Government of South Australia

Department for Energy and Mining

Mineral Regulatory Guidelines

MG45

An introduction to social impact assessment

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map.sarig.sa.gov.au

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Contents

Introduction

This guide on social impact assessment (SIA) is designed to assist companies to plan for exploration and mining activities that maximise their contribution to the people of South Australia and minimise potential impact for communities where projects develop and operate.

The guide has two goals:

1. Provide an introduction to SIA.
2. Support enhanced project impact assessment and mitigation activities, control measures and monitoring.

The South Australian government seeks exploration and mining activity that maintains high sustainable development standards within technical, safety, social and environmental expectations and has broad community acceptance.

To achieve these outcomes, first it is important to know what the affected relevant community and the South Australian government expect of a modern mining company operating in South Australia. This is detailed in the first two sections of this document.

Second, there is a need to provide guidance on what constitutes good practice SIA. Good practice does not necessarily entail an exhaustive amount of work. **SIA studies should be scalable and commensurate to the particular project, its unique setting and risks.**

This guide provides suggestions on how best to scope, predict and assess positive and negative effects of a project on people and communities and determine whether these impacts are material.

SIA is best done by suitably qualified professionals to ensure they include early and meaningful community engagement and appropriate social research.

The guide is high level. It is aimed at company leaders, project managers, impact assessment coordinators and communities who want to know what good practice SIA looks like and how to link good practice to better project management.

The guide provides advice on how to most effectively plan for and maximise the local benefits and opportunities that come from a mining project, on top of employment opportunities, and minimise negative impacts.

Finally, the guide provides checklists to guide professionals on what might be covered in a SIA, depending on project scale, scope and social area of influence. Section 10 of this document provides links to material and guidance from other sources that demonstrate quality approaches, case studies and useful resources.

ELEMENTS OF SUSTAINABLE DECISIONS

Munday (2019): modified from IAP2

Department for Energy and Mining's key regulatory principles

Effectiveness and efficiency

A streamlined, fit-for-purpose regulatory approach, appropriate for the circumstances to achieve clearly identifiable outcomes.

Accountability

Ensuring responsibility and accountability are clearly assigned and understood by tenement holders and the community.

Enforcement

Ensuring tenement holders achieve approved outcomes.

Engagement

Valuing the informed involvement of communities and other stakeholders in processes.

Section 1: What does the South Australian Government require?

South Australia has assessment processes for any development that presents consequences for the human, built or natural environment–from council planning consents to ministerial approval of major projects.

For exploration, mining and quarries, the Department for Energy and Mining (the department) expects companies to adopt a stewardship mindset towards the extraction and use of the state's natural resources. Government will seek assurances that the project will respect the people and communities potentially impacted by operations, and that companies maintain a careful and professional focus on maximising local benefits through the exploration and mining life cycle.

Early, ongoing and meaningful community engagement will influence project scheduling–from initial planning right through to closure and rehabilitation. The goal is to save time and money through the early identification of issues, and enable adequate response and planning time for proponents.

At the exploration stage, good practice means meeting and listening to land owners, and considering and communicating about any concerns they may raise.

Local community members may have no previous experience with the exploration or mining sector other than through the media. For an exploration or mining proposal, companies will need to demonstrate an understanding of the local context and community perspectives unique to their project.

All mining proposals require a fit-for-purpose environmental impact assessment. Social factors are included under the definition of environment in the *Mining Act 1971,* which are:

- land
- air
- water organisms or ecosystems
- native fauna and other features or elements of the natural environment
- buildings, structures and other forms of infrastructure
- cultural artefacts
- existing or permissible land use
- public health, safety or amenity
- the geological heritage values of an area
- the aesthetic or cultural values of an area.

SIA may be a formal requirement from regulators or the company may voluntarily commission this work as good project management and risk reduction. A SIA can be valuable for small, medium or large projects across a range of commodity types or project settings.

A comprehensive SIA will outline:

- what the neighbourhood, community or project area is like now (baseline profile)
- how project activities will create change (change pathways)
- the consequences of this change (positive or negative impacts)
- how the consequences will be experienced by different community segments, particularly those considered vulnerable or sensitive to change or holders of specific rights, such as First Nations peoples
- how the project will mitigate negative impacts (actual and perceived) and enhance beneficial outcomes from beginning to end.

The goal is to save time and money through the early identification of issues, and enable adequate response.

SIA DEVELOPMENT PHASES

START

1 At the start of the regulatory journey, consider: Is this a good project for both the company and the community?

Do a rapid assessment of the neighbourhood, talk to key people.

DECISION GATE

2 Talk to the department about project plans.

Do stakeholder and issues mapping, along with technical due diligence.

3 Start consultation. Consider and understand how local people believe they might they be affected. Do they need more information to address any initial concerns?

Conduct technical and environmental studies, paying attention to the issues raised, then go back and talk to people about the results, 'closing the loop'.

Submit application to the department, including any design modifications and actions taken/not taken in response to community issues.

Present findings to the department for discussion to demonstrate leading practice. This would include an outline of community engagement, issues raised and approaches on how to address them.

DECISION GATE

APPROVAL DECISION GATE

4 Finalise project decisions, such as design and capital raising. Submit Program for Environment Protection and Rehabilitation (PEPR).

