

14.4.4 Test Pit Surveys (1, 7)

EPA has noted that further archaeological surveys of the open cut project area were undertaken by Begnaze in September. It has requested that the EIS Supplement includes this survey report and recommendations for mitigative measures for the sites of high archaeological significance found in the Open Cut Project Area.

A predictive archaeological survey of the project area was undertaken in September 2005 so that significant finds could be categorised and managed in accordance with the requirements of the *NT Heritage Conservation Act (1991)*. This predictive survey was carried out over a seven day period and included survey of the banks of the McArthur River, Barney Creek and the lengths of the McArthur River and Barney Creek realignments. Surveyed areas also included the proposed open pit and bund wall, the OEF, and targeted features such as gullies, creek beds, and rocky outcrops that have a higher potential for the presence of archaeological material.

A copy of the survey report entitled “*Supplementary Archaeological and Historic Surveys for the Open Cut Pit Project McArthur River Mine NT Draft Report – September 2005, prepared by Begnaze Pty Ltd*” has been included in Appendix J.

The survey found that there are 3 archaeological sites and 42 background scatters of stone artefacts that will be disturbed by the open cut project. The three archaeological sites (MRM 1, MRM 2 and MRM 4) were assessed as having moderate to high archaeological significance. The survey’s recommendations are summarised below.

Site	Location	Recommendation Action
MRM1	Open Cut	Detailed surface recording including a collection of artefacts
MRM 2	Open Cut	Detailed surface recording including a sample collection of artefacts and a test pit excavation of the site
MRM 3	OEF	Detailed surface recording including a sample collection of artefacts and a test pit excavation of the site
Background Scatters		No further action

The survey report recommends that following excavation and recording, permission to destroy be sought from the Minister for Environment and Heritage.

The survey report also indicates that all background scatters found were of low archaeological significance and as such permission to destroy should be sought.

The survey report concludes that there is a low potential that any significant archaeological material has remained unidentified, and therefore recommends that no further archaeological assessments are required.

Two historic sites were also found relating to mining and exploration activities from the 1960s and 1970s. These historical sites were assessed as having low historic significance and therefore no further survey or action was proposed.

ECNT believes that the forthcoming additional archaeological survey discussed in the Draft EIS should cover all areas to be affected by all components of the open cut project.

As can be seen from the above response, the latest archaeological survey (Bengaze, September 2005) includes all of the areas to be affected by the open cut project.

15.3 Existing Social and Community Trends (12)

MARA considers that Borroloola has a long history of being under resourced and although this responsibility rests ultimately with the NT Government, they consider that MRM has not contributed to the principal areas of this community. MARA specifically referred to road infrastructure and boat ramp facilities.

MRM recognises the under resourcing issues within the Borroloola community. These are national issues of importance to indigenous communities. The response to these issues is a whole of community responsibility. MRM accepts responsibility as a corporate citizen to contribute to government or community based action on these matters.

Under the *McArthur River Project Agreement Ratification Act 1992*, the roles and responsibilities for the provision of roads, airport and port facilities are clearly defined.

The Northern Territory government's responsibility is: "where necessary construct and maintain all the road from the intersection of the access road from the HYC deposit with the Carpentaria Highway to the Mineral Lease on Bing Bong Pastoral Lease No 686". This is a public road.

The Act also allocates responsibility for the airport to the Northern Territory Government for which it charges MRM a fee to cover operating and maintenance costs.

MRM's responsibility was to construct the barge loading facility at Bing Bong which it has done.

In addition, MRM has, in cooperation with Colinta Holdings, agreed to make available a road corridor to Mule Creek across the Mineral and Pastoral Leases. This enables Traditional Owners living on the Sir Edward Pellew Islands and tourists all-weather access to the Mule Creek boat ramp and the waters of the south-west Gulf of Carpentaria. This road has been continually maintained by MRM including following flood damage.

The company has also undertaken to grade roads providing access to indigenous sites of cultural significance in support of Traditional Owners.

In addition, MRM participates in community committees and has also acted as a champion for community issues. Relevant examples include MRM:

- Holding a meeting with NT Department of Community Development, Sport and Cultural Affairs in Borroloola to determine the need for a new local government centre complex in the community.
- Inviting Australian Hearing to establish regular hearing health and screening visits to Borroloola sponsored by MRM.
- Attending meetings with the Commonwealth Rehabilitation Service and a Manager of the Territory Department of Health and Community Services regarding health services in Borroloola and declining health standards.

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- Sponsoring a visit by Australian Journalist of the Year, Paul Toohey from The Australian and a photographer to visit Borroloola and report on the hearing issues amongst Aboriginal children in education.
 - Providing various letters of support for proposals eg. for the Community Education Centre principal's application for the development of vocational education, supporting the establishment of an Aboriginal Hostel.
 - Participating on the Northern Territory Transport and Infrastructure Steering Community.
 - Providing annual support for the local show day, rodeo, sporting and cultural events.
 - Becoming a foundation member for Regional Health Services in the community.
 - Becoming a foundation member for Youth Diversionary/Youth Support Services in the community.

15.3.3 Economics and Employment (12)

MARA has commented that while the draft EIS states that the new workforce will be hired predominantly from Darwin or other regions, MRM states that it is committed to hiring local people when appropriately skilled personnel are available, and will provide employment and training programs in order to train local people (indigenous?) with the necessary skills (apprenticeships?).

