

INQUIRY INTO COAL MINING INDUSTRY SAFETY

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INQUIRY INTO COAL MINING INDUSTRY SAFETY

Submission by Isaac Regional Council

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EXECUTIVE SUMMARY

Isaac Regional Council (IRC) welcomes to opportunity to comment on the Queensland Government's Inquiry into Coal Mining Industry Safety.

IRC understands the inquiry is seeking a deeper understanding of the impacts of the current practices and activities of the coal mining industry in relation to safety risk management. This submission intends to provide the Queensland Government with a local perspective of the impacts of safety risk practices within the Isaac Regional Council (IRC) local government area (LGA) and highlight key areas of interest and concern.

IRC acknowledges that while not able to comment from first-hand experience on the impacts of coal production rates, bonuses, incentives, failure of risk controls or on-site safety, the Isaac experience suggests that coal mining safety practices present wider-reaching impacts for the local communities.

IRC SUBMISSION

ABOUT THE ISAAC REGION

The Isaac region encompasses an area of 58,709 square kilometres from prime agricultural land to the resource rich Bowen and Galilee Basins housing the largest coal mining deposits in Australia. The area also includes a coastal strip that brings with it tourism opportunities.

Our region is home to 20,910 residents and approximately 12,080 non-resident workers who travel here primarily for work in the mining industry.¹

The Isaac produces \$22.788 billion² annual economic output and we are proud to be a region which is feeding, powering and building communities.

The Isaac region was built on the back of the mining industry and the Isaac economy is largely driven by the resources sector which generates 13,080 jobs and a \$357.271 million agricultural industry output.³

USE OF LABOUR HIRE AND SAFETY IMPACTS

IRC recognises that the use of labour hire offers businesses flexibility and enhances their capacity to effectively respond to short-term operational requirements for additional labour - for example responding to demands which are predominately seasonal or temporary in nature. By its very nature, labour hire equates to the use of workers that have been sourced from out-of-region, interstate or overseas due to the lack of available or suitably qualified labour in the local labour market. These non-resident workers are usually employed under drive-in / drive-out (DIDO), fly-in/fly-out (FIFO) or bus-in/bus-out (BIBO) arrangements living in worker accommodation villages (WAVs).

Labour hire in the mining industry in the Isaac Region impacts not only those employed on a casual basis but has a detrimental ripple effect on the sustainability of established communities and businesses within our region.

The effect of labour hire on safety has been well documented with the Queensland Mines and Quarries Safety Performance and Health Report 2018/2019 reporting that contractors were involved in 64 per cent of serious accidents in coal mines⁴. Further, "all studies of labour hire workers and occupational health and

¹ QLD Government Statisticians Office QGSO, Bowen Basin population report, 2021 <https://www.qgso.qld.gov.au/statistics/theme/population/non-resident-population-queensland-resource-re-gions/bowen-galilee-basins>

² REMPLAN: <https://app.remplan.com.au/isaac/economy>

³ REMPLAN: <https://app.remplan.com.au/isaac/economy>

⁴ State of Queensland, Queensland Mines and Quarries Safety Performance and Health Report 2018/2019, Brisbane, State of Queensland, 2019, p. 36, [accessed 19 September 2022]

safety in Australia and overseas have found that labour hire employees are more likely to be injured at work, compared to direct hire workers in like occupations”.⁵

The susceptibility of injuries for labour hire workers may be due to a range of factors including⁶:

- Contested or disarticulated responsibility for health and safety management between host companies and labour hire agencies.
- Labour hire workers receiving poor induction, training and/or having reduced familiarity of the rules governing OHS on each job site, as compared to direct hire workers.
- Labour hire workers are often reluctant or unable to raise OHS issues, due to their vulnerability to termination.
- Additional complexities for the implementation of effective Occupational Health and Safety Management Systems (OHSMS), imposed by temporary and precarious forms of employment.
- Occupational health and safety risks can be more difficult to monitor and identify, particularly for workplace inspectors.