5 Keep people informed, close the feedback loop with relevant stakeholders.

FINAL DECISION GATE

Section 2: Legislation covering mining approvals

Mining Act 1971

Exploration for mining and quarrying activities is authorised under the *Mining Act 1971* (revised in 2021). The Mining Regulations 2020 provide more detail about process, including scoping reports to inform Ministerial Determinations and SIA. Environmental and social impact assessment (ESIA) forms the key component of mining lease applications (that is, a mining proposal) for proposed mining and quarrying projects. Environmental and social impacts must also be considered within retention proposals for the purpose of authorising a retention lease.

The Department for Energy and Mining is the lead agency for regulation under the Mining Act. Other state government agencies and regulators operate in a co-regulatory environment, providing comment and input into regulatory assessment. These agencies include the South Australian Environment Protection Authority (EPA), Department for Environment and Water (DEW), Primary Industries and Resources South Australia (PIRSA) and Department for Infrastructure and Transport (DIT).

Regulation 47 requires that mining proposals include details of persons consulted, any issues raised and steps taken to address concerns.

Under Regulation 48, a SIA **may** be required covering:

a. a description of the impacts on people and communities that are reasonably expected to occur as a result of authorised operations that are proposed to be carried out under the tenement or the proposed change in operations (as the case may be); and

b. an outline of the measure/s that are to be used to manage, limit or remedy those impacts (in the case of negative impacts), or to facilitate or ensure those impacts (in the case of positive impacts).

Increasingly across Australia and the globe, companies are not waiting for a regulator to condition a SIA. They are instead commissioning social research in order to safeguard the project and increase local buy-in and understanding.

> **Modern mining and quarrying companies are seeing the value in a SIA as a way to ensure projects run smoothly from inception through to closure and rehabilitation.**

Planning, Development and Infrastructure Act 2016

Ports, railways or other key mining infrastructure may be declared an 'impact assessed development' under planning legislation and require an environmental impact statement (EIS).

The EIS must be prepared under a State Planning Commission practice direction including 'the expected environmental, social and economic effects of the development'.

An EIS may be referred to the EPA if it includes a prescribed activity of environmental significance under the *Environment Protection Act 1993 (SA)*.

Other relevant legislation is:

- *Native Title Act 1994 (SA)*
- *Aboriginal Heritage Act 1988 (SA)*
- *Work Health and Safety Act 2012 (SA)*
- *Radiation Protection and Control Act 1982 (SA)*
- *National Parks and Wildlife Act 1972 (SA)*
- *Environment Protection and Biodiversity Conservation Act 1991 (C'wealth)*

Section 3: What is a social impact?

Social impacts[1] are changes to our lives, lifestyles and how people make a living.

Society is constantly changing. Much change is absorbed or welcome, such as new technologies that make lives better, support job creation and increase economic diversification.

Some change, however, may be perceived as unwelcome and intrusive – like a factory opening in a quiet suburban street or a mine in a scenic valley, agricultural or tourism precinct.

Sometimes people are unsure about change. For example, they may welcome a new supermarket in the suburbs, but will miss the personal interaction with the local butcher.

> **Most physical or technical impacts have social consequences. Changes to the landscape may alter local people's use and attachment to the land. This may in turn affect their lives and sense of place.**

Reducing local biodiversity might affect people's enjoyment of nature, access to traditional food-gathering areas, or livelihoods (including extra income in tight economic times).

Reduced air or water quality might reduce quality of life, or fears of health impacts.

The neighbourhood or area in which a project operates could be seen as your 'host'. To start building a good working relationship from the start, take the following approach:

- Do your homework, gather information.
- Ask people, don't make assumptions about how the community views the project.
- Put yourself in the shoes of the people, families and wider community potentially impacted by the project.
- Maintain this approach through the life cycle of the project.

The International Association for Impact Assessment (IAIA) International Principles (Vanclay 2003) and Guidelines for Social Impact Assessment (Vanclay et al. 2015), suggest the following categories of social impacts:

People's way of life – how they live, work, play and interact with one another on a day-to-day basis.

Their culture – their shared beliefs, customs, values and language or dialect.

Their community – its cohesion, stability, character, services and facilities.

Their political systems – the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose.

Their environment – the quality of the air and water people use; the availability and quality of the food they eat; the level of hazard or risk, dust and noise they are exposed to; the adequacy of sanitation, their physical safety, and their access to and control over resources.

1 Social impact assessment' refers to predicting, in advance, the positive and negative social impacts of a project, program or policy. This is not the same as evaluating the 'social impact', or positive contribution, of a program or service.

Their health and wellbeing – health being a state of complete physical, mental, social and spiritual wellbeing and not merely the absence of disease or infirmity.

Their personal and property rights – particularly whether people are economically affected, or experience personal disadvantage which may include a violation of their rights.

Their fears and aspirations – their perceptions about their safety, their fears about the future of their community, and their aspirations for their future and the future of their children.

