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Trust, engagement, information and social licence – insights from New Zealand

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1 Trust, engagement, information and social licence – Insights from New Zealand

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13 14 Abstract

15 This research examines trust at the government, industry, community nexus, as mediated by media, and
16 its effect on social licence (SLO). We attempted to understand levels and importance of trust in New
17 Zealand's natural resource sectors by examining ways of building, maintaining and assessing public trust
18 in a post-truth society. We surveyed 128 New Zealand public and held a stakeholder forum about
19 perceptions of trust in relation to natural resource sectors. The results provide indications of novel
20 advances around trust and trustworthiness. Honesty was highlighted as the top influencer of
21 trustworthiness and trust, and dishonesty as the top influencer of distrust. In contrast to other
22 literature, we find a nuanced understanding of trust among respondents in relation to the media –
23 respondents distrusted actors cited in media more than the media outlet or platform itself. Further, our
24 findings suggest there is no discernible change in trust levels in the post-truth era, in this context.

25 26 Key Words

27 Natural resources; social licence to operate; trust; trustworthiness; honesty; dishonesty

28 29 Introduction

30 Never before have the natural resource sectors been so intensively scrutinised by the public. At the
31 same time as questions of social licence, trust and transparency are arising in the natural resources
32 sector, so too are these issues increasing in importance in other sectors. Edeleman (2018) reports that
33 levels of trust in government, media, science and industry have been consistently decreasing, with
34 media and government being particularly distrusted. Public trust (including trust in and between
35 industry and government) underpins any industry's ability to operate successfully. When trust is eroded
36 or absent, the consequences can be severe and may contribute to high levels of social conflict and
37 shutdown for industry (Franks et al., 2014). Trust has been shown to be a key element of social licence
38 to operate (SLO) (Thomson & Boutilier, 2011; Moffat & Zhang, 2014). SLO has been defined as broad
39 public acceptance of a company or industry's development activities and is linked to public trust and
40 confidence in their ability to 'do the right thing' (Morrison, 2014; Parsons et al., 2014). This re-
41 emergence of the value of building trust is particularly important in what some term a post-truth era,
42 which is characterised by populist appeals to emotion and the proliferation of information and
43 misinformation (Laybats & Tredinnick, 2016). Post-truth is claimed to significantly damage the
44 foundations of trust that are required in a robust society (Keyes, 2004) and points to a need to re-
45 examine the issues of trust and public-private engagement. As an indication of this increasing focus, a
46 recent Scopus search of "trust and social licence" showed an increase in the number of articles with
47 these two terms in the title/key words from 0–3 articles per year between 2007 and 2013 to 5–12
48 articles per year between 2014 and 2018. This paper examines elements of trust, trustworthiness and
49 their association with SLO.

50
51 New Zealand is rich in natural resources in global terms, with a high dependence on these natural
52 resources for economic wealth, and indigenous culture and heritage. Despite this, there is a paucity of
53 studies into New Zealanders' relationships with natural resource developers in terms of trust and social
54 licence. New Zealand's relative size and the importance of SLO within the natural sector make it a fitting

test bed for examining how trust and SLO are related, especially against the background global trend of apparent growing distrust in industry, government and the media (Edelman, 2018). In New Zealand, SLO has become critically important to the future competitiveness of the nation's natural resource sectors, particularly in terms of their ability to operate successfully and generate economic value (MPI, 2017). There is also growing recognition of the importance of maintaining SLO across the various natural resource sectors in New Zealand - including – aquaculture (Quigley & Baines, 2014), forestry (Edwards et al., 2016) and agriculture (Williams & Martin, 2011).

