash economy, reduced participation in civil society, community cohesion, sense of place, community leadership, cultural heritage
Community health and safety	Disease, vehicle accidents, spills, alcohol and substance abuse, pollution, interruption to traditional food supply, awareness and treatment programs
Labor	Health and safety, working conditions, remuneration, right to assemble, representation in unions, labor force participation for women
Gender and vulnerable groups	Disproportionate experience of impact and marginalization of vulnerable groups (e.g., women, disabled, aged, ethnic minorities, indigenous, and young), equity in participation and employment
Human rights and security	Abuses by security personnel (government, contractor, company), social disorder in camps, suppression of demonstrations, targeting of activists, rights awareness programs
Economic Change	
Distribution of benefits	Employment, flow of profits, royalties and taxes, training, local business spending, community development and social programs, compensation, managing expectations, equitable distribution across state/regional/local/ethnic/family groups, cash economy
Inflation/deflation	Housing (ownership and rents), food, access to social services
Infrastructure	Demands on, and investment in, roads, rail, ports, sewerage, telecommunications, power and water supplies
Socio-Environmental Change	
Pollution and amenity	Air (e.g., dust), water (e.g., acid and metalliferous drainage, cyanide, riverine and submarine waste disposal), noise, scenic amenity, vibration, radiation, traffic, government capacity to monitor and regulate
Resources (access/competition)	Land, mobility, water (groundwater, river, ocean), mineral resources (artisanal and small-scale mining), cultural heritage, forest resources, human, postmining land use
Resettlement	Consent and consultation for resettlement, compensation, ties to land, adequacy of resettlement housing and facilities, equity, postsettlement conditions, livelihoods
Disturbance	Disruption to economic and social activities (including by exploration), consultation for land access, frequency and timing, compensation
The Process of Change	
Community engagement	Consultation, communication, participation, empowerment, access to decision makers, transparency, timing, inclusiveness – particularly for vulnerable and marginalized groups – respect of customs and authority structures, reporting
Consent	Indigenous sovereignty/title (free, prior, and informed consent), community consent
Participation	Planning, development of programs, monitoring, selection of alternatives and technologies, operational aspects
Remedy	Grievance and dispute resolution, acknowledgment of issues, compensation, mitigation
Agreements	Equity, timely honoring of commitments, issues with delivery, duress, clarity of obligations, capacity and governance (including government capacity to respond to and manage change)
Community development	Participation, adequacy, appropriateness, capacity to facilitate, consistency, prioritization

WHAT IS SOCIAL IMPACT ASSESSMENT?

Social impact assessment (SIA) is a process for understanding and responding to the social issues associated with development. **SIA is focused on how to identify, avoid, mitigate and enhance outcomes for communities and is most effective as an iterative process across the life cycle of developments, rather than a one-off activity at the outset of mining** (Vanclay 2003; Becker and Vanclay 2006; Franks 2011; Esteves et al.,).

While originally conceived as a tool for predicting impacts of proposed projects prior to development, SIA is now considered to include the systems and strategies undertaken during the implementation phases of a development (including exploration) to monitor, report, evaluate, review, and proactively respond to change.

A social impact is something that is experienced or felt (real or perceived) by an individual, social group or economic unit. Social impacts are the effect of an action (or lack of action) and can be both positive and negative. Social impacts are distinct from social change processes, partly because different social groups can experience social change differently depending on the circumstances (Vanclay, 2002).

Social impact assessment assists to: identify key issues from the perspective of those potentially impacted by projects; predict and anticipate change; and embed these understandings into ongoing systems and strategies to proactively respond to the consequences of development (Vanclay and Esteves, 2011).

The phases of social impact assessment

Social impact assessment can be considered as a number of distinct but iterative phases within an adaptive management process (Franks, 2011).