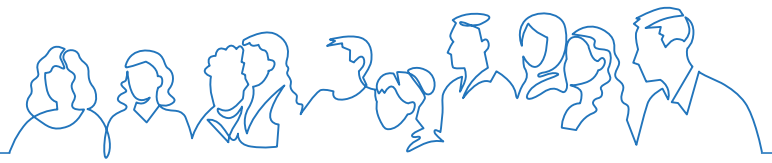
Why does it matter? The value proposition for social impact assessment

SIA is applied social research that aims to describe the existing values and conditions of the area, predict and assess the significance of impacts and provide advice on whether they are acceptable.

Good SIA should give the community a voice, put people at the centre of decision-making on matters that affect them and contribute to equitable and sustainable development.

In addition, SIA:

- helps community, council and government planning to potentially expand services if social infrastructure and services are likely to be affected
- provides insights into the values of a community and whether the project is compatible or likely to disturb these values
- helps companies enhance benefits and reduce negative effects on their host community or area
- allows collaborative decisions about multiple uses of a shared resource and trade-offs that might be considered
- contributes local knowledge and lived experience which strengthens project planning and earns reputation benefits for the company that will benefit future mining projects.



Who should do social impact assessment?

Given tight project deadlines, it may be tempting for environmental impact consultants, mining engineers or communication practitioners to predict the likely social issues of an apparently low-impact project based on their experience and 'intuition'. However, using an experienced social impact professional will provide greater certainty that key issues haven't been overlooked and that immaterial issues can be safely screened out from further study.

For more substantial or complex projects, particularly those requiring an EIS or equivalent eg mining proposal, a suitably **qualified** and **experienced** social impact specialist should design and lead the research and analysis. This should be a social planner or social scientist with experience of impact assessment and community engagement, with expertise in SIA. The suitability of the SIA or impact assessment consultant may form part of the regulator's assessment of the quality of these studies.

In planning to engage a SIA consultant consider asking them to demonstrate:

- suitable qualifications and experience
- professional memberships or certification (eg. AusIMM, IAIA, EIANZ, Planning Institute of Australia)
- at least five years' experience in the field of social impact assessment
- examples of previous social research for impact assessment
- an understanding of theoretical approaches and standards (which should adhere to IAP2 and IAIA codes of practice and guidelines)
- an understanding of relevant context.

Gauging community reception of the project

How to understand, at a high level, whether the project is going to cause concern.

The warning signs

- What was the first reaction of the landholder or Native Title holder on whose land the project is likely will occur?
- Will the project change the character, landscape, population or values of the neighbourhood, area or region, such as lots of mining families or single personnel moving rapidly into a quiet, rural area?
- Will the project footprint blend in with the existing topography?
- Is the project compatible with existing community aspirations and regional economic development goals?
- Will the project have trucks driving through residential areas, or across school crossings?
- Are there particularly sensitive or vulnerable people, families or community segments who might experience impacts in different ways (eg. being squeezed out of social or key worker housing)?
- Do people trust the mining company? Can they influence the company's community-related decisions?
- Will you be a good guest in the neighbourhood, area or region: what is the track record of your company or industry in delivering shared value, honouring commitments and remediating your impacts when you leave?

A full list of social impacts for an SIA is in the checklist on p28.

Section 4: Community engagement

It's always good to get to know the neighbours before moving in.

Community engagement (or public participation) is about building trust and relationships, listening, then being responsive to your prospective neighbours' perspectives.

Engagement is an iterative process and never just a one-off event.

Good engagement is a key source of qualitative data for a social impact assessment.

For an exploration or mining company, good engagement can be critical. Understanding community values and perspectives will help predict conflict. This will avoid substantial costs or delays, enabling companies to identify solutions and minimise the risk of a project not being approved. Communities are less likely to protest if they feel empowered and part of a transparent decision-making process.

Equally important is that the level of engagement – and senior management time – is tailored to the scale and type of project, level of interest and the sensitivity of the community to change.

Sometimes people appreciate a note in the letterbox to keep them informed of the project. At other times they need face to face communication or interactive materials to help them understand. Sometimes they want to be listened to or, depending on what is at stake, more closely involved. Equally important is providing feedback on how people's input influenced local decisions (see the IAP2 Spectrum of Participation.

Early and meaningful engagement:

- helps build trust and relationships
- builds mutual understanding through listening to understand
- contributes local insights
- helps companies avoid expensive mistakes
- leads to more sustainable decisions based on complementary technical and community knowledge.

Some causes of community conflict include:

- engagement that has been shallow, thoughtless, constrained, late or rushed by a company
- land use or values conflicts (such as a mine in productive agricultural land or region valued for its rural lifestyle)
- engagement is seen by stakeholders as self-serving public relations for the company, focusing only on the positives that the company assumes it provides, and not the potential effects and impacts
- projects are seen as being imposed on the community
- threats to people's livelihoods or emotional investments (a long-term family home or a community conservation project)
- threats to quality of life, retiring to a scenic valley then finding a coal mine is planned across the back fence
- consultation is perceived to have been bypassed because the project was in the 'national interest' and/or has government support eg large-scale energy projects
- community unaware of impacts until the project is underway.

