

## **4. SECTION A: CURRENT SIA INDICATORS**

### **4.1 Place**

#### **4.1.1 History and Heritage**

##### **Context**

Steeped in a long history, spanning the traditional lifestyle of the Maduwongga people to the more recent European settlement, the Kalgoorlie-Boulder community has proven itself to be robust and determined. The Goldfields-Esperance Region, in which Kalgoorlie-Boulder is the major urban centre, is bound by the Pilbara Region to the north, the Wheatbelt to the west, and the Great Southern Region to the south and the State's border to the east. At a time when Western Australia was lagging behind the east coast, a discovery of gold in 1893 was to be the beginning of tremendous growth in Kalgoorlie's population. This fruitful stretch of gold is still helping to drive the community's economy today.

With people came a growth in many markets that fed off the mining boom. For every miner there was a need for accommodation, food and varied services. These were a tough brand of men and women that dealt with the harsh conditions as best they could, forever determined to make the next big discovery. It was this steely determination to make good on this red dirt that fuelled the rapid growth in industry and population that put Kalgoorlie, and indeed Western Australia, on the map. In part it is Kalgoorlie-Boulder's isolation, especially from the State's capital Perth that has borne a community that has made do with their surrounds and harnessed their assets to the best of their ability. From its earliest beginnings with the discovery of the gold near the turn of 20th Century, the culture of Kalgoorlie has been a unique one, which reflects its natural environment, industry and wide variety of people that call it home.

Reminiscent of the idealised extremes of America's Wild West, Kalgoorlie has a reputation for hard living. Hard work, heavy gambling and drinking are but some of the defining elements of a culture that was well entrenched many years ago. The strong drinking culture of Kalgoorlie-Boulder was evident in 1903, as Kalgoorlie boasted 93 pubs in a town that had exploded to almost 30,000 people. In more recent times, however, to define Kalgoorlie-Boulder in these stereotypical terms would provide an incomplete picture of a community that has evolved greatly. Kalgoorlie-Boulder's reputation as a very masculine and extreme place has definitely altered over the years, as more ethnic diversity, changing values and economic shifts have brought new opportunities to the town. In more recent years, the shift in cultural values in Kalgoorlie-Boulder (and throughout the industrialised world) has seen communities come to value their own culture and history in a deeper and more meaningful way. It is this shift in values that has facilitated the growth in the industries of cultural, mining and eco-tourism in Kalgoorlie-Boulder.

In part, the shifting recognition and economic value of tourism that harnesses local mining history, Indigenous culture and environmental beauty reflects the evolution of the local economy. In light of the finite nature of mineral extraction and fluctuating commodity prices, these changing directions for Kalgoorlie-Boulder's economy and culture are positive steps that point towards a more sustainable future.

##### **Actual Impact Considerations**

KCGM has always recognised the importance of mining in the history and "hearts" of the local area and its residents, and understood its implied role as custodian of this rich heritage. This is evident through direct and in-kind contributions over the past few years to projects and

organisations such as: evident through direct and in-kind contributions over the past few years to projects and organisations such as:

- The Golden Mile Loopline Railway Society.
- The Golden Quest Discovery Trail.
- Goldfields Family History Society Inc.
- “The Bridging the Gap” documentary.
- Super Pit Shop.
- Goldfields Tourist Centre (trading as Kalgoorlie Goldfields Visitors Centre).
- WA Museum.
- Super Pit Lookout and Mine Tours.

### **Perceived Importance and Performance**

The results of the qualitative research undertaken show the strong sense of identity that people have with the Kalgoorlie-Boulder area and its history. The strong sense of community is attractive to people, as is the size of the town.

“It’s a compact city, no more than 20 minutes from anywhere.” (In-depth interview respondent)

“People are genuine and friendly with a strong sense of community.” (In-depth interview respondent)

Regardless of how long people have been in the region, there is a strong sense of attachment to the mining history of the area, which is perceived to be a major point of difference to many other West Australian towns and a feature which makes the town unique. History and heritage is a drawcard for tourists to the region, so it is very important to people within the town, especially those reliant on tourism.

Whilst the residents survey showed employment and family to be the two main reasons for living in Kalgoorlie-Boulder (54% and 29% of respondents respectively), a strong sense of place also plays a large role. Lifestyle (27% of residents) and feel of the place (22% of residents) were also strong motivations for living in Kalgoorlie-Boulder; a testament to the area’s sense of place.

The majority of residents surveyed (71%) had lived in the Kalgoorlie-Boulder area for 10 years or more, explaining their attachment to the area and, in part, their strong sense of loyalty and belonging.

Despite the many benefits, in-depth interviews with local residents highlighted that many still believe there are certain negatives associated with living in the area, with those most cited including:

- Less than adequate health and education services.
- The harsh environment of the physical landscape (such as dust, heat and water).
- Lack of services and facilities to address the needs of the Indigenous people in the area (i.e., housing, support services and youth-related issues).

“I feel that the hospital and the Indigenous education projects need to have effort and money placed into their programs and they would provide long lasting effects and initiatives.”

“We need more resources to meet the needs of the homeless and unskilled, unemployed people.”

There appears to be confusion amongst some respondents as to KCGM’s involvement with the Loopline Railway Project. Whilst this appears to only be a small percentage of the community, it

may become of greater significance in future with people perceiving tourism based on heritage and history to have a large role to play in Kalgoorlie-Boulder's future.

"They had promised to do the Loopline but they never did it."

"KCGM don't support the Loopline, so they should just admit they are not doing anything for the Project."

(Responses to the open-ended question "Do you have any other final comments on what you think KCGM needs to think about to manage future challenges for the community that we haven't discussed already?" from the residents and businesses survey).

History and heritage is likely to increase in importance amongst local residents and businesses as it is deemed by many stakeholders as an integral part of a sustainable future for the region following mine closure. This highlights the importance of KCGM active involvement in the development and ongoing support of projects in this area. This is discussed further in Chapter 5, Section B: Lifecycle Planning.

### **Opportunities for Improvement**

- Track history and heritage separately in the perceptions survey as this may become a more significant issue as the town looks to tourism for future sustainability.
- Clarify role in Loopline Railway Project and consider benefits of supporting it further.
- History and heritage could be an area to leverage in future as contribution to the region's sustainable future – review funding in this area to determine whether any more contributions would be beneficial.
- Support for the hospital and Indigenous issues – seen as improving the way of life in the Goldfields and an effective way for KCGM to leave its legacy in the Goldfields following mine closure.

## **4.1.2 Indigenous Connections**

### **Context**

Prior to the mass arrival of gold-diggers, the sustainable society of the Maduwongga peoples called Kalgoorlie-Boulder home; hunting and gathering for thousands of years. Embodying a sustainable lifestyle unparalleled in the region today, there have been archaeological discoveries that suggest Aboriginal people were living in the Goldfields-Esperance region for over 40,000 years.

The rapid expansion of agriculture and mining that saw increased contact between Indigenous and European cultures had a significant impact on the Maduwongga peoples and created a change not only in their way of life but also the profile of local Indigenous people.

Kalgoorlie's wide variety of Indigenous groups from the Central East, Western Desert, and the Southern Cross area is a reflection of a natural gravitation to this regional centre that highlights its cultural importance. This diversity is also a reflection on the impact of the development of Aboriginal missions in the area. Connection to land and country for Indigenous people in this area varies for groups and individuals alike, as many recognise that much of their local cultural sites and customs were lost during the gold rush period.

There are a number of native title claims over Kalgoorlie Boulder that currently do not affect KCGM directly but serve to highlight the complicated interconnections and conflicts between local

Indigenous groups that have arisen due to historical movements of various tribal groups through the region in order to focus on the urban town centre. These claims include Widji People (WC98/27), Maduwongga People (WC99/9), Central West Goldfields People (WC099/29), Kalamaia Kabu (d) n People (WC97/100) and the Gubrun (WC 95/27).

### **Actual Impact Considerations**

KCGM have an Indigenous policy in place that guides local relationships with Indigenous peoples. Sponsorships of local Indigenous education, health and pathways programs have been put in place alongside heritage management protocols. In addition, some success has been achieved in in-house traineeships resulting in employment with the company along with some indirect employment through Jim Weeds and Seeds contracts. Work in rehabilitation has slowed in recent times resulting in a reduced call for these services.

Ongoing consultation and visibility of KCGM leadership within the Indigenous community has been sporadic in recent times. This is in part the result of lack of necessity due to mining and exploration activity focussed on work within the site boundaries and the challenges facing local Indigenous populations in representativeness and governance issues in recent times.

### **Perceived Importance and Performance**

Almost half of the Indigenous respondents surveyed had lived in Kalgoorlie for over 20 years (47%). Reasons for residing in the area include family (35%), employment (24%), lifestyle (15%), the feel of the place (15%) and the fact that they had always lived around here (12%). This demonstrates the importance of tradition and links to family, land and country to this stakeholder group.

Environmental issues such as air and looking after country are of high importance to Indigenous stakeholders, however respecting Indigenous people and their culture, being a good employer of Indigenous people and relationships with Indigenous people are rated as those areas of highest importance. The Ninga Mia and Kurrawong communities see themselves as being significantly impacted by the operations due to the proximity of Gidji roaster, particularly in the case of Ninga Mia. They feel KCGM's management have not made an active effort to explain, engage or liaise directly with community members on a regular basis in relation to these issues.

In other areas of the Indigenous community, the state of their housing, infrastructure and social issues are the focus and there is a strong desire to engage with the company around these issues to help them maintain their links to country and strong and healthy communities.

The broader community rated KCGM's relationship with Indigenous people remains relatively low (mean score of 3.5 of 5 – the second lowest area of performance) as it was in 2007.

### **Opportunities for Improvement**

- Ensure continued support of Indigenous programs and events.
- Ensure a personal "face" is attached to KCGM's communications to ensure solid relationships are built, consistency of communication and trust and formalise regular visits by KCGM management to the main communities
- Consider representativeness on the Heads of Agency committees or a regular presentation to achieve two-way communication with the Indigenous agencies responsible for bringing change to local Indigenous community members.

### **4.1.3 Environmental Values**

#### **Context**

The landscape surrounding KCGM's operations is an arid and dry environment but, as described earlier, the local environment is rich in history, heritage and its own unique culture. The footprint of over 100 years of mining activity is visible throughout the city, from the headframes, to the giant "Super Pit hole", through to its buildings and memorials.

Previous SIAs have demonstrated that attitudes in the Goldfields tend to differ markedly from other regions. This is likely to be due to the region's attractions being predominately employment based in an industry that requires some trade off between environmental values and its associated activities. Nevertheless, key environmental values in the region include air quality, biodiversity, land and water.

The Goldfields have 12 existing and proposed nature reserves with a combined area of eight million hectares. While much of the woodlands around Kalgoorlie and Coolgardie (approximately 40 km southwest of Kalgoorlie) are regrowth and are generally less than 100 years old in most areas due to clear felling for fuel between 1900 and 1965, the city of Kalgoorlie-Boulder is actually situated on the edge of the largest temperate woodlands on earth. Spanning 16 million hectares, it is home to almost 20% of the country's known plant species. The Great Western Woodlands, also known as the Goldfields Woodlands, have been left largely intact because of their remoteness and unsuitability for agriculture.

Harvesting of Sandalwood trees is a significant industry in the region, providing additional export income. The importance of sandalwood tree within the region is evidenced in the allocation of the Lakeside Conservation Reserve in the late 1950s, which is in close proximity to the south of KCGM's TSF.

Water continues to be a scarce resource and salient topic in the region, with significant capital works being undertaken in recent times to meet increasing demand.

#### **Actual Impact Considerations**

The Super Pit obviously has a significant impact on local topography, which brings with it a number of environmental challenges. Although it is because of its impressive size that it also serves as an important component of local industrial history and a tourist attraction.

Environmental incidents at KCGM are classified as reportable incidents, general environmental incidents or environmental advisories. In 2008, there was only one incident that was required to be reported to Regulators, regarding a saline water spill. This is an improvement from the four reportable incidents in 2006, as reported in the 2007 SIA.

General environmental incidents have not actually impacted on the environment but are still of interest in terms of risk management. In 2008, these tended to be minor hydrocarbon spills in areas not defined as environmentally sensitive that were promptly and completely cleaned up and minor saline water spills or tailings spill that were contained within bunding areas.

Environmental Advisories are occurrences that have been communicated to government departments but are not reportable. KCGM did not have any Environmental Advisories in 2008.

Analysis of the 234 calls received in 2009 via the Public Interaction Line (PIL), shows 65 of these to be related to activities associated with blasting activity, noise, dust and air emissions. However, actual incidents point to the most significant local impacts being hydrocarbon spills and saline water seepage. These clearly are not as evident to external stakeholders and don't have the

same level of impact as those amenity issues associated with blasting. That said “the blast” still remains an important local tourism benefit to those bringing friends and family up to the lookout for viewings at these times.

### **Perceived Importance and Performance**

KCGM’s management of environmental issues is regarded as very important amongst the local community, with 93-94% of Kalgoorlie-Boulder residents and businesses rating the environmental attributes as either somewhat or very important. The environmental attributes included on the survey are:

- Effectively rehabilitates or revegetates unused mining areas.
- Manage their sulphur dioxide or other air emissions.
- Manage noise, dust or vibrations caused by blasting activity.
- Manage their use of water resources.

Each of these attributes is discussed separately in more detail below.

Considering the large footprint that the Super Pit has on the area, there were relatively few comments arising in the qualitative research and unprompted survey questions relating to negative environmental issues. Those issues raised by respondents were mainly related to noise and impacts from blasting, as discussed later in this report.

### **Opportunities for Improvement**

- Continue work on communication of environmental issues to maintain positive perceptions around transparency.

