

# **Galilee Coal Project (Northern Export Facility)**

# **Social Impact Management Plan**



**Revised Draft**

**February 2013**

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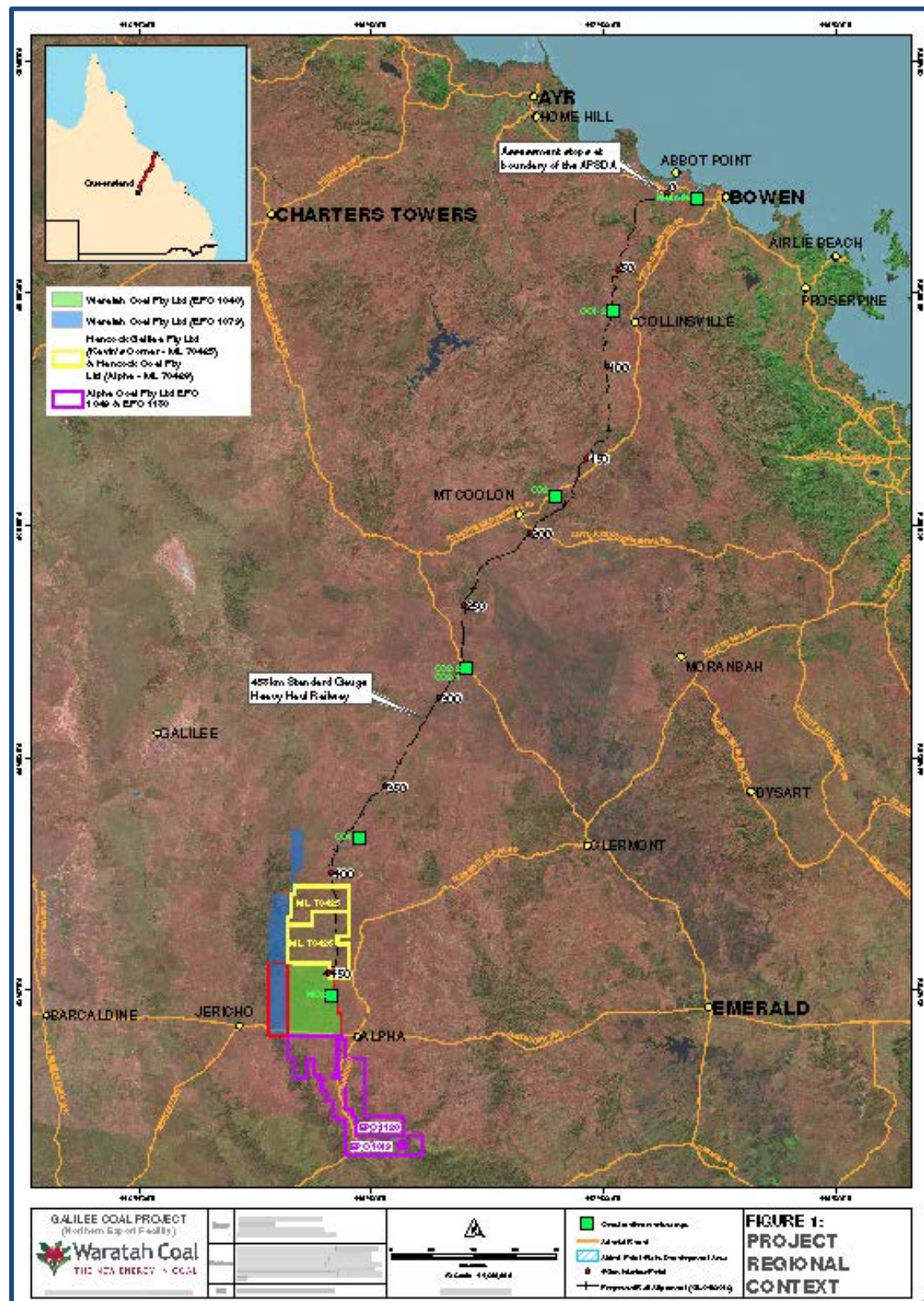
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Map 1: Project Location and Main Urban Centres

## Executive Summary

The Galilee Coal Project includes open cut and underground mining approximately 30 km north-west of Alpha; the transport of coal by rail to the Abbot Point State Development Area; and the export of approximately 40 million tonnes of thermal coal annually from Abbot Point for a period of at least 25 years. Construction is expected to occur over a 3-year period commencing in 2013/14.

The Social Impact Management Plan (SIMP) outlines a process for identifying, managing and reporting on social impacts and will be updated on an annual basis throughout the life of the project. Several changes to the scope of the project have occurred since the SIMP was first drafted in November 2010:

- The Environmental Impact Statement (EIS) for the port component of the project is being addressed separately;
- The planned maximum rail capacity has been increased from 60 to 400 million tonnes per annum (Mtpa); and
- The operational workforce numbers have been revised upwards.

In addition, several other changes have occurred of relevance to the management of social impacts:

- The Liberal National Party (LNP) announced the Royalties for the Regions initiative;
- Projects to increase port capacity at Abbot Point were terminated (multi-cargo facility and T4 to T9 projects), and alternatives are being considered;
- The Office of Economic and Statistical Research (OESR) completed an initial population assessment for the Galilee Basin;
- The Coordinator General announced the conditional approval of the Alpha Coal Project and released an evaluation of the EIS, which included a number of requirements relating to coordinated approaches for managing social impacts in the Galilee Basin;
- Additional discussions have been held with a range of stakeholders; and
- There has been an easing in the labour market.

### Social impacts

The main social impacts predicted to occur as a result of the Galilee Coal Project, and from the development of multiple, large-scale resource projects, and their significance, are summarised in Table 1.

**Table 1: Summary of Social Impacts and Significance**

Impact	Description of project impact	Significance	
		Project	Cumulative
<i>Positive:</i> Increased employment	The project will generate an additional 3,000 jobs during construction and 4,000 jobs during operations in Queensland; and an additional 700 jobs during construction and 600 jobs during operations in the region.	Medium	High
Improved skill levels	Skill levels in the region will be increased as training is provided to workers, apprentices engaged, and support provided to local schools to establish pathways for school children to enter the mining industry.	Medium	Medium
Increased business activity	The project will procure a range of goods and services from the project area and local region, leading to a direct increase in business activity and employment. By contributing to population growth, the project will also have indirect and induced impacts on business activity and employment.	Medium	High
Higher income levels	Increased employment and business activity will increase personal and family income levels in the project area and local region.	High	High
Population growth	The project will lead to a substantial increase in the population of Alpha, and contribute to modest population growth in the Bowen area.	Medium	High

Impact	Description of project impact	Significance	
		Project	Cumulative
Improved infrastructure and services	The project is expected to lead to substantial improvements in infrastructure and services in Alpha, and significant improvements in Bowen, both from the project's contribution through the Royalty for the Regions Initiative, and from direct contributions by Waratah Coal as part of a coordinated, multi-proponent response in both locations. Population growth will also help secure improved public and commercial services in Alpha and Bowen.	High	Extreme
<b>Negative:</b> Additional stress	The uncertainty over the rail alignment and which railway will be constructed is causing uncertainty and stress for property owners. Mine and rail construction will cause further stress on property owners.	High	High
Dust, noise, vibration and reduced visual amenity	People residing in the vicinity of the mine and railway can expect, to varying degrees, increased levels of dust, noise, vibration and reduced visual amenity as a result of the project.	Medium	Medium
Lower cattle production	Cattle operations will be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.	Medium	Medium
Loss of staff to the mining industry	Government agencies and local businesses, including grazing and agricultural enterprises, will lose staff to the mining industry, leaving them short-staffed and/or facing higher recruitment, labour and training costs.	High	High
Increased demand on health and emergency services	Resident and full-time equivalent (FTE) population growth will place additional demand on health and emergency services in Alpha and Bowen. Increased traffic on highways and local roads may also contribute to an increase in traffic accidents and may therefore increase the demand on police, fire, ambulance and health services.	Medium	Medium
Rising living costs	Housing prices, rental costs and the costs of local goods and services are expected to rise. Shortages in accommodation and trade services are likely. Higher living costs will disadvantage the non-mining sector and particularly low-income groups.	Medium	High
Loss of rural atmosphere	Without a well-managed and adequately resourced approach, Alpha could lose its existing friendly, rural atmosphere and exhibit a range of characteristics more commonly described as befitting a mining town.	Medium	High
Decline in tourism	A lack of temporary accommodation in Alpha, and potentially Bowen, or excessive costs for temporary accommodation, could result in a decline in tourist numbers, and therefore, less business activity.	Medium	Medium
Economic decline following mine closure	Mine closure (or a downturn in the mining industry) may result in a decline in employment levels, contracting opportunities and income levels in the project area.	Medium	Medium

The Galilee Coal Project will have social and economic impacts through much of Queensland. When considering the cumulative impacts from the development of multiple large-scale coal projects in the Galilee Basin, the most impacted community will clearly be Alpha. However, the expected expansion at Abbot Point will impact significantly on the Bowen community. The most impacted individuals will be property owners with land in the Mining Lease Application (MLA), followed by property owners with land in the rail corridor, then employees and contractors. From a regional perspective:

- Employees are likely to be recruited from Emerald, and towns to the west/southwest of the mine site (eg. Barcaldine, Tambo, Blackall, Longreach, Winton and Charleville) as employment at the mine will reduce driving time to Bowen Basin mines by around two hours; and
- Businesses in Emerald are likely to benefit most from the supply of goods and services, although some goods and services required for the port and rail are likely to be sourced from Mackay and Townsville.

## Approach to Social Impact Management

The approach for managing social impacts is guided by the need to:

- Understand the communities in which the project is located, and the visions that these communities have for their future;
- Prepare strategies to maximise the contribution that the project can make towards realising these visions;
- Build productive relationships with these communities and other stakeholders; and
- Support efforts to enhance coordination between proponents.

Waratah Coal aims to:

1. Contribute to Alpha's growth and prosperity through a well planned and effectively managed expansion in population, physical infrastructure and economic opportunities, while trying to preserve and contribute positively to the existing lifestyle and friendly, rural atmosphere;
2. Maximise its contribution to population growth and economic development in the Bowen area;
3. Minimise impacts on property owners as much as possible, ensure fair compensation when impacts can not be avoided, provide opportunities for property owners to benefit from the project when available, and provide every opportunity to engage with property owners in a meaningful and effective manner; and
4. Maximise the economic benefits arising from the project in Central Queensland and the Mackay, Isaac and Whitsunday Regions through a number of targeted employment, contracting and training strategies.

## Impact management

The strategies for managing and mitigating social impacts have been prepared in response to:

- The social impacts identified in the Social Impact Assessment (SIA);
- The Coordinator General's evaluation of the Alpha Coal EIS, particularly the requirements relating to coordinated approaches for managing social impacts in the Galilee Basin, and subsequent meetings between the Office of the Coordinator General and Galilee Basin proponents;
- Submissions on the draft EIS; and
- Subsequent discussion with key stakeholders, including discussion relating to a Health and Emergency Services Strategy, which was prepared to help facilitate stakeholder input to the management of social impacts.

Social impact management strategies have been prepared and have been grouped into the following six Action Plans.