TIPS

- Encourage people to ask the hard questions, so companies know what worries the local community.
- Spend quality time meeting people through a range of communications touchpoints, including community meetings, workshops, notice boards, social media and posters.
- Provide context, visual representations and analogies – not greenwashing or public relations 'spin' to help people understand.
- Listen, ask questions, be curious.
- Incorporate local knowledge into design and share with stakeholders how design has been influenced by their input or concerns: maybe shifting a road to avoid a bird habitat, moving a processing plant away from the river or small aquifer or changing traffic movements at certain times of day.
- Take community and stakeholder due diligence as seriously as financial and technical due diligence.
- Don't over-promise or provide half truths just to win people over in the short-term: transparency and honesty work better and will provide longer-term risk management.

For more information refer to MG34 *Preparing a community engagement plan*

Engagement should be done at every stage of the life of the operation, from start to finish, and can be done through a range of communication touchpoints.

International Finance Corporation (IFC) diagram (2007)

> ***"When consultation activities are primarily driven by rules and requirements, they tend to become a one-time set of public meetings, typically around the environmental and social assessment process. This type of consultation rarely extends in any meaningful way beyond the project planning phase and is seldom integrated into core business activities..."***
>
> *(IFC 2007)*

Key factors that influence outrage

Peter Sandman (Sandman 2003) specialises in risk communication. For Sandman, the likelihood of an issue creating outrage is linked to whether it is perceived as:

- voluntary or coerced
- natural or industrial
- familiar or exotic
- memorable or not
- dreaded or not
- chronic or catastrophic
- knowable or not
- controlled by me or by others
- fair or unfair
- morally irrelevant or relevant
- whether the level of trust in the project or mining company and its staff is high or low
- whether the process is responsive or unresponsive.

Section 5: Screening and scoping

The foundations of a fit-for-purpose SIA is a thorough scoping process. The SIA scoping study should cover:

- the social area of influence, or areas to be covered by the SIA
- the key activities, or change pathways, of the development and potential social consequences
- a literature review including previous projects in the area, relevant context and policies
- stakeholder mapping of people connected to the area by interest, impact or influence on your project
- an engagement plan, including communication and engagement tools and methodologies
- initial consultation to determine likely issues and sensitivities in the area
- an analysis of the key issues raised by stakeholders
- initial significance ratings for these issues to focus research on the issues that matter
- indicators and data sources, gaps in existing data
- proposed social research methods or fieldwork, including surveys, semi-structured interviews, community workshops, focus groups, observation studies
- any privacy or human ethics considerations.

Determining sensitivity to change*

Risk assessment determines the significance of change, or predicted level of impact, by determining:

Likelihood and consequence

Consequence for SIA is determined by:

- extent – how widely dispersed is the change
- duration – is it temporary or permanent
- scale of change – an impact may be highly likely, but completely inconsequential, because no one notices or cares. For example, 1000 extra cars in a city of 3 million people, as compared with the first large industrial project in a scenic valley
- sensitivity – could the project disturb deeply held values, beliefs and aspirations, will people get upset or angry)?

Risk and opportunity

Unlike other impact assessment studies, social and economic impact assessments also consider opportunities or benefits to the community.

