



# ***TRANSPORT AND RESOURCES COMMITTEE***

**Members present:**

Mr SR King MP—Chair  
Mr LL Millar MP  
Mr BW Head MP  
Mr JR Martin MP  
Mr LA Walker MP  
Mr TJ Watts MP

**Staff present:**

Dr J Rutherford—Committee Secretary  
Mr Z Dadic—Assistant Committee Secretary

## **PUBLIC HEARING—INQUIRY INTO THE COAL MINING INDUSTRY SAFETY**

### **TRANSCRIPT OF PROCEEDINGS**

**Monday, 28 NOVEMBER 2022**

**Brisbane**

## MONDAY, 28 NOVEMBER 2022

---

### **The committee met at 9.00 am.**

**CHAIR:** Good morning. I now declare open this public hearing for the committee's inquiry into coalmining industry safety. Thank you all for your interest and your attendance here today. I respectfully acknowledge the traditional custodians of the land on which we meet today and pay our respects to elders past and present. We are very fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander people whose lands, winds and waters we all share. My name is Shane King. I am the member for Kurwongbah and chair of the committee. With me here today are: Lachlan Millar, the member for Gregory and deputy chair; Bryson Head, the member for Callide; James Martin, the member for Stretton; Les Walker, the member for Mundingburra; and Trevor Watts, the member for Toowoomba North.

On 18 August 2022, the Legislative Assembly agreed to a motion that the Transport and Resources Committee inquire and report on current practices and activities of the coalmining industry. The purpose of today's hearing is to further assist the committee with its consideration of the inquiry. The committee's proceedings are proceedings of the Queensland parliament and are subject to the standing rules and orders of the parliament. As parliamentary proceedings under the standing orders, any person may be excluded from the hearing at the discretion of the chair or by order of the committee. The committee will not require evidence to be given under oath, but I remind witnesses that intentionally misleading the committee is a serious offence. You previously have been provided with a copy of instructions for witnesses so we will take those as having been read.

The proceedings are being recorded by Hansard and broadcast live on the parliament's website. Media may be present and will be subject to the chair's direction at all times. Media rules endorsed by the committee are available from committee staff if required. All those present today should note it is possible you might be filmed or photographed by media during the proceedings and images may also appear on the parliament's website or social media pages. I ask everyone present to turn mobile phones off or to silent mode. I ask that responses to questions taken on notice today are provided to the committee by 4 pm on Monday, 12 December 2022.

At today's public hearing we will hear from the following witnesses: the Queensland Resources Council, Mining and Energy Union Queensland, BHP Group Ltd, BM Alliance Coal Operations Pty Ltd, Anglo American, Kestrel Coal Resources, the Mine Managers Association of Australia Inc. and Mr Stuart Vaccaneo. I now welcome representatives from the Queensland Resources Council.

**BERTRAM, Ms Judith, Deputy Chief Executive and Policy Director, Safety and Community, Queensland Resources Council**

**GOLDSBOROUGH, Mr Paul, Manager, Health and Safety Policy, Queensland Resources Council**

**MACFARLANE, Hon. Ian, Chief Executive, Queensland Resources Council**

**CHAIR:** Thank you once again for your submission and your attendance here today. Would you like to make a short opening statement?

**Mr Macfarlane:** I would like to thank the committee for inviting the Queensland Resources Council to appear today to speak on behalf of our members at this inquiry into coalmining industry safety. I also join you in acknowledging the traditional owners of the land on which we meet and pay my respects to their elders past, present and emerging and also pay my respects to all community leaders past and present who together have made this the great country that it is today.

The QRC is the peak representative organisation of the Queensland resources sector with a membership that encompasses minerals and energy exploration, production and processing companies as well as associated service companies. Our comments today address general industry-wide issues relating to the outcomes of the Coal Mining Board of Inquiry, known as the BOI. Individual companies will provide specific comments on the BOI findings and recommendations in the context of the unique risks associated with their mining operations.

The Queensland coalmining sector is committed to continuous improvement in all areas of work health and safety and follows a best-practice risk-based approach to managing risks of work related injury and disease. The Queensland coal industry is not a fly-by-night operation. Recent ABS export data shows that the coal industry accounted for \$71.8 billion or 70 per cent of the total value of Queensland's resources exports in 2021-22. There were 54 operating coalmines in 2021-22, employing a workforce of 37,970 workers as at the end of June 2022.

The industry recognises that there is no competitive advantage in safety and acknowledges the importance of continuing to cooperate and share information, research and learnings as demonstrated through the work on the recommendations related to lead and lag indicators. The industry's commitment to safety is outlined in our submission to this inquiry. The submission clearly sets out that companies are responding to the board of inquiry recommendations in a timely and decisive manner in accordance with the unique risks associated with their mining operations.

The parliamentary committee's recent site visit would have demonstrated to you that companies are not sitting on their hands when it comes to safety. That visit would have demonstrated that Queensland's mining industry is a world leader in research and in the use of technology. However, it needs to be said that the coalmining industry is experiencing constant changes to the legislative framework that is diverting key managers and health and safety personnel away from their core business for no demonstrable improvements in safety.

Recently, we had the divisive amendment bill dealing with the employment of statutory position holders. We presently have a consultative regulatory impact statement proposing a number of changes to the act, including a proposal to legislate critical controls. On top of this, we currently have working groups reviewing or developing five recognised standards that are quasi-regulations and these are: underground electrical equipment and electrical installations, RS01; control of risk management practices, RS02; training in coalmines, RS11; use and control of polymeric chemicals at underground coalmines, RS16; and spontaneous combustion. With the recognised standard of spontaneous combustion, there will be 24 recognised standards applying to the industry on top of the act and regulation.

While I am not suggesting that these recognised standards are not important, we need to get back to basics and manage the safety and health as intended by the Coal Mine Safety and Health Act through the safety and health management system that is designed to address and continuously mitigate the unique health and safety risks at each mine. We need to have a break from this constant churn of reviews, recommendations and prescriptive changes to safety laws so that the industry can focus on its core business—ensuring safe and productive mine sites.

The industry continues to review their arrangements to ensure workers can speak up on safety issues and address the fear-of-reprisal concerns raised by the unions. The QRC considers the work of the companies on this issue could be enhanced through an annual forum where the industry comes together to discuss what has and has not worked for the companies. Such a forum could be chaired by the Commissioner for Resources Safety and Health, with the outcomes of the forum reported back to the minister.

The industry has not been resistant to implementing 'high reliability organisation' or 'learning organisation' principles. The QRC, in junction with the Commissioner for RSH, engaged Noetic to review the implementation of HRO principles within the resources industry. This included information on identifying existing practices that align with HRO principles but are called different things. Noetic found a range of company practices used at the visited sites were similar to those used by organisations that are often cited as being HROs. Examples range from incident and hazard reporting systems to risk management arrangements, including the critical control approach. These arrangements are underpinned by safety, training, maintenance and other management systems. A copy of the Noetic report and road map was attached to our submission.

In relation to the impact of coal production rates on safety risk management, I can advise that increases in production are not decided at the drop of a hat; they are planned well in advance of any change, taking into account safety risks, workforce, production capacity and logistics. For example, the annual production level for coal is associated with the mine plan which is authorised under the mining lease so if a company wanted to double annual production which would take you over the level in the approved mine plan then the company would need regulatory approval for any increase.

Separately and on top of this, there is a regulatory process to secure access for a company to transport coal to market and a coalminer will also need a volumetric rail and port contract. The conditions vary depending on the generation of the contract but they nearly all have a take-or-pay provision. If the company does not supply the volume of the contract, the company must pay the fixed

costs, plus mines will have a small buffer of around five to 10 per cent of contracts to allow for scheduling and production variations but none can afford to carry large excess contract headroom in case they want to increase their production.

Queensland's coalmining industry has safety integrated into its workforce comprised of permanent employees, contractors large and small, and labour hire workers. It is important to understand the distinction between labour hire and contractors. Labour hire workers work under the control of the host while contractors perform short- and long-term and specialised tasks and projects. While both can be characterised by a contract, they are very different forms of employment and cannot be grouped together when assessing safety risks.

There has been a lot made of the higher injury rates of labour hire workers, which is not correct and there is no evidence to support this view. In our submission, we reference data from Resources Safety & Health Queensland that shows labour hire workers do not have higher injury rates than other workers. To provide an evidence base to the issue, in our submission the QRC has requested the committee give consideration to recommending the tripartite Coal Mine Safety and Health Advisory Committee undertake research into whether the use of labour hire and contract labour has affected occupational safety outcomes in Queensland; and Resources Safety & Health Queensland break the injury data down between contractors and labour hire workers to ensure evidence-based policy development going forward.

In conclusion, as I said earlier, we need to get back to basics. We need to have a break from the constant churn of reviews, recommendations and prescribed changes to the safety laws. Based on the content of this statement, the QRC is proposing the committee give consideration to making recommendations in three areas: firstly, for CMSHAC to undertake research into whether the use of labour hire and contracted labour has affected safety and health outcomes in Queensland; secondly, that Resources Safety & Health Queensland break down injury data between contractors and labour hire workers to ensure evidence-based policy development going forward; and, thirdly, that the Commissioner for & Health Queensland chair an annual industry forum on what strategies companies are using to encourage workers to speak up on safety issues. What is working and what is not working will assist companies in addressing the fear-of-reprisal issue. I now table those three points. Companies need to be able to manage safety and health as intended under the Coal Mine Safety and Health Act through the safety and health management system which is developed to take account of and continuously mitigate the unique health and safety risks of each coalmine.

**CHAIR:** I seek leave for that table to be tabled. Leave is approved. Thanks very much for that.

**Mr WATTS:** You have anticipated my question, which is: what research is out there in relation to labour hire as well as contract work arrangements and injury data? What is recorded? Does the industry have any? Do mine operators have this data collected separately? Are you aware of any other jurisdictions that might be recording or keeping that data?

**Mr Goldsborough:** There are a couple of points. Labour hire, depending on the nature of the industry, is very different. For example, you might have labour hire arrangements in Victoria where four or five blokes are picked up for a couple of days because production has increased in a white goods factory. The mining industry works very differently to that. A lot of the labour hire people are long term, and there has been no unique research done on the labour hire arrangements in Queensland's coalmining industry specifically.

If you go back to the board of inquiry, Professor Quinlan spoke at length about different arrangements around the country, but they were not contextual or they did not relate to the arrangements that are in place in Queensland mines such as where a labour hire person will be dressed in a company outfit and may have been with the company for three years or so. It is a very different set of circumstances.

**Mr Macfarlane:** There are a lot of anecdotal statements about the safety record of labour hire companies but there is no clear evidence that supports any of those statements.

**Mr WATTS:** I am particularly interested in the recommendation. For me it is also about specifically separating out labour hire and specialist tasks that are required from time to time on a mine site and making sure that that data is attributed to the company worker and the labour hire worker. I am particularly interested in that recommendation as well.

**Ms Bertram:** The RSHQ certainly collects data, but the labour hire data is included with the contractor data. We would like to see—

**Mr WATTS:** That is my point; that data is a blunt instrument in terms of analysing what is going on.

**Ms Bertram:** Yes.

**Mr HEAD:** To follow up on that point, why is there such a strong perception or position from other parties that disagree with the fact that labour hire might not contribute to higher injury rates in Queensland mines?

**Mr Macfarlane:** I have a view but I would be speculating. I suggest you ask them that question.

**Mr MARTIN:** In relation to evidence—and you mentioned anecdotal evidence—when we were in Moranbah the committee heard from a miner who shared his story with us. He had to shut down operations but the labour hire employees around him did not shut down those operations. The reason they gave him was that they were labour hire employees. The committee heard from this miner that labour hire employees feel a bit disempowered to raise concerns. What is the QRC's opinion on that? Do you say there is any difference between a labour hire employee and a permanent employee? Do you accept that they might feel disempowered? In relation to research, has the QRC commissioned any of its own research?

**Mr Macfarlane:** No, we have not commissioned our own research. We do not have that capacity. In terms of people speaking up, again this goes to a position that is constantly raised by the representatives of the workers in these coalmines. When the QRC asks for clear, specific evidence of people not being able to speak up or in fear of speaking up, again we have not been able to get any evidence of that. It is something that I have asked for repeatedly over the last six years.

Can I just say though that I am not so naive as to think there may be instances even though we cannot get evidence of them. That is why we are suggesting that we have further processes that encourage people to speak up. Companies are constantly encouraging people to speak up. They have toolbox meetings at the start of shifts and they have discussions with their workers. They reassure them that the company's best interest is served by workers speaking up if there is a potential safety breach. Our side of the industry is doing what we can, but we will try to do more. The reality is there is no clear evidence to support that claim.

**Mr MARTIN:** If a labour hire employee does feel disempowered and they are not reporting something, other than them making a statement, what evidence are you looking for?

**Mr Goldsborough:** There is an anonymous hotline to Resources Safety & Health Queensland, so the regulator should be able to have that data as well. There will be mechanisms to gain some data where workers feel they cannot speak up in a given set of circumstances. That anonymous hotline is well advertised by RSHQ and that was mentioned as part of the 2021 safety reset session where companies across-the-board had presentations on chronic unease and getting people to speak up.

**Ms Bertram:** There was a particular topic around those resets held in 190 workplaces last year with over a thousand resets being held. The speaking up issue was driven home and was included in induction programs and, as Ian said, toolbox programs. It reinforced that this is what they are meant to be doing, that the industry prides itself on ensuring that there is a safe workplace; it takes it very seriously. We recognise that if there are perceptions, these perceptions need to be overridden and mechanisms put in place.

**CHAIR:** The particular witness said several times he was in fear of losing his job. He said, 'I'll probably lose my job.' Anecdotally that is what he was saying. We all obviously hope that is not the case. You have said that you are trying to get rid of the perception of fear. Are there any overall plans or tactics—obviously no corporate-in-confidence items are to be divulged—that you are trying to do to allow workers to feel that comfort that they can come forward? Is there a big picture at all?

**Mr Macfarlane:** There is, but the first question I would ask someone giving evidence—and I am obviously not on the committee—is, 'Why didn't you use the anonymous hotline?' It is totally anonymous, so it cannot be traced back to the person. That is the first thing people can do. It is an issue which companies continue to raise with their workers at inductions, as Judy said. It was raised during the reset we did through 2021.

The reality is people know about it, but at times we are at a loss to understand why they do not use the opportunities that are there. In the first instance they can raise it with their supervisor but if they do not want to do that, as I say, there is a hotline. We will continue to work on it. If there is a constructive proposal about how to improve that, we are certainly interested.

**CHAIR:** In your submission and you have mentioned here the safety reset process in 2021 themed around chronic unease and better hazard and incident reporting. Was there a safety reset in 2022 and, if so, was there a theme?

**Mr Macfarlane:** The industry has decided it will do further safety resets, but to maximise their impact it is not the sort of thing you do as a routine. You do it as an exception rather than the rule. I think there are plans—is it next year?

**Ms Bertram:** I think it is every second year. We did have the safety conference this year. Queensland's health and safety conference is a tripartite organised conference that was attended by close to a thousand people. This was one of the features of some of the presentations. It is a conference where it is not necessarily the leaders who come to the conference; it is at the operator level. It is a unique conference in the safety sphere. This was one of the issues that was spoken about.

**Mr Macfarlane:** It is the biggest safety conference in the Southern Hemisphere. It was attended by over a thousand people this year.

**CHAIR:** I have been in this world for only five years so it was a long time ago, so my memory may be dusty. I am big on lead and lag safety indicators. Is there anything being planned to focus on lead indicators rather than mopping up at the end?

**Mr Goldsborough:** After the board of inquiry recommendations were handed down, at the request of the minister we established a working group that went away. We organised an event that was held in this building. We brought all the companies together to look at what they were doing, what was working and what was not working. Over 330 people attended that forum. Companies have built relationships with other companies and they are bouncing ideas off each other as it goes along. The work in terms of lead indicators as opposed to lag ones is progressing well at company level. I am sure some of the companies that are speaking here today will be able to provide further detail on that.

**CHAIR:** I refer to safety bonuses on lead indicators rather than lag indicators. I am not putting words in your mouth, but would that be a focus going forward as well?

**Mr Goldsborough:** I am conscious that we have seen no evidence that relates the bonuses to safety issues in the workplace. At the public hearings about a week ago the chief inspector of coalmines also was of that view. As a working group we were intending to focus on how we can get better clarity around lead indicators and how they can work and how we can bring the whole workforce along with those rather than focusing on the production bonuses.

**Mr MILLAR:** I return to an earlier subject of the anonymous hotline. You probably explained to the committee how that works. What happens?

**Mr Goldsborough:** An individual worker can ring RSHQ and they will investigate the matter. With all respect, I think that is a question better posed to the chief inspector of coalmines or Rob Djukic, the chief financial officer of RSHQ, because I am not clear about their end processes after the calls come in.

**Mr MILLAR:** That is what I am trying to find out, what happens once the call is made?

**Mr Goldsborough:** I assume an inspector investigates it.

**Mr Macfarlane:** To the industry's side of things and perhaps more detail around the chairman's question, this is why we are recommending that the commissioner for health and safety chair a meeting amongst mining companies. It is one of our three recommendations, to chair a meeting amongst mining companies to see how we can make this work better. There should be no reluctance for a miner to lodge a complaint anonymously. How that process works after that, as Paul said, is something that the chief inspector might be better to answer.

