

SUPPORTING A VIBRANT REGIONAL COMMUNITY

Mandalay's investment in child and family services

Mandalay Resources has worked closely with community stakeholders near its Costerfield mine site in regional Victoria to address SDG8 – Provide sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Mandalay supported the nearby Heathcote community—facilitating investment in child and family services—to create a more vibrant and attractive regional town to live in. The childcare hub—Heathcote's first—will have places for 76 children, create 37 jobs and provide an estimated \$660,000 of economic stimulus annually.



8 DECENT WORK AND ECONOMIC GROWTH



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While this case study focuses on SDG8 – Decent work and economic growth, Mandalay Resources’ contribution also supports SDG3 – Good health and well-being, SDG5 – Gender equality and SDG4 – Quality education.

Relevant Australian SDG8 indicators include: the unemployment rate, by gender, age and persons with disabilities.

SDG8 – Decent work and economic growth

It is forecast more than 600 million new jobs will need to be created globally by 2030 to keep pace with the growth of the global working age population.¹ More people in decent jobs mean stronger and more inclusive economic growth and resilient local economies.²

SDG8 promotes sustained, inclusive economic growth, higher productivity and technological innovation to achieve productive employment and decent work for all. ‘Leaving no one behind’ is central to SDG8, which encompasses women, girls, marginalised groups, regional and other communities. Localisation of the goals—going beyond national implementation to make goals meaningful and relevant at the local level is key to achieving SDG8.

As at June 2017, 32.7 per cent of Australia’s population lived outside greater capital city areas and 28.2 per cent lived outside major cities.³ The population in regional Australia is rising—between 2007 and 2017 it grew by 10.6 per cent.⁴

Australia’s regional economies and the mining sector

Australia’s unemployment rate of 5.4 per cent is below the International Labor Organisation (ILO) global average, 5.6 per cent.⁵ However, disparities exist across the country, with youth unemployment in some regional areas exceeding 20 per cent.⁶ Regional and remote Australia also faces unique challenges including access to quality educational and medical services.⁷

In 2016, Australia’s agriculture, forestry, fishing and mining industries—mostly located in regional Australia—made up 57 per cent of the value of merchandise exports.⁸ The Victorian Government’s *Regions 2030* agenda seeks to unlock the regional Victoria’s economic potential through job

creation and economic development, infrastructure, health, education and communications activities.⁹

Mining in rural Australia has long generated significant economic opportunities for communities; most of the 220,000 Australians employed by the resources sector work in remote and regional areas.¹⁰ Mining companies also support broader economic growth and regional development through local procurement of goods and services, training apprentices and graduates and partnerships with community groups to support local initiatives.¹¹

‘It is crucial for small rural communities like ours to have a major business like Mandalay that we can look up to and know we can call on their support—both financially and through participatory leadership.’
Sandra Slatter, local community champion

Mandalay Resources—living its values in regional Australia

Mandalay is a Toronto-based producer with assets in Chile, Australia and Sweden. The company operates the Costerfield Project, Australia’s only antimony mine, located about 150 kilometres from Melbourne.

Costerfield employs 200 staff and approximately 50 contractors. In a traditionally male-dominated industry, 15 per cent of Mandalay’s workforce and 50 per cent of its leadership team are women. In addition to a mostly local workforce, Mandalay prioritises partnerships with local businesses and contracting local providers.

Internally the company also prioritises development of its leadership team, including through annual leadership programs, and ensuring its entire workforce is satisfied and happy at and outside of work. An empowered corporate culture, a local and community-minded workforce and partnership focus has established Mandalay Resources as a respected leader and partner within the community.

¹ International Labour Organisation, Topics - Decent work and the 2030 Agenda for sustainable development, ILO, 2017, viewed 10 October 2018.

² International Labour Organisation, Decent work and the 2030 Agenda for sustainable development, ILO, 2017, viewed 10 October 2018.

³ Regional Universities Network, Regional Australia, RUN, 2018, viewed 21 July 2018.