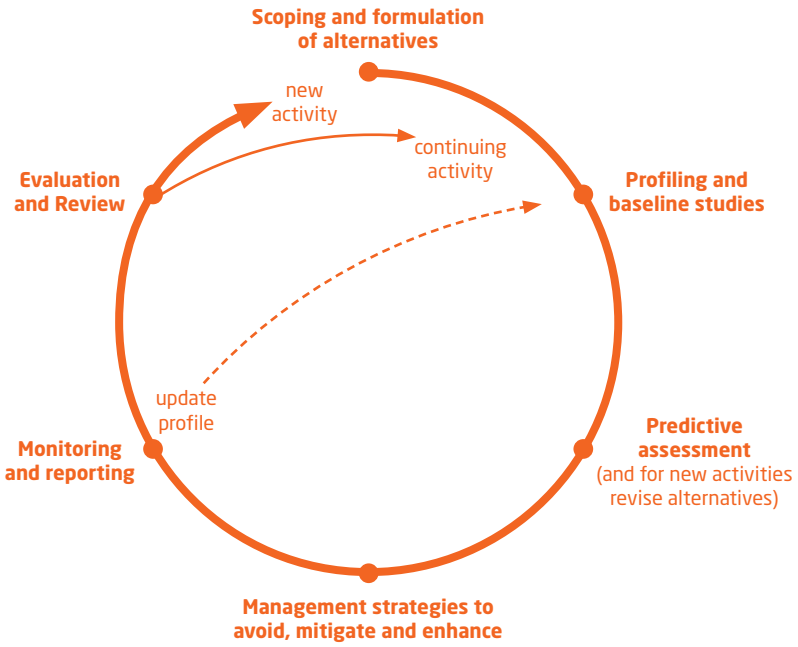
1 Scoping and formulation of alternatives

The scoping phase sets the parameters for the later phases of assessment and management by determining the scale, timing and focus of the assessment, ascertaining who is likely to be impacted and identifying the actions that are likely to result in impacts. Scoping will begin by defining the purpose of the assessment and identifying background material that may influence the assessment. Alternative options should be formulated for later analysis and an initial appraisal of the impacts of these alternatives undertaken. The output of the scoping phase may be the definition of the objective, scope, scale, priority issues and terms of reference for the phases of assessment and management to follow.

2 Profiling and baseline studies

Social profiling consists of understanding the communities and stakeholders potentially impacted by the activity through social and economic research. Profiling involves analysis of the social and economic characteristics of a region at a given point of time. Baselines are an appraisal of the state of a community or social group before an activity takes place. Baseline studies provide a benchmark against which potential impacts can be anticipated and change measured. After a review of secondary information, and the identification of knowledge gaps, a program for the collection of primary data is developed.

Figure 1: The phases of social impact assessment within an iterative adaptive management process (adapted after Franks, 2011).



3 Predictive assessment and revision of alternatives

During this phase, likely impacts are identified and predicted, and their scale and significance evaluated using technical and participatory methods. The choice of methods will depend on the nature of the activity and the phase of the resource development life cycle. The outcomes of predictive assessment and analysis are usually prioritised by their scale and level of significance. They are used to provide feedback to stakeholders as well as to engineers and project developers in order to modify and revise the project, and enable them to decide which proposed project alternative best achieves the objectives of the project while still enhancing social outcomes and avoiding negative impacts.

4 Management strategies to avoid and mitigate negative social impacts and enhance positive impacts

The outcomes of the predictive assessment must then be embedded across all aspects of the business. This may take the form of formalised social impact management systems, social programs and initiatives, site plans, agreements and development of standard operating procedures for high-risk issues. Examples of management procedures to address social issues include cultural heritage management plans, community reference groups, community trusts and funds, human rights and cultural awareness training (linked to human resources systems) and local sourcing and purchasing policies.

5 Monitoring and reporting

The monitoring and reporting phase involves collection, analysis and dissemination of information over time. This phase can assist in refining assessments, track the progress of social impact management approaches and identify changes needed, report to communities on how they are being impacted, and facilitate an informed dialogue around these issues.