### 1. Assistance in Alpha

Waratah supports a coordinated approach to the management of social impacts in Alpha, as proposed by the Coordinator General in the evaluation of the EIS for the Alpha Coal Project. It is envisaged that Galilee Basin proponents will provide annual grants to improve public infrastructure and services in Alpha, including power, water, sewerage, communications, health and emergency services, affordable housing and public education. Based on preliminary population projections for a town of approximately 1,500 residents, Waratah plans to base at least 50 mine employees (and their families) in Alpha; provide suitable housing for these employees; and provide a range of incentives for other employees, their families and contractors to live in or near Alpha. A draft community cohesion policy has been prepared



which aims to build strong and productive relationships between the project, its workforce and local communities; and help workers and their families integrate within the Alpha community.

## **2. Assistance in Bowen**

Waratah recommends a similar approach to that proposed by the Coordinator General for the Galilee Basin be applied to Bowen, with Abbot Point proponents providing annual grants to improve public infrastructure and services. The initial priorities in Bowen are to improve water supply and sewerage. All of Waratah's rail and port employees will reside in or near Bowen, and Waratah will provide incentives for the families of employees, and contractors to live in Bowen. The community cohesion policy will be equally applicable in Bowen.

## **3. Minimising Adverse Impacts on Property Owners**

The most impacted properties are the 8 within or overlapping with the MLA and the 44 properties in which the railway corridor passes. Within the MLA grazing will not be possible on 3 properties with a combined area of 355 km<sup>2</sup>. It is envisaged that Waratah will buy these, and the property owners could buy a property of at least the equivalent size and/or quality, or chose to retire or enter another business venture should they wish to do so. The remaining 5 properties, which have an area of 512 km<sup>2</sup>, should be able to continue grazing operations (subject to dust impact assessment) although potentially at a lower level of productivity.

The 44 properties impacted by the rail are expected to lose an average of 46 hectares to the rail corridor, which represents 0.28% of their average property area. Waratah Coal will provide financial compensation to directly impacted property owners and will work with each property owner to minimise disruptions and reduce impacts on cattle productivity as a result of the mine and railway. This may entail the realignment of fences, provision of additional watering points, the construction of new access roads and relocation or provision of new cattle yards.

## **4. Accommodation and Housing**

The Galilee Coal Project will lead to a substantial increase in the population of Alpha and contribute to modest population growth in the Bowen area. While an increase in population is regarded as favourable, it will increase the demand for housing and other accommodation in both Alpha and Bowen. This can have negative impacts on housing affordability and the availability of temporary accommodation.

Waratah aims to minimise negative impacts on housing affordability and the availability of temporary accommodation in Alpha and Bowen. To do this, it will be necessary to:

- Monitor housing affordability and the availability and cost of temporary accommodation in Alpha and Bowen;
- Provide houses for permanent employees based in Alpha; and
- Include housing affordability and temporary accommodation needs in the development plans for Alpha and Bowen and provide financial support to these through the Galilee Basin CSIA Roundtable (and equivalent structure for Bowen).

## **5. Workforce Management**

Waratah Coal aims to have a well-trained, healthy and relatively stable workforce. Waratah also aims to:

1. Maximise employment, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia; and
2. Ensure employees and contractors act in a manner that is conducive to a safe, peaceful and enjoyable lifestyle within the project area.

Waratah Coal will:

- Boost workforce participation by promoting female and Indigenous employment;
- Recruit workers from areas in Queensland that have relatively high levels of unemployment;
- Promote healthy lifestyle choices among workers;
- Implement a Code of Conduct to help promote positive relationships between employees, contractors and local residents (and limit adverse impacts);
- Boost training through engagement of apprentices, providing support to local schools, and establishing long-term links with local training organisations; and
- Ensure all contractors and sub-contractors incorporate strategies to help achieve Waratah's workforce objectives, and report on them as appropriate.

#### 6. Local Industry Participation

Waratah aims to maximise procurement and contracting opportunities, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia. This will be achieved by:

1. Advertising procurement and contracting opportunities locally;
2. Packaging contracts appropriately;
3. Holding briefing sessions in the project area for local businesses and contractors;
4. Giving preference to locally-based businesses and contractors;
5. In some cases, providing assistance to local organisations; and
6. Monitoring and reporting on the number and value of procurement/contracts awarded.

To ensure full, fair and reasonable opportunity for Queensland and Australian companies, Waratah will prepare either an Australian Industry Participation Plan (AIPP) or Local Industry Participation Plan (LIPP). The Industry Capability Network (ICN) has placed a description of the Galilee Coal Project on its website. Further collaboration with the ICN is expected.

Contractors and sub-contractors will be required to incorporate strategies to help achieve Waratah's local industry participation objectives, and report on them as appropriate.

#### Stakeholder engagement

The stakeholder engagement strategy identifies key stakeholders and articulates a process to:

- Ensure stakeholders have a reasonable understanding of the project and its impacts;
- Ensure stakeholders have the opportunity to voice concerns or issues relating to the project; and
- Provide stakeholders with opportunities to discuss their aspirations and how the project can contribute to these.

Stakeholder engagement will include:

- Provision of project details and other information through a range of methods (meetings, quarterly newsletters, website, office and other displays);
- A range of options for people to communicate with Waratah Coal (email, phone and post);
- Participating in consultative groups in Alpha and Bowen, including the Galilee Basin Cumulative Social Impact Assessment (CSIA) Roundtable;
- Preparing a landholder engagement strategy and database for each impacted landholder;
- Preparing an Indigenous engagement strategy and appointing an Indigenous Engagement Officer;

- Establishing a grievance and dispute resolution mechanism for employees, contractors and external stakeholders; and
- Establishing a Project Office and appointing a Project Liaison Officer in Alpha.

### **Social Monitoring & Reporting**

The social impact management process will be assessed and documented on an annual basis, and will include the preparation of three reports each year.

1. An Annual Social Impact Report;
2. An annual report on Local Industry Participation; and
3. An Updated SIMP.

There is an opportunity to involve impacted stakeholders in the process of identifying and managing social impacts through the Galilee Basin CSIA Roundtable (and potentially an equivalent structure in Bowen). In addition, Waratah Coal intends to involve stakeholders by publicising and inviting input to:

- A list of social impacts and assessment of their significance;
- The strategies for addressing social impacts; and
- Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.

An external (independent) review will be conducted every two years to:

1. Assess the social impacts of the project;
2. Assess the effectiveness and adequacy of social impact management strategies;
3. Review the degree of compliance with conditions stipulated by the Coordinator General;
4. Review the effectiveness and adequacy of stakeholder engagement processes; and
5. Provide recommendations to Waratah Coal and the Coordinator General for continuous improvement.

The social reports and external reviews will be publically available.

### **Summary of Commitments**

Waratah will:

1. Minimise impacts on property owners as much as possible, ensure fair compensation when impacts can not be avoided, provide opportunities to property owners to benefit from the project when available, and encourage productive engagement with property owners;
2. Provide the services of a farm management consultant, if requested, to assist property owners plan for changes as a result of mine and/or rail infrastructure (eg. modifications to fencing, stockyards, watering points and access roads);
3. Base at least 50 mine employees in Alpha and all port and rail employees in the Bowen area;
4. Provide housing for mine employees in Alpha that fits within the character of Alpha and provides an appropriate standard befitting of senior managers and other employees who wish to reside in Alpha with their families on a long-term basis;
5. Provide all mine employees with the opportunity to reside in the Alpha area;
6. Provide incentives for mine employees to relocate to Alpha with their families, for example:
  - Financial assistance for employees opting to reside in Alpha to purchase a house in Alpha (with similar assistance for employees to buy a house in Bowen);

- A one-off bonus for any employee that relocates with their family to Alpha and stays for at least a year;
7. Encourage contractors to establish facilities and base staff in Alpha and Bowen by giving preference to businesses and contractors that have locally-based staff;
  8. Participate in the Galilee Basin CSIA Roundtable and provide financial support, as recommended by the Roundtable, for public infrastructure in Alpha, including affordable housing and health and emergency services;
  9. Participate in a roundtable (or equivalent) for Abbot Point proponents, and provide financial support to improve public infrastructure in Bowen, including affordable housing and health and emergency services;
  10. If Bowen is not included in a roundtable (or equivalent), Waratah will hold discussions with the WRC in regard to possible financial contributions towards public infrastructure and/or services in Bowen;
  11. Establish an arrangement with an established emergency service/retrieval provider for the provision of aero-medical and retrieval services for the project;
  12. Invite local emergency service providers (police, ambulance, fire & rescue and SES) to participate in the preparation and practicing of emergency procedures;
  13. Give employment preference, in order, to workers from the local area, the local region, the rest of Queensland and the rest of Australia before overseas;
  14. Promote healthy lifestyle choices among the workforce;
  15. Provide induction training to all staff, contractors and sub-contractors to ensure they are familiar with project facilities, local Indigenous cultures and values, occupational health and safety including emergency response strategies, fatigue management policies, employment conditions and entitlements, Waratah's contributions to the local community and the grievance mechanism;
  16. Implement a Code of Conduct, applicable to all employees, contractors and sub-contractors, which aims to enhance relationships between employees and contractors and the local community and minimise adverse social impacts;
  17. Participate in government-led initiatives to recruit workers from areas in Queensland that have relatively high levels of unemployment;
  18. Promote female employment;
  19. Promote Indigenous employment;
  20. Provide support for drive in – drive out (DIDO) and fly in – fly out (FIFO) workers, including suitable accommodation and recreation facilities, bus services between the mine site and any nearby regional centre that contains a sufficient number of employees, and promote available support networks;
  21. Provide support and encouragement for employees living in Alpha to integrate within the local community;
  22. Engage 20 new apprentices each year (and aim to recruit 50% of these from Central Queensland and the Whitsunday, Isaac and Mackay Regions);
  23. Fund an additional 5 apprentices each year (with 4 year funding commitments subject to satisfactory performance), to be engaged and managed by businesses based and operating in the project area;

24. Provide support to local schools, including mine tours, workplace training, classroom presentations and other interactions with the aim of strengthening linkages between schools and the mining industry (and increasing female and Indigenous participation);
25. Aim to establish a long-term link with local training organisations (including TAFE centres) to provide guest lectures by skilled trainers (who work for the project) and accommodate workplace training for apprentices and other trainees;
26. Implement Indigenous engagement and participation strategies, to help communicate effectively with Indigenous groups, and promote Indigenous employment and contracting opportunities;
27. For any overseas workers, provide culturally appropriate facilities at the mine site and provide appropriate food and food-handling procedures, show flexibility, as far as possible, in terms of meeting religious and cultural requirements (eg. for worship), and provide cultural awareness for overseas workers during the induction training, and include awareness on their cultures in induction training provided to other workers;
28. Give procurement preference, in order, to suppliers from the local area, the local region, the rest of Queensland and the rest of Australia before overseas;
  - Advertise procurement and contracting opportunities locally;
  - Package contracts to help local businesses and contractors submit competitive bids;
  - Hold briefing sessions in the project area for local businesses and contractors;
  - Provide support to local organisations to increase their capacity to submit a competitive bid;
29. Ensure all contractors and sub-contractors incorporate strategies (at least the equivalent as outlined above) to give preference to local recruitment, local suppliers, promote a healthy lifestyle, promote female employment, promote Indigenous employment and provide training;
30. Participate in discussions to help develop strategies to address the loss of agricultural workers to the mining industry;
31. Provide information to, and communicate with, stakeholders through a variety of mechanisms, including but not limited to:
  - Quarterly newsletters;
  - Maintenance of an information hotline and project website;
  - Participation in various consultative committees, including the Galilee Basin CSIA Roundtable;
  - Maintenance of a grievance mechanism;
  - Appointment of a Project Liaison Officer and Indigenous Liaison Officer;
32. Report on social impacts and social impact management annually, and make the reports publically available; and
33. Fund an external and independent review of the project's social impacts and social impact management strategies, every two years, and make the reports publically available.

