

INQUIRY INTO COAL MINING INDUSTRY SAFETY

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Committee Secretary
Transport and Resources Committee
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Dear Committee Secretary

Subject: Inquiry into Coal Mining Industry Safety

I write to you to make a submission as an individual actively working in the Queensland Coal Mining Industry.

These opinions are my own and are not being provided in any way representing Kestrel Coal. I have been working in the mining industry for more than 25 years and more than 22 of those years have been worked in Queensland. I was trained as a mining engineer at UNSW in Sydney and commenced work in the NSW coal industry in the Illawarra coalfields. I moved to Queensland at the start of 2000 and have worked in Queensland since. I obtained an NSW Underground Second Class Certificate of Competency, then a Queensland Underground First Class Certificate of Competency and then a Site Senior Executive Notice. I have worked for seven years as the Underground Mine Manager or the Production Manager at Underground and Open Cut Coal Operations. I have worked for more than the last eleven years as the Site Senior Executive at Underground and Open Cut Coal Mines in Queensland.

The Board of Inquiry Reports have been prepared based on a scope of looking at the serious accident that occurred at Grosvenor Mine and forty methane high potential incidents (HPI's) that occurred between 1 July 2019 and 5 May 2020. The findings and recommendations from the Board of Inquiry are now being reviewed and considered by this Committee and many other groups within our industry to apply the learnings. There is a massive amount of information contained within the Board of Inquiry Reports and it is very complex in parts. This leads to people summarising the information to make it easier to take it away to apply. Unfortunately, this has led to linking of conclusions and recommendations that do not logically follow on.

(a) The impact of coal production rates on safety risk management

This linkage has been created through the review of the 27 methane HPI events at Grosvenor and the suggestion that the mine's production rates were excessive. The true root cause of the incidents was that the methane drainage system capacity could not manage the amount of methane being generated by the mining operations. Attempts to increase this methane drainage capacity were not

successful and methane exceedance HPI's occurred. It is suggested that production rates could have been reduced to stop these incidents from occurring. This may have been successful, but this is using a soft control instead of a hard control. The right control is an engineering control which is having a methane drainage system capacity that can manage the methane created by the mining process. The implementation of a soft administration control – reduction of production rates, is what has the impact on safety risk management. It has been well documented that hard controls are more effective in risk management and will always deliver safer outcomes for our people. The linkage to coal production does not stand, it is a difference between implementation of hard vs soft controls.

The disconnect gets even further when you consider the Grosvenor Serious Accident. The Board of Inquiry had a number of limitations in its ability to reach the definitive root cause of the incident because of restrictions on interviewing Grosvenor personnel. The most likely cause of the incident is listed as ignition of goaf gases by spontaneous combustion in the goaf. The Grosvenor goaf and most goafs in Queensland will always have an explosive mixture of gas contained within them i.e., an area where the methane concentration is between 5% and 14%. We manage this risk by controlling the potential ignition sources in our mines to not coincide with this area of explosive gas.

A logical argument exists that higher production could have prevented the Serious Accident at Grosvenor from occurring. If Grosvenor Mine had been able to cut at high production rates after the PUR injection event on the longwall face then the area of spontaneous combustion would have been buried by the advancing goaf and the oxygen level in the goaf would have been too low, or the methane concentration would have been too high in the area of the spontaneous combustion for a methane explosion to occur. Relying on production rates to bury spontaneous combustion or increase gas levels is again a soft control and not one that I support as an adequate control measure. But hopefully it helps illustrate the point that the critical linkage is between soft and hard controls to deliver better safety risk management, not with coal production rates.

I have worked at a number of mines in Queensland and for a number of different organisations. I have not worked with anyone yet that has prioritised production over safety. I have seen examples of where people have made decisions that have taken a short cut because they have normalised the hazards in the workplace, or they have not understood the risk, or they have assumed that it will not happen to me. All of these situations benefit from us learning from our incidents, implementing higher order controls and progressing towards implementation of High Reliability Organisation (HRO) Principles.

- (b) industry's use of coal production-related and lag safety indicator-related bonuses and incentives to workers and executives, and their impact on the management of safety risk

The only potential negative impact that I can foresee with these schemes that are in place in industry is the potential to drive under reporting of incidents. As an industry we have made significant progress in the accuracy of the information we report in my time in the industry. I am not opposed to moving away from these indicators personally because I believe the vast majority of people in our industry are professional people driven to deliver a great result. I have seen lots of examples of where bonus schemes have been very successful at bringing work groups together around a common goal and successful delivery has been the result. The challenge is having targets that manage the balance effectively. No matter what the incentive scheme is, we will always have people that have different interpretations on applications of the scheme and the only effective way to manage for the long term and balance the outcomes is to audit the results by an external party.