6 Evaluation and review

The final phase is to evaluate and review the assessment and management processes. An active and dedicated process of evaluation and review – and importantly, the adjustment of actions – are fundamental features. The reconciliation of impacts predicted during the assessment phase with the actual impacts experienced during implementation will assist in refining and improving future approaches.

Social impact assessment (SIA) is focused on how to identify, avoid, mitigate and enhance outcomes for communities and is most effective as an iterative process across the life cycle of developments, rather than a one-off activity at the outset of mining.

The objectives of social impact assessment for resource projects

The policy and legislative instruments adopted by government should seek to encourage the following objectives. While this list is not exhaustive it does identify a number of issues that are distinctive about resource developments.

Life cycle approach

Resource developers should be encouraged to identify and respond to social impacts at all stages across the life cycle of resource developments with processes adopted to integrate social management into all aspects of a development.

Leaving a long term legacy

Developments should be encouraged to plan for outcomes that reach beyond the life of the operation and should tailor approaches toward enhancing post-resource development futures. Leaving a positive legacy goes beyond the mitigation of negative impacts – it means providing the broader region with something of value beyond the operation.

Engagement

Resource developments should be encouraged to undertake ongoing engagement with, and participation of, community and government. Where appropriate, active processes that seek community involvement in decision-making should be prioritised over passive methods of consultation.

Alignment

Resource developments should be encouraged to align activities with community and government planning and preferred futures through engagement.

Building capacities

Social investments and community development activities undertaken by resource developers should, where possible, seek to build the capacity of communities to undertake activities, and minimise dependency on resource companies.

Partnerships

Where appropriate, resource developers should be encouraged to partner with local and state government, communities, other operations and with other industries to address issues of concern and mutual interest.

Balance between operational and regional context

Resource developers should tailor their approaches to the individual operational context; however, they should also seek, where appropriate, to take a broader approach to ensure that the totality of impacts from other operations, industries and activities are considered, and that efforts to coordinate management, monitoring and mitigation are explored. This is particularly important in resource provinces where multiple operations are located together.

Coordination

A more strategic use of funds, trusts and other investments and activities, and a more coordinated approach across operations, government agencies and geographic regions should be encouraged.

Adaptive management and flexibility

Resource developments should be encouraged to be responsive to changing circumstances and increased knowledge and awareness of impacts over time. They should demonstrate continuous improvement.

SOCIAL IMPACT ASSESSMENT IN THE AUSTRALIAN CONTEXT

Under the Australian federal system, the regulation and development of natural resources are primarily the responsibility of Australia's state governments. The approval and assessment of resource development projects are done under state based legislation. Australian (federal) Commonwealth government legislation may apply for issues of corporations' law, Indigenous peoples and native title, and matters of national environmental significance (for example for issues where Australia has environmental treaty obligations).

Social impact assessment is almost exclusively defined under state based schemes. In the following sections a range of policies and case studies of initiatives adopted by governments in Australia are summarised.

Sustainable Resource Communities Policy – Queensland

The Sustainable Resource Communities policy was introduced in September 2008 and is designed to both maximise the opportunities presented by developments in Queensland resource regions and mitigate and avoid adverse impacts on community infrastructure. Community infrastructure refers to both soft and hard infrastructure around services and processes that enhance the social capacity of communities and may include infrastructure related to health, housing, youth, aged care, leisure, community safety facilities and road safety. The policy aims to improve the assessment and ongoing management of the social impacts of resource developments, provide for greater coordination and collaboration between stakeholders and address resource governance issues.

The policy introduced a dedicated social impact assessment (SIA) unit within the Queensland Government, emphasised greater links between SIAs, community plans and regional planning and introduced social impact management plans (SIMPs) to outline the forecasted changes to communities, the agreed strategies for addressing impacts, and the responsibility of various parties in relation to the management of social issues.