New Zealand has a unique cultural context. In New Zealand's history of settlement, the nature of the colonial and post-colonial experience of New Zealand's indigenous Māori people, engagement has a particular meaning and focus. Many Māori suffered dislocation from their cultural and material resources (Tuori, 2015) with only about 5% of land now under collective Māori ownership (Ruru, 2011). This land loss, along with the failure to observe other guarantees under the 1840 Treaty of Waitangi between the British Crown and some Māori *iwi* (tribes) led to a long history of Māori protest and dissent. Since the mid-1980s, various governments have provided redress settlements to *iwi*. These settlements have included; monetary compensation, the return of confiscated lands, and 'cultural redress', giving Māori decision-making input regarding geographical locations with which they are connected (Ruckstuhl et al., 2014). The process of addressing historic claims in relation to the Treaty of Waitangi has created an opportunity for the New Zealand Government to signal the importance of including Māori perspectives and principles in legislation and policy. For example, the 1991 Resource Management Act (RMA) requires local government bodies to acknowledge the relationship of Māori to ancestral lands, water, *wāhi tapu* (sacred sites) and other *taonga* (treasures). The 2017 RMA revisions, have strengthened requirements under the Mana Whakahono-a-rohe provision for local councils to work collaboratively with *iwi* to inform processes and manage resource management issues. In relation to fresh water, the 2014 National Policy Statement for Freshwater Management requires councils to consider and recognise Māori connection between water and the broader environment and to include Māori values to inform the setting of freshwater objectives and limits. The Crown Minerals Act 1991 (CMA) has requirements for companies to engage with *iwi* (Down & Erueti, 2017). These requirements within government policy demonstrate Māori are in 'lore' if not 'law' the ongoing owners of particular natural resources. Rather than 'engagement' as a community 'stakeholder' (Wilburn & Wilburn, 2011), Māori see themselves as, if not owners, at least as partners requiring a direct and meaningful relationship with the Crown. The idea of partnership between different stakeholders has a direct relationship with SLO.

Social Licence to Operate

Societal expectations about the environmental, social and cultural 'performance' of industries involved in the development, use or management of natural resources have changed over recent decades (Cullen-Knox et al., 2016; Moffat et al. 2016). This change is reflected in increasing expectations that communities will receive a greater share of the benefits from the presence of such industries along with assurances that these industries are appropriately regulated (Prno, 2013; van Putten et al., 2018). SLO has highlighted that civil society action can directly affect or even close down corporate activities (Franks et al., 2014). While the term is perhaps best known for its use in the mining industry, SLO is increasingly applied to a range of other industries involved in the development, use and management of natural resources for private and public purposes, including agriculture, aquaculture, forestry, energy generation and conservation management (e.g. Quigley & Baines, 2014; Hall et al., 2015; Edwards & Trafford, 2016; Kelly et al., 2017; Kendal & Ford, 2017).

The emergence of SLO in corporate usage has been driven, in part, by pressure on industries to maintain their reputation and financial viability in the face of increasing societal expectations about their environmental and social performance. This has led to comparisons between SLO and the related concept of Corporate Social Responsibility (CSR). CSR typically refers to the idea that companies have responsibilities that extend beyond those to their shareholders, or those prescribed by law (McWilliams et al., 2006). For example, Parsons et al. (2014) argue that there is often an implicit assertion that a

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3 108 corporate decision to 'act responsibly' or pursue activities that are 'beyond compliance' can be
4 109 perceived as mechanisms for demonstrating organisational legitimacy to a broader audience of
5 110 stakeholders. However, some distinctions between the two terms can be drawn. CSR has dominated
6 111 analysis of how business and society interface, while SLO remains more aligned with the informal or
7 112 perceived social legitimacy of a company or industry (Cullen-Knox et al., 2016)¹. In turn, this focus on
8 113 perceptions of social legitimacy have frequently been described as social acceptance or approval of
9 114 company/industry performance, and a number of studies have sought to demonstrate how SLO might in
10 115 fact reflect the social acceptability of certain practices (Thomson & Boutilier, 2011; Zhang et al., 2015).
11 116 This has been reflected in increasing empirical studies of SLO that have sought to identify, model and
12 117 measure how it functions in various contexts (e.g. Moffat & Zhang, 2014; Ford & Williams, 2016).
13 118

14 118
15 119 As a result, researchers globally have variously discussed the importance of key attributes of SLO,
16 120 including the role of relationships and dialogue (Baines & Edwards, 2018; Mercer-Mapstone et al.,
17 121 2017), trust and engagement (Kelly et al., *under review*) and accountability and fairness (Zhang et al.,
18 122 2015) in seeking to establish greater understanding of how SLO functions. These, along with other SLO
19 123 attributes have been used or prioritised differently depending on the context, e.g. theories of impact
20 124 assessment (Bice & Moffat, 2014), engagement and public participation (Prno, 2013), political and
21 125 media contexts (Lester, 2016; Gunster & Neubauer, 2018), or cultural values (Meesters & Behagel,
22 126 2017). Unfortunately, this has also meant that the lack of a formal or accepted understanding of SLO has
23 127 seen the term used opportunistically by different stakeholders to advance agendas, and in some cases
24 128 using non-democratic means (Bice & Moffat, 2014; Moffat et al., 2016). As a result, SLO has been
25 129 applied in diverse contexts in quite different ways, potentially creating confusion about the
26 130 underpinning concepts and exacerbating tensions between stakeholders. Even though the term remains
27 131 somewhat informal and variously defined, it also has become ubiquitous in discussions of resource use,
28 132 management and the need to respond to societal expectations. This increase in use has also seen SLO
29 133 move from the industry discourse into popular usage by a range of stakeholders, including the media
30 134 (Lester, 2016).
31 135

