

GLENCORE

25 November 2016

Mrs Jo-Anne Miller MP
Chair Coal Workers' Pneumoconiosis Select Committee
Queensland Parliament House
Parliament House
BRISBANE QLD 4000

Email: cwpsc@parliament.qld.gov.au

Dear Chair

Glencore welcomes the opportunity to provide a submission to the Queensland Parliamentary Select Committee in relation to the *Inquiry into Coal Workers Pneumoconiosis (Inquiry)*.

Coal Workers Pneumoconiosis (CWP) was believed to be an occupational disease banished to the annals of Australian coal mining history. The Committee has already heard a significant volume of evidence from coal operators, regulators, unions and past employees supporting a belief that CWP had been eradicated decades ago.

That ended in 2015 with the identification of CWP in a number of Queensland coal workers and the findings of the subsequent review of the coal mine workers health scheme genuinely took Glencore and others in the industry by surprise.

Glencore takes this matter and the welfare of our workers very seriously and is committed to being part of a solution that improves the current regulation, manages existing cases of CWP, prevents further occurrences of CWP and support coal mine workers who have contracted CWP with the provision of assistance and compensation.

We support the submission made by the Queensland Resources Council (QRC) to this Inquiry. Our company is a long term board member of the QRC and participates in a range of internal QRC standing policy Committees such as the Health and Safety Committee. Glencore has provided input to the QRC submission.

Given the QRC Submission covers three broad areas:

1. Recent industry action to address Coal Workers Pneumoconiosis (CWP);
2. The arrangements to prevent CWP;
3. Recommendations of the Monash / UIC Review and the fifth interim report of the Senate Select Committee on Health.

Glencore does not propose to duplicate the QRC commentary on these issues and will instead focus attention in its submission on the following topics:

1. Queensland Regulations and Governance;
2. Confirmed CWP Cases at Glencore Operations;
3. Glencore Coal Operational Performance in Queensland;
4. The Coal Mine Workers Health Scheme;
5. Recommendations for Future Action.

Glencore in Australia

In Australia, Glencore is a major employer, with about 16,000 people working across industries that include agriculture, coal, copper, nickel, oil and zinc.

Our business has grown steadily through acquisition over the past 20 years. We are very proud of the role we play in creating value and lasting benefits in Australia. Our business expanded into Queensland with the acquisition of MIM Holdings Limited in 2003.

Our business generates significant economic benefits across the national economy, the States in which we operate and the communities located near our assets. In 2015, we contributed almost \$4 billion to the Queensland economy.

Glencore's coal business in Queensland includes five mining complexes in the Bowen Basin, incorporating six open cut and underground operations and four coal handling processing plants producing 39.2 million tonnes of saleable coal. Glencore managed coal businesses delivered \$221 million in royalties to the Queensland government.

The Glencore coal business in Queensland last year employed 2,895 people and contributed \$2.8 billion dollars to the Queensland economy including \$2.0 billion dollars invested on goods and services. We are also a large coal producer in New South Wales with seven complexes employing 4,754 people and producing 53.2 tonnes.

1. Queensland Regulations and Governance

In order for a high hazard industry to operate with an acceptable level of risk, both good regulation and good governance is required.

It is our opinion that both of these areas have been shown to require improvement in relation to the prevention of CWP.

This is best illustrated by the range of changes, detailed in the table below, that have been introduced following the identification of CWP in 2015.

AREA	CHANGES INTRODUCED
Governance	<ul style="list-style-type: none">• Introduction of reporting of single exceedances.• Introduction of reporting dust results every 3 months.• Introduction of a reporting escalation process.• Issuing by the Department of Natural Resources and Mining (DNRM) of directives.• CWP will now become a notifiable disease.
Health Surveillance	<ul style="list-style-type: none">• Reading to International Labour Organisation (ILO) standard and second reading.• Respiratory function and chest x-rays required on entry to the industry, every 5 or 10 year minimum, and on retirement.• Reducing the number of Nominated Medical Advisor's (NMA's).• NMA's to be approved by the DNRM.• All x-rays are to be taken by a specialist radiology clinic.

AREA	CHANGES INTRODUCED
Regulations	<ul style="list-style-type: none"> • Requirement to resample within two weeks of an exceedance. • Personal Protective Equipment (PPE) removed from section 89 of the <i>Coal Mine Health and Safety Regulation 2001</i>. • Ventilation Officer position, be a statutory certificate issued by the Board of Examiners'.
Operations	<ul style="list-style-type: none"> • Workforce provided with updated detailed education on CWP. • Lowering of recorded dust levels. • Further advances in the use of automation. • An Industry Dust Control workshop was conducted.