The policy is supported by a governance structure that reports to the Minister and includes community, government and industry representation. At the state level a partnership group has been assembled to share strategic information, develop and coordinate solutions, undertake research into best practice and assessment methodologies and facilitate cross-sector communication to improve the outcomes for resource communities in Queensland. At a resource province/region level, local leadership groups provide ongoing engagement, identify preferred strategies and programs to manage impacts, facilitate links with regional planning processes and develop projects that address the cumulative impacts of resource developments.

More about the policy can be found here:
http://203.210.126.185/dsdweb/v4/apps/web/secure/docs/3072.pdf

Impact statements for project approvals

Social impact assessment is required as part of regulatory approval processes for resource developments in most Australian jurisdictions. These SIAs are usually focused on predicting impacts related to a specific project and are integrated within environmental impact statements (EISs) as part of project level approval in each State.

Project level assessments consist of the same basic process:

1 The production of an initial advice statement (Queensland), application for approval (New South Wales), or environmental scoping document (Western Australia; which may be released for public comment) by the proponent that broadly outlines the scope of the proposal;

2 The development of a Terms of Reference (ToR; Queensland) or report detailing the environmental assessment requirements (New South Wales) to be covered in the assessment (in Queensland the ToR includes provision for public comment, while in NSW the requirements must take into account the views of other government agencies);

3 The production of the Environmental Impact Statement (Queensland and New South Wales) or Environmental Review and Management Program document (Western Australia) by the resource developer (which includes an assessment of social impacts);

4 A period of public review and comment, and if required by the relevant authority, a supplementary report to address issues raised by public submissions; and

5 An agency/Ministerial decision whether to approve the proposal and an environmental assessment report that provides an overview of the process and indicates whether the EIS has complied with the act.

The participatory and analytical methods employed within the SIA will depend on the context of the proposal and the impacts. While there may be context-based variations, some content will be common to SIAs. Social impact assessments should contain information about workforce (size, composition and sourcing, including contractors and sub-contractors); location (proximity to communities, community size, interaction with communities and non-resident workforce); timing (sequencing of development, ramp ups and ramp downs, and transition times); logistics corridors (road, air, rail and port networks); as well as details about any corporate policies and strategies (workforce accommodation, local employment, Indigenous employment, local procurement etc).

The accessibility of past assessments and supporting documentation is a key issue in some jurisdictions. The Western Australian Department of Mines and Petroleum includes documentation on mining proposals and past impact statements within a publicly available online minerals information database (Minedex). The documents are made available alongside details of mine sites and deposits, operational status and mineral resource estimates. By making available past impact assessments the database encourages consistency in practice and methodologies and facilitates comparative analysis of the studies.

Community engagement and involvement

Community engagement in the resources sector ranges from communication of the project proposal to stakeholders and the incorporation of stakeholder views to modify projects, to ongoing participation in assessment and management across the mine life cycle. Increasingly higher levels of engagement are expected by community and governments. **Community engagement and participation can assist in developing open, meaningful dialogue, and can influence decision making, build trust, legitimacy, capacities, address community concerns, manage expectations, tap local knowledge and negotiate mutually beneficial futures that are more sustainable and locally relevant.** The form and level of engagement will vary across the mining life cycle and the phases of social impact assessment.

The Australian Commonwealth and state Governments, through the Ministerial Council on Mineral and Petroleum Resources, and in collaboration with the Australian Petroleum Production and Exploration Association, the Australian Coal Association, the Minerals Council of Australia and the Australian Pipeline Industry Association, has developed a series of *Principles of Engagement with Communities and Stakeholders.* The five principles are:

1. **Communication:** Open and effective engagement involves both listening and talking
   a) Two-way communication
   b) Clear, accurate and relevant information
   c) Timeliness
2. **Transparency:** Clear and agreed information and feedback processes
   a) Transparency
   b) Reporting
3. **Collaboration:** Working cooperatively to seek mutually beneficial outcomes.
4. **Inclusiveness:** Recognise, understand and involve communities and stakeholders early and throughout the process.
5. **Integrity:** Conduct engagement in a manner that fosters mutual respect and trust (MCMPR, 2005).