On a different topic we were talking to someone on Thursday about a process for domestic violence and violence in the workplace and sexual harassment which has been developed in Western Australia. It provides a level of anonymity so strong that the police could not crack it when they wanted to track someone down who had made a report that they thought was associated with a crime. If the system is not working to the absolute optimum, let's work out what we can do to make it better.

**Mr HEAD:** I have worked in the resource sector in Queensland and in New South Wales. From my perspective, the New South Wales regulator was very proactive in sharing safety learnings and preliminary recommendations following an incident. It has been touched on and you noted in your opening statement that industry safety events focusing on sharing findings could be very helpful. Should the Queensland Mines Inspectorate be more proactive in identifying ways for industry as a whole to improve and also potentially give specific directions to industry on this?

**Mr Macfarlane:** I think everyone should be more proactive, but specific directions as distinct from specific suggestions are important. One of the things we are facing is an overregulation around the way safety operates in mines. We would be very happy to hear suggestions and offers of

assistance. However, if we start getting into a situation, as we are with this inquiry, where a group or a body makes a recommendation and then there is an inquiry to find out who is adopting that recommendation and who is not, we are rocketing down the road to total regulation, which will not work in this industry. This industry has to be able to manage its safety in conjunction with the latest and best technology and the variation between each mine site.

**Mr HEAD:** If, in the instance of Grosvenor, there is a problem the coalmine is facing such as elevated methane levels are reported to the inspectorate, where does the balance then lie in terms of who should be responsible for resolving that matter? If it has been reported to the inspectorate under current legislation, regulation and rules, should the inspectorate be the one responsible to issue the direction to resolve that matter?

**Mr Goldsborough:** Under the act it is very clear that the responsibility lies with the duty holder—the company. In a situation like that they will have critical controls in place in terms of how they will respond when they start to get elevated gas levels. The inspectorate may come in and issue some directions, but those will be issued subject to a discussion around what the underground mine manager is experiencing and what it is telling him. You cannot get away from the fact that mines are not like oil refineries. Each one is different and unique. You have a safety management system that is built around the unique nature of that mine and the particular risks of it. The underground mine manager and the SSC are best placed to know what they are and to respond in accordance with the safety management system. They will sit down with the inspectors in that situation and say what they are doing. They will share things. The inspectors may disagree and override them and say, 'We want you to do this,' which they have the power to do under the act. Overall, there will be a robust discussion between the parties.

**Mr WALKER:** Is the hotline number you referred to advertised at every entry point at every mine that you take care of? I just want to know if it is advertised so everybody has access to it.

**Mr Goldsborough:** I am not sure what advertising RSHQ does of their complaints number.

**Mr WALKER:** It is a good idea. I thought it would be on every gate so everybody is well aware of that number. That is why I asked the question. You cannot tell me if it is or is not; is that correct?

**Mr Goldsborough:** That is correct.

**Mr WALKER:** Has the Coal Mining Safety and Health Advisory Committee survey you note in your submission regarding the reporting culture in the Queensland mining industry commenced yet? It has been 18 months since the release of the second board of inquiry report. QRC is a member of that committee. Please explain the delay.

**Mr Goldsborough:** As I understand it—and you may wish to speak to the commissioner directly—they have to go through a survey design mechanism which is quite complicated because of the diverse range of people you want to fill it out. I know the commissioner was hoping to have a survey instrument that was very simple and easy to use, so that has taken time. Then it has to go through a formal government tender process before it can be released. They are some of the factors. These things are not something you can concoct overnight.

**CHAIR:** Back to this number—this is more of a statement, I guess, but you may wish to comment—it is a shame that it has to be that way. If it is that locked down no-one can find out who it was. It is completely anonymous. This is probably a question for RSHQ more than you. Is there feedback? The person making the complaint may physically see a change, but do they get feedback such as 'Yes, we're going to change that'? This is probably a statement, but I would just love to see a culture where there is no fear, you can come forward and say it and the company thanks you and says, 'You might have saved us a few dollars down the road because someone may have been injured.'

**Mr Macfarlane:** We would love to see that situation. Part of the safety stocktake we did in 2021 was about getting people to identify hazards and speak up. In fact, I know of a couple of companies where that did happen. Someone said, 'We saw this the other day and just walked past, but on reconsideration we needed to actually report it.' That has improved the safety of that site. We would like to be in that situation as well.

In terms of providing direct feedback, it immediately compromises the anonymity of the person making the complaint if there is a trace mechanism in it. Whether the fear is real or perceived by the person making the complaint, preserving anonymity is key. There will be ways to provide feedback in a general sense, but not to the individual.

**Ms Bertram:** There are still other mechanisms we encourage people to use: go to your supervisor, and then if that fails go around and go higher or go to the inspector directly. There are still those mechanisms as well.

**CHAIR:** I have my own experience but I do not want to bore the committee with it because it was a long time ago and, as I said, my memory may be dusty.

**Mr WATTS:** I am interested in the comment around regulation and auditing versus getting an outcome. One of the difficulties for legislators is that we like to write everything down and have a nice tick and flick sheet and make sure everybody fills out the form, but you are dealing with unique sites with unique issues and unique problems. Do you have any advice as to how to balance regulation versus autonomy for safety on a mine site? My fear is that we overregulate and we have a situation where everybody is so worried about some safety auditor coming through that they have forgotten we have to look at safety issues.

**Ms Bertram:** I think there is quite a cycle. The pendulum swings to risk-based entirely, and then over time it heads to the addition of regulation and prescription until it is too prescriptive, and then it goes back again. I think there is a natural happy balance. In some instances there is a need for regulation. We understand those sorts of additions, but we all need to be conscious that once you get too far the other way you lose the emphasis and focus on risk. I think we need to always recognise that, if you have regulation that is this high, then you are taking the focus away from your mine site and the unique risks of your mine site.

**Mr WATTS:** I guess that is my fear. I am supportive of a regulatory framework, do not misunderstand me, but I am concerned that people spend all their time trying to meet the regulatory framework rather than trying to make sure the workplace is safe.

**Ms Bertram:** Absolutely. As Ian said in his opening statement, over the last few years there has been review after review, amendments to acts and more amendments, which take the focus away from where the eye should be.

**CHAIR:** I know we are going to run out of time soon, but I would like to reflect on the tripartite collaboration on safety since this review. When COVID came along everyone worked together and I think it was managed very well. Can you reflect on safety versus the COVID response? Would you say it is similar, less or worse?

**Mr Macfarlane:** I think the response to COVID was based on the tripartite arrangements we are used to in terms of safety, so we were able to discuss things. There is a good relationship between the CFMEU, Stephen Smyth and I, and obviously the government and RSHQ, so it is an ongoing discussion. As I said, if we can have more of a focus around discussions, the sharing of information and sharing of incidents rather than overregulation which will not fit. It is not a cookie cutter situation. Every mine's duty set is different. The best way to improve safety is for everyone to talk to each other, and that has worked in the industry. You cite the specific example of COVID, but it has also worked generally with safety. I am not sure whether the committee is aware, but virtually every meeting in the resources sector starts with a safety share. Even the QRC board meeting starts with a safety share.

**Mr WALKER:** You talked about the productivity bonuses that workers get; is that correct?

**Mr Macfarlane:** Yes.

**Mr WALKER:** Has there been any consideration of a bonus or payment system where people who come up with smart ideas on safety can come forward and be part of that process? Has there been any consideration around that? We look at productivity, but there are a lot of smart people in the workplace who come up with some very clever ideas. Has there been any consideration on working in that space?

**Mr Macfarlane:** I am not aware of a scheme like that, but we can ask our members to consider it.

**CHAIR:** Are there any last questions? If we have any other questions is it okay if we forward them to you?

**Mr Macfarlane:** Yes.

**CHAIR:** Thank you very much. We appreciate your time. There will be a transcript of these proceedings available in due course.



**HILL, Mr Jason, Industry Safety and Health Representative, Mining and Energy Union Queensland**

**WATTS, Mr Stephen, Industry Safety and Health Representative, Mining and Energy Union Queensland**

**WOODS, Mr Stephen, Industry Safety and Health Representative, Mining and Energy Union Queensland**

**CHAIR:** Thank you for your submission and your attendance here today. Do you have a short opening statement?

**Mr Watts:** We thank the committee and welcome the opportunity to contribute to the committee's inquiry into coalmining industry safety. While some of the inquiry's terms of reference engage more deeply with the obligations and responsibilities of employers, the MEU is eager to contribute our knowledge on safety in the industry.

Our submission addresses all of the terms of reference raised by the inquiry into coalmining industry safety, including the impact of coal production rates on safety risk management. The MEU strongly believes the ethos that safety comes first and production follows. The view that good health and safety performance leads to reduced production is unfortunately widespread in the industry. This view stands in the way of developing workplace cultures that genuinely put safety first. Despite corporate commitments to safety first, the reality on the ground is that production is always the priority. In the long term, poor safety standards will impact production, but we also see mines that have good safety standards meeting production targets. High production and high safety standards are not mutually exclusive, and this is not understood at site level or by supervisors.

The second issue is the industry's use of production and safety bonuses and their impact on safety. The use of bonuses linked to safety indicators such as lost time injury rates and more recently HPIs is flawed. For decades the approach was to reward those who did not have an LTI. The Brady review found that the use of LTIs as a safety measure resulted in a manipulation of LTI figures. The evidence shows that LTI rates decreased over the last 20 years; however, serious accident rates remain similar or increased. The use of LTIs in corporate and company bonuses is what drove that. The use of LTIs or HPIs to assess safety performance incentivises companies and employees to downgrade incidents or not report them at all. The MEU has proposals in our submission to address this issue.

Thirdly, in relation to effective responses to incidents and failures of risk control, we feel that employers are better placed to provide evidence and data in relation to these matters; however, in our submission we provide examples where employers failed to provide acceptable reporting under the requirements of the act.

With regard to the use of labour hire and labour hire workers' roles in onsite safety, the board of inquiry was clear in its finding that labour hire employees felt they could not raise safety issues or stop the job if unsafe. What we do know is that indirect employees, whether they are contractors or labour hire, are paid less with reduced benefits. They are restrained from raising safety issues because they are paid less with fewer conditions. They want a permanent job and they are dangled this carrot at work, so as a result they do not want to rock the boat and jeopardise their chance of a permanent job. That is pretty simple. Secondly, contract and labour hire employees are often given the option of remaining casual or taking a cut in pay to be classed as permanent just to receive the normal benefits they are entitled to such as sick leave and annual leave. Many forego this just so they can receive a comparable wage to permanent mine employees. If they remain classed as casual they can be dismissed with little or no notice, no reason given and no access to unfair dismissal laws. Even contract or labour hire mine workers who are permanent have in their contract arrangements where they can be moved to different sites, even different states, without choice, limited notification and no reason given.

There is a recent court case example where a mining company wanted a contractor removed from site and that person was removed from site and there was no other job to go to, so they were terminated. It is obvious that contract or labour hire employees, whether they are permanent or casual, are vulnerable to reprisal for stopping the job for safety reasons or even for simply raising safety issues. Another issue is training. Training takes time and expense and will impact the bottom line in the short term. With the high rate of labour turnover for labour hire and contractors, this cost can often not be recouped in the longer term so contract or labour hire companies limit this cost and as a result they are not trained to the same level as permanents.

These are systemic issues that the MEU believes must be addressed. It is a system that disempowers contractors or labour hire workers to raise safety issues and it impacts broadly the safety of the industry. Mining companies often say that all workers are treated the same. However, the evidence is clear. In the last 20 years, contractors have been disproportionately killed or seriously injured in the coalmining industry. Just on that, I heard my colleagues from the QRC saying that there is no evidence. Since 2002—so the last 20 years—in the Queensland coalmining industry there have been 22 people killed, 16 contractors and six permanent, so the evidence is there and it is very clear that contractors are disproportionately injured in our industry. The other issue in terms of reprisals is that there have been over 150 reprisal complaints to the inspectorate recently with not one prosecution. What that shows is that reprisal exists, but it is too hard to prosecute. There is no punishment for committing reprisal, so again the system is against labour hire contractors. To address this issue, we have plenty of proposals in our submission.

Finally, there is onsite safety generally and ensuring appropriate measures to address process safety and personal safety separately. Ineffective risk management tools, procedures and processes are major concerns in this area. If risk management is not done well from the beginning, coalmine workers are automatically put at risk. In summary, we look forward to the responses from other stakeholders in addressing these concerns, particularly in response to the board of inquiry findings, and we encourage the committee to read our submission in full and to understand in detail the issues we raise and our proposed solutions. Thanks.

**CHAIR:** Thanks very much for that. We appreciate it.

**Mr WATTS:** I apologise; I will have to leave through this for a shadow cabinet meeting. I guess I am interested in what was put forward by the QRC in relation to independent research, and I take note of the numbers you just quoted. Would you support having some sort of evidence-based research done industry-wide that compares labour hire, contract workers and permanent employees? There seems to be some contention between various parties as to what the facts and evidence are here and it seems to me that the easiest way to solve that is to do it across the industry by going back in time and getting the facts on the ground. Would you support that?

**Mr Watts:** Yes, absolutely would, but I would like to do it in a tripartite manner. Numbers are easy to manipulate. Even if you compare permanents to contractors, quite often they will include a permanent contractor in the permanent figures whereas I just gave examples where permanent contractors are not in secure jobs when compared to permanent mine employees. We would love to be involved to make sure that the data compares apples with apples and is not manipulated in some way, but we have to go off evidence, don't we?

**Mr WATTS:** I think that is what everybody is looking for. Further to that, I want to understand the use from the industry's perspective of this anonymous line because there is a lot of talk about reprisal if somebody reports something. Are you aware of this anonymous phone number? Do people use it? Is it commonplace amongst industry to know that you can say, 'I'm not happy with that. I don't want any repercussions. Dial this number and the department will look after it'? Could you give us some information in relation to that?

**Mr Hill:** To tell you the truth, I did not know that there was an industry hotline, so that is how well it is advertised. The other aspect with the follow-up of it is how active the RSHQ is in investigating complaints. I have been dealing with some issues around that lately myself where some inspectors have been getting SSHRs to investigate the complaints for them or they simply write back to the complainant saying that this is not an issue for them or it is an industrial issue or tell them to go through the SSHR first before they make the complaint to them. If you are going to have an anonymous hotline and they are dealing with shit like that, it is doomed to fail. In my powers and functions I have seven outstanding 121s issued with the inspectors from probably—

**Mr WATTS:** Sorry, but I do not know what a 121 is.

**Mr Hill:** In my powers and functions I can have a belief that the safety-off management or part of the safety-off management system is ineffective or inadequate where I have a dialogue with the SSC and if I do not believe that he has taken the necessary action to make the safety-off measurement system adequate or effective then I must notify an inspector and then the inspector has to investigate. I have seven of them outstanding. They are over a month old now. I have had to try to contact the inspectorate to find out where they were up to and all you get back is a shitty email saying, 'Yeah, we've asked for information. We'll get to it then.' I was contacted by an inspector about one mine I have had a 121 in. He has asked for some additional information and I appreciate his communication with me but then he is going on leave so that is not going to be dealt with until after Christmas, so you are looking at four or five months for a complaint to be dealt with. If this is happening with coalminers, they are not going to make complaints if there is no action happening, are they?

**Mr WATTS:** Further to that, that sounds like it is a resourcing issue from the department in terms of having an inspectorate that is both responsive and has the resources to be able to respond appropriately to you raising an issue. It would seem to me that with the royalty base the government collects there should not be a resourcing issue when it comes to safety on a mine site. I guess I am making more of a statement than—

**CHAIR:** I think you certainly are. It is not relevant.

**Mr WATTS:** It seems extraordinary that you could have seven outstanding complaints in relation to safety and the inspectorate is not dealing with those in a timely manner. Could you comment on what might need to change from the inspectorate's point of view to be more responsive to that kind of issue?

**Mr Hill:** I do not know if it is a resourcing issue. They have more inspectors now than they have ever had in my understanding, so you would have to talk to the RSHQ about that. Again, I made a complaint to the minister about an issue I had with an inspector and heard nothing back either.

**Mr MILLAR:** So you have seven outstanding and you have made the minister aware of them?

**Mr Hill:** Not them, not on this; this was earlier in the year. This was back in May or something where I made a complaint to the minister where I believed that an inspector was regulating outside his powers and as to whether there was regulatory capture or such I have not heard anything back.

**Mr MILLAR:** I would suggest you might need to talk to the minister again.

**Mr Hill:** I have sent two letters.

**Mr WATTS:** I am interested in this balance between regulation and actual safety outcome on the ground, because as smart as everybody in parliament might think they are and as smart as the department might think it is I think the person who is putting the hat on and going underground knows the environment better, so I am always concerned that you get prescriptive regulation that might not actually lead to an outcome. I would be interested in your thoughts on how you balance those two things so that you do not overregulate so that everybody is worried about the regulation rather than the actual safety. I would seek your feedback or comment on the balance there.