2. Confirmed Cases of CWP at Glencore Operations

We believe in an operation where occupational diseases can be prevented and our aim is to maintain a culture where everybody proactively supports our health objectives and commitments. We are also committed to identifying and managing potential health risks as a result of our activities which may impact on the communities where we operate.

Routine monitoring of occupational health includes pre-employment and periodic medical assessments, monitoring regimes (air quality, dust, noise etc.), and inspections and audits. Monitoring is conducted at frequencies appropriate to their risks and performance to appropriate levels, standards and legislative requirements.

Glencore coal corporate level sets the standards to which our operations are to operate. We provide consistent Health and Hygiene guidance across both Queensland and New South Wales with the only difference being the State based legislative requirements for the development and implementation of the site based health and safety management systems.

Our coal business has three notified cases of early stage CWP from within our Queensland underground coal mining operations. In order to protect the privacy of our employees, we cannot provide specific details about their cases, however we note that there are distinct differences in the work history of the individuals and the time they have worked in the coal mining industry.

Each of these individuals was subject to x-rays on commencement of employment with Glencore and regularly thereafter. Notwithstanding the regularity of such tests, CWP was not identified until recently. We continue to work closely with each of these employees, following advice from health and medical specialists.

3. Glencore Coal Operational Performance in Queensland

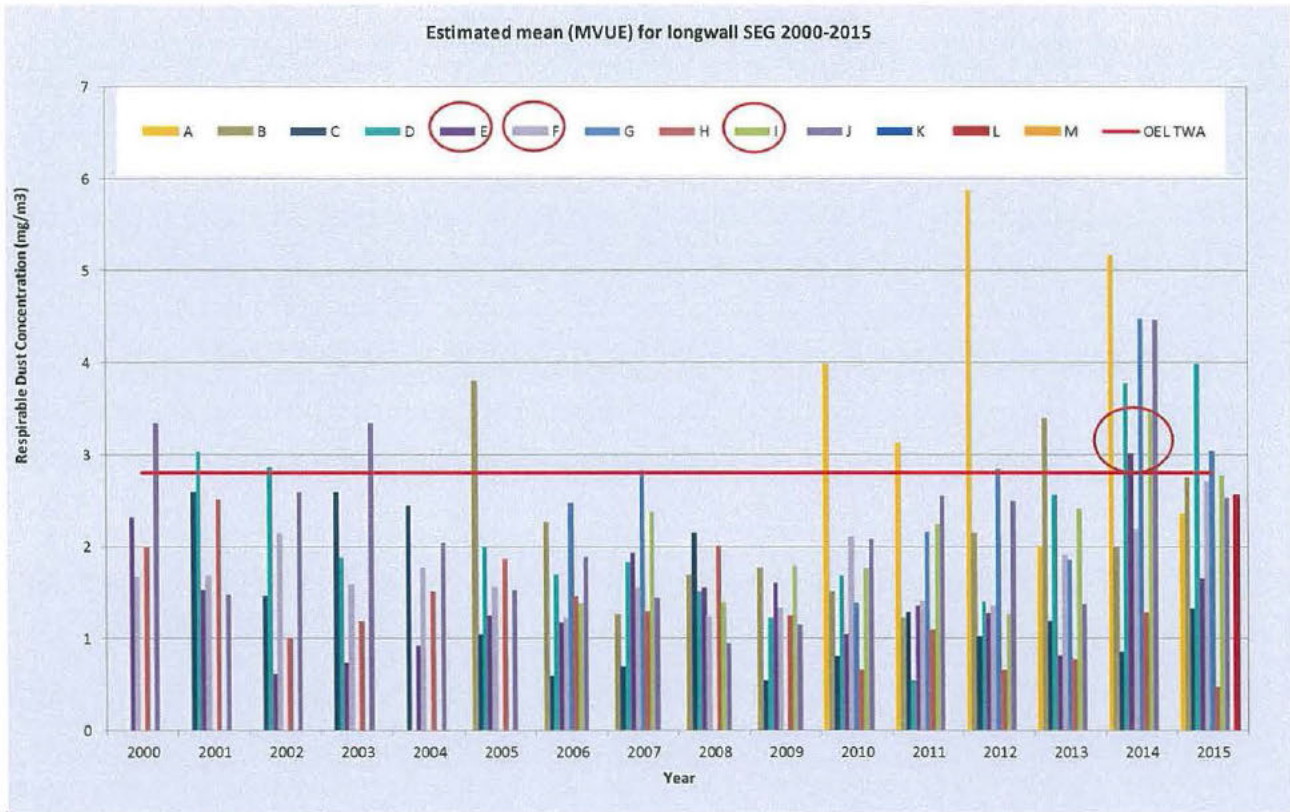
Respirable Dust Monitoring

The Commissioner for Mine Safety and Health in the Queensland Mines Inspectorate Annual Performance Report 2015-16 provides information in relation to the performance of respirable dust monitoring across the Queensland underground coal mines. The figure below shows the estimated annual mean results of longwall operations of respirable dust sampling taken for the period 2000 – 2015.