Further elaboration of each of these elements can be found in the code. http://www.ret.gov.au/resources/Documents/mcmpr/Principles_for_Engagement_with_Communities_and_Stakeholders.pdf

Community Engagement Plans - Victoria

The state of Victoria requires potential mineral licensee holders to prepare and document commitments made to communities affected by exploration and operational mining activities. Licensees have a duty to consult with communities proactively to build relationships that reflect the values of: trust, mutual respect, transparency and understanding. Communities need opportunities to provide feedback to the licensees on issues that are important to them as part of creating and maintaining a 'social license to operate'. This begins with a prescribed consultation process followed by the development of a Community Engagement (CE) Plan which 'clearly identifies the community and describes how, when and what engagement will occur with that community during all stages of the mining project.' These CE plans need to be approved by the Department of Primary Industries before a licensee has authority to develop a mining lease. In addition to guidance documents for potential mineral license holders the department has developed a landholder information booklet to answer frequently asked questions about the rights of landholders whose property is subject to exploration. Among the topics addressed are: the community consultation process; management of environmental impacts; considerations of public safety; and negotiation of access and compensation agreements.

http://www.dpi.vic.gov.au/earth-resources/community-information/guidelines-exploration

http://www.dpi.vic.gov.au/__data/assets/pdf_file/0016/28051/New-Landholder-Information0410.pdf

Community engagement and participation can assist in developing open, meaningful dialogue, and can influence decision making, build trust, legitimacy, capacities, address community concerns, manage expectations, tap local knowledge and negotiate mutually beneficial futures that are more sustainable and locally relevant.

Community Consultative Committees – New South Wales

Community consultative committees are reference groups that can provide a forum for generating feedback about operational and proposed activities. A significant proportion of mining operations in Australia have such committees. In NSW community consultative committees are a condition of approval by the Minister for Planning. The committees provide feedback on the project assessment, the implementation of the conditions of approval, the results of monitoring and annual environmental management reports, and review the resolution of community complaints. The committees may undertake site visits, advise on initiatives to which the company may contribute and liaise with committees from other mines to discuss common issues and respond to cumulative impacts.

Membership includes an independent chairperson, 3-5 representatives of the local community and other stakeholders, a representative of local government and 2-3 representatives of the mine. State government representatives are not part of the committee but can attend specific meetings at the request of the committee. Community representatives are chosen following advertisement in the local press. Meetings are to be held at least quarterly, with minutes recorded by company representatives and available to the public, usually through the company website. While the committee is encouraged to communicate with the broader community, only the Chairperson can speak publicly on its behalf.

For community consultative committees to be at their most effective, there needs to be strong governance and feedback mechanisms back to the broader community to provide an opportunity for input and to report on outcomes. There is also a need to ensure broad representation, including groups such as youth and aged organisations, local business, tourism, health, welfare, policing and education in addition to environment, government and community groups to ensure a range of issues are covered, while also keeping committees to a manageable size.

http://www.planning.nsw.gov.au/assessingdev/pdf/ccc_guidelines_2007.pdf

Social Impact Management Plans

Social Impact Management Plans (SIMPs) outline strategies undertaken during the implementation phases of a development (including closure) to monitor, report, evaluate, review and proactively respond to change. **SIMPs are increasingly becoming a requirement by governments and investors of projects.** They are usually developed as an outcome of the preparation of impact statements for project approvals and then periodically updated. The plan will respond to the priority social issues identified during the assessment. SIMPs should ideally articulate an internal company management system to respond to impacts in an adaptive way over the life cycle of projects.