#### **4.1.4 Air Emissions**

##### **Context**

Air emissions have been a historic issue within the area. In particular, management of sulphur dioxide (SO<sub>2</sub>) emissions in the region have been the subject of ongoing debate in the town since the mid 80s. KCGM is seen to have assisted the community considerably by moving the Gidji Roaster out of town but emissions continue to be an ongoing issue (particularly the occasional low levels of mercury) and negative perceptions around emissions in local Indigenous communities and for local pastoralists have brought the issue into prominence again. With the approved expansion of the pit in January 2010, it is likely that this issue will remain at the forefront of many stakeholders’ minds.

##### **Actual Impact Considerations**

An independent assessment revealed that the mercury levels being emitted from KCGM posed no risk to workers or the community. Modelling of mercury levels in the community predict that the annual average concentrations for residential air quality are below World Health Organisation guideline values.

An Air Quality Control Strategy (AQCS) to protect the community was applied to the carbon kilns when they were identified as a potential source of mercury emissions. Since then a scrubber to reduce mercury emissions has been designed, installed and commissioned, which is estimated to capture between 35 and 50% of mercury emissions (KCGM, 2008).

KCGM is continuing its commitment to air quality management, utilising the AQCS, which uses weather data along with data from the SO<sub>2</sub> monitoring network to ensure air quality requirements of the Environmental Protection Policy (EPP) are met. Production is limited or halted depending on the conditions. Roasting is generally restricted when the winds are blowing from a northerly

direction towards town, and it is only in certain circumstances that restricted roasting can occur. Roasting stops for approximately 4,000 hours each year in certain atmospheric conditions due to KCGM's AQCS aimed at protecting the residents of the EPP area (KCGM, 2008).

The EPP states that during a calendar year the one-hour clock average SO<sub>2</sub> measurement must never exceed the limit of 0.25 ppm. The one-hour clock average measurements indicate that during 2008 the SO<sub>2</sub> level remained below the EPP Standard for all monitor stations (KCGM, 2008).

### **Perceived Importance and Performance**

There were very few unprompted comments regarding sulphur dioxide emissions across the qualitative and quantitative phases of the research undertaken.

As in the 2007 SIA, management of air emissions scored 4.8 out of 5 in terms of importance, the second most important attribute rated across all residents and businesses. Significantly, businesses (4.9) rated this as more important than residents (4.7) and employees/contractors (4.6). Indigenous stakeholders rated the importance of look after the air with 4.86 out of 5.

Although rated second highest in importance, management of air emissions was among the lowest areas of performance (rated as the third lowest area of performance) with a mean score of 3.6 out of 5 across residents and businesses, 3.4 out of 5 amongst employees/contractors and 2.1 amongst Indigenous stakeholders. It is these low performance scores, coupled with high importance, that place management of air emissions into the category of areas to address.

The mean scores for residents, businesses, employees/contractors and Indigenous stakeholders has not changed significantly between the 2007 and 2010 SIA's, showing there is still a gap between importance and performance which needs to be addressed.

A pastoral station homestead is located on the north eastern side of Gidji Roaster and the pastoralist noted during the interview for this SIA that he feels this may have adverse health effects on his children and cause degrading his galvanised iron fences.

### **Opportunities for Improvement**

- Continue to communicate measures taken to monitor sulphur dioxide levels and precautions taken to keep emissions at a minimum (i.e., restrictions on production).
- Continue to engage with local pastoralists on relevant issues/impacts.

## **4.1.5 Water**

### **Context**

A dry, arid environment where water is limited and competition for the resource is high tends to result in community stakeholders showing higher degrees of attachment to water over other environmental issues. National media coverage on water shortages across the country has also seen the salience of this issue increase dramatically in recent times. For Kalgoorlie-Boulder, sourcing clean fresh water is a historic issue and the C Y O'Connor Pipeline to Perth serves as a visual reminder of this ongoing challenge.

### **Actual Impact Considerations**

KCGM currently uses about 12,500 ML of water each year. About 10% is potable water obtained from the Kalgoorlie water supply system, 32% saline and 58% recycled (KCGM, 2009a). This is a significant improvement over 2006 consumption, where potable water consumed was 28% of total consumption (KCGM, 2006).

The long-term water conservation target for KCGM is to reduce scheme water usage by 5% from 2007/08 levels by 2012/13 (KCGM, 2008).

KCGM has implemented the following initiatives to improve water usage (KCGM, 2009a):

- Increasing awareness of water use at KCGM using the “Every Drop Counts” campaign
- Encouraging employees to speak up about water saving ideas
- Installing flow reducers on taps in site kitchens and bathrooms
- Using saline water instead of scheme water for the KCGM tailings storage wall lifts
- Using saline water instead of scheme water for dust suppression at the Crushing Services International (CSI) crushing operation
- Reducing the amount of scheme water used for rinsing.

In August 2009, KCGM’s newsletter News & Views explained in detail the company’s current use of water, improved performance in this area and plans for the future. Additional communication by KCGM on this issue has included updated website information and local community presentations.

### **Perceived Importance and Performance**

Whilst not rating as high in importance as management of sulphur dioxide, management of water resources is still seen as being of high importance across key stakeholder groups, with mean scores out of five of:

- 4.6 amongst residents (6<sup>th</sup> ranking).
- 4.8 amongst local businesses (5<sup>th</sup> ranking).
- 4.5 amongst employees/contractors (9<sup>th</sup> ranking).
- 4.8 amongst Indigenous stakeholders (9<sup>th</sup> ranking).

However, KCGM’s perceived performance in this area is consistent with that in the 2007 SIA. The 2010 survey reveals that 57% of residents and local businesses rate KCGM’s use of water resources as either very good or excellent (with a mean score of 3.7 out of 5). This appears to be a significant increase over the 45% of people who rated performance as very good or excellent in the 2007 survey of residents and local businesses. However due to the large percentage (45%) of this group who stated they did not know how to rate water use management, the base upon which the mean scores are derived becomes somewhat diluted. It then becomes difficult to determine whether shifts in performance scores are real or a result of the sample size being too low for statistical accuracy. In this case, we cannot be completely confident that this shift in perceived performance is real; however the results do suggest that there may be an increase in perceived performance.

They have done a lot to tidy up water management recently. (In-depth interview respondent)

Indigenous stakeholders and employees/contractors rate KCGM’s performance in management of water use even lower than residents and local businesses, with mean scores of 3.0 and 2.6 respectively.

As with air emissions, it is the high importance scores and low perceived performance relative to the other attributes that makes water management an area that requires continual monitoring.

### **Opportunities for Improvement**

- Continue exploring areas for further water conservation and communicate water management initiatives with the community.

#### 4.1.6 Amenity – noise, dust and vibration

##### Context

A legacy of past planning, residential housing in the Kalgoorlie-Boulder township is situated within very close proximity to the Super Pit operations. As a result, amenity issues such as noise, dust and vibration (particularly from blasting activity) are an obvious issue of high concern. Other naturally occurring seismic activity and risks of subsidence from underground galleries serve to further heighten local concerns within the area.

Of particular relevance to this SIA is the recent approval of the Super Pit expansion project, and its implications for the management of local amenity. On the 29th January 2009, the Minister for Environment and Youth released Ministerial Statement No. 782 approving the Fimiston Gold Mine Operations Extension (Stage 3) and Mine Closure Planning. This approval required KCGM to implement the Fimiston Air Quality Management Plan (September 2007) in May 2009.

The objective of the Fimiston Air Quality Management Plan (FAQMP) is "[t]o ensure that dust emissions do not adversely affect the environmental values or the health, welfare and amenity of people and land uses by meeting statutory requirements and acceptable standards." More specifically, the FAQMP aims "[t]o pro-actively manage site operations to ensure the 24-hour average PM<sub>10</sub> concentrations are less than the [National Environment Protection Measure] NEPM guidelines at the monitoring locations and to reduce the occurrence of short term high concentration events that may occur as a result of KCGM's operations" (KCGM, 2010).

The revision of the FAQMP includes a significant expansion and modernisation of the ambient dust-monitoring programme to include real time dust monitoring data. The dust-monitoring network now consists of seven continuous dust monitors between the Fimiston Open Pit and residential areas. Other than the Hannan's Golf Course (HGC) monitor (which acts as a control site), the number and location of monitor's aims to provide representative data of ambient dust concentrations in residential areas in proximity to the Fimiston Operations.

The 24-hour average dust measurements for the last 30 days are available to the community through the KCGM Dust Report (available online at <http://www.superpit.com.au/>).

##### Actual Impact Considerations

**Blasting** – KCGM continues to recognise the importance of managing the impacts of blasting and has worked considerably to improve amenity and nuisance caused by such activity. A network of monitors has been set up throughout the community, wind and weather conditions are accessed prior to blasting and blasting times are advertised daily. Blasting times are also scheduled at times to ensure minimal impact on community life. KCGM have also conducted specific blast monitoring at individual residences as part of the company's community feedback and KCGM's response protocols.

**Noise** – KCGM aims to minimise the impact in residential areas of noise generated from KCGM's operations and conducts extensive noise assessment and modelling work to determine the best means of reducing nuisance noise from the Fimiston open pit operation. Noise Regulation 17 variation for the Fimiston operation has also been recently approved.

Continuous noise monitoring for KCGM operations occurs at two permanent sites in Kalgoorlie-Boulder. Where noise-monitoring results show that mining noise reaches a certain level, this is interpreted by KCGM as a potential concern for residential areas. Mining noise is investigated to determine the source of the noise and when the source is identified, action (such as extending the

noise bund, restricting some activities to daytime only and upgrading trucks with quieter mechanics) is taken to reduce the noise where possible.

Noise monitoring results are advertised on a quarterly basis, which also provides details regarding how people can obtain further information regarding KCGM's noise management or how to contact KCGM with specific noise-related concerns or queries.

**Golden Pike Cutback** – In 2009 KCGM was granted Ministerial approval to undertake the Golden Pike Cutback of the Super Pit. This cutback has the potential to create adverse impacts of noise and dust generation on nearby city residents. An independent environmental audit was conducted for the period 29 January 2009 to 28 July 2009, the findings of which were:

“KCGM has sophisticated systems for reporting noise, dust and groundwater levels and programmes to enable immediate action to be taken if adverse conditions arise. All relevant records and reports were sighted during this auditing process, and findings indicate that no limits were exceeded or non-compliance sighted that could be attributed to the expansion of the Fimiston Operations.”<sup>4</sup>

In 2009, the PIL received 19 calls regarding vibrations, 9 regarding noise and 8 regarding dust emissions.

### **Perceived Importance and Performance**

Across residents and local businesses, there has been a significant increase in the perceived importance of managing noise, dust or vibrations caused by blasting activity, with 93% saying it is somewhat or very important in 2010 compared to 83% in 2007. There is also a significant difference between businesses and residents, with 100% of businesses rating this as somewhat or very important compared to 89% of residents. Indigenous stakeholders also perceive this to be a very important issue, with a mean score of 4.9 out of five.

In terms of performance however, there is no change significant difference between 2010 (mean score of 3.7) and 2007 (mean score of 3.6), and no differences between residents, local businesses and employees/contractors. Indigenous stakeholders rate performance with a mean score of 2.5.

Blasting and noise impacts still seem to be areas that attract local attention and negative comment, as illustrated by the following verbatim comments from in-depth interviews conducted.

“KCGM may know what they are doing when it comes to blasting, but the rest of the population don't have much confidence in this when houses are moving. There has been no compensation for things like cracks in walls.” (In-depth interviews)

“Look at all options like sound proofing, relocation, etc. KCGM have excluded the use of extra quiet trucks as they take 10% less load. Trucks cause the most noise, especially at night time. Blasting is not good but the trucks are worse.” (In-depth interviews)

“There (are) a lot more measures they could take to reduce noise. What they are doing at the moment is not working.” (In-depth interviews)

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<sup>4</sup> Keith Lindbeck & Associates, January 2010

“There is no follow up or feedback on the system changes that have been put in place to address problems. For instance, a rock breaker started up at 6 am when the noise management plan states that it can't start until 7 am.” (In-depth interviews)

The Williamstown residents committee members interviewed note specific concerns with vibration and noise associated with the pit which they feel undermines their property values and living amenity. This is supported by low perception ratings (under 2/5) on performance of this issue by the majority of Williamstown general residents participating in the telephone survey, with the exception of a couple who rate performance on this indicator positively.

### **Opportunities for Improvement**

- Work on communication regarding actions taken to reduce noise.
- Ensure adequate and fast response mechanisms are in place when complaints are made regarding impacts from blasting activity.
- Continue working with Williamstown residents to break down the traditional barriers and improve relations with this stakeholder group.

### **4.1.7 Rehabilitation**

#### **Context**

The arid local environment combined with a legacy of underground mining (including the number of abandoned or old mine shafts) and the size of existing waste dumps and pit walls have traditionally provided KCGM with challenges when it comes to rehabilitation. These are likely to be factors that will also need more detailed consideration as the operations move closer to end of mine life.

#### **Actual Impact Considerations**

The rehabilitation programme's broad objective is to ensure decommissioned sites are left in a safe and stable condition, after taking into account beneficial uses of the site and surrounding land. The rehabilitation programme initially concentrated on “Greening the Golden Mile” focusing on the area between the mine and the City of Kalgoorlie Boulder, covering 730 ha and planting over 210,000 trees.

During 2008, a total of 69.6 ha of rehabilitation was completed with a further 70 ha to be rehabilitated 2009. Specific activities in 2008 included:

- 58.3 ha rehabilitated at the Trafalgar waste rock dump.
- 6.2 ha rehabilitated on the Northern noise bund.
- 5.1 ha rehabilitated on the Croesus upper noise bund.

General rehabilitation of areas has ceased in recent times due to operational requirements. However areas planned for future rehabilitation include the Noise Bund, Golden Pike Noise Bund and Trafalgar waste rock dump areas.