Underground Operations

MRM's position is that it does not have 'indigenous jobs', it simply has vacancies for which local community members are welcome to apply. All applicants are judged on their skills and attitude and as per workplace health and safety regulation, are required to comply with drug and alcohol tests.

MRM's aim is to provide links between school programs that encourage children to get a good education and vocational training that provides long-term skills. For this reason, MRM works closely with the Borroloola Community Education Centre and has entered partnerships with:

- the Department of Employment and Workplace Relations to assist in the employment and training of unskilled indigenous people.
- the NT Chamber of Commerce which delivers Registered Training Organisation services.
- the Department of Employment Education and Training for the provision of a Vocational Education Training accredited program since 2001.

Historically, about 10% of mine staff have been local Aboriginal people and the mine tries to create career pathways from work experiences to trainees and apprenticeships. In addition, a total of 80 local Aboriginal people have been employed by Carpentaria Shipping Services in either casual or permanent positions since 1995.

MRM has employed local people through placements in advertised vacant positions, traineeships and apprenticeships.

The mine's entry level traineeship program for unskilled employees is the Maintenance Service Team (MST) program. Since 1995, 106 local Aboriginal people have been employed in the mine's MST program through which unskilled employees received the training necessary to qualify for progression into skilled positions. Under this program, 10 positions are available annually for unskilled local residents with no employment experience. The objective is to encourage employment and provide training to build people's confidence and ability to secure skilled jobs.

The role of the MST team is to maintain the airport, buildings and supporting infrastructure within the camp and mine accommodation.

MST trainees are enrolled in the Certificate II Entry to Mining Services which complies with Australian Standards endorsed by the Mining Industry Training Advisory Board (MITAB). This program specifically targets local residents with no entry skills or experience to participate in employment and training that leads to long term career employment at the mine or in the minerals industry generally. This equips recruits with the necessary skills and work ethic to perform the MST team role. It is an essential stepping stone to further skills development bearing in mind that many positions within the mine's workforce require considerable training and years of experience.

Some trainees have progressed to undertake specific skills-based apprenticeships such as boiler making, carpentry, building, or mining. They have ultimately been employed at the mine in skilled positions such as Mill Plant Operator, Supply Officer, Up Dip Miner, Underground Plant Operator, Receptionist and Environmental Officer. Some graduates from the course are now working in positions overseas and in other parts of Australia.

Proposed Open Cut Operations

With the closure of underground mining operations in October 2005, the MRM workforce has scaled down. There are currently 157 MRM employees on site of whom 12 are drawn from the local community and 7 are indigenous people. In addition, there are 120 contractors active at the mine including 7 indigenous people.

The proposed open cut operation will employ 270 people reflecting the decline in the number of specialised underground mining jobs. While the proposed open cut mine offers fewer specialised jobs, it is expected to create more opportunities for local Aboriginal people to receive training and apprenticeships, for example, as plant operators.

As a result, the operational and training plans for the proposed open cut mine are targeting a significant increase in opportunities for local indigenous people. The number of traineeships will increase from 10 to 20 per year. In addition, a target of 20% of the workforce has been set for local indigenous participation. While this target has been increased from the levels that applied during underground mining, it still indicates the majority of employees will be engaged on a fly-in, fly-out basis as declared in the draft EIS.

Since the establishment of the mine, it has been clear that the development of a local mine township has not been an economically viable option. MRM has already invested approximately \$300 million in the establishment of the mine and \$15 million investigating downstream value adding alternatives. The high

investment required to establish housing and infrastructure to support a live-in mine population is not feasible within the economics of the mine.

15.3.5 MRM Partnerships (11, 12)

DBERD considers that the discussion of opportunities for MRM to contribute further to general community strengthening in the region would enhance the draft EIS.

See response below.

MARA has stated that community development partnerships and agreements identified are limited to scholarship and sponsorship post-education opportunities for students, mineral awareness promotion in schools and some support for hearing impaired students. It considers that this demonstrates MRM's poor record of commitment and investment into the Borrooloola community over the past 10 years with no substantial outcomes, even in employment.

The action taken by MRM to support education, community development and enterprise development has been previously detailed within this EIS Supplement (2.2 Project Need). This details MRM's commitment to scholarship and sponsorships.

Further to this information, MRM has also entered into partnerships with a range of education and employment organisations including:

- NT Department of Employment, Education and Training's Memorandum of Understanding which aims to improve the scope of education and post-education outcomes for students at Borrooloola.
- Borrooloola Community Education Centre Memorandum of Cooperation which is currently being re-negotiated following expiration of the previous agreement.
- Department of Employment and Workplace Relations for a Structured Employment and Training Program.
- NT Chamber of Commerce under a Memorandum of Agreement regarding the delivery of Registered Training Organisation services.

The purpose of these partnerships is to develop job readiness of local employment seekers through the provision of pre-vocation and vocational education initiatives, as well as programs in the areas of adult education, job placement and 'Indigenous Pathways to Employment'.

Addressing employment and education issues within a remote community is the responsibility of a number of parties including: the Australian Government, NT Government, Borrooloola Community Government Council, Borrooloola Community Education Centre, leaders within the community such as Mabunji Aboriginal Resource Centre and MRM, as well as the parents and students themselves.

MRM is first and foremost a mining operation. The first ten years of any mine is a challenging period in which the operation must develop its capacity and infrastructure, establish and grow markets, employ and maintain a workforce and in doing all this, create a return for shareholders.