**Mr Hill:** On the balance, recently I think that it is probably being politicised too much. I do not really know what this inquiry is going to achieve; I think it is just scoring political points. What is happening here and what is happening at the face are two different things. In the last couple of months I have spoken to people such as a labour hire lady who got terminated because she refused to operate a piece of gear because it was not safe. More recently, a contractor was terminated because he raised safety issues and was worried about people getting injured or, worse, killed. This is only in the last three or four months, and one was only two weeks ago, so what is happening at the face is totally different to what people are talking about here and what is happening here.

**Mr WATTS:** Any thoughts on how to close that gap?

**Mr Hill:** I do not believe the HRO is going to solve it, put it that way, but I do not know. If people are going to be demonised for raising health and safety issues, you are never going to fix it. People are going to have to be able to accept the bad news that people do not want to hear and move on and rectify the issue without demonising people for raising these incidents. Everyone hears stuff that they do not want to hear; it is about accepting that and fixing it.

**Mr Watts:** We do need better tools for addressing reprisal in legislation. They are not effective enough at the moment. We deal with reprisal complaints all the time. Sometimes we are told that it is not even a reprisal action unless the person is terminated, so it is very hard to prove. The way the legislation is written now, it is very hard to get a prosecution of reprisal. It is easy to prove—the evidence is there—but it is hard to get a prosecution under current laws. We need better laws around reprisal. There is some suggestion of reverse onus of proof rather than reasonably practicable. We need some definition where if it is likely that it has happened then there can be a prosecution, not it does not have to be 99.999 per cent likely. If it is more likely than not, there can be a prosecution. Sometimes I think the inspectors are a bit restricted by the tools they have to take reprisal further.

**CHAIR:** Just before we move on, I have to do my chair's job about unparliamentary language.

**Mr Hill:** Sorry.

**CHAIR:** No, it is all good. I understand how passionate you are about safety, and I agree with you wholeheartedly, but I have to do my job. The member for Toowoomba North has to leave. He has another role he fulfils, so he has to leave us temporarily hopefully.

**Mr WATTS:** Hopefully.

**Mr MARTIN:** Just in relation to empowering workers so they feel confident that they can raise safety issues, can you share with the committee what the union's position is on that? What is the best way of doing that? It sounds to me like perhaps the issue is job security and reducing the number of labour hire employees. Is a hotline really ever going to empower people?

**Mr Watts:** We say same job, same pay to start with. If you are working next to someone, they should be paid the same. That is pretty simple. If they are not paid the same, they want to be paid the same and they are not going to raise any safety issues, are they? They are not going to stick their neck out.

**Mr Hill:** Just to add to that, if you can easily be terminated for whatever without being given a reason, that is going to be a big incentive, isn't it, to not raise your hand? If you have job security, it is going to be more likely that if something is not right you are going to raise your hand, aren't you, and speak up?

**CHAIR:** Yes.

**Mr MARTIN:** You mentioned safety bonuses briefly in your opening statement. Supporting what you said, the committee has heard that safety bonuses can lead to the under-reporting of safety incidents. When you hear about safety bonuses, on the face of it it sounds good: a bonus for being safe. Does the union have a position on whether there should be any safety bonuses? Is there a way you can write a safety bonus clause correctly so it does improve safety, or is it the case that you cannot really have safety bonuses?

**Mr Watts:** Yes, probably lead indicator safety bonuses where you do so many haz reports and you get a pat on the back, a bonus or whatever, but you cannot have negative safety bonus consequences. That is what we often see in coalmines at the moment. If they have too many incidents it reduces their bonus.

**CHAIR:** Without going into it, that is my history. If you go so long without a LTIFR you get a bonus.

**Mr Watts:** Exactly.

**CHAIR:** A new spanner or something.

**Mr MILLAR:** Just following up on that, with the bonus system is there evidence that someone will not report something because they do not want to be seen by their colleagues as not getting their Christmas or safety bonus?

**Mr Watts:** We could provide thousands of cases if you want. It is important to understand, and it is pretty obvious, that the system and the setup disincentivise reporting safety issues. There is lots of evidence, but do you need it when it is that obvious? It is pretty simple to understand.

**Mr Woods:** The pressure always falls on the bloke not to report because otherwise the rest of the crew misses out, if you know what I mean. Yes, it is definitely there.

**Mr Watts:** With some of these safety bonuses, if one person gets injured the whole mine might lose \$100, so how does this person feel if he gets injured?

**Mr MILLAR:** It is an uncomfortable bus trip back.

**Mr Watts:** Exactly. If you have a strain injury that is easy to hide it is going to be playing in the back of your mind: do I report this?

**CHAIR:** Or use annual leave rather than—

**Mr Watts:** I am sure that happens.

**CHAIR:** The reporting of a hazard would be better than the reporting of a risk. A hazard is there, everyone knows it is there, and you can see a hazard. Everyone can fix that before it becomes a risk and behaviour gets involved to make that a risk someone is going to get hurt. A jar of radioactive substance in a locked room is a terrible hazard, but it is not going to hurt anyone until that door is open and a particular job goes near it. This is more of a statement than anything. Lead indicators of reporting that and bonuses for that sort of thing—surely everyone could agree that is the way to go.

**Mr Watts:** Just reporting hazards is not enough; it depends on how they deal with hazards. We say, importantly, that the worker who puts in the hazard report should get a copy of the hazard report—it could be done in carbon copy, for example—and then it is important that they and the whole mine get feedback on how that hazard is dealt with.

**Mr HEAD:** I do not know the specifics of the cases you mentioned about the termination of contractors following safety complaints, but is it possible these individuals may have been terminated for a whole host of reasons or other factors rather than because of an individual complaint?

**Mr Hill:** There is always another reason when you ask. For example, I dealt with a lady who refused to drive a truck because it did not comply with the site's safety and health management system. On querying that, it came back that basically she did not want to work. I cannot remember the exact words that were written back to me, but that is what they came back with.

**Mr Watts:** It is written in the act that there is an obligation on a coalmine worker to follow the direction of a supervisor, so that is often thrown at them. They say, 'No, you're not stopping the job for a safety issue; you're going against a direction from a supervisor.' You can be terminated for that.

**Mr HEAD:** I worked with a colleague who had a couple of tasks he did not want to particularly undertake. There were appropriate workplace health and safety management systems in place and appropriate tools to help him do that task, but this individual always raised safety issues. This person was a contractor and we managed it. I can understand that, if you are a supervisor and a task has been complained about multiple times over a couple of weeks, if at the end of the day you decide a contractor or individual is not good for the team or good for the job, you will show them the door if you have that opportunity. From my own experience, having worked with people like that, it was managed in-house and they were not terminated, but it was frustrating. If a person was terminated after making a complaint, then it would be very easy for them to claim they were terminated for raising a safety concern. I guess I am coming from the angle that there are a whole lot of other reasons a lot of the time.

**Mr Watts:** It is pretty easy to rule out a safety concern. If someone raises a safety issue or a hazard you do not ignore it: you address it. You can do that by local risk management. It might take you 10 minutes. You do a risk assessment and you prove it is safe and then that person has to carry on, don't they? I do not 100 per cent accept what you are saying. I think it is more mismanagement in how they deal with the safety issue being raised.

**Mr Hill:** People make the complaint or raise it with you not because they are worried about being terminated but because they are more worried about other people getting hurt. When they can give you dates and specific incidents, you tend to think the incidents did happen.

**Mr MILLAR:** Is there a process where, if you are a contractor and you are not permanent, you could go to someone who is permanent to make the complaint? Is there a way that could happen?

**Mr Watts:** I get that directly. I have had several examples of that occurring where I get a second-hand complaint because the less secure employed person does not want to raise it directly, yes.

**Mr MILLAR:** I know it is not the solution, but there has to be a pathway somewhere.

**Mr Hill:** There are. Obviously sites have local checkies or SSHRs on them which probably the contractors or the labour hire do not get access to or they are not identified. Legislation requires their identity to be displayed, but often when you go around there you do not see their identity displayed. There is a process. It is not mandatory to have them onsite either, but some sites have them and some do not. The majority would have them, but it is about making them available or letting people know how to contact them onsite or us or the inspectorate.

**Mr MILLAR:** I come from the agriculture industry. Mining safety is far better than what is happening in agriculture. There is still a long way to go, but I think everybody in the mining industry is trying to get there.

**CHAIR:** As I said, 18 or 20 years ago this was an issue for me. You would do a safety pre-work risk assessment and the job was too unsafe. You would go off shift, come back the next morning and it had been done by a contractor. It is disappointing to hear anecdotally that that is still going on, but obviously we are all here to try and stop it.

**Mr WALKER:** You talked about mining inspectors getting back to you with information. I think you said that mining inspectors were waiting for information from the mines?

**Mr Hill:** When I was chasing it up because it was coming on to a month. I know there are a couple I have got out around lightening. I met with the chief inspector last Tuesday, I think, on a different topic, but we had that discussion and he said, 'It's going to be another two or three weeks for those three,' but there are other ones I have put in where I have not got any feedback at all. So I will send an email off to try and find out where they are up to, what process it is up to. Basically, I asked where they were up to and what is the time line of completion, and all I got back really was that they have requested information off the SSEs, the investigation is ongoing and there is no time line of completion.

**Mr WALKER:** There is some mine information waiting to come back—allegedly.

**Mr Hill:** Allegedly. I have seen inspection reports of where inspectors have been there since the 121s, I believe.

**Mr WALKER:** In your opinion, has the coalmining industry invested in training for all positions and levels in the sector? Have they invested enough in training?

**Mr Watts:** No.

**Mr WALKER:** We continually hear about positions not being filled.

**Mr Watts:** Absolutely not. The shortage of statutory officials is a direct result of the lack of investment in training over the years. It is about this desire for labour hire too because they want to turn workers on and off like that and not invest in training. At the end of the day, it hurts recruitment and safety.

**Mr WALKER:** You mentioned death and injury stats. Do they include to and from work?

**Mr Watts:** No, in RSHQ data they do not.

**Mr WALKER:** Do you think that is critical?

**Mr Watts:** I think they should be.

**CHAIR:** I mentioned the prevalence of hot seat changeovers. We were talking about how you get a safety briefing and that sort of thing before a toolbox meeting. Do hot seat changeovers, for the benefit of the committee, negate toolbox meetings in your opinion? Because you are jumping in and straight out you might not get that opportunity. Are there safety issues with hot seat changeovers?

**Mr Watts:** I will say that some mines do it better than others. The more information about safety before you start the job, the better. Some mines do it better than others. Some get limited information; some have a good, genuine toolbox talk.

**Mr HEAD:** We have spoken about it a bit, but I would like to get to the bottom of contradicting information in relation to labour hire and contractors contributing to higher injury rates. You gave some statistics on fatalities in your opening statement. One fatality is one too many. I worked on a site where we had a fatality. I believe that six of 22 fatalities were mine operator employees compared to the rest being contractors.

**Mr Watts:** Yes.

**Mr HEAD:** Do you have a breakdown of hours worked by labour hire contractors compared to mine employees to compare those statistics?

**Mr Watts:** No, I do not, but those statistics I gave are back to 2002, so 20 years. I can tell you that 20 years ago 90 per cent of people were permanents. The further we go back, the fewer hours contractors were working.

**Mr HEAD:** Unfortunately, there have been a lot of fatalities in recent years too that would have contributed. The fatality at Moranbah this year was a contractor. If you do not have those hours worked to compare it to, then you are not actually showing the statistic in its true form. You can say the Bugatti Veyron is the safest car in Australia even if it is not actually driven on our roads.

**Mr Watts:** Just say the hours worked were 50 per cent. If permanent contractors worked the same hours in the industry and we are comparing apples with apples, 16 versus 22 contractors over-represented. But going back 20 years there is no doubt that permanents were working more hours than contractors, so the evidence will further support that contractors are over-represented in fatalities.

**Mr HEAD:** Okay, that is good.

**CHAIR:** Not to debate the topic, of course.

**Mr HEAD:** That is why it is important for us to get the information broken down by hours worked per calendar year et cetera.

**CHAIR:** I think all parties have agreed they would like a tripartite group.

**Mr Hill:** That is right, but some of the statistics are going to be hard to get because of the way contractors and labour hire are treated. If someone gets an injury they are gone, so that injury is not then recorded. If they take annual leave or they go to an onsite paramedic who does not send them to a doctor, then that injury is not recorded anywhere. Sometimes they take them to a doctor and then they send them back, so they are not recorded as an LTI. A good scorer beats a good player, and that is what happens. The statistics are going to be skewed anyway.

**Mr HEAD:** For injuries and that. It would not be difficult for industry to go back over the last seven years at least with information they would have to keep for tax purposes to compare it to fatalities in the last seven years.

**CHAIR:** Member, is that a question? You are debating the topic. Member for Stretton, do you have a question?

**Mr MARTIN:** Carrying on with the theme of evidence—you seem to be talking a lot about evidence—has the union conducted any surveys of workers or your members to compare permanent employees against labour hire? Have you asked labour hire employees the question: do you feel empowered to report safety incidents?

**Mr Watts:** I believe we did. It is a bit hard for us because we do not live in the industrial sphere. As safety inspectors, we do not deal much with industrial issues, but we can provide it to you. I am sure there is one.

**Mr MARTIN:** Or even if you have information on any surveys that have been done by companies or employers. Part of the issue seems to be the evidence that someone feels disempowered. The only way you can get that evidence is by asking them and them telling you, so any information you have would be helpful.

**CHAIR:** Could we take that on notice?

**Mr Watts:** Yes.

**Mr HEAD:** You said that labour hire is often doing different tasks. Would it be helpful if the information from that potential tripartite working group was broken down by the role or task conducted? It would be more complicated, but would it add an extra benefit if that information was collected?

**Mr Watts:** I think it would. Sometimes a serious accident is as simple as someone tripping over a rock, whereas another serious accident might be a failure of a system where someone has been seriously hurt so the further you can break it down, the better. It would help.

**Mr WALKER:** You mentioned that you were not aware of a safety phone number to report incidents. Would that be something you would pursue moving forward to make sure that is well advertised? You spoke of the tripartite working group and we heard the Resources Council say that they wanted to do it—would you pursue that in the best interests of safety?

**Mr Hill:** Every time I do an inspection now I will be looking for that number and asking where it is displayed. If it is not displayed, I will ask why not.

**Mr Woods:** There is definitely a reporting number that you can call, but it is for sexual harassment and bullying. It has just come out and that number is on RSHQ's website.

**Mr WALKER:** On that point, all numbers should be advertised—that is a good initiative. We are here today talking about safety and we have heard about this number, but you are telling me you do not know about this number. That is a concern. What action will you take to make sure that happens?

**CHAIR:** I think Mr Hill has answered that question.

**Mr Watts:** It is a good idea but we have to be careful because whenever we get a complaint—the same with inspectors—we keep it confidential. Sometimes I have had confidential complaints where the person who made the complaint remained confidential to me. It would be similar to the hotline, I would imagine. It is very hard to follow up or get further information when the person is completely confidential. A hotline is a good idea, but it may have its limitations compared to reporting direct to an inspector, an ISHR or an SSHR.

**Mr WALKER:** Something is better than nothing, though. We want to improve safety; is information a powerful thing when it comes to dealing with safety?

**Mr Watts:** Absolutely, yes—information and facts like that we are all talking about.

**CHAIR:** Finally, is there any way you can think of to improve the reporting of safety so that people do not have fear? 'I see something, I want to report it but I am afraid'—what would fix that?

**Mr Watts:** The same job, the same pay and permanent employees employed by the mine, as we are moving to with statutory officials, will address it to some extent. Then toughened legislation in terms of reprisal penalties and making it easier to prosecute people for committing reprisal.

**CHAIR:** We have one question on notice. If you could provide that information to us by 4pm on Monday, 12 December 2022 it would be appreciated. Thank you all for your participation in today's hearing. You will get a copy of the transcript of proceedings when it is available. Once again, thank you.

**CLARKE, Mr Ben, Acting Vice-President, Health, Safety and Environment, BHP Group Ltd and BM Alliance Coal Operations Pty Ltd**

**THOMAS, Mr Michael, General Manager and SSE, BHP Group Ltd and BM Alliance Coal Operations Pty Ltd**

**CHAIR:** We now welcome representatives from BHP Group Ltd and BM Alliance Coal Operations Pty Ltd. Thank you for your joint submission and your attendance here today. I invite you to make a brief opening statement.

**Mr Clarke:** Thank you, Chair. My name is Ben Clarke, I am the Acting Vice-President of Health, Safety and Environment for BHP Minerals Australia. I am joined by my colleague Michael Thomas, who is the general manager and site senior executive for our Broadmeadow coalmine in the basin. BHP and BMA would like to publicly thank the committee for the opportunity to participate in this very important inquiry.

By way of background, I have been in the health, safety and environment function for about 4½ years. Prior to that, I was general manager and site senior executive at BHP Mitsui coalmine in the Bowen Basin for nearly five years and before my time in coal, I spent nearly 10 years in our iron ore division in a number of operational roles across our port and rail areas. I was general manager of rail, port manager of operations and port superintendent. I am an extractive metallurgist by qualification and I bring over 20 years of experience in the mining industry.

**Mr Thomas:** Thanks, Ben. I thank the committee for the opportunity to speak today. My name is Michael Thomas and I started in this industry as a contract electrician. Over the last 15 years I have worked in a variety of roles, both in maintenance and production—planning, supervision and management—across multiple operations. That is where I have come from. As Ben alluded to, I am currently the general manager and SSE at Broadmeadows mine and have been so for a little over three years.