Rehabilitation is a major consideration for closure, which is discussed further in Chapter 5. As such it has been included in discussions with environmental stakeholders and other community members in the closure planning workshops and closure planning communications.

#### **Perceived Importance and Performance**

Rehabilitation and revegetation is becoming increasingly salient as mine closure approaches. In terms of importance, *effectively* rehabilitate or revegetate unused mining areas is ranked 4<sup>th</sup>.

There is no significant increase in importance based on the mean score of 4.7 in 2010, compared to a mean score of 4.6 in 2007 nor are there any significant differences between residents and businesses.

KCGM is perceived as performing well in this area with a mean score of 3.8 out of five – the same result as in 2007.

### **Opportunities for Improvement**

- Once rehabilitation work re-commences ensure that it is included in communications more broadly and continue to communicate and plan for environmental rehabilitation as part of the ongoing environmental management plan for closure.

## **4.2 People**

### **4.2.1 Population**

#### **Context**

The Goldfields-Esperance Region's total population of 54,855 people accounts for 10.4% of the State's regional population and 2.8% the State's total population. The City of Kalgoorlie-Boulder boasts a population of just fewer than 30,000 people (2006 Census places the residential population at 28,422), which has fluctuated over the years in response to the successes of the mining industry. This population makes Kalgoorlie-Boulder a significant regional centre, with the ability to access a number of health, recreational and economic services that are often out of reach for many regional communities.

#### **Actual Impact Considerations**

KCGM currently employs 659 employees and 373 contractors, which make up approximately 3% of the Kalgoorlie-Boulder population. We can therefore estimate that KCGM indirectly contributes 9% of the total population, based on an average household size of 2.7 (ABS, 2008). However, factoring in flow on population impacts arising from local economic spend, the total impact on the region's population would be over 10%.

#### **Perceived Importance and Performance**

It is deemed important by the local community that KCGM's management and employees are an integrated part of the community, rated 4.6 out of 5 across by residents, businesses and employees/contractors. This reflects KCGM's commitment to employing local residents or those people willing to relocate to the region for employment.

Perceived performance in this area is consistent with the 2007 results, with a rating of 3.9 out of 5 across residents and businesses and 3.6 amongst employees/contractors.

There has been an increase in perceived importance since 2007 in having a visible presence or being in this community amongst residents and businesses. In 2007, 50% of these stakeholders regarded visibility as very important – this has increased to 70% of residents and businesses in 2010. This may be due to potential mine closure drawing nearer and people wanting to hear more of KCGM's plans for the community. Importance scores for employees/contractors and Indigenous stakeholders are also high with mean scores of 4.5 and 4.8 respectively.

Performance in terms of being visible in the community has remained unchanged between 2007 and 2010, with a mean score of 4.0 for residents, 4.1 for businesses, 3.6 for employees/contractors and 2.4 for Indigenous stakeholders.

Visibility of KCGM is regarded as very important amongst Indigenous stakeholders (rated 4.8 out of 5), however perceived performance could still be improved with a score of 2.4 placing performance somewhere between average and good.

### **Opportunities for Improvement**

- Continue to find opportunities to raise visibility of KCGM management and employees amongst local Indigenous people and Williamstown residents.

## **4.2.2 Demographics**

### **Context**

Despite the city's reputation for being a male-dominated community, the demographic profile points to a relatively stable, family-orientated community. The gender mix identified in the 2006 census is fairly balanced at 1.1:1 male to female. This ratio is closer than previous census data, indicating that the gap between males and females in the town is also narrowing, particularly in the traditionally male-dominated age group between 30 and 50 years. These figures indicate that the town has become more appealing to young families and women interested in working in the mining industry and associated industries.

### **Actual Impact Considerations**

The demographic profile of KCGM's workforce and how it fits within the local community impacts levels of social cohesion, service resourcing and areas for focus of community funding.

KCGM currently employs 20 Indigenous employees and 12 contractors, representing 3% of its total workforce (Phillips, pers. com., 2010). Whilst this is not representative of the local population, of which 7.5% are Indigenous, KCGM does have Indigenous employment programs in place to address this. In addition, all KCGM employees participate in Cross Cultural Training to improve acceptance and diversity management within the organisation.

KCGM's gender equity has improved since the 2007 SIA, with the current ratio of males to females on site being approximately 3:1 (Phillips, pers. com., 2010), compared to 4:1 in 2007. This is a good ratio by industry standards; however the ratio is still lower than the population demographic, where females represent just fewer than 50% of the local residential

KCGM also monitors industry standards to ensure employees are being paid at the average industry remuneration levels as a minimum.

### **Perceived Importance and Performance**

As discussed previously under in Section 4.2.1, Population, KCGM management and employees are seen to be relatively integrated into the community. KCGM are perceived to be good employers with good remuneration and diversity policies by those outside the organisation (mean ratings 3.9 out of 5 for residents and 3.8 for local businesses).

Employees and contractors, however rate the company a little lower (3.1 out of 5). It is common to see this in employee surveys, as employees often do not want employers to think they are satisfied with their level of remuneration if they think there is a possibility of higher levels forthcoming. The high importance attached to remuneration and diversity policies by employees and contractors and the relatively low performance (compared to the other attributes) does place this in the "Areas to address".

The local Indigenous community rates KCGM's performance as low in being a good employer of Aboriginal people (2.1 out of 5) which is likely to reflect a lack of knowledge of KCGM's initiatives in this area.

Perceived performance has not changed in this area amongst any of the key stakeholder groups since 2007.

### **Opportunities for Improvement**

- Continue efforts in Indigenous training and employment and increase awareness of the program amongst the local Indigenous population.
- Continue work to improve retention and attraction of female employees and those from other groups with lower representation such as younger and older workers.

### **4.2.3 Social Cohesion**

#### **Context**

Throughout history, the City of Kalgoorlie-Boulder has dealt with the complexity of creating a sense of community among migrant groups from communities around the world. The ability of the community to work together in this initially harsh environment is still seen as a major accomplishment that sets the community apart. Nevertheless, divisions are still seen to exist between the disadvantaged groups and others within the community – particularly between Indigenous people and non-Indigenous people of the Kalgoorlie-Boulder region. As a legacy of even the earliest contact with European settlers and explorers, Indigenous people have needed to adapt to survive the imposing cultural strength of non-Indigenous cultures. Present day Indigenous communities of Kalgoorlie-Boulder are no different, as they strive to maintain their culture, families and livelihood to varying degrees of success.

As explained in Q & A's Social Needs Assessment (2005), the local Indigenous community has and continues to be – to varying degrees – socially excluded from the broader community. The key characteristics of social exclusion go a long way to explaining the “joined-up problems” that face the Indigenous community in Kalgoorlie-Boulder. In the case of fringe dweller communities, and particularly some young Indigenous people, these challenges appear to be even more severe and manifest themselves in various ways (Randolph and Judd, 1999). There are now a number of key services/programs in place that attempt to address the many complex challenges facing the Indigenous community. These programs deal with issues such as violence; crime and justice; health; training, employment and economic development; family and community development; housing; and land, heritage and culture.

In addition to the abovementioned impacts on social cohesion, the nature of mining work is also seen to be having a perceived impact on the cohesion of the local community. In particular, the nature of 12 hour shifts, long shift rotations and lack of leave provided for culturally valued times (such as Christmas and New Year) are seen to be having an impact on local family life.

#### **Actual Impact Considerations**

KCGM continues to be financially or actively involved with a number of programs promoting Indigenous reconciliation and improvement in “social citizenship” including the Polly Farmer “Follow the Dream Program”, Walk the Talk and Reconciliation Week. Also, as stated in Section 2.2, Demographics, all KCGM employees participate in Cross Cultural Training to improve acceptance and diversity management within the organisation.

The company continues to promote and support community events such as the St Barbara's Day Festival and the Kalgoorlie-Boulder Community Fair, which bring the community together. Volunteer of the Year is still awarded to recognise and profile the volunteering activities of the KCGM workforce, which promotes participation and greater social cohesion. Employees are encouraged to volunteer for various events throughout the year. In 2009, KCGM had 90

registered volunteers who accumulated a total of 800 volunteering hours (Phillips, pers. com., 2010).

Employee turnover has improved significantly since the 2007 SIA where turnover was reported at 29%. This improved to 16.3% in 2008 and just 7.3% in 2009. The transient nature of this workforce is seen to have an impact both internally and externally on cohesion, so this reduction in turnover contributes to better social cohesion. This is reflected in the percentage of employees who have been with the company for 5-10 years as illustrated in the employee/contractor survey – 36% in 2010 compared to 25% in 2007.

Shift work remains a significant component of KCGM's operation with over half the workforce on one of the following rosters (Phillips, pers. com., 2010):

- 20% on either 2 days on, 2 nights on, 4 days off.
- 45% on 7 days on, 3 off, 7 nights on, 4 off.
- 35% are on 5 days on, 2 days off.

This shiftwork is perceived to be detrimental to social cohesion by some community stakeholders, as discussed below.

### **Perceived Importance and Performance**

The 2010 survey results show that almost three-quarters (71%) of residents had lived in the area for over 10 years (with 45% more than 20 years and 26% between 10 and 20 years) with almost half of the Indigenous respondents (48%) living in the area for over 20 years.

There is some perception among the community that 12-hour shifts are not amenable to community life and have a negative impact on the community.

“I disagree with 12 hour shifts. It promotes people to leave town on their days off...8 hour shifts would encourage lots more people to be involved with sports, volunteering, etc.” (In-depth interviews)

“12 hour shifts have a major impact on communities in the long run....There are not enough people outside the mining industry, working normal hours, to fill these roles.” (In-depth interviews)

“If KCGM want to be more family friendly/minded then give people the option not to work Christmas, especially those with young families.” (Employee survey)

“The major challenge for the company is to reduce the turnover of staff. Whether this can be influenced by remuneration improvements or roster alterations/manning levels. This should be addressed.” (Employee survey)

KCGM's ability to manage 12 hour shifts and the associated impact on family life was ranked the lowest across all attributes in terms of company performance amongst residents (mean score of 3.4), businesses (mean score of 3.4) and employees (mean score of 2.6). As this area is also seen as important amongst these stakeholders (mean scores ranging from 4.4 to 4.7 out of 5), this obviously becomes an area needing to be addressed further.

As in the 2007 SIA, KCGM was not seen by Indigenous respondents to speak up for them locally; being the lowest rated performance area with a mean score of 1.67 out of 5. However, this should be qualified though that compared to other attributes rated by the Indigenous community members this indicator was ranked the lowest in importance.

## **Opportunities for Improvement**

- Continue to support employee-volunteering activities within the community and sponsorship of community events and Indigenous programs that go toward promoting social harmony and cohesion.
- Consider further how shift work and community/family life can coexist successfully, particularly around policies for Christmas Day rosters for families with young children.

## **4.3 Communication and Engagement**

### **4.3.1 External**

#### **Context**

Kalgoorlie-Boulder has a commercial amplitude modulation (AM) band radio station (Radio West), a commercial frequency modulation (FM) station (HOT) and access to a satellite service (REDFM) covering the more remote areas outside the City. ABC Radio has a strong presence in the region with a studio in Kalgoorlie-Boulder. In addition, the City receives ABC FM, Radio National and Triple J. A local Indigenous community radio station called Tjuma Pulka radio has also been established in the area and uses KCGM's headframe for radio transmission.

ABC television is broadcast through the region and programs from commercial television broadcasters GWN and WIN can be received in major centres. SBS is also broadcast in the City. The Kalgoorlie Miner (printed six days a week) is the City's principal local newspaper.

The City is well equipped with telephone networks and services from a number of providers, and Broadband Internet is also now available. The 2006 Census indicates that the majority of households in the City have internet access (63%), just below the state figure of (65%).