However, through this response to the MARA submission, MRM has sought to demonstrate that it takes its commitment to the community seriously. Considerable time, money and effort has been invested in the community in recognition of the role MRM plays as a corporate citizen. This investment has been directed at the activities and initiatives in demand by the community during the past 10 years.

Some of the outcomes to date driven by MRM action include:

- \$500,000 invested in sponsorships and donations and a further \$660,000 committed for the swimming pool and its maintenance.
- 106 local indigenous youth employed in the mine's traineeship program.
- 80 local indigenous people employed by the related Carpentaria Shipping Services operation.
- The introduction of science as an area of study at the Borroloola Community Education Centre to help develop life and career skills, and a successful award program to encourage excellence in this area of study.
- More practical and relevant curriculum options presented for adult education.

If the proposed open cut development is approved, the certainty of a 25-year future gives MRM the opportunity of a more planned approach to its community relations. It is for this reason that considerable research has been undertaken into the needs and issues of the community with the view to establishing a Community Partnership Program. This is in addition to ongoing sponsorships and partnerships, as a way of addressing the major issues and ensuring that the ultimate legacy left by MRM is a positive one.

15.3.6 Health (9)

DLGHS noted a number of errors in the draft EIS such as:

- *Since September 2003 Borroloola has been serviced by a general practitioner;*
- *The mine is 45 km from Borroloola;*
- *MRM contributes to the local ambulance service*

In the light of these errors, DLGHS has questioned what credence can be placed on the rest of the EIS.

The above errors are noted. In the context of the matters discussed in the EIS, the above points of fact are minor and do not reduce the credence of the EIS.

15.3.8 Recreation and Tourism (12)

MARA has noted that Borroloola does not have a swimming pool. Only recently, there have been plans released by the Local Council (with funding received from the NT Government) to undertake the construction of a swimming pool in the near future. MARA acknowledges that MRM has made a major contribution to this project but notes that this was announced at the first presentation for this new open cut project held at Mabunji Aboriginal Resource Association on 2 August, 2005.

MRM has held discussions with the Borroloola Community Government Council regarding the provision of a swimming pool for some time. The cost of establishing the proposed 25 m x 12 m pool is substantial (\$1.6 million). Its provision was therefore heavily dependent on the availability of Australian Government and NT Government grant funding to account for the majority of the cost required.

It was only in February 2005 that confirmation of \$1 million in grant funding was confirmed. MRM was subsequently approached to provide the \$600,000 shortfall in funds required.

This is a significant level of financial support and accordingly, required approval from the Xstrata Executive Committee following internal corporate protocols and policies. This approval was granted in late July 2005 and it was only coincidental that it was announced at the time of the presentations regarding the open cut development.

It is important to recognise that the \$600,000 capital funding to provide associated pool infrastructure (pool fencing, pavement, landscaping and amenities) is not conditional on the approval to proceed with the open cut development.

MRM has made this commitment to the community in recognition of health and fitness benefits from swimming. In addition, MRM has committed \$60,000 over three years toward the operational costs of the Borroloola Swimming Pool. This is intended to ensure the pool is well maintained until it becomes a viable entity capable of supporting its annual maintenance costs. It also eases concern currently held by Council on the potential for the pool to draw down a high percentage of the Council's limited funding.

15.4 Social and Community Effects (7, 9, 12)

ECNT has stated that this section contained no discussion of the potential impacts on Aboriginal people and Section 16 on Community Consultation simply lumps together all Traditional Owners and local elders, with another group named 'local Indigenous women' with little attempt to differentiate between local language or clan groups.

Both before and after the public release of the draft EIS, consultation with a wide range of community members was undertaken. An outline of the consultation that has been undertaken with the Aboriginal people is given in Section 18 of this EIS Supplement.

DLGHS has stated that the haul road to Bing Bong has for the past five years accounted for the majority of the road repairs and maintenance budget with no contribution from Xstrata.

Under the *McArthur River Project Agreement Ratification Act 1992*, the roles and responsibilities for the provision of roads, airport and port facilities are clearly defined.

The Northern Territory government's responsibility is: "where necessary construct and maintain all the roads from the intersection of the access road from the HYC deposit with the Carpentaria Highway to the Mineral Lease on Bing Bong Pastoral Lease No 686". This is a public road.

The Act also allocates responsibility for the airport to the Northern Territory Government for which it charges MRM a fee to cover operating and maintenance costs.

MRM's responsibility was to construct the barge loading facility at Bing Bong which it has done.

In addition, MRM has, in cooperation with Colinta Holdings, agreed to make available a road corridor to Mule Creek across the Mineral and Pastoral Leases. This provides the Traditional Owners living on the Sir Edward Pellew Islands and tourists with an all-weather access to the Mule Creek boat ramp and the waters of the south-west Gulf of Carpentaria. This road has been continually maintained by MRM including repairs to flood damage.

MRM has also undertaken to grade roads providing access to indigenous sites of cultural significance in support of Traditional Owners.

MARA considers that the area's potential for tourism which provides one of the few options for Aboriginal people to derive a livelihood into the future will not be enhanced by the scarred landscape nor the potential downstream impacts from the project.

The visual impact of the mine on tourists will be generally limited to those who drive along the Carpentaria Highway while they pass through the mine area. The mine will not be visible from any established tourist areas. Furthermore, some tourists to the area may consider views of the mine from the Highway are a point of interest on the journey.

The mine will be operated so that there will not be downstream impacts on water quality or ecology and hence no detrimental effects on the tourist industry are expected.