32 136 ***A closer examination of trust in relation to SLO***

33 136
34 137 Trust has been posited as a critical component of SLO; Thomson and Boutilier (2011) propose that trust
35 138 is key to the highest level of social acceptance (underpinned by credibility and legitimacy²), while Moffat
36 139 and Zhang (2014) propose that, acceptance of industrial activities is mediated by trust in the industry.
37 140 Trust is cemented in social relationships; founded on ways people experience their relationships with
38 141 each other and the institutions or organisations they interact with. Trust arises when individuals and
39 142 institutions or organisations demonstrate that they are trustworthy. Within the government-industry-
40 143 community nexus, many discussions of trust can be confounded with trustworthiness – trustworthiness
41 144 is the ability to engender trust, while trust is the outcome of interactions between trustworthy entities
42 145 (c.f. Hardin, 1996). Despite the differences, much of the literature on trust hardly mentions
43 146 trustworthiness, even though the situations described are often about trustworthiness rather than trust.
44 147 Without trustworthiness, there is no value in trust for the trustor. We do not make an explicit
45 148 connection between honesty and truth claims as these claims may not be the 'truth'; the entities
46 149 engaging in a trusting relationship must make those judgements for themselves.
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In CSR, the stakeholders targeted the most are shareholders and customers, although local workers, producers and communities may also be involved. But CSR is often more about reputation and being seen to do the right thing on paper. While some of the stakeholders may be similar in SLO, local relationships may be more important. This may involve actually knowing the people involved and feeling that they are actively sharing the resource or its management. It may also be about wanting to see the right thing done on the ground and directly in communities, rather than reflected through management reports or share prices.

² Where legitimacy is a reflection of norms and a foundation for trust, which is performance in light of certain norms (Kaina, 2008).

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3 150
4 151 Trustworthy entities exhibit characteristics that include predictability (Maguire et al., 2001), goodwill
5 152 (Uslaner, 2002), credibility and commitment (Hardin, 1996), and truth claims/honesty (O’Neill, 2014;
6 153 2018). These characteristics are often conflated as trust (O’Neill, 2014). Public trust emerges from the
7 154 meeting of collective expectations held by the public, while trust more broadly is defined as accepting
8 155 vulnerability due to positive expectations of another (c.f. Lacey et al., 2018).
9 156

10 157 A number of global surveys have examined and measured trust in a variety of contexts. New Zealand, as
11 158 a small country with a relatively small population, does not generally feature in these surveys. For
12 159 example, the Edelman survey and the MEF Global Consumer Trust Report do not include New Zealand.
13 160 New Zealand has been surveyed in the Nielsen ‘Trust in Marketing’ report, however data are aggregated
14 161 into an Asia-Pacific grouping (Nielsen, 2015) and New Zealand’s small population responses are dwarfed
15 162 by those from some of the world’s most populous countries.
16 163