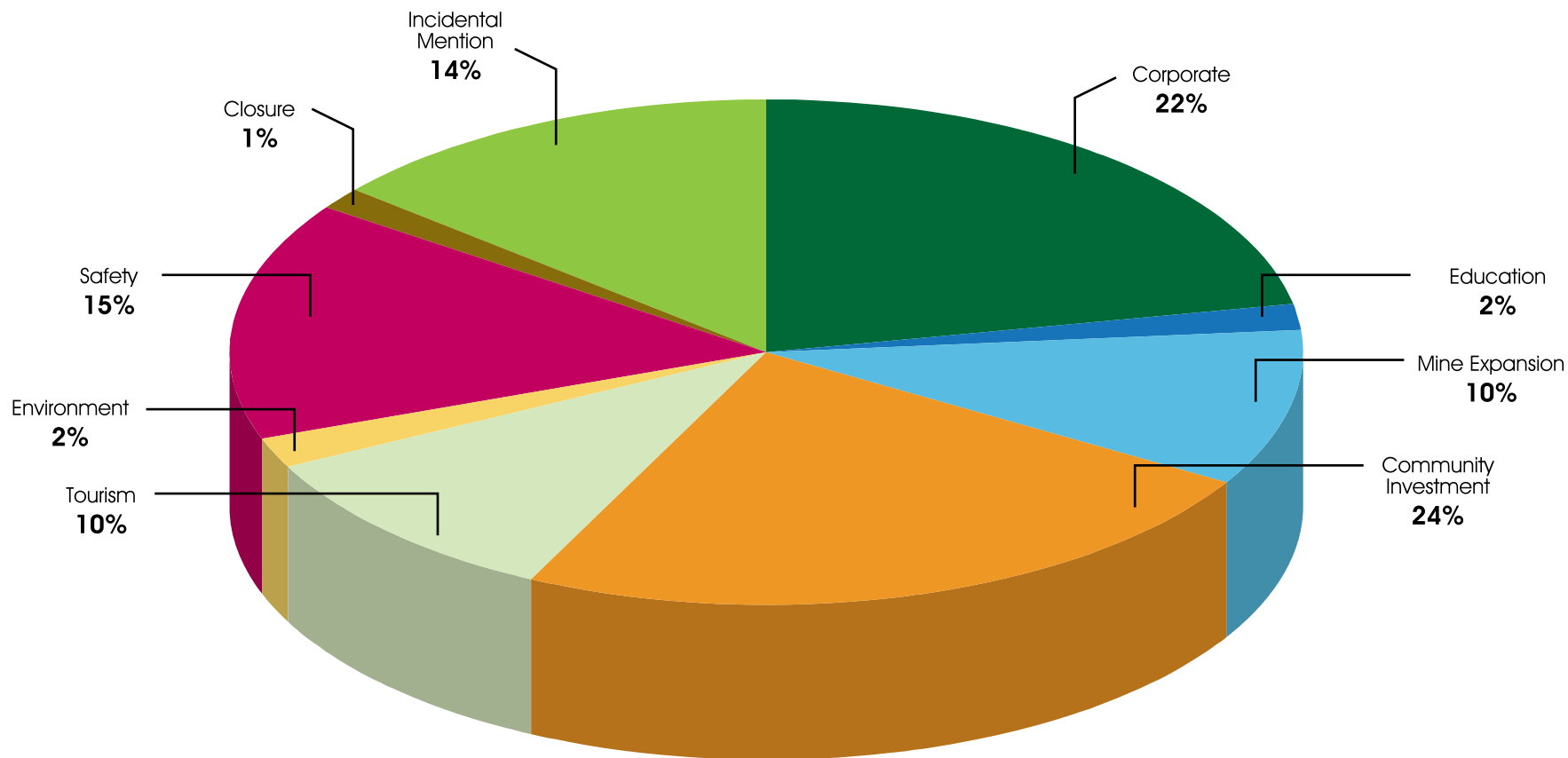
#### **Actual Impact Considerations**

Currently, the KCGM uses the following methods of communication with external stakeholders:

- The Super Pit Shop.
- "News and Views" – community newsletter.
- "The Dirt" – bi-monthly internal newsletter.
- The internet site – [www.Superpit.com.au](http://www.Superpit.com.au).
- Media releases.
- Word of mouth.
- 24-7 PIL.
- Mail-outs and/or emails.
- Advertising.
- Displays at the lookout.
- Mine open days.
- CRG.
- Membership of various local forums and associations.

In addition to these regular communication initiatives, KCGM have recently embarked on a detailed closure awareness and engagement strategy using a series of briefings, newsletter content, media, survey and workshop formats.

KCGM is represented at a high level through local media, as evidenced by Figure 4.1.



Source: KCGM Data



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KCGM  
2010 Social Impact Assessment



Nature of media mentions in 2009

Figure No:  
4.1

In 2009, media attention on KCGM focused on community investment, corporate issues, safety, mine expansion and tourism, reflecting the key impact areas.

In addition to media channels, KCGM continues to employ the following community relation tools to disseminate information to external stakeholders:

- The Super Pit Shop – recorded more than 31,586 visitors in 2008 and 30,453 visitors in 2009. The Super Pit Shop provides a face-to-face environment for members of the public to ask questions directly about KCGM operations. The Shop also includes information displays and an electronic blast notice board, which enables KCGM to advise in real time on next blasting time.
- The CRG – continues to meet monthly with representation from 10 members of the community and guests from relevant government agencies.
- The PIL - took approximately 234 calls in 2009. These primarily relate to air emissions, dust and vibration, land administration and tourism.
- Regular mine tours and access to the lookout.
- Management and employee active volunteering, committee representation and event attendance

## **Perceived Importance and Performance**

### ***Communication Methods and Sources***

There are five key local information sources used by external stakeholders. Local newspapers were the main source (89% for residents, 94% for local Businesses and 38% for Indigenous representatives). This is followed by:

- Word of Mouth (62% for residents, 69% for businesses and 13% for Indigenous representatives).
- Radio (50% for residents, 61% for businesses and 8% for Indigenous representatives).
- Company Personnel (49% residents, 69% businesses and 8% for Indigenous representatives).
- The Company Newsletter – *News and Views* (50% residents, 49% businesses and 13% for Indigenous representatives).

It was observed during the in-depth interviews that the CRG was seen as very pro-KCGM and appeared that it may be difficult to raise an alternative view in this forum. Therefore, it may be an opportune time to “freshen up” the CRG membership base in the future. It was stated by respondents that it seemed that a lot of good information gets fed to the CRG but it doesn't always appear go any further than this group. There is some perception among stakeholders interviewed that “*those at the top*” need to be more involved in communicating with the community. It was felt in recent times that this was being more frequently abdicated to the Community Relations Department and the leadership team did not have a visible presence in presenting company messages. This could also be attributable to the leadership styles and differing personalities of KCGM operational leaders, which tend to change over time and was noted in the 2004 SIA.

It was also noted by Indigenous respondents that the Aboriginal radio group was functioning well and could be supported more frequently by KCGM. The Wangkarryl Ngurra Aboriginal Corporation Language Centre also felt they had a role in assisting the company with translations

of policies and initiatives into Indigenous languages to assist in breaking down the barriers for communication here.

### ***Content, Engagement and Transparency***

As in the 2007 SIA, this aspect of external communication was measured using two attributes – *communicates regularly with this community* and *openly engages with this community on issues of importance*. Interestingly, the percentage of stakeholders from across the total community who rated regular communication as very important increased significantly from 49% in 2007 to 65% in 2010. This has resulted in a significant decrease in the somewhat important rating (from 36% to 21%). This may be due to people wanting more frequent communication as mine closure becomes a “hotter” community issue.

Both attributes resulted in mean scores of 4.5 in 2010 in terms of importance, with little difference between residents, businesses and employees. Indigenous stakeholders rate these a little higher – 4.8 for openly engaging and 4.7 for regular communication.

Perceived performance is seen to have improved across for regular communication amongst residents and local businesses. There was a significant increase in the percentage of the community rating KCGM’s performance as excellent, from 25% in 2007 to 36% in 2010 (resulting in a mean score of 4 out of 5). Indigenous stakeholders rated regularity of communication as 2.4 and employees as 3.5.

Perceived performance for openly engaging with the community is consistent with that of 2007, with a mean score of 3.7 for residents and businesses, 2.6 for Indigenous stakeholders and 3.4 for employees.

### **Opportunities for Improvement**

- Review the structure of the Community Reference Group and determine whether new people need to be invited to “freshen up” the group and to ensure that all stakeholders’ views are adequately represented.
- Ensure that management are seen to be communicating personally with the community to overcome the perception that it is all run as a large PR exercise through a central Community Relations Department. This will become more pertinent with mine closure impending and in building trust within the community at what could be a sensitive time.
- Ensure communication with all stakeholders is regular, especially regarding mine closure to overcome any perceptions of secrecy and insecurities.

## **4.3.2 Internal**

### **Context**

Effective internal communication is an important social driver for the KCGM workforce, as has been demonstrated in a number of studies to improve operational performance and employee retention and assist with building a strong internal culture. Furthermore, given that KCGM is a company with a significant residential workforce that resides within a community that relies heavily on company personnel for information, effective internal communication is also vital to ensuring that the correct messages are being relayed to workforce families and the community at large.

Current internal communication tools employed by KCGM include:

- Daily manager’s report

- Toolbox meetings for operational areas.
- Weekly operations barbeque.
- Daily managers' meetings.
- Noticeboards.
- Incident reports.
- Monthly safety meetings.
- Inductions.
- Safety Environment and Community (SEC) monthly forums.
- News and Views (internal and external).
- Digging Dirt – Load and Haul Weekly Newsletter.
- The intranet.
- The Contractors Handbook.
- Quarterly Technical Advisory Committee (TAC)/joint venture meetings.

The SIA Review included a detailed look at the effectiveness of internal communications, with a particular focus on the methods/tools, desired content, delivery and overall performance.

### **Actual Impact Considerations**

The main internal communication tools used by KCGM have an emphasis on the intranet and internet. Other tools such as the weekly General Manager's newsletter, quarterly presentations and meet the new arrivals add more personal processes that allow for interaction. Daily communication notes, noticeboards and incident reports also allow for up to date information to be circulated with relative speed and consistency.

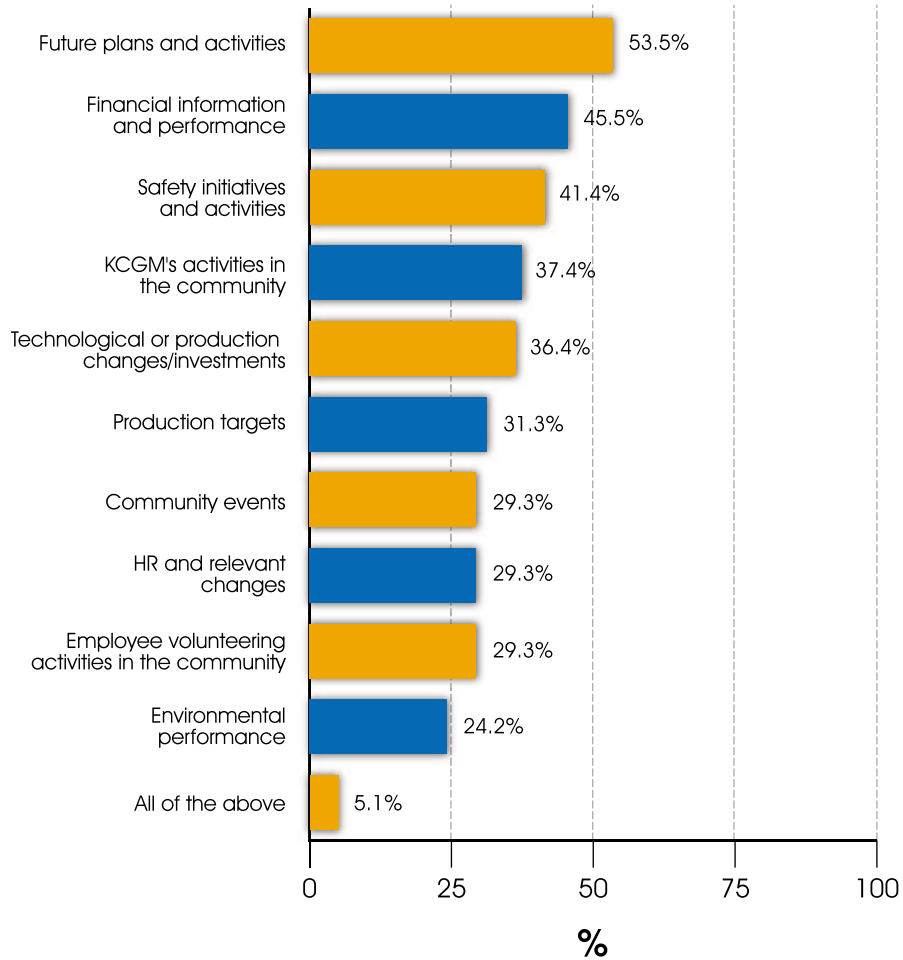
These methods fit appropriately with the preferred information sources for employees and contractors as the results of the employee survey show. Figure 4.2 shows the preferred information sources are internal electronic information sources. Over one third indicate site noticeboards and supervisors as other preferred sources (36.4% and 37.4% respectively).

In terms of content future plans and activities (53.5%), financial performance (45.5%) and safety initiatives (41.4%) were high rating preferences, closely followed by KCGM's activities in the community (37.6%) and technological change (36.4%). These findings reflect an employee and contracting base that are interested to see how their performance fits in with the bigger picture and future company directions. This sense of being part of the bigger picture is also reflected in the interest in the external activities of the company in terms of role in the community understanding how new technologies may improve or change current practices.

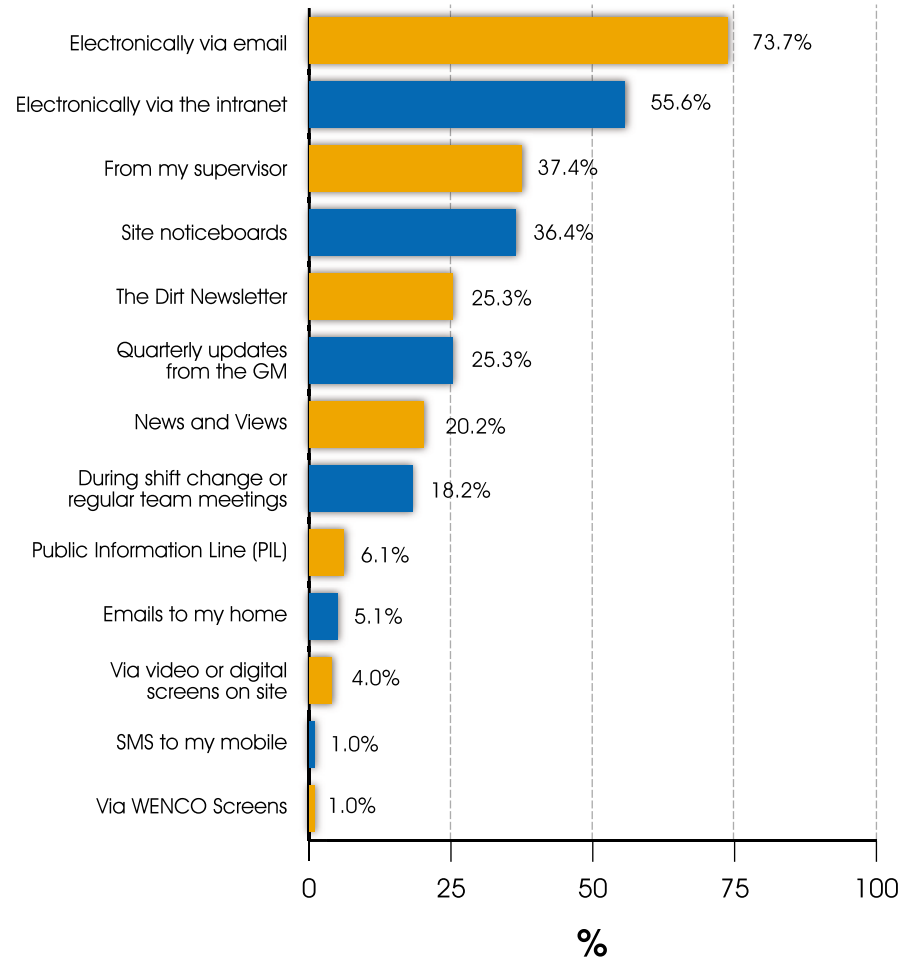
### **Perceived Importance and Performance**

Regular internal communication and appropriate delivery by KCGM management (in a clear and direct way) were seen as very important by employees and contractors (Figure 4.3). Importance means were consistent with those of 2007 – being 4.73 out of 5 and 4.61 out of 5 respectively. Regularly communicates with its employees and contractors was ranked as the 4<sup>th</sup> most important attribute. Performance was rated as very good for regularly communicating and appropriate delivery by KCGM management and good for providing information of interest, highlighting that there is, still, room for improvement (3.6/5; 3.3/5 and 3.2/5 respectively) and that communication will be key with mine closure considerations. These performance ratings are all consistent with those of 2007.