In Queensland SIMPs are required to be submitted alongside SIAs for project approval. The plans are a stand-alone document that summarise the findings of the SIA and outline the ongoing management and monitoring of impacts. The Queensland Government has developed a guideline that outlines the requirements: http://www.dlgp.qld.gov.au/resources/guideline/simp-guideline.pdf

Regional and community development

Alongside local business development and employment, resource developers also typically have programs to support community activities, social infrastructure and services. Traditionally these programs have been part of a broader public relations profile, but in recent years there has been a shift toward a community and regional development approach that prioritises and coordinates investments with community needs and preferred futures.

Community and regional development programs present an opportunity to focus and coordinate investments at a site and regional level. Community development may be prioritised by the scoping, baseline and profiling, and predictive assessment phases of social impact assessment and, most importantly, through community participation. **Partnerships** are often the best way to facilitate local capacity building and development programs, social services and infrastructure (Kemp, 2009). Partnerships between organisations, service providers, governments, other resource companies and peak industry bodies can be effective in mobilising greater resources, leveraging investment and coordinating activities to respond to complex issues. Partners may also be better placed to deliver community development initiatives and community-led initiatives can build the capacity of communities and their organisations to avoid dependence on resource developers. Governments can play a key role to encourage more effective and aligned delivery of community and regional development.

Pilbara Cities Initiative - Western Australia

"Pilbara Cities" is a program that uses mining royalties to benefit isolated communities in the Pilbara region. The Pilbara hosts a significant proportion of Australia's iron ore, petroleum and natural gas developments. The vision for this 25 year, A$1 billion development program is to promote quality regional living with modern services supporting strong local communities. Due to recent mining and related industrial activities, the Pilbara region has undergone a period of rapid population growth. Consequently, there is not enough affordable housing, community services, educational facilities, infrastructure or other amenities to meet the increased demand. This has placed enormous pressure on isolated regional towns which are already impacted by transient (fly-in fly-out) mining workforces. The initiative seeks to relieve these pressures by:

- Coordinating infrastructure development of water supply, wastewater management, road improvement, port and airport upgrades and expansion and telecommunications;
- Investing in community projects to improve healthcare, recreation facilities, cultural facilities and education opportunities;
- Planning for growth by managing the development of housing for people working in all sectors, investing in city centre revitalization projects, repackaging underutilised or surplus land for development of residential properties; and,
- Increasing both economic and industrial diversity so that the Pilbara is not solely dependent on mining and related industries for income over the long term.

Throughout all of these activities, the consultation and participation of Indigenous peoples is emphasised.

http://pilbaracities.com/

Clermont Preferred Futures - Queensland

Clermont is a small rural community of approximately 2500 people located 200km inland from Mackay, in the Bowen Basin, Queensland. The town was established prior to coal mining in the region. At Clermont, mining company Rio Tinto has worked closely with the local government and community to respond to requests for infrastructure development by supporting a community strategic planning initiative called Clermont Preferred Futures. The requests for infrastructure followed the decision by Rio Tinto to open a second mine (Clermont coal mine) near the existing Blair Athol mine, which is due to close in 2015, and the potential additional impacts that would arise from these transitions. Clermont has become dependent on the economic activity of the mine and the community visioning process provided an opportunity to target future investments to enable a positive post-mining legacy.

Led by the Isaac Regional Council (formerly the Belyando Shire Council), facilitated by the Institute for Sustainable Regional Development at Central Queensland University and sponsored by Rio Tinto, the community plan is a strategic framework to guide development in the community over the coming two decades and ensure investments meet community goals. The exercise was informed by a socio-economic baseline of the town. It consisted of stakeholder mapping, analysing the socio-economic characteristics of the region and the coverage of existing data, identifying previous work and existing plans and strategies and developing partnerships. A vision was developed from targeted community consultation and input from a diverse steering committee. An action plan was formulated and an officer appointed to coordinate implementation. The position is jointly funded between the local government and Rio Tinto. The plan is now used to guide community development and investment activities.