**Mr Clarke:** Thanks, Mick. BMA is a fifty-fifty joint venture between BHP and Mitsubishi Development Pty Ltd. We own and operate seven coalmines in the Bowen Basin. Six of those are open-cut and one of those is Broadmeadow underground coalmine. We also own and operate the Hay Point coal terminal, 40 kilometres south of Mackay, where we ship a lot of our product. We operate the Moranbah Airport, which is an important logistics and transport hub for not only industry but the community in general. BHP and BMA fully support the objectives of this inquiry to examine the responses that industry have made in regard to the board of inquiry's recommendations to make improved and lasting change to safety performance across the industry.

At BHP, our safety, performance and culture is driven by our charter and its governance framework. It makes safety fundamental to how BHP conducts its operation across the globe. It talks of our purpose, our values and it informs us of what success looks like. It is the most important document that describes who we are, what we do, what we stand for as an organisation and informs us of our decision-making. BMA also has these matters embedded in the way they conduct their business.

BMA engages a workforce of around 12,000 people to conduct its operations. We fully believe that active engagement and collaboration with this workforce is critical to building the desired safety culture that will deliver safe performance outcomes. We engage and collaborate with our workforce by a number of means: inductions; training; verification of competency; standards; policies; procedures; and structures. We have routine team engagements—pre-starts at the start of each shift. We have toolbox talks, return-to-work meetings, site safety and health committee meetings. We also have a program that is designed for all people to engage with workers in the field as they undertake tasks. We call that our field leadership program. The intention is to understand from the workers as they are doing their role what is working well and what are the opportunities for improvement. It is designed to create a culture of care.

We acknowledge the important role that government and industry plays in helping to improve safety performance, and we proactively engage with government and industry on these matters. While the board of inquiry focused on the events at Anglo American's Grosvenor mine, we carefully considered those recommendations as they applied to our context and we proactively engaged with key stakeholders on the actions that we have taken to date.

The safety culture and performance that underpins our operations applies to all of our workforce, whether you are directly employed by the operator or engaged through other service providers. This includes not only those standards, procedures, trainings et cetera, but being able to



contribute and speak up about matters that might improve our safety performance. Nothing is more important than making sure that our people go home safely at the end of every shift. In conclusion, we welcome the opportunity to contribute to this inquiry and we are happy to take questions.

**CHAIR:** Thank you very much; we appreciate that.

**Mr HEAD:** Does the current legislative and regulatory environment encourage a culture of compliance that may potentially take away from the fundamentals of safe sites?

**Mr Clarke:** Compliance is one aspect, but compliance on its own will not deliver the desired safety outcomes. We take an approach of proactively, not only complying with legislation but also looking for those hazards and safety risks before they turn into risks that hurt us. What legislation prescribes is one part of our safety approach. The other part is the proactive measures that we undertake to identify hazards in the workplace.

**Mr HEAD:** Does the compliance aspect take key personnel away from proactive safety measures and leadership? Are they are focused on undertaking compliance on site rather than standing in front of the work crew, monitoring behaviour and being a leader? Is that something you see happening? What is your take on that?

**Mr Clarke:** There are a number of activities that a lot of our line leaders or statutory people have obligations around and so any further prescription around that might detract from their ability to support safe outcomes. However, we try to make sure we keep a strong balance. I mentioned our field leadership program—we prioritise the work that matters. It is manageable at the moment would be my response.

**Mr Thomas:** At a site level, if there is something that we think is important, we monitor it closely to ensure we are helping our supervisors. If there is something that is detracting from their core role of supervising our people and helping to problem solve issues with our people we want to know about that so that we can put solutions in place to return them to the paddock.

**CHAIR:** I acknowledge that there is fellow electrician in the room. Having dealt with safety in my past, the hierarchy of control measures are particularly relevant. I note from your submission that you have an approach towards zero fatalities that focuses on using design and engineering rather than admin controls and hopefully PPE, as well. Would you like to comment on why you are going that way? I commend the approach.

**Mr Clarke:** Our approach to this is that we have undertaken a significant program of work that will span multiple years. We have analysed all of our opportunities where we could strengthen our control framework. As you suggested, moving higher up the hierarchy controls is important. We have looked at our top 10 fatal risks I will call them and what are some opportunities for improvements that we can invest in controls—be that technology or higher order engineering controls—and each operation and asset are setting about a plan to implement those over the coming years.

We also acknowledge that there is always going to be a human element. This is where human and operational performance or human factors are critical because you cannot just implement a higher order control without understanding how our people interact. That is another area that we are exploring to give us an effective control framework.

**CHAIR:** Then there is the training and everything.

**Mr Clarke:** Yep, and everything.

**CHAIR:** It has been my experience, anecdotally once again, that when PPE becomes involved—generally because it is the easiest and cheapest and usually fail-safe—as a tradie it becomes more difficult to do your job, so I commend you on looking at it from the other end which allows work to be completed safer but at an expense no doubt.

**Mr MARTIN:** I want to ask a question about safety bonuses. The committee has heard a few submissions on how they work. We have heard that in some instances in relation to lag safety indicators safety bonuses can have the effect of reducing the number of safety incidents reported. How do the safety bonuses work for your organisation? Do you have an opinion on that?

**Mr Clarke:** We have a number of different safety structures across the organisation. Some of them have a balance of lead safety indicators in there. We talk about some of our field leadership activities, as well as typical production and other types of things. They are not purely production related. There are elements of safety reporting in there—more so from the lead side.

**Mr MARTIN:** The bonus is a combination of production and safety.

**Mr Clarke:** Correct.

**Mr Thomas:** You spoke about field leadership, but hazard reporting absolutely is a core part of those lead indicators that we use for our safety bonuses.

**Mr MARTIN:** It has been put to the committee that the effect of some of these bonuses can reduce reporting. Do you think that is occurring?

**Mr Clarke:** Personally I do not think so. We actually recognise and celebrate hazard reporting. I was listening to the previous panellists and the concept of finding hazards before they turn into a risk is absolutely right. Find the hazard before it finds you. We have recognition programs for where we find those good hazards so we can do something about it. Not only through bonus structures but through other recognition means we try to promote that type of reporting.

**Mr MARTIN:** My question is about safety bonuses for executives. Is it the same metric? Do they have safety bonuses for executives in BHP?

**Mr Clarke:** Yes. Safety is a component of the bonus structure. I am not privy to the weighting et cetera but it is certainly an element. It is not just purely on our lag outcomes. Again, we look to find that balance between lead and lag indicators so we are driving the right behaviours, not simply looking at the outcomes.

**Mr Thomas:** Yes. You need both in combination. It tells the story together.

**CHAIR:** Do site safety health representatives have permanent roles within your organisation?

**Mr Thomas:** I can talk to that. I have two site safety health representatives and both are permanent employees at sites.

**Mr HEAD:** To what extent should the Mines Inspectorate issue either directions or recommendations for industry? I asked QRC this morning whether the Mines Inspectorate should be more proactive in this area.

**Mr Clarke:** I think anywhere where we can work in a proactive nature to share knowledge and learnings, be that through prior events or other findings, we would support across the industry. Obviously the regulator has a role to play in that.

**Mr Thomas:** The regulator is that central source, I suppose, where all the information goes. They are able to analyse it, understand it and then disseminate it out to operations quickly. That is super important. Certainly the inspectorate sends safety alerts out all the time to us and then we include that in our distribution to our teams on site.

**Mr WALKER:** Mr Thomas, you were a former electrical contractor?

**Mr Thomas:** Correct.

**Mr WALKER:** Have you worked underground?

**Mr Thomas:** Not underground, no, but subsequent to that, yes.

**Mr WALKER:** As a miner or as an electrical contractor?

**Mr Thomas:** Not as an electrical contractor.

**Mr WALKER:** Does BHP have a training program to promote staff internally for all positions in the mining sector in your operations? Do you train others to be promoted and/or do you have a training program to get people in the industry to fill vacancies and have some sort of excess in your position structure so you can fill positions internally continually?

**Mr Thomas:** I can talk about internally—at site absolutely. A lot of our people have worked from the floor all the way up through the organisation.

**Mr WALKER:** What would your percentage be of permanent compared to contract?

**Mr Thomas:** On site in total it is probably somewhere between 50-50 and 60-40.

**Mr WALKER:** Do you advertise that safety hotline in your operations where people can ring in and report safety issues?

**Mr Clarke:** I heard reference to the hotline. I am not familiar with it.

**Mr Thomas:** I think most people in the industry will know that you can report through the inspectorate. I will be honest, in terms of the safety hotline, I was—

**Mr WALKER:** I raise it because the Resources Council raised it as a strong point. I thought everybody must be on board. That is the only reason I asked the question. What I am hearing is that no-one knows about it.

**Mr MILLAR:** The missing hotline!

**CHAIR:** It will appear, I am sure.

**Mr HEAD:** Labour hire and contractors are certainly a big part of the industry currently. I think we heard before that they have increased their share of the workforce. Could you comment firstly on why this might be the case for industry? We have heard plenty of negatives about this. I would be curious as to whether you have an opinion on what benefits this brings to the industry and to Queensland in general.

**Mr Clarke:** On the first point around labour hire, service contractors, employees et cetera, all coalmine workers are required to comply with the site safety and health management system which does not distinguish between types of employment. That describes a level of training, competency, standards, procedures et cetera.

In terms of benefits, we need service contractors because they are specialised in the services that they provide. If we were to try to move the industry to a world where everyone was employed by the coalmine operator, I think you would lose not only efficiency because you would not have the scale across the operator but also the ability to share where some of these service contractors operate on a number of mines and bring good safety things that they have seen at other mines. There is an element of sharing just through the mobility of that workforce.

**CHAIR:** I am trying to understand that more. You bring contractors in for a specialised task. Maybe for a shutdown you bring in people who are great welders or conveyor people or whatever.

**Mr Thomas:** Conveyor people absolutely.

**CHAIR:** In terms of labour hire itself, is that when labour hire workers come to the mine to fill in to account for peaks and troughs? That is my understanding. They may be labourers or specific trades rather than a contractor with a specialised task. Is that right?

**Mr Clarke:** Labour hire have skills and qualifications.

**CHAIR:** I am not discounting their skills at all.

**Mr Clarke:** We would utilise them based on a demand profile.

**CHAIR:** A peak and trough situation.

**Mr Clarke:** Yes, potentially—scopes of work that we might have for a period of time.

**Mr MARTIN:** I want to raise the issue of reprisals. When we were in Moranbah we were shown an example of a social media exchange that had occurred with an employee who had reported an injury. As a result everyone lost their bonus. You submit that the current reprisal protections under the act are adequate. Do you accept that there is potentially an issue there for people who either report an injury or report an incident and then get pressured by their peer group or their work group about losing their bonus?

**Mr Clarke:** I think it comes back to your previous questions around the bonus structures. Where financial incentives are involved, we need to think very carefully about what behaviours they are going to drive. You do run the risk of potentially driving reporting underground because they are structured that way. I think that is very important. I do not believe that we have any of our structures in a way that would drive that. In fact, we are trying to move away from some of those typical injury reporting rates and more towards those proactive or lead indicators.

**Mr MARTIN:** That is good to hear.

**Mr MILLAR:** You have obviously heard the witnesses before you. There are some concerns and issues around not reporting because of losing a bonus. The anecdotal evidence was that not only do they lose the bonus personally but the whole group does. Is there an understanding that that is happening or is it just hearsay?

**Mr Clarke:** I could not speak to the specifics. As I said, we are quite large. We have a number of bonus structures. I can talk to what I understand is our principles in how we try to structure our bonus schemes and think very hard about the behaviours it will drive.

**Mr MILLAR:** It is a production bonus, isn't it, or is it a safety bonus?

**Mr Clarke:** It is called a bonus which might have elements of production and safety within it. We do not try to separate the two, from what I am aware of.

**Mr MILLAR:** As the vice-president of health and safety, you would have a proactive program where, if you see something is wrong, report it.

**Mr Clarke:** Absolutely. We encourage reporting of all hazards, all events et cetera because they represent opportunities to prevent and learn. In fact, we take the approach of if we find out something that occurred and it was not reported we are keen to understand why because that was potentially a missed opportunity.

**CHAIR:** Without getting bogged down in details, I want to ask about your induction process. I imagine that everyone who comes to site, including labour hire, do not just get thrown on the job. There is a rigorous induction process. We experienced that recently when we went to a mine, and those of us who have worked in mines have all experienced it in the past. However, if there is a particular hazard on site—I was iron ore, not coal—say, some asbestos and you have some new recruits coming on, does that particular issue become part of the induction process? If you have anything that is commercial-in-confidence, I do not want to know. Are there rigorous processes to make sure any specific—

**Mr Thomas:** I can probably talk to that. First of all, you are spot on. The induction process is consistent for whoever comes to our site. A good one to talk to there would be diesel particulate matter. Diesel particulate matter is an issue, particularly in underground mines. We absolutely include that as part of our awareness training for people who are coming new to our site around what are the systems and processes we employ at this site to ensure that we do not expose people to DPM.

**CHAIR:** Forgive my naivety about underground mining and coalmining in general, if there were an example of exceeding methane levels or something like that in a particular part of the mine, at induction they would say, 'By the way, be careful here.' For specific incidents at a mine, is the induction process changed almost daily to suit?

**Mr Thomas:** I do not know whether daily would be correct. Certainly we include in the induction process those key risks so that people are aware. What you are talking about there—something that happens on a daily basis—would be communicated through our pre-starts.

**Mr HEAD:** In regard to the reporting, are repeat high-potential incidents of a similar nature more rigorously investigated than a single HPI, and is this reflected in your standards and procedures?

**Mr Clarke:** I will talk to our investigation protocols per se. Any near-miss event that has the potential for fatality we treat very seriously because it generally might have only been luck or something standing in the way that something worse did not happen. Most definitely we apply a rigorous investigation process. We look to share those learnings across the asset so we can imbed them. Where we have repeat events, we need to understand what was it about the actions we identified in the prior event that was not right or was there a new or changed causal pathway that we were not aware of. We would look again to strengthen that. I would not necessarily say that the investigation process for a repeat event is different for a one-off event, but certainly all events like that are investigated rigorously.

**Mr HEAD:** If it is a repeat HPI, it may suggest that the first time it was investigated it was not done thoroughly enough?

**Mr Clarke:** Correct, and maybe not thoroughly enough; it depends on what failed. What were the failed controls? Back to the chair's previous comment around hierarchy of controls, where we rely on lower order controls—PPE, admin—you are susceptible to potentially more failures as opposed to where you have higher order controls.

**Mr Thomas:** That is what it is; it potentially is a different root cause, absolutely, and that is why it is so important that everyone is rigorously investigated.

**CHAIR:** On another topic, the Isaac Regional Council, which submitted to us when we were in Moranbah, said that the site safety and health reps had been advised to enact their power to suspend activities when the Moranbah Hospital is not adequately staffed. I do not know if you are aware of that, but would your site safety and health reps have the power and information to be able to do that? Perhaps the hospitals are missing a doctor, or something like that. Certain tasks at the mine could cause an injury—that is where they were going. Are you aware of that have process?

**Mr Clarke:** I was not aware, Chair. My comment would be when we look at our emergency response and triaging capabilities, we have capability 24/7 across our mines. We do not have doctors, per se, but we have trained paramedics et cetera who could do that. All of our operations have helipads so that if we need to evacuate out to Mackay et cetera that can happen. We also have access to doctors via telehealth 24/7. I do not know the specifics of the reliance on the Moranbah Hospital, but my knowledge would be that we would have a reasonable level of responsibility.

**CHAIR:** I think they were talking about the hospital; that if something were to happen in town, and also if there was an incident in the mine, there was a collaboration of thoughts between the town and the mine.

**Mr WALKER:** There is a lot of discussion around injuries. Do you classify injuries as medium, low or high? Is that uniformed? For the record, is that a yes or a no?

**Mr Clarke:** Yes, we distinguish our injuries by impact type, I would say; so first aid versus medical treatment.

**Mr WALKER:** Is that industry standard right across? All the different companies would have a reporting system similar? If they are doing stats, if it is a medium, a low or a high, for the record how we would assess that?

**Mr Clarke:** It would be similar. We follow OSHA guidelines. However, even with that, companies interpret those guidelines differently. It would be relatively consistent, but we would need to understand each company around how they do it.

**Mr WALKER:** If someone was injured on your mine site and they went to their local doctor, do you go with them and sit in on that consultation?

**Mr Clarke:** I am not sure what the process is like.

**Mr Thomas:** Typically, if people have come by bus, someone has to get them back to site, back to camp or get them home. Somebody might go with them in that scenario.

**Mr WALKER:** They go to the doctor's surgery, they go in and talk to the doctor; do any of your staff sit in with that doctor?

**Mr Clarke:** Gosh, no.

**Mr HEAD:** What would you like to see as the ultimate result from this inquiry to improve safety outcomes?

**Mr Clarke:** We are supportive of any means to considering safety improvement in the industry. The legislation is focused in the right areas in terms of looking at what we call the big end of town—those events where there could be fatal outcomes—versus those where someone rolls an ankle, but they will make a full recovery. I would support that type of focus. Any opportunities across industry or government where we can share and learn better would only be a good thing as well.