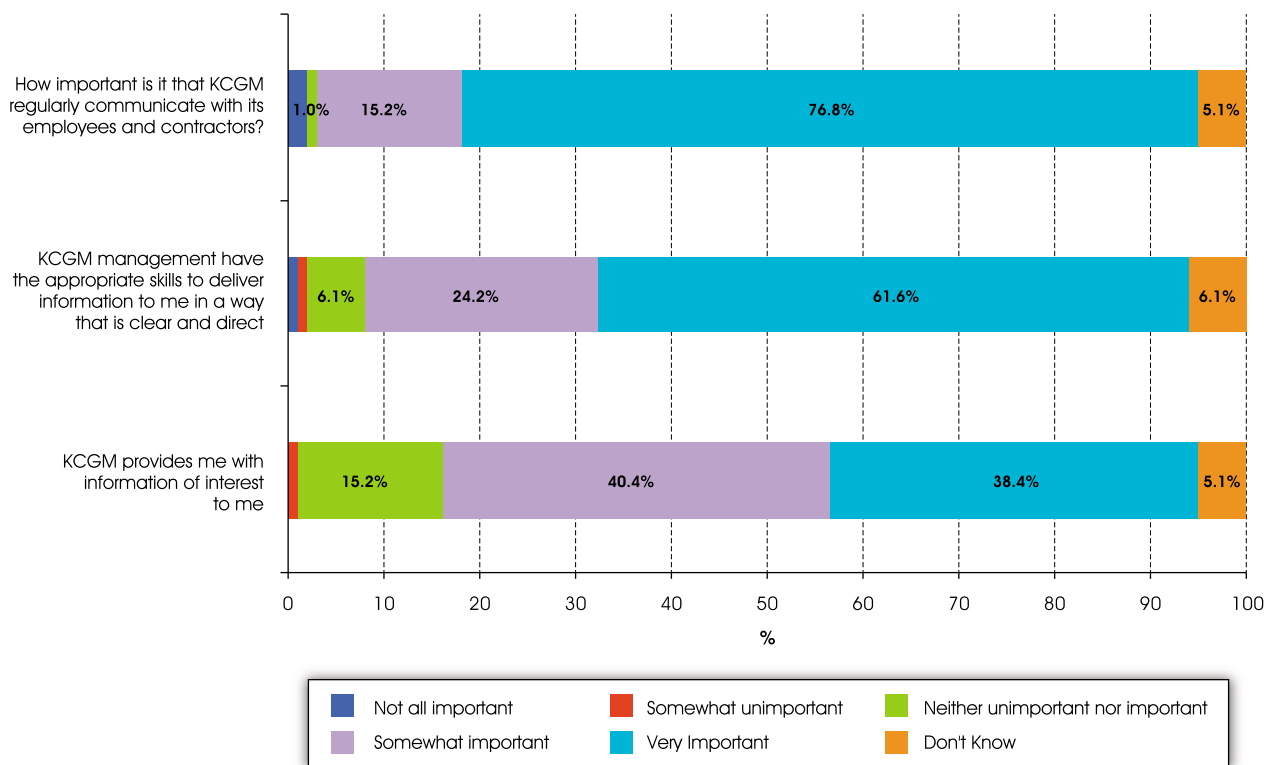
### Preferred Content



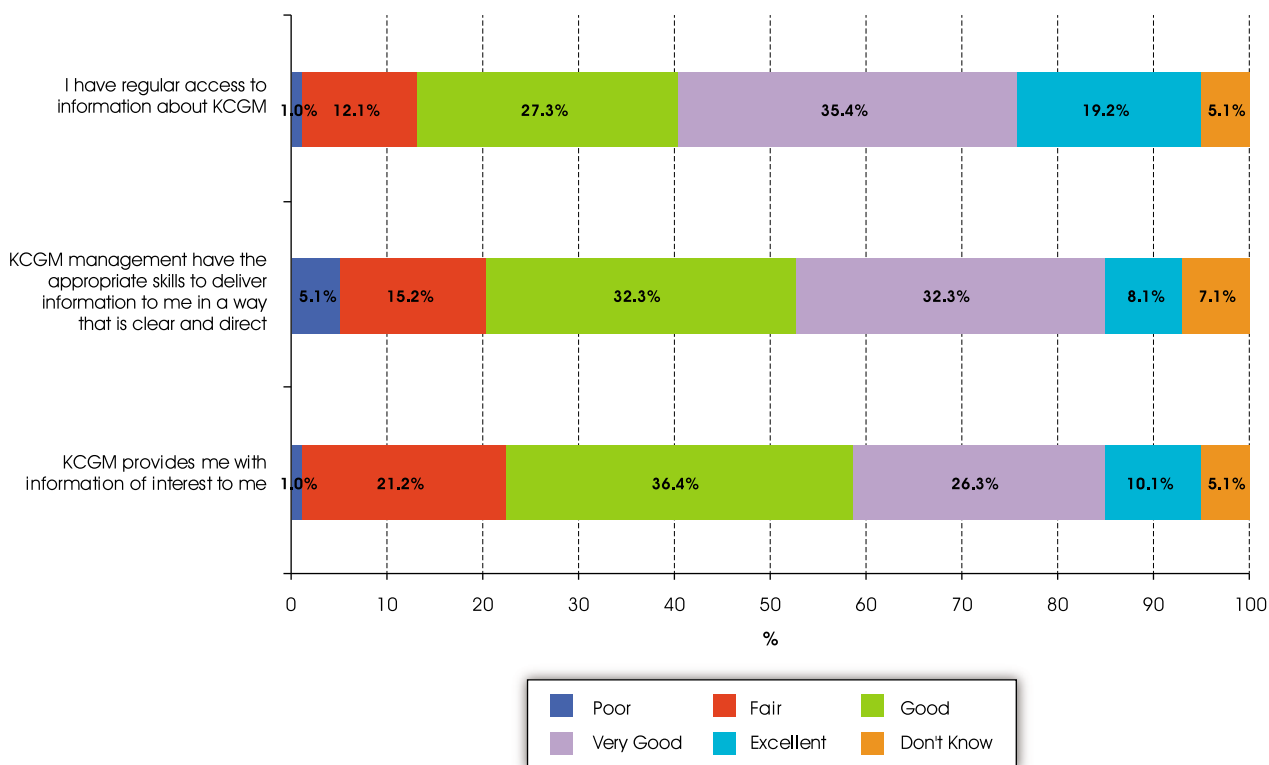
### Preferred Information Sources



### Importance



### Performance



## **Opportunities for Improvement**

- Ensure regular communication regarding the impacts of mine closure on employees.
- Provide an internal feedback channel whereby employees can voice their concerns or ideas regarding mine closure.

## **4.4 Community Development and Social Needs**

### **Context**

As mentioned earlier, Kalgoorlie-Boulder has access to relatively good community and social services as a result of its size and regional importance. Nevertheless, due to the nature of its influence, findings from the 2010 impact assessment highlight that it is increasingly important for KCGM to be an active contributor to the local community, and for this contribution to be seen to appropriately meet community needs and expectations.

In 2005, Q & A conducted a detailed social needs assessment on behalf of KCGM to provide direction for improved community support and develop criteria for assessment that met local needs. This study identified a number of specific groups within the community that required greater support and assistance than others, including:

- Ninga Mia and Indigenous fringe dwellers
- Indigenous youth
- Youth in general
- Young families
- Seniors
- Williamstown residents (in terms of their social and economic profile when compared to other areas within Kalgoorlie-Boulder)

The range of challenges faced by these groups includes low levels of education, physical dislocation from the broader community, impacts from mine operations, substance abuse and addiction, poor access to passive recreation and social activities, limited leadership opportunities and representation, accommodation, out of school care and childcare, and access to services.

In more recent times, local community development issues have focused on recreational activities such as the international standard golf course (A\$13 million investment), tourism and heritage initiatives (such as the Loopline Railway Project, Boulder main street and Golden Quest Trail) and community services such as addressing the lack of staff identified as an issue at Kalgoorlie Regional Hospital.

A number of government agencies have shifted some of their regional staff to other community centres such as Geraldton and Esperance and this is being felt by those agencies left in town in terms of capacity and service delivery.

### **Actual Impact Considerations**

KCGM remain active sponsors of a range of local community organisations and community activities. Company policy is to only sponsor local community people and local events within the Kalgoorlie-Boulder area, and excludes from consideration sponsorships of political parties, religious events, individuals, adult recreational sports and commercial ventures.

Part of KCGM's direct involvement in the community includes their support for a variety of events that assist in building community spirit. The most recent events supported by KCGM include the annual St Barbara's Festival, the HELP Christmas Appeal and Making a Splash at the Swim Thru.

KCGM's sponsorship of these events as well as staff participation has great impact on the success of these events and provides an excellent opportunity for the community to celebrate their place and pride.

In 2009, KCGM committed almost A\$290,000 in direct and in-kind sponsorship to local events and organisations (Figure 4.4). This contribution to the local community helps to improve relationships across numerous stakeholder groups and improve the wellbeing of the community as a whole.

KCGM specifically allocates A\$40,000 per year for Junior Sports. This is particularly salient to this community, as it believes there is a need for specific programs to keep youth in the town occupied.

As mentioned in other sections, KCGM has also made a number of significant contributions to the local community through sponsorship of tourism and cultural heritage initiatives such as the Super Pit shop, the WA Museum, the Mining Hall of Fame, the Golden Mile Loopline Railway Society and other such initiatives.

### **Perceived Importance and Performance**

All stakeholder groups see KCGM's financial contribution to the community through sponsorships and donations as very important (importance means were 4.4/5 for residents, 4.7/5 for businesses, 4.2/5 for employees and 4.7/5 for Indigenous). Performance was also rated between good and excellent for most respondents, with the exception of Indigenous respondents (mean scores were 3.9/5 for residents, 4.2/5 for businesses, 3.4/5 for employees and 3.1/5 for Indigenous). However, this is the second highest rated area of performance by Indigenous people who generally rate KCGM's performance lower than the other stakeholder groups.

The perceived value of KCGM's programs is very similar to that of 2007, and appropriately matches funding targets with tourism initiatives, local sporting events, health services and community events topping the list. Perceived value of KCGM programs are illustrated in Figure 4.5.

The hospital is one area that the community still believes warrants further attention, as comes through quite often in qualitative responses. Bega Garnbirringu Health Service also felt they had more to offer in terms of service delivery if more funding was available.