### **Other recommendations**

Waratah supports the Coordinator General's collaborative approach, including the preparation and implementation of a development plan for Alpha, and the contribution by Galilee Basin proponents to one or more combined development funds.<sup>1</sup> However, Waratah Coal would prefer:

<sup>1</sup> Outlined in the Evaluation of the Alpha Coal EIS. Refer Queensland Government, May 2012, pp. 187-191 & 287-290.

- A clear focus on planning and development rather than additional studies;
- Separate strategies for the Alpha and Bowen areas (as the Abbot Point proponents include other proponents in addition to the Galilee Basin proponents);
- Clarity around the funding models; and
- Greater emphasis on the Barcaldine and Whitsunday Regional Councils in the development and implementation of plans, and the management of financial contributions from the proponents.

**Next steps**

It is envisaged that the next version of the SIMP will be finalised within six months of a Final Investment Decision (FID) to proceed with the project, and will include additional details on the six action plans in response to progress in:

- Defining port and rail infrastructure;
- Developing TOR and membership for the Galilee Basin CSIA Roundtable; and
- Implementing the Royalties for the Regions Initiative.

## Acronyms

ABS	Australian Bureau of Statistics
AIPP	Australian Industry Participation Plan
APSDA	Abbot Point State Development Area
BMA	BHP Billiton Mitsubishi Alliance Coal Operations Pty Ltd
BRC	Barcaldine Regional Council
CRG	Community Reference Group
CSG	Coal Seam Gas
CSIA	Cumulative Social Impact Assessment
CSRMI	Centre for Social Responsibility in Mining, University of Queensland
DCS	Department of Community Safety
DEEDI	Department of Employment, Economic Development and Innovation
DETE	Department of Education, Training and Employment
DIDO	Drive In – Drive Out
DSDIP	Department of State Development, Infrastructure and Planning
DTMR	Department of Transport and Main Roads
EIS	Environmental Impact Statement
EMP	Environmental Management Plan
FID	Final Investment Decision
FIFO	Fly In – Fly Out
FTE	Full Time Equivalent
GST	Goods and Services Tax
HR	Human Resources
ICMM	International Council on Mining & Metals
ICN	Industry Capability Network
KPI	Key Performance Indicator
LGA	Local Government Area
LIPP	Local Industry Participation Plan
LNG	Liquefied Natural Gas
LNP	Liberal National Party
MCC	Metallurgical Corporation of China
MLA	Mining Lease Application
Mtpa	Million tonnes per annum
NQBPC	North Queensland Bulk Ports Corporation
NRW	Non Resident Worker
OESR	Office of Economic and Statistical Research, Queensland Treasury and Trade
PPE	Personal Protective Equipment
QAS	Queensland Ambulance Service
QFRS	Queensland Fire and Rescue Service
QPS	Queensland Police Service
Q&A	Questions and Answers
SEIS	Supplementary Environmental Impact Statement
SES	State Emergency Services
SIA	Social Impact Assessment
SIMP	Social Impact Management Plan
TAFE	Technical and Further Education
TRG	Technical Reference Group
WRC	Whitsunday Regional Council

## Glossary

Affordable housing	Housing which is affordable for rental or purchase by low to moderate-income households.
Consultation fatigue	A phenomenon that can occur when there are frequent or overlapping consultation initiatives in a community, either from different areas of the same company or operation, or from a different organisation, including government agencies. <sup>2</sup>
Cumulative impacts	Cumulative impacts refer to the incremental or combined impacts resulting from both the project that is being assessed and other projects, either existing or planned, now and in the future. The inclusion of cumulative impact assessment aims to ensure that potential impacts of a project are not considered in isolation to other changes that are, or are expected, to occur.
Disability	Disability is defined by the ABS as any limitation, restriction or impairment, which has lasted, or is likely to last, for at least six months and restricts everyday activities.
Family	The ABS define a family as two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering and who are usually resident in the same household.
Household	The ABS defines a household as one or more persons, at least one of who is at least 15 years of age, usually resident in the same private dwelling.
Non-resident worker	People who travel from their usual place of residence to work, generally on a regular basis and for a set period of time. This encompasses a range of travel modes, commonly referred to as fly-in fly-out, drive in-drive out, bus in-bus out and ferry in-ferry out.
Project stakeholders	The Department of Industry, Tourism and Resources defines project stakeholders as those people who have an interest in the project, either as individuals or representatives of a group, and including people who influence the project, or can influence it, as well as those affected by it.
SIMP	A plan which articulates the roles and responsibilities of proponents, government, stakeholders and communities throughout the life of a project, in identifying, mitigating and managing social impacts and opportunities. <sup>3</sup>
Social housing	Funded by the Queensland Government, social housing comprises: <ul style="list-style-type: none"> <li>• Department-managed housing through public housing (including Aboriginal and Torres Strait Islander housing); and</li> <li>• Community-managed housing through funded community and local government housing providers that deliver long term community housing and time-limited transitional housing.<sup>4</sup></li> </ul>
Social Impact Assessment	The process of analysing and managing intended and unintended consequences of planned interventions (projects or policies) and any social change processes invoked by those interventions, to bring about a more sustainable and equitable biophysical and human environment. <sup>5</sup>
Workforce	The ABS defines anyone aged 15 years and over and either employed or unemployed (but looking for work) in the week prior to the Census Night as part of the workforce. Those people not in the workforce are aged 15 years and above and usually studying on a full-time basis, retired or are either physically or mentally incapacitated and therefore unable to undertake work.

<sup>2</sup> Department of Industry, Tourism and Resources, October 2006, p.5.

<sup>3</sup> Adapted from Department of Infrastructure and Planning, September 2010, p.5.

<sup>4</sup> Refer Department of Communities, June 2008, p.3.

<sup>5</sup> Refer Becker and Vanclay, 2003, p. 2.



## 1. INTRODUCTION

Following the submission of an Initial Advise Statement to the Queensland Government in April 2008, the Galilee Coal Project (Northern Export Facility) was declared to be a 'significant project'.<sup>6</sup> This triggered the need for an Environmental Impact Statement (EIS) to ensure the project's environmental, social and economic impacts are appropriately considered. The Coordinator General prepared TOR for the EIS, which specified the need for a Social Impact Assessment (SIA) and Social Impact Management Plan (SIMP).<sup>7</sup> The EIS was submitted to the Queensland and Federal Governments in August 2011. Following a period of public review (23 September to 19 December 2011) a Supplementary EIS (SEIS) has been prepared. The SEIS, which responds to submissions received from Government Departments and other interested parties since the public review, contains an updated SIMP.

The SIMP is a document that shall be revised annually throughout the construction, operating and decommissioning phases of the project. The purpose of the SIMP is to outline a process for identifying, managing and reporting on social impacts. More specifically, the SIMP shall:

1. Provide information on the project, the main stakeholders and the project's social impacts;
2. Describe management and mitigation strategies which Waratah Coal and other stakeholders will employ to enhance positive social impacts and minimise adverse social impacts;
3. Describe how the strategies will be monitored and assessed; and
4. Outline the process for re-assessing social impacts and revising management and mitigation strategies.

The cyclical nature of social impact management is illustrated below.

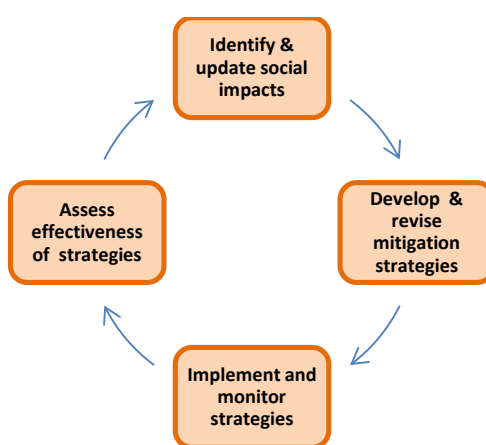


Figure 1: Social Impact Management Cycle

The format of the SIMP generally follows the guideline prepared by the Department of Infrastructure and Planning<sup>8</sup> and reflects the good practice principles for the development and implementation of SIMPs as recommended in the guideline *Leading Practice Strategies for Addressing the Social Impacts of Resource Developments*.<sup>9</sup> A summary of these recommendations is presented as Attachment 1.

<sup>6</sup> The project is also commonly referred to as the China First Coal Project.

<sup>7</sup> The Office of the Coordinator General was located within the Department of Infrastructure and Planning, and was subsequently relocated to the Department of Employment, Economic Development and Innovation (DEEDI) and then to the Department of State Development, Infrastructure and Planning (DSDIP).

<sup>8</sup> Refer Department of Infrastructure and Planning, September 2010.

<sup>9</sup> Refer Franks, Fidler, Brereton, Vanclay & Clark, November 2009.

Several other guidelines have been utilised in preparation of the SIMP:

- A leading practice handbook on community engagement and development, prepared as part of the Leading Practice Sustainable Development Program for the Mining Industry;<sup>10</sup>
- The IAP2 Public Participation Spectrum;<sup>11</sup>
- Toolkits and guidelines prepared by the International Council on Mining and Metals (ICMM) on community development and grievance mechanisms;<sup>12</sup>
- Recommendations and strategies prepared by the Centre for Social Responsibility in Mining (CSRSM) on grievance mechanisms and social monitoring;<sup>13</sup>
- Australian guidelines to reduce health risks from drinking alcohol;<sup>14</sup> and
- Workplace fatigue management guides.<sup>15</sup>

### 1.1 Changes Since EIS Submission

Several changes to the scope of the project have occurred since the SIMP was first drafted in November 2010:

- The port component of the project is being addressed separately from the SEIS for the Galilee Coal Project;
- The planned maximum rail capacity has been increased from 60 to 400 million tonnes per annum (Mtpa), to accommodate coal from other proponents in the Galilee Basin; and
- The operational workforce numbers have been revised upwards.

In addition:

- The Liberal National Party (LNP) prepared a Resources and Energy Strategy, and following their election victory, a 100 Day Plan which includes introduction of the Royalty for Regions Initiative and establishment of a Skills and Training Taskforce;<sup>16</sup>
- The Office of Economic and Statistical Research (OESR) completed an initial population assessment for the Galilee Basin;<sup>17</sup>
- The Coordinator General announced the conditional approval of the Alpha Coal Project and released an evaluation of the EIS, which included a number of requirements relating to coordinated approaches for managing social impacts in the Galilee Basin;<sup>18</sup> and
- Galilee Basin proponents have met with the Office of the Coordinator General and Barcardine Regional Council (BRC) to discuss coordinated approaches for managing social impacts.