More regionally, the findings of the Queensland Coal Mining Board of Inquiry (May 2021) report on the Grosvenor mine explosion in 2020 that seriously injured 5 workers, considered the nature and prevalence of labour hire and the risks that such employment arrangements pose to safety. The inquiry noted that temporary work arrangements are associated with:

a higher incidence of injuries and fatalities, as well as poorer physical and mental health. Workers employed in such arrangements generally have a poorer knowledge of, and poorer access to, regulatory employment rights, and are less willing to raise occupational health and safety concerns.⁷

In its findings the inquiry concluded:

There is a perception among coal mine workers that a labour hire worker or contractor who raises safety concerns at a mine might jeopardise their ongoing employment at the mine. It has not been possible to assess how widespread that perception might be. However, the existence of a perception, no matter how widespread, creates a risk that safety concerns will not always be raised.⁸

In its considerations, the Board was assisted by a literature review by Professor Michael Quinlan, Emeritus Professor of Industrial Relations at the School of Management at the University of NSW who by way of summary stated:

Overall, there has been a high if not remarkable degree of consistency in the findings of the hundreds of articles now published on the health outcomes associated with this array of arrangements or the effects of job-insecurity.⁹

Furthermore, Professor Quinlan, in his report, observed that incentive-based payment regimes, including in relation to the contracting arrangements, have been used in the coal mining industry for centuries. He also notes that complaints about their adverse effect on safety are longstanding.¹⁰

⁵ E Underhill, *Response to Workplace Relations Framework Draft Report*, 2015, <<https://bit.ly/2ULUi8z>> [accessed 20 September 2022]

⁶ As quoted in ACCR, *Labour Hire and Contracting Across the ASX100*, 2021, p. 12–16

⁷ T. Martin and A. Clough, Report: Part II', May 2021, Queensland Coal Mining Board of Inquiry, Brisbane, p. 377

⁸ T. Martin and A. Clough, Report: Part II', May 2021, Queensland Coal Mining Board of Inquiry, Brisbane, p. 408

⁹ T. Martin and A. Clough, Report: Part II', May 2021, Queensland Coal Mining Board of Inquiry, Brisbane, p. 377

¹⁰ T. Martin and A. Clough, Report: Part II', May 2021, Queensland Coal Mining Board of Inquiry, Brisbane, p. 381

In 2007, the NSW Mine Safety Advisory Council commissioned research, which among other matters, included OHS management systems disconnect and consultation. The report titled: Digging Deeper, noted that that disincentives to report incidents do exist and quoted the following cited from interviews:

We have a lot of contractors on site. They will not report near-misses for fear of loss of jobs (coal, employee).

Contractors are under the pump. They are pressurised more (coal, employee).

This is particularly for labour hire. You wouldn't report, you feel pressured for your job. If you did report it, you'd be gone. And we don't want to blow their bonus either (coal, labour hire employee).¹¹

In relation to safety bonuses, the same research concluded that schemes that involved larger sums of money may be more likely to have negative effects and that they have less impact on incident reporting than safety incentive schemes.¹²

The report stated that interviewees across a range of sites provided numerous examples of peer pressure that was exerted not to report injuries and that sites may have lost sight of the basic principle of OHS management and that to make the workplace healthy and safe, there is no substitute for making the workplace healthy and safe.¹³

COMMUNITY IMPACTS

Scattered amongst the mining communities of Australia are the memorials erected to commemorate the lives of those who have tragically lost their lives in the coal pits of the region – the human cost of this industry. Our own Miners' Memorial, erected in 2019 in the centre of Moranbah, surrounded by mining leases, is intended to keep safety on our minds. Currently the memorial hosts 14 plaques¹⁴ naming each worker since 1972 who went to work and never returned home¹⁵.

A serious injury or fatality resonates with each and every member of our community. Whether that be the landing of the CQ Rescue helicopter on the oval in the centre of Moranbah or the scramble to assemble employee assistance support when an incident occurs, we are all affected.

