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Big profits slow payers

A new report has found that the number of small and medium-sized enterprises (SME) in mining not being paid on time, is more than double that of other industries. It also found that 36% of mining businesses had more than 20 invoices outstanding which is more than twice the percentage in the non-mining sector.

The survey of more than 800 businesses was commissioned by cash flow finance company The Invoice Market (TIM) and comes nearly twelve months after the region’s biggest miners Rio Tinto and BMA outraged local SME’s by announcing that they would be more than doubling the time they took to pay their bills.

At what now looks to have been the bottom of the mining downturn, both companies said they would be moving from 30 to 60-day terms. However, in reality, the fine print of the contracts meant larger businesses might wait more than four months to get paid, and no one would be paid for work they did for at least two months.

That’s also assuming bills were processed on time, which the report says they never are. With so much subcontracting in the resources sector, these hyper extended payment terms enforced by the top-tier miners has inevitably led to a cascading effect which has slowed payments through the entire Central Queensland economy.

Perhaps explaining why the TIM report found that while 1 in 5 large corporations failed to meet their own hyper extended payment terms, SME’s were not paying their bills on time either.

“Miners are the worst performing SME sector in Australia for chasing debts, with 57% of resources companies owed more than $50,000, compared with 24% for other industries,” TIM reported.

“36% of mining businesses have more than 20 outstanding invoices over 90 days – compared with 18% for the rest of the country.”

“Miners say that 79% of all those who owe them money are small or medium-sized operators, with only 21% from large Australian or multinational firms which suggests that failure by one small operator to pay another is having a compound effect throughout the resources sector.”

However, even if local businesses can get the work in the first place, and live with the hyper extended payment terms, it appears that’s just the beginning of the problems.

One hundred percent of mining business surveyed said they were paid late, of which a third said they were paid between 30 and 60 days late.

The top three reasons given for late payment were that it hadn’t been processed (36%), it was in dispute (21%) or not approved (14%). In nearly one in ten cases, businesses had to ask five times to be paid.

According to TIM spokesperson Angus Sedgwick, slow paying is killing business.

“In the mining sector, SMEs say that 79 per cent of all those that owe them money are small to medium-sized operators,” he said.

“So in other words, it’s SME’s delaying payment on their other SME clients, but that probably starts at the top too.”

“SMEs that supply the mining industry are perpetually owed an average $78,000 as opposed to $38,000 which is the Australian average.

“That’s double the national average of all sectors, so it’s having a devastating impact on the local mining economy.

“It’s not only extended payment terms, but businesses are also not even meeting those payment terms.

“It’s very concerning and needs to be addressed.”

Surat springing back to life

The strengthening outlook for oil and gas prices is slowly thawing the big freeze in construction work in the Surat basin, with Origin Energy taking the first steps toward expanding gas fields between Roma and Injune.

Back in 2004, Origin got approval for - and built - the Spring Gully CSG project, which feeds gas to Gladstone for export through the Australian Pacific LNG processing plant.

Known as the Spring Gully North-West and North-East Development, Origin has submitted detailed plans for increasing its CSG output, by drilling and building 114 new gas wells in adjacent undeveloped petroleum leases which will be piped through the existing Spring Gully CSG gas network in the Surat Basin.

Origin says they plan to start work no later than September this year – or earlier if they can get approval.

The Project is expected to involve approximately 114 production wells,” Origin said.

“This includes eight wells and associated infrastructure for which some preparatory works have been undertaken to date (e.g. clearing of lease area, access tracks, etc.)

“It also involves the installation, operation and maintenance of gas and water gathering flowlines, as well as the installation, operation and maintenance of supporting infrastructure like access roads, power and communication systems, temporary accommodation camps, laydowns, and stockpiles.”

Origin is yet to put a number on the total construction, and operational workforce required but says they will be accommodated at a nearby mining camp, and drawn from nearby communities.

Approximately 10,250 ML of CSG water is predicted over the life of the project, which will be processed through their existing water treatment facility, before being either used in productive agriculture or reinjected into local aquifers.

Strike ends at CapCoal

Striking miners at the Anglo American Capcoal open cut coal mine near Middletown returned to work in January, ending nearly five months of protected strike action.

While the CFMEU says the fight is far from over, the strike action appears to have been a complete failure.

It was not successful in pressuring Anglo American to soften its position over a new enterprise agreement, and directly resulted in the loss of 82 jobs - 33 of which came from the ranks of striking CFMEU employees.

Because of this, Anglo-American might be privately claiming a small victory, although it has come at a significant cost.

Rather than negotiate a return to work for the striking employees last year, Anglo decided to shut down a full pre-strip circuit and sack the 82 employees required to run it, which cut production significantly - at a time of record spot coal prices. However publicly, Anglo American says it’s happy that the ordeal is over.

“Anglo welcomes the return to work decision, and looks forward to sitting down and constructively engaging with employee representatives on terms and conditions for a new Enterprise Agreement,” a spokesperson said.

CFMEU district Vice President Glenn Power told Shift Miner that their focus is now about getting CFMEU workers who were sacked, reinstated through the Fair Work Commission (FWC).

“The fact of the matter is it means the company is breaking the Fair Work Act significantly, which is killing business.

“Because of this, Anglo-American might be privately claiming a small victory, although it has come at a significant cost. Rather than negotiate a return to work for the striking employees last year, Anglo decided to shut down a full pre-strip circuit and sack the 82 employees required to run it, which cut production significantly - at a time of record spot coal prices.”

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“By no means does this indicate the bargaining issue is resolved or finished,” he said.

“The strike is about loss and damage to the company - which is the way the legislation frames it. “Which it did.

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Curragh Expansion

Wesfarmers say they’re making “good progress” on plans to extend the life of Curragh mine at Blackwater beyond 2030, after receiving Commonwealth approval for some nearby mining lease applications.

Three years ago Wesfarmers paid Peabody $90 million for a Mining Development Licence (MDL) which they now want to convert to a Mining Lease which would allow them to start mining. The area covered by the MDL contains about 250 million tonnes of mostly steelmaking coal, of which about 70 million tonnes is highly drilled and classified as proven and probable under JORC reporting rules.

Importantly for Wesfarmers, the MDL is located between the existing Curragh North and Curragh South mining operations, meaning the coal can be exploited without any new processing infrastructure.

At the time of the purchase, Managing Director Stewart Butel said the purchase from Peabody boosted the amount of coal that could be processed through existing Curragh infrastructure by nearly a third.

Pushing ahead with expansion alternatives is yet another sign that the region’s biggest miners believe the worst of the downturn is behind them.

Record coal prices, the use of contractors, better weather and a revised mine plan at Curragh have helped owner Wesfarmers to deliver a $138 million before tax profit in the first half of this financial year.

The result is 24% higher than for the same period a year ago, and a way exceeds Wesfarmers own expectations at the start of 2016.

Looking to 2017, Curragh said this week they expect coal prices will remain hard to predict.

“Thermal and metallurgical coal prices are expected to remain highly volatile for the remainder of the 2017 financial year, with recent spot prices trading significantly below the November 2016 peak of US$311 per tonne,” they said.

“Seahorne supply has increased, however, Chinese policy appears to be indicating a preference for a stabilised price.

“The focus for the business will remain on improving operational productivity, cost control and capital discipline.”

Senators to decide Adani

The Queensland Resources Council has confirmed that the hard fought Indigenous Land Use Agreement (ILUA) for the Carmichael project in early 2016, when 294 Wangan and Jagalingou (W&J) people voted in support of it, with just one reject.

“The W&J people have voted overwhelmingly at a properly convened, independently chaired meeting in accordance with established statutory process to deliver intergenerational opportunities to their communities and their children, and grandchildren,” Adani said at the time.

However, a historic decision by the full bench of the Federal Court regarding a mining project in Western Australia found that a single member of a claimant group could stop an ILUA from being registered.

In other words, the court established a precedent ruling that any ILUA without 100% support could be invalid.

In the case of Adani, the one dissenting voice for the ILUA at Carmichael mine has been from traditional owner Adrian Burragubba, one of the 12 native title applicants in the W&J group.

In 2016 Mr Burragubba unsuccessfully challenged the validity of the ILUA meeting calling it a “sham” with an “engineered” outcome.

Mr Burragubba has been advised in the past by long-time lobbyist Anthony Esposito, AMMA Chief Executive Ian Macfarlane released a statement saying they congratulated the Turnbull government’s amendments to the Native Title Act to remove the 100% support rule, and hoped that Senate politics would not derail them.

“These measures are urgently needed to ensure the security of agreements that are currently in place, and those struck in the future,” he said.

“And to reverse the February 1 ruling of the Federal Court in Western Australia which would have left current ILUAs void.

“I call on all politicians to raise up above politics and to push the amendments through the Senate, otherwise, if the Bill does not pass, it has the potential to affect hundreds of mining leases in Queensland and cost thousands of jobs.”

In the best case scenario, Senate passing the amendments will simply mean one of the significant uncertainties surrounding the Adani project is removed (for the second time).

However, Adani still needs to resolve some court cases, get important local and state government approvals, and of course make the final economic decision as to whether to go through with the mine.

In the worst case scenario, if the Senate does not adopt the changes, Adani faces possibly years of further ILUA negotiations at a time when the company is at wits end about the seeming endless approvals process.

Police blitz comes up clean

Police drug testing in the coalfields would appear to debunk the ever popular idea that the mining sector is awash with drug users.

Over two days, drug testing officers from Brisbane conducted more than 70 roadside random drug tests around Moranbah, with no drivers found to be under the influence of drugs.

Detective Sergeant Martin Ziebarth said the results were encouraging and represent a major improvement on 12 months ago.

“Moranbah has come a long way in the past 18 months with previous testing detecting nine positive tests in two days,” he said.

“Moranbah Detectives and uniformed officers will continue to work to achieve these results and keep our roads and community safe.”

Late last year the Australian Mines and Metals Association (AMMA) surveyed 53 resource companies about their management of drugs in the workplace.

Notable among the findings were that 65 percent of respondents had a zero tolerance of drugs and alcohol at work, while 25 percent took a “harm minimisation” approach. According to the survey results, roughly 90 percent of testing at mine sites involves urine or breath sampling, while around 40 percent of respondents also used saliva samples.
A miner working at the Dawson Mine near Moura has failed in his attempt in the Fair Work Commission to have his 2015 dismissal reversed. Mr Frethey had been employed by Anglo American as an operator at the Dawson Mine for about four years, however, in late 2015 he was dismissed after management concluded that the dump truck he was operating hit a half road bund and he had failed to notify mine management of it.

The bund is considered a critical safety control, so it is mandatory that any contact with it is reported to management. Failing to do so represents a serious safety breach. However, Mr Frethey argued that he had no recollection of hitting the bund because around the time when it appears to have happened, he hit into an apple and broke his tooth causing severe pain. Distracted by this apple incident, he argued he had not been aware of hitting the bund and therefore could not be blamed for not reporting it.