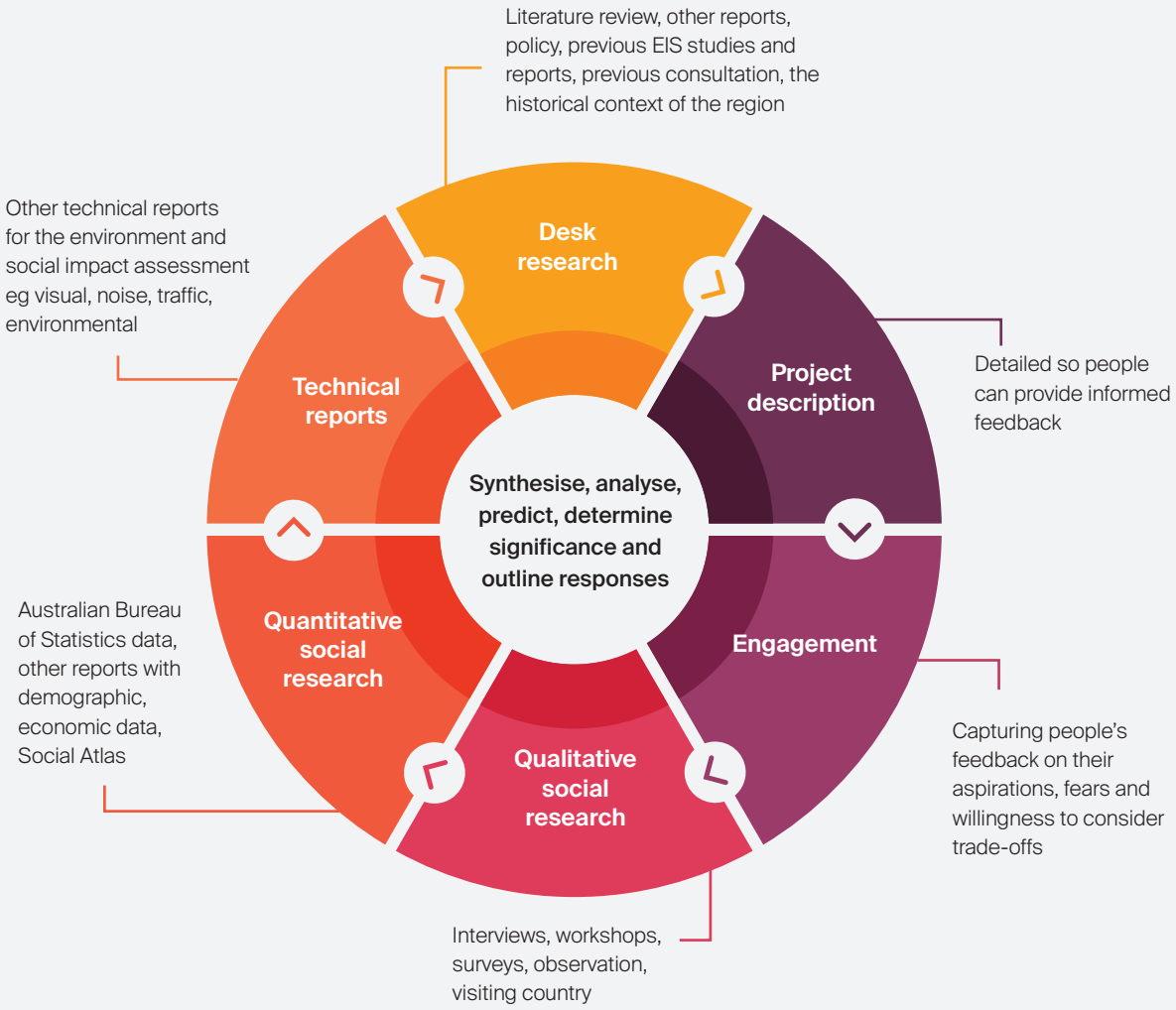
Scalability

The level of required assessment is likely to increase according to the size and likely disruption of a project, as well as:

- the level of certainty about impacts
- the complexity of a project
- political and community sensitivity.

* *Social Impact Assessment Guideline for State Significant Projects* NSW Department of Planning and Environment, February 2023

SCOPING AND SIA RESEARCH TYPES



Scoping under the Mining Act

The department's scoping framework supports environmental and social impact assessment scoping for all mining lease, miscellaneous purposes licence, retention lease or change in operations applications.

For more information about scoping refer to: www.energymining.sa.gov.au

Section 6: Baseline data: What are conditions like now?

The next step is to create a descriptive, evidence-based profile of the area. The profile will draw on secondary data (such as Australian Bureau of Statistics, annual reports, real estate and labour market reports, or the Social Atlas at atlas.id.com.au/) and primary data (qualitative first-hand data from community engagement and social research).

The aim of good baseline data is to provide a benchmark for longitudinal monitoring of change and whether outcomes are achieved.

TIPS

- Avoid gathering pages of meaningless data. Rather add value and tell a story.
- Avoid aggregated data that describes 'averages' and may miss the unique experiences of individuals or the gap between the affluent and the disadvantaged.
- Data needs to be matched with context, insights, and the perspectives of real people.
- Ask 'why' and 'how' to explain and describe the data being collected.

Know the difference between baselines and starting points

Baseline data reflects the status quo. But is the status quo good enough? For example, a community with high levels of poverty may have particular expectations of project benefits or greater sensitivity to impacts.

Better community outcomes are an increasing focus of sustainability reporting, reflected in environment, social and governance (ESG) reporting. The Minerals Council of Australia (MCA) Sustainability in Action 2018 report suggest that "responsible development of Australia's mineral resources is a driver of sustainable development and prosperity in the communities in which it occurs".

The MCA report provides case studies of how mining companies are contributing to the United Nation's Sustainable Development Goals (2015), which include the right to clean air and water, education and reducing poverty. From 2025, the MCA will require its members to demonstrate their commitment to its 'Towards Sustainable Mining' framework as a condition of membership.

Section 7: Predict and assess

SIA is predictive. It should outline what could happen, based on likely project activities (impacts), then suggest ways to maximise benefits while minimising potential negative impacts.

The *Mining Act 1971* provides for measures to manage, limit or remedy impacts, and assess outcomes.

For example:

- The project will have a large workforce. Where will they stay, what is the capacity of nearby towns, will they displace tourists or people at the bottom of the housing market, how will staff behave after hours?
- Will labour scarcity mean poaching from small local businesses who can't compete with mining wages? Will the project disturb local economic drivers or help create a long-term, more diverse local skills base?
- How much traffic will the project generate (workers' vehicles and industrial traffic) compared with current use, and will this affect places like a school zone or a tourist drive?
- What are the values of the neighbourhood or area? Will change be absorbed or resisted, such as the project turning the region from a farming community to a mining supply town?
- How might agricultural operations be disturbed? For example helicopters, tracks bisecting land or existing enterprise activities, concerns about land erosion, bringing in weeds and seeds, workers driving too fast?
- Could the project be perceived as impacting ground or surface water? Who else relies on it and will their needs be protected?
- How sensitive are the neighbours to dust – not just dust on the washing but what if the neighbours are organic farmers or run a winery with finely calibrated equipment?
- Will the project disturb sites of cultural importance to Aboriginal people?
- Will the project influence property values: adding value because of higher demand, or reducing values because the property is near industrial activity?