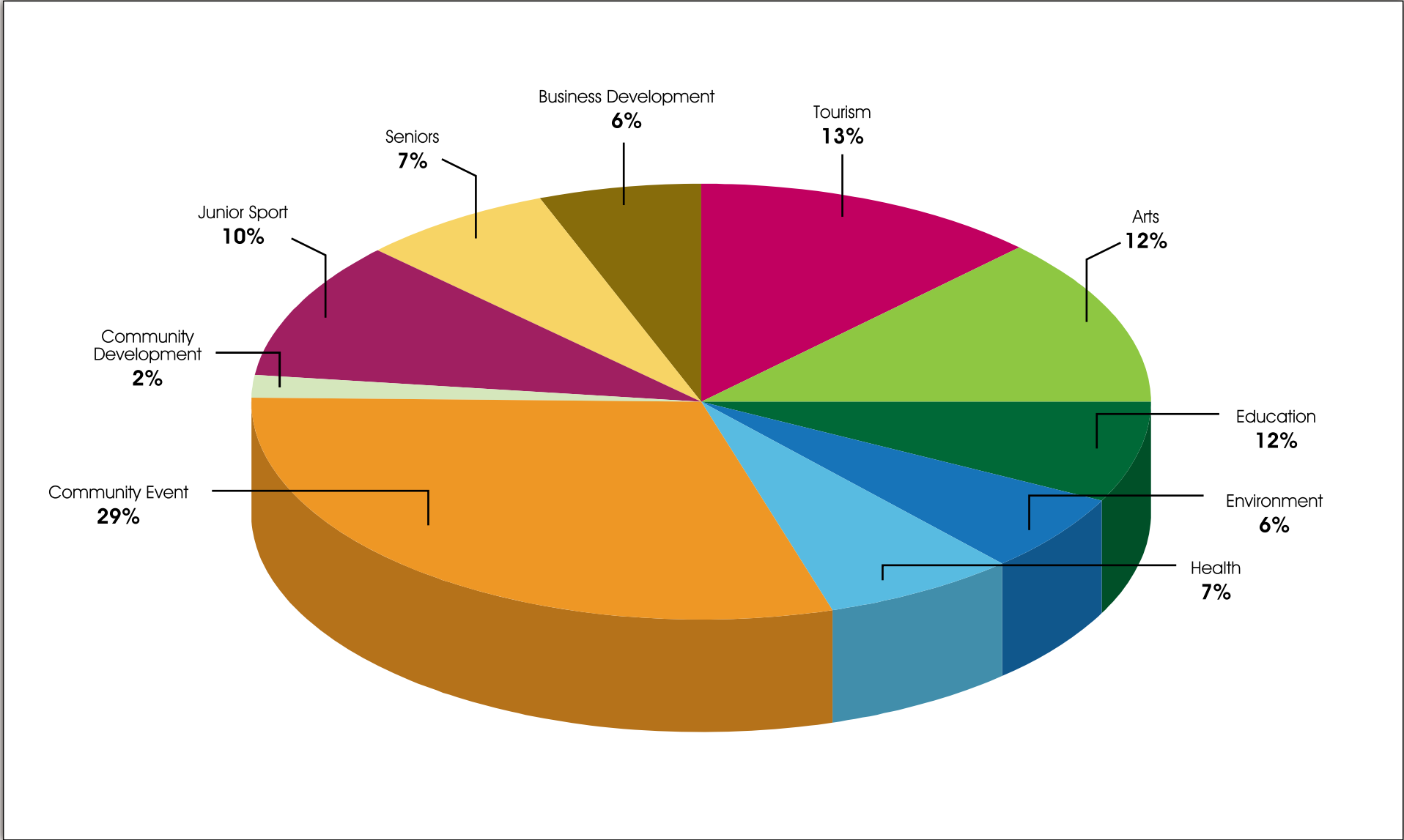
"There's insufficient money coming from KCGM to develop Kalgoorlie. The hospital and facilities for youth to get them off the streets."

"We still have people promising to fix the hospital and its still crap."

(Reponses from open-ended question in survey Do you have any other final comments on what you think KCGM needs to think about to manage future challenges for the community?)

### **Opportunities for Improvement**

- Continue to target funding according to current structure, ensuring continued contributions to health and youth services.
- Consider supporting a very specific health and wellbeing project through the hospital or Bega Garnbirringu Health Service to ensure maximum leverage and recognition for this type of contribution. Contribution to this type of project could also have the potential to benefit the community for many years to come and contribute to KCGM's legacy to the region following mine closure.



Source: KCGM Data



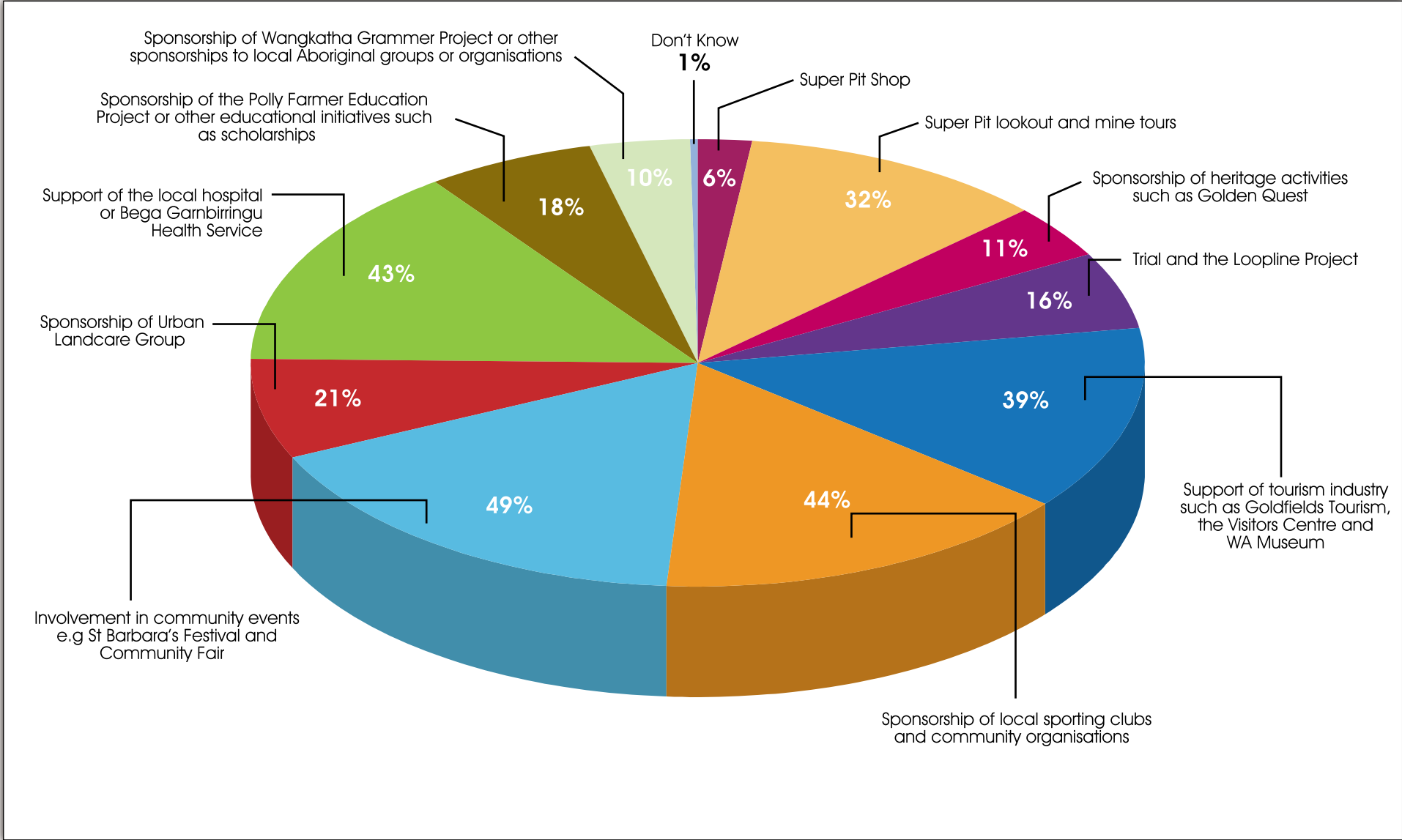
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2010 Social Impact Assessment



KCGM sponsorship target areas

Figure No:  
4.4



Source: KCGM Data



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KCGM  
2010 Social Impact Assessment



Perceived value of sponsored programs

Figure No:  
**4.5**

## **4.5 Diversity, Enterprise and Employment**

### **4.5.1 Diversity and Reliance Issues**

#### **Context**

The economy of the Goldfields region is based on the extraction and processing of mineral resources, principally gold and nickel, with mining contributing over 60% of the region's gross domestic product (GDP), followed by agriculture, tourism and the services industry.

The Goldfields have been impacted by the inevitable ebb and flow of mining activity for over a century, and as a result Kalgoorlie-Boulder has ridden out a number of low points in the industry since the initial gold rush and right through to the current boom. Despite the towns obvious resilience, the issue of economic diversity and sustainability of this community is particularly salient in this review as the Super Pit continues to consider its operational closure at end of mine life, currently forecast for 2021.

There is a focus within the region to create greater diversification initiatives such as the Transport Hub discussed further in this report, the tertiary education base within the community and tourism initiatives. In addition, the development plans for other mining activity in the region such as Anglo Gold Ashanti's Tropicana development are seen as important drivers to capture fly in fly out (FIFO) workers or become a regional FIFO hub.

#### **Actual Impact Considerations**

Annually the Super Pit produces up to 850,000 ounces of gold and is therefore a significant individual contributor to regional and national GDP.

Direct total economic value added to the Australian economy is estimated to be in the vicinity of A\$519.6 million (Newmont, 2008). Over half of this total is spent locally via local suppliers, local payroll and community sponsorship or donations.

KCGM is also one of the leading tourist attractions in the area and supports the growth of this industry by offering tours of the pit, maintaining the lookout, advertising blast times and running the Super Pit Shop in Boulder. It also supports local tourism development through cash investment in local tourism initiatives.

One of the main economic areas of impact is its significant use of local business. In 2009, KCGM had a total of 872 suppliers, of whom 333 (or 38%) were local (Phillips, pers. com., 2010). Total supply spend in 2009 was almost A\$528 million, with just over half (54.4%) or A\$287 million being spent locally.

In addition, the company contributes to a number of local development programs and events and the Super Pit profits are also reinvested to local groups.

#### **Perceived Importance and Performance**

With such significant contributions to the local economy, it is not surprising that performance is highly rated in the area of contribution to the economic diversity of the region, with mean scores of 4 out of 5 for residents and businesses and 3.6 for employees/contractors. Significant to mine closure, contribution to economic diversity is also rated as high in importance amongst all stakeholders (4.5 for residents, 4.6 for businesses and 4.2 for employees), explaining why there is much concern amongst the community as to the impact that mine closure will have on the town.

Local business reliance was assessed as part of the telephone survey, by asking annual turnover of their business and percentage of turnover attributable to KCGM and/or its employees. Almost

half of the businesses (47%) placed their direct and indirect reliance on KCGM (as a percentage of annual turnover) at less than 5% (Figure 4.6).

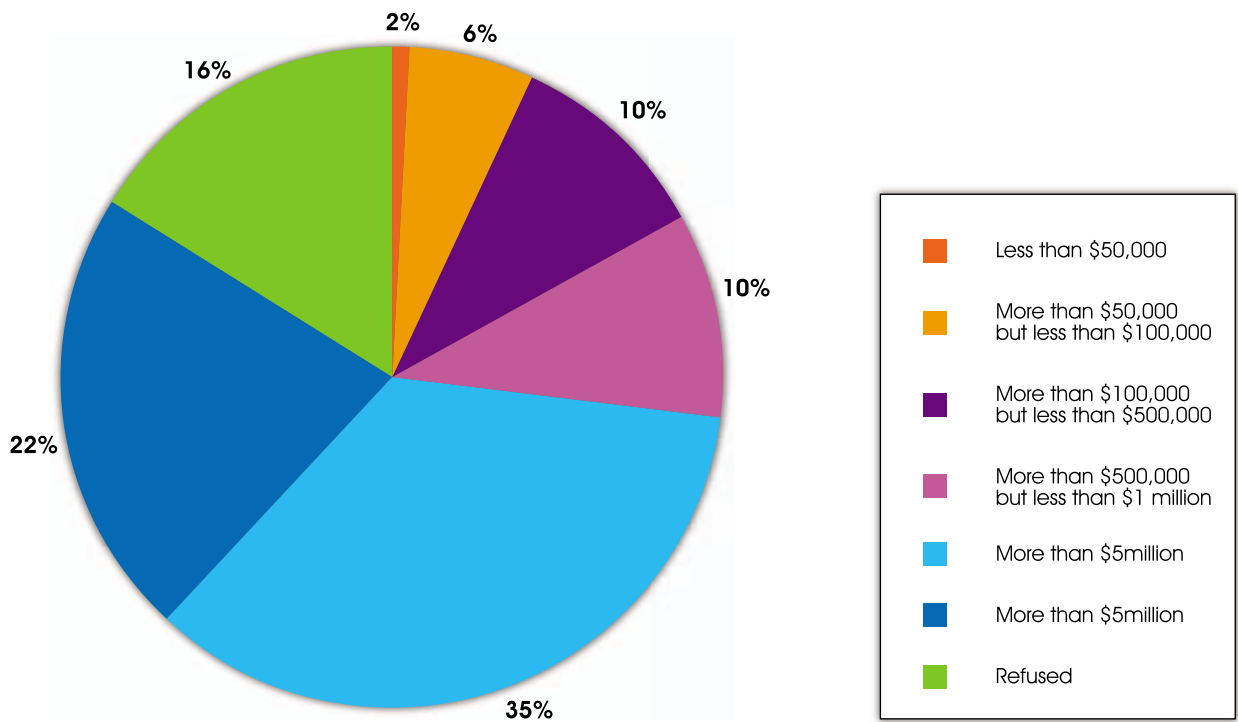
On the whole, annual turnover has increased since 2007 with two-thirds (67%) of businesses surveyed having an annual turnover of A\$500,000 or more (compared to 26% in 2007). Inflation would partly account for this, as well as the mining boom experienced since the 2007 SIA. Reliance on KCGM also seems to have decreased since 2007, with three-quarters (75%) of businesses estimating that up to 30% of their turnover is attributable to KCGM, compared to 56% in 2007. One in ten businesses attributed more than 30% of their turnover to KCGM in 2010 and 15% could not estimate what the percentage would be.

As a way of simply providing an illustration of perceived reliance of local businesses on KCGM in the light of closure, we can use a very basic calculation of assigned averages of actual stated turnover by the valid sample of local businesses contacted in the survey. That is, averaging "perceived" turnover results and average reliance percentage then applying this to the number of existing businesses within the city (Australian Bureau of Statistics (ABS) data points to 2,121 in 2006) it can be estimated that Kalgoorlie-Boulder businesses attributable to KCGM is approximately A\$990 million. Considering KCGM estimate they directly contribute A\$519 million annually to the total Australian economy and half of that is spent locally (i.e., A\$260 million), it's unlikely that A\$990 million of Kalgoorlie-Boulders business turnover comes directly from KCGM and their employees. This result could be attributable to an over inflation of turnover figures by respondents or demonstrate the level of reliance people "perceive" the local economy to be on KCGM. However it could point to the level indirect flow to local businesses that would need to be considered carefully in the light of closure planning. This figure would need to be investigated further using regional economic models to obtain a clearer conclusion.