That Mr Frethey broke his tooth was not challenged in the case, because not long after breaking it, he parked his truck, notified his manager, and was inspected by the site nurse before being sent home.

**Mine management deduced that it was Mr Frethey driving the vehicle that hit the bund by looking at its GPS tracking data.**

“At around 1.05 am on 10 October 2015, [the GPS system] indicates that while driving on the Western Terrace haul road, RD125 went from travelling at around 41 km per hour to around 6 km per hour very suddenly,” Angil management advised the commission.

“As the speed of RD125 changed, the direction of the vehicle also abruptly changed and it veered sharply towards the left as its speed reduced, then straightened up and continued down the haul road. The playback demonstrates that this movement was unusually as no other rear dump trucks travelling in the same direction as RD125 move in the same way.”

Another notable issue debated in the court was whether damage found under the truck - which was consistent with driving into a bund - was there before Mr Frethey started work (as he claims), or was a result of the impact (as management claimed). However, Deputy President Asbury rejected the claim for unfair dismissal on the basis that she believed the series of events presented by Anglo and suspected that Mr Frethey had not been completely honest during investigations into the incident.

“I have concluded that it is probable that Mr Frethey knew that he had damaged the bund or at very least, that his vehicle had sustained damage that he was required to report,” she said.

“Mr Frethey’s evidence to the Commission and his explanation for his failure to notice that he had damaged the bund and RD125 contains significant inconsistencies. The nature and extent of those inconsistencies compel me to conclude that Mr Frethey was at best not entirely forthright and at worst dishonest in giving evidence to the Commission and during the investigation of the events of 9 – 10 October 2015.

“I accept that Mr Frethey suffered an injury to a tooth at some point on the night shift of 9 – 10 October 2015."

[However], There were significant inconsistency about the nature of the injury and when and where it occurred.”

“[I have considered Mr Frethey’s evidence about the impact that the dismissal has had on his personal and financial circumstances, however those matters do not outweigh the fact that Mr Frethey was involved in a significant safety breach and was not honest and forthright in the investigation of that breach or his evidence to the Commission.”

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**Where’s Callide headed?**

Three months after private company Batchfire Resources took control of the Callide mine near Biloela, it remains unclear what the future holds.

In November last year, Batchfire purchased the mine from Anglo American on a private walk-in-walk-out basis, which included all plant and equipment. However, in response to queries from Shift Miner as to how the transition was going, a spokesperson said that being a private company they were: "happiest flying under the radar".

Callide is an open cut Dragline, truck and excavator operation comprising four pits: Dunn Creek, Trap Gully, The Hut and Boundary Hill.

Run of Mine reserves are approximately 220 Mt of domestic and export thermal quality coal, with an additional 525 Mt of mineable in-situ resources outside the current mine layout. Between 400 and 500 miners plus contractors are employed at the mine, making it one of Biloela’s biggest employers.

Back in late 2015, the miners former owners Anglo American sacked 40 miners and stopped work on the Boundary Hill expansion which would have extended mine life by around 30 years. Batchfire isn’t releasing details to Shift Miner on whether it plans to resume that development work.

However, Chief Executive Officer, Peter Westerhuis did say late last year they met with their workforce to provide details about where they’re headed. “Batchfire’s acquisition is on a ‘walk-out, walk-in’ basis meaning that Callide Mine will continue to operate uninterrupted,” Mr Westerhuis said in 2016.

“Our priority is to engage with the Callide workforce, contractors, suppliers and the broader community to ensure the smoothest possible transition after six years of uncertainty over the mine’s future direction, which I can assure them is positive.”

The Callide operation is unique in Central Queensland mining, in so far that most of the coal it produces is sold under contract to CS Energy for generating electricity at the Callide Power Station. The contract price (which was recently renegotiated) is linked to global coal prices, so new owners Batchfire Resources will have enjoyed a significant rally in their contract price since they bought the mine.
Caval Ridge “close to being approved”

BHP has flagged a possible overhaul of its existing longwall coal operations and again put expansion plans at Caval Ridge on the table in its latest half-yearly results.

As anticipated following the big recovery in coking coal (+118%), iron ore (+28%) and other commodity prices, BHP has delivered a strong half-yearly profit of US$3.244 billion, which is around eight times better than last year.

However, the result was not just about better prices. BHP has been able to slash another $1.2 billion from its global costs, and locally, it reported costs per tonne for coking coal were down 8% to $56.

With coal prices stabilising at very viable levels, BHP CEO Andrew Mackenzie says further investment in coal production and productivity is definitely on the radar.

In particular, he says approval is close for the construction of an 11-kilometre coal conveyor linking Peak Downs mine with the Coal Handling and Preparation Plant (CHPP) at Caval Ridge.

In the second half of last year, BHP successfully trucked coal along that route, but using a conveyor would significantly reduce costs and increase production by around 4 million tonnes a year.

“I do not think it is off the radar; I don’t think it ever has been for us,” Mr Mackenzie said.

“This [coal] is one of our pillars, and Caval Ridge [Southern Circuit] is certainly close to being approved.

“We have got a lot of the benefits - albeit at a higher cost - within this period by running what we have at Caval Ridge a bit harder, and also by trucking some met coal from Peak Downs.

“This [coking coal] is a business that we think has good potential, and we look at it in that light.

“It is a particularly attractive business for us because of our position in the market, and the fact that India has no real metallurgical coal, unlike China.”

“There is no doubt that the Chinese tried to restructure their mining activities in both coals through their restructuring of steel, and it has probably made the hulks a little bit more investable than they would otherwise have been.”

However, despite the improvements, BHP says there is still further to go in productivity.

One area they’re optimistic about is the prospect of significantly increasing productivity through applying top coal caving systems to their other operations.

“I just wanted to add that it is an interesting question on whether we can do further longwalls,” BHP CFO Peter Beavis said.

“One of the less well-known facts is the strength of our seams and the fact that we have top coal caving working at Broadmeadow.

“That longwall was the most productive longwall in Australia in this last period.

“That gives us opportunities to deploy that technology in further parts of our resource base.

“We are one of the very few that has the height of seams, and that is definitely something we are looking at, but of course, everything has to take into account the impacts on markets and the value, etc.”

Coking coal profitable 2017

The federal government’s Office of the Chief Economist has forecast that the price for Queensland coking (steelmaking) coal will remain strong until about June, before falling steadily into 2018 because of falling steel demand in China.

That entirely unforeseen spike in US$114 a tonne averaged in 2016. That meant coal sold out of Central Queensland for the first three months of this year is at five-year highs at around US$285 a tonne, which is more than double the benchmark contract price of US$114 a tonne averaged in 2016.

That entirely unforeseen spike in prices will add $20 billion to Australia’s export earnings.

However, beyond March, Economist Gayathiri Bragatheswaran from the Office of the Chief Economist says prices will return to roughly where they were for most of the last year.

“Prices are forecast to decline over the outlook period, as China’s metallurgical coal import demand stabilises,” he said.

“Global metallurgical coal producers have been increasing production in response to higher prices, and China has now eased domestic supply-side policy measures to bring prices down.

“This trend is expected to continue in 2017 and the Australian benchmark metallurgical coal contract price is forecast to average US$186 a tonne in 2017, a 63 percent increase from 2016.

“In 2018, Australian benchmark metallurgical coal contract prices are forecast to decline 42 percent to US$109 a tonne.

China, Japan and India will continue to be our biggest coking coal customers, with India expected to be the fastest growing one.

“India’s metallurgical coal imports are forecast to increase by 12 percent in 2017 to 55 million tonnes, and by a further 3.6 percent in 2018 to 57 million tonnes,” Economist Gayathiri Bragatheswaran said.

“Growth in imports is expected to be underpinned by the increased need for more metallurgical coal to support local steel production, given India’s very small domestic coking coal reserves.”

Coal Spill

The Australian Maritime Safety Authority and the Queensland Department of Environment have launched separate investigations into the source of coal that has been washing up on East Point beach south of Mackay.

As a first step, some of the coal that has been washed up has been sent to the Mines Department who will test it to determine its exact origin. The strong suspicion is that it is coming from the nearby government-owned Port of Hay Point.

Environment Minister Steven Miles told the ABC they’d undertaken inspections of the port facilities and seen photos of footage leaked by local people.

“I will seek advice about how this coal could be impacting on local marine life,” he said.

The footage I’ve seen suggests it’s in a pretty solid state and is washing up onto the beach.

“That investigation found one larger and one smaller source of coal spillage, but it’s not possible yet to say if (Hay Point) is the source of the coal that has washed up on those beaches.”
A miner has won back his job, and around $100,000 in back pay after the Fair Work Commission upheld his claim that he had been unfairly dismissed by Oaky Creek Coal (OCC) in 2015. Former Surface Coordinator at OCC Mr Peter Watts lodged a complaint with the FWC over what he perceived as his unfair dismissal from employment at the mine following a heated exchange with another miner whose role he had recently taken over.

Relations between the two men had been difficult for months according to evidence given to the FWC, but they reached a head in late August 2015. "In summary, Mr Watts and another employee of OCC [called Mr X], were involved in an ongoing conflict," the court said.

"That conflict culminated in a number of exchanges between Mr Watts and Mr X on 21 August 2015 during working time and after work in the car park at the mine site. "Thereafter while travelling home from work, Mr Watts stopped his car in the vicinity of Mr X's home. "Mr Watts said that he did this because he believed that Mr X was following close behind him and was concerned that Mr X wished to continue the altercation at Mr Watts' home."

Following the events above, Mr X complained about the incident which led to an investigation and a mediation process. Both Mr Watts and Mr X agreed to participate in the mediation, and an agreed solution was achieved. However a day later, Mr X made a formal complaint about the same incident, which resulted in another higher level investigation. "A further investigation was conducted by Mr Campbell the maintenance and engineering manager who recommended that both Mr Watts and Mr X be disciplined and that they attend further mediation and training in conflict resolution," the court heard.

"After considering Mr Campbell's investigation report, Mr Sauer, Operations Manager, put the findings to Mr Watts and Mr X, and Mr Sauer [then] decided to dismiss Mr Watts for his part in the events of 21 July 2015. Mr X was dismissed for lying about those events during the investigation of his complaint."

Looking at the background to the August 21 conflict, the court heard that Mr Watts had made some attempts to unofficially resolve the issues that were developing between him and Mr X when Mr Watts took over Mr X's responsibilities.

Mr Watts told the FWC that it became apparent to him soon after commencing with OCC that Mr X had a problem with him, and that others would tell him that: "Mr X had been running him down and badmouthing [him] around site". According to Mr Watts, in July 2015, following a leadership function for supervisors at the mine, Mr Watts claimed he had a discussion with the operations manager, Mr Sauer about his issues with Mr X, during which he claimed Mr Sauer told him an anecdote. "Let me tell you about how I handled a similar situation," he claimed Mr Sauer said.