15.4.1 Construction Phase (9)

DLGHS has stated that Xstrata does not support the local economy by sourcing supplies from Borroloola. It states that this policy will not change nor will the employment numbers as the mine will continue the fly-in fly-out practice.

MRM supports the local economy by sourcing supplies locally when it is viable to do so. Examples of this support include MRM:

- using local contractors and equipment where possible;
- contracting the local council for services where possible;
- maintaining accounts with local goods and services providers for the provision of goods and services where possible;
- contracting local transport services for transport and delivery of goods; and
- entering into shipping contracts and partnerships with the Mawurli and Wirriwangkuma Aboriginal Association.

The proposed open cut operation will employ 270 people reflecting the decline in the number of specialised underground mining jobs. While the proposed open cut mine offers fewer specialised jobs, it is expected to create more opportunities for local Aboriginal people to receive training and apprenticeships, for example, as plant operators.

As a result, the operational and training plans for the proposed open cut mine are targeting a significant increase in the number of opportunities available for local indigenous people. The number of traineeships will be increased from 10 to 20 per year. In addition, a target of 20% of the workforce has been set for indigenous representation. While this target has been increased from the levels that applied during underground mining, it still indicates the majority of employees will be engaged on a fly-in, fly-out basis as declared in the draft EIS.

15.4.2 Operations Phase (2, 7, 9, 11)

DPIFM has stated that a 25 year life span provides positive opportunities to consider longer term regional competency and skills development. It has asked what additional investigations on local regional employment initiatives have been undertaken.

Examples of MRM's contribution to regional education and skills development are given below.

Supported Body	Nature Of Support
Minerals Council Education Committee	Membership of committee. Sponsorship of school visits in Borroloola.
MRM Annual Science Award in local schools	Sponsorship of annual award.
Student tertiary studies sponsorship	Scholarship funding eg. student to study nursing at Charles Darwin University.
School Based Apprenticeship	Program launched in 2004. To date, one student engaged in Light Vehicle Servicing Cert I.
Borroloola Community Education Centre	Memorandum of Cooperation entered. Member of School Council. Donation of microscopes. Participation on selection panel for senior secondary teacher. Involvement of students in MRM Aeordrome exercise. Inspection of school electricity support and upgrade recommendations. Recommendation of reputable suppliers. Development of a horticulture program and donation of green house. \$10,000 support for capital infrastructure program. Rental and delivery of portable toilets for soccer championships. Donation of three 'Our Land Our Future' education kits for teachers. Partnership which attracted a \$25,000 grant from the Australian Student Traineeship Foundation for a VET program. Judge of student art exhibition. \$5,000 donation for school excursion to Canberra. Support for two girls to travel to Brisbane with NT Softball squad. Sponsorship for a deaf student to attend a school in Darwin.
Robinson River School	Donation of microscopes. Donation of Minerals Council Science Kits

Further to the above information, MRM has also entered into partnerships with a range of education and employment organisations including:

- Darwin Skills Development for the annual engagement of high school students for a school holiday work placement program which gives students aged 16 years and over, the opportunity to gain experience in a structured course. The students are assessed against three competencies from the nationally accredited business training package BSB01 Business Services and are awarded certificates of achievement by the NT Chamber of Commerce and Industry.
- NT Department of Employment, Education and Training Memorandum of Understanding which aims to improve the scope of education and post education outcomes for students at Borroloola.
- Borroloola Community Education Centre Memorandum of Cooperation which is currently being re-negotiated following expiration of the previous agreement.
- Department of Employment and Workplace Relations for a Structured Employment and Training Program.
- NT Chamber of Commerce under a Memorandum of Agreement regarding the delivery of Registered Training Organisation services.

The purpose of these partnerships is to develop job readiness of local employment seekers through the provision of pre-vocation and vocational education initiatives, as well as programs in the areas of adult education, job placement and 'Indigenous Pathways to Employment'.

Some of the outcomes to date from the above programs include:

- 106 local indigenous youth employed in the mine's traineeship program.
- 80 local indigenous people employed by the related Carpentaria Shipping Services operation.
- the introduction of Science as an area of study at the Borroloola Community Education Centre as a way of assisting to develop life and career skills, and a successful award program to encourage excellence in this area of study.
- more practical and relevant curriculum options presented for adult education.

ECNT considers that there is a weak and unconvincing discussion of employment benefits for local people. It considers that flow-on employment effects will also not be as great as for the existing mine.

The substantial contribution by MRM to local employment and business enterprises has been substantial examples of which are provided in the following table.

Supported Body	Nature Of Support
Borroloola Julalikari Job Place	Long standing support and utilisation of services. Computer repairs.
Indigenous Mining and Enterprise Task Force	Member of the taskforce. Hosted a meeting in Borroloola in 2004 at Mabunji Resource Centre.

Supported Body	Nature Of Support
Student school holiday work placement program	Annual engagement of high school students for the program via Darwin Skills Development.
MAWA Aboriginal Corporation (Charter Vessel – Aburri)	Support for the development and implementation of an employment and training strategy. \$6,500 funding support for travel to meetings in Kununurra and Tennant Creek. Facilitated the establishment of the joint venture with P&O (Previously Burns Phillip) (50%), Indigenous Business Australia (18.3%) and MAWA (31.7%) for a long-term service agreement with MRM to transport the mine's bulk concentrate to sea-going vessels in the Gulf. Gross revenues for the share holder range between \$6m - \$7M per year in which MAWA has a 31.7% interest. Provision of capital equipment under favourable terms eg five year loader hire contract.
Mabunji Resource Association Black Lip Edible Oyster Project	Sponsorship providing 14 return air fares to Darwin over three years (estimated value \$12,000).
Eurest Catering	Aboriginal Employment Officer introduced to Borrooloola with the objective of recruiting local people to be employed on site.
Borrooloola Community Government Council	Contracted to erect a stock fence along the mining lease at Bing Bong Loading Facility. Repairs to concrete batching truck in exchange for batched concrete delivery for on site projects. Supported appointment of a Sport and Recreation Officer. Participation on the selection panel for the appointment of a new Council Clerk. Advise on disposal of waste oils.