The changes might be obvious or subtle, indirect and cumulative, such as:

- changes to community cohesion from the presence of newcomers with different values or
- an increase in community conflict between supporters wanting the benefits and opponents not wanting the perceived harms.

Good practice SIA will uncover this, and recommend proportionate efforts and activities to mitigate, manage and monitor these impacts.


PROPERTY VALUES
FOR SALE
FOR SALE
FOR SALE
FOR SALE
CULTURAL SITE
TOURISM
MOTEL
NO VACANCY
LOCAL AMENITY
MINE SITE
TRAFFIC
SCHOOL ZONE
SCHOOL BUS
DUST
THE MINING ECOSYSTEM RIPPLE EFFECT

Section 8: Monitor, manage, re-evaluate

SIA is not a case of 'set and forget'.

Change needs to be tracked against assumptions, baseline data and predictions to see if they were correct and capture emerging issues so they can be addressed.

Companies must implement management plans, keep commitments and report back to the community by embedding community engagement into the project management process.

Engagement methodologies should suit their context, address issues raised during SIA research and, above all, ask the community how it wants to be consulted.

Communication methods could include open days, emailed updates, small community meetings, consultative committees, citizen monitoring, report cards, webpages or newsletters.

Report on progress against employment and local procurement targets. Outline grievance procedures and responses to local complaints. Be accountable for commitments. A good track record will stand the company in good stead for its next potential project, as well as contributing to the good reputation of the mining industry.

The company should:

- establish meaningful key performance indicators
- maintain a database to track progress
- include results in annual or sustainability reporting
- provide report cards in appropriate formats and seek community feedback
- do five-yearly (or other timeframe) audits or community satisfaction surveys
- monitor grievances for trends and report on their resolution
- hold board or management meetings in affected communities occasionally.

If the scope and scale of a project necessitates it, a social impact management plan (SIMP) or social performance plan (SPP) should set out commitments and how the company will report against them: from planning to production, through to closure and rehabilitation.

A SIMP is an excellent project management tool for the company. It can also inform the program for environmental protection and rehabilitation required by the department.

Section 9: Case studies

The following section provides some examples on the potential social impacts of mining.

A.

A large mine is planned in remote pastoral land

The project is on Native Title land and directly affects several pastoral properties. The following are examples of potential impacts that might be covered in an SIA:

- Reduced road safety, delays and disruption from industrial and light traffic associated with construction and mining
- Wear and tear on local and pastoral roads from project-related traffic
- Increased competition for local and regional labour, particularly during construction
- Demographic changes, including an influx of mine workers and their families to predominantly rural towns
- Increased pressure on housing availability and affordability within the region due to an influx of workers and their families
- The project's electricity demand may put strain on the local grid
- Reduced availability of charter aircraft
- Temporary reductions in short-term accommodation during construction
- Local and regional inflationary pressures
- Improved access to services for the local community and industry
- Increased household income and consumption
- The benefits of mining royalties and taxes locally and across the state
- Effects on the valuation of pastoral properties
- Effects on cattle grazing and mustering from dust, noise, mining traffic, helicopters and the presence of workers
- Potential cultural impacts should lakes, creeks or soakages be affected by a drawdown of groundwater
- Potential impacts on cultural and early settler heritage from land clearing and the project's footprint
- A changed sense of place from changes to the landscape.

B.

A mining project encompasses an open pit mine and processing facilities, mine site accommodation for a construction workforce, and a long-term workers' village near a small rural town

The surrounding community comprises third and fourth-generation farming families, who grow wheat and other food crops. The mining project will have a significant footprint over a wide area, operate for more than 15 years and will include a deep sea port and export facility, a long infrastructure corridor, access road, power transmission line, borefield and water pipeline. The new port will make it easier for other export sectors to get products to national and international markets. No dredging will be needed.

The scale of the project suggests a professional and detailed SIA would be needed. The social baseline and SIA report needs to be comprehensive and analytical in terms of predicting impacts, incorporating extensive stakeholder engagement and data collection. The initial findings might contribute to design modifications to protect social values and reduce social risks for the life cycle of the project.

Potential impacts that might be covered in the SIA include:

- the potential for new jobs, local income, and economic diversification
- skills shortages and displacement of other industry sectors
- port and road infrastructure that may be a catalyst for other regional economic development
- changes to the demographic composition, character and lifestyle of the community as an influx of workers and their families boosts the population
- increased cost of living and disparities between mining wages and lower-paid workers in other industries
- a changed lifestyle for some population segments, such as older and retired residents
- fears of reduced safety and security, including the concern about misuse of drugs and alcohol
- stress at the loss of agricultural land and having to negotiate with mining companies
- concerns about reduced amenity as a result of noise and vibrations from drilling and blasting and visual light pollution at night
- concerns that dust from the mine and haul roads will affect crops and destroy the clean green image of agricultural crops
- exclusion zones at the port during construction and operations restricting other users
- pollution and spills along the pristine coastline
- damage or destruction of Aboriginal and settler heritage
- the introduction of new road and rail crossings and road realignments causing localised inconvenience, nuisance and delays for landholders and the public.

C.

A quarry in a rural coastline area

A long-standing quarry near several small communities is applying to significantly increase its operations and annual production. The building materials from the quarry will be used for concrete and other construction materials for at least 35 years.