"When I first took on the job of CHPP Superintendent I witnessed the Maintenance Superintendent abusing some of my employees, I then waited until he was in his office and who-one was around, walked in, gave him a serve and walked out. "I didn't have any more problems after that." Mr Watts claims Mr Sauer laughed then said words to the effect of "then when I became the manager I made him redundant and if you don't stop your shit stirring I'll make you redundant." After that exchange, Mr Watts said he became concerned for his job, and although he did not consider that the situation with Mr X was appropriately addressed or that he could control the situation, Mr Watts understood from Mr Sauer's comments that he could not formally complain about Mr X's conduct.

In the end the court decided Mr Watts had not been treated fairly. "Having regard to all of these matters, I find that Mr Watts’ dismissal was harsh, unjust and unreasonable. "It was harsh because of its consequences for Mr Watts and because it was disproportionate to the gravity of the conduct he engaged in on 21 August 2015. "The dismissal was unjust because Mr Watts was not guilty of significant matters that OCC relied on to conclude that he had engaged in serious misconduct. "The dismissal was unreasonable because the conclusions about Mr Watts’ conduct were based on inferences that could not reasonably have been drawn from the material before Mr Sauer who decided to dismiss Mr Watts."

The Gladstone Engineering Alliance is the latest business organisation to detect increased confidence among its members this year as global commodity prices improve across the board. While Gladstone’s economic well-being depends on the prices of a suite of commodities including, Aluminium, Bauxite, LNG, and of course the cost of power - it’s the coal prices that are sparking confidence in the post LNG boom era.

GEA CEO Carli Homann said the organisation is planning a program of events and workshops for 2017 to continue building and promoting the capability and capacity of the Gladstone local supply chain.

"We’re seeing lots of positive news and signs of hope with smaller projects getting off the ground and we want to make sure our members can capitalise on these upcoming opportunities. "I’m also pleased to announce that our very successful Gladstone Resource Industry Supply Chain Expo will be returning in April to showcase Gladstone’s highly skilled supply chain to major resource companies and the public. "In Gladstone, the non-resident population fell to around 1000 late last year down about 72% from where it was in June 2015. This number will approach zero this year as all major LNG construction projects are completed. "
Near catastrophic miss claims 3 jobs

A once “celebrated” employee who was invited to meet the Prime Minister in 2014 has failed in her attempt to overturn her dismissal by a contractor operating at the BHP-owned Caval Ridge mine near Moranbah.

In February 2016, while working for Central Queensland Services Pty Ltd (CQS), Ms Sarah Engel was involved in a High Potential Incident (HPI) in which she and a shovel operator entered an exclusion zone set up around an explosive charge that had failed to explode during drill and blast activities (misfire).

In evidence tendered to the Fair Work Commission (FWC), it was revealed the shovel operator working at night, unknowingly dug through the misfire exclusion zone, and several hours later Ms Engel who was operating a bulldozer in support of the shovel also entered the exclusion zone. However upon noticing cones set up to demarcate the dangerous area, and upon receiving secondary confirmation from a digital mapping service known as Minestar – Ms Engel realised she was within the exclusion zone and the danger she was in – and carefully followed her tracks out of the area without incident.

While no one was injured, there was a high risk of death or serious injury had the operation of the heavy machinery in the area set off the explosives. It is compulsory that all HPI’s be reported immediately up through the management chain to ensure the risk is removed. Following an initial investigation into the incident the shovel operator – who had 40 years experience – was dismissed.

After an expanded investigation Ms Engel was also dismissed because CQS felt she had failed to appropriately report the incident. Ms Engel gave evidence that after the HPI, she immediately contacted the shovel operator in person, insisting that he let their supervisor (also dismissed over the incident) know what had happened. She also claimed that several hours later she heard a 2-way radio conversation between the operator and the supervisor discussing the incident.

At this point, she considered that the HPI had been effectively reported.

However, after a series of investigations by the Production Pre-strip superintendent, it was found by CQS that Ms Engel should have taken further direct steps to notify management of the HPI herself, rather than relying on the operator who she had observed to have been in a “trance-like” state following the HPI.

Ms Engel did argue that she had not specifically had training in the SOP for this particular event, she conceded that she knew about the danger of the misfire from other training, and a pre-start meeting that day.

The FWC said the Head of Improvement for CQS, Brooklyn Coyle - who was responsible for dismissing Ms Engel - felt she had no alternative other than terminating Ms Engel’s employment.

“Ms Coyle was of the view that Ms Engel either knew or should reasonably have been aware of the location of the exclusion zone and the misfire,” the commission reported.

“Ms Coyle considered that Ms Engel had enough information before her not to have gone into the misfire zone.

“Ms Coyle considered that Ms Engel had failed to take appropriate action to report the incident, further, she concluded that Ms Engel had failed to disclose the conversation she held with Mr Andrews at 3.26am and overhearing the two-way radio conversation between Ms Engel and Mr Graham at 4.08am.

“Ms Coyle considered Ms Engel’s actions in failing to report the incident unacceptable, and it is Ms Coyle’s evidence that she lost confidence in Ms Engel’s ability to perform her role safely. “She did not hold any confidence that should Ms Engel perform work at the mine; a similar incident would not occur.”

While the FWC also considered a whole raft of other side issues, mitigating circumstances, work histories and questions about the fairness of the investigative process, it found they did not materially undermine the decision by CQS to sack Ms Engel.

The FWC concluded that the termination was not harsh, unjust or unreasonable because Ms Engel – among other reasons - failed to directly report the incident to Mr Graham (her supervisor) either over the two-way radio or in person.

She also failed to ensure Mr Andrews (the operator) reported the incident and the extent of the incident unacceptable, and it is Ms Coyle’s evidence that she lost confidence in Ms Engel’s ability to perform her role safely.

“Ms Coyle’s evidence that she lost confidence in Ms Engel’s ability to perform her role safely.

“Ms Coyle’s evidence that she lost confidence in Ms Engel’s ability to perform her role safely.

“Ms Coyle’s evidence that she lost confidence in Ms Engel’s ability to perform her role safely.

In failing to report the incident, [Ms Engel] exposed following shifts to a HPI until the incident was discovered,” Commissioner Hunt summed up.

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March 13, 2017
70 miners reapply for jobs

Around 70 miners have reapplied for their jobs at Foxleigh mine near Middlemount, following a decision by the new owners to bring in contractors to handle wash plant operations and general mine maintenance.

Middlemount South Chief Operating Officer Scott Graham said the changes would allow them to better manage the fluctuating coal market.

“Since taking over operations at the Foxleigh Mine in late August 2016, it has become clear that we need to make changes now to achieve a lower unit cost of production to keep the mine operating over the long term,” Mr Scott said.

“By implementing these proposed operational changes, we expect to not only achieve this but also make the operation more agile and responsive to a challenging market.”

“Sedgman Contractors and Comiskey Mining Services have been engaged to undertake the CHPP operations and the maintenance and mobile maintenance activities, respectively.”

Middlemount South says any miner who become redundant through the change will receive their full entitlements and be guaranteed an interview with the incoming contractors if they want it. Some miners have chosen to take voluntary redundancy.

However, despite Mr Graham saying they have engaged “extensively” with the CFMEU, the union has released a scathing media release saying there will be a net loss of 70 jobs, and that it is another example of the casualisation of the mining workforce in Queensland.

However, despite numerous attempts, the CFMEU were unable to provide any evidence to Shift Miner that the incoming employees would be employed casually, or that there would be a net loss of jobs in the transition from a miner to contractor workforce.

Comiskey Mining Services Brett Comiskey has not responded to calls from Shift Miner.

From a contract mining services perspective, the move is yet another sign of Thiess’ growing stranglehold in the Bowen basin. In March last year Thiess parent company CIMIC (formerly known as Leighton Holdings) launched a successful takeover of Sedgman. In doing so, they inherited Sedgman’s existing work at the Daunia, Coppabella, Dawson, Cavalla Ridge, Lake Vermont, and Moorvale mines, and this contract will add Foxleigh to that list.

Under its own Thiess banner, CIMIC also has current work contracts at Jellinbah, Dawson South, Lake Vermont, Qcoal, Curragh, Burton, Collinsville, South Walker Creek, Tarong and Lake Vermont mines.

That list could get longer if last week’s takeover bid by CIMIC for CQ mining contractor McMahon is successful.

1000 jobs and no railway required?

However, Managing Director of Waratah Coal Nui Harris told media yesterday that they floated the idea in the hope that CEFC might revisit the rules.

“We thought we would throw our hat in the ring,” he said.

“Should Carbon Capture and Sequestration become part of the criteria for the CEFC, then we could basically kick this project off immediately and have it built in a three-year time period and have it fill the power gap that exists in South Australian and NSW.

Galilee Power first lodged paperwork with the government for the proposed 900-megawatt power station 30 kilometres west of Alpha in 2009. Later that year it was gazetted as a “coordinating project” by the Queensland Government. However, that label lapsed in 2015 due to inactivity.

According to the initial terms of reference for the EIS, the power station would generate 1000 jobs in construction and require about 60 people to operate it.

However, the previous cost estimates of $1.25 billion would have to be revisited according to Galilee Power if they were successful in being allowed to make an application to the CEFC.

A subsidiary of the Clive Palmer-owned Waratah Coal has lodged an expression of interest with the federal government’s Clean Energy Finance Corporation (CEFC) for the construction of a low-carbon power station in the Galilee basin.

The move is a speculative one for the proponents Galilee Power Pty Ltd because carbon capture and storage is not currently recognised by the CEFC as a “clean” energy technology that it can invest in.

New Surat pipeline

APA has not said how many jobs the $80 million project will create. However, they have applied for approval to establish temporary accommodation facilities nearby as part of the total project application.

The pipeline will stretch from the APLNG Reedy Creek CSG processing facility 60 kilometres west of Wandoan, and head south-west to the Wallumbilla gas hub roughly 40 kilometres East of Roma.

“The pipeline will be approximately 50 kilometres (km) in length with a diameter of 460mm,” APA said in their submission.

“Permanent aboveground facilities will include end of pipeline facilities and marker signs to delineate the location of the pipeline.

“Construction of the pipeline will occur within a construction corridor of typically 30 metres (right of way - ROW) in width, with additional areas required for soil stockpiling, pipe stockpiling, vehicle turn around areas, access tracks, water access and storage, sourcing rock, gravel and sand/silt and other activities incidental to or associated with the construction of the pipeline.”

APA lodging paperwork with the Federal Environment Department for the construction of a fifty-kilometre pipeline.

The pipeline will be approximately 50 kilometres (km) in length with a diameter of 460mm, APA said in their submission. APA has not said how many jobs the $80 million project will create. However, they have applied for approval to establish temporary accommodation facilities nearby as part of the total project application.

The project will be welcomed news for some of the thousands of workers who lost jobs during an almost complete freeze on new CSG projects in the Surat Basin over the last three years.

During that period, a massive oversupply of oil caused a collapse in gas prices rendering many projects in Queensland unviable.

However this month, global mining giant BHP says the oversupply of oil is almost over, and they are predicting oil and gas prices to recover.