Residual grief lingers in our communities, and it is not uncommon to hear of residents contacting their loved ones on hearing the helicopter or the sighs of gratitude when those same loved ones are not on-shift. This same cloud of dread descends on the community every time a road incident occurs and is posted on social media.

ROAD SAFETY

DIDO practices driven by casual labour hire also poses a threat to the health, safety and well-being of both the labour hire employee and the broader community as the employee travels between their residence and workplace, through increasing the volume of traffic, and therefore likelihood of traffic crashes, on regional roads designed for significantly less traffic usage. Fatigue related issues can exacerbate this situation as workers travel home after completing shifts of up to 13 hours. While most companies have fatigue management plans in place, they do not address the underlying cause: long shifts and a desire to be home

¹¹ Shaw Idea, Digging Deeper: Wran Consultancy Project Vol 1 (Report commissioned by the NSW Mine Safety Advisory Council, November 2007); p. 59

¹² Shaw Idea, Digging Deeper: Wran Consultancy Project Vol 1 (Report commissioned by the NSW Mine Safety Advisory Council, November 2007); p. 58

¹³ Shaw Idea, Digging Deeper: Wran Consultancy Project Vol 1 (Report commissioned by the NSW Mine Safety Advisory Council, November 2007); p. 226

¹⁴ 12 recognised by Queensland Government: [RSHQ: Coal, Metalliferous and Quarrying Industries Fatality Report](#)

¹⁵ Derived from 14 local mines only.

with family. Fatigue researchers have identified between 13-23% of drivers on their way to or from shifts will fall asleep, resulting in accidents.¹⁶

High levels of work-related fatigue incidents and the greater volume of traffic created by labour hire creates great safety concerns and are justly evidenced by recorded incidents on the Peak Downs Highway. As previously mentioned, news of local road accidents and fatalities spread quickly via social media and our communities rush to contact friends and family known to be travelling the road to and from work to alleviate their fears that this will be the occasion that they are the directly affected party.

IMPACTS ON HEALTH SERVICES

The impacts of labour hire and mining practices on health can extend beyond the labour hire employee and their immediate family. Given public health service funding decisions and provision of services are determined by the resident population of a community, exclusive of the number of FIFO/DIDO/BIBO employees residing within an area, health services become strained beyond capacity as they struggle to cope with significantly more patients than they are funded to accommodate. Towns within the Isaac local government area host significant labour hire populations and during periods of growth pressure, residents are often forced to seek medical assistance from providers outside their community as appointments can be fully booked out months in advance. This can result in delays in seeking medical assistance and potentially compromise the health of residents of host communities. For example, even with the current softening of the global commodities markets and easing of growth pressure on regional resource communities, health services, Isaac communities still service 45% more population than they are designed and resourced for given the non-permanent population is not recognised in State funding decisions.

In November 2019, Council established an advocacy platform from which it could represent its communities in relation to health services across the region. The advocacy platform identified fundamental concerns and deficiencies in the provision of medical services, hospital services and allied health services which include:

- The current model of allocation of medical professionals to rural and remote communities is inadequate;
- Current clinical services planning for hospitals and allied health services does not satisfy demand generated by the true population of Isaac's communities (i.e. inclusive of non-resident workers);
- Provision of resources to Isaac Region hospitals is inadequate and not sustainable;
- Mining companies, where opportunity arises, should financially support initiatives to supplement government provision of medical, nursing and allied health professionals in the Isaac Region.

Council's 2019 advocacy position formed the view that the critical shortages experienced across the Isaac region present an unacceptable risk to its communities. The high number of mine-related and road accidents coupled with the critical medical, hospital, and allied health staff shortages across the region affirm Council's representations.

Whilst the large number of coal mines in our region is well publicised, what may not be well understood is the extent of the resource projects on the medium-term horizon in the region and more relevantly as large projects proceed through the approvals process to construction and operation in the nearer term and their impact on health services in our region.

