

Pilbara, Western Australia

## NGARDA CIVIL AND MINING

Ngarda Civil and Mining (Ngarda) was established in 2001 as a partnership initiative between the Ngardu Ngarli Yarndu Foundation, Indigenous Business Australia and Henry Walker Eltin. It seeks to provide cost effective contracting services to the mining and construction industries in North West Australia through a specific entity that targets Indigenous employment. Foundation partners believed that there was a perception by the mining and construction industries that Indigenous people were generally lacking in the skills and training necessary to meet the industry's needs, and this perception needed challenging. Over a four year period Ngarda has evolved into a company with 170 personnel, with major projects in four locations within the Pilbara. Ngarda is dedicated to the employment, training and total integration of Indigenous people within its operations and ensures a minimum of

### The Story So Far . . .

The Indigenous community in the Ngarda Ngarli Yarndu region, situated principally in the Pilbara of Western Australia has valued the land and its people for centuries. Over the last ten years, the Ngarda Ngarli Yarndu Regional Council (NNYRC), part of ATSIC, sought to develop local business skills and experience. In 2000, NNYRC established the Ngarda

Ngarli Yarndu Foundation (NNYF) as *'... an independent body with a mandate to seek and nurture commercial opportunities which could then channel funds back into the community.'* (NNYF 2004, p1)



In 2001, NNYF partnered with Henry Walker Eltin and IBA to establish Ngarda Civil and Mining (Ngarda). All partners

were convinced that there was an industry perception that Indigenous people lacked the

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necessary skills and experiences to meet industry employment requirements. Ngarda was established to counter such beliefs, and to create a vehicle for Indigenous communities of the Pilbara to pursue economic opportunities arising from the significant mining industry investment in the region. As the Guardian Express commented – *‘The three partners share a common interest in the economic development of the region and a vision for inclusion of Indigenous people in the communal opportunities that are being realised.’* (Guardian Express 2003, p5)

The vision statement of Ngarda captures well its focus and aspirations – *‘Ngarda aspires to be the leader, and contractor of choice, in the promotion of Indigenous employment within the mining and mining services industry based on a value system which respects the individual needs and circumstances of different communities and value for money. The Company recognises only fair and mutually beneficial outcomes can sustain successful long term relationships.’*

Four years on, the company employs 170 people, 140 being Indigenous. Customers include Rio Tinto, BHP Billiton and Newcrest with major projects within the towns of Port Hedland and Pannawonica.

Ngarda is now providing contracting services to the mining and construction industries including contract mining, earthworks, road and rail construction and maintenance, mine site support services, haul road maintenance, crushing and screening operations, rehabilitation and environmental services. Its capabilities have been enhanced by investment in mining, material handling, heavy haulage and earthmoving equipment.



*Ngarda Equipment and Staff*

## The Impact

Ngarda has experienced consistent growth in terms of business turnover and job creation during its four years. The company has won over \$70 million of work since 2001 and currently achieves an annual turnover of \$27 million. The company currently employs 170, of which 85% are Indigenous – an incredible employment achievement within the mining industry. As Barry Taylor, Managing Director of NNYF commented – *‘Normally, in a mine of 500 people, you might have two Indigenous people, so they’re truly in a minority. Ngarda has set a target of 85% Indigenous employment, a target the company has achieved consistently over its four year life.’* Particularly rewarding for the company is the number of apprenticeships and traineeships within the company – currently the company employs two apprentices, 47 trainees and two school based trainees. The wage bill paid to Indigenous employees is expected to exceed \$10 million this year. The flow on effect to local communities is incredible. For example, in the town of Roebourne where 800 residents out of 1200 are Indigenous, the company’s employment of 50 staff has a



*Barry Taylor and Brian Hughey receiving  
Prime Ministers Award*

massive impact economically and socially. In Port Hedland, the last eight months has seen the company contribute over \$10 million in wages and local purchasing activities.

For Ngarda, the greatest impact has been in terms of the personal development of its employees. The company prides itself on the training and personal support it provides, especially in terms of access to training opportunities for employees to gain the skills and experiences, to enhance their abilities and interests, progress within the Ngarda organisation and achieve broader benefits in their lives. Complimenting this achievement is the acceptance by Indigenous people in the Pilbara of Ngarda as an employer of choice.

The direct financial contribution back to local communities and organisations cannot be underestimated. Ngarda is a generous supporter of local services and causes. An example

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was the recent contribution of \$20,000 to fund airfares and accommodation for Pilbara young people to participate in a curtain-raiser football event at a Dockers / Eagle's AFL clash in Perth.

Finally, Ngarda has also been recognised nationally for its employment and training achievements and its effective partnership model. In 2003 Ngarda was awarded the Prime Ministers Award for Excellence in Community Business Partnerships. In 2004 Ngarda was a finalist in the Corporate Leaders for Indigenous Employment Awards.