“Demand growth and natural field decline suggest the world will need 30 million new barrels per day by 2025, which is equal to roughly one-third of total global supply today,” BHP Billiton vice president of petroleum marketing Michiel Hovers said.
FIFO here to stay

A Queensland Parliamentary Committee charged with looking at the fine print and practicality of a bill tabled in Parliament last year to stop 100% FIFO, has recommended the removal of some critical definitions.

The Infrastructures, Planning and Resources Committee (IPRC) has recommended that instead of “local” meaning someone living within 100 kilometres of a mine, and a “regional community” being a town of at least 200 people, the IPRC recommends the Co-ordinator General should now decide what those terms mean.

The IPRC also recommends that FIFO be expanded to cover all resource projects, not just the “large” ones as was previously the case.

The removal of these definitions makes the bill even less definitive, and will instantly add dozens of pages to any social impact assessment and will instantly add dozens of pages to any social impact assessment.

Firstly, the IPRC recognises that under the FIFO bill, a mine only has to have a single person employed from a “local community” to be approved.

“The legislation would not preclude a high percentage of FIFO workers being employed.”

So for a large operation employing 1000 people in the Bowen Basin, the bill is happy if just 0.001% of the workforce is local.

Secondly, the IPRC concedes the bill leaves the door open to 100% FIFO practices will have limited application,” the IPRC wrote.

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“It is recognised that the prohibition of 100 per cent FIFO practices will have limited application,” the IPRC wrote.

“However, the onus of proof is on the employer to explain why they employ one person over another, and if they haven’t got the paperwork to prove it they can be liable for upwards of a $1 million.

So a disgruntled local can (and they will) take legal action to argue that they were passed over for a job simply because they were local. The employer will then have to provide a paperwork trail illustrating the myriad reasons they could have chosen one person over another.

But the list goes on.

Like who decides when the skills required cannot be found locally, greenlighting a 100% FIFO workforce?"

What happens when a miner decides to relocate away from the Bowen Basin and commute to work to give their kids an educational opportunity, will that put their job at risk?

What about the anti-discrimination legal minefield that will exist for jobs that stipulate “residential only”, which are everywhere at the moment?

QRC Chief Executive Ian Macfarlane shared these concerns, arguing yesterday’s report will deliver further bureaucracy.

“This Bill will add unnecessary extra red-tape to our sector’s operations, and lower the state’s competitiveness, at a time when the sector is rebounding, and more jobs are coming onto the market.

“It is worth noting that of the (nearly) 50 operating coal mines in Queensland, just two were originally designed as 100 per cent FIFO mines. “These two mines were approved as FIFO mines by the previous Labor Bligh government at a time when the sector was at its peak, and there was an extreme shortage of skilled workers to fill jobs.

“However, since operations began at these two mines, both now use local contractors to service the mines and are therefore no longer 100 per cent FIFO.”

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March 13, 2017
Life after a Brazilian

Fitzroy Australia Resources (FAR) has delivered an upbeat assessment of the future of its coal mining assets in Central Queensland in a presentation in Mackay this week.

Chief Executive Officer for FAR Grant Polwarth, told members of the Mackay-based Resource Industry Network that since acquiring the mine in December last year, they had completely reversed the direction of operations.

“The mine under previous ownership was purely a longwall operation; they’d stopped all development operations as they were winding the mine down,” Mr Polwarth said.

“We’ve come on, and we’ve had to move very quickly, think out of the box, on how we can give ourselves continuity through 2017 and mine towards the north to unlock the reserves in the northern area.

“We’ve breathed life into the mine and given it a future.”

The decision by the company to abandon previous owner Vale’s plans to put the mine into care and maintenance in April is great news for the nearly 200 employees who would have become redundant.

Those employees will now remain working at the mine, as well as close to 100 casual employees who have been brought in to help FAR catch up on its mine development and expansion work.

FAR is a subsidiary of global commodities and resources group AMCI which is controlled by American based coal billionaire Hans-Jürgen Mende.

AMCI has a thorough understanding of the Carborough mine having been the owner back in the early 2000’s before selling it - and some other NSW and QLD coal mines - to Vale in 2008 for around $835 million.

Vale then spent a further $400 million on the Carborough mine. While the price AMCI paid Vale to buy back the Carborough mine has never been made public, it would appear to have been exquisitely timed, with a major rally in coal prices in the same month they closed the deal making the mine profitable again.

Mr Polwarth also says the recovery in coal prices has meant the adjacent Broadlea open cut coal mine is once again viable, and they are exploring options to take that pit out of care and maintenance this year using a contracted workforce.

The Carborough Downs underground mine is 20 kilometres east of Moranbah and produces predominantly hard and semi-hard coking coal with pulverised coal injection (PCI) coal as a secondary product. Total mining capacity is 4 Mtpa of which 2.8 Mtpa is sold. At peak production, Carborough Downs employs around 500 people.

Miners Walk

After years of feeling too vulnerable to risk their position, miners are starting to move between jobs in search of better rosters, pay and job security.

One miner told Shift Miner that nearly a third of his crew had left for new jobs.

“We lost six on our crew alone last week,” he said.

“Most of them have gone to other jobs in the Bowen Basin, although some of the positions were offered as FIFO out of Townsville, but I think they were labour hire positions.”

“The three big reasons people are moving is because they want a more permanent role, there is more money on offer, or they can get a better roster or can fly to work rather than drive.”

While the loss of jobs during the downturn is well documented, the loss of pay and conditions and the rise in labour hire has been less obvious to people outside the industry.

For many employees, working casually in mining was considered better than not working at all, so despite all the complications of only working on a day-to-day basis, they remained.

For many employers, the depressing outlook for coal and gas before June last year meant recruiting new full-time employees was out of the question because they were already losing money or at best break even.

However, as the coal price made its astonishing comeback in 2016, ending the year at record Australian dollar levels, recruitment and labour-hire firm DFP Resources says so too has demand for people.

“Job opportunities have increased 20.5% in 2016,” they said in their December mining and resources job index.

“Permanent vacancies are up 14.7% and temporary and contract roles up 23%.”

“Queensland led the way with a 33.9% increase over the year, coal has had the most spectacular growth, with vacancies increasing by 61.7% in 2016.”

Twigging onto coal?

Iron ore miner Fortescue Metals Group says unsubstantiated claims in the US that they had made an “indicative” bid of more than $1 billion for the Curragh mine near Blackwater are “incorrect”.

“Fortescue Metals Group advises that media reports regarding the submission of an indicative bid for Wesfarmers Curragh coal mine assets on Monday 27 February 2017 are incorrect,” the company said in a carefully worded statement yesterday.

“We are focussed on debt repayment and capital flexibility, investment in the long term sustainability of our core iron ore assets, creating low-cost future growth options and delivery of returns to our shareholders.”

However, the way the statement is written hasn’t done anything to quell speculation that Fortescue is interested in investing in coal and sees Curragh as an excellent way to do it.

“Technically, the "incorrect" component of the statement could just mean the bid was "real" not "indicative", or that it didn’t all happen on Monday. Certainly, they are not the words most people would use to rule out an interest in buying a coal mine.

While Fortescue has been open about its plans to diversify out of its mainstay iron ore, it has never said that diversification would involve coking coal.

In fact, given coking coal is linked to the exact demand dynamics that iron ore is, it might not represent diversification at all. However, on the other hand, they have an enormous understanding of the steel market and huge experience in running ultra low-cost bulk commodity mines.
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Daryl Watson Engineering
Two companies controlled by Clive Palmer, have taken the first step in the development of a large open cut, thermal and semi-soft coking coal project near Goomere 130 kilometres north of Rockhampton.

Styx Coal and Fairway Coal – two subsidiaries of the Clive Palmer controlled Mineralogy business – made a submission known as a “referral” to the Federal Government late last year outlining their plans for the Styx Coal Project.

“The Project consists of two open cut pit operations that will be mined using a truck and shovel methodology,” they said of the proposed 25-year project.

“Peabody Energy can confirm completion of the transition of the Burton mine into a care, maintenance and rehabilitation phase in December following successful completion of the Thiess mining contract,” a Peabody spokesperson told Shift Miner.

“Peabody continues to undertake progressive rehabilitation at the mine, and is committed to its Australian platform and the Bowen Basin, as a core region where we are one of the world’s largest suppliers of high-quality seaborne coal for electricity generation and steelmaking.”

Peabody acquired the Burton mine in April 2004, and in 2014 the mine produced 2.1 million tonnes of coal via their operations contractor Thiess who employed around 900 people.

However midway through 2014, Peabody slashed the mine’s workforce by two-thirds as it responded to falling coal prices.

The beef grazing property was at the time of the Mine’s closure a major oversupply of coal that followed the biggest mining construction boom ever between about 2007 and 2014.

However, that oversupply from Australia could be fast unwinding, with year on year record coal exports on the one hand, and an almost complete halt on drilling efforts to find new economic coal deposits on the other.

“This is partly due to the enormous exploration activity and the resulting oversupply of coal during the transition to low prices in the market,” the OOCE said.

“The rally in some commodity prices in the second half of 2016 – particularly for coal and iron ore – will alleviate some of the pressure on Australian producers.

“However, investment decisions are taken with a long-term view of market conditions, and short-term price lifts are unlikely to have a significant effect on exploration activity and the progression of projects along the pipeline.”
Adani viable at these prices?

The latest forecast for Australian thermal coal prices by the highest economic office in the land, would in theory make Adani’s proposed Carmichael mega mine in the Galilee Basin break even or better on a cash basis for the next two years.

Gayathiri Bragatheswaran from the Office of the Chief Economist, forecast that annual thermal coal prices (contracted) this year will settle around $US62 a tonne, before falling 11 percent to $US57 a tonne in 2018.

In 2015, a theoretical cash cost of coal production at the Carmichael mine of around $US62 a tonne was in circulation, which several months later India’s Business Today magazine claimed had been revised to around $US50 a tonne by Adani in the new post boom era.

While even at the higher end of the spectrum, the Carmichael coal mine could have economic legs, it’s important to remember that Adani has on many occasions said they were not too concerned about the fluctuating coal price. Instead, saying their major concern was having access to a very large, low-cost, quality thermal coal deposit that India could rely on for decades to come.

However, the quarterly report by the Office of the Chief Economist did make some less bullish observations about the amount of thermal coal expected to be imported by India.

“India continues to seek lower dependence on thermal coal imports, and in 2015 imports declined for the first time since 2003,” Gayathiri Bragatheswaran said in the Resources & Energy Quarterly Report.

“This decline continued into 2016.

“Imports in the September quarter declined 37 per cent year-on-year, and are forecast to decline 3.7 per cent in 2017, to 155 million tonnes.”

However while imports have been falling, the country’s thermal coal energy demand is increasing with nearly 100 new coal fired power plants currently under construction and scheduled to come online by the end of 2018.

So the issue in India is not growing demand, it’s how much of that demand will be imported according to the Office of the Chief Economist, because the Indian Government wants the country to be less dependent on thermal coal imports.