Further details on the employment benefits to local people as a result of the open cut project are given in the response given in Section 15.3.3 Economics and Employment.

DBERD considers that the draft EIS does not adequately explore all of the avenues where MRM could contribute more to wider sustainable economic and business development in the region. For example, the draft EIS does not canvass moving to less reliance on fly in – fly out arrangements and greater use of local employees and business support.

MRM's contribution to the economic and business development of the region is provided above in the responses to comments from ECNT and DPIFM (Section 15.4.2) and DLGHS (Section 15.4.1).

With respect to the fly-in fly-out arrangement, it has been clear since the mine began that the development of a local mine township has not been an economically viable option. MRM has already invested approximately \$300 million in the establishment of the mine and \$15 million investigating downstream value adding alternatives. The high investment required to establish housing and infrastructure to support a live in mine population is not feasible within the economics of the mine. Nevertheless MRM has been able to provide local employment and business support in many other ways.

DBERD considers that there are no proposals in the draft EIS to encourage the local regional residents to join the MRM workforce, especially where new skills relating open-cut mining are required.

MRM's position is that it does not have 'jobs for local regional residents', it simply has vacancies for which local community members are welcome to apply. All applicants are judged on their skills and attitude and as per workplace health and safety regulation, are required to comply with drug and alcohol tests.

Nevertheless, MRM operates an entry level traineeship program for unskilled employees. Since 1995, 106 local Aboriginal people have been employed in this program through which unskilled employees received the training necessary to qualify for progression into skilled positions. Furthermore, 80 local indigenous people have been employed by the related Carpentaria Shipping Services operation.

Under the traineeship program, 10 positions are available annually for unskilled local residents with no employment experience. The objective is to encourage employment and provide skills training to build people's confidence and ability to secure skilled jobs.

The operational and training plans for the proposed open cut mine are targeting a significant increase in the number of opportunities available for local indigenous people. The number of traineeships will be increased from 10 to 20 per year. In addition, a target of 20 percent of the workforce has been set for indigenous participation.

DBERD says that MRM's stated commitment to "hiring local people when appropriately skilled personnel are available", and providing employment and training programs in order to train local people with the necessary skills (Section 15.4.2) has not been fully demonstrated by past performance.

See the response to the comment above.

DBERD considers that the draft EIS does not adequately explore the interaction between the mine construction and operational plans and the needs and aspirations of the indigenous community in the region. It considers that additional attention could be focussed on training, case management, mentoring, employment facilitation and access to employment opportunities.

MRM currently undertakes a number of training and employment facilitation programs and these will continue with the open cut project. Examples of these programs include the following:

- MRM will continue with the operation of its training incubator program at the Mine Service Team (MST) where a total of 10 positions are available for local residents who have no employment experience or skills applicable to employment in the Minerals Industry. MST trainees are enrolled in the Certificate II Entry to Mining Services which equips new recruits with the necessary skills and work ethic to carry out the jobs and responsibilities of maintaining the camp and living facilities at the mine site.

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- The Certificate II Entry to Mining Services also engages the new recruits in skills competencies and work ethic development that will qualify them for more industry/production specific employment in the mining industry.
 - MRM will continue to engage the local community at Borrooloola in the development of pre-vocation and vocational education initiatives via partnerships with the local school, adult education programs, job placement organisations and Indigenous Pathways to Employment programs with the aim of developing the "job readiness" of local employment seekers.
 - MRM will continue to engage the local school with the development of Vocational Education programs, and work experience programs for students considering career opportunity in the minerals industry
 - MRM will continue with its formal Trade Apprentice Recruitment Program.
 - MRM will develop new employment and training opportunities applicable to the open pit mining operations eg. haul truck drivers, plant operators, trade assistants, etc.
 - MRM will encourage its contractors to adopt employment and training policies that help local and Indigenous people in the local Borrooloola Gulf Region.

DBERD considers that more attention should be placed on expanding opportunities for local business, especially indigenous business enterprises in the region, to participate in the construction and operational phases of the project.

See the response given to the comments above.

DLGHS has commented that anecdotal evidence suggests that the economic benefits of the project are minimal in comparison to the size of the operation. It considers that the long-term sustainable benefits are found to be wanting in many areas.

As discussed above, MRM has provided substantial economic benefits to the local community through widespread support in the areas of employment, training, education, and the purchasing of goods and services. With the ongoing development of the open cut project over the next 25 years, these benefits will continue in the long-term.

15.4.7 Visual Amenity (7)

ECNT considers that Figure 15.1 is misleading as most people will see the project from the ground, not from the air.

An artist's impression taken at ground level would not show the full extent of the proposed project and would be misleading. The only way to show all of the project elements is to consider the view from an elevated position.