Although the application covers extended activities in an existing tenement, blasting, traffic and other operational changes will likely impact the local community in new ways.

Social research, including community interviews, research of recent media coverage, researching SIAs for similar projects and feedback from informed stakeholders, might explore potential social impacts such as:

- whether dust and quarrying noise will reduce amenity or curtail recreational activities such as walking and bike paths close to the quarry
- potential impacts on local traffic and community safety from quarry trucks on narrow local roads, particularly near schools
- potential run-off from the quarry into local waterways or aquifers or the ocean
- concerns about potential health impacts for residents and workers given recent media coverage about silicosis
- the impact of vibrations from blasting on local housing not far from the quarry, including potential cracks in residential walls reducing property values
- the impacts of quarrying on local flora and fauna (especially any endangered animals) or marine habitat (affecting recreational fishing).

SIMP might cover:

- how management plans will be monitored
- grievance mechanisms and corrective actions
- how the company plans to share the results of its monitoring and compliance with management plans
- management plans to avoid damage to Aboriginal and settler heritage
- closure plans: will the site be repurposed or rehabilitated.

Section 10: Resources

The following provides some selected resources on community engagement and SIA, though it is acknowledged there are many more good resources that companies or SIA professionals can reference.

Community engagement

Department for Energy and Mining 2020, *Preparing a community engagement plan*

Department of the Premier and Cabinet, *Better Together*, www.bettertogether.sa.gov.au

International Finance Corporation 2007, *Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets*

International Association for Public Participation:

- Spectrum of Participation
- Core Values
- Quality Assurance Standard (2015)

SA Chamber of Mines and Energy (SACOME) 2012, *Code of Practice for Community and Stakeholder Engagement*

New Zealand Transport Authority 2016, *Public Engagement Guidelines*

Social impact assessment

International Association for Impact Assessment

- Vanclay, F 2003, *International Principles for Social Impact Assessment, IAIA*
- Vanclay, F et al. 2015, *Social Impact Assessment: Guidance for assessing and managing the social impacts of projects, IAIA*

New South Wales Government 2021, *Guidelines for the social impact assessment of State Significant Projects*

Taylor, CN & Mackay, M 2022, *Social Impact Assessment Guidelines for Thriving Regions and Commuities*, Building Better Home Towns and Cities, Wellington, New Zealand

Munday, J 2021 *Guide to Social Impact Assessment*

New Zealand Transport Authority, 2016, *Social Impact Assessment*

Outrage management

Sandman, PM 2003, *Responding to Community Outrage: Strategies for Effective Risk Communication*

Minerals Council of Australia

Towards Sustainable Mining

Sustainability in Action (2018)

Acronyms

AUSIMM	Australian Institute for Mining and Metallurgy
DEM	Department for Energy and Mining: the lead regulator for all mineral resource regulation in South Australia
EIA	Environmental Impact Assessment
EIANZ	Environment Institute of Australia and New Zealand
EIS	Environmental Impact Statement
ESIA	Environmental and Social Impact Assessment
IAIA	International Association for Impact Assessment
IAP2	International Association for Public Participation
IFC	International Finance Corporation
MCA	Minerals Council of Australia
ML	Mining Lease – the environmental and social impact assessment is a key component of a Mining Lease application, as required under the South Australian *Mining Act 1971*
PEPR	Program for Environmental Protection and Rehabilitation, as required under the South Australian *Mining Act 1971*
PIA	Planning Institute of Australia
SAG	South Australian Government
SIA	Social Impact Assessment
SIMP	Social Impact Management Plan
SPP	Social Performance Plan

SIA REPORT CHECKLIST

The SIA report must include:

✓	
☐	**Statements of assumptions** (scenarios used for assessment) and limitations (gaps in data, knowledge and further work that may be needed)
☐	**Qualifications** of the SIA team members
☐	**Project description:** including all relevant change processes, activities and likely project inputs (labour force, energy, water)
☐	**Methodology and standards** guiding the research
☐	**Relevant state** and regional policies and context
☐	**Community and stakeholder engagement approach**, issues raised and how they were responded to (this may be a separate report)
☐	**Community profile:** describe the neighbourhood, predominant values, economic activities, land and sea uses, vulnerable population segments, recent history of other projects, relevant baseline data
☐	**Aboriginal groups** with connections to the site, land tenure, Native Title, representative bodies
☐	**Prediction and assessment of impacts**, likelihood and consequences of change, beneficial or harmful, backed by analysis and evidence
☐	**Risk and opportunity matrix**
☐	**Management or social performance plan,** including ongoing engagement
☐	**Commitments and responsibilities**
☐	**A matrix** showing how the terms of reference have been addressed.

The social aspects below may be included in an SIA terms of reference, depending on the context.

What is actually covered should be determined by the scoping report, based on issues analysis and early community engagement that determines the materiality of issues.