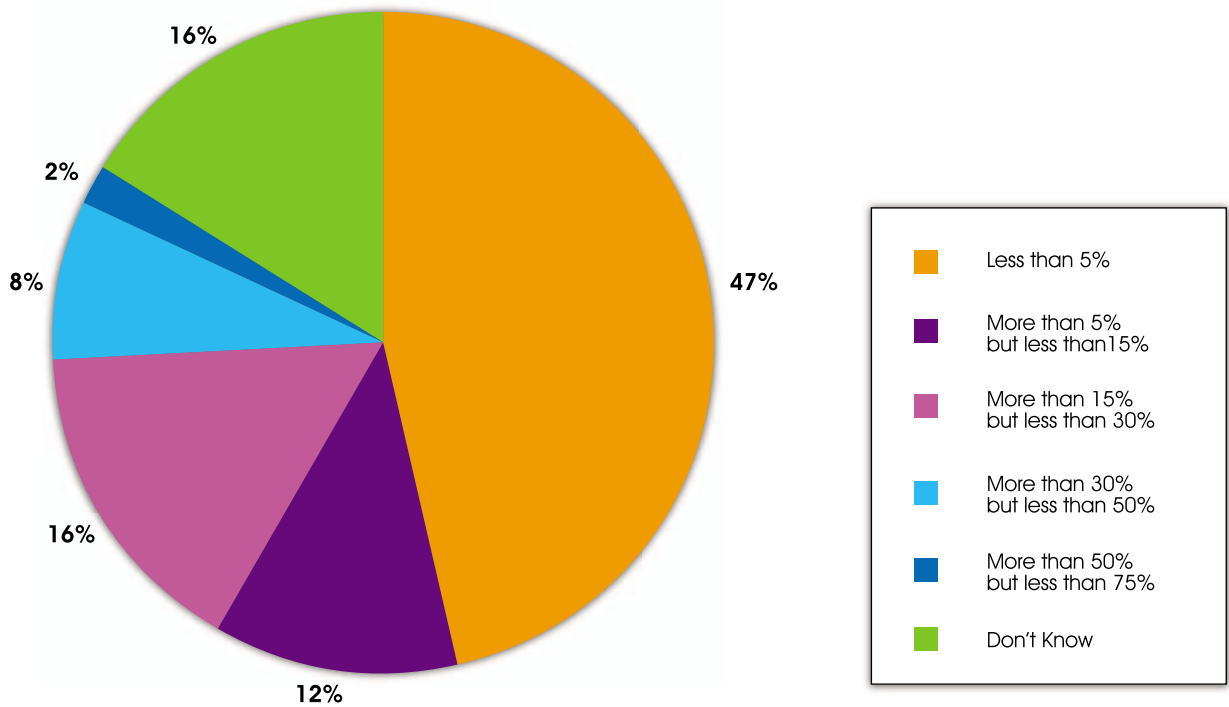
There is no doubt that KCGM is a significant local contributor but the community does show diversity and the ability to have a sustainable future through its development of tourism based initiatives, its role as a regional centre and other mining and education ventures. Other economic contributors are seen to be:

- Chamber of Minerals and Energy and other miners (Barrick, BHP, and St Ives/Goldfields) though many of these have FIFO workforces rather than residential workforces.
- Tourism and tourism associations, hoteliers, Boulder promotions, Golden Mile Loopline Railway Society etc.
- Rail and transport services.
- The proposed Kalgoorlie-Boulder Intermodal Freight Facility (Transport Hub).
- Amalgamated Prospectors and Leaseholders Association (APLA) – prospectors and landowners.
- Mining and engineering services (Monodelphus, JR Engineering, Ausdrill, Vehicle distributors).
- Education – Curtin University and local schools.
- Health services including Kalgoorlie Regional Hospital and Bega Garnbirringu Health Service.
- Department of housing and other community services.
- Chamber of Commerce and Industry (CCI) and small businesses including restaurants, takeaways, newsagencies, supermarkets, and petrol stations (CCI membership includes 400 local businesses).

### Estimated turnover of businesses surveyed



### Estimated percentage of turnover directly or indirectly attributed to KCGM



- Rotary clubs, Lions clubs and sporting clubs.

### **Opportunities for Improvement**

- Contribute to programs (whether financially or through other means of support), which will benefit other industries such as tourism and the regional Transport Hub to ensure future sustainability.
- See further section under closure on recommendations with respect to building business capacity to look at future opportunities in the lead up to closure.

## **4.5.2 Employment (including Indigenous)**

### **Context**

Employment data from the 2006 census indicates that out of a labour force of 14,491 persons in the region with 8,681 in the city itself, 69.4% of those were employed full-time, with an additional 20% employed on a part-time basis. Only 3.5% of the workforce in the Kalgoorlie-Boulder region was unemployed, compared with a national average at the time of 5.2%. Of these workers, 20.7% were classed as technicians and trades workers, followed by machinery operators and drivers (16.4%), professionals (13.6%), clerical and administrative workers (12.3%) and labourers (9.7%). With regard to industries of employment, the metal ore mining industry employed far and away the most employees in the regional workforce, being 14.4%, followed by school education (4.9%), other mining support services (3.3%), road freight transport (3.0%) and cafes, restaurants and takeaway food services (2.5%). This is most likely influenced by the high demand for skilled labour and better than average wages and benefits in the mining industry.

### **Actual Impact Considerations**

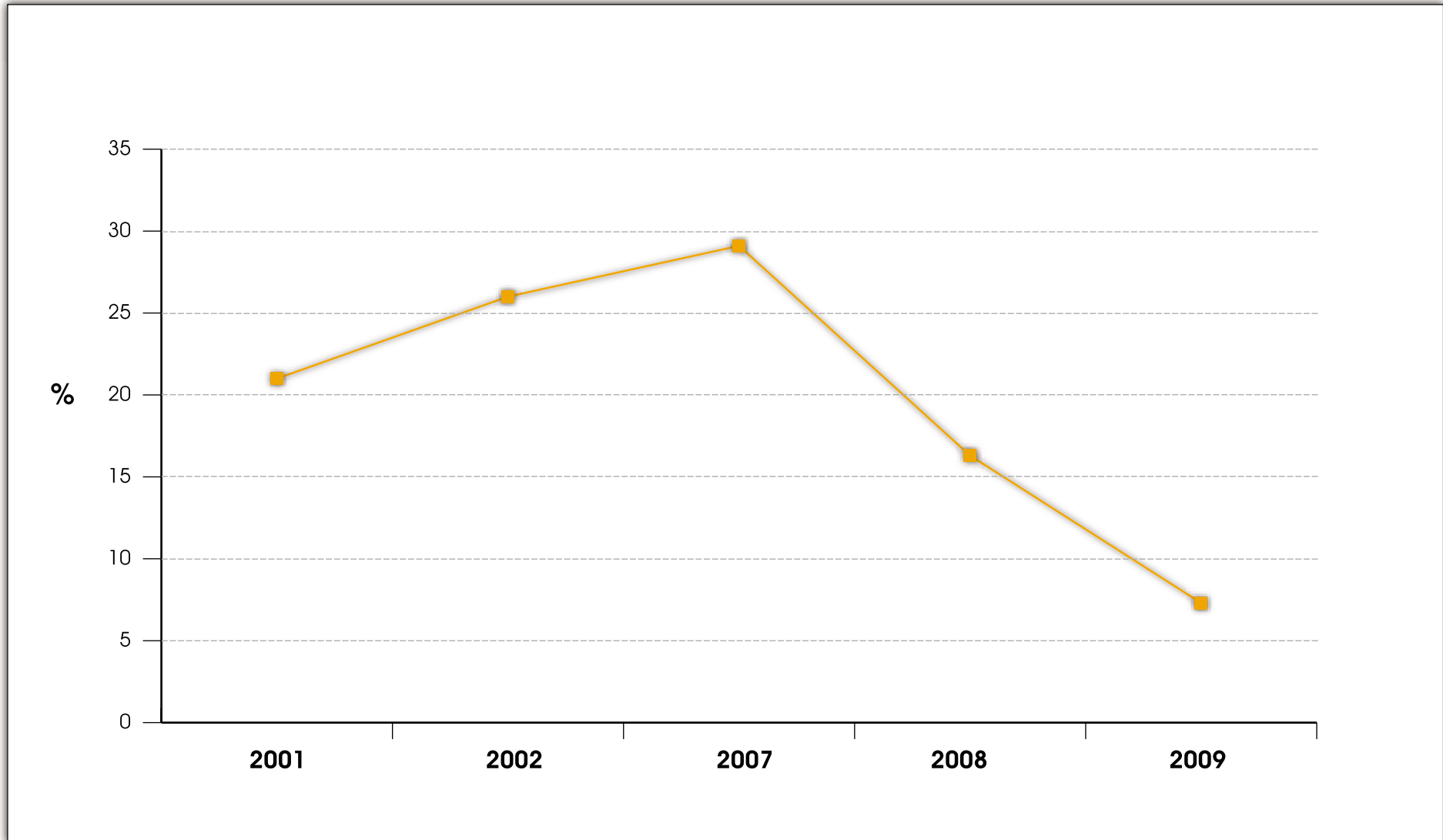
KCGM employs 659 employees and 373 contractors (Phillips, pers. com., 2010) which brings its estimated direct contribution to the local labour force to around 12%.

Around 99% KCGM's workforce is residential (i.e., lives locally) and this is a significant driver in positive community attitudes towards the company (Phillips, pers. com., 2010).

KCGM currently employs 32 full time Indigenous employees - including 20 KCGM employees and 12 KCGM contractors. These numbers are down from the 2007 SIA, where the number of full time Indigenous employees and contractors was 39. Applications are sourced from the Indigenous Employment Centre, Justice Department, labour hire companies, Super Pit Shop and through general enquire. Indigenous trainees are provided with a minimum of three months paid training in all areas of the processing plant.

Employee turnover has improved considerably in 2008 and 2009 as evidenced by Figure 4.7. As discussed previously, this impacts both on internal cohesion but also community perceptions around the transient nature of the community.

Recently KCGM initiated a review of current practices and development of future actions related to Indigenous employment and training conducted by 360 Connect Pty Ltd. This review found that the trade assistant training program and subsequent employment programs had been very effective (particularly in the maintenance area) however challenges remain in the integration of Indigenous employees into the operations. Some of these highlighted challenges included working with current employment providers (Nooda, Max Employment and Skill Hire), ability to provide appropriate support levels to individuals facing difficulties balancing family issues and work commitments, internal disappointment when efforts have not resulted in ongoing employment and a lack of clear cultural leave policy or formalised mentoring program internally.



Source: KCGM residents and businesses figures and analysis



Job No:  
8121  
File Name:  
8121\_01\_F04.07\_GL

KCGM

2010 Social Impact Assessment



Employee turnover

Figure No:

4.7

## **Perceived Importance and Performance**

As discussed previously under Section 4.2.1, Population, KCGM management and employees are seen to be relatively integrated into the community and as good employers with good remuneration and diversity policies (mean ratings 3.9 out of 5 for residents and 3.8 for local businesses). Not surprisingly, this is deemed as very important with ratings of 4.4 for residents and 4.6 for businesses.

Employees and contractors, however rate the company a little lower (3.1 out of 5). It is common to see this in employee surveys, as employees often do not want employers to think they are satisfied with their level of remuneration if they think there is a possibility of higher levels forthcoming. The high importance attached to remuneration and diversity policies by employees and contractors and the relatively low performance (compared to the other attributes) does place this in the “areas to address”.

The local Indigenous community rates KCGM's performance as low in being a good employer of Aboriginal people (2.1 out of 5) which is likely to reflect a lack of knowledge of KCGM's initiatives in this area, although they do rate this as a highly important area (mean score of 4.95). This low performance score of 2.1 out of 5 is largely driven by the 43% of Indigenous stakeholders who rated KCGM's performance in this area as terrible. This makes communicating strategies in training and employment for Indigenous people and meeting the target of being a good employer of Aboriginal people a top priority improvement area for KCGM.

The local community also believes that it is very important for KCGM to employ local people and contract local businesses, with importance ratings of 4.9 out of 5 for both residents and businesses. This is in fact regarded as the most important of all attributes surveyed. This has also increased in importance amongst residents and businesses since the 2007 survey, where the importance rating was 4.6 out of 5. This increased mean score has been driven by the increased percentage of people who rated this as either somewhat or very important, which has increased from 90% in 2007 to 98% in 2010.

Employees rate the importance of employing local people as 4.6 out of 5, which is consistent with 2007 results.

Performance in this area is consistent across 2010 and 2007, rated as very good with a mean score of 3.9 out of 5 for both residents and businesses and 3.5 amongst employees.

## **Opportunities for Improvement**

- Work with local Indigenous groups to ensure they are aware of training and employment opportunities for Indigenous people.
- Continue the Indigenous training and employment scheme but perhaps initiate workshops with local Indigenous employment providers to ensure challenges of service provision can be improved.
- Consider development of a cultural leave policy.
- Consider the appropriateness of the Employee Assistance Program or some culturally appropriate mentoring or counselling to assist young Indigenous employees/trainees balance family issues with work commitments and ensure work readiness.
- If an Aboriginal Liaison and Employment Adviser continue to be un-financial then consider development of a network of mentors for Indigenous employees.

- Ensure employee retention and attraction strategies are updated to meet an increasingly difficult employment market within WA.

### **4.5.3 Income disparity**

#### **Context**

Closely linked to social cohesion, which is previously discussed at the beginning of this chapter, is the ability of a community to adapt to the introduction of extractive activities which is often impacted by the consistently higher salary level for the mine's employees when compared to historic salary levels or salaries for those not employed within the industry.

High disparity between historic incomes levels and new income levels can lead to excessive spending behaviour, lack of appropriate financial planning and increased crime levels between "those who have and those who have not". In addition, high disparity between incomes of those employed by the mining industry and those who are not can create local tensions, resentment, increased crime and anti-social activity.