State-owned miner Coal India - which is responsible for more than 80 per cent of India’s coal production - has outlined plans to significantly increase thermal coal production through scale and technology.

However, even with more coal being supplied domestically, the Office of the Chief Economist expects total thermal coal imports into India to rise by two million tonnes in 2018.

In China, demand for thermal coal is also expected to grow through 2018, but by modest amounts as the country switches from “an industrial economy to a less-energy intensive services economy”.

Interestingly in Japan - the most developed Asian Economy - demand for thermal coal is increasing in line with the Government’s plan to gradually increase thermal coal use as it moves away from nuclear power in the wake of the Fukushima disaster.

So overall the amount of thermal coal leaving Australian shores in the next two years is not expected to change drastically, however However, with countries like Indonesia and China both producing more coal, prices are expected to fall from their current five year highs.

That said the price outlook is considerably better than in 2015 when the Office of the Chief Economist was predicting prices around $US60 a tonne.

Wotif...I bought a mine

Condamine businessman and farmer Lyn Brazil has invested nearly $A10 million into Stanmore Coal this month.

Mr Brazil was ranked the 55th richest person in Queensland by the Courier Mail in 2014 and has extensive interests in agriculture and property. Perhaps his most well-known investment was in online room booking business Wotif, which netted him around $30 million when it recently sold for about $700 million.

Mr Brazil bought around 16 million shares in Stanmore Coal which has given him control of just under 6.5% of voting stock, making him a significant, but minority shareholder in one of Central Queensland’s newest coal companies.

Mr Brazil’s investment success in the past seems to have got others thinking, with share prices in Stanmore increasing around 10% in the week following the purchase.

However, his investment is also a sign that he believes in coal, and that management can overcome the production issues they’ve had in the last six months at their flagship Isaac Plains mine south of Moranbah.

Stanmore failed to meet production targets at Isaac Plains in the last half of 2016, meaning they were unable to sell roughly half the coal produced in the December quarter at peak prices because they were still fulfilling contracts set at lower prices earlier in the year.

The company even went into a trading halt in December when they sought to raise $15 million to fund increased development work associated with a revised mining plan which will allow them to access lower cost coal.

However, Stanmore believes the extra investment in development work funded by the capital raising late last year will bear fruit when strip ratios for target coals will temporarily fall by around a third in 2018, which they hope will allow them better profits in the short term.

Meanwhile, Stanmore says it’s pushing ahead with the development of the Isaac Plains East tenements (formerly known as Wotonga) which they purchased in 2015 from Peabody for around $7 million.

The IPE deposit is more or less undeveloped and scheduled to come online by the end of 2018.

So overall Stanmore is predicting that for the first time since 2003, “India continues to seek lower dependence on thermal coal imports, and in 2015 imports declined for the first time since 2003,” Gayathiri Bragatheswaran said in the Resources & Energy Quarterly Report.

Adani viable at these prices?
CFMEU loses appeal at Capcoal

The CFMEU has failed in its attempt to appeal a decision by the Fair Work Commission late last year not to impose a bargaining order on Anglo American which would have seen sacked union members returned to their former roles.

In December the CFMEU argued in the FWC that when Anglo decided to make 81 employees redundant - a significant number of whom were part of the 140 employees who took protected strike action for nearly five months - it represented a failure to fairly bargain over a new Enterprise Agreement. However, FWC Deputy President Asbury rejected their claim, even though she conceded that Anglo American had been using labour hire to fill positions vacated by striking workers and that striking workers would suffer for their strike action.

The fundamental principle applied by Deputy President Asbury was that the decision by Anglo to shut down a pre-strip circuit at the cost of 83 jobs, was based out of business necessity, rather than out of malice toward the striking workers.

"The evidence establishes that because of the industrial action there were insufficient operators attending for work to operate both the draglines and the Shovel and its associated fleet," she said.

"In those circumstances, Capcoal management revisited an earlier plan where it had considered parking up the shovel on a temporary basis and decided to implement this outcome on a permanent basis.

"I am satisfied that this decision was taken for legitimate and valid operational reasons including a significant cost saving to the Company in the order of approximately $40 million."

A full Bench of the FWC agreed to have a second look at the findings of Deputy Asbury and yesterday concluded that the decision was valid.

"It is not unfair for an employer suffering loss and damage as a result of employees taking industrial action to decide, on legitimate business grounds, to restructure its business to manage or offset that loss and damage, and to decide to make employees redundant in the process," the FWC said in dismissing the appeal.

"In this case, we are satisfied that the Respondent [Anglo American] has shown legitimate business reasons that justify its conduct, specifically, that its conduct assisted it to save approximately $40 million."

"Employees who engage in protected industrial action are "protected" in that their action is not unlawful under the Act and that they are immune from certain civil and criminal liability for engaging in the action.

"This does not, however, mean that an employer of employees who take protected industrial action is not able to respond to protected industrial action, for circumstances created by such action, in a manner that addresses its legitimate business interests, provided it meets its obligations under the Act.

"On the basis that the Respondent’s conduct was unfair or capricious, and as a result, the appeal cannot succeed and must be dismissed."

Garland makes a return to CQ

Twelve months after parting ways with Caledon Coal, well known CQ coal mining identity Brett Garland has returned to the region as CEO for the Baralaba Coal Company. It’s been a tumultuous few years for the company formerly known as Cockatoo Coal. In late 2015 it was forced into administration when coal prices collapsed, but six months later was rescued by one of its principal shareholders, although the rescue came at an eye-watering cost of some of the businesses biggest shareholders and creditors.

For roughly the last six months the Baralaba Coal Company’s mines around Baralaba have been on care and maintenance while it waited for the coal price outlook to improve.

However, off the back of record coal prices late in 2016 the company has announced it will recommence operations next month.

“Brett will lead the company as it prepares to restart operations at the Baralaba North mine,” Baralaba Coal Company said in a written statement.

“Mr Garland is a mining engineer with over 30 years experience in the Australian coal mining industry and possesses significant experience in Queensland open cut coal mining operations.

“Recently Brett has been a contract general manager with Delta SBD where he focussed on the restart of operations at an underground coal mine in NSW.

Mr Garland spent five years at Caledon Coal, the most recent two years of which were in the capacity of Managing Director. In his new role he will be paid a base salary of $400,000 excluding superannuation, and will be entitled to participate in short and longer term incentive schemes.

The Central Queensland CSG industry will deliver on its economic promise over the next two years with the total value of LNG exports out of Australia expected to increase by 50 percent to $37 billion.

The massive increase in exports and value reflects the fact that more than $100 billion dollars has been spent in the last decade building a new Australian LNG industry, and these projects are now in the operational stage.

However, local businesses shouldn’t expect much change in the outlook for an opportunity on the ground.

While there remains significant work in maintenance and upstream gas well expansions in the Surat Basin, the Office of the Chief Economist is not flagging a noticeable improvement in gas prices.

Without a major improvement in prices, it’s unlikely that there will be the stimulus required for major new CSG construction projects - like Arrow Energy’s Bowen Gas Project.

“The price of LNG into Japan, Australia’s largest market and the world’s largest importer, averaged US$7.05 a gigajoule in October, up from US$6.13 in July reflecting the effect of the oil price rally during the first half of 2016,” the OOCO said.

“LNG contract prices are expected to rise over 2017 and 2018, in line with the forecast for a recovery in oil prices to over US$60 a barrel.”

Not surprisingly China is expected to be the fastest growing market for LNG following a government decision double its allocation in their energy mix from five percent to ten percent.

In 2016 Chinese LNG imports increased 28 percent and are expected to increase by 34 percent next year.

Australia’s total gas production is projected to increase 58% between now and 2018.
60 days not sustainable

Chairman of the Resource Industry Network (RIN) Tony Caruso says big miners need to revisit the hyperextended payment terms they forced on their suppliers at the bottom of the mining downturn.

Just over twelve months ago both BMA and Rio Tinto outraged local businesses when they decided to double the time they would take to pay their bills from 30 to 60 days.

In reality however, that meant some businesses are still waiting more than 120 days to get paid by the time “delays” and other “issues” are resolved in the invoicing process.

Despite the decades of mining cycles in Central Queensland, this is the first time this sort of payment squeeze has been applied by the big miners.

However, with few viable alternatives, the struggling mining support sector has reluctantly accepted them.

However now, with stronger coal prices supporting profitable operations across the coalfields, Mr Caruso says it’s important that pressure is applied to ensure that these late payment terms don’t become enshrined.

“Obviously a lot of big miners are returning to profitability, driven by both better prices and lower costs,” he told Shift Miner.

“As yet we haven’t seen that translate into a return to better, or more traditional payment terms, but the sense I get is that it might happen if and when power prices become competitive.

“It is an on-going concern for our business that the trajectory for wholesale electricity prices in Queensland is a significantly increasing trend - doubling since October 2014.”

However, in the last fortnight, Rio Tinto has announced the production cuts will be nearly double what was first thought, despite the fact that prices for aluminium have increased between 10 and 15% since the historic lows of 2016.

“Gladstone’s Boyne Smelters Ltd will be reducing production by 14 percent after failing to secure a competitively priced electricity contract,” a Rio spokesman said.

“There will be a significant number of jobs lost as a result.”

BLS has adjusted to it, there might be a temptation by big miners to leave the terms as they are.

...and that’s bad for the whole economy, not just those dealing directly with the big miners.

The terms of trade issue is one concern, in an otherwise optimistic outlook for the region’s mining support sector.

Power crisis claims 100 jobs

The number of jobs expected to be lost at the Boyne Smelter (BSL) in Gladstone has doubled as owner Rio Tinto slashes production to cope with spiralling power costs.

At full production, the BSL facility consumes around 12% of the state’s power in the process of converting Alumina into Aluminium, and as such the bottom line is highly sensitive to the price of electricity.

While 85% of BSL’s power comes from the Gladstone Power Station (of which it owns 42.5%) under long-term contracts, the remaining 15% of their needs have been purchased on the national power spot market since 2015.

However, BSL’s decision to buy on the spot market has ended up being a costly one with the price per megawatt rising from around $70 to nearly $14,000 in a single week in January.

With predictions that this sort of pricing could become an ongoing feature of the power spot market, BSL General Manager Joe Rea said they would be cutting production.

“This is the second time in three years we’ve had to curtail production on a large scale because of uncompetitive electricity prices,” he said in January.

“BSL is paying more than 500 times more than what it costs to generate electricity. ”

The decision to curtail production is a very difficult one. It takes months, not weeks, to bring the smelter back to a stable full capacity, and that can only happen if and when power prices become competitive.

“It is an on-going concern for our business that the trajectory for wholesale electricity prices in Queensland is a significantly increasing trend - doubling since October 2014.”

However, in the last fortnight, Rio Tinto has announced the production cuts will be nearly double what was first thought, despite the fact that prices for aluminium have increased between 10 and 15% since the historic lows of 2016.