✓	Social aspect	Potential aspects to research and consider
☐	Demographic change	Describe the existing population and key characteristics, such as age, mobility, education, employment, family composition, proportion of Aboriginal or migrant families, levels of disadvantage. Are there population projections of growth? How will the demographic composition change with new arrivals or departure of long-term residents? Will change be sudden and short-term (boom-bust) or incremental and sustainable?
☐	Values, attitudes and beliefs	Describe the prevailing values, attitudes, beliefs and aspirations of the community in which you plan to operate? How sensitive are they to disturbance? How might this influence community acceptance?
☐	Community cohesion	How cohesive is the community (strength of social capital, community ties, volunteering)? Could an influx of workers or polarisation over aspects of the project reduce community cohesion and wellbeing?
☐	Resettlement	Will people be moved or properties compulsorily acquired? Is there anxiety about being displaced or the negotiation process, how will people be compensated?
☐	Health and safety	How will the project impact on the community's health, safety and wellbeing? Eg more traffic on the road may be a road safety risk particularly if passing by schools, people may be concerned about pollution or emissions, the project may change their quality of life and wellbeing. Health and safety risks can include environmental health risks and workplace health and safety, including the mental health of workers.
☐	Governance	What are the key governance structures and history of community participation in decision-making? Is decision-making seen as transparent and accountable?
☐	Social infrastructure	What roads, schools, childcare, health services, housing and accommodation, transport, public transport, emergency services, utilities exist now? What is the state of current facilities? How might the project overwhelm or enhance access, quality, affordability? Eg an influx of workers and families may strain existing facilities. Heavy industrial traffic might damage local roads. Or population growth might justify better social infrastructure. Are there vulnerable groups who may experience inequitable impacts eg on social or key worker housing or increased childcare costs? Will nearby communities benefit from project infrastructure such as a new roads, telecommunications or temporary housing that is left as a community legacy?

✓	Social aspect	Potential aspects to research and consider
☐	Cultural	Are there any sacred sites or sites of cultural significance in the region and how might they be affected by land clearing, roads or dams including the significance of landscapes, surface and groundwater flows? Where do Native Title Holders or Traditional Owners live and what are their representative bodies? What cultural values might be affected, such as traditional livelihoods, food harvesting, hunting, the ability to pass on cultural knowledge? Have the rights of affected groups been respected, including Native Title rights and the right to provide Free, Prior and Informed Consent (FPIC)?
☐	Heritage and history	What Aboriginal and European sacred, heritage or historical sites are in the social area of influence, and how might they be affected, including custodians' access and ability to care for country?.
☐	Economics	What are the existing and emerging economic sectors, including business profiles, capacity of local business to benefit from the project, potential inflationary pressures? Economic impact assessment should include a cost benefit assessment and discuss impacts on the local, regional and state economy. What will the state/people of South Australia get in return for the use of a public resource? What is the local and regional economic impact? Eg retention of wages, business incomes, improvement of material wellbeing, per capita or household income. What shocks or stresses might be caused, eg 'boom bust' development, crowding out of existing sectors, productivity impacts from labour force scarcity?
☐	Land uses and tenure	What are the current land uses and how might these be affected at different stages of the project? Eg pastoralism, wineries, recreational, tourism, including the 'brand' of the region. Will there be competition between different land uses? Are multiple uses compatible?
☐	Employment and training	Describe current labour market conditions, capacity to meet demand for workers, specialist skills needed, skills gaps, likely external workforce, increased household income. Also the flow-on effects of external workers on short-term accommodation, flights to the region. Will the presence of FIFO workers change perceptions of safety or boost the economy?

✓	Social aspect	Potential aspects to research and consider
☐	Industry and livelihoods	What industries or economic sectors operate in the area and how might they be affected or complemented? Eg competition for workers; impacts on supply chains; disturbance to stocking rates, grazing or mustering; changes to the image of a place from a tourism, winery or pastoral region. What is the most sustainable use of land, water and nature resources?
☐	Recreational activities	Is the project area used and valued for recreational activities that may be diminished, eg walking, bike riding, horse riding, fishing, swimming?
☐	Healthy environment	How do people value and use the land and seas likely to be affected by the project, such as biodiversity, intact environment, aesthetic and wellbeing values? How could environmental impacts create pathways to social impacts and livelihoods, eg land clearing, putting pressure on ground and surface water supplies, creating erosion, bringing in 'weeds and seeds'? How will a site be rehabilitated, what is the mine closure plan?
☐	Amenity, pleasant living environment	What is it like living in the region, how will this change? Eg dust on residential or commercial properties, noise, traffic congestion, smells, vibrations from blasting, industrial traffic going past houses and schools, smells? Will there be visual changes to the landscape, through clearing, industrial buildings or the visibility of high voltage power lines?
☐	Community benefits	How will the proponent invest in the neighbourhood, eg community investment funds, sponsorships, scholarships, improving social infrastructure?
	Cumulative	What other projects are operating, planned or likely in the area of social influence? There could be concerns about legacy impacts or those driven by broader societal concerns, such as climate change or opposition to fossil fuels.

ACKNOWLEDGEMENT OF COUNTRY

As guests on Aboriginal land, the Department for Energy and Mining (DEM) acknowledges everything this department does impacts on Aboriginal country, the sea, the sky, its people, and the spiritual and cultural connections which have existed since the first sunrise. Our responsibility is to share our collective knowledge, recognise a difficult history, respect the relationships made over time, and create a stronger future. We are ready to walk, learn and work together.

FURTHER INFORMATION

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SOUTH AUSTRALIA

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