Impact and benefit agreements

Negotiated agreements may occur between resource developers and landholders, communities or Indigenous peoples. The most common type of negotiated impact and benefit agreements in Australia are Indigenous Land Use Agreements (ILUAs), which are provided for under the Native Title Act (more information on ILUAs and Native Title are available from the National Native Title Tribunal: http://www.nntt.gov.au/Indigenous-Land-Use-Agreements/Pages/default.aspx)

Negotiated agreements typically occur on a bi-lateral basis between resource developers and impacted parties, however the impetus for agreements and their content may be influenced by government policy. Examples include ILUAs or Conduct and Compensation Agreements in Queensland (see text box).

Agreements can include provisions about how impacts are to be addressed and the governance processes that manage the relationship between the parties. Negotiated agreements provide additional opportunities for communities to influence or participate in developments and there is scope for the agreements to be explicitly linked to the outcomes of SIAs (Esteves, Franks and Vanclay, forthcoming).

Conduct and Compensation Agreements - Queensland

In the state of Queensland, exploration and new mineral and energy development projects are expanding in number and geographical extent. It has therefore become increasingly necessary for the state government to balance the needs of the agriculture and resource sectors. In 2010, Queensland passed new legislation to provide consistent, transparent, balanced and equitable land access and compensation for both sectors through 'Conduct and Compensation Agreements'. These agreements distinguish between 'preliminary activities' and 'advanced activities' related to minerals or energy exploration. The new framework provides guidelines and support for both landholders and resource authority holders to deal responsibly and directly with one another as they negotiate a balanced and equitable agreement about the use of and compensation for privately owned parcels of land.

Landholders must be given advance notice of entry for preliminary mining-related activities that represent minor effects on landholders. A secondary and compensatory agreement must also be negotiated in person for advanced exploration activities that would significantly disturb a landholder's use of a property. The agreement must outline the proposed activities in advance. New land access laws and standard compensation and deferral agreement templates aim to assist in the negotiation and dispute resolution processes between landholders and exploration license holders. The government recommends that both parties seek independent legal advice as they advance through their negotiations since the framework does not, in itself, prevent or resolve disagreements.

http://mines.industry.qld.gov.au/assets/land-tenure-pdf/6184_landaccesslaws_guide_print.pdf

Aurukun Sustainability Framework – Queensland

The Aurukun Sustainability Framework was an initiative of the Queensland Government aimed at including community perspectives on sustainable development into feasibility studies and the long-term planning of a bauxite mine in Cape York. The case is an example where the acquisition of a mineral tenure (through an international competitive process) required the applicant to meet various social and economic criteria imposed by the state. The state was keen to apply best practices and drew from the past few decades of advances in the mineral sector (in terms of community engagement) along with international principles/guidelines. This case demonstrates that linking social impact issues with technical issues, early on and before an EIA is triggered, is not only important but possible.

The Queensland Government cancelled a mine lease over the bauxite resource that was located adjacent to Aurukun, a region primarily inhabited by Wik and Wik-Way peoples (Native Title holders) on Cape York. The previous tenement holder had not fulfilled the development agreement terms and the state decided to offer tenure to the resource on an international competitive basis.

The Queensland Government wanted to apply best practices, taken from previous stakeholder and industry research and development to address potential areas of environmental management and socioeconomic development deficit. The approach aimed to encompass community interests with sustainable development outcomes for the life cycle of the mine and ensure that the proposed evaluation process was defendable and transparent. Key features to address parties' perspectives and perceived risks included developing a guiding framework with baseline requirements for socioeconomic investigations through a sustainable development plan (SDP), and examining state and commonwealth government policy (including roles, responsibilities, and existing commitments toward sustainable development in the region).