As can be seen from the Queensland Statisticians Office reporting below, the permanent non-resident workforce numbers projected in June 2018 were surpassed by the June 2020 permanent non-resident workforce numbers noted at 12,770. Further noting that, the Full Time Equivalent population for the region has remained above 30,000 throughout the cyclical nature of the resource industry.

¹⁶ Di Miliia 2006

Bowen Basin Population Reports

	Permanent Non-Resident Workforce	Resident Population	Total
2020	12,770	20,810	33,575
2019	12,130	20,935	33,065
2018	12,075	20,990	33,070
2017	10,580	21,250	31,835
2016	9,445	24,795	34,240
2015	10,400	24,670	35,070
2014	11,085	24,755	35,845
2013	14,950	24,215	39,165
2012	17,125	23,720	40,850
2011	13,950	22,960	36,540
2010	9,905	22,658	32,563

It is important that the medical and hospital services of the Isaac Region are able to service the whole of the Isaac Region population, not just the resident population. Currently, the provision of medical, hospital and allied health services in the Isaac Region is not sufficient to service the full-time equivalent population of the region. This represents a serious risk, not only to the men and women involved in resource sector and related work, but also to our communities.

Resource Sector Impacts from inadequate Health Services and Facilities

There is mounting concern within the resource sector that the Emergency Management Plans in place at Isaac Region mines, which include the Moranbah Hospital as part of their Emergency Management Plans, are inadequate. Sections 99-101 of the *Mining and Quarrying and Health Act 1999* describe the powers and functions of Site Safety and Health Representatives. The role of a Site Safety and Health Representative is wide-ranging including the capacity to stop operations and immediately advise the supervisor in charge.

Historically, Isaac Regional Council Elected Members have been advised that Site Safety and Health Representatives (SSHR) have been called on to enact their power to suspend mining activities when the Moranbah Hospital has not been adequately staffed. Additionally, there is anecdotal evidence that there is mounting pressure that the SSHR's should enact their powers as the Moranbah Hospital Emergency Unit is inadequate.

This was thrown into stark relief in 2020 when the Grosvenor Mine explosion and fire seriously injured five miners. It is acknowledged that lives would have been lost if not for the coincidental presence of a visiting doctor at Moranbah Hospital.

It is clear that, given the non-resident workforce numbers quoted and the research compiled on labour hire incidents in the mining industry, the likelihood of a High Potential Incident taking place that Moranbah Hospital is not equipped or staffed to manage and therefore resulting in loss of human life, is one of great concern.

Additionally, the volume of mine-related and motor vehicle accidents in the region amplifies that Council's concerns are valid and need to be addressed urgently.

CONCLUSION

IRC acknowledges geographic labour mobility is a critical factor influencing the economy's capacity to adjust to shocks and structural change. However, the Isaac experience suggests that labour hire in the mining industry affects not only the workplace for which they are engaged, but also the local communities.

Key Points

- It is important to clarify that IRC is not opposed to labour hire and recognises that it is sometimes the only viable workforce solution.
- Safety practices in the mining industry have far-reaching impacts, often not considered or documented.
- There is evidence of extensive research and reporting of the safety impacts of labour hire on the mining industry.
- Currently the non-resident populations of host communities are not considered in decisions regarding the funding and provision of essential services, including health and emergency. This often leads to lack of capacity of these services to keep up with demand and this is a risk for our communities.
- Over the past few years, there has been an increasing number of high-risk incidents and fatalities in the mines of the Isaac Region. The resource sector in Isaac hosts State and Nation building industries that have supported and continue to support the region, State and Nation and the safety practices of these industries greatly impact on health services in our region.

CLOSING COMMENTS

Isaac Regional Council thanks the Queensland Government for this opportunity to provide feedback on the *Coal Mining Industry Safety* inquiry. Should the Committee have any questions or require further information on content contained within this response, please do not hesitate to contact Isaac Regional Council's Advocacy and External Affairs Unit on 1300 ISAACS or email records@isaac.qld.gov.au.

CONTACT US

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You can also connect with us on Facebook, Instagram and Twitter:



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