Glencore can confirm that three of our operations are included in the figure below. They include the following:

- Oaky No.1 Underground is labelled “E”
- Oaky North Underground is labelled “F”
- Newlands Underground is labelled “I”

Glencore is unaware of the identity of the other mines referred to in the figure below.



Source: Commissioner for Mine Safety and Health – Queensland Mines Inspectorate Annual Performance Report 2015-16

As shown in the above figure at Glencore’s operations, the respirable dust levels have remained below the occupational exposure limits (OEL), with the exception of the 2014 results for Newlands Underground and Oaky No 1 Underground which exceeded the adjusted respirable coal dust limit of 2.8mg/m3.

In 2014 Newlands experienced a period of extremely difficult strata related mining conditions where manual operation of the longwall face was required.

At Oaky No.1 in 2014 there was one abnormal high result that when taken into the longwall similar exposure group (SEG) inflated the mean result to above the OEL. The employee involved was wearing RPE and there has been subsequent follow up via chest x-ray readings and reclassified to the ILO standard.

Glencore’s open cut and surface operations respirable dust monitoring results have also remained well below the OEL adjusted threshold limits for both respirable coal dust and respirable crystalline silica.

Glencore Actions since Identification of CWP

Since the identification of CWP Glencore has adopted a standardised approach to addressing the concerns of employees and contractors alike.

Specific initiatives adopted across our underground operations have included:

- Communication forums with all mine workers to improve education and awareness of CWP and updates of the approach being adopted to address potential areas of concern;
- Presentations on airborne dust awareness and CWP education at training days by Coal Mine Technical Services (CMTS);
- Ongoing communication about our respirable dust monitoring results;
- All underground employees have been provided with the opportunity of a new chest x-ray or re-reading of an existing x-ray from December 2015;
- Chest x-rays undertaken at a specialist radiologist clinic, qualified to screen chest x-rays in accordance with International Labour Organisation ('ILO') Classification;
- Employee chest x-rays (with consent) routed to the DNRM Health Surveillance Unit for a second review by a United States B-reader. This aligns to the interim 2 – reader process for chest x-rays introduced by the DNRM,

Underground Engineering Initiatives include:

- Coal Mines Technical Services (CMTS) was engaged to undertake a comprehensive campaign of respirable dust sampling and analysis to better determine airborne concentrations of dust generated across a range of underground activities;
- Utilising hand held, real time monitoring units (Hund gravimetric) to determine the location for the need of further engineering solutions;
- Under Ground Water Reticulation Management – An engineering review was completed to optimise the raw water reticulation system underground and increase the capacity of water available for dust suppression;
- Design of Shield Canopy Sprays – Redesigned canopy sprays system to install isolation curtains along the longwall face to control the direction of dust;
- Additional Sprays – A range of additional water sprays for dust suppression have been installed;
- Automation – Further optimisation of the Shearer and Roof Support control systems to allow for improved automation of the cutting sequence and roof support advance to optimise the positioning of operators;

Specific initiatives adopted at our open cut operations have included:

- Communication sessions with all mine workers (employees and contractors) during pre-shift briefings to notify employees of the confirmed case of CWP of a surface coal mine worker;
- All open cut employees have now been provided with the opportunity of a voluntary chest x-ray;
- Chest x-rays are to be undertaken at a specialist radiologist clinic, qualified to screen chest x-rays in accordance with International Labour Organisation (ILO) Classification;

- There is currently no process in place to have employee chest x-rays routed to the DNRM Health Surveillance Unit for a second review by a United States B-reader. However this process is currently being reviewed in anticipation of chest x-rays becoming a mandatory requirement for open cut employees in 2017.

In relation to contractors, throughout December 2015 - January 2016, the Glencore Director of Queensland underground operations met with all of our major underground contractors to discuss issues associated with CWP. Based on these discussions each of the contracting companies offered their employees the opportunity to attend a chest x-ray at Radiology clinics capable of reading to the ILO standard.

A review of the current status for these contracting companies indicates all have undertaken this task and are continuing to schedule chest x-rays for employees who elected to take up the option.

Glencore operations continue to encourage the contracting companies to facilitate ongoing chest x-rays for their employees.

Respiratory Protection Equipment (RPE)

The Regulation requires that if the average concentration of respirable dust in the atmosphere cannot be reduced to the prescribed levels personal protective equipment must be supplied for use by persons in the work environment.

Each operation incorporates this requirement in a Standard Operating Procedure (SOP) within their safety and health management system. RPE is readily available to all employees and contractors.