16.2 EIS Consultation (1, 9, 12)

EPA acknowledges consultation has been undertaken (although late in the project development stage). It has stated that there is no indication of the effectiveness of the consultation program in addressing stakeholder concerns. Does MRM have a way of monitoring the attitudes and responses received as a result of engagement with the community? Aside from the specific meetings held with stakeholders for this proposal and an indication that MRM ‘maintains contact’ with various stakeholders, what formal and informal structures are in place to ensure that effective ongoing stakeholder engagement is occurring? Is there an intention to continue with these engagement processes throughout the proposed mine’s operational life and how do these processes inform decisions made with respect to mine operations within the context of managing social impact? Has follow-up action been undertaken to gauge stakeholder responses following initial consultation in August?

MRM recognises that an effective consultation program involves not only engaging with the community to listen to their views but also to addressing these opinions and concerns within planning and reporting back to the community on action taken.

The effectiveness of the consultation program in addressing stakeholder concerns can be considered in part, by the comprehensiveness of the draft EIS and this EIS Supplement in responding to the issues. Full notes of all stakeholder meetings and discussions have been retained.

In broad terms, the key issues raised through the consultation program and the action proposed to address these concerns, either via the EIS process or in normal operational procedures are as follows.

Consultation Issues	Action Proposed
Turtle and dugong health	Extended environmental monitoring to include a wider range of flora and fauna.
Road train accidents	Assessment of road train accident records and further soil sampling proposed.
Sediment monitoring	Proposed as part of extended environmental monitoring program
Difficulties reading the EIS	Initiation of further discussions with community groups to explain the technical content. Meeting with local representatives to seek advice on improved communication methods.
Integrity of the bund wall	Treated extensively within the EIS documents
Outcomes of environmental monitoring	Commitment to produce a fifth factsheet in the series provided to the community explaining the outcomes of environmental monitoring. This is now in production.
Increased job opportunities for local people	Increased target for local participation in employment programs discussed within the EIS documents
Tailings dam seepage	Extensively discussed within the EIS documents
End of mine life rehabilitation	Extensively discussed within the EIS documents
River diversion	Extensively discussed within the EIS documents
Need for more time for review	Submission from community representatives accepted three weeks after the deadline
Major flood event impact	Extensively discussed within the EIS documents
Water pollution	Extensively discussed within the EIS documents

Consultation Issues	Action Proposed
Compensation	The proposed next action was a meeting between a delegation of the Northern Land Council and MRM. At the time of reporting a request for this meeting has not yet been received.
Unfulfilled promises	Further discussions are being held with local community leaders for more detail on this issue. Action is being taken in some respects through a proposed Community Partnership Program.
Lack of consultation with Traditional Owners from the Sir Edward Pellew Islands	Ongoing community relations program has been broadened to capture these peoples. Follow up meetings have been held between mine management and these Traditional Owners.
Access to Home Creek cancelled	This was an operational issue.

Consultation with the community has continued since August 2005. This has sought to explain the EIS as well as obtain further feedback. It has included formal methods such as:

- structured meetings with elected representatives;
- site tours of the mine and accompanying explanation of the open cut development;
- letters in return confirming the outcomes of discussions and issues raised;
- information provision (eg factsheets, website, community information line);
- community meetings to provide information and gain feedback to a wide group; and
- the proposed establishment of a Community Reference Group which would remain active throughout the mine life.

Informal methods include individual meetings with Traditional Owners representing all local Aboriginal groups and community leaders, inspection to environmental monitoring activities, and a proposed initiation of regular radio interviews with the local radio station to provide mine updates.

MRM intends to maintain an ongoing, formal consultation program with the community to ensure needs and concerns are heard and acted upon.

From a social impact perspective, MRM also recently commissioned research to assess immediate needs within the community which would benefit from the proposed establishment of a Community Partnership Program. This is intended to provide financial support to address priority community issues.

DLGHS considers that there has been inadequate consultation with the Gulf region residents, particularly the indigenous populations who rely on the McArthur River and offshore waters.

MRM acknowledges that its consultation with island people has been inadequate and has taken steps to remedy this situation, including the preparation of an additional fact sheet on environmental monitoring, and visits to the Sir Edward Pellew islands to discuss concerns with local traditional owners.

MARA has stated that MRM has not consulted widely or appropriately with Aboriginal people in the Borroloola region.

MRM has maintained an ongoing program of consultation and engagement with all residents of the Borroloola region since the mine was established.

The company employs a Community Relations Manager and Senior Community Relations Advisors as full time resources, dedicated to maintaining the relationship between the mine and the surrounding community. Their regular program of activities is discussed in Section 16.1 of the draft EIS.

Consultation on the proposed open cut development began in 2003 when a proposal for the change in mining method as well as a refinery, coal-fired power station and a dam on the Glyde River were being considered.

After this initial round of consultation, the subsequent takeover of the mine's former owner MIM Holdings by Xstrata Plc led to a reassessment of the entire project. It stimulated an analysis of a wide range of options and variables.

While these options were being explored, MRM's regular program of community engagement activities was continued. It is designed to maintain an open dialogue with community members.

It is acknowledged however, that the community was not consulted on the options considered during the review period. Numerous alternatives were examined, the majority of which did not proceed. It would have been premature to consult with the community on these options until Xstrata and MRM were satisfied that these were genuine potential developments.

MRM opted to consult only when a firm direction was set for the development proposal.

The project announced on 3 August 2005 marks a considerable change from the previous plans. The common element however, is the change in mining method from underground to open cut and the associated rechannelling of the McArthur River. The EIS submitted addresses the EIS Guidelines issued in March 2003. On this basis, the consultation spanning the past few years is therefore directly relevant.