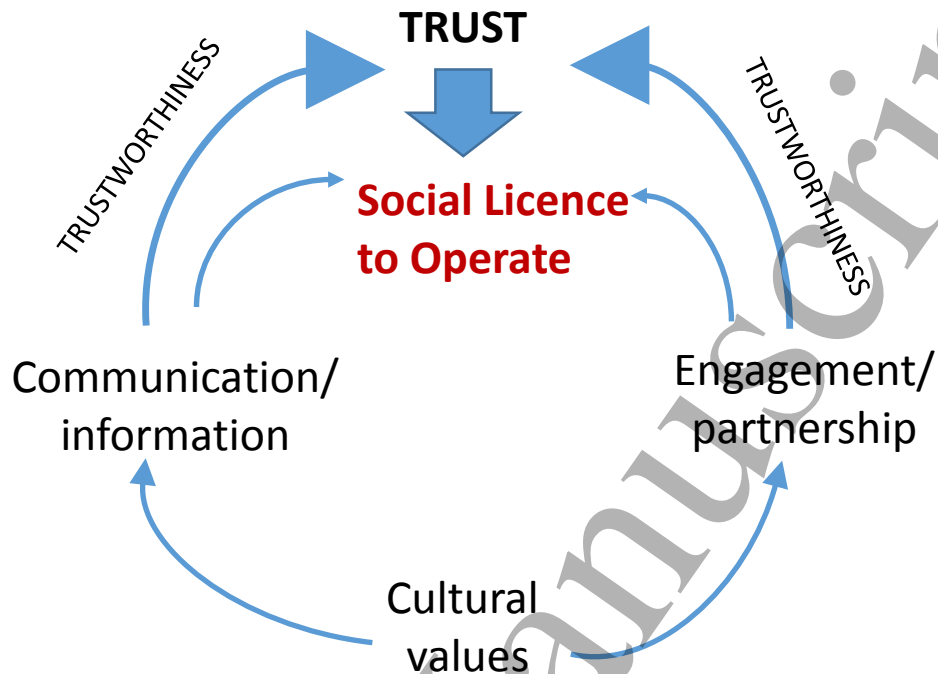
17 164 Using publically available New Zealand data from the global World Values Survey (WVS) (Inglehart et al.,
18 165 2014), we identified two questions pertaining to trust – trust in various groups of people, and
19 166 confidence in organisations. The data suggest that government, political parties, major corporations and
20 167 the media were the least trusted organisations. However, there is evident confidence in the
21 168 parliamentary system, and the legal system. Overall, the WVS showed that 50% of respondents trusted
22 169 society in general in 1998, increasing to 57% in 2011.
23 170

24 171 ***How trust is affected by communication and information sharing***

25 172 The post-truth society has been posited as a new phenomenon (Laybats & Tredinnick, 2016). The
26 173 framing adopted in this study is founded on contemporary contexts for trustworthiness and trust, and
27 174 recognises the importance of public communication and the need for decision-making to occur within a
28 175 dynamic, complex space of negotiation, debate and conflict (Cox, 2010). In this framework political and
29 176 social actors compete to win trust, legitimacy and efficacy. Strategy and symbolism work together to
30 177 influence public opinion and social outcomes through both emotional and rational appeals. Practical
31 178 demonstrations of these forces have occurred over time in sites as diverse as news media, town hall
32 179 meetings or the agora. No form of public communication has been static or left unchallenged; both the
33 180 emergence of popular newspapers in the 19th Century and television in the 20th, prompted significant
34 181 anxieties about how information is communicated in such a way that it can be recognised as trustworthy
35 182 and thus underpin well-informed and reasoned public debate and decision-making within appropriate
36 183 geographic, political and cultural boundaries. Nevertheless, new and emerging communications
37 184 practices and technologies (i.e. the internet, including social media) are prompting changes to
38 185 communicative forms, scale and reach not before seen (Lester & Hutchins, 2013), fundamentally shifting
39 186 what we know about decision-making processes, local and international governance regimes and
40 187 regulation, and the notion of an ‘affected public’ (Fraser, 2007).
41 188

42 189 The Australian and Canadian studies of media appearance of the term ‘social licence’ (Lester 2016,
43 190 Gunster & Neubauer 2018) have traced the term as it shifted from its initial form to spread beyond
44 191 industry, where broader public use now suggests a ‘potential to think about SLO as a way of building
45 192 consensus among diverse perspectives, particularly in terms of building trust and fairness in stakeholder
46 193 relations’ (Moffatt et al. 2016: 485). In this context, the concept of social licence - and the trust that it
47 194 implicitly relies upon – is a dynamic concept, embedded within the ‘inescapably discursive’ process’
48 195 (Sen, 2011: 337), that enslaves all concepts related to fairness and justice. This discursive enslavement
49 196 ensures the concept is subject to the usual conditions of public debate: for example, the symbolic power
50 197 that is carried by some communications, including images, and of strategic attempts to make an issue
51 198 more visible or to contain it from public view. It is also clear that the concept is subject to the new
52 199 conditions of public debate where notions of trust must manifest globally rather than just locally; where
53 200 transnational corporations, NGOs and governance regimes continue to emerge; and where social media
54 201 and other communication practices and technologies puncture the traditional boundaries of

202 communications. These new conditions undermine the myth of the bounded community; that a 'local
 203 community' or 'the affected' can be defined by and contained within its physical location.
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207
 208 **Figure 1.** Framing the priority position that trust holds in the concept of SLO, and the factors that
 209 contribute to trust, as described in the literature.
 210