Types of respiratory protection fall into specific categories;

- P1 – for mechanically generated particles (e.g. coal dust, silica, etc.)
- P2 – for mechanically and thermally generated dusts (e.g. welding fumes, diesel particulates)
- P3 - for all particulates requiring high protection factors.

For the open cut / surface operations RPE provided to mitigate exposure to airborne dusts tends to be disposable masks and respirators for general purpose use.

The use of RPE in the open cut / surface operations is a risk based determination of mine workers depending on the task or activity they are undertaking or the prevailing environmental conditions at the time.

The underground operations have transitioned to P2 disposable masks and respirators as a minimum to mitigate potential exposure. Each operation stipulates within their systems or procedures what category of respiratory protection is required in dust generating areas (e.g. minimum requirement for RPE on the Longwalls during production is a P2 dust mask).

Air Stream PAPR (powered air purifying respirator) units have also been available to longwall operators over the years as a more effective means of respiratory protection. Due to lower seam heights in the undergrounds the Air Stream units transitioned out in approximately 2011 and for the most part have been superseded by the P3 rated Clean Space powered air purifying respirators which were trialled and implemented at the underground operations throughout 2015. Use of the Air Streams and the current Clean Space units has always been a voluntary option for mine workers.

4. Coal Mine Workers Health Scheme

Health Assessments

The current Coal Mine Workers' Health Scheme administered under the Coal Mining Safety and Health Regulation 2001 is directly derived from the 1993 scheme although the scheme does not apply to workers employed for low-risk tasks.

Under the current scheme a Health Assessment is required:

- a) before a person starts work as a mine worker,
- b) periodically, as decided by the employer's nominated medical adviser (NMA), but at least once every 5 years, and
- c) if the NMA decides it is necessary after receiving a notice that the level of risk to a coal mine worker's health has increased appreciably. The employer must give notice to the NMA if a coal mine workers health risk has increased, and the worker's exposure to the hazard must be periodically monitored to assess their level of risk.

Health assessments may be undertaken by any medical practitioner using the Department of Natural Resources and Mines (DNRM) approved Health Assessment Form. If the assessment is not completed by an employer's NMA the NMA must review the completed health assessment and chest x-ray (where relevant) and advise the employer of an employee's fitness to perform their role.

Legislative compliance with respect to mine workers undertaking a health assessment before a person starts work is well established across the Queensland operations. Employees are subject to pre-employment medicals that incorporate the use of the DNRM approved Health Assessment Form.

The health assessment includes lung function spirometry testing for all employees and, by default, underground employees have always been required to have a chest x-ray. Up to this point in time the open cut / surface operations have not mandated the requirement for a chest x-ray as part of the health assessment process for employees.

Our Queensland operations are compliant with the legislative requirement for ensuring mine workers are undergoing an approved health assessment prior to commencing work, and that the health assessment for underground workers incorporates a chest x-ray.

All Queensland operations utilise a computerised database (Scenario Database) to track and report on an individual's status with respect to the currency of their health assessments.

Health & Hygiene Monitoring

The *Coal Mining Safety & Health Regulation 2001* (s89) requires that each Queensland coal mines safety and health management system must provide for;

- a) monitoring and recording concentrations of respirable dust and free silica in the atmosphere of the work environment, and
- b) records be maintained in a location that is easily accessible to each coal mine worker.

Since the inception of the current Regulations, operations have maintained monitoring regimes for personal dust exposure in the workplace.

The sampling and testing procedures associated with these monitoring programs has been contracted to external agencies with the relevant skills and qualifications to ensure the minimum requirements of relevant Australian Standards or National Association of Test Authorities (NATA) guidelines are adhered to.

SIMTARS provided the majority of dust monitoring and analysis for the period 2000 - 2010. From 2010 a Queensland wide contractual arrangement was implemented through our Queensland Divisional office for Green Consulting Group (GCG) to facilitate a Health Exposure Assessment across all Queensland operations (excluding Collinsville which was operated by Thiess at the time). Coal Mines Technical Services (CMTS) from NSW have also been engaged over the past 12 months, as respirable dust monitoring sampling regimes have increased.

5. Recommendations for Further Action

In an effort to prevent the occurrences of CWP in the Queensland coal mining industry Glencore Coal Assets Australia supports the following recommendations that have been either enacted already or should be considered:

1. The implementation of the recommendations in the Monash Review;
2. The legislative changes recommended by the Coal Safety Health Advisory Council (CMSHAC);
3. The introduction of a standing dust committee to provide a further level of governance;
4. Review of the National Standard for dust exposure levels;
5. Introduction of real time dust monitoring;
6. The establishment of a Taskforce to review and recommend any necessary amendments to the workers compensation scheme as detailed by the QRC.

Yours sincerely

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Glencore Coal Assets Australia (GCAA)