The requirements stipulated by the Coordinator General for the Alpha Coal Project are particularly relevant, as they provide a framework for the management of social impacts in the Galilee Basin, and are likely to be replicated for any subsequent projects approved by the Coordinator General.

<sup>10</sup> Refer Department of Industry, Tourism and Resources, October 2006.

<sup>11</sup> Refer International Association for Public Participation, 2004.

<sup>12</sup> Refer ICMM, October 2005 and ICMM, October 2009.

<sup>13</sup> Refer CSRSM, November 2009 and CSRSM, July 2005.

<sup>14</sup> Refer National Health and Medical Research Council, February 2009.

<sup>15</sup> Refer NSW Mine Safety Advisory Council, December 2009 and Queensland Government, February 2011.

<sup>16</sup> Refer LNP, 2011 and LNP, 2012.

<sup>17</sup> Refer OESR, April 2012.

<sup>18</sup> Refer Queensland Government, May 2012.

## 2. PROJECT DETAILS

This section of the report provides an overview of the project and the social impact assessment. For more information, refer to the SIA within the EIS (Volume 5, Appendix 23).

### 2.1 Project Location

The Galilee Coal Project includes mine, rail and port components, although the EIS for the port is being assessed separately. The location of the Mining Lease Application (MLA), rail and port, and temporary construction camps, is shown in Map 1.

The MLA covers an area of approximately 758 km<sup>2</sup> and is located approximately 30 km northwest of Alpha within the Barcaldine Regional Council. Waratah Coal plans to build a railway from the mine site to the Abbot Point State Development Area (APSDA), from where coal will be exported. The APSDA is located 25 km northwest of Bowen within the Whitsunday Regional Council. The proposed railway extends for 453 km and is located within the Barcaldine, Isaac and Whitsunday Regional Councils. In addition to construction camps at the mine site and at Merinda (near Bowen), four camps will be located along the railway.

For the purpose of this report:

- The project area is defined as those areas containing project infrastructure (ie. the Alpha, Belyando and Bowen areas);<sup>19</sup> and
- The local region is defined as the Central Queensland and Mackay, Isaac and Whitsunday Regions.<sup>20</sup>

### 2.2 Project Description

The Galilee Coal Project includes open cut and underground mining approximately 30 km northwest of Alpha, the transport of coal by rail to Abbot Point, and the export of approximately 40 million tonnes of thermal coal annually for a period of at least 25 years. The project also includes workforce accommodation and other facilities in the vicinity of the mine and temporary work camps in the Abbot Point area and along the proposed railway line during the construction period.

Construction is scheduled to occur over a three-year period commencing 2013/14. The Metallurgical Corporation of China (MCC) has been engaged to undertake the engineering, procurement, construction and management of the project. Full production is anticipated within 3 years of first production.

### 2.3 Workforce Profile

The Galilee Coal Project will require 3,500 full-time equivalent (FTE) workers during the construction period:

- 2,500 workers for the mine (over a 3 year period); and
- 1,000 workers for the rail infrastructure (over a 3 year period).<sup>21</sup>

The operational workforce is estimated at 2,460 including 1,860 employees and 600 contractors. The operational area of employment is shown in Figure 2.

<sup>19</sup> These areas correspond to the former shires of Jericho, Belyando and Bowen, which were incorporated into the larger regional councils of Barcaldine, Isaac and Whitsunday in 2008.

<sup>20</sup> As per the regions presented in the Queensland Regionalisation Strategy. Refer Queensland Government, July 2011, p.13.

<sup>21</sup> This does not include the workforce for constructing port facilities at Abbot Point.

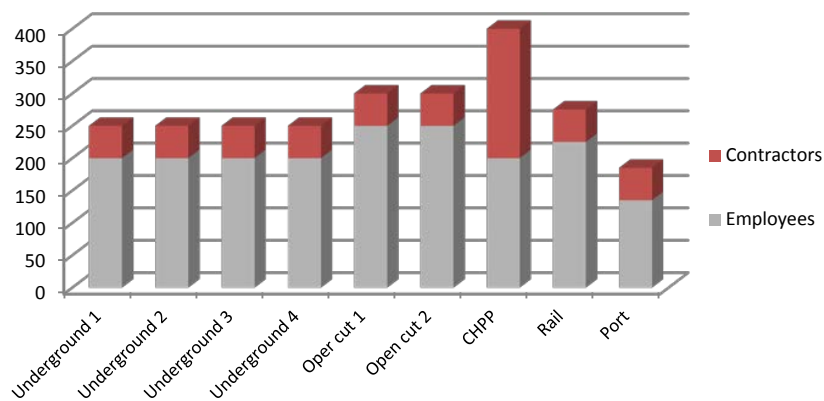


Figure 2: Operational Workforce Numbers by Location

The workforce for the rail and port components is estimated at 460 and will be located in the Bowen area. The remaining 2,000 employees and contractors will work at the mine site.

## 2.4 Potential Contribution to Regional Development

As described in the project’s Economic Impact Assessment, the project will increase the value of Australia’s exports by \$4.6 billion per annum: a 10% increase in the value of coal exports and a 1.5% increase in the value of total exports in comparison to 2010/11. The project is also expected to contribute over \$700 million annually to the Commonwealth Government, on average, predominantly through company and income tax and GST.<sup>22,23</sup>

Within Queensland, the project is expected to:

- Increase industry output by \$5.7 billion annually once production commences;
- Increase employment by approximately 2,975 during the 3-year construction period and 4,000 during mine operations;
- Increase household incomes by \$450 million per annum during the construction period and by \$780 million per annum during mine operations; and
- Contribute an average of \$365 million to the Queensland Government, predominantly through payment of royalties.

Within the local region, defined for the purpose of the Economic Impact Assessment as the Barcardine, Central Highlands, Isaac, Whitsunday, Rockhampton and Mackay Regional Councils, the project will:

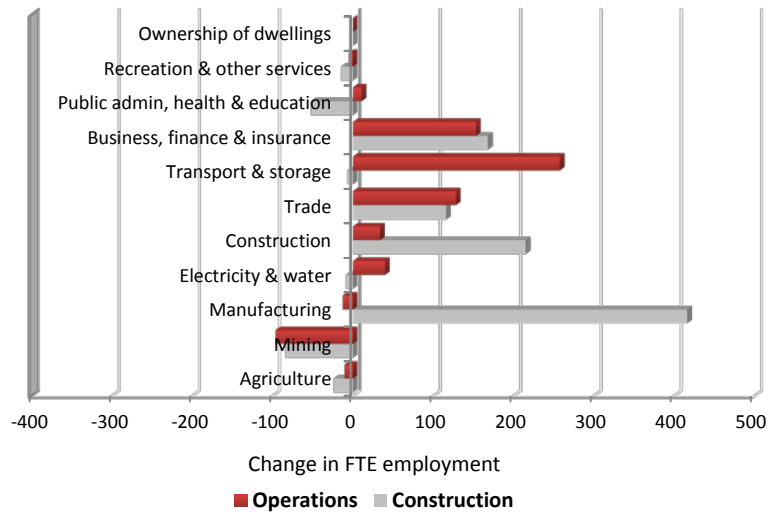
- Increase industry output by \$6 billion annually once production commences (which exceeds the increase for Queensland as resources are drawn from other parts of the State in support of the project);
- Increase employment by approximately 700 during the 3-year construction period and around 600 during mine operations; and
- Increase household incomes by \$150 million per annum during the construction period and by \$160 million per annum during mine operations.

<sup>22</sup> Refer AEC Group, July 2010.

<sup>23</sup> The economic analysis was undertaken without estimating the potential contribution that the project might make through a Minerals Resource Rent Tax or the revised royalty rates in Queensland, announced in September 2012.

In addition, the local region is expected to benefit as some of the royalties paid to the Queensland Government are allocated to the region under the Royalty for the Regions initiative.

Changes in employment in the local region – as a result of Project construction and operations – are summarised in Figure 3.

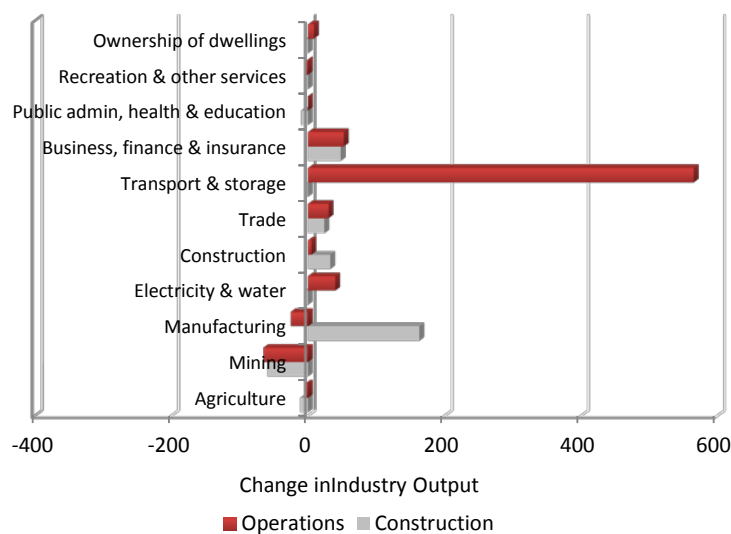


**Figure 3: Forecast Change in Employment: Local Region**

Source: AEC Group, July 2010.

As shown in Figure 3, employment in the manufacturing and construction sectors will increase most significantly during the construction period, although at the expense of employment in mining and public administration. During mine operations employment will increase in the transport, business, finance, insurance and trade sectors, predominantly at the expense of employment in the mining sector.

Changes in industry output in the local region – as a result of Project construction and operations – are summarised in Figure 4.



**Figure 4: Forecast Change in Industry Output: Local Region**

Source: AEC Group, July 2010.

As shown in Figure 4, manufacturing output will increase substantially during the construction period (as the project increases the demand for locally produced mine products), while mine output will fall (due to the shift in resources between sectors). During mine operations output will increase most in transport and storage, again at the expense of mine output.

Although the project will adversely impact some sectors of the regional economy, the reductions in employment (Figure 3) and industry output (Figure 4) in some sectors are very low in comparison to the net growth in employment and industry output during both the construction and operating phases.

## 2.5 Social and Cultural Area of Influence

The social and cultural area of influence is determined by a wide range of interrelated factors, including but not limited to:

- The physical location of project facilities;
- The proximity to settlements and other infrastructure;
- The tenure of the land and existing land use;
- The number of employees, their location and the value of wages;
- The number of suppliers, their location and the value of contracts;
- The roads used by employees, contractors and suppliers to access the project; and
- The location of service providers who will be impacted by employees and contractors.

While the project will clearly have impacts at state and national level, as described in Section 2.4, the project's main social and cultural area of influence is assessed as:

- Alpha and the surrounding area, which will host mine workers and which is expected to undergo substantial and rapid social and economic change;
- Bowen and the surrounding area, which will host port and rail workers and which is expected to undergo significant social and economic change; and
- The area along the proposed railway, where up to 44 property owners will be directly impacted.