Ngarda shares the challenges of any company operating in the Pilbara. However, on a daily basis, they are reminded in the words of General Manager, Brian Hughey '*...that we have to perform better than any other contractor – the jury is still out on us and I get asked the same questions time after time – Do you have trouble getting them (our Indigenous employees) to turn up for work? Do they just walk off the job and not come back? I don't need to answer now; our results are on the board!*' Ngarda directors, management and employees are determined to achieve, despite such forces, and see the company move into further diversified work and training opportunities.

### Success Factors

Ngarda's outstanding success over a four year period has resulted from a combination of factors. General Manager, Brian Hughey summarises the cause of success of Ngarda as simply – '*Our ability to provide benefits to all – the clients, the shareholders and the employees.*' Brian, his directors and staff have identified six critical issues.

#### *Partnerships*

Ngarda was a creation of a shared vision through partners representing mining industry and Indigenous interests. Each partner brought to the partnership unique contributions.



*One of the Workers*

Henry Walker Eltin, as a long established and integrated mining and engineering services company with 50 work sites across the globe (including Australia's largest service provider to the iron ore sector), has been able to provide the technical management expertise to establish the organisation and achieve industry standards.

Henry Walker Eltin has provided commercial, financial and operational support, including management systems, client relationships, training programs and knowledge of all aspects of the mining industry (safety, environmental and legislative requirements). In addition, Henry Walker Eltin has a National Indigenous Program Strategy that guides the company to increase participation of Indigenous people in employment, training and economic development opportunities emerging from its activities.

Indigenous Business Australia has acted as investor in the business and has also created networking opportunities. Finally, NNYF as a highly respected Indigenous economic development agency, has provided the local cultural understanding and community contacts. In addition, NNYF represents a credible partner that represents the whole Pilbara Indigenous community and has an acceptable governance system. Ngarda as a company structure has also provided mining companies with a legitimate organisation to achieve their Indigenous participation aspirations.

### ***Quality Systems***

Ngarda has benefited greatly from the work systems imparted through the link to Henry Walker Eltin. This has enabled Ngarda to achieve high standards in all fields valued by the mining industry. For example, Ngarda has one of the best safety records in the Pilbara, which enhances the confidence by industry customers.

### ***Unique Set of Client Benefits***

Ngarda, as a locally based Pilbara company can proudly offer their mining and construction customers a unique set of advantages as a contractor, namely –

- a mechanism for involving and working with local people in the Indigenous communities;

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- on the ground knowledge;
- engineering experience;
- familiarity and comfort with the local environment;
- respect and appreciation for local sensitivities; and
- a shared interest in the region and project's success.

### *Employment Policy Commitment*

Ngarda management and directors have valued and adhered to the policies upon which the company was created, especially in regard to the employment targets of Indigenous people. As Brian Hughey states – *'To run off and start employing non-Indigenous people would be an easy thing to do, especially with growing skill shortages, but that was not what the company was set up to do.'*

#### **SUCCESS FACTORS**

- Partnerships
- Quality Systems
- Unique Set of Client Benefits
- Employment Policy Commitment
- Non Political Reality
- Clear Economic Mandate

Besides strict adherence to its Employment Policy commitment, Ngarda has discovered another secret to achieving and retaining high Indigenous employment levels, namely the reality of *'safety in numbers'*. Traditionally, Indigenous people on mining sites are a small minority and lack support. Employment at Ngarda is the opposite – they are the majority and this provides a huge sense of personal comfort, and results in high staff retention rates and low absenteeism.



*Brian Hughey (centre) with two members of the Ngarda Goannas, a football team sponsored by Ngarda Civil and Mining*

### *Non Political Reality*

Unlike many Aboriginal organisations, NNYF and Ngarda have followed governance procedures ensuring business expertise rather than politics or connections determine leadership and board positions. Having the ability to rise above local politics and jealousies has been essential for the success of the business.

### *Clear Economic Mandate*

Ngarda is strictly a non social based organisation. While the company acts in a socially responsible manner, and is a generous local community supporter, Barry Taylor is clear about their primary focus- *'Our mandate is economic development and making money.'*

## Advice to other Indigenous people contemplating the enterprise option

*'When attempting a large scale business operation like ours, it is absolutely essential that you have a focused community or organisation behind it. At the local level, there is a need to rise above jealousies and local politics. One needs a group like Ngarda Ngarli Yarndu Foundation to cross boundaries and achieve a whole of community perspective.'*

(Brian Hughey)

## For Further Information

Brian Hughey  
General Manager  
Ngarda Civil and Mining  
Postal: PO Box 3053  
South Hedland, WA, 6722  
Phone: (08) 9140 1915  
Fax: (08) 9140 1935  
Email [brian.hughey@hwe.com.au](mailto:brian.hughey@hwe.com.au)

Barry Taylor  
Managing Director  
Ngarda Ngarli Yarndu Foundation  
Postal: PO Box 2188  
South Hedland, WA, 6722  
Phone: (08) 9172 5486  
Fax: (08) 9172 5499  
Email [barry.taylor@westnet.com.au](mailto:barry.taylor@westnet.com.au)