The consultation and community engagement program is illustrated by the following table.

Date	Activity
January 2003	Notice of Intent for the project submitted to NT OEH Consultation begins on major expansion proposal including: - helicopter inspections of the area provided to Traditional Owners. - tours to an Albion plant in Brisbane for Traditional Owners / Borroloola residents.
March 2003	EIS Guidelines issued for the major expansion plan.
January – May 2003	Extensive program of consultation with individuals, groups and government departments in the Gulf region, Borroloola and Darwin.
June 2003	Xstrata Plc acquires MIM Holdings, then owner of MRM.
July 2003 – May 2005	Expansion plan reassessed and a wide range of options considered. MRM's regular program of community engagement continues.
May 2005	Preferred proposal presented to Xstrata Executive Committee for consideration.
August 2005	Open Cut Project announced and EIS lodged.
August onwards	Intensive consultation program resumed and is continuing.

MARA considers that past consultations for the 2003 proposal are not relevant to the current open cut mine project and EIS released in August, 2005. These consultations were in relation to components that are not included in the 2005 proposal.

The draft EIS document lodged in August 2005 answers the EIS Guidelines released in March 2003. It is therefore relevant that the document cover the full history of the development proposed by MRM including consultation activities.

16.3 Community Consultation (2005) (12, 14)

MARA stated that MRM has restricted its consultation to a few individuals, has adopted the inappropriate method of isolating and consulting a few individuals, instead of whole of community engagement. It considers that the practice undertaken by MRM to date is culturally inappropriate and acts to promote divisions in the community.

MRM has acted with the best intentions to consult with individuals and groups representative of the community as well as to conduct community based meetings.

Since 2 August 2005, MRM's open cut project team has met with the following community organisations and representatives:

- Mabunji Aboriginal Resource Association
- Mawurli and Wirriwangkuma Aboriginal Association (MAWA)
- King Ash Bay Fishing Club
- Borroloola Open Forum Meeting to which the entire community was invited
- Northern Land Council
- Environment Centre
- Amateur Fishermans Association Northern Territory (AFANT)
- Minerals Council, Chamber of Commerce, Territory Construction Association. Engineers Australia, Territory Construction Association, NT Industry Capability Network (NTICN)
- a group of Traditional Owners who visited the MRM site of the test pit (15 September)
- a site tour (20 October) involving 33 community members including Gurdanji and Yanyula Traditional Owners, community leaders and interested individuals
- Gulf Regional Development Officer, NT Government

MRM has also visited the Sir Edward Pellew Islands to listen to the concerns of island people.

A representative of MRM also attended an Open Meeting called by the Mabunji Aboriginal Resource Centre to discuss the mine proposal on 7 October.

From an information perspective:

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- factsheets on the proposed development have been available in hard copy form at the Borroloola library and MRM offices
 - information and copies of the factsheets have also been available online at a dedicated website established for the development (www.mcarthurriver.com.au)
 - a community information hotline was established as a Freecall service
 - a model of the development is now available in the MRM Borroloola office.

MRM has also:

- Re-engaged MRM's former community relations manager at the mine and a respected adviser to the community who on MRM's behalf, conducted a number of meetings with Traditional Owners and senior aboriginal elders.
- Undertaken a research program to explore the establishment of a Corporate Social Involvement Program with the objective of sponsoring initiatives addressing priority community issues. This program involved discussions between MRM's consultant, a local community member appointed by MRM, and Borroloola local government council members and employees, King Ash Bay committee, Mabunji Aboriginal Resource Association, Robinson River community members, MAWA, and government representatives.
- Met with Mabunji Aboriginal Resource Association regarding the potential business partnership under which their nursery would be engaged to collect and propagate native plants for MRM's environmental rehabilitation project.

The consultation program is continuing.

MARA has stated that MRM has not undertaken widespread consultation regarding this open cut mine project with all of the four major language groups in Borroloola. For example, the Yanyuwa people have not been consulted.

MRM has consulted broadly throughout the region through the release of the draft EIS and followed up by focusing on stakeholder groups who will be directly affected. Nevertheless, MRM respects the interest of all the people of the Gulf community. It is acknowledged that the level of concern held by the Yanyuwa people of the Sir Edward Pellew Islands was underestimated. MRM has recently met with the people of this area to listen to their views.

MRM would also be interested in sharing information about the marine environment. The findings of research conducted via the Lianthawirriyarra Sea Ranger Group into traditionally hunted dugong and turtle over the past two years would be valuable. The results of MRM's own environmental monitoring program would also be offered.

MARA considers that it is an injustice to claim that adequate consultation has occurred to date. A number of public presentations or briefings, as referred to in the EIS, have been undertaken in Borroloola, King Ash Bay and to other major stakeholder groups. Only small numbers of Aboriginal

people attended this presentation. These presentations market the open cut mine to the general public and do not provide adequate detail to enable an informed assessment of the implications of this new proposal.

As previously indicated, an ongoing program of consultation reinstated in August 2005 has involved a range of individuals and groups. MRM has consulted individually with several traditional owners, including visits to the mine, and the first of its community consultation meetings was held at the Mabunji Aboriginal Resource Centre

MARA has stated that the information presented to date has not been modified for Aboriginal people. The majority of Aboriginal people do not understand what is happening at the mine site, what this new proposal entails, and have not received the adequate information to make an informed decision.