Gladstone’s Boyne Smelters Ltd will be reducing production by 14 percent after failing to secure a competitively priced electricity contract, a Rio spokesman said.

“There will be a significant number of jobs lost as a result.”

BLS management is meeting with its employees over the next fortnight to find ways of minimising the job losses, but with roughly 1000 people employed at the facility, a 14 percent production cut will correlate to around 100 job losses by the end of the month.

Stronger coal prices have translated into a significant increase in work in the last three months, with the best start to a calendar year for a long time.

Mr Caruso says some of the long anticipated “maintenance tsunami” has arrived.

“Very much so,” he said.

“If you look across the mining services businesses, everyone is absolutely struggling with the labour shortages, and that is evidenced by the number of jobs ads around.

“But there is always a time lag between a downturn and when the work realisation is going to flow.”

“And I think that is the stage we are in right now.

“It’s going to take sustained profitability for the big companies to start offering contracts and positions with some tenure in them.

“But a lot of people are going to be very cautious about coming back.

“It’s been a very traumatic time.”

Mining Women

Fourteen women involved in the Central Queensland resources sector have been nominated as finalists in the 2017 Women in Mining and Resources Queensland Resources Awards.

Women working for BMA dominated the list of finalists, although girls making their mark at Peabody, Rio Tinto, Hastings Deering and Bechtel were also nominated.

According to the Queensland Resources Council - which hosts the awards - the number of girls in non-traditional roles in mining is now around 12% of the total workforce, which is roughly double where it was a decade ago.

“These awards, presented annually since 2006 on International Women’s Day play an important role in recognising our leading women and diversity champions while providing role models and ambassadors for our sector,” said Queensland Resources Council Chief Executive Ian Macfarlane.

“They also encourage our member companies to improve their gender balance and ensure that they benefit from the well-documented cultural and business advantages of a diverse workforce.

“We are confident that with the sector again on the upswing, we can reach our goal of at least 20 percent women in non-traditional roles by 2020, particularly when companies like BHP have a 50 percent goal by 2025.”

Women make up just over 15 percent of Queensland’s total resources workforce.

March 13, 2017
Mayor Anne Baker is calling on local legends to carry the Queen’s Baton in Isaac as she said.

“I’m proud of our communities for Round 4 of Major Grants is open Community Grants Program.

2016-17 Community Budget Bid.

Mayor Anne Baker has thanked the community groups and organisations through its Community Grants Program. Round 4 of Major Grants is open now, with applications closing April 15.

More details are available at www.isaac.qld.gov.au/isaac-community-grants or contact Isaac Regional Council’s 24/7 Customer Service Centre on 1300 ISAACS (1300 472 227).

Successful Bid: Clermont Skaters like Amelia Thompson are now enjoying the shade cover of the Skate Park, part of a successful 2016-17 Community Budget Bid.

Mayor Anne Baker has thanked the community for the more than 450 bids that were submitted in the latest round of Isaac Regional Council Community Budget Bids.

“I’m proud of our communities for taking the time to lodge submissions,” she said.

From now until 15 May 2017, anyone can nominate a person who inspires them to be great. GC2018 are looking for people who:

- Have achieved something extraordinary or inspired others to achieve something extraordinary
- Have made a significant contribution to either sport, education, the arts, culture, charity or within their community.
- Have excelled, or aspire to excel athletically or personally
- Contribute to a fun, friendly, vibrant and inclusive community.
- Are at least 10 years old as at 25 December 2017
- Are an Australian citizen or lawfully entitled to reside in Australia during the Relay period (25 December 2017 – 4 April 2018).

Nominations can be made at gc2018.com/qbr.

Athol update

A restart of mining operations at the Blair Athol coal mine near Clermont have taken a big step forward, with prospective new operator Terracom, receiving a letter from the Queensland Government indicating they will approve the transfer of the mining lease to Terracom as the mines new owners.

Delays in getting this approval have stopped Terracom meeting their objective of a restart to mining at Blair Athol by last Christmas.

However, the company anticipates they will be able to get things moving on the ground soon.

“TerraCom is pleased to announce that its wholly owned and operated subsidiary, Orion Mining Pty Limited, has received advice from the Queensland Government that it’s ‘...minded to grant an indicative approval subject to conditions ...’ for the transfer of the mining lease for Blair Athol,” Executive Chairman of the company Cameron McRae said.

“TerraCom has advised the Queensland Government that it can meet the conditions, which the TerraCom board does not believe are onerous.

“TerraCom is of an opinion that a final decision on the Indicative approval will be made shortly by the Queensland Government.”

In September 2016, Terracom reached a binding agreement to buy the mothballed Blair Athol coal mine from Rio Tinto, for a headline making $1 nominal price, plus tens of millions of dollars worth of undisclosed liabilities.

Also part of the deal was an $80 million contribution, by Rio Tinto to the significant rehabilitation costs associated with the mine. If all goes as planned, TerraCom says it will move its corporate head office to Clermont and get busy putting the existing dragline and truck fleet back to work, selling coal into a robust market as soon as possible.

Terracom has reviewed and revised the estimates of how much coal exists at the Blair Athol coal deposit to a JORC measured resource of around 12 million tonnes.

The company says restarting the mine will generate 300 jobs.

450 ideas welcomed

“This is their opportunity to let us know where they think funds are most needed.

“Of the more than 450 submissions, there were 64 unique bids.

“Suggestions include upgrades to showgrounds, various community halls, sporting facilities, roads, parks and more.

“The response shows we have passionate community members who are actively working to energise Isaac.

While we can’t guarantee all bids will be successful, your valuable feedback will help Council prioritise projects using the available funds.”

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are needed to share the dream of the ‘friendly Games’.

A community batonbearer nomination program has opened which will offer the people of Isaac and the surrounding region an opportunity to carry the Baton and represent the community.

Mayor Anne Baker said she was excited to be a part of an event that will take Isaac to the world.

“I encourage you to nominate a local legend you think deserves to be a Batonbearer,” she said.

“The Queen’s Baton Relay is a unique opportunity to shine a light on the people and places that help make our community truly great.

“The Queen’s Baton Relay is not only a symbol of the Commonwealth Games, but an event that will connect Isaac with communities across Australia and the entire Commonwealth.

“And it means Isaac will play an important part in the largest multi-sport event to be staged in Australia in a decade.”

Nominations can be made at gc2018.com/qbr.

The eyes of the Commonwealth will be on Isaac on Wednesday the 21st March in 2018 as the Queen’s Baton Relay journeys towards its final destination, the Gold Coast Commonwealth Games Opening Ceremony.

Local legends are being called on to join approximately 3,800 Baton bearers across Australia that will offer the people of Isaac and the surrounding region an opportunity to carry the Baton and represent the community.

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Dear Frank,

I'm not doing so well financially lately due to the ongoing downturn in mining and I can't afford to woo the ladies. Can you give me some tips on how to do things on the cheap and not come off stingy?

– Dave

Dear Dave,

Unfortunately, no. I can't. You see, I have found in my years of experience the level of love and attention you receive from any female is directly proportional to the amount of money you have.

I call it, Frank's Theorem on Love and Money. So far I have been unable to find any institution willing to recognise this and award me an honorary doctorate... including several Nigerian universities.

Nevertheless, I back my theory and as a result, Dave, you are out of luck when it comes to wanting to do things on the cheap. But don't worry as there is a solution to your problems: make more money. And I will help you with this.

Now, the term 'Get Rich Quick Scheme' tends to conjure up negative images, especially when used at a retirement village or at a group session for gambling addicts.

To be fair, there certainly are a few charlatans out there, and I should know, I'm probably the only man to fall victim to as many fraudulent investment schemes as I have started up.

But this is not one of those times. I want to talk to you and the fine readers of Shift Miner about a "revolutionary idea" which I have purchased from the good people at Shelf Company Pty Ltd.

You will note that the "Triangular Wealth Generator" is completely lacking a third dimension, and is therefore, not a pyramid scheme. But it is not a matter of just wanting to be involved Dave. You need to have "synergy", "get-up-and-go", be "cutting edge" and have "blue sky thinking". I have no idea what any of these things are but the charming salesman at Shelf Company Pty Ltd assured me that despite knowing me for literally minutes it was plain to see I had them in spades!

So Dave, if you have all of these things then I encourage you to be a success story like me and mortgage your house to be "a part of the most exciting profit maximising engine in history". And that my friend, is straight from their brochure.

Yours,

Frank

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**MadMumzie.com**

**IS THE GRASS GREENER ON THE OTHER SIDE?**

Due to competition among contractors and there being more jobs around, (at last) lot’s of miners are hopping between jobs.

Many are changing because of money, rosters, travel distance and type, but holidays and sickies are also important. Less commonly miners are changing for a “shirt,” but before you switch for that extra $1/hour, or choose a plane ride over driving, I ask you to think about a few other parts of your current job.

- **Love**
- **Money**

---

**Sensible Susan:**

**Dear Dave,**

The cheapest things are normally the most romantic. A walk on the beach, a trip to the museum or a picnic at the park. All true romantics love these things. I would recommend not mortgaging your home to invest in a one man company whose only employee is a salesman with a clip on pony-tail. Like Frank has done.

Yours,

Susan

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**March 13, 2017**

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**Frank The Tank’s**

**Streaking good love advice**

It is very simple: you are allocated a certain brand of products to sell, a small percentage of your sales goes to the person who signed you up and a certain percentage of that goes to the person who signed them up, and so on.

Shelf Company Pty Ltd assured me this was not a pyramid scheme. Completely different! The lovely salesman advised me that it was a "Triangular Wealth Generator".

You might be excited to swap a car for a plane ride, but how will you get home in an emergency? How far do you live from the airport? How much to park your car each swing? How long until you get sick of bloody airports check-ins? You might be excited to swap a car for a plane ride, but how will you get home in an emergency? How far do you live from the airport? How much to park your car each swing? How long until you get sick of bloody airports check-ins? The Frequent Flyer points might rise of $2/hr at your old site, leave for $1/hr, they give a pay increase extra time onto already long working hours. Old timers set in their ways. New miners are changing for a “shirt.”

The opposite could also be true. A fresh new start with new people to meet, possibly old mates and maybe your favourite supervisor could be there.

Living. What is the camp like? Will you have a permanent room or will it be hot bedding? Will you be going from larger to smaller, new to old, comfortable to crap, or vice versa? Do you have to pay for uniforms? Are you at ease now with how your site runs? Where is everything? When to pay for uniforms? Are you at ease now with how your site runs? Where is everything? When to park up and when NOT to? Who’s up who and who’s paying? Are you ready to jump out of that comfort zone?

How would you feel if after you leave for $1/hr, they give a pay rise of $2/hr at your old site, or the roster changes, or that arsehole leaves...to where your heading?

Lastly, what does your gut tell you? I decided to change jobs once thanks to a vibrant butterfly flying in front of my truck! What will be your “butterfly” moment that says, yes this is right- be it to stay, or to change?

Remember the grass is not always greener!

Cheers,

MM
1500 new jobs for CQ?

