French Pacific Territories Committee for PECC

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New Caledonia



Understanding, Managing and Enhancing Community Relations

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Agenda

- An Overview of Barclay Mowlem
- Weipa Upgrade Project Case Study
- Century Zinc Project Case Study
- Lihir Gold Mine Case Study





Mowlem – Global Operations:



Mowlem – Financial Performance

Turnover

Operating Profit

AUD 110M

AUD 5B

Market Capitalisation

AUD 550M

No. of Employees

16,500



Barclay Mowlem Operations



Barclay Mowlem Financial Performance

Turnover

AUD 700M

Operating Profit

AUD 20M

Shareholder's Funds

AUD 65M

No. of Employees

1,700



Community Relations

- More than 50 years experience in the engineering and building sectors
- Experience comes from a broad cross-section of markets and projects
- From remote, rural and highly urbanised centres, every project we deliver impacts the community in some way
- Today, more than ever, companies must plan community relations and address their issues as it can often impacts on a project's success



Community Relations

Typical Issues

- Impact to Local Community Services (influx of people)
- Maximising Local Employment Opportunities
- Training For Locals
- Understanding of and Sensitivity to Local Culture(s)
- Land Title
- Environmental Management
- Supporting Sustainable Business Development Opportunities
- Proactive Communication with the Community
- Sacred Sites



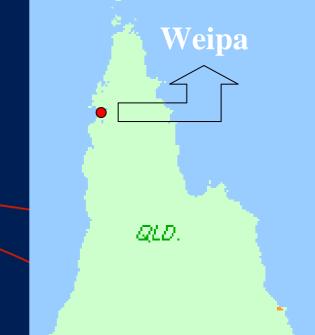
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- Overcoming Perceptions of Large Companies/Lack of Trust
 - Responsibility for Itinerant Project Employees

An Overview

- 20 years bauxite mining operation
- 12,000,000 tonnes of pre-concentrated bauxite produced annually
- 1,200 people living in the town
- Influx of 180 people for the duration of the project







Scope of works

- Overhauling, modernising and enhancing the existing mining plant
- Beneficiation Plant
- Stockpiling Equipment
- Crushing and Screening Equipment



Run of Mine Dump Station

Key Community Issues

- Interaction with local Aboriginal Community
- Local employment opportunities attracting locals without impacting established businesses
- Supporting Sustainable Business Development opportunities
- Specific Training
- Impact of community due to large influx of project personnel including
 - potentially intoxicated behaviour etc

services (retail centres, health, education facilities, police, airlines etc)



Community Plan

Attracting locals without disrupting local businesses:

• Consultation with local businesses to identify key resources and negotiate a mutually beneficial outcome.

Minimising Impact to Community:

- Consultation with local police, schools, hospitals, emergency services to prepare local services to manage influx of people
- Media releases to communicate project startup to prepare and inform community.



Community Plan

Improving Community Relations:

• Sponsorship and volunteer activity in major community events such as the Croc Eistedford (song and dance regional competition).

Building Relations with Local Aboriginal Group:

• Facilitated a Cultural Awareness Workshop to better understand community expectations and their way of doing business



As a result of the workshop the following was agreed to:

- Prompt communication on any issues with people employed on the job
- Barclay Mowlem to provide clear expectations on work outcomes and timeframes
- Negotiate future industrial agreements in partnership
- Include workers in decision making toolbox talks, seek input from workers
- Provide training and apprenticeship schemes
- Support and assist in creating sustainable business opportunities



Barclay Mowlem Actions:

- Employed 25 local employees including indigenous people
- Provided training and certification dogmen, forklift, elevator platform, scaffold licenses etc
- Assisted Napranum Aboriginal Corporation (NAC) to set up a concrete block manufacturing business – Barclay Mowlem provided:
 - Set up Payroll systems and quality systems
 - Full time supervision and on the job training
 - All profits and assets were retained by NAC for future opportunities



Testimonial

"NAC has benefited greatly from its association with Barclay Mowlem. To a community development organisation such opportunities are invaluable. Throughout the contract Barclay Mowlem demonstrated a willingness to further the cause of the indigenous people I have no hesitation in entering into further arrangements with them."