Multi-stakeholder governance

Partnerships and multi-stakeholder working groups are an opportunity to facilitate cooperation around a particular goal and solidify ongoing collaboration to tackle complex problems. Partnerships can exist between project developers, state and local governments, community organisations, unions, etc. A number of Australian states have a policy framework that encourages partnerships for the resolution of social issues associated with resource development.

At a broad level, working groups can share strategic information, develop and coordinate solutions, undertake research into best practice methodologies and facilitate cross-sector communication. At an operational level, local working groups can provide ongoing engagement and feedback to project developers, identify and deliver preferred strategies, programs and projects to address impacts of concern.

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Moranbah Cumulative Impacts Group – Queensland

The Isaac Regional Council, in collaboration with key state government, coal industry, union and community representatives has established a multi-stakeholder reference group to develop and implement strategies for dealing with the cumulative impacts of mining on local amenity in the town of Moranbah. Moranbah is located in Queensland's Bowen Basin and is surrounded by underground and open cut coal mining operations. The group was established based on collective agreement that more could be done to improve the management of cumulative environmental and socio-economic impacts on the town; in particular, dust generation from multiple mining, petroleum, agriculture, land development and industrial minerals activities around the town.

With growth in mining activities around Moranbah, and the prospect of the generation of more dust, the group believes there is much to be gained from a proactive approach now, rather than a reactive approach later. Dust issues have not previously been sufficiently addressed, with the issue currently being dealt with by the regulation of individual mines based on a national standard not tailored to local conditions or perspectives. This system has led to a range of uncoordinated approaches being adopted to manage dust at individual mining operations, including real time monitoring, workforce monitoring, boundary monitoring, and near-to-site sensitive receptor monitoring. Compliance monitoring is currently largely complaint driven. The reference group is pursuing a collective voluntary approach, to supplement the existing regulatory system.

Pilbara Industry's Community Council – Western Australia

The Pilbara Industry's Community Council (PICC) is an industry-led, multi-stakeholder body in Western Australia. PICC consists of BHP Billiton Iron Ore, Chevron Australia, Fortescue Metals Group, North West Shelf venture, Rio Tinto Iron Ore, Woodside, the Commonwealth, Western Australian and local governments, Pilbara communities, and the Chamber of Minerals and Energy Western Australia. PICC has two current areas of work: an Indigenous employment program and a focus on improving towns. Recent projects include the development of employment and population forecasts for the region, a Pilbara Health Initiative and review of education. Multi-stakeholder working groups, such as PICC, offer opportunities to share strategic information, develop and coordinate solutions, undertake research into best practice and assessment methodologies and facilitate cross-sector communication. Multi-stakeholder working groups are well placed to focus on the management of social issues at a regional scale.

http://www.cmewa.com/In_the_Regions/PICC

Conclusion:

TOWARDS BEST PRACTICE

There are growing expectations from communities and governments on resource developers in the area of social performance. **Social impact assessment is an important process that can assist project developers to understand and respond to the changes induced by resource projects, and improve the outcomes for society.** SIA has traditionally involved the use of technical and participatory analytical methods to anticipate change but recent policy changes in Australia are also encouraging the application of management and monitoring strategies across the life cycle of projects to minimise negative outcomes and maximise benefits. **The early consideration of social impacts, the alignment of activities with regional and community planning objectives, and meaningful participation of community in decision making are key features of a policy regime that will demonstrate best practice and support the sustainable development of resource communities.**

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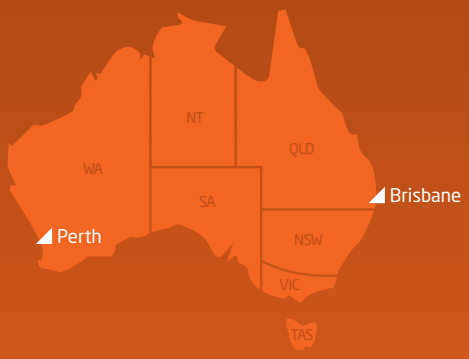
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