

Kirsten Livermore
Minerals Council of Australia

Thank you for the opportunity to be part of today's forum on such an important topic for the mining industry.

For those of you unfamiliar with us the Minerals Council of Australia is a membership organisation made up of around 60 companies engaged in mining, exploring and minerals processing. The MCA represents the industry to the federal government and in debates and policy development relevant to the sector. Our members are actively involved through policy committees and company representatives on our Workplace Health and Safety committee have recognised mental health as a growing issue.

Although he is not here I must pay tribute to my former colleague Andrew McMahon for bringing the MCA to be at this table with you seeking to understand the experiences of employees in the mining industry, the risks to mental health associated with mining and the actions that industry can take to optimise the wellbeing of employees.

Andrew used his time as Assistant Director for Health and Safety to raise awareness of those issues and opportunities and to set the mining industry on a path to addressing mental health in a sustained and integrated way. An important part of that is the partnership that has been forged between the industry and research institutions.

My job today is to convince you as busy researchers working in stretched organisations why you should care about the mining industry as the focus for your research.....why it offers attractive prospects as a subject for you to build a research profile around and at the same time make a very valuable contribution to individual wellbeing and national productivity.

My argument rests on three points.

Firstly I want to dispel any notion that mining in Australia has had its day.....that the end of the boom conditions marks mining as a sunset industry that doesn't need to be factored into Australia's future.

Secondly I think it is worth emphasising just how exceptional Australia is in terms of its relationship with mining and the extent to which mining defines our prospects as a nation.

Both of these feed into my final point which is the unique capacity for leadership that Australia possesses across all aspects of the mining industry.

So.....the future of mining.

I'm sure that all of you are close enough to the industry to see beyond the daily headlines prophesying a grim outlook for the industry but even with the advantage of

those insights it is hard not to be infected by the feeling of let down after the euphoria of the boom.

Well that's why you have a Minerals Council to collate all the disparate data and provide an informed basis for making judgements around the industry.

Lots of figures.....but if I can boil it down to two statistics for you to remember it is that the mining industry is now 3 times bigger than a decade ago and employing 208 000 – that is higher than the decade long average of 175 000.

High commodity prices in the 2000's spurred \$400 billion of investment into resources and energy projects between 2003-2014.

The investment phase is now over but we enter the production phase with mining capital stock 4 times bigger than it was at the start of the boom.

We can already see what that means. Data from the latest Department of Industry quarterly report in September shows that overall production volumes of mineral commodities have increased strongly led by a 15% increase in iron ore exports in 2014-15 and a 5% increase in exports of coal.

In the same report Australian earnings from resources and energy commodities are projected to increase at an average annual rate of 6% per year from 2015-16 to 2019-20 reflecting the expected growth in demand for resources from urbanisation and expanding manufacturing in developing countries.

In contrast to the investment boom the Bureau of Resource and Energy Economics sees the production phase lasting decades. Current demand for the commodities linked to infrastructure like coal and iron ore will shift as our Asian neighbours reach new stages of development and consume more sophisticated products requiring inputs that Australia also produces such as zinc, aluminium and nickel.

The Financial Review sounded a similar note in a story on Monday with Geoscience Australia talking about the prospects for commodities such as lithium for use in batteries and potash for agriculture as they take their place in the mix alongside our traditional strengths.

So this is an industry with a future worth taking a stake in.

There is a caveat to all of this though that is absolutely material to the mental health of those involved in the industry. Yes the trends point to a solid future for the industry but that's just it – the future is the future. You have to look ahead to the medium term to find the positives.

In the meantime those in the industry are living through this time of transition, of cost cutting and the search for productivity. In the short term at least supply and demand in key commodities are still finding their levels and prices are uncertain.

As well as these pressures linked to the cyclical nature of the industry there are structural changes on the way too that will spell adjustment and dislocation for those

in the industry – things like automation already a feature of the iron ore industry but sure to make its way to coal mining on the east coast also the inevitable decline of coal as part of the energy mix in Australia regardless of continued international demand.

These dynamics will have an impact on the people coming to mine sites every day and companies will need the tools to identify problems and find ways to manage risks and responses.

As researchers I imagine that you want to know that your research has ongoing relevance and I hope that I have reassured you on that score.

It must also be satisfying to know that your research has impact – significance and scale – and this goes to my second point.

The role that mining plays in Australia is unique among developed nations so if you are researching something connected to mining in Australia then you are producing knowledge to support a pillar of Australia as we know it.

In October 2014 the MCA's international counterpart the International Council on Mining and Metals produced a report on the role of mining in national economies. Using an index comprised of indicators such as exports and the value of production relative to the size of the economy the ICMM ranked 212 countries according to the contribution made by mining.

Australia ranks 13 in the descending list along with countries like Botswana, Mongolia and Liberia.

The closest developed country is Canada – if I had time I would ask you to guess. It ranked 47.

Some might lament our status in that list but you can't argue with the facts. Our geology has given us the opportunity to develop a mining industry and we should do it well – safely, innovatively, competitively. If you do something that matters to mining in Australia then you are having an impact that really can have significant consequences.

Which leads me to my final point of leadership.

Australia not only has a large scale and high profile mining industry it also has world class research capacity.

That places us in a position to take the lead internationally producing knowledge on all aspects of mining – technology and efficiency, work systems and human factors including mental health.

The international mining community as represented through the International Council on Mining and Metals is already looking to Australia to show the way on the integration of mental health into companies' health and safety frameworks.

The Blueprint for Mental Health and Wellbeing was showcased at the ICMM's meeting in October and there was great interest in the model as well as acknowledgement that companies in Australia are well ahead in appreciating the prevalence of poor mental health and recognising a role for companies in supporting the health of their employees.

The research that you are doing sits behind that initiative and the feedback from that October meeting indicates that the questions you are asking and the results you are finding are resonating with global companies.

I hope that overview adds value to the discussion that we'll be having today.

On behalf of the Minerals Council I appreciate you being alongside as our members take their first steps towards understanding and responding to the demands of this complex issue.