The City of Kalgoorlie-Boulder has traditionally had higher average incomes than the rest of the State as a result of the high proportion of the population employed directly or indirectly by the mining industry, which has historically paid well. Income distribution has tended to be normalised across a reasonable income curve with the majority of incomes falling in the moderate range. The most recent income data for the city is found in the 2006 Census data but given the significant changes within the industry since that time; current comparisons to this data are restrictive.

#### **Actual Impact Considerations**

KCGM's current average income for an individual employee is A\$98,490 per annum, which is at the high end of the gross householder income distribution curve particularly bearing in mind this is an individual salary rather than household income.

According to an ABS report, the average mining salary in Australia was approximately A\$100,000 per annum, whereas the average full time annual salary across all Australian sectors was A\$58,874 around the middle of 2008. KCGM's average salary is in line with the Australian average (Mining Jobs Australia, 2009).

#### **Perceived Importance and Performance**

As stated in the previous section of this report and unchanged from the 2007 SIA, KCGM management and employees are seen to be well integrated into the community and community cohesion is relatively high. There were no issues cited amongst the qualitative research respondents regarding income disparity.

#### **Opportunities for Improvement**

None applicable.

### **4.5.4 Indigenous Enterprise Development**

#### **Context**

The Goldfields has seen the development of a number of Indigenous-owned enterprises, as well as enterprises that employ Indigenous people. The majority of these initiatives have focused on support for the mining industry, including operators, labouring and rehabilitation, and have been met with varied levels of success.

### **Actual Impact Considerations**

KCGM promoted and sold a number of pieces of Indigenous art through Super Pit Shop throughout 2009 as part of their commitment to support Indigenous enterprise. KCGM also, where possible, continue to support Jims Weeds and Seeds, a significant local employer of Indigenous people.

### **Perceived Importance and Performance**

Assisting local Indigenous business was seen by Indigenous representatives to be a relatively low performing area with a mean performance score of 2.07 out of 5. Lack of awareness is largely an issue in this area, with a third (33.3%) of Indigenous respondents stating they did not know what KCGM did in this area.

### **Opportunities for Improvement**

- Continue to find ways in which Indigenous enterprise can be supported.

## **4.6 Land and Property**

### **Context**

Latest census information from 2006 indicates that there are currently 11,848 dwellings in the City; a figure which has remained relatively consistent since the 1996 Census. Almost three quarters (81%) of these dwellings are stand-alone houses. Median rents (A\$165 per week) and median loan repayments (A\$1,200 per month) sit comfortably against average incomes at approximately 10% and 17% of average income respectively. Housing affordability indicators are usually set at around 30% of total income.

In terms of land tenure, the primary land tenure around the Super Pit is residential and commercial leases. The close proximity of residents to the mine is a historical anomaly created from a time when individuals walked to work and residences were built around the original variety of small mines within the area. Land to the north of the pit is primarily station country, with many tenements held by smaller prospectors or mining companies.

### **Actual Impact Considerations**

Since 1992 KCGM has undertaken a program of passive property acquisition and now owns all residential properties within 400 m from the proposed Golden Pike Development. Any property damage claim caused by blasting or mining activity is thoroughly investigated by KCGM.

### **Perceived Importance and Performance**

Consistent with 2007, manages their relationships with local residents attracts a mean score of 3.7 out of 5 (i.e., sitting between good and very good). Performance means were 3.7/5 for residents and for businesses, 3.2/5 for employees and contractors and 2.9/5 for Indigenous. This factor is a key performance improvement area for all stakeholders excluding employees and contractors and Indigenous stakeholders.

The difficult relationship and ongoing challenges in managing relationship with some Williamstown residents is evident in the qualitative interviews with members of the Williamstown Residents Committee discussed below. However this survey also saw the highest number of participants of Williamstown residents to date. Here, eight residents agreed to participate in the telephone survey from attempts made to contact all the houses in this area. Although a small sample size, the performance mean amongst these stakeholders was 1.9 out of 5, with five of the eight respondents rating performance as "poor". Four of the eight Williamstown residents also rated performance as poor for manages noise, dust or vibrations caused by blasting activity (with

a mean score of 2 out of 5). The remaining residents rating performance more positively on both of these attributes. This highlights the need to restore previously damaged relationships with some parts of this community and to continue to attempt to find creative solutions for engaging other residents within this area.

Williamstown Residents Committee members interviewed state they are “*at their wits end*” and cite prolonged and intense stress over various issues, the most important being vibration and noise. These individuals state they would sell their properties if someone made them an offer, however they believe their houses are now worthless. There is a lot of mistrust amongst this group of KCGM as they believe they *are fobbed off by the company* and they don’t think that anyone in KCGM *genuinely cares about their situation*. These stakeholders are particularly angry at the way in which the original ‘buffer’ was put in place.

“If you were on one side of an arbitrary line you were bought out, if you were on the other side, you were left to suffer”. (Williamstown in-depth interviews)

In addition to their physical isolation, these Williamstown residents state they feel like the *outcasts of the community*, as they feel that the feeling amongst *the rest of the community is very pro-KCGM and they feel they are resented for speaking up against KCGM*. Originally these Williamstown residents say they took a view of ‘*one in, all in*’ and *agreed to stick together “against” KCGM* but now say they are *disheartened and would leave tomorrow if they felt this was a viable option*.

Pastoralists are generally very happy with and very complimentary of KCGM and they all appear have a good relationship. Pastoralists believe that KCGM has not in the past, like all big miners, given enough notice or respect regarding entering pastoralists land for exploration, however this has generally been resolved by individuals getting to know each other, building friendships and maintaining two-way communication.

### **Opportunities for Improvement**

- Continue to foster relationships with landholders and ensure a “go to” person (i.e., identify a personal contact) within KCGM for pastoralists to contact with issues.
- Continue attempts to contact and work with the Williamstown Residents Committee, and other Williamstown residents, to work through specific issues by finding creative solutions for closure and involving the leadership team in discussions about the future in 2021.
- Address land and property issues in mine closure discussions and use this forum to improve relationships with neighbouring land-owners.

## **4.7 Roads and Infrastructure**

### **Context**

As a result of the Super Pit’s open cut design and expansion over time, ongoing changes have been required to some local roads and infrastructure. The bypass road, construction of the conveyor and re-alignment of the Loopline Railway Project have resulted in changes to the local town planning grid and access to some areas of the community.

Actual traffic count data on Goldfields Highway between Great Eastern Highway and Anzac Drive in September 2008 shows relatively high levels of traffic movement, with the Average Daily Count at 2,728 vehicles. Despite the large volume of traffic, this is actually a decrease of approximately 500 vehicles compared with 2007 data. Of the vehicles recorded in 2008, 85.6% were light vehicles, 10% heavy class 3-9 and the remaining 4.5% heavy vehicles class 10-12. These

percentages show an increase in the number of light vehicles on the road (up from 74.6%) and a corresponding decrease in the number of heavy class 3-9 vehicles, down from 20.6%. The 85% average speed recorded on the highway was 85 km per hour (Main Roads, 2008).

### ***Kalgoorlie-Boulder Intermodal Freight Facility (Transport Hub)***

The City of Kalgoorlie-Boulder, together with the Goldfields-Esperance Development Commission, Department of Transport and other interested parties, is continuing to investigate opportunities for an inter-modal Transport Hub in the town's region.

According to submissions made to the federal government in 2006, this project has an initial estimated cost of approximately A\$9 million and is to be located at Parkeston, approximately 8 km east of Kalgoorlie-Boulder on land currently under the control of the Australian Rail Track Corporation (ARTC). This site has been chosen as it is currently where all trains must stop to refuel on their trans-continental trips.

The purpose of the Transport Hub would be to reduce costs associated with freighting goods to the region from the East Coast of Australia, which are currently railed straight through to Perth, unloaded, and then returned, mostly by road transport, adding approximately A\$120/tonne to the cost of the goods (GEACC, 2006). Initially, the objective of the proposed Transport Hub is to provide an intermodal facility that will allow bulk freight to be offloaded and distributed by road and rail. This would apply to the freight destined for both the Goldfields-Esperance Region and the North West Region of the State, which has been estimated at 880,000 tonnes per year.

The freight for the Goldfields Esperance Region would then be distributed by road and rail using existing networks, whilst that destined for the North West Region, including the booming Pilbara region, would be sent by road using existing routes.

### **Actual Impact Considerations**

KCGM recognise their impact on local traffic and transport infrastructure and continues to focus on road safety.

KCGM has actively worked with Golden Mile Loopline Railway Society to see re-establishment of the Loopline Railway Project. The company completed the engineering study to the value of A\$300,000 and has funded over A\$1 million to assist with the Loopline Railway Project (KCGM, 2007)

KCGM continues to work with the Golden Mile Loopline Railway Society to assist them in reaching their long-term goal of having a significant tourist railway linking Boulder to Hannan Street.

Provision for the Loopline Railway site has been made in the current life of mine planning and as mentioned above, has provided a detailed engineering study to the Golden Mile Loopline Railway Society for how this could be achieved. The proposed location will not be affected by KCGM's closure. (KCGM, 2009b)

The organisations closure vision sees the re-establishment of the Loopline Railway Project as an important part of the tourism legacy left by the operations. It's re-routing across the pits northern bund would offer views over the town and the pit<sup>5</sup>. The Golden Mile Loopline Railway Society is

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<sup>5</sup> This was expressed as an aspiration by stakeholders; however, the feasibility of this option is yet to be confirmed.

now seeking further funding from alternative sources to ensure this project gets appropriate traction in the near future.

### **Perceived Importance and Performance**

This issue was not measured directly in this SIA review given a relatively low level of salience of the issue in previous work. However KCGM's support for the Loopline Railway Project is seen as an important local initiative. As mentioned under Section 4.1.1, History and Heritage, there is some confusion amongst respondents as to KCGM's involvement with the Loopline Railway Project, with comments such as:

"They had promised to do the Loopline but they never did it."

"KCGM don't support the Loopline, so they should just admit they are not doing anything for the Project."

(Responses to the open-ended question "Do you have any other final comments on what you think KCGM needs to think about to manage future challenges for the community that we haven't discussed already?" from the residents and businesses survey).

The progression of the Loopline Railway Project may become of greater significance, as people perceive tourism based on heritage and history to have a large role to play in Kalgoorlie-Boulder's future.

In all the survey and qualitative research undertaken for this SIA, there is very little reference to roads and infrastructure by respondents, indicating that this is not an area that needs to be addressed with the exception of the future of the Loopline Railway Project.

### **Opportunities for Improvement**

- Communicate plans for the future of the Loopline Railway Project and KCGM's involvement in the project (now and in the future).

## **4.8 Safety and Emergency Services**

### **Context**

By regional standards, Kalgoorlie-Boulder has access to a well-equipped hospital, as well as a volunteer based ambulance and fire and emergency rescue service. In addition, the community is supported by a number of other health and emergency services. Community health and safety risks tend to relate to traffic incidents, exposure to dust and other air emissions, accidents involving old mine shafts, and fire. Employee health and safety risks include inhalation of metal fumes at the mill and Gidji stacks, exposure to sulphur dioxide at Gidji Roaster, and traffic incidents including both light vehicles and trucks.

### **Actual Impact Considerations**

KCGM's number one focus area is Safety. Safety Coordinators or Safety Representatives are allocated for each of department that forms a Safety Committee. Within this Safety Committee, members discuss safety issues that have occurred across site and discuss options in which to manage it.

KCGM uses Kalgoorlie Regional Hospital for emergency or crisis response, where necessary and works with Local Emergency Management Advisory Committee (LEMAC) and the hospital on local preparedness for crisis events. KCGM has an onsite emergency response team and an occupational health nurse to respond to immediate incidents and first aid.

KCGM's employee and visitor base is a significant indirect contributor to the local airport and flight routes, education and health service economies of scale and funding. In 2005 a Memorandum of Understanding was signed by KCGM with the Fire and Emergency Services Authority (FESA) and St John's Ambulance to provide reciprocal aid to each other's emergency response teams.

A number of safety initiatives have been introduced on site including safety check cards, integration of Life Saving Rules across the site, drug testing and a formal fitness program. KCGM recently introduced a program called "Speaking Safety Feature!" with genuine stories and tell-all accounts from KCGM employees and contractors who have experienced the trauma of a work related accident in the Dirt newsletter. The main objective of these stories is to put safety in the forefront of employees' minds and encourage them to speak up when they see situations that have the potential to result in an accident.

### **Perceived Importance and Performance**

From a community perspective, safety is regarded as very important – both the safety of employees at their workplace, but also for the safety of the community in regard to emissions, old mine shafts, etc.

The importance placed on safety is evident from the mean score of 4.7 out of 5 for apply best practice in safety management, which is consistent with 2007. There are no significant differences between stakeholder groups, all rating safety between 4.7 and 4.9.

As in 2007, KCGM continues to be rated highly in terms of safety performance, with a mean score of 4 out of 5, however employees/contractors and Indigenous people rate performance lower with mean scores of 3.4 and 3.1 respectively. Of concern, is the lower rating amongst employees, which has decreased in terms of perceived performance from 3.8 in 2007 to 3.4 in 2010. This may be attributed to KCGM receiving a verdict of 'guilty' for breaching Sections 9(1), 9A(2) and 15A of the *Mines Safety and Inspection Act 1994* on December 1, 2009, following the death of a contractor at the mine in 2006. The company was found guilty of failing to provide a safe working environment (KCGM, 2009c). KCGM has committed to a review of its safety programs and undertaking necessary actions to improve the safety of its workers.

### **Opportunities for Improvement**

- Communicate safety programs in place to reassure employees of best practice in this area, especially initiatives put in place since conducting the safety review.