## 3. STAKEHOLDER ENGAGEMENT DURING THE EIS

A consultation plan was prepared during the initial phase of the EIS process, and included the following key steps:

1. Identify stakeholders;
2. Develop project materials:
  - An initial brochure outlining the project, the proponent and the EIS process;
  - An initial powerpoint presentation describing the project, the proponent and the EIS process;
  - A series of maps showing the proposed mine layout, the proposed railway alignment and the proposed port layout;
  - A second brochure containing more detailed information on the project, the proponent and EIS process; and
  - A second (updated) powerpoint presentation describing the project, the proponent, the EIS process and recent progress.
3. Develop a consultation program, which included:

- A series of meetings with a range of Federal and State Government agencies;
  - Formal meetings with the Barcaldine, Central Highlands, Isaac, Whitsunday and Mackay Regional Councils (and subsequently the Blackall-Tambo Regional Council);
  - Public meetings in Barcaldine, Jericho, Alpha, Emerald, Clermont, Mt Coolon, Collinsville and Bowen;
  - Follow-up meetings with organisations and individuals as part of the various technical studies included in the EIS (including directly impacted property owners); and
  - Meetings with Indigenous groups as part of the cultural heritage studies.
4. Develop communication channels:
    - A project website;
    - An email address;
    - A 1800 free call number; and
    - A free post comment form.
  5. Ensure input from the public consultation process to each of the relevant technical studies;
  6. Report back to key stakeholders on the results of the public consultation process, the EIS and SIMP (*November 2011*); and
  7. Assign responsibilities within Waratah Coal for all stages of the public consultation process.

The main stakeholders during the EIS process included:

- Elected representatives;
- National, State and Local Government agencies (including the owners of public infrastructure);
- Landholders in the vicinity of project facilities;
- Indigenous groups, including traditional owners of land on which project facilities will be located;
- Other local residents and interest groups;
- The proponents of other resource projects (both planned and operational);
- Business groups; and
- The media.

Discussions have occurred with some of the property owners impacted by the mine and rail. Although unable to meet with all property owners due to land access constraints, the public meetings included a large proportion of property owners (refer Section 3.1).

Additional details on the public consultation process are presented in the EIS, including:

- The SIA (EIS Volume 5, Appendix 23); and
- Public Consultation Report (EIS Volume 5, Appendix 25).

Stakeholder engagement during the SEIS focused on State and Local Government agencies, along with participation in a Community Reference Group meeting in Alpha on 7 November 2012.

### **3.1 Key Social and Cultural Issues**

The key social and cultural issues are defined as those with which the public were primarily concerned with, and have been identified during 23 public meetings, as summarised in Table 2.

**Table 2: Public Meetings Held by Waratah Coal**

Location	Barcaldine	Jericho	Alpha	Blackall	Emerald	Clermont	Mt Coolon	Collinsville	Bowen
June 2010	✓	✓	✓		✓	✓		✓	✓
Sept 2010	✓	✓	✓		✓	✓	✓	✓	✓
Nov 2011	✓	✓	✓	✓	✓	✓		✓	✓

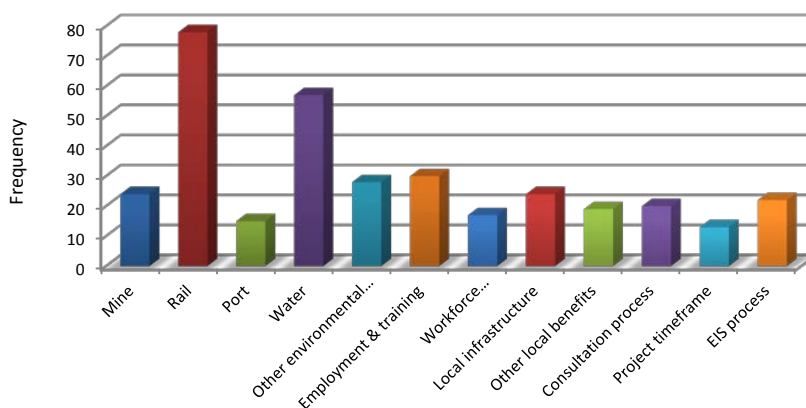
A large proportion of the participants in the meetings in Jericho, Alpha, Clermont, Mt Coolon and Collinsville were potentially impacted property owners. The property owners voiced many of the concerns raised and the meeting summaries therefore provide a good account of their concerns.

The issues do not necessarily match the main social impacts, which are identified and described in Section 4, as the issues have been defined as an expressed concern, or benefit, or a topic in which more information has been requested, and is based on the frequency in which issues were raised during public meetings held by Waratah Coal.

Although the port component of the project is being addressed separately from the mine and rail components, the results of the public meetings in Bowen, including issues raised in relation to the port, have been retained in the following sections as this provides a more accurate reflection of people’s concerns, and documents Waratah’s response to these concerns.

**Initial concerns**

The frequency in which the main issues were raised during the initial public meetings (June and September 2010) is illustrated in Figure 5. The main issues related to the railway (approximately 20% of all queries) and the impact of the mine on ground and surface water (approximately 15% of all queries). For the railway, the queries focused on the proposed alignment, rail and train details, and whether one or two railway lines would be constructed.



**Figure 5: Main Issues Raised During 15 Public Meetings Held in June and September 2010**

Source: Waratah Coal (reported in the Public Consultation Report, November 2010)

The main concerns were predominantly raised by property owners, particularly those potentially impacted by the project. Numerous Indigenous people attended the public meetings. Various issues were raised during these meetings, other than seeking clarification over project details, including:

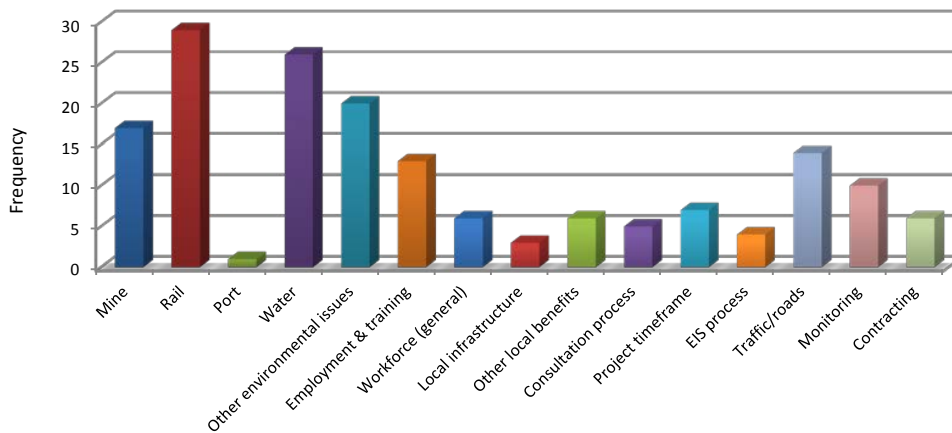
- Opportunities for employment and training; and
- Potential commercial opportunities.



These issues were also highlighted during meetings with the various traditional owner groups, whose lands may be impacted by the project, during the preparation of the Cultural Heritage Management Plan.

**Subsequent concerns**

The frequency in which the main issues were raised during the public meetings in November 2011, more than one year after the initial public meetings, is summarised in Figure 6.



**Figure 6: Main Issues Raised During 8 Public Meetings Held in November 2011**

As shown in Figure 6, the main issues raised again related to the railway and the impact of the mine on ground and surface water. However, other environmental issues were more frequently raised, including the potential impacts of the project on the Bimblebox Nature Reserve, the Belyando catchment, the wetlands at Abbot Point and the Great Barrier Reef. In addition, a number of new issues were raised, relating to the impact of the project on roads and traffic, the monitoring of project impacts, and contracting opportunities.

**3.2 Response to Main Concerns**

The main issues and concerns with the project in the vicinity of the mine, rail and port, can be summarised as follows (noting that the concerns sometimes differ to the issues raised, as many of the issues raised were requests for additional information or commenting favourably rather than an expressed concern):

**Mine:**

- Potential impacts on groundwater;
- Employment and business opportunities for local residents;
- Infrastructure and other benefits for Alpha; and
- The risk of Alpha becoming a ‘mining town’.

**Rail:**

- The number of railways to be constructed between the Galilee Basin and Abbot Point, and the actual rail alignment; and
- The impact of the railway on property management and cattle operations.

**Port:**

- Whether facilities at Abbot Point would be expanded or not;
- The potential benefits from an expansion of Abbot Point, and from the project, for Bowen residents; and
- Environmental impacts on the Abbot Point wetlands and nearby marine areas.

A more detailed list of concerns voiced during the public consultation process, and the response from Waratah Coal, is summarised in Table 3. Note that the response to some issues by Waratah Coal has changed over time as Waratah has developed strategies for addressing some issues, or Waratah has responded to other changes, such as the commitments made by the LNP, once elected in 2012.

**Table 3: Main Public Concerns and Response by Waratah Coal**

Location	Main Concerns	Response from Waratah Coal
<b>Mine</b> <b>1</b>	Impacts on groundwater	Waratah is monitoring groundwater within and outside the MLA. Environmental Plans will be prepared for the construction and operational phases of the project and include aspects relating to groundwater. Further details are provided in the Groundwater Technical Report in the EIS.
<b>2</b>	Alpha becoming a mining town	Waratah aims to support a carefully planned expansion of Alpha so that the existing lifestyle and friendly, rural atmosphere can be maintained. Waratah has prepared a Community Cohesion Strategy to help ensure the project has a beneficial impact on Alpha and adverse impacts are minimised.
<b>3</b>	Lack of water and power in Alpha and uncertainty over proposed development plans	Waratah supports the preparation of a development plan for Alpha, and a coordinated approach to the planning and implementation of such a plan. The need for increased awareness on collaboration (eg. the Galilee Basin Roundtable) and plans for the preparation of a development plan for Alpha is acknowledged.
<b>4</b>	Lack of benefit for local communities (particularly the use of mining royalties) <sup>24</sup>	The LNP has announced its intention to introduce a Royalty for the Regions Initiative. This should complement the funds available from mining companies for improving infrastructure and services in Alpha, and should provide substantial improvements and lasting benefits to the community.
<b>5</b>	Waratah Coal's contribution to local infrastructure	Waratah supports the preparation of local development plans, and will provide input to such plans, and will contribute financially at an appropriate level (ie. on a shared basis with other Galilee Basin proponents).
<b>6</b>	Lack of coordination between project proponents and government at different levels	Waratah supports the establishment of local consultative committees and the preparation of local development plans, as proposed by the Coordinator General in the evaluation of the Alpha Coal Project EIS. This will help ensure effective coordination between local councils, State Government, local residents and project proponents.
<b>7</b>	Impact of coal dust	Waratah will minimise the impact of coal dust by minimising the height of waste rock and stockpiles as much as possible; watering of stockpiles and roads; and progressively rehabilitating mined areas.
<b>8</b>	The impact on staff retention for existing businesses	This issue needs to be addressed in consultation with local business owners. Waratah will prepare either an Australian Industry Participation Plan or a Local Industry Participation Plan, which will promote local business opportunities, and will prepare a Workforce Management Plan, which will try to minimise the drain of professional (and other) staff from local communities. Part of the required approach also relates to the provision of training, including apprenticeships, which will be outlined in the Workforce Management Plan. <sup>25</sup>
<b>9</b>	The impact on community and emergency services	Waratah is willing to support emergency and welfare services in the Alpha area, but support should preferably be provided as part of local development plans to ensure assistance is coordinated with government agencies and other proponents and assistance supports priority activities.
<b>10</b>	Local employment and training	Waratah will develop a Workforce Management Plan, aiming to enhance the skill levels of the workforce and local communities; ensure opportunities for Indigenous employment; and maximise the number of apprentices from the region.