**CHAIR:** We have been beaten by the time. We appreciate your participation. As we go on, if we have any more questions, are you open to us sending you them?

**Mr Clarke:** Sure, not a problem, Chair.

**CHAIR:** We appreciate that. Thank you very much. You will be provided with a transcript of today's proceedings when it is available. We appreciate your time in answering our questions.

**COOPER, Mr Matt, Executive Head, Underground Operations, Anglo American**

**KIRSTEN, Mr Marc, Head of Safety and Health, Anglo American**

**SOMLYAY, Ms Victoria, Head of Corporate Relations, Anglo American**

**CHAIR:** We now welcome representatives from Anglo American. We appreciate your submission and your attendance here today. Would you like to make an opening statement, please?

**Mr Cooper:** Yes, please, Chair. My name is Matthew Cooper. I am the Executive Head of Underground Operations for Anglo American—Steelmaking Coal. I am joined today by my colleagues Marc Kirsten, Head of Safety and Health, and Victoria Somlyay, who I am sure is known to many, who is our Head of Corporate Relations and Sustainable Impact. As we have outlined in our submission, from the outset of the board of inquiry we were committed to learning and acting as quickly as possible to implement improvements across our underground mines. This included working with the regulator and leading industry experts, as well as investing significantly in a number of advancements in the way our underground mines operate such as automation, remote operations, gas management and data analytics. An overview of this work was presented to this committee in August 2021. I believe the committee also viewed some of this in action during your recent visit to the Grosvenor mine.

**CHAIR:** Which we really appreciated.

**Mr Cooper:** The team enjoyed having you as well, Chair. In February 2022, longwall mining restarted at Grosvenor, having addressed or exceeded all relevant recommendations from the board of inquiry. We have now implemented all of the relevant board of inquiry recommendations across our steel coal business in Queensland, including our three underground mines—Grosvenor, Moranbah North and Aquila—and our two open-cut mines—Dawson and Capcoal. When I say relevant recommendations, what we mean are the recommendations that were for mining operators or Anglo American and have been applicable in the time period in question. In addition to implementing the board of inquiry recommendations, earlier this year we commenced a safety transformation program across our business, which focuses on improving culture and behaviours, risk management, operational planning and our safety organisation. Safety is our most important value and our belief is the job will never be done. We must continue to learn and improve our safety approach. This is essential to being a high reliability organisation. We are pleased to answer any questions you may have.

**CHAIR:** Thank you very much for that. We appreciate it.

**Mr HEAD:** You just touched on it, but I was going to ask you what further to the board of inquiry recommendations have you implemented at your underground sites. Could you please elaborate further on what some of those are and what safety benefits they bring, but also, for the record, because there may be learnings from that for industry as a whole? A common theme is the more we can share safety learnings throughout the industry, the better.

**Mr Cooper:** Sorry, what was the question?

**Mr HEAD:** Can you please elaborate on the safety systems and things you have done to improve safety at underground sites in Queensland and their benefits, further to the board of inquiry recommendations?

**Mr Cooper:** Is the nature of the question that which is within the remit of the board of inquiry recommendations or outside?

**Mr HEAD:** Further to. You said you have implemented the recommendations. What have you done further to that to help improve safety?

**Mr Cooper:** That is probably more in the sphere of our safety transformation program which we are using to add on top of the board of inquiry. If you do not mind, Marc, will you be willing to answer that?

**Mr Kirsten:** What Matt is referring to is a project that we initiated this year after an extensive period of time, reviewing where we were as a business and particularly our safety and health priorities. That project that Matt has commented on is focused on four key pillars: the first being around the culture of the organisation and behaviours of leadership; the second being around risk management; the third being around planning and the concept that planned work is safe work; and the fourth being around people which is broken into a series of areas between psychological safety, the structure of the organisation with respect to safety and health, and the third element around the incentivisation or the reward processes that we use—bonuses.

**Mr Cooper:** To add to that, another element for us is adaptation of new technologies to our particular application. A couple of particular bright spots for us has been the shift we have been able to make in automating our equipment and removing people out of hazardous areas during operations. I believe you would have seen some of that when you were at Grosvenor and particularly our remote operating centres where we are now routinely operating a lot more mining equipment from the surface of the mine which means again people are removed from the hazardous area while the machine is cutting. That does not remove people from the underground environment. We still need people working on the mining process and obviously maintaining that equipment, but during the operational phases of that, we are now doing that routinely. Big steps forward. My observation would be that it is probably early in the journey. We have made some big leaps over the last 18 months, but like any of these things, when you get into it there is more opportunity out there to remove our people from the hazardous zone.

**CHAIR:** I am still thoroughly impressed by how you get it down there and set it up. I would love to see that.

**Mr MARTIN:** You mentioned in marking your safety priorities that there is culture, risk, planning and people and then under 'people' you have psych, structure and incentives. My question is about structure. Does Anglo American agree that someone's employment status can have an effect on safety—so whether someone is labour hire, temporary or a contractor?

**Mr Kirsten:** No, we do not believe that at all. In fact, we create an environment where any person should feel safe and empowered to speak up. It is a constant focus for us, regardless of how they are engaged within our business.

**Mr MARTIN:** I am aware that you recently transferred about 200 labour hire employees across to permanent. Did safety play a role in that at all?

**Mr Cooper:** Can I clarify that we are in the process of doing so. We have our first 20 people on board and we would expect to fill out the 200 very shortly. The driver for that came after a review of our employment model at Grosvenor. We felt, for the benefit of those people in looking at their future interests plus the future interests of the mine, we were better off moving to a model that had an increased portion of Anglo American people. That said, there will be an ongoing role for small numbers of labour hire and specialist contractors within that mine going forward, but the balance will shift to look more like our other underground mines, which have a majority of Anglo American employees, again assisted by labour hire and service contractors.

We think that is a more sustainable model in the world that we foresee going forward. That is pretty well where we are at at the moment. We are calling the 200 phase 1. It is a multiphase process so this is the first step for us. We will do a further review next year into whether we want to enhance more people, but that is where we are currently.

**Mr MARTIN:** Under 'structure', can you share with the committee what a safe structure is?

**Mr Kirsten:** That part of the program is very much focused on the safety and health teams from the site all the way through to the business unit. What we were looking at is ensuring we have the correct skills to support our operations, our people and our risks across the business. That looked at everything from investigations, human factors, assurance work and asking 'do we have the right structure that supports that work?'. We are probably about 80 per cent through that program currently.

**Mr Cooper:** I might add to that, if you do not mind. My view is that there is one safety health management system that is applicable at the mine that applies equally to Anglo employees, contractors and labour hire. Our expectation is that the felt experience for anyone at our mines is the same and our obligations and obligations of the people involved are the same under the safety health management system.

We are aware of the perception of differences between different types of employees. A lot of our cultural work is aimed at making sure we build that 'one team' culture where everyone feels safe to speak up around safety and everyone feels safe to stop the job, seek help and make sure that when we progress a job it is done in a safe way, with an acceptable level of risk. That is where a lot of work is in the cultural program.

**Mr MILLAR:** It is good to see you again. Thank you for your hospitality at Grosvenor and the induction, which was fantastic.

**Ms Somlyay:** CABA training.

**Mr Cooper:** I hear you were very good students.

**Mr MILLAR:** We always follow the induction. I want to talk about the Grosvenor mine. How many methane HPIs have they had at Grosvenor since mining recommenced, both on the longwall and in development?

**Mr Cooper:** At last count we had eight reported HPIs. They were a mixture of those that were prescribed by legislation and those that we chose to report voluntarily because of exceedences on monitors that we have installed ourselves over and above the regulatory requirements. As of last week, it was eight individual exceedences.

**Mr MILLAR:** Where were they located? What was the maximum detected or estimated maximum concentration of the methane present?

**Mr Cooper:** At the outset, we remain committed to eliminating those from our workplace. That is our primary objective. The majority of those manifest in what we call our tailgate roadway. I am not sure if you recall: on the longwall when you went underground there is the downstream area of the longwall and that, by its very nature, is where we tend to detect most of them. That is where they were reported.

**Mr MILLAR:** Is it possible to tell us the quantities of methane involved?

**Mr Cooper:** They were all above 2.5 per cent as the statutory limit. I will have to check, but the maximum I recall was a reading under three per cent, so it was within the first half of a per cent of exceedence. I can confirm that for you.

**Mr WALKER:** You may have heard earlier today that there is a hotline number for reporting. Are you aware of that number?

**Mr Cooper:** We have become aware of it through the course of the morning.

**CHAIR:** As have we all.

**Mr Cooper:** It is fair to say, answering the question before it is asked, that we feel that most of our coalmine workers would fully appreciate how to contact the inspectorate. If there was a desire to increase the visibility of that number, we would be more than willing to help people increase the visibility.

**Mr MILLAR:** What is the number?

**CHAIR:** We will let Les finish first.

**Mr WALKER:** The Resources Council speaks on behalf of the industry, but for the sake of the record I wanted to make sure that everybody is on the same page. Thank you for answering that. Thank you for your hospitality at Grosvenor. It was great to get an insight into underground mining. It is very important for me to get a perspective of what you and the miners do. Do you have a training program to promote staff internally for all positions?

**Mr Cooper:** Yes, we have very structured development processes, all the way from new-to-industry entrants. Obviously in the current environment we are short of people so we have spent an enormous amount of time bringing in new-to-industry, which we are very proud of. Our inclusivity and diversity efforts are anchored off the new-to-industry cohort, but then systemically from there on upwards, all the way through the structure up to my role and higher, there are development programs in place that we actively promote. I think you may have heard from others that we have a shortage of statutory officials in the industry. Anglo actively promotes development programs in those areas, trying to increase the numbers of people we have in the industry.

**Mr WALKER:** Before commencing each longwall panel—an interesting process I had never seen; it was very informative—do you arrange an independent third-party engineering study to audit the adequacy of gas drainage capabilities?

**Mr Cooper:** Yes, is the short answer. The more expanded answer is that obviously that was one of the key recommendations out of the board of inquiry. I have been part of the industry for over 25 years—actively involved in leadership in underground for most of that time, including holding various manager positions around the industry. It was routine practice to do that before the board of inquiry. It was not unusual to do that. Specifically, from that point onwards we at least have one independent review and often have two or three independent reviews. I think as people would appreciate, there are different elements to the risks that present in a mine and some people have more expertise in certain areas than others. We do not just limit it to one independent review. We often have two or three independent reviews.

**Mr WALKER:** What happens to the gas when you vent it off and get it out of there? What do you do with that gas?



**Mr Cooper:** I might hand over to Victoria, because this is very much down her alley.

**Ms Somlyay:** We have a range of ways of dealing with the gas. We have overlapping tenures. We have pre-drainage arrangements where we use that gas beneficially. It goes to onsite power stations with EDL, our partner. We do try to beneficially use it. Where we cannot, obviously we try to flare it rather than vent it. Obviously, that is part of our emissions management as well. Safety is always the primary focus for any of our gas activities.

**Mr Cooper:** I will add to that. I have only been with Anglo for six months and one of the things that astounded me, and I am particularly proud of, is the amount of electricity we provide from that gas back into the community. You could say that we power about 90,000 homes from the electricity we produce from the gas. We are always looking for ways to increase that.

**Ms Somlyay:** It is about 145 megawatts, I think.

**Mr WALKER:** That is good news.

**Mr Cooper:** One of our objectives is to increase that.

**CHAIR:** For the benefit of the whole mining community, is there anything that Anglo American has learned from the accident that could be shared across the whole mining sector?

**Mr Cooper:** I think that has been done to a large degree, if you look at the various recommendations and the board of inquiry. In my time in the business, most of the material technical issues have been highlighted and have been broadly shared across the industry. We have seen a fundamental shift in the way underground coalmining is conducted post the inquiry.

Focus areas around leadership, culture, technology, removing people from harm's way—all those have come a long way in the last 18 months. It is regrettable that maybe it took this event to motivate some of those improvements, but the industry has developed significantly over the last 18 months. It feels to me like the whole industry has shared. More can always be done, but my experience is that people are very keen to learn and adopt best practice.

**CHAIR:** I think that was a question we asked when we were up there. You are your own companies and you have to make a profit and not share some things, but if there were safety things that could be shared that is where I was going with that so thank you. I have one more question on the lost-time injury frequency ratio. Is that used to calculate any bonuses, including as you go higher up the ladder to the corporate executives?

**Mr Kirsten:** At a senior management level we have total recordable injury frequency rates, which would include lost-time injuries, used as a measure. To give you some context, if you look at our incentive scheme for our senior leadership—senior management—about 60 per cent, give or take, of that is safety focused around much broader and more leading type projects. For instance, we have five critical projects in 2022 all related to key safety hazards and challenges. Although that more lagging indicator is still used, it is very much overwhelmed by a lot more leading. Certainly as an organisation—whether it is at a group level or at a steelmaking coal level here in Australia—we are reviewing, as part of our elimination of fatalities, the structure of our bonus and really shifting that to a much more proactive, leading focused structure—things such as hazard reporting, percentage of planned work and these sorts of metrics.

**CHAIR:** We heard from a previous witness about the hierarchy of controls around improving and making things safer by going further up the ladder and also substitution and elimination, which I would see as lead indicators. If the industry could share those things it would be useful. That is more a comment than a question.

**Mr MILLAR:** Obviously when we visited Moranbah we caught up with some representatives, including the Isaac Regional Council Mayor, Anne Baker. They recently submitted to the committee that site safety and health representatives have been advised to enact their power to suspend activities when the Moranbah Hospital is not adequately staffed. Does the representative hold this power and what is the live reporting process that would occur to inform the SSHR of understaffing at Moranbah Hospital?

**Mr Kirsten:** I am not certain of what the process would be with respect to reporting to the site safety and health rep. We certainly constantly review all aspects of our emergency response. Where we become informed of a limitation or an issue maybe that presents itself, we would then enact that as part of our emergency response and make a decision collaboratively. In that instance, we would include the site safety and health rep as well as other key stakeholders in that discussion.

Certainly on the issue of resourcing and support in a regional area with aspects such as the Moranbah Hospital, we constantly support a focus on that and ensuring the right services are there. We are also well aware of and work quite well with those regional services, and they also enact plans

when they know that they do not have the support networks. I have not personally seen a situation where we have been caught out by that. It is really about maintaining the communication and regularly engaging with those stakeholders.

**Mr MILLAR:** The reason I have an interest in this is that I live in Emerald. Blackwater has a population of 6,000 people, but really it is 12,000 people with drive-in drive-out. I find the hospital there inadequate if something major happened at one of the mines. Would it be something that you would take up and look at those scenarios where the hospital is understaffed in terms of doctors and nurses, but if something happened you would need to be fully resourced?

**Mr Cooper:** I might step in there. First and foremost, the test we apply is: will one of our people who needs care be able to get care in the time frame they need? We have access to paramedics permanently on site. We also have access to 24/7 telecare doctor services. We also make sure that we have access to emergency evacuation via helicopter. The test we would apply would be: if one of our people needed assistance, could we get them to the assistance they needed? That is the approach they would take. Obviously, the Moranbah Hospital is part of that chain, but for us it is about making sure that the individual involved will get the care they need. The Moranbah Hospital may or may not be relevant in that chain.

**Mr Kirsten:** I might make one other comment to add to Matt's point. Under our elimination of fatalities program, we are also building metrics around how quickly we can provide care. That looks at multiple levels in medical care. That might be how quickly we can get a first aider to an event. That will be very obviously a small metric, a small number, around how many immediate well-trained people we have. That also goes all the way through to how quickly we can, as Matt said, get a serious case to the right medical care outside of the business. That is a work stream within the elimination of fatalities that we are working with numerous medical experts on to ensure we have that right.

**Mr HEAD:** Do site safety and site compliance go hand in hand or does perhaps the current regulatory environment mean that industry is more compliance focused rather than safety focused? The QRC mentioned before that there is a bit of a pendulum perhaps when it comes to this. I wanted your take on that, please.

**Mr Cooper:** I do not have the background to the question, but the way I think about this is that they are not mutually exclusive concepts. Compliance, when done right, inherently helps provide safe outcomes. I also do not believe that compliance alone will provide the outcomes that we are all seeking. My thinking on this is that compliance provides a foundation and then the work that we have touched on here around our safety transformation and the other advances we are seeking to do as we move forward will be what we need to focus on to get the outcomes we are seeking as an industry.

**Mr HEAD:** To give you the background, my point is: are people getting bogged down in the paperwork rather than being proactive in their leadership capacity and picking up on things that could be improved?

**Mr Cooper:** Again, my thinking on that is that we are very focused on giving people, particularly leaders, time back in field with their people, leading from the front. One of our key focuses in the safety transformation is how we get what we call visible field leadership programs. It is basically about leaders being present in the field with their people. Compliance will be one aspect of that. I would suggest that we have a lot more opportunity within our direct control to give people that time back. I would not necessarily be pushing down the compliance line. At the end of the day, our objective is to get people out into the field leading our business.

**Mr Kirsten:** The only point I would add to that is that we are constantly keen to be involved in discussions about the effectiveness of the regulatory frameworks, the way in which they are applied and the impacts they have on our people and our people's ability to do their job. Aligned with what Matt is saying, it is absolutely critical to us to know that our supervision and our key people are there together supporting our coalmine workers on a day-to-day basis. Trying to find that balance is absolutely critical.