211 **Methods**

212 This research examines trust at the government, industry, community nexus, as mediated by media, and
 213 its effect on SLO. We investigated the importance and extent of trust in New Zealand's natural resource
 214 sectors by examining the ways public trust is built, maintained or lost in a post-truth society. We
 215 hypothesise that trust is the core element that needs to be present, as a precondition to achieve and
 216 maintain SLO.
 217

218 As the level of trust that society places in an industry or business can change significantly for many
 219 reasons, our initial focus was solely on trust. However, it became apparent through our research that
 220 the factors influencing trust (as a component of SLO) cannot easily be distinguished, necessitating a
 221 broader, more conceptual examination of trust, information, media and culture and SLO.
 222

223 To explore our hypothesis, an online survey instrument (c.f. Uslaner, 2015; Edelman, 2018) with 21
 224 measures of trust on Likert scale indices was developed. These questions were based on elements of
 225 trust, including care, competency and consistency (Mishra & Mishra, 2013), emotional response,
 226 identity with Māori culture and values, and trust in media. Respondents were asked to select a specific
 227 natural resource sector and tailor their answers to that sector. Respondents were questioned about
 228 social and institutional trust, associated activities and other measures. Additional qualitative and
 229 quantitative questions asking, for example, about information sharing, media reporting, social media,
 230 new technologies and knowledge/understanding of natural resource sector operations were included to
 231 reveal the effects of issues such as the Treaty of Waitangi and relationships between organisations or
 232 groups on the important of trust in relation to the SLO context. For most questions, open-ended, text
 233 box options gave respondents the opportunity to comment further on their 'quantitative' responses.
 234 The survey was distributed through researcher personal and professional networks using social media as

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3 235 a vehicle (including Twitter, LinkedIn, and Facebook) through September and October 2017. The survey
4 236 was aimed at the general New Zealand population. However, from the responses received to open-
5 237 ended and likert-scale questions, it appears that the majority were from industries associated with
6 238 natural resource sectors, and due to the number of responses associated with forestry, the sample is
7 239 not representative or generalisable, but indicative. Further, comparisons between industries were
8 240 unable to be undertaken due to the skew in responses.

9 241
10 242 **The quantitative likert ranked scores for the 31 measures were converted to a Q-Sort distribution using**
11 243 **an 11-point scale design (-5 to +5) and a Q factor analysis. Principal components using varimax rotation**
12 244 **was applied through the online Ken-Q analysis (Banasick, 2018).**
13 245

14 246 The qualitative data were uploaded into NVivo v.11 software for analysis. Basic frequency analysis of
15 247 terms associated with building trust and distrust were performed. Thematic analysis was conducted on
16 248 written, qualitative responses to multiple general trust questions in the survey. In addition, to report
17 249 and elaborate on the survey findings, a national forum was held in Wellington in 2017 and operated as a
18 250 focus group/ workshop. Approximately 25 researchers, government, industry and community members
19 251 attended this forum, and worked through a number of questions around SLO. One key question, 'what
20 252 does SLO mean to you and your industry/community?' provided some insights into our research on
21 253 trust and SLO. The answers to this question were used to further interpret the survey in terms of how
22 254 trust and social licence interact in natural resource industries.

23 255 24 256 **Results**

25 257 Most of the survey responses to the Likert scale questions pertained to forestry and insufficient
26 258 responses referred to other sectors so generalisable results and rigorous comparisons could not be
27 259 achieved. There was a total of 128 respondents to the survey, with 53% identifying as male, 47% female.
28 260 Sixteen percent identified as Māori. Respondents were asked to identify a natural resource sector they
29 261 were familiar with; 45% identified forestry, 20% dairy and 35% other sectors.

30 262
31 263 **Of the 71 responses to the likert-scale items, the Q sort analysis identified five key groupings that**
32 264 **distinguished difference behind their trust or distrust in the chosen sector. These five key groupings**
33 265 **accounted for 61% of the variance, and comprised:**

- 34 266 1) Trust based on the sector's credibility and reports from credible sources;
- 35 267 2) Distrust based on the lack of sectoral engagement, communication and information
- 36 268 sharing with the respondent;
- 37 269 3) Trust or distrust that is built largely on media reporting;
- 38 270 4) Trust or distrust based on the level of engagement with Māori, and recognition of Māori
- 39 271 cultural practices;
- 40 272 5) Trust or distrust based on personal knowledge of the sector or companies within the
- 41 273 sector, and the reputation and rapport they have built up over time.