<sup>24</sup> These concerns were raised prior to the LNP's announcement of the Royalty for the Regions initiative.

<sup>25</sup> The Workforce Management Plan was previously referred to as a Training & Recruitment Plan.

Location	Main Concerns	Response from Waratah Coal
<b>Rail</b>		
<b>11</b>	Final rail alignment (including whether there would be one or two railways) <sup>26</sup>	Several proponents have prepared feasibility studies for railways between the Galilee Basin and Abbot Point (as there was no guarantee that the other proponent would proceed or would provide access to the other's rail). The LNP has stated that north-south and east-west alignments will be selected and these will cater for all proponents. Until a final decision is made on these alignments Waratah is proceeding with their preferred alignment.
<b>12</b>	Disruption to grazing practices	Waratah has attempted to minimise the number of properties through which the railway line will pass, and adopting a 1:200 gradient provides an opportunity to minimise the length of railway in low-lying, often more productive grazing (and cropping) areas. In addition, Waratah will work with each property owner to minimise disruptions and reduce impacts on cattle productivity as a result of the railway.
<b>13</b>	Compensation entitlements	Waratah has commenced consultation with property owners (on an individual basis). These discussions include compensation entitlements (see also #14 below).
<b>14</b>	Impact of the railway(s) on property values	An independent property assessor will value properties and will base values on their pre-railway values.
<b>15</b>	Impact of the mine on surface water	Tallarenha Creek shall be diverted around the mine site to ensure clean water is kept out of the mine and dirty water is not discharged into the creek, reducing the potential impacts on the quality or availability of surface water.
<b>16</b>	Fire management along the railway	The rail alignment will be fully fenced. The area around the tracks will be cleared and kept free of any vegetation.
<b>17</b>	Impact in terms of illegal access (in particular, illegal shooters)	The rail alignment will be fully fenced and appropriate signage placed in an attempt to minimise illegal access to land and illegal shooting in the railway corridor or on private property.
<b>Port</b>		
<b>18</b>	Impacts on Abbot Point wetlands	It is understood that Government will be seeking to prepare an Environmental Management Plan (EMP) for use by third parties for the construction and operational phases of expanded facilities at Abbot Point. Waratah will comply with the EMP and other management requirements within the APSDA.
<b>19</b>	Impact on the Great Barrier Reef Marine Park	As above.
<b>20</b>	Local employment and training	Waratah will develop a Workforce Management Plan, aiming to enhance the skill levels of the workforce and local communities; ensure opportunities for Indigenous employment; and maximise the number of apprentices from the region.
<b>21</b>	Local contracting opportunities	Waratah will prepare either an Australian Industry Participation Plan or a Local Industry Participation Plan and give preference to local suppliers and contractors and will provide information to local businesses to ensure they are aware of potential contracting opportunities and understand the required contract standards and conditions.
<b>22</b>	Lack of benefits due to inadequate planning and coordination	The establishment of local consultative committees and the preparation of local development plans have proven to be an effective way of ensuring coordination between local councils, State Government, local residents and project proponents and maximising the benefits from resource projects. Waratah supports a coordinated approach between government agencies and proponents for the Bowen area, and believe Council should play the lead role.

The above responses have been incorporated within the various technical studies included in the EIS and Supplementary EIS.

<sup>26</sup> These concerns were raised prior to the LNP's commitment, in its Resources and Energy Strategy, to consolidate rail easements for Galilee Basin projects. Refer LNP, 2011, p. 26.

## 4. SOCIAL IMPACT ASSESSMENT

### 4.1 Cumulative Social Impacts

The Galilee Coal Project is one of many large coalmines being developed in the Galilee Basin, and one of four in the vicinity of Alpha.<sup>27</sup> The Queensland Government has identified all four mines in the vicinity of Alpha as 'significant'.

The relative size of these coalmines is worth noting:

- In 2010/11 Queensland's 56 operating coalmines produced 180 Mt product coal, the largest being the Blair Athol and Blackwater mines (both producing between 10 and 12 Mtpa);
- At full production the 4 proposed mines in the vicinity of Alpha will produce around 115 Mt product coal per annum.

The Department of Natural Resources and Mines listed 3 coal projects under construction and 31 advanced coal projects in the Bowen Basin as at July 2012.<sup>28</sup> Although the recent decline in coal prices has delayed some plans for mine development or mine expansion, and the proposed expansion at Abbot Point has been temporarily suspended to enable a review of existing capacity and forecast demand before proceeding, continued expansion of coal production in the Bowen Basin, and development of multiple mines in the Galilee Basin, is forecast.

In addition to the expansion of the coal industry, a number of Coal Seam Gas (CSG) projects are being developed in Central Queensland and generally involve the extraction of CSG in the Bowen and Surat Basins; the construction of gas pipelines to Gladstone; and the construction of Liquefied Natural Gas (LNG) plants and expansion of port facilities at Gladstone.

Despite the current economic uncertainty, it is likely that several coal projects will be developed in a similar timeframe to that proposed for the Galilee Coal Project. Similar timeframes are likely because several coal projects will depend on the construction of expanded port facilities at Abbot Point, and will therefore aim to complete rail and mine construction and commence production as soon as possible after the expansion of port facilities.

Drawing on research conducted by the University of Central Queensland,<sup>29</sup> experience gained from the development of the *Sustainable Futures Framework for Mining Towns*,<sup>30</sup> and responses to the EIS for the Galilee Coal Project, the cumulative impact of multiple resource projects being developed within a similar time frame will include:

- Continued growth in employment opportunities;
- Increased demand for locally available goods and services required for mine construction and operations;
- Local skill shortages;
- In-migration, despite a shift towards a higher proportion of fly in – fly out (FIFO) workers;
- Increased demand for housing, resulting in further rises in both house prices and rental costs;
- A shortage of temporary accommodation (potentially impacting on tourism);
- Increased traffic; and

<sup>27</sup> The Alpha Coal Project, Kevin's Corner and South Galilee Project are located near Alpha. The Carmichael Coal Mine, being developed by Adani, is located around 200 km north of Alpha and is expected to have a much lower impact on Alpha than other proposed mines.

<sup>28</sup> Refer Department of Natural Resources and Mines, July 2012.

<sup>29</sup> Refer Petkova, Lockie, Rolfe & Ivanova, 2009 and Lockie, Franetovich, Sharma and Rolfe, 2008.

<sup>30</sup> Refer Department of Local Government, Planning, Sport and Recreation, February 2007 (Appendix 4).

- Increased demand for public and private services, including social services, emergency services and commercial services.

While many of the above impacts sound negative, continued expansion of the mining industry will:

- Help address the decline in population rural Queensland has experienced in recent decades;
- Increase personal income levels in the region;
- Lead to improved public infrastructure and services;
- Raise workplace health and safety standards (including in non-mining sectors);
- Provide substantial (voluntary) financial contributions to local organisations and activities; and
- As a result of high income levels, contribute to a level of commercial services, entertainment and events more typical of an area with much higher population.

Mining is helping redress the inequality between rural and urban areas that has prevailed for several decades, particularly in terms of personal income levels and access to infrastructure and services. However, those people living in the mining areas have overwhelmingly been critical of the lack of resources allocated in response to rapid population growth, and have maintained a popular view that too few mining benefits are returned to the area in which mining occurs. The Royalties for the Regions initiative may help change this perception.

#### 4.2 Social Impact Significance

The main social impacts and their significance, resulting from both the project and from the development of multiple, large-scale resource projects, are summarised in Table 4. Note that the summary focuses on the main social impacts, as recommended in the *Leading Practice Strategies for Addressing the Social Impacts of Resource Developments*,<sup>31</sup> rather than trying to list all potential social impacts. Note also, the significance of an impact (grouped as extreme, high, medium or low) is based on an assessment of the likelihood and consequence of an impact occurring, as recommended in the *Guideline to Preparing a Social Impact Management Plan*,<sup>32</sup> and in *Leading Practice Strategies for Addressing the Social Impacts of Resource Developments*.<sup>33</sup> Details of the significance assessment are presented in Attachment 2.

**Table 4: Summary of Social Impacts and Significance**

Impact	Description of project impact	Significance	
		Project	Cumulative
<i>Positive:</i> Increased employment	The project will generate an additional 3,000 jobs during construction and 4,000 jobs during operations in Queensland; and an additional 700 jobs during construction and 600 jobs during operations in the region.	Medium	High
Improved skill levels	Skill levels in the region will be increased as training is provided to workers, apprentices engaged, and support provided to local schools to establish pathways for school children to enter the mining industry.	Medium	Medium
Increased business activity	The project will procure a range of goods and services from the project area and local region, leading to a direct increase in business activity and employment. By contributing to population growth, the project will also have indirect and induced impacts on business activity and employment.	Medium	High
Higher income levels	Increased employment and business activity will increase personal and family income levels in the project area and local region.	High	High

<sup>31</sup> Refer Franks, Fidler, Brereton, Vanclay & Clark, November 2009, p. xii.

<sup>32</sup> Refer Department of Infrastructure and Planning, September 2010, p.10.

<sup>33</sup> Refer Franks, Fidler, Brereton, Vanclay & Clark, November 2009, p. xii.

Impact	Description of project impact	Significance	
		Project	Cumulative
Population growth	The project will lead to a substantial increase in the population of Alpha, and contribute to modest population growth in the Bowen area.	Medium	High
Improved infrastructure and services	The project is expected to lead to substantial improvements in infrastructure and services in Alpha, and significant improvements in Bowen, both from the project's contribution through the Royalty for the Regions Initiative, and from direct contributions by Waratah Coal as part of a coordinated, multi-proponent response in both locations. Population growth will also help secure improved public and commercial services in Alpha and Bowen.	High	Extreme
<b>Negative:</b> Additional stress	The uncertainty over the rail alignment and which railway will be constructed is causing uncertainty and stress for property owners. Mine and rail construction will cause further stress on property owners.	High	High
Dust, noise, vibration and reduced visual amenity	People residing in the vicinity of the mine and railway can expect, to varying degrees, increased levels of dust, noise, vibration and reduced visual amenity as a result of the project.	Medium	Medium
Lower cattle production	Cattle operations will be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.	Medium	Medium
Loss of staff to the mining industry	Government agencies and local businesses, including grazing and agricultural enterprises, will lose staff to the mining industry, leaving them short-staffed and/or facing higher recruitment, labour and training costs.	High	High
Increased demand on health and emergency services	Resident and FTE population growth will place additional demand on health and emergency services in Alpha and Bowen. Increased traffic on highways and local roads may also contribute to an increase in traffic accidents and may therefore increase the demand on police, fire, ambulance and health services.	Medium	Medium
Rising living costs	Housing prices, rental costs and the costs of local goods and services are expected to rise. Shortages in accommodation and trade services are likely. Higher living costs will disadvantage the non-mining sector and particularly low-income groups.	Medium	High
Loss of rural atmosphere	Without a well-managed and adequately resourced approach, Alpha could lose its existing friendly, rural atmosphere and exhibit a range of characteristics more commonly described as befitting a mining town.	Medium	High
Decline in tourism	A lack of temporary accommodation in Alpha, and potentially Bowen, or excessive costs for temporary accommodation, could result in a decline in tourist numbers, and therefore, less business activity.	Medium	Medium
Economic decline following mine closure	Mine closure (or a downturn in the mining industry) may result in a decline in employment levels, contracting opportunities and income levels in the project area.	Medium	Medium

The Galilee Coal Project will have social and economic impacts through much of Queensland. When considering the cumulative impacts from the development of multiple large-scale coal projects in the Galilee Basin, the most impacted community will clearly be Alpha. However, the expected expansion at Abbot Point will impact significantly on the Bowen community. The most impacted individuals will be property owners with land in the MLA, followed by property owners with land in the rail corridor, then employees and contractors.