Sandy Callope, CEO, NAC

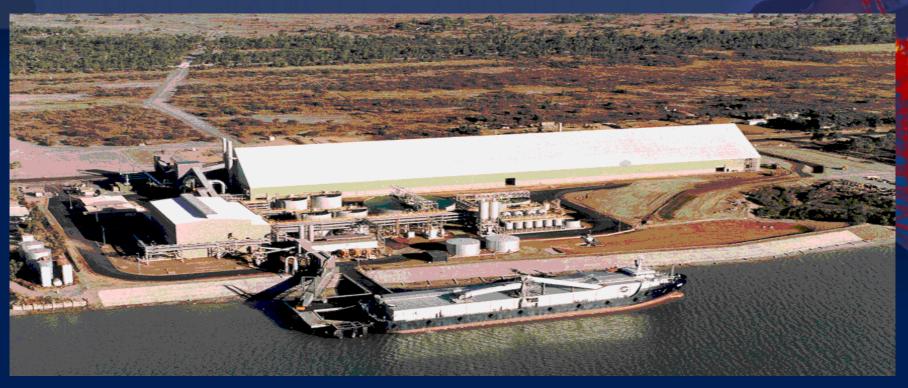


Century Zinc Project - Case Study An Overview

- Located in one of the most remote areas of Australia; Gulf of Carpentaria
- Barclay Mowlem in charge of the port facilities in Karumba
- AUD 180M project
- Total mining project AUD 900M
- 200 inhabitants living in Kuramba off fishing, farming, live cattle export
- Barclay Mowlem brought in 350 additional people for the project







Scope of Works:

- Port Facilities
- Materials Handling System
- All civil, structural/mechanical, electrical and instrumentation
 - Articulated Boom Portal Reclaimer

• Marine Wharf

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- Processing Plant
 - Bulk Storage Shed
- Earthworks, Paving and Drainage



Leadership

- Pasminco led by example and initiated the signing of The Century Agreement which included both Queensland Government and Native Title groups
- Pasminco contributed \$6M over the first 4 years of the project and \$1M/yr for the life of the project to establish an Employment and Training program for local Aboriginal people.
- Government contributed \$1M over two years for the provision of vocational education and training to support employment outcomes



Developing the Community Plan

During Tender Process – Community Issues were identified and a detailed Plan submitted



Issues Identified:

- Local Aboriginal group
- Unskilled local workforce
- Local employment was critical
- Overcoming existing perceptions and trust issues
- Impact of doubling size of town on services
- Ensuring appropriate behaviour of project personnel



- Workforce peaked at 350 over 50 people including aboriginals were employed locally
- Worked directly with Bynoe Aboriginal Corporation to identify employees and necessary training
- Built the relationship with Bynoe by:
 - Flying the Chairman to a similar project so they could have a better appreciation of the scope of work and necessary skills required
 - Flying senior council members to Weipa so they could meet with Napranun tribe and discuss first hand Barclay Mowlem's approach to working in a spirit of partnership

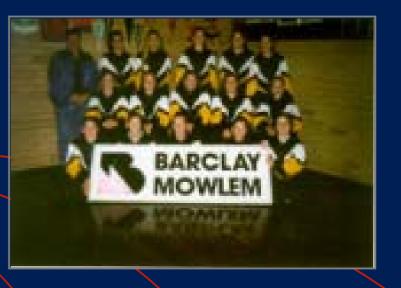


Century Zinc Project - Case Study Building Goodwill With The Community

- Employed a local aboriginal community leader to manage employees and community relations
- Identified sponsorship opportunities to signal our goodwill and intentions
 - Provided funding for music equipment to establish local band
 - Sponsored local Rodeo
- Provided training certificates and qualifications that could be utilised

in the future





Training

- We invested more than \$100,000 in a training centre and programs for both our employees and opened our training courses for local business
- Built a Computer Training Centre off site and opened this facility to the community
- The Centre was then donated to become a permanent facility to be used as an education/information centre for tourists
- A full time trainer funded by Barclay Mowlem delivered computer literacy courses to both project employees and the community at large