42 274
43 275 Responses to questions about generalised trust (n=128) form the key results of our analysis. The number
44 276 of respondents that provided written, qualitative responses was quite low. We recognise the limitations
45 277 on generalisability from low response rates, and thus this study provides early indications of new factors
46 278 involved in trustworthiness and the development of trust.

47 279
48 280 A strong theme among qualitative responses was the importance of honesty in building trust. Numerous
49 281 respondents (n=29; 23% of respondents) highlighted that honesty is the most important element to
50 282 engender trust in natural resource sectors followed by 'transparency & openness' and then the 'person'.
51 283 Conversely, a similar number perceived dishonesty or lying (n=25) as the most important reasons to
52 284 distrust the natural resource sectors.

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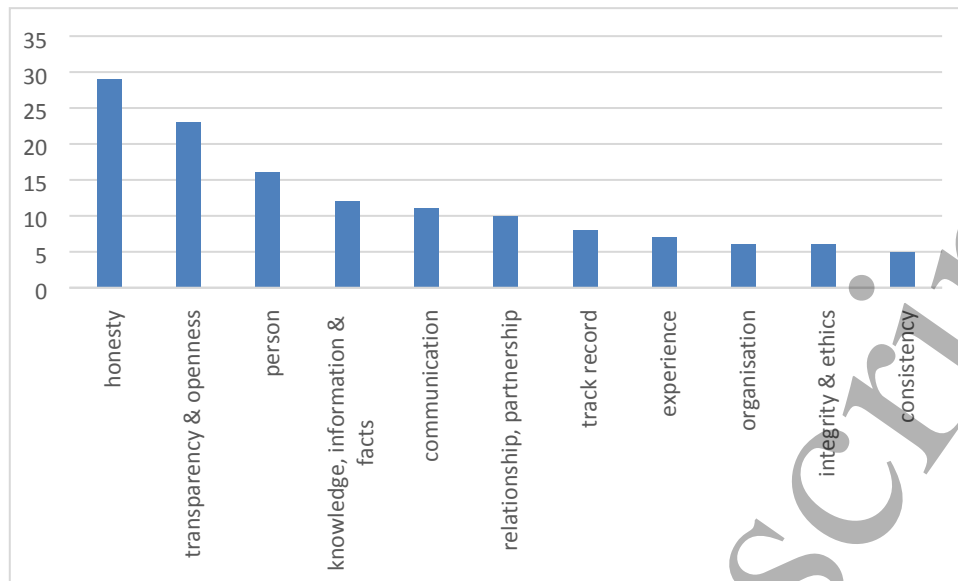


Figure 2. The most important factors that influence trust. The notion of ‘person’ is unclear, but is likely to relate to interpersonal rather than institutional trust.

Further responses to the question of building trust or distrust were consistent with findings in the literature on the topic. In particular, characteristics of trustworthiness included the trustor ‘assessing’ their previous experiences with the trustee (predictability), transparency and openness, communication, consistency and reliability. Further factors that made people untrustworthy, and precipitated distrust included poor communication, unpredictable past experiences, a lack of transparency, inconsistency and hypocrisy (suggesting past experience with natural resource industries).

A second key finding from this work is that individuals portrayed in media are distrusted, perhaps more so than media themselves. Multiple written responses noted that the respondents did not trust the politicians, scientists or NGOs quoted in media. Example responses included “Yeah right, we all trust politicians”, “Politicians are not always honest” and “Some groups have their own agendas and are happy to bend the truth”. By being associated with an untrustworthy speaker, media may also be ‘tarnished’ as untrustworthy. Nevertheless, it does highlight and confirm the significant role played by individuals and groups whose views are communicated by the media on such issues (c.f. Lester and Cottle, 2009) as well as the highly contextual nature of trust and trustworthiness (c.f. O’Neill, 2002).

The survey also provided indications that the level of trust in natural resources sectors is generally constant. Among respondents (n=94) to the statement ‘Over the past five years has your trust in a natural resource sector – remained constant, decreased or increased?’, 55% (n=52) stated that it remained constant, 21% (n=20) selected decreased, and 23% (n=22) selected increased. Respondents were further asked to describe why they selected a particular response. These responses fell into three categories – i) information and communication, ii) values, and iii) actions.