A number of positive and negative social impacts have been identified in Table 4. The management of social impacts will determine the net social impact. The management of social impacts is described in the following Sections.

## 5. APPROACH TO SOCIAL IMPACT MANAGEMENT

The approach for managing social impacts is guided by the need to:

- Understand the communities in which the project is located, and the visions that these communities have for their future;
- Prepare strategies to maximise the contribution that the project can make towards realising these visions;
- Build productive relationships with these communities and other stakeholders; and
- Support efforts to enhance coordination between proponents.

Given the size and location of the project and the different stakeholders impacted, social impact management requires different approaches for:

- Residents of Alpha and surrounding areas;
- Residents of Bowen and surrounding areas;
- Property owners impacted by the mine and railway; and
- The broader regional economy (focusing on Central Queensland and the Mackay, Isaac and Whitsunday Regions).

Before outlining the approaches for each of the above, the Coordinator General's evaluation of the Alpha Coal EIS is reviewed as it provides a framework for the management of social impacts in the Galilee Basin, and is likely to be applied to the Galilee Coal Project and any subsequent projects.

### 5.1 Evaluation of the Alpha Coal EIS

The Coordinator General approved the Alpha Coal project with a number of conditions.<sup>34</sup> These included:

1. Establishing the Galilee Basin Cumulative Social Impact Assessment (CSIA) Roundtable;
2. Implementing a Galilee Basin Cumulative Social Impact Study, which will assess the cumulative social impacts for relevant issues such as, but not limited to population, workforce, accommodation, health and housing and use of community infrastructure and services;
3. Preparing a Galilee Basin Social Infrastructure Plan, which will determine short, medium and long term strategies for the delivery of social infrastructure initiatives through partnerships between industry, communities, and governments;
4. Preparing a development plan for Alpha, with the intent of improving the water and power supply, upgrading the sewerage system, releasing residential and industrial land and improving telecommunications, and other aspects; and
5. Preparing an Infrastructure Agreement with BRC, consistent with the Social Infrastructure Plan, for the construction, upgrade and maintenance of infrastructure required by BRC to support the construction and operation of the project, potentially including local roads and Alpha's aerodrome, sewerage, waste disposal/landfill facilities, water supply, electricity, fire services and community/recreational facilities.

The Coordinator General stipulated that the proponent is to provide financial contributions in which agreed industry funds are pooled to mitigate the social impacts of major project developments in the Galilee Basin; contribute to the development and implementation of the Alpha development plan; and implement the Galilee Basin Social Infrastructure Plan, as determined by the Galilee Basin Cumulative Social Impact Study. Furthermore, the proponent is to outline its financial commitments to the

<sup>34</sup> Refer Queensland Government, May 2012, pp. 187-191 & 287-290.

Community Development Fund and Community Infrastructure Fund in their final SIMP, to be submitted within six months of a Final Investment Decision (FID) to proceed.

Waratah supports the Coordinator General's collaborative approach, including the preparation and implementation of a development plan for Alpha, and the contribution by Galilee Basin proponents to one or more combined development funds. Subsequent discussion with the Office of the Coordinator General and various Galilee Basin proponents in October and November 2012 have progressed thinking on the Roundtable, including:

- A clear focus on planning and development rather than additional studies; and
- The establishment of a separate roundtable (or equivalent) for Bowen, as Abbot Point will involve a different mix of proponents.

However, additional clarity is required on the planning process, the funding model and financial contributions. While acknowledging that the Coordinator General has tasked the Alpha Coal Project to prepare TOR for the Galilee Basin Roundtable,<sup>35</sup> Waratah Coal would like to recommend:

1. The Roundtable prepare a development plan for Alpha, outlining infrastructure and services required for various population scenarios (eg. from 1,200 to 2,000 residents);
2. The development plan is scheduled over a ten year period;
3. Financial contributions are estimated for the State Government (possibly using contributions from the Royalties for the Regions initiative) and proponents; and
4. The development plans (and costs) are revised annually in response to mine development and social changes that occur.

It is envisaged that in addition to providing financial contributions towards Alpha's development plan, proponents will provide financial contributions to improve and maintain services, initially focusing on Alpha, but possibly extending to other parts of the BRC area over time. It is estimated that the Galilee Basin proponents will contribute a total of around \$2 million per year to a 'community development fund' to improve and maintain services, once four or more mines enter construction or are operational.

Waratah recommends that a similar structure to the Galilee Basin Roundtable be established for the Bowen-Abbot Point area, with similar objectives of improving infrastructure and services in Bowen, and possibly extending these to other parts of the Whitsunday Regional Council (WRC) area over time.

## 5.2 Alpha

Alpha contains around 350 residents and another 220 people living in the surrounding area.<sup>36</sup> The population is aging and continues to decline, despite recent exploration activity; many of the younger people leave the area in search of higher education or employment; and access to services is limited:

- The public school provides education to Grade 10;
- Alpha does not have a resident doctor or a full-time ambulance service; and
- Other than for basic needs, the nearest commercial services, senior high school and health services are located in Barcaldine (143 km) or Emerald (169 km).

Alpha has high workforce participation rates and low unemployment levels in comparison to Queensland but is experiencing change, in part due to mine exploration: median individual income levels exceeded those for Queensland in 2011, although household income levels are lower, due to smaller household size. The population exhibits more stability than Queensland as a whole, with 62% of residents residing in

<sup>35</sup> Refer Queensland Government, May 2012, pp. 187-8.

<sup>36</sup> Based on 2011 census data (refer ABS, 2012).



the same location five year's previously. However, non-resident workers represented over 7% of the workforce within the former Jericho Shire in 2011.<sup>37</sup>

House ownership is high (43% of dwellings are fully owned) but few people are buying a house (19% of dwellings) in comparison to Queensland (30% and 35%, respectively). However, house prices have risen considerably over the past five years, as shown in Figure 7.

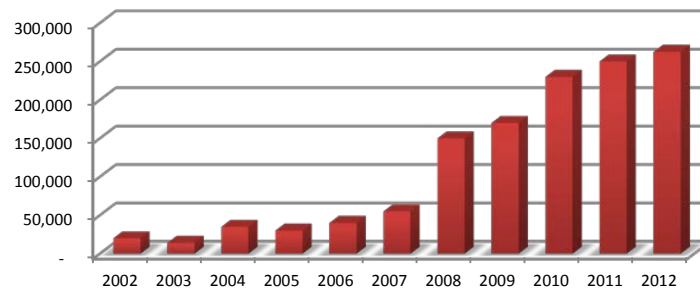


Figure 7: Median House Price, Alpha

Source: [www.myrp.com.au](http://www.myrp.com.au)

Rents in Alpha in mid 2012 typically ranged from \$150 to \$190 per week. While increasing substantially over the past decade, further rises are likely given the limited market (approximately 100 rental properties) and exceptionally low vacancy rates.<sup>38</sup>

### Local objectives

The majority of Alpha's residents, including graziers and their families from the local area, would like improved services in Alpha, particularly health and education, but they wish to retain the friendly and relatively quiet lifestyle. While acknowledging the need for population growth to realise improved health and education services, new residents will preferably come as families, be community orientated and have a desire to share the rural lifestyle. Mining is also seen as potentially making a positive contribution to the community by providing training and employment opportunities, for young people in particular, so they can stay in the area rather than seek employment elsewhere.

The BRC prepared a Community Plan in October 2009. The Plan devotes a section to Alpha, which includes the following extract:

*While people saw the need to increase population and have greater community vitality, they also wanted to retain the values and lifestyle of a sustainable small community. They wanted to maintain caring community values and retain a quiet, safe lifestyle that make the community ideal for families.*

*While local mining development offers opportunities for employment and infrastructure investment, people want to see Alpha in the future as a sustainable community with a diverse economy where mining staff are integrated into the community and environmental impacts are minimal.*

*Other aspects of the preferred future were:*

- *Developing the coal and coal seam gas industries but without being "over-run" by mining; and*
- *Having greater permanent employment through mining and/or other growing industries.*<sup>39</sup>

The above perspectives were reiterated in Council's submission to the Alpha Coal EIS, specifically:

<sup>37</sup> Refer OESR, April 2012, p.32.

<sup>38</sup> Refer RP Data, July 2012.

<sup>39</sup> Refer Cavaye, October 2009, pp. 12-21.

.... the desired regional outcome for strong communities is to retain the sense of identity in the region's rural and remote communities, and support and encourage healthy and viable rural enterprise that enhances the interdependence and liveability of these communities.<sup>40</sup>

### Waratah's objectives

In response to local preferences and aspirations, Waratah Coal aims to contribute to Alpha's growth and prosperity through a well planned and effectively managed expansion in population, physical infrastructure and economic opportunities, while trying to preserve and contribute positively to the existing lifestyle and friendly, rural atmosphere.

The focus on Alpha and the surrounding area reflects (i) the intentions of Council to develop Alpha as a result of mine development in the Galilee Basin, and (ii) its proximity to the mine site, which will enable some workers to commute between the town and the mine on a daily basis. The focus on Alpha, rather than spreading impacts between Alpha and Jericho, is regarded as the most effective method – certainly in the short to medium term – of building a community and increasing the population and range of public services available in the area.

### Population projections

Council and independent researchers have proposed a range of population projections for Alpha.<sup>41</sup> Most range from 1,200 to 2,000 people. These numbers are not supported by detailed analysis, but are generally thought to be required if the school is to include Grades 11 and 12, and if a doctor and permanent ambulance officer are to be located in Alpha.

Waratah has prepared projections to help understand the likely composition of the population at different sizes. The analysis is based on population data for Clermont, which is located 179 km to the northeast of Alpha. Clermont is a relatively small town that has, in part, retained its rural lifestyle while accommodating mine workers from the nearby Blair Athol and Clermont mines.

Population, demographic and workforce characteristics for Clermont, derived from the 2006 and 2011 national population and housing censuses, are summarised in Table 5. As shown in Table 5, Clermont experienced 3.3% annual population growth between 2006 and 2011, and much of this can be attributed to the 50% increase in the number of mine employees residing in Clermont.