Training

- Provided on the job training to 6 Bynoe employees on Industrial Blasting and Painting – this provided an ongoing and sustainable business as there are permanent maintenance needs
- Provided formally accredited training to local employees in crane driving, dogmen, forklift driving, rigging, scaffolding





Century Zinc Project - Case Study Testimonials

"I am writing on behalf of the Board of Directors to thank you for the assistance and training provided to our employees... we look forward to a continued association with your company."

Ann Carney - CEO Bynoe Community Advancement Co-opertative Society

Barclay Mowlem must be congratulated upon your patience, persistence and commitment toward achieving not only a strong training culture but also the genuine outcomes now flowing outside your workforce to the general community."

Chris Woodhouse - Institute Director, Mount Isa Institute of TAFE

" I commend Barclay Mowlem....and for having the determination to establish this training centre at Karumba.....It is certainly one of the most innovative corporate workplace training initiatives I have encountered, and I encourage more companies to follow your example."

- The Honourable Paul Brady, Minister for Employment, Training and Industrial Relations



Century Zinc Project - Case Study Testimonials

"I would like to express our appreciation for providing our employees with much needed training for our industry, dogman and rigger courses and crane certificates. We are very grateful as is the large number of Karumba residents who have benefited from these training courses."

Lou Solari – Manager, Karumba Steel Fabricators

"Queensland Construction Training Award" won by Barclay Mowlem for Karumba among over 100 applicants because of the strong involvement of the local community in the project.



Building and Construction Industry
Training Excellence
— Awards —

1999

Award Category Innovation in Training

Awarded to Barclay Mowlem Construction 1td (Engineering Construction Group)

Barclay Mowlem Construction 1td

Luck Admitter Chairman at Judging Panel



10 boarember 1999







An Overview

- Lihir Island is located 900kms north east of Papua New Guinea's capital city Port Moresby
- Remote location
- Small village community
- Traditional land owners known as the Lakaka
- Limited infrastructure
- The Lihir gold mine located on the island is one of the world's largest known gold resources with 600,000 ounces/annum







Scope of Works:

- Initial construction camp Camp 1 1,770 beds
- Stage 2 construction camp 840 beds
- Water supply pipeline for Gold Mine operations
- 100 company houses
- Industrial park subdivision
- Local church



- Mine warehouse buildings
- Relocation housing
- International school
- Lakaka workshop
- Supermarket

Community Issues Identified:

- relocation housing
- improved village layout
- reticulated water and power services
- funding for social infrastructure (roads/health/education)
- employment
- training
- improved local skills





Barclay Mowlem and Lakaka created a 50/50 company - Aelium, which delivered AUD700M worth of contracts over a two year period.





Lihir Gold Mine – Case Study - Performance

Community Initiatives

- Maximised employment opportunities for locals
 - 800 Nationals at project's peak
 - 50 Expatriates
- Training/skills enhancement
 - On the job training programs
 implemented and monitored
 - Written record of on site training





Community Initiatives

- Management Skills
 - Transfer of management skills and systems to benefit Lakaka in mine operations
- Sustainable business development opportunities

 Aelium's success provided a management and financial platform for Lakaka to diversify into other sustainable operations (earthmoving, catering, cleaning)



Understanding, Managing and Enhancing Community Relations

Our Learning

- Early engagement of local community to understand their issues
- Appreciating the impact a large influx of people has on the community and local services
- Deliver what you promise to build trust and co-operation
- Ongoing communication: formal/informal
- Speedy resolution of issues as they arise
- Genuine commitment to local employment, training and sustainable business development
- Sponsorships and corporate activities to promote goodwill in community



Testimonials