**CHAIR:** We have heard a bit about hot-seat changeovers. Is that something that happens at your sites?

**Mr Cooper:** It absolutely does.

**CHAIR:** Do you see any safety impacts with that? I do not know if you were listening before, but this is to do with the quality of the toolbox talks and everything. If someone is jumping straight into a seat after someone else or is doing that sort of work, have they had the opportunity to have their prestart toolbox talk and everything?

**Mr Cooper:** My view is that hot-seat changeovers allow us to do a quality prestart process. By design, you build in an overlap between the shifts so you give yourself the time with your people, without any perceived production pressures, to have a quality safety conversation at the beginning of the shift. I view hot-seat changeovers as the mechanism that allows you time with people. Marc, I do not know if you have any views?

**Mr Kirsten:** I think that is absolutely true. Having worked in an industry similar to Matt and through to levels of first-class mine manager, a big focus is how we plan the time to do that effectively. There is more than just a production focus; it is very much creating the time to do what we need to do to prepare people to start their day.

**CHAIR:** They have come a long way. That is all I can say.

**Mr MARTIN:** Regarding finding 89 of part 1 of the board of inquiry report, what steps has Anglo American taken to address the perception that labour hire workers and contractors might jeopardise their ongoing employment by raising safety concerns?

**Mr Kirsten:** Certainly, as a whole, it is about conversations around building that psychological safety and creating that environment. I use two examples around how we have had a real focus on that. No. 1: through our contractor management workstream, again through our elimination of fatalities program, we engage with our key suppliers and contractors. Actually, only maybe six weeks ago we had a full-day session with them. Very much the entire day was focused on asking them how we create a more psychologically safe environment and how we support them to do their work more safely. The outcome of that is a series of actions that we are now taking on to engage, probably on a quarterly basis at this point, with them to find those improvements and really to communicate and to share our commitment as a whole that, regardless of employment or the relationship that we have with the person coming on site, we aim to empower them around stopping work and speaking up.

I think the second point is our global safety day, which is an initiative run across the Anglo American group. This year we focused on standing up for safety. That whole program invited any person, regardless of their relationship with the organisation, to be part of that discussion and have the opportunity to have us listen and take on board their feedback around what we can continue to do. If you have a look at particularly things such as our surveys that we undertake, we are seeing constant year-on-year improvement in people's perception of psychological safety and people's understanding and willingness to stop work. Not only are we doing the work to communicate that; we are seeing that come out of the perceptions and the feedback we are getting from people when we ask them.

**Mr WALKER:** Do you provide all workers who go underground with personal proximity devices that allow tracking and are active for the entire time the worker is underground?

**Mr Cooper:** In concept, yes, we do. We have an enormous amount of personal proximity protection tracking ability. The reason I hesitate is: the challenge is that there is more to do in that space to make it more effective in the workplace. One of the issues we have is competing technology. Some of our people can carry up to three different pucks, as we call them, which actually limits their effectiveness. The answer is, yes, we do, but we are not happy with the coverage we have at the moment so there is more work ongoing in that space.

**Mr WALKER:** We talked about paramedics and safety. In my former life I worked in corrections, where they do a lot of scenario plays to get agile and be very flexible. Do you do an extreme scenario test: there is a scenario unfolding in a mine and you look at how that plays out and interfaces with, say, helicopters and emergency services going to a very large hospital, and it might be Mackay or Brisbane? Do you play that whole scenario out to time it and to look at the efficiencies and any issues? Do you do a dry-run scenario in real terms?

**Mr Kirsten:** Absolutely. We are involved in all level 1, 2, 3 and 4 exercises that are run throughout Queensland. Level 2s are the ones that are run by each site. Every one of our sites does an annual full-blown scenario where we engage with key external stakeholders including ambulance, medical support and police—so varying different stakeholders—as well as level 1 exercises, which are industry-run emergency exercises. We have had many of our sites over the past few years involved in those exercises. We also involve ourselves. For instance, in last year's exercise a number of our people were involved in the development of the event and also the execution of it. Then, of course, from there comes a series of actions and learnings that are then disseminated through our sites and enacted through our sites.

**Mr WALKER:** Do you share that with the public sector—the police, the ambos and hospitals? Is anything that we need to be aware of in a report and shared with all of those agencies?

**Mr Kirsten:** Yes, we will provide feedback. If we run a level 2 exercise then we will provide feedback to all the key stakeholders that are involved in that process where we see opportunities to improve as much as we seek their feedback. A lot of the time when we are doing these we might not necessarily notice some of the gaps, and some of the external groups come in and are quite helpful in improving our processes.

**Ms Somlyay:** One thing we have started this year under our global social performance standard is a community emergency response planning activity. We did that this year. That looks at where the mine may have an impact on the community. They come up with a scenario, but they work with emergency responders and various community stakeholders to include them in those drills. We have found that to be very effective so the recommendation has been very helpful.

**Mr HEAD:** Who is ultimately best placed to make decisions to improve the safety of coalmines in Queensland? Coming from industry, safety was everyone's responsibility. That is what we were taught very proactively when it came to coming up with safety frameworks and systems and implementing those. I guess I am talking across industry as a whole, but you can answer as you see fit.

**Mr Cooper:** My initial thought is that is a shared responsibility and it works best when there is consultation at its heart. That is my experience. One of the things I do like about the Queensland legislation is that it is risk-based and it is consultative by nature. It allows you to bring together the right people with the right expertise and come up with safe outcomes ultimately for the people who are at the front line. I am not sure it is a very well formed answer. I was not expecting that question today. My thoughts are that the more you can collaborate and talk about the risk issues in front of people, that is the secret to success. I think it is a shared responsibility under our current risk management frameworks. That would be my initial response.

**Mr Kirsten:** I am not so focused on who that single individual is who makes that captain's call so long as there is, as Matt has mentioned, open collaboration. We all come from a different aspect and we all have different experiences. I think it is incredibly important that they are heard and considered prior to that decision being made. As to who that is, I do not necessarily have an opinion.

**Mr HEAD:** As a follow-up—and I do not want to influence your answer—I want to now ask: what role should the inspectorate play to support that to improve safety outcomes across Queensland?

**Mr Cooper:** A lot of what the inspectorate does today is very targeted. That would be my observation. By their very position, they see a lot across industry and they share that pretty regularly with us in both formal and informal senses. I would encourage them to keep doing what they are doing. The more we can learn from each other across the industry, the stronger we will be because the mechanisms that hurt our people end up being fairly similar time and time again. One of our passions at Anglo is that learning culture—trying to learn from our incidents and then put controls in place to avoid future repeats. Bringing that to a higher level, the more we can share and learn from each other, the safer we will be.

**Ms Somlyay:** We support a strong regulatory framework; there is no doubt about that. It is an end for us. A lot of the work we have done around automation and remote operation has been because we are managing our own risks and we see opportunity in that area. We have obviously put a lot of effort into the development of technology, so it is probably an end as well. It is a shared responsibility, but we are not going to focus just on the regulatory regime. We are doing a lot more in addition to that.

**CHAIR:** As we continue on and we come up with questions, no doubt we will forward them to you. Thank you very much for your participation. You will be provided with a copy of the transcript in due course.

**Proceedings suspended from 11.33 am to 11.49 am.**

**HANSEN, Mr Shane, Chief Executive Officer, Kestrel Coal Resources**

**NOBES, Mr Phillip, General Manager Operations, Kestrel Coal Resources**

**CHAIR:** Thank you very much for your submission and your attendance here today. Would you like to make an opening statement?

**Mr Hansen:** I am the CEO of Kestrel Coal Resources. With me is Phil Nobes, our General Manager of Operations and SSE for the Kestrel mine. Thank you for inviting us to appear today.

Kestrel Coal Resources is a one-mine company; that is very different to the other people you have heard from this morning. The mine is the whole company. The management of critical risks and serious incidents is absolutely paramount for Phil and me. Our mine is 30 years old. It has been the highest producing underground coalmine in Australia for the last three years running. We do understand that the relationship between production and safety is important.

The mine was purchased from Rio Tinto four years ago, and since then Kestrel Coal Resources has set about building a company of great people and high-performing teams. By working together we exceed expectations for safety and production every day. There are three key points I would like to make in these opening remarks. The first is that the industry has made significant improvements in health and safety since the introduction of the risk-based legislation a little over 20 years ago. However, the increasing prescription creeping in is not really improving outcomes from our perspective. That is our first point.

The second point is around the Grosvenor inquiry findings and it is really about the process. In our view, the absence of the direct involvement of the operator has taken away some of the value from that process by not involving that group directly because of all sorts of legal and other implementations. We think there is a lost opportunity there; we could have learned some more things from that investigation which may have prevented an incident like that happening again.

The third point is: as an industry, in order to make a step change in our serious accident prevention we need to add a new layer to our leadership and cultural change in terms of how we manage health and safety on the ground. That must include a change to legislation and the behaviour of the regulator to effect that change.

Fundamentally, culture is very important to us and is the base pillar of our business strategy. Over recent years we have embarked on a transformational journey around that to create a culture of respect and high performance in our business. Contractors and labour hire form an important part of our workforce; they are present at Kestrel. We do treat them as equals when it comes to respect and the ability to speak up. We even provide those people with the same uniforms, so outwardly there is no visible difference between a contractor, a labour hire and a permanent employee. Our safety statistics show no real difference in performance between any of those groups.

I think we need to understand that fatality prevention is a journey. As an industry, we need to support those initiatives that hasten the journey and discard the policies and systems that are slowing us down or preventing us from getting there. As an industry we have made significant gains in fatality prevention in the last 20 years using this risk-based legislation. When you compare us to 20-plus years ago, you will see that we have made significant reductions and our fatality rates are now much lower than other industries like agriculture, transport and construction. We recognise that we cannot rest at that point. We do need to do more, and we want to do more because there are other industries just as complex as ours that have fatality rates much lower than ours. We recognise that there is an improvement we can make and it is not the end of the journey yet.

We can do more to prevent fatalities, but we need to recognise that the improvements to the tools we have made using things like principal hazard management plans, standard operating procedures and on-the-job risk assessments that other people have talked about have taken us a long way and we do not want to lose those. When it comes to compliance with those sorts of prescriptions, there is some benefit and it has underpinned our improvement.

The premise of that industry ambition to improve the system was actually to make a perfect system—that was the ambition—where every risk could be understood based on the belief that every risk could be controlled if we had the right procedure and that every person could be forced to comply with punitive legislative provisions. Unfortunately, these measures failed to fully account for the human condition: we all make mistakes. Whether you are at the coalface or in senior management, we are prone to human error. We are also driven by self-preservation, to protect our own wellbeing and livelihood.

Compliance driven regulators force a compliance culture where individuals feel safe by focusing on doing the things that keep them out of trouble and not necessarily the things that help us seek out these deficiencies with our systems and processes. We need to accept that these deficiencies will unintentionally creep into our systems and processes, even with the very best of intentions.

The recognition that the tools that will take us further on this journey of fatality prevention needs to be focused on the strength of the team culture that can be maintained in a workplace where everyone is uneasy, because we know that systems will have weaknesses and we need to be alert to the signs that show the process is deviating from the norm. That step change in safety and health performance—we believe the industry needs to move from the compliance-based approach for operators and the regulator to a more proactive culture where the focus is on leadership and psychological safety so everyone is searching for those deficiencies in our processes that lead to serious incidents and management are not fearful of shining a light on failures.

We are strong advocates for the integration of the principles of a high-reliability organisation, commonly referred to as HRO. We think the mining industry can avoid catastrophes despite the high level of risk and complexity in our industry. That mindset is not one that is easily or quickly achieved, at least not successfully or sustainably in a short time frame. It is this change in mindset and operational parameters to deliver a fundamental shift in the way the industry approaches everything we do—not just safety—that will ultimately create a safer industry for us to work in.

We understand that leadership is critical to success, and we have recently delivered a 12-month leadership program for over 220 participants. For us, that means all of our leaders and senior professionals. It was not a program we bought from a consulting firm; it was designed and developed specifically on the issues raised from our workforce at Kestrel around our internal communications and our internal leadership.

We believe that a good culture does not end and start at the swipe gates onsite. We believe that a good culture starts with a happy, healthy people and a psychologically safe workplace. We have recently been awarded the Queensland industry health and safety conference healthy category winner for our healthy lifestyle challenge. We know that a healthy and balanced lifestyle is important to prevent illness and mental health problems.

Safety is and will continue to be part of every tactic, initiative and program that is rolled out or embedded at Kestrel. We are committed to a robust reporting system that ensures all hazards and incidents are effectively assessed and addressed. We have several levels of investigation which are dependent on the severity of the incident and potential consequences. We have two investigative training packages to equip people with the necessary skills to conduct an appropriate level of investigation.

Two years ago we introduced a safety intervention, TARP as we call it, which is a response plan that triggers us to do something if we have a spike of incidents in a short time frame and we can intervene with a proactive risk management solution. We also have a robust critical control process in place with some 38 critical controls identified for our critical risks. We have already embraced the HRO concept and are currently working with the University of Queensland to commence development of the Kestrel HRO road map to successfully embed this philosophy within the industry and ultimately avoid catastrophes. We need to change the industry as a whole and the way that we are governed and regulated. Everyone also needs to change their mindset to apply these principles equally. Thank you for listening to those opening remarks. We hand over to questions.

**CHAIR:** Thank you. We really appreciate that. Do you have anything to add to that, Phillip?

**Mr Nobes:** No, thank you.

**Mr HEAD:** In your opening statement you touched on the importance of genuine consultation. Further to the recommendations from the board of inquiry, what are the on-the-ground impacts of good consultation not being followed?

**Mr Hansen:** Let me lead off with a couple. I am sure Phil has some real-life examples he can share. Without genuine consultation we run the risk that our processes simply are given lip-service and people treat these as tick-and-flick exercises. We build in some complacency and not the appropriate amount of attention to the risks and hazards that exist when we do not consult properly on what our procedures should look like. Phil, do you want to expand on that?

**Mr Nobes:** Yes. The other gap we see in practice is that what becomes the risk assessment or within the procedure does not reflect the way the job is done on the ground. That is a key issue.

**Mr HEAD:** When there is a whole host of regulation and compliance that industry is trying to follow, personnel on the ground might actually go, 'All of the hazards and risks of this job have been managed,' because there is so much paperwork associated with it that it might add to their complacency.

**Mr Hansen:** We see this quite commonly with the prescription I mentioned in my opening statement. When this is unilaterally applied across industries and each mine has a different set of risks, as you have already heard this morning, people do not understand: 'Why are we doing this?' In their minds, and lots of people's minds, it is a pointless exercise, which I think then leads us down the path where we just do things because we have to do things around this compliance mentality and we lose that connection between risk and the appropriate controls to manage the risk. In my mind, I think it does lead to complacency or a false sense of security that everything is being looked after with that prescription.

**Mr MILLAR:** Kestrel is very important to my electorate of Gregory, and I thank you for all of the support you give our community groups. How has your company revised its coal production and asset bonus structure to make any necessary changes to ensure those structures do not inadvertently discourage the reporting of safety incidents and injuries?

**Mr Hansen:** We have a number of mechanisms that cover the entirety of our workforce, whether that be our executives or our union workforce who are covered by enterprise agreements or contracting relationships. They are all slightly different in the way they are configured. As things have come up for renewal, we are essentially either removing them or switching them to lead indicators. The most recent example is the enterprise agreement for our workforce which was renewed earlier this year. It did have a safety incentive component in there where people were paid cash payments if the recordable injury frequency rate was below a certain target level. When that was renewed that was eliminated. That was taken out, so we have done that step. The executive, Phil and myself, still have that in our KPIs. That will be swapped over to leading indicators when we do our next round. About now is when we set up our KPIs for the 2023 year, so we have already discussed with the board what they will look like in terms of lead indicators for us. Certainly all of our contracts have now been changed with our contract partners. Where they are doing it themselves and we are not party to it, we have made sure there is nothing there that links the reporting of injuries or incidents to a bonus, so that has largely been cleaned up now.

**CHAIR:** During your opening statement you said, in relation to the board of inquiry, that operators themselves were not involved as much as you would like to see because of the findings that could have come out of it. Do you think there was anything shared from the board of inquiry findings that has helped the industry as a whole?

**Mr Hansen:** Like all inquiries, there is some merit in some of the findings, absolutely. Some of the findings were not so useful, in our minds. Certainly the clarification and institutionalisation of things like the independent reviews and things like that are really quite valuable and help to set that standard or benchmark for all operators, for sure.

**Mr MARTIN:** How have you reviewed your site induction procedures to ensure that all new workers at your mine, including labour hire workers and contractors, are fully informed about the fundamental importance of reporting their safety concerns and that reprisals are not taken?

**Mr Nobes:** We did start that update after the safety reset sessions in 2021. In 2021 the safety reset sessions were quite focused around exactly the areas you are talking about. We did an update to our induction onsite at that point to make sure all of the material we covered in the safety reset sessions was also included in our inductions. Obviously everyone who was onsite at the time went through the safety reset sessions and had all of that information communicated to them. We updated it in the induction so that anyone new to the site from that point forward was then covered and taken through that same material.