MRM acknowledges the issue of literacy and language considerations amongst the Aboriginal people, particularly given the scientific and technical nature of the draft EIS document. Because of this, numerous verbal presentations and discussions have been held and a physical model of the proposal is on display at MRM's Borroloola office.

MRM is currently reviewing the factsheets prepared to inform the community about the project. Alternatives being considered include:

- translating these factsheets into the languages of the local Aboriginal people;
- developing story boards depicting the development proposal to aid in conversations;
- working through community leaders, to explain the key issues in the Environmental Impact Statement;
- holding meetings with traditional owners and other community members;
- inviting island people to accompany Charles Darwin University researchers conducted marine environmental monitoring;
- preparing a community newsletter;
- holding discussions with the local community radio, with a view to regular information sessions including feedback from Charles Darwin University's Professor David Parry on his work; and
- offering further meetings to discuss specific aspects of the proposed development.

D Farlam considers that there has not been adequate consultation with the traditional owners and other affected Aboriginal people in relation to the change in operation from underground to open cut.

See responses given above.

D Farlam has stated that Aboriginal people who rely on the McArthur River and the coastal margins for food and water are concerned about the impacts of the mine.

As discussed in the above responses, MRM has consulted with the Aboriginal people who live at the mouth of the McArthur River about the impacts of the mine and this consultation will continue.

D Farlam has stated that MRM has not presented the EIS to the community in a form that they can understand.

See response above to the comment from MARA.

18.9.2 Contractors and Visitors (2)

DPIFM has asked how contractor management systems (particularly with larger companies) will be aligned with MRM system components and does the risk management system include contractor management requirements.

A contractor management system will be developed in compliance with the Xstrata HSEC Standard 11. This will include an assessment of contractor HSE performance prior to awarding the contract. Regular reviews of the contractor's performance will also include performance in regards to HSE management.

All contractors conducting work for MRM are required to comply with all policies, procedures and licence conditions which have been implemented at the operation.

18.10 Job Safety Analysis (2)

DPIFM has asked whether contractors will be able to access the MRM webpage developed to give employees access to all JSAs, SOP's, risk assessments, and training packages.

Updated versions of procedures will be maintained either through the intranet or the MRM's document control system. Hard copies will be made available to contractors. Contractor supervisors will be given access to electronic copies of policies and procedures and are to ensure that their personnel have the most recent update of relevant procedures. These procedures, and any changes to them, will be reinforced through inductions and safety meetings.

19.1.2 Hazardous Substances (7)

ECNT has asked what are the hazardous inputs into the process operations.

The hazardous inputs to the process are listed in the table below which was presented in the draft EIS.

19.4.2 Open Cut Project (1, 7)

EPA has noted that Table 19.4 in the draft EIS identifies the H15 risk category as an event that is likely to happen once per life of the facility with catastrophic results. It has asked if this means that a tailings spill and a breach in the bund wall are expected during the life of the facility. If so, measures to minimise these eventualities should be seriously considered.

Neither a tailings spill nor a bund wall breach is expected to occur over the life of the mine.

It is the nature of standard risk assessment methodology to consider all eventualities however remote their likelihood. The criteria of “once per life of facility” is, as Table 19.4 states, a guide only. This does not mean that it will occur. It indicates the lowest likelihood of all of the scenarios assessed. Despite the expectation that such an event will not occur, it has been included in the risk assessment to ensure that adequate mitigation measures are in place. If it was not included in the risk assessment, it would not be a focus of ongoing management attention.

ECNT is concerned that there are some risks with major consequences considered likely to occur once in 10 years while others (eg. the risk of modified fish habitat and adverse impact on sacred sites) are assessed as possible once per year. Other risks with catastrophic consequences are considered rare and given a likelihood of once per 30 to 100 years, so are not ruled out once in the life of the facility.

As discussed above, the scenarios with catastrophic events have not been ruled out so that adequate mitigation measures can be incorporated into the project’s design and operational procedures to reduce the risks to the maximum extent possible.

19.5.3 Risk Analysis (7)

ECNT is concerned about the increased risk of haul road accidents on the Carpentaria Highway to Borroloola and notes that there have been five accidents resulting in spillage since 1999.

The risk of accidents on the Carpentaria Highway to Borroloola is likely to decrease slightly as a result of the open cut project. This is because the trucking rate will reduce from 4,200 haul truck return trips per year from the underground operation to 4,100 trips with the open cut.

Table 19.5 of the draft EIS shows that the risk of accidents will increase on the Carpentaria to Borroloola from the predictions in the 1992 EIS which were based on lower traffic volumes at that time. However when comparing the risk profile of the underground and open cut operations, it is necessary to use existing traffic volumes.

19.5.4 Risk Management and Control (7)

ECNT has noted that in the case of a minor spill at the loading facility no recovery is planned unless routine monitoring detects a significant and adverse impact on the environment. It has asked what is a minor as opposed to a major spill.

A minor spill would be one that is so small that it mixes with the sediments and is not readily visible to enable recovery by a suction dredge. A major spill would be large enough to be visible to readily enable recovery.

19.7.2 Emergency Response (2)

DPIFM has asked what aspects of construction and open pit operations have been considered in the potential modification of emergency response procedures.

MRM has updated the emergency response procedures taking into account the current test pit operations on-site. Risk assessments have been prepared for the construction and open cut operations of the project, and the specific details of these will be incorporated into the emergency response procedures prior to commencement of any site works. The review and update of the emergency response plans will be conducted in conjunction with relevant external parties which may be involved in response such as the police, Borroloola clinic etc.