Where respondents stated trust levels remained constant, they provided a number of respondent statements around ‘nothing has changed’ in the natural resources industries. The more interesting responses came from those that felt trust was decreasing or increasing.

The first category of decreasing trust was described as information and communication, including misinformation. Examples provided by respondents to support their perceptions that trust decreased includes statements such as:

“Instead of fronting up, they have used information to hide”

“Their actions – opposing regulation, continued intensification, denying science – are at odds with their message of caring for the environment.”

“Denial of negative effects rather than acknowledgements.”

324 *“Media coverage on labour standards and environmental sustainability of sector.”*

325

326 The second category of decreasing trust reflected a perceived shift in values towards money and self-
327 interest. Examples provided by the respondents for this cause of decreasing trust included:

328 *“A move to be in favour of shareholders rather than the industry.”*

329 *“Many participants jumping in to try to make money without adding value.”*

330 *“Feedback is not listened to and those in decision making roles are too busy with own vested interests.”*

331

332 The final category of potential causes of decreasing trust included ‘physical actions seen to degrade the
333 environment, society or culture.’ Examples provided by respondents for this cause of decreasing trust
334 included:

335 *“Not following processes / internal standards.”*

336 *“Don’t give appropriate resources, it is a joke. We don’t have control of our forest economically, it all
337 given away. Waterways and land destroyed by bringing in non native plants animals fish etc. [sic].”*

338 *“Chemicals used to spray crops, selling off arable land for housing.”*

339

340 Responses from those indicating increased trust in natural resource sectors fell into three categories –
341 personal experiences and relationships, perceived positive changes in industry practices, and increased
342 knowledge. Support provided for increased trust was less descriptive than that for decreasing trust, but
343 included ideas around the quality of contact with the sector (Moffat & Zhang, 2014):

344 *“Because I started to work in the sector.”*

345 *“Greater interaction with sector leaders.”*

346 *“More knowledge about the sector due to contact with a worker.”*

347

348 With respect to perceived positive changes in industry practices, respondents noted:

349 *“They are taking H&S [Health and Safety] more seriously.”*

350 *“Maturing culture of care.”*

351 *“Becoming more open.”*

352

353 Support for the influence of increased knowledge on perspectives of SLO is highlighted in responses
354 above. However, one respondent noted that *“I have knowledge of and know people in primary
355 production, secondary processing and tertiary infrastructure and supply chain.... I trust some areas of my
356 sector more than others.”* This quote suggests that in-depth knowledge across individual natural
357 resources sectors and the many business, operations and ways of doing business that they are
358 comprised of can impact on trustworthiness and trust in multiple ways.

359

360 We also explored aspects of the cultural dimension of trust and social licence in the natural resources
361 sectors. Few respondents commented on Māori dimensions and trust within the natural resource
362 sectors. Those that did, highlighted the need for early engagement and relationship building between
363 companies and Māori in order to build trust over the long term.

364 *“All sectors have to consult with Māori. The process should be side by side not last minute. It should be
365 right at the beginning. The relationship process is the treaty relationship which binds us together. Trust
366 can be built though a willingness by our treaty partners to learn and accept Te Ao Maori.”*

367

368 Participants at the national forum/focus group also surfaced some additional considerations that relate
369 to trust, particularly through the elements of engagement and contact quality. In describing SLO,
370 participants suggested it is “An on-going dialogue or negotiation between industry and communities of
371 interest”, where communities of interest were described as not just local communities, but those at
372 different scales having an interest in the industry or operations. Further, it was agreed that “Industry
373 needs to identify appropriate communities, their values, beliefs, perceptions and opinions, and listen to,
374 understand and take into account community expectations of the company.” In summary, the group
375 suggested that social licence is a balancing act between companies and communities.

376

377 Discussion

378 Cullen-Knox et al. (2016) and Moffat et al. (2016) note the changing dynamics of SLO, and thus
379 perceptions of how communities are now defined – not solely in terms of local geography or proximity,
380 but including more dispersed ‘communities of interest’ that may be globally distributed. Furthermore,
381 the proliferation of information in the ‘media age’ through the internet and social media creates new
382 channels of information and avenues of influence between private industries and interested
383 communities (Fraser 2007). Thus, two significant, related questions of whether this changes the key
384 elements of trust and trustworthiness, and ways of earning trust, and how trust is earned have
385 emerged. We have not found any significant new key elements of trust or trustworthiness that affect
386 ‘negative’ perceptions in relation to SLO beyond those already documented in the literature. Echoing
387 O’Neill’s (2018) findings that honesty is a characteristic of trustworthiness, we found honesty emerged
388 as the most important element of trustworthiness. However, our results do not suggest that the ways
389 trust is earned have changed in the so-called ‘post-truth society’.