Collectively, Pembroke says the proposed open cut truck and shovel mine development would generate around 600 construction jobs and nearly a 1000 operational roles. The mines would last for 37 years and produce 15 million tonnes ROM coal a year at full production. The lodging of referrals with the Federal Department of Environment is a small but significant step for the development of a new mine. The acceptance of a referral simply entitles Pembroke to begin the enormous task of getting an approved EIS. Concurrently they also need to get special approvals for water, and if both these are approved, they then need to get a mining lease.

However, the referral is nonetheless a sign they are serious about it. Accordingly, Pembroke has flagged first coal in 2019 although Chairman (and former Gloucester Coal managing director) Barry Tudor told national media they are working as fast as they can.

“We know it’s a world-class asset and we are advancing it as quickly as we can,” he told The Australian. The Olive Downs coal deposits have been on the radar for at least a decade. They were formerly owned by Macarthur Coal and acquired by Peabody when they bought the Macarthur business.

However, with Peabody entering into administration last year, Pembroke – with the backing of US-based private equity firm Denham Capital - bought the Olive Downs South and Willunga deposits for $US120 million plus royalties, saying they were among the best coking coal deposits in the world.

“We were very picky; we looked at everything out there as the market fell,” Mr Tudor told media. “We wanted good quality metallurgical coal, good location, with no infrastructure challenges and volume, and that’s what we got with Olive Downs.”

Of particular interest to Pembroke’s financiers was that the Olive Downs project could – in theory – be developed incrementally according to market forces.

However, this goal of staged development is best achieved if Pembroke can either gain full control of or buy, the adjacent Olive Downs North tenement from the Coppabella Moorvale JV who were Peabody’s junior partner in the tenement.

In this ideal scenario, Pembroke could theoretically start mining its deposits very cheaply and use the nearby Moorvale wash plant under contract, to process the coal for export through Dalrymple Bay Coal Terminal.

However, the CMJV has yet to agree to this.

Other notable elements of the Olive Downs proposal are that Pembroke says it won’t be building any new accommodation, instead relying on existing mining camps and a local workforce.

They plan to wash the coal using water supplied by the Eungella Pipeline Network from a point near the Peak Downs mine, and they will need to build an 18-kilometre rail spur connecting them to the North Park branch railway to export. Pembroke has so far had meetings with the Isaac Regional Council, local landholders and the native title group the Barada Barna People.

Key port upgrade

Adani has spent $8.5 million upgrading the capacity of their Abbot Point Coal Terminal (APCT), which is at the centre of Adani’s yet-to-be-approved plan to build a mega mine in the Galilee Basin.

Renovations of APCT’s 30 year old Marine Offloading Facility (MOF) have been completed, which will allow the transfer of large equipment and materials to the port by barge rather than by road.

As evidenced by the building of Gladstone’s CSG industry, very little mining and port infrastructure is now fabricated in Australia, with companies preferring to exploit cheaper construction costs in Asia, and then ship modules in where they can be assembled locally.

NQBP Senior Project Engineer Anoop Pillai says the new facility will enhance the port’s ability to handle heavy equipment for them and their clients.

“It will be a great asset for the Port of Abbot Point, allowing for the cost efficient delivery of large cargoes with the added benefit of keeping them away from the busy Bruce Highway,” he said.

“Projects like these improve efficiency at our ports, providing assets for our customers and supporting the economic development of Queensland and the region.”

Most of the work was done by specialist marine contractors, although Mr Pillai says up to 30 local contractors were also used.

Keeping it clean in CQ

Central Highlands’ residents have joined hundreds of thousands of Australians in taking to the streets for Clean Up Australia Day.

The annual nation-wide event encourages Australians to help protect and care for their local environment, collecting rubbish in a bid to provide a more sustainable future.

A number of cleanups were held across the region with residents coming down to lend a hand.

“Each year we see a great turnout of community members willing to volunteer a bit of their time for this worthy cause,” Mayor Cr Kerry Hayes said.

“We all have a role to play in the conservation of our fantastic region – not just on this day, but every day of the year.

“By continuously thinking about ways we can reduce our impact on the environment, we can ensure the Central Highlnds remains a fantastic place for generations to come.”

In 2015, over 3000 tonne of rubbish was removed from across Queensland on Clean Up Australia Day, with food and drink containers, chips and confectionery wrappers and plastic bags among the top 10 items collected.

Clean day helpers from 2016 are already planning their undertaking for the 2017 event, which will be held on the 1st Sunday in September.
BLACKWATER JUNIOR CRICKET ACTION
Junior Cricket competition, Blackwater Bilbies versus Emerald Magpies (Emerald just won)

REDUCTION SALE
LARGE RANGE OF WELDING CONSUMABLES

These welding supplies are unused surplus gear from Curtis Island construction projects. They have been stored in cool, dark & dry storage and retain original packaging and certifications.

If you are looking to lower your costs on your next project, this will significantly reduce the cost of your consumables. My preference is to sell in bulk lots, however I am happy to negotiate for smaller lots and freight.

Lincoln Electric NR 233 Certified
1.8mm (FCAW-S) MIG wire
RRP $19050 per pallet
Our Price $3400
(9 pallets avail @ 90 rolls per pallet)
*Part pallet & freight negotiable

Lincoln Electric Excaliber 7018-1
2.4mm Low Hydrogen Electrode
RRP $210 ctn 22Kg
Our Price $80 ctn*
(60 carton avail.)
*Part Carton & freight negotiable

TERMS : Cash or Direct Transfer
POSTAGE & FREIGHT : Available at buyers expense
CONTACT : DARYL on 0448 243 343 or darylweng@gmail.com

March 13, 2017
THE “GREATEST AUSTRALIAN IN THE CRIB ROOM” QUIZ.

BODY
1. Which horse won the Melbourne Cup in 2002?
2. What was Sir Donald Bradman’s batting average?
3. Who was Australia’s only Formula One driver?
4. Who won the Brownlow Medal in 2003?
5. Who was the most recent Australian to win the men’s singles title at Wimbledon?
6. Which Australian was named the most valuable player in the US’s WNBA?
7. Which Australian has won the FIM World Motorcycle Championship 5 times?
8. How many gold medals did Australians win at the 2002 Winter Olympic Games?
9. Of our Australian male swimmers, who has won the most Olympic gold medals?
10. What Australian company is the largest surfwear manufacturer?

ANSWERS
1. Phar Lap
2. 62.99
3. James Hunt
4. Michael Schumacher
5. 5
6. 2 – Steven Bradbury and Alisa Camplin
7. 5
8. 3
9. Murray Rose
10. Quicksilver

CROSS WORD

Across
1. Flies on a string
2. Roman 2
3. Hearing organ
4. Pig’s home
5. In the position of
6. In front of an audience
7. Sheep sound
8. Hair styling product
9. Suspicious
10. Morning
11. Memorable period of time
12. A single one
13. Score in hockey
14. Pleased

Down
1. Small motor vehicle
2. Roman 1
3. Pig’s home
4. Pig’s home
5. In the position of
6. In front of an audience
7. Sheep sound
8. Hair styling product
9. Suspicious
10. Morning
11. Memorable period of time
12. A single one
13. Score in hockey
14. Pleased