- (c) accurate, fulsome and timely identification, classification and reporting of, and effective responses to, incidents and failures of risk controls

There is currently a disconnect between Resources Safety and Health Queensland (RSHQ) and sites between classification of incidents. This has been getting progressively worse since the Board of Inquiry and the questions asked of RSHQ representatives throughout that process. A HPI is defined within the legislation but it is open to some interpretation. Previously a site was able to call an inspector to discuss the potential classification of an incident or to report a non-reportable incident (NRI). Both of these situations now result in every one of these incidents being classified as a HPI by RSHQ representatives. The benefit of reporting incidents as NRI's is that incident learnings can be shared for incidents that do not otherwise fit the definition as an HPI. The benefit of being able to have a discussion with an inspector about the classification of an incident is to get another point of view and have open and honest conversations about more incidents within our industry. Now that all incidents just get classified as HPI's there is no point for a site to call an inspector for the discussion and guidance because you already know what their response will be, so sites are making those decisions without the previous amount of consultation with RSHQ. An example I am aware of is where an underground coal mine has a misfire in a single shotfired area, every piece of explosive wrapping that is found is reported as a separate HPI. This is despite the fact that the incident was clearly one event and separate reporting will do nothing other than add administrative workload that delivers no value. This just dilutes what a HPI should be and takes people's focus away from more important issues.

I believe RSHQ has adopted the approach of classifying all incidents as HPI's in an attempt to improve HPI reporting and progress towards seeing reporting of a HPI as a positive event, because it is indicative of a reporting culture that is working effectively. I support the progress towards HRO principles where we learn more effectively from the bad news events, but we need our RSHQ representatives to demonstrate actions consistent with this. Unfortunately, we are still having conversations with RSHQ personnel where it has been suggested we are having too many HPI's. This works against the overarching principle that is attempting to be applied. We have work to do as an industry together to progress this further.

All sites have moved to implementation of critical control systems and these have been implemented with varying effectiveness. This is a key area where RSHQ could take a key proactive leadership role sharing the best practices from site to site so that we all develop better risk controls for our people. I understand the logic of reporting on failures of risk controls to RSHQ as a progression towards HRO principles implementation, but I have grave concerns what that will look like in practice because of the issues I have mentioned above in our current HPI reporting system. There is considerable difference in critical control systems between the sites and even more so when you move down to risk controls so this will be incredibly difficult to develop a system of reporting to the regulator around. I think we would be far better served sharing the best practices and driving innovation rather than burdening RSHQ with more reporting.

- (d) the appropriateness and potential safety impacts of the use of labour hire; and labour hire workers' roles in on-site safety, at coal mines

Over the last ten years I have worked as the Site Senior Executive at three different sites in Queensland; on one site the workforce was 80% labour hire and 20% employees, another site was

30% labour hire and 70% employees, and my current site is 50% labour hire and 50% employees. I have not seen a discernible difference between the sites in reference to on-site safety because of this use of labour hire. I understand the workers preference for what they see as more stable employment by being direct employees. But I have not seen safety impacts because of the application of labour hire employees on sites. At Kestrel we have all coal mine workers at the same start of shift meetings and treated the same as our direct employees. At every meeting people are provided the opportunity to ask questions or raise any concerns. Within our employees and our labour hire personnel we have people that are comfortable raising issues in that forum, and we also have people that are not comfortable. So we also provide mechanisms for people to raise issues with their supervisor or other coal mine workers if that is their preference.

Every new starter onsite is addressed by the Site Senior Executive, or a Senior Site Manager in my absence, to make sure that they understand my expectations about how all people are to be treated equally onsite and I expect every person to be looking out for and looking after the people working beside them. It is clearly communicated that I expected them to stop work if they have concerns, if they are not sure of the work they are doing or if they have concerns about someone else's safety and seek help from a supervisor or Explosion Risk Zone (ERZ) Controller.

Another option available to people to raise safety concerns is the elected Site Safety and Health Representatives (SSHR's) or the Industry Safety and Health Representatives (ISHR's). We have two elected SSHR's at Kestrel, both are ERZ Controllers. One is a direct employee of Kestrel and the other is a labour hire employee, both have recently been re-elected for another term as SSHR's. I started employment at Kestrel in January of this year, and I had worked at Kestrel for three months before I became aware that one of our SSHR's was a labour hire employee. This demonstrated to me that the Kestrel workforce was enacting our Value of treating people equally.

From my review of the Board of Inquiry reports I can see value in the ISHR roles being put in a more independent position where they are directly engaged by the Safety and Health Commissioner. I also see value in considering a rotation of these people approximately every five years to get new perspectives. The current model of engagement of these people means that labour hire personnel will never be considered for one of the roles and their views are not adequately considered.

- (e) on-site safety, generally; and ensuring appropriate measures to address process safety and personal safety separately

Over the last 10 years I have worked for two different organisations that both have well established processes in place for managing process safety and personal safety. These processes have been reviewed considering the findings and recommendations from the Board of Inquiry.

The next significant improvement in terms of safety for the industry I see is the implementation of HRO principles by sites. At Kestrel we have commenced this journey and we have decided to take a whole of business approach and not limit HRO implementation to safety systems. The principles of HRO's will deliver significant benefits to all parts of the business where they are implemented, and this is why we have chosen this approach. We are currently in the scoping phase of this project so I cannot comment on how long the implementation will take but I expect it to be quite a few years to have the process properly embedded into the way we operate. I would love to see RSHQ and the broader industry embark on the HRO principle implementation path together because we will deliver a far better outcome as an industry for all coal mine workers in Queensland if we can achieve this.

Thanks for considering my submission and if I can do anything else to assist the Committee in their inquiries, please do not hesitate to contact me. I am very passionate about doing whatever I can to contribute to improving safety within our industry so I would be happy to assist the Committee in their process.

Regards

Phil Nobes

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