⁴ Regional Universities Network, Regional Australia, RUN, 2018, viewed 21 July 2018.

⁵ International Labour Organisation, ILO: Unemployment and decent work deficits to remain high in 2018, ILO 2018, viewed 25 July 2018.

⁶ Brotherhood of St Laurence, An unfair Australia? Mapping youth unemployment hotspots. BSL, March 2018, viewed 1 August 2018.

⁷ Royal Flying Doctor Service, 30 year study shows further services needed in country Australia. Regional Australia Institute, December 14, 2017, viewed 28 July 2018.

⁸ Commonwealth of Australia, Department of Infrastructure and Regional Development, Regions 2030: Unlocking Opportunity, 2017, viewed 20 July 2018.

⁹ Commonwealth of Australia, Department of Infrastructure and Regional Development, Regions 2030: Unlocking Opportunity, 2017, viewed 20 July 2018

¹⁰ D Byers (Interim Chief Executive), Support mining jobs to lessen regional inequality, media release, Minerals Council of Australia, 21 May 2018.

¹¹ *ibid.*

Creating economies of scale through smart, community-driven social investment

Mandalay takes an impactful approach to community engagement: ‘keeping it simple and making investments or other decisions that are reasonable and benefit local communities’.¹² It has a strong commitment to community ‘liveability’ and focuses on social outcomes.

Mandalay recognises it has an important role in driving solutions to key community challenges through targeted social investment. It also recognises partnerships and targeted in-kind support can amplify impact beyond one-off, financial contributions.

Costerfield Site Manager Melanie McCarthy was named the 2018 Exceptional Woman in Australian Resources at the Women in Resources National Awards in Canberra.¹³

Partnering to support improved community health services

In 2015, Mandalay joined a community working group established to investigate and progress development of Heathcote’s first child care centre.

Out of this, Mandalay agreed to fund a detailed feasibility study that confirmed a range of key community challenges:

- A lack of childcare services (with the closest centre more than 40 kilometres away) was a significant employment barrier and challenge for the broader community as well as Mandalay employees returning to work after parental leave. This discouraged young families from living in Heathcote and limited opportunities for social development and economic growth
- Access to specialist, allied health and other services locally was limited, a particular challenge for a vulnerable community at higher risk of poor health and social, emotional and behavioural challenges. Short- and long-term specialist needs were not being met
- Children entering primary school in Heathcote presented with low levels of literacy and language development. 17.5 per cent of all children experienced difficulties compared with 7 per cent in the wider Bendigo shire.¹⁴

The feasibility study recommended further community consultation: childcare services were both wanted and needed and would provide enduring social and community value. Mandalay supported the community by funding a consultant to undertake further research and conduct community surveys.

Based on study findings and consultant research, a community organisation was formed to progress identified priorities.

The organisation developed a grant proposal that led to its award of a \$650,000 Victorian Government grant to progress the study. The concept for the Bunbunarik Children’s Hub—an integrated Children’s Centre—was born. The local Anglican Diocese supplemented the grant by providing \$250,000 as well as the land for construction of the Hub.

The name *Bunbunarik* means ‘children’ in local Taungurung Aboriginal clan dialect

Getting the show on the road—Bunbunarik, Heathcote Children’s Hub

To maintain momentum, Mandalay provided funding for a well-connected, passionate local community champion to drive the agenda forward. This assisted to fast-track construction of the Children’s Hub.

Construction of the Hub is expected to be completed by the end of 2018.