**Mr WALKER:** You may have heard earlier the Resources Council discussed a phone line. Are you familiar with that number?

**Mr Nobes:** 13QGOV?

**Mr WALKER:** Do you have it on display?

**Mr Nobes:** No, we do not have it on display. The reality of how that unfolds is that when a coalmine worker wants to make a complaint like that, they google the Mines Inspectorate's details and then make contact with them. I have been an SSE in Queensland for more than 10 years now and I have had a couple of examples where one of those complaints has been made anonymously to RSHQ and then an investigation has been initiated. Every one of those so far has unfolded exactly  
Brisbane

like that. Sometimes they have been anonymous; sometimes people have been happy to have their identification known and communicated to the inspector. Other times they have also been comfortable with it being communicated to me.

I heard Stephen Watts talk earlier about how it can be very challenging if people do not want their information known and do not want to communicate. The information you get can be quite limited in one of those complaints and the circumstances can be difficult to understand exactly what people are talking about, so if you cannot make contact with that person then it can get very difficult to investigate. In my experience, that is how it happens. The coalmine worker googles the contact details of the Mines Inspectorate—they are all available online—and then they either make a phone call or send an email. Typically it is an email, in my experience.

**Mr WALKER:** My question was not about how you google. Do you have the number on display at your mine?

**Mr Nobes:** No, we do not.

**Mr WALKER:** But you are familiar with the number?

**Mr Nobes:** Yes.

**Mr WALKER:** Some people might not want to, but they might be the minority. We want to encourage safety and reporting, and that is why I asked if you are familiar with it and whether you display it, just to get a common theme.

**Mr Nobes:** We also have a process internally. We have an anonymous complaints mechanism internally within Kestrel. It goes to an outside provider; we do not get any details. That is communicated across site and that is available. That is what we do internally.

**Mr Hansen:** The heartening thing for us is that the whistleblower hotline Phil is referring to does get used. People do report. If they feel there is no other avenue for their complaints to be heard, they use it—and successfully use it.

**Mr WALKER:** What is the percentage of permanent and casual staff in your mine?

**Mr Hansen:** Permanents are around two-thirds of our total workforce.

**Mr WALKER:** So 66/34?

**Mr Hansen:** Sixty-five, yes.

**Mr WALKER:** Before commencing each longwall panel, do you arrange an independent third-party engineer study to audit the adequacy of gas drainage capabilities?

**Mr Hansen:** We have multiple independent investigating experts.

**Mr WALKER:** What do you do with that gas when you vent it off? You take it back to the surface. What do you do with that gas?

**Mr Hansen:** There are two sources of gas that have concentrations we can do something with. One of those is where we drain the coal seams prior to mining, and that gas is captured and flared. We are investigating other ways to put that to beneficial use, but there is nothing in place right now. The other gas then is collected immediately behind the longwall as we are mining, so that is much more live. That gas is also concentrated and flared off.

**CHAIR:** I have a question about inductions. We know how detailed inductions are now. Is there any process—I asked this earlier—to change the induction if an issue occurs onsite and there are new employees starting and something happened earlier in the shift or yesterday or there is a particular site issue?

**Mr Nobes:** It is part of our investigation process. When we complete an investigation into an incident or a hazard, it flags out of that if something needs to be either updated in procedures or included in the induction, yes.

**Mr HEAD:** I am a geologist and I understand that geology alone can drastically change the operational requirements of a mine and the need for various safety measures. Aside from your points on consultation, would even the geological variation of your mine compared to Grosvenor—that was obviously the basis of the board of inquiry report—make some of the recommendations a lot more difficult to implement or a lot less practical than intended?

**Mr Hansen:** I think there are fundamental differences in the way the geology or the deposit of coal presents itself between mines, particularly Kestrel and Grosvenor. One of the most obvious is that at Kestrel the complete seam is mined as we go through so there is very little coal left over after Brisbane



we finished mining, whereas Grosvenor leaves significant amounts of coal behind. Those fundamental differences mean that we should approach the triggers and controls in a different way with what we do.

**Mr Nobes:** Following on from Shane's comment, I guess the specific example is the inertisation of the goaf as you are retreating. That was obviously recommended to be looked at from the Grosvenor inquiry. In our situation we do not leave coal in the goaf, so it is very different in terms of application and a very different scenario between operating in that Goonyella middle seam, dealing with spontaneous combustion, compared to German Creek.

**CHAIR:** You probably heard me earlier talk about the hierarchy of controls. I note you talked about hard controls and soft controls. I was just wondering how they translate across, if it is not too difficult. I understand what you are doing there, but is there is a translation across to the hierarchy—the admin versus the engineering or something?

**Mr Nobes:** I guess what I was referring to was: when you are limiting production on a week-to-week or month-to-month basis in terms of trying to control the gas that you are generating, that is again involving people and it is an administration type control, whereas if you do the pre-drainage and you remove the gas from the coal seam then you have an engineering control in place.

**CHAIR:** Or elimination if you are eliminating hazard, yes.

**Mr Nobes:** If you can get rid of it all, yes. Typically we cannot get rid of all the gas, so there will be some residual gas—that is why we still have to deal with some—but you can obviously drastically change where you are in the hierarchy by removing the gas.

**Mr MARTIN:** You mentioned in your opening statement that you were looking for a change in the behaviour of the regulator or you would benefit from that. What do you mean by that?

**Mr Hansen:** Linked back to this issue of increasing prescription around what we are doing, in some cases it is not helpful or not leading to better outcomes. In my mind, if we are going down this path of high-reliability organisations and we want people to speak up, where we are focused on psychological safety, the regulator needs to look at how they are operating in that environment and adjust to make sure the cultures that are needed to support that are sustained under the way they operate and not destroyed or detracted from by the way they operate. We need to be careful in what we are imposing on people and what we do when we find a mine site reporting lots of failures in their systems, for example. Part of the philosophy is that we should be alert to that bad news, as it is called sometimes, and we should be reporting it and sharing the learnings from those failures, and we need to make sure that the regulator does not use that as a tool to reach conclusions that we are out of control and we are doing things badly or poorly. That is a simple example of what needs to be different.

**Mr Nobes:** It is not a long time ago that the regulator had a process whereby they would look at the number of HPis you had reported and that was used to classify you as a site in terms of your risk. Then that would be in the conversations when they came to visit in terms of 'you are a high-risk site because of the number of HPis'. Obviously we have changed that now and the high potentials being reported is a good indicator in terms of good reporting and we are moving through that change, but it is not a long time ago that they were the conversations the regulator was having with the SSEs when they came to site. That is a change. It is some of the same people across the table from both sides. We are now having a conversation completely from the other side. It is going to take some time for people to completely change that behaviour and be looking at high-potential incidents in a different vein.

**Mr WALKER:** How are you ensuring that production rates do not result in gas emissions exceeding the capacity of the gas drainage system you have in place?

**Mr Nobes:** We do that by putting the drainage in place before we start mining, to lower the gas low enough. We do those reviews that you have questioned about by an external expert. We do those by forecasting what our production rates are going to be for the block—making sure we have enough gas extracted from the seam we are mining, plus the seams above and below, to make sure the system can cope—and then designing the system to have flex capacity above that.

**Mr WALKER:** So well and truly in advance of any mining?

**Mr Nobes:** Yes, years in advance. The gas drainage that we are doing is surface to in-seam, so we are having to look three to five years ahead to get that design right to make sure we have enough gas extracted before we get there with the longwall.

**Mr WALKER:** Do you provide all workers who go underground with personal proximity devices that allow tracking and are active for the entire time they are underground?

**Mr Nobes:** Yes, we do.

**Mr WALKER:** In relation to emergency scenarios, do you do a full-blown emergency scenario—from an underground incident right through to the patient being delivered at a major hospital?

**Mr Nobes:** Yes, we do. Typically that is called a level 2 exercise for us.

**Mr WALKER:** Do you share those learnings?

**Mr Nobes:** Yes. We prepare a report that gets shared with all of the stakeholders. There are people like QMRS that come in and are part of design of the incident and then execution of the incident. We have external people come in and be part of the assessment team and then we prepare a report and then share that. It gets submitted obviously to RSHQ as well. We had a scenario earlier this year where RSHQ actually requested that our report get provided to another site as an example of 'this is what it should look like', because that was a new site and they were still learning in terms of what the exercises should look like, what the scope should be and what the reports should look like, so our report got provided to another site to assist.

**Mr WALKER:** You are sharing that with other industry companies?

**Mr Nobes:** Yes.

**CHAIR:** Time has just about beaten us. As I have asked everyone else, if we come up with any other questions, are you open to us sending them to you on notice?

**Mr Nobes:** Of course.

**CHAIR:** We really appreciate that. We have to keep going because we have two more patient submitters waiting. Thank you for your participation. You will be provided with a copy of the transcript in due course.

**SLEIGH, Mr John, Vice-President—Northern Region, Mine Managers Association of Australia Inc.**

**Mr Sleigh:** Thank you very much for the opportunity to speak. My name is John Sleigh. I have been working in and around the Australian coal industry for 57 years yesterday. I commenced as a mining trainee in 1965. I managed a large underground mine in New South Wales in the 1980s. During an industry downturn I took on assignments as a consultant in mining safety and training systems and also worked in other high-risk industries such as railways and emergency services. I returned to the industry full-time as a Queensland mines inspector from 2008 to 2015. I have served on the Board of Examiners and been a member of a mines rescue brigade. I am semi-retired, but I am also the Queensland vice-president of the Mine Managers Association of Australia.

The Mine Managers Association has over 400 members in management positions in Australian coalmines. One hundred and fifteen of these are associated with mines in Queensland. The association strongly supports the proposed changes in legislation that value the qualification system that has developed in Australian coalmining. Judicial inquiries and royal commissions into each of the major coalmining disasters in Australia and New Zealand since the 1880s have highlighted the need for qualified people to control and manage mines. I would like to recognise the five miners who were injured at Grosvenor. There were lessons that we had not learned from previous events. We must learn everything we can from your awful experience. I am ready to expand on the association's submission.

**Mr HEAD:** Thank you for coming, John. Do site safety and site compliance go hand in hand or does our current regulatory environment mean that industry may be more compliance focused than safety focused?

**Mr Sleigh:** Compliance tends to lag safety. The safe operation is ahead of compliance. When things go wrong, they change the rules and increase the amount of compliance. Compliance is not optional. In my experience—and I am talking now about 50-odd years of experience—the safe mines are ahead of the legislation. We have a crazy situation where the magic number that people are expected to report for concentration of methane is 2½ per cent. That used to be the amount that was clearly visible on an oil flame safety lamp. Back in the old days, a miner's lamp was the way you got your way around mines. It has been reinforced in the last 12 months.

People have talked about the increasingly prescriptive legislation. We have mine monitoring systems that can test gas and quantities and volumes and all sorts of things for up to two decimal places without any worries and a lot further if you want to. Why are we still relying on the number that came from the oil safety lamp? 2.4 per cent is okay; 2.6 per cent is crisis. Actually, any increase on yesterday's figure or a normal figure is safety; 2½ per cent is compliance. Does that help answer the question?

**Mr HEAD:** Yes, thank you.

**CHAIR:** You talked about qualifications and how important that is for mine managers. Could you say what percentage of mine managers would not hold proper qualifications?

**Mr Sleigh:** In order to be the underground mine manager at a mine, you need to have a first-class mine manager's certificate. There is also an undermanager's certificate, which is not a requirement in Queensland. It used to be until the act changed in 2000. It still is in New South Wales, and there are recommendations in the forthcoming legislation that it be reintroduced. That is an undermanager's certificate. You also have a deputy, which is the ERZ controller as they are known here, who is the frontline supervisor in each production face and, in general, larger sections of the pit. Also, every supervisor has to have some minimum qualifications.

All of the supervisors I would imagine have the minimum qualifications. These are issued by RTOs—registered training organisations. Everyone you talk to has problems with the quality of RTOs. Whether it is retail or surfboard making or mining, there are potential problems with quality. The deputy certificate is the first level of statutory qualification. You need to do some RTO-based qualification first and then you do a written legislation exam and then an oral examination. It is the same sort of thing for an undermanager's ticket but a little bit more detailed. It is the same thing for a manager's ticket. The people holding those positions—all of the ERZ controllers—have deputy's tickets. All of the underground mine managers have first-class certificates of competency.

There is then an SSE ticket, which is the senior person onsite of the mine. Since about 2012 they have had to have a legislation qualification. When you look at the regulation, there are 102 items that the SSE must ensure. There are about another 25 in the act. So there are 100 in the regulations and 25 in the act. There are 59 things that the underground mine manager must ensure. There are

94 things that the safety and health management system must cover. They are from the regulations. Prior to that 2012 introduction of the exam, you could be an SSE without ever having opened the act. A legislation exam was introduced.

What the Mine Managers Association is hoping to see, and as foreshadowed in the next bill, the omnibus bill that is also being discussed at the moment, is that an SSE will have to have a knowledge of mining as well as a knowledge of the requirements of the legislation. We support that approach. There are quite a number of qualified mine managers in SSE positions. Phil is one at Kestrel as a qualified mine manager. Marc Kirsten, the head of safety for Anglo, is a qualified mine manager and an experienced mine manager. The place where the number of mine managers has disappeared is in the inspectorate. Since 2015, there are something like five fewer qualified managers. At any time that I was there, between 2008 and 2015, there would have been somewhere between eight and 10 qualified mine managers in the inspectorate. At the moment there are three, and that includes the chief inspector and the deputy chief inspector—sorry, there are four. That is the place where the qualified people, the people who actually know how to do the operation, are not represented well.

**CHAIR:** I imagine it takes a long time to train for those roles.

**Mr Sleigh:** It takes longer than 57 years. I know that because I learn things new every day, but you can get ready a little bit more quickly. It is probably about three years to do the RTO-based course. There is a minimum requirement for experience, which I think now is still three years—it might be five years—but you certainly need to know your way around a mine or you are not going to get through the exam. There is an ongoing program. At one stage when I was on the Board of Examiners there were 80 candidates for a deputy's ticket. The best part of that was that we had a whole learning industry, where 12 of the 15 mines provided examiners to do the oral exams. The impact of that on training is absolutely phenomenal in that the things we are talking about at the mine and the questions being asked by the candidates at the mine are reminding you of the right way of doing things. I am a firm believer in the success of the mining qualification system that we have.

**Mr MARTIN:** I was wondering if you or your organisation had an opinion on safety when it comes to labour hire and contractors and if you think that employees who are employed in those categories feel less empowered to bring up safety issues?

**Mr Sleigh:** I really think this is an industrial issue rather than a safety issue, in all honesty, and I think it is driven by industrial relations concerns rather than safety concerns. You have heard people say today that there are thousands of cases of retribution or reprisal. I would like them to name 75. There are reasons we have contractors. Specialist work is one. A dragline shutdown, a longwall move, is done on an annual basis, effectively; sealing is perhaps done once again on an annual basis. Those sorts of contractors move from mine to mine. There is not enough work at any one mine to engage the amount of expertise that you require and obviously there is value in the expertise from transition. In addition to that, there are people who do belt conveyor moves and service fire extinguishers and all sorts of other things at the mine who do it on a contract basis. Then there is labour hire, where we suddenly need 20 more people because of something that is going on so we use labour hire. There is a transitioning system that has something to do with the recruitment process rather than the safety process.

The legislation is very clear: the mine must have one safety and health management system. As I said, the safety and health management system has to cover 94 items. The SSE must ensure 102 items. The underground mine manager must ensure 59 items and there are quite a number of other items. It does not say that you have to do this thing; it says that you have to make sure there is provision for these things to happen. That applies whether you are a contractor, labour hire or permanent employee. I can assure you that people can be dismissed, whether they are full-time employees or labour hire. All of this talking it up probably puts doubt in the mind of the labour hire people so they feel less confident, and that is a concern that we need to be aware of. There will probably be some cowboys out there who will threaten people with the loss of a job if they do not do something. The legislation is pretty clear: if somebody refuses to do a job then any other person afterwards who is asked to do the same job has to be told that the previous person refused. That is currently in the legislation.

**CHAIR:** I was not aware of that.

**Mr Sleigh:** People tend to forget some of this. There is a lot hidden in the existing legislation. What we keep doing is adding more onto it in the hope that it will have some magical effect.

**CHAIR:** My mining experience was interstate. They might not have had that rule years ago.

**Mr Sleigh:** It certainly is in New South Wales and it is here.

**Mr HEAD:** What role should the inspectorate play in making sure that people on the ground even understand that sort of thing? Is that part of the exam to get your SSE certificate?

**Mr Sleigh:** That provision is certainly in the legislation that you would be expected to know. I do not know what the questions are now for the SSE certificate and I hope they change fairly regularly. When I was on the Board of Examiners I developed a case of about 500 exam questions and we just used it as a database and changed the certificate. They have taken down the sample exam paper that we used to have on the website that used to indicate the sorts of questions you could be asked. I do not know what the current exam asks for. That is the sort of question that should be in the SSE's certificate: what happens if somebody refuses to do a job? It is certainly the sort of question that would come up in an oral examination for a deputy.

**Mr HEAD:** From the perspective of the Mine Managers Association, is there a level of regulation that may detract from the mine manager's role to the extent that highly qualified personnel may choose to not be mine managers and take on that responsibility as an SSE?