390
391 In New Zealand, engagement practices that ensure that values held by Māori, as resource owners are
392 addressed when matters associated with natural resource use or protection are under consideration
393 and the cultural redress element offer useful insights and lessons for SLO. The primary lessons can be
394 found around these ideas of engagement and partnership between companies and communities in
395 order to achieve SLO. As these requirements are enshrined in government policy, it also raises questions
396 about the role of policy and regulation in SLO.

397
398 Despite changing information sources, individual and institutional trust (Lacey et al., 2018) are still built
399 through engagement and relationships involving face-to-face contact. Our results reaffirm the
400 importance of personal interactions in order to build trust, through the ideas of ‘people’, previous
401 experiences and track records. Alongside relationships, credibility, the ‘lowest level’ of SLO (Thomson &
402 Boutilier, 2011), is a foundation for trust, trustworthiness and SLO. Where companies are seen to be
403 credible, there is a higher likelihood of building trust. Similarly, while not addressed in this study,
404 legitimacy provides a further foundation for both trust and SLO (c.f. Kaina, 2008). While we did not
405 explicitly examine credibility and legitimacy, our results indicate that as foundations for trust, these
406 elements do exist in the New Zealand natural resources sector.

407
408 The ability to differentiate between media platform and individuals who appear in and on media that we
409 found seems to contradict the general global findings in Edelman (2018: 18), which suggest that “people
410 define media as both content and platforms”. This suggests that people may have a stronger focus or
411 response to individuals than to institutions when it comes to trust. It has been suggested that where
412 people trust institutions, this trust has been built through relationships with individuals that are the
413 public face of those institutions, suggesting potential avenues for future research on the ways in which
414 trust and trustworthiness can be examined alongside the role of communications. In reinforcing the role
415 of individuals and groups (politicians, corporate sustainability/public relations, NGO campaigners) within
416 public debate over land use and resource management, further questions are raised about who has the
417 right and responsibility to attempt to influence SLO outcomes, and whether this is connected to the
418 capacity to identify and isolate an ‘affected public’ (Fraser, 2007).

421 Conclusions

422 We present some early findings from New Zealand that open up new lines of enquiry into SLO and trust
423 globally. This work clarifies the contribution of trustworthiness to the establishment of trust. Many of
424 the characteristics that were identified as essential to building trust are actually characteristics of
425 trustworthiness. This can help focus companies and community representatives on what they need to
426 do in order to become trustworthy, and thus engender building of trust. While preliminary, we have not
427 explicitly found that ‘post-truth’ factors into trustworthiness and the building of trust. Thus, we believe
428 a re-introduction of face-to-face and/or more personal contact is necessary for trustworthiness and
429 trust due to the importance of contact quality, despite technological innovations in information and

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3 430 communication. This also brings out a key difference between CSR and SLO – CSR might be achieved
4 431 through external accountability reporting, but SLO requires a local, face-to-face component that
5 432 engenders trust.

6 433
7 434 In terms of policy and management, lessons from New Zealand’s Treaty of Waitangi, particularly
8 435 elements of partnership can be applied to other contexts, including between communities, companies
9 436 and even governments. Emerging from the forum discussion on what is SLO, participants questioned the
10 437 boundary between and effects of legislation or regulation on SLO. If these processes do not facilitate
11 438 engagement in policy development, there may be an erosion of trust between communities, companies
12 439 and the government. We feel that further work to test our framework, no matter the community of
13 440 interest, would be of significant value in the policy/regulatory sphere.

14 441
15 442 Key gaps in our knowledge and understanding of SLO include the effect of legislation or regulation on
16 443 SLO, particularly if these processes do not facilitate consultation or policy development; ways to
17 444 identify, measure and monitor SLO; how businesses might identify appropriate and legitimate
18 445 communities of interest; how untrustworthy actors are able to build trust and gain a SLO; and how
19 446 communities might engage with companies to build trusting relationships. In managing natural
20 447 resources, we feel that this research has also identified further research avenues to examine factors that
21 448 may cause trust to decline in natural resources sectors, whether the same drivers in reverse are able to
22 449 increase trust, and if negative options can be changed.

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