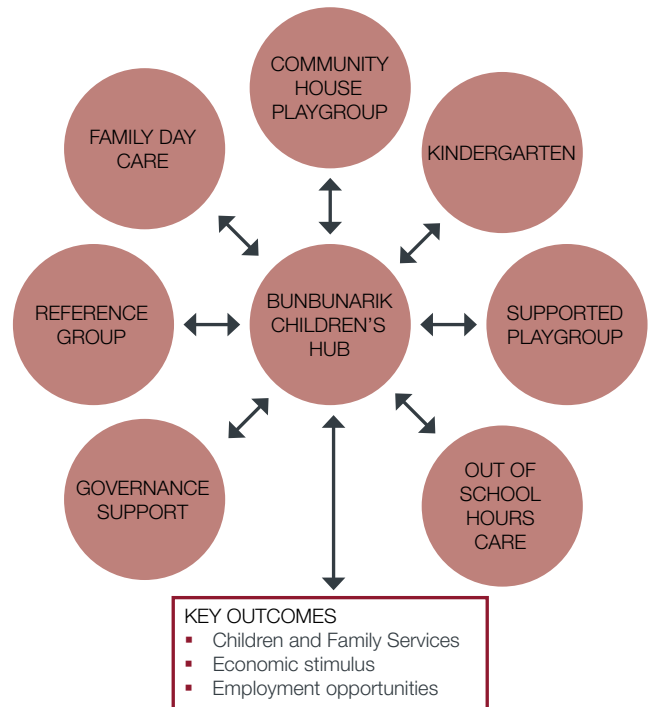
The Hub will offer integrated services including childcare, early learning services, family support, literacy and language programs, parenting and family violence support.

Beyond service delivery, community engagement and socialisation, the Hub will provide a significant economic stimulus and new job opportunities for the community. It has capacity for 76 children, will create 37 jobs will create an estimated local economic stimulus of \$660,000 annually. Solar power will provide electricity to the hub.

Development of the Hub—driven by the community—has leveraged significant support from local business, community groups and existing initiatives. This resulted in reduced construction costs due to community partnerships and discounted services, use of local suppliers, tradespeople and contractors (which also circulated money back into the community) and businesses and individuals volunteering time to assist hub construction.

Overall Mandalay contributed more than \$100,000 towards getting the Hub to construction stage and provided in-kind support. Mandalay also provided feedback about employee shift times, influencing the Hub’s proposed opening hours and benefiting Mandalay employees with children.

‘We want to leave a community improved by our presence here.’
Kerstin Brauns, Community and Environment Coordinator, Mandalay Resources



¹² M McCarthy, Costerfield – a narrow-vein case study, AusIMM Bulletin, 2016, viewed 10 October 2018.
¹³ N Croxon, Costerfield mine manager wins at 2018 Women in Resources National Awards, Bendigo Advertiser, September 16 2018, viewed September 20 2018.
¹⁴ Australian Early Development Census, Greater Bendigo Community, Australian Government, 2015, viewed 10 October 2018.



Photos: Sandra Slatter and Mandalay



This case study demonstrates the practice of *Enduring Value*:

- Principle 2: Integrate sustainable development principles into company policies and practices
- Principle 9: Contribute to the social, economic and institutional development of communities in which we operate.

Social and economic outcomes

Mandalay's investment of \$100,000 towards the feasibility study and employment of a project champion supported the community organisation to leverage \$1.7 million in total investment to develop the Hub

The Hub will have places for 76 children, create 37 new jobs and support approximately \$660,000 in economic stimulus within Heathcote annually

The project will exist beyond life of the mine, add to the long-term liveability of the area and enable people with young families to move to the town.

Community ownership of the initial feasibility study, collective efforts to build support for the Children's Hub and now helping in physical construction has built social capital within the Heathcote community.

Mandalay benefits directly from the Hub through an ability to retain and attract skilled workers and it remains a community-owned and driven project that will exist beyond the life of mine.

Lessons

- Mandalay's social investment sits at the intersection of business and social challenges—addressing a social issue (lack of childcare and children's health services) with business implications (lack of services are a deterrent to attracting and retaining skilled workers, including employees with young families) to create measurable social change and business value. This investment-based approach—known as shared value—is often a more sustainable investment approach for companies.
- Minerals companies in partnership with local stakeholders can promote and support regional liveability and economic growth by localising SDG8. Localising means working with host communities and other stakeholders to understand and support community owned and driven priorities.
- Companies can be driving partners in regional development by aligning efforts and working with governments, non-government organisations and communities to achieve broader regional development plans.