**Mr Sleigh:** I can assure you that the sort of job I take on now—and part of it is because of my age, but I have moved away from active roles which I would have taken on three or four years ago because of the threat and the removal of tickets. There are so many different ways that you can be penalised under the mining industry. There is talk about court orders being introduced where the court can issue an injunction against you. An inspector, a check inspector or safety and health representative as we call them—the chief inspector has particular things that they can give you a directive on, so that is a problem. There are prosecutions and there are civil penalties where the CEO of RSHQ can impose a penalty, based on his opinion that you are not satisfying the legislation. There are currently a couple of people who are going through the process of having their tickets removed, or their tickets have been removed and they are currently appealing the process. That has taken four years to get an answer. There is a whole lot of disciplinary process, but we do not seem to find too many people who are actually found guilty by the court system.

**CHAIR:** Is there any way that you think RSHQ could improve their role and fulfil their responsibilities?

**Mr Sleigh:** If you are going to have somebody to go onto a mine site to talk to the manager or the SSE, it makes a whole lot of sense to put someone on there who understands the job. This is a recommendation of the board of inquiry—that negotiations take place with the Public Service about attracting experienced mining executives into the organisation. In fact, as was pointed out in the findings of the board of inquiry, there has been a dramatic reduction in the number of experienced, qualified SSEs or mine managers who are now working with the inspectorate.

**CHAIR:** You said there are only three now and there were quite a few previously.

**Mr Sleigh:** Eight. I notice the metals inspectorate has lost two qualified inspectors in the last few months. We are losing them. One retired and others go on to take on better work.

**Mr HEAD:** I have one quick question. It might not be easy to answer quickly, but I would appreciate it if you could try. Who is ultimately best placed to make decisions to improve the safety of our coalmines in Queensland?

**Mr Sleigh:** Everybody who goes underground, and this is the message we get through. We talk about inductions. It is not an accident that everybody who goes onto a mine site, including you people, has to be inducted, to be told, 'What you do may affect the people who are on there and what the people on there are doing may affect you. Do not go too far away from anybody until you know what to do.' The greater the knowledge we have and the more knowledgeable people we have, the better off we are going to be.

**CHAIR:** Thank you very much. We appreciate your time and thank you for participating today. You will be provided with a copy of the transcript of the proceedings when it is available. As I have asked everyone else, if we do come up with any further questions, would you be open to us sending them to you?

**Mr Sleigh:** Absolutely. Thank you very much. I appreciate the opportunity

**VACCANEO, Mr Stuart, Private capacity**

**CHAIR:** Thank you very much for your submission and your attendance here today, Stuart. The floor is open to you for an opening statement.

**Mr Vaccaneo:** I would like to thank the Transport and Resources Committee for the invitation to speak. Personally, I find that you have at least been displaying some greater form of public accountability than my friends in RSHQ, the resources minister and very recently the Premier. Before going into my background, I would like to make a few opening points.

The explosion at the Grosvenor coalmine is a symptom of the problems of the Queensland mining industry, but it is not the problem. The extent to which the recommendations of the board of inquiry have been implemented may reduce the likelihood of a similar event, but they will not materially improve the safety and health of Queensland coalminers. In his book *Ten Pathways to Death and Disaster*, Professor Michael Quinlan identifies a failure of regulatory oversight and inspection as one of the pathways to death and disaster.

The explosion at Grosvenor resulted from multiple pathways which were not addressed by the board of inquiry. Until 2018 there had not been a major coalmine explosion in a Queensland underground coalmine since the Moura No. 2 disaster from spontaneous combustion in 1994 which killed 11 miners. A further 10 were very lucky to escape. There was major reform to mining safety and health following the Moura No. 2 inquiry and there were five task groups to address issues that were not easily answered at the time. The North Goonyella mine caught fire by spontaneous combustion and exploded in September 2018. There has been no inquiry, there is no report, there are no findings and there are no recommendations—not two years later when Grosvenor exploded and still not today.

Getting to the Grosvenor explosion, it is a miracle that those five men are alive. It was only very fortunate intervention with modern medical treatment that saved the lives of those miners. The board of inquiry found that Grosvenor had two undetected spontaneous combustion events on 6 May and another underestimated spontaneous combustion that ultimately exploded on 8 June causing the mine to be basically sealed from the surface.

Since 2018, nine coalmine workers have been killed in Queensland coalmines. There has been no inquiry, no investigation report and no details of the deaths of these miners who were tragically killed. This committee and this assessment of the extent of the implementation of the recommendations from the Grosvenor board of inquiry is extremely limited in consideration of the issues faced by the industry. The explosion at Grosvenor is an example of the failure of regulatory oversight.

The 2017 parliamentary inquiry into the presence of black lung recommended the Public Service Commissioner review the extent to which the public servants, now the RSHQ, the Mines Inspectorate, misled the committee—recommendation 67. What a surprise: there was no investigation ever done. My attempts over the years to determine what exactly happened with that have been stonewalled and have required multiple RTI applications to at least find out what happened.

The 2019 Brady report into fatal accidents states that in 47 fatal accidents in Queensland mines since 2000 only three out of 47 investigation reports have ever been published and there are no reports available for the last nine fatal accidents in the last five years. For 75 years under the previous coalmining legislation a mining warden's inquiry would include the mining warden and four people with practical knowledge at coalmines.

The findings and recommendations of the Grosvenor board of inquiry are limited due to the levels of experience and practical knowledge of the people on the board. There was no inspector who was involved in Grosvenor in any state or form who ever gave any evidence at the inquiry. There was no person from Anglo, other than the CEO, who gave any sort of evidence about Grosvenor. There is no guidance material in Queensland for spontaneous combustion, despite numerous disasters over the last 50 years. Some literature exists, but it is not in any legislative requirements. New South Wales has spontaneous combustion guidance but not Queensland.

Mine operators and site senior executives are not appointing people with appropriate competencies to positions of responsibility at the mines. In some cases, critical positions are occupied by people without the required competencies. This is described in the Daniel Springer investigation report, from the investigation in the Coroner's Court, the Mine Managers Association submission and the 2000 regulatory impact statement. The current RSHQ initiative of establishing criteria for high-reliability organisations recommended by the Brady report is not supported by any other academics

who know something about it from mining operations. I listened to the chief inspector of coalmines when he was here the other day. He sat here and advised there was five days to go to get feedback from what has happened with the Grosvenor recommendations and what did he say? No-one had replied. Five days. They have had nearly 18 months.

**CHAIR:** We heard that.

**Mr Vaccaneo:** The extent to which the industry implements the Grosvenor board of inquiry recommendations is not going to be a reflection of any improvements. The issues are big at Grosvenor. There have been nine deaths since 2018 and, sadly—and it doesn't matter—these have happened one at a time. Professor Quinlan describes the pathways to death and disaster in his book. Queensland coalmines are on a pathway to death and disaster. The issues are not limited to Grosvenor and this limited board of inquiry that was called. There is a failure of regulatory oversight and the inspection of Queensland coalmines. My hope is that the pathways can be addressed before there is more death and disaster. I am afraid to tell you that the limited corrective action so far suggests that the only way there is ever going to be a proper inquiry into what is happening in coalmine safety will require another Moura type disaster. It is going to require at least blowing up a whole crew of people, killing the lot of them. Then we might end up with a royal commission. Then we might get to the bottom of what is going on. That is what it seems to take.

Just so that people are aware of my background, I started in the industry in 1982 as a coalminers association cadet. It is now called the Resources Council. That involved two years of full-time study as well as doing, it ended up being, about two years at that stage of going and working at a coalmine down underground as a supernumery. I did 12 months in Collinsville at the No. 2 mine and DACON mine. The next place I worked basically was Moura No. 4. I worked there in 1984 for nearly 12 months. Due to that fact, personally I worked with 11 of the 12 blokes who were killed in Moura No. 4. I either worked with or had socialised with 10 of the 11 killed at Moura No. 2.

After that, just to bring you up to speed, I worked up in Collinsville until 1993 mainly as an underground miner and just a machineman miner, a continuous miner operator. I then got a job down in Gordonstone as a temporary for six months. I was eventually taken on full-time there. I worked as a mine deputy or an ERZ controller at Gordonstone until 1997. I was retrenched, along with another 312—or illegally terminated as it turned out to be—and I then spent 22 months on a picket line. In 1999 I was elected to be an industry safety and health representative and I did that job for seven years. During that time I was a member of the LARC committee—the Legislation and Regulation Committee I think the name of it was—between 2000 and 2006. I was a full-time member of the Coal Mining Safety and Health Advisory Committee, as it is now called, until 2010.

I probably should tell you what my qualifications are. I hold a mine deputy's certificate. I hold the majority of the mine manager's competencies. I have a graduate diploma in mine ventilation from the University of New South Wales, so I have the technical qualifications to be a ventilation officer. I have also done the mine manager's risk management module and I have also done the emergency response one run by Mines Rescue. During my time as an industry safety and health representative—I have never totalled it up—I have issued probably around 50 individual section 167 directives to cease work due to unsafe conditions, and that included Grasstree where we had to defend the closing of Grasstree mine in the Supreme Court, in the district court of appeal. That is really my background.

There is one other issue I would like to raise, considering the time levels, and this is something that runs very tightly to this committee. I mentioned it before, and this should concern every parliamentary committee. It is recommendation 67. Are people familiar with recommendation 67? I am quite happy I to read it out; it will not take long. The key finding states—

The cooperation of DNRM, and some of its senior executive officers, with the work of this committee fell well below the standard required of public service officers assisting a parliamentary committee.

Despite repeated assurances from DNRM that it would work expeditiously to assist the committee in any way possible, the committee has been met with resistance and obstruction by some officers of DNRM. Documents requested have not been produced in a timely manner, requiring the issue of a summons. Key departmental witnesses, vital to understanding the failure of the health scheme, were not advised they would be required to give evidence, were then produced only under threat of summon, and were not properly prepared by DNRM prior to their appearances before the committee. Frequently senior officers of DNRM have been unprepared and unable to answer important questions relevant to the committee's inquiry and where answers were given, often the officers were argumentative and resistant to acknowledging the wide-ranging failures of their department.

Recommendation 67 states—

The committee recommends that the Public Service Commissioner review the transcripts of public and private hearings of the committee involving Queensland public servants and consider the extent to which those officers cooperated with and assisted the committee, including whether or not any public servant misled the committee or otherwise breached the Code of Practice for Public Service Employees Assisting or Appearing Before Parliamentary Committees.

That is a short explanation of what went on with it, but all I have to say is that the people you are potentially dealing with in the mines department and RSHQ are very likely the people who the *Black lung white lies* committee found did not fulfil their jobs as public servants and virtually held the committee in contempt.

I am just going to close on this point and open it up to questions: if anyone sitting up there can tell me that Jo-Ann Miller would have been aware that this did not get investigated and would have kept quiet about it, they do not know Jo-Ann Miller.

**CHAIR:** I know Jo-Ann very well. We are limited with question time. If we have any other questions we will write to you. We have a lot of submissions from you. They all carry the same weight as your public appearance here.

**Mr MILLAR:** Thank you, Stuart, for coming in and I congratulate you on your passion to investigate this. After being out of the mining industry for about nine years or so, why have you come back in actively raising complaints and issues over the last three years? What is driving you?

**Mr Vaccaneo:** It really started when I got a phone call in about August 2018 from a couple of mates of mine working at North Goonyella. One in particular rang me up very concerned. The reason he rang me is that I was involved in the 5 South sealing at North Goonyella. I have dealt with North Goonyella pretty extensively over the years about spontaneous combustion. He was very worried. He told me that the mine was in extreme strife and that basically the manager was insane—he wasn't insane, but he was driving the mine into disaster. He gave me an estimate of three weeks before there was black smoke coming out of the ports.

I then contacted Matthew Stevens from the *Financial Review* who I knew casually. He wrote an article on the strength of what I told him was going on at North Goonyella. North Goonyella denied it: 'No, not a problem up here.' Anyway, I ended up having to ring up my mate a few weeks later and told him he really did not know what he was talking about. He said, 'Why is that?' I said, 'Well, mate, you told me three weeks; it is only 20 days.'

The problems at North Goonyella were well known. Everyone knew that the place was in strife, but nothing has ever happened about it—and to this day, the only thing the mines department has put out is a one-page sheet from three years ago. There is no public report. I have no doubt that if they had done what they should have done Grosvenor would not have occurred when it did. It is the same seam—same mines inspectors, essentially. If they had gone and done what they did, there would not be five blokes who are never going to go underground again, plus all their mates who are suffering from PTSD.

What happens with the mines department is a code of secrecy, a code of silence. How has that been allowed to occur? I can tell you one of the things that needs to be fixed: we need mining wardens or coroners courts of inquiry for every fatality. What has happened is from the decisions of Tony McGrady 30 years ago. He did not like the way that mining wardens spoke to him on occasions, decided that we had to get rid of the mining wardens and introduced this watery thing called a ministerial board of inquiry. That is the reason we never see any mines inspectors' reports anymore. They decided they do not have to produce them anymore. Previously, when there was a mining warden inquiry or a coroner's inquiry, part of that process was the public tabling of the mines inspector's investigation reports. That has gone—gone! What we have ended up with is this thing—and I will only call it a thing—the Grosvenor inquiry. As I said, it is probably the worst mining inquiry that has ever happened in the state of Queensland. It has done nothing. It has found nothing. The one and only material recommendation that might have done something has been totally ignored—totally! That was the one that says to make the parent company bear responsibility under the general obligations. Well, where has that one gone? It is the one thing that was easily legislated. It has just disappeared into the distance.

I can tell you that all that has happened is that there has been a new magic line drawn. It used to be the underground mine manager, then it became the SSE and, as my friends from the Mine Managers Association have said better than I can, now the decisions are made in the corporate office. They are the ones who pull all the strings. They are the ones who get around. The problem you have is that—and I will use some names; we will keep going with Grosvenor—the likes of Glen Britton, the underground mine operations manager who was calling all the shots—he is the one deciding what happens—swan off into the distance never to be heard of again: retired. Everything is fine for him, but it is not fine for everybody.

**CHAIR:** We are going to have to wind it up, sorry.

**Mr Vaccaneo:** Can I just say—

**CHAIR:** If they are concluding remarks then certainly.



## Public Hearing—Inquiry into the Coal Mining Industry Safety

**Mr Vaccaneo:** I would like to read you one thing, but it disappoints me. I am going to have to read one thing to you, if you just bear with me for one minute. These are some comments from the last mining warden's inquiry, from one of the people who served on many mining warden inquiries. It goes like this—

To be selected to serve as a Reviewer is an honour and the experience on so many Inquiries has given me an insight into Accident Investigation, Causal Analysis and Risk Management that could not be gleaned from textbooks and for this I thank you.

You told me once that you selected me for so many Inquiries because you wanted to inject some consistency into the process. It was not, as some have suggested, jobs for the boys, it has been in fact a very difficult and on many occasions emotional task but one that I will cherish for the rest of my days.

Today is a very black day for the Queensland Mining Industry and sometime in the near future people will realise what they have lost.

When I look back at where we were when you first appointed me to the Reviewer's Panel for the Tick Hill Fatal Accident Inquiry and where we ended I am more than satisfied that we have done an excellent job in upgrading Accident Investigation, Reporting, Findings and Recommendations and for this I am rightly proud.

It is sad to see the Warden's Inquiry process end but unfortunately someone decided that it could be done better another way. I can only hope that the industry and in particular the next of kin actually receive a better outcome. I have lost count of the number of times that a wife, mother, father, or relative of one of the victims of workplace accidents has, at the end of an Inquiry, hugged me in gratitude for having the guts to ask the difficult questions. It was the answers to these questions that helped them understand why their loved one lost their life or was seriously injured.

We can only hope that the new Board of Inquiry process does not end up bogged down in the legal system as it appears to have done in New South Wales. There they have a number of people being prosecuted but very few answers as to the nature and cause of accidents.

When or if this State goes the same way I hope that the politicians, bureaucrats and architects of the new process have the honesty and guts to stand up and claim responsibility. If they don't, I know who they are and I will ensure that the entire industry and the relevant next of kin know where to place the blame.

I can see a time when the fact that a person has been seriously injured or killed will be regarded as purely the trigger for an investigation designed to prove that the management systems failed and therefore the mine officials or some other poor soul must be prosecuted or clearly made to pay the price. It is interesting to note that the price has already been set at \$75.00 per penalty point.

We seem to have forgotten about the victims and my experience with the most recent fatal accidents at Jellinbah and Cook has helped me realise that many people are severely and in some cases permanently injured every time there is a serious or fatal accident. In our zeal to attach blame or to demonstrate that someone has been made to pay we tend to forget the families, the rescuers, first aiders, workmates, friends, supervisors and managers all of which are victims to varying degrees

That was by John Brady, who has passed away now. He was the initial person inducted as a legend of the industry.

**CHAIR:** Thank you very much. We really appreciate that. If we have any further questions, are you open to us writing to you with them? Thank you for your participation. You will be provided with a copy of the transcript of today's proceedings when it is available. I would like to also thank all the witnesses who have appeared today. A copy of the transcript for all of them will be available in due course. I declare this hearing closed.

**The committee adjourned at 1.06 pm.**