SODOKU

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 7 3 5 4 6 1 9 2 5
   6 1 9 5 4 3 8 2
  4 7 5 8 3 1 2 6 3
  2 6 9 7 5 8 1 4 2
  6 3 4 2 9 4 5 1 3
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Answer:

```plaintext
12 5 6 3 8 4 7 9 1
9 6 4 2 7 5 6 9 8
6 2 7 8 5 9 1 3 4
3 4 5 6 9 1 2 8 7
7 1 2 9 5 4 8 3 6
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AUSTRALIA DAY IN BLACKWATER

Images courtesy of Jeannette Fletcher

Best dressed

(l-r) Craig, Tanya, Tails, Lane and Riley Hindmarsh

(l-r) Neve, Cole, Arinahe, Elki and Rylee

(l-r) Braydon, Tanya and Ellie Smith

(l-r) Joyce and Doug Olive and Shane Ryan

(l-r) Lenny, Jack, Bailey, and Jack Olive

(l-r) Sophie, Lee, Hollie and Rebecca James

(l-r) Pamela, McKinnon, Blaise, Ellina and Tino

(l-r) Amy, Zachary and Isabel

Even the local Police dropped in for a visit

(l-r) Award recipients, Shane Shoresmith - Snr Sportsperson, Billie Bosse - Young Citizen, Principal of Dingo State School - Cultural Award, Colt Olive - Citizen of the Year, and Dylan Gook - Jnr Sportsperson, seen with Councillor Charlie Brimblecombe.

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Shift Miner magazine - bringing the mining community closer together
STRONG START TO CLERMONT CATTLE SALE SEASON
Images courtesy of Isaac Regional Council

Local cattle ready to be auctioned off at the Clermont Saleyards

Great start: Veronica Zacharias of Frankfield Station; Clermont enjoying the first Clermont Cattle Sale of the year

C. Dale Appleton inspecting the local stock for auction at Clermont Saleyards

Country women: CWA ladies Tammy Snelling, Jenny Wilby and Denise Campbell preparing morning tea

First sale: Local cattle producer Chris Charles first time selling his cattle

New comer: Tammy Snelling just moved to Clermont and loves her new home town

All smiles: Jane Passfield from Hoch &amp; Wilkinson happy with the strong start to the season

Stech Felzer from Australian Livestock and Flora James from Elders at the Clermont Prime and Stock sale

Simon Fraser and Rodney Mobbs enjoying the action of the first Clermont Cattle Sale of the year

Round up: Steph Wood pushing the cattle through the Clermont Saleyards

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60 CLERMONT 1916 FLOOD VICTIMS HONOURED

Images courtesy of Isaac Regional Council

Cr Lyn Jones addresses more than 200 attendees at the moving service.

Cormac and Judy Dafyndiel at the 1916 Clermont Memorial Service.

Ivan Bettridge and Cr Lyn Jones at the 1916 Flood Graveside Memorial Service.

Dennis Bryant and Dyani Cobbold at the service.

Cr Lyn Jones and Margaret Crawford.

Lyndall Tuttle, Alister and Hannah Lawrence, Barb, Corbin and Barry Plate with Carmen Tuttle at the service.

Vikki Holmes, Nadine Cluff and Robert Holmes.

Daphne Massey, Andrea Möller and Tony Hen at the Flood of Memories exhibition.

Susanne Jones and Larissa Bettridge at the Flood of Memories exhibition.

Clermont Historical Centre Coordinator Debbie Alvoor with Betty Spring and Ann Madge.

Peter and Robyn Byrne, Jody and Brendan Swaffe and Bruce Wilby.

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<table>
<thead>
<tr>
<th><strong>CAR FOR SALE</strong></th>
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<tbody>
<tr>
<td>GTS Replica For Sale, 308 Engine, Trumatic Transmission, 10 Bolt Diff, Great Paint Job, Drives Well.</td>
<td>Custom 4 door 47 series, 79 series chassis with 1HDFTE engine with Rapid chip, water to air intercooler, tuned to bull, 4 Toyota bucket seats, full custom trim, 40t angel fudge between rear seats, 17&quot; drop down screen for rear.</td>
<td>Ford x/n ute 1999 model, has done 202000 ks with an automatic transmission. Has no rego or svc.</td>
<td>Bullbar side bars towbar. Always garaged in central west / central highlands. Never been near the beach. Highway kms Wont disappoint, brilliant running ute.</td>
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<td><strong>$ 27,000</strong></td>
<td><strong>$ 35,000</strong></td>
<td><strong>$ 1,500</strong></td>
<td><strong>$ 60,000</strong></td>
</tr>
<tr>
<td><strong>Call: 0468 409 000</strong></td>
<td><strong>Call: 0419 168 678</strong></td>
<td><strong>Call: 0423 050 895</strong></td>
<td><strong>Call: 0488 108 550</strong></td>
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<thead>
<tr>
<th><strong>CAR FOR SALE</strong></th>
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<th><strong>MOTORCYCLE FOR SALE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>LANDCRUISER 200 SERIES</td>
<td>ORIGINAL 1971 N600 HONDAMATIC</td>
<td>REDLINE UTE 2012</td>
<td>1978 YAMAHA XT 500 WAGON</td>
</tr>
<tr>
<td>Diesel GXL, Wagon. One owner with books. Charcoal Grey Metallic KGSS Option.</td>
<td>Regretfully selling my all original 1971 Honda N600 , very rare and is 99% rust free. It’s been undercover for last 10 yrs.</td>
<td>Hump Stealthforce blower, 224/230 114 lobe 612 lift cam shaft, stainless xforce 1 7/8 primary’s into 2.5&quot; stainless xforce bimodal exhaust, twin Ase fuel pump and Npc big clutch kit.</td>
<td>Selling Yamaha XT 500 1978 Have owned this bike for many years, has been completely rebuilt over the years. Bike is stored inside and only gets started and ridden once in a while just to run it.</td>
</tr>
<tr>
<td><strong>$ 62,000</strong></td>
<td><strong>$ 4000</strong></td>
<td><strong>$ 34,000</strong></td>
<td><strong>$ 5,300</strong></td>
</tr>
<tr>
<td><strong>Call: 0418 184 701</strong></td>
<td><strong>Call: 0476 181 828</strong></td>
<td><strong>Call: 0424 319 286</strong></td>
<td><strong>Call: 0415 860 016</strong></td>
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<tr>
<th><strong>MOTORCYCLE FOR SALE</strong></th>
<th><strong>MOTORCYCLE FOR SALE</strong></th>
<th><strong>MOTORCYCLE FOR SALE</strong></th>
<th><strong>ATV FOR SALE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1991 YAMAHA XV535 Bobber / rat bike look, Good patina on tank and guards.</td>
<td>1995 XR600R Starts easy. RUNS well. Led indicators. Acerbis long range tank (have original to go with) 22kohms &amp; Good tyres.</td>
<td>XT 500 1981 YAMAHA Original xt 500 runs like a dream ready for rego if needed.</td>
<td>CAN AM OUTLANDER 1000CC 2012 model can am outlander xt1000cc great quad, has never missed a beat. Warn upgraded winch.</td>
</tr>
<tr>
<td><strong>Price on application</strong></td>
<td><strong>$ 2,000</strong></td>
<td><strong>$ 3,400</strong></td>
<td><strong>$ 9,300</strong></td>
</tr>
<tr>
<td><strong>Call: 0459 590 203</strong></td>
<td><strong>Call: 0448 363 388</strong></td>
<td><strong>Call: 0429 182 148</strong></td>
<td><strong>Call: 0437 709 966</strong></td>
</tr>
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<tr>
<th><strong>CARAVAN FOR SALE</strong></th>
<th><strong>CAMPER FOR SALE</strong></th>
<th><strong>CAMPER FOR SALE</strong></th>
<th><strong>CAMPER FOR SALE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 NOVA VITA FAMILY VAN</td>
<td>JAYCO SWAN OUTBACK</td>
<td>2005 TRAK SHAK</td>
<td>SOFT FLOOR CAMPER TRAILER</td>
</tr>
<tr>
<td>Triple bunks, full annex, sunbaker shade panels, separate shower and toilet, full size 12V fridge/freezer, 4 x 80L water tanks, dometic 1200 inverter, 35 amp charger, 2 x 120 amp hour batteries, 6 inch main rail, 6 inch raised led lights.</td>
<td>With All upgrades that were available at the time (this camper is being sold with absolutely everything) only need to add cutery, food &amp; chairs.</td>
<td>Offroad Camper trailer, all standard features of the Trak Shak plus Trak Shak extras including 3x Solar Panels + Regulator + Battery, Boat Loader + Outboard Mount.</td>
<td>Was brought as a camper tent to fit on to my box trailer, camper top is a Austrack Camper.Trailer is a MDC trailer,LED tail lights, off road tyres, electric brakes with hand brake.</td>
</tr>
<tr>
<td><strong>$ 54,000</strong></td>
<td><strong>$ 27,500</strong></td>
<td><strong>$ 18,000</strong></td>
<td><strong>$ 5,000</strong></td>
</tr>
<tr>
<td><strong>Call: 0417 077 879</strong></td>
<td><strong>Call: 0419 744 683</strong></td>
<td><strong>Call: 0419 641 554</strong></td>
<td><strong>Call: 0438 382 776</strong></td>
</tr>
<tr>
<td>Category</td>
<td>Item Description</td>
<td>Price</td>
<td>Contact No. 1</td>
</tr>
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</tr>
<tr>
<td>BOAT FOR SALE</td>
<td>1994 CAMERO VOLANTE SKI BOAT A well maintained, reliable family ski boat. Have owned since 2003. BRAND NEW MOTOR as of NOV including Electric fuel pump, high pressure oil pump, stage 2 Cam, 770 Holley with vacuum secondaries.</td>
<td>$19,000</td>
<td>0447 879 300</td>
</tr>
<tr>
<td>BOAT FOR SALE</td>
<td>JUDDCRAFT HAMMERHEAD SKI BOAT 19ft ski boat for sale or swap for jet ski, fresh 593 cievo rebuilt 17% argo V drive. New custom drive shaft and flywheel / adaptors. Very quick ski boat.</td>
<td>Price on application</td>
<td></td>
</tr>
<tr>
<td>BOAT FOR SALE</td>
<td>3.8M BLUEFIN NOMAD 2015 3.8m, runs with a 30hp 2 stroke Suzuki. Boat has only been in the water once in the last 18 months, new for boat and trailer until March 2017. Inc 4 life jackets, safety kit, 2 anchors, 25 litre fuel tank.</td>
<td>$4,500</td>
<td></td>
</tr>
<tr>
<td>BOAT FOR SALE</td>
<td>4 METER MANTACRAFT TINNIE/BOAT 4 meter motorcraft tinnie with a 25 hp 2 stroke inboard, fresh paint and 4 new 3.6m. Trailer, life jackets, anchors, depth sounder, 12 volt battery ready to fish.</td>
<td>$2,900</td>
<td></td>
</tr>
<tr>
<td>TRUCK FOR SALE</td>
<td>HONDA BF90A 4 STROKE OUTBOARD 46hrs. 2001 4 stroke outboard, excellent condition. Runs well, complete with SS prop, tacho, speedo, trim, hour meter, forward control &amp; cables.</td>
<td>$4,990</td>
<td>0439 552 994</td>
</tr>
<tr>
<td>EXCAVATOR FOR SALE</td>
<td>MARLIN BROAD BILL TWIN HULL Marlin Broad Bill with twin 60 Yamaha 5 fuel injected four strokes year 2013 both with 85 hrs has hydraulic steering ,twin 100 litre fuel tanks.</td>
<td>$26,000</td>
<td>0411 797 306</td>
</tr>
<tr>
<td>FORK LIFT FOR SALE</td>
<td>PELICAN NAVIGATOR Pelican Navigator, 4 meters long, comes with Minn Kota 30lbs thrust and 2 rod holders, life jackets and paddles.</td>
<td>$740</td>
<td>0400 800 711</td>
</tr>
<tr>
<td>TIMBER CABINS FOR SALE</td>
<td>CONCRETE TRUCK FOR SALE 2007 agi for sale 160 000 kms.</td>
<td>$160,000</td>
<td>0404 861 055</td>
</tr>
<tr>
<td>RALLY BASHPLATE FOR SALE</td>
<td>DOOSAN 25 TON QUICK HITCH Quick hitch excavator with hose burst protection 2.5 ton certified lifting capacity in good condition $7500 hrs. Freight can be arranged at a reasonable cost.</td>
<td>$55,000</td>
<td>0419 799 681</td>
</tr>
<tr>
<td>METAL LATHE FOR SALE</td>
<td>FORK LIFT Clerk 4.5 ton fork lift CME 45L solid tyres fully re painted and serviced 2 stage mast hydraulic tins solid tyres all lights LPG well.Long term hire or swap for yacht ,boat.</td>
<td>$19,000</td>
<td>0749 723 474</td>
</tr>
<tr>
<td>FENCING TOOLS FOR SALE</td>
<td>GRANNY FLAT / TEENAGE RETREAT Well built Timber cabins, were placed in Caravan park in Bloemfontein for permanent gas line workers. They are no longer needed, 4 years old in excellent condition.</td>
<td>$14,998</td>
<td>0404 861 055</td>
</tr>
<tr>
<td>BUSINESS FOR SALE</td>
<td>KTM 690 ENDURO RALLY BASH PLATE KTM 690 enduro rally bash plate has to boxes work well was fab up at an engineer ally shop.</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td>SCAFFOLDING FOR SALE</td>
<td>LATHE METAL Colchester M6800 metal lathe with tools.</td>
<td>$5,000</td>
<td>0488 024 019</td>
</tr>
<tr>
<td>SCAFFOLDING, PAINTERS TRESTLES</td>
<td>NEAR NEW FENCING TOOLS Near brand new wire windor bought from land mark and post driver and star picket puller for sale package deal.</td>
<td>$400</td>
<td>0477 498 727</td>
</tr>
<tr>
<td>SAIL-INN TAKEAWAY BLACKWATER</td>
<td>SAIL-INN TAKEAWAY BLACKWATER An iconic business trading for over 40yrs. Successfully operated by current owners as sole income for over 12yrs. Large cold room, full size commercial kitchen, 3 chattleks, stock, fully refurbished, high growth potential, large customer base.</td>
<td>$78,000</td>
<td>0412 211 883</td>
</tr>
<tr>
<td>SCAFFOLDING, PAINTERS TRESTLES</td>
<td>SCAFFOLDING, PAINTERS TRESTLES 4x6 meter aluminum panels 6x3.6 meter Trestles</td>
<td>$1,700</td>
<td></td>
</tr>
</tbody>
</table>

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March 13, 2017
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