**Table 5: Population and Workforce Participation Data for Clermont, 2006 and 2011**

Indicator	2006	2011
Population	1,853	2,177
Population less than 15 years of age	23%	22%
Number of households	688	871
Average household size	2.7	2.5
Workforce participation	70%	67%
Workforce engaged in mining (%)	25%	31%
Workforce engaged in mining (number)	219	338

Source: ABS, 2007, 2012.

Population and workforce characteristics for Clermont have been utilised to predict the composition of Alpha's population and its workforce under a range of population scenarios. However:

<sup>40</sup> Refer Queensland Government, May 2012, pp. 185-6.

<sup>41</sup> Including Economic Associates, August 2010.

- A higher proportion of the workforce is expected to be engaged in mining at lower population levels, as it is likely that there will be a lag between the arrival of mine workers and the growth of other service industries in Alpha; and
- A lower proportion of the population is expected to be under the age of 15 at lower population levels, as it is likely that a higher proportion of single men will initially be attracted to Alpha rather than couples with children.

Population, workforce and employment projections for Alpha, at different population levels, are presented in Table 6.

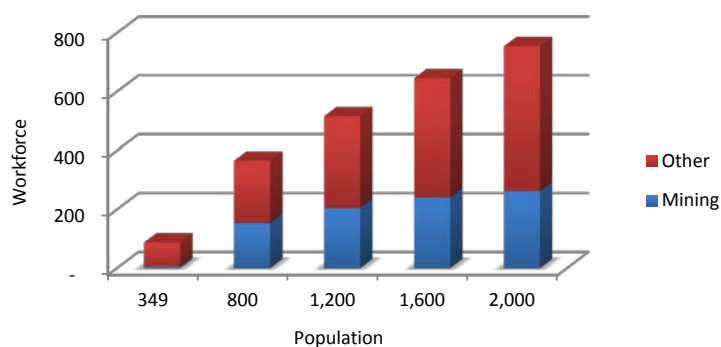
**Table 6: Population and Workforce Participation Data and Projections for Alpha**

Indicator	Actual (2011)	Projection #1	Projection #2	Projection #3	Projection #4
Population	349	800	1,200	1,600	2,000
Less than 15 years of age (%)	27%	17%	19%	21%	23%
Less than 15 years of age	94	136	228	336	460
In workforce	173	452	661	860	1,047
Not in workforce	82	212	311	404	493
Number of households	134	333	480	615	741
Average household size	2.6	2.4	2.5	2.6	2.7
Workforce participation	68%	68%	68%	68%	68%
Workforce engaged in mining (%)	3%	34%	31%	28%	25%
<b>Workforce engaged in mining (#)</b>	<b>6</b>	<b>154</b>	<b>205</b>	<b>241</b>	<b>262</b>

Source (2011 data): ABS, 2012.

Although it may take several years for the expansion of non-mining employment, the placement of a relatively small number of mine workers and their families in Alpha, and increase in income levels, is expected to be a sufficient catalyst for significant population growth. The above assumptions are regarded as realistic, providing sufficient resources are allocated to support the planning and development of Alpha.

The assumed workforce composition at various population projections is shown in Figure 8.



**Figure 8: Employment Projections for Alpha at Various Population Scenarios**

Further results of the population projections are illustrated below, including the estimated increase in dwellings to accommodate the higher population (Figure 9) and the estimated number of primary school-aged children (Figure 10).

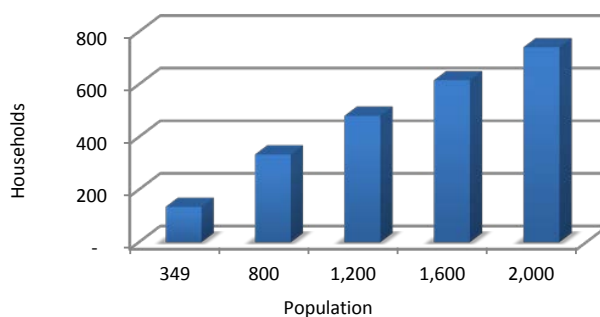


Figure 9: Estimated Households in Alpha at Various Population Scenarios

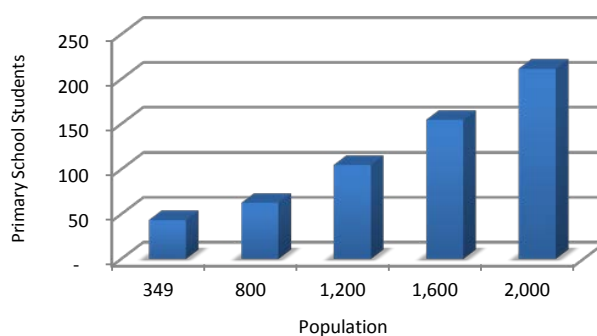


Figure 10: Primary School Student Projections for Alpha at Various Population Scenarios

### Waratah's response

In response to the population, workforce and employment projections, Waratah has made a commitment to base at least 50 staff in Alpha. As one of four large coalmines proposed in the vicinity of Alpha, the placement of 50 staff by Waratah is regarded as an appropriate contribution from one proponent. It should also be noted that Waratah will:

- Provide all mine employees with the opportunity to reside in the local area; and
- Provide incentives for mine employees to relocate to Alpha with their families.

Furthermore, mine contractors will be encouraged to establish local businesses and base their staff in Alpha (predominantly by giving preference to contractors who have staff residing in Alpha on a permanent basis). It should be noted that 54% of the workforce of mining and gas projects in the Bowen Basin in 2011 were contractors and just 46% were employees.<sup>42</sup> Thus, the combination of specifying a minimum number of employees who reside in Alpha, and encouraging contractors to establish a base in Alpha, is considered as an appropriate strategy to build Alpha's population.

As discussed in Section 5.1, it is recommended that a development plan be prepared for Alpha. It is recommended that this plan be initially based on population scenarios of between 1,200 and 2,000 residents. However, in preparing a development plan for Alpha, detailed discussions are required with Council, a range of service providers and the local community. The planned number of residents should be reviewed as part of this process and updated over time, giving due consideration to what is considered to be a viable, long-term population.

<sup>42</sup> Refer ABS, 2012.

Further details and social impact management strategies for Alpha are described in Sections 6.1 and 6.4.

### 5.3 Bowen

Bowen contains around 8,600 residents with another 1,600 in the vicinity of the town.<sup>43</sup> The number of residents has stagnated over the past 30 years. Household income levels are 11% lower than for Queensland as a whole, due to the high number of relatively low paid jobs in agriculture and tourism, and their seasonality; a relatively old population (median age of 39); low workforce participation (60%); and a high proportion of single-person households (26%).<sup>44</sup>

Bowen's economy has suffered major setbacks when the abattoirs closed in 1997, and again when Chalco withdrew from the proposed bauxite processing project in July 2010. Further doubts as to the economic future for Bowen followed the decision by SunWater not to proceed with the Water for Bowen project in October 2011, and the decision to review the expansion of facilities at Abbot Point following the election of the LNP in May 2012.

#### Local objectives

Following an extended period of economic uncertainty and limited growth, Bowen residents have a desire to boost employment and income levels and expand the economy. This is regarded as necessary for upgrading and expanding public infrastructure and public and commercial services.

The Whitsunday Regional Council has recently prepared a Community Plan for the period 2011-2021. Although not focusing specifically on Bowen, the Plan included a range of vision statements that encompassed sustainable economic growth and improved infrastructure and services while protecting and enhancing the environment. Development of Abbot Point was identified as a key driver of economic growth in the region.

A detailed Accommodation and Community Infrastructure Study was completed in 2010 to help assess the accommodation and community infrastructure needs in the Bowen area arising from local economic development, particularly Abbot Point. The Study identified a number of key issues:

- The population of the local area was likely to fluctuate, particularly during the construction of major projects;
- Accommodating the required number of construction workers will be difficult given the existing needs of seasonal workers in the agricultural sector (the sector with the highest level of employment in the Bowen area);<sup>45</sup> and
- A key challenge is attracting and retaining younger families to the area, as this will ensure a demographic shift that benefits the most, in both social and economic terms, from the development of major resource projects.

The Study highlighted the need for a diverse range of housing options, including affordable accommodation, and a full range of high quality community infrastructure.<sup>46</sup>

#### Waratah's objectives

Waratah aims to maximise its contribution to population growth and economic development in the Bowen area.

Waratah aims to be a valued member of the Bowen community: building and maintaining strong relationships with the WRC, local community and other stakeholders, and contributing to Bowen's long

<sup>43</sup> Refer ABS, 2012.

<sup>44</sup> Refer ABS, 2012.

<sup>45</sup> 16% of the workforce was employed in agriculture, fisheries and forestry in 2011.

<sup>46</sup> Refer SGS Economics & Planning, April 2010.

term growth and prosperity. To support the growth and maturity of Bowen and the surrounding area, Waratah will maximise local employment and the contribution that the project makes to both economic and social development.

#### **Waratah's response**

The Bowen area is defined as the township and areas within close proximity to the township. The relatively narrow geographic focus on Bowen reflects the need for workers at Abbot Point to be able to drive to and from work on a daily basis (or commute by bus), thereby excluding towns located further afield. The project is expected to require 360 employees and 100 contractors for the rail and port components. All rail and port employees will be based in the Bowen area on a permanent basis.

As Bowen is an established and quite diversified town, and Waratah is one of several proponents intending to export coal from Abbot Point, Waratah aims to play a supporting role to Council in contributing to the development of Bowen. Further details and social impact management strategies for Bowen are described in Sections 6.2 and 6.4.

### **5.4 Property Owners**

The Galilee Coal Project is expected to directly impact 8 properties at the mine site and up to 44 properties along the length of the railway (subject to final alignment of the corridor). The vast majority of property owners do not want the Galilee Coal Project to proceed because it will disrupt grazing activities and their relatively peaceful way of life. Many of the property owners have been adversely impacted over the past two years due to:

- Threats to their livelihood, including the loss of stockmen/other workers to the mining industry;
- The uncertainty over whether the project will proceed, its timing, and how it may impact individual properties;
- The time allocated by property owners to the project (eg. consultation, reading documents, seeking legal and other advice, and preparing submissions); and
- The stress the above factors have caused.

Of the 8 properties with land inside the MLA:

- Three properties will support mine infrastructure and/or open cut mines and will not be able to continue grazing operations. Two of these properties contain permanent residents and will therefore need to be relocated. The other contains residences that are occupied on a part-time basis.
- Three properties will be impacted primarily by underground operations and are expected to be able to continue grazing activities during mining. Two of these properties contain permanent residents. The occupants will be able to continue to reside on the properties, should they wish, although impacts of subsidence will also need to be monitored for one residence.
- The two remaining properties are outside the area of mining and will be able to continue grazing operations.

Waratah acknowledges that the railway may have a range of adverse impacts, including:

- Disruptions to grazing operations during railway construction and operations;
- Increases in dust, noise, vibration and visual impacts (particularly for those properties with residential areas in close proximity to the proposed railway);
- Increased traffic along the railway, and the uncertainties this brings in terms of who is on or near the property and why;

- Stress, particularly during the lead up to construction when there is greater uncertainty over what lies ahead;
- Disruption to the peaceful way of life and contentment from residing in a predominantly quiet and peaceful environment;
- Requirements to change some fence lines and access roads and relocate or construct new watering points;
- Requirements to train cattle to walk through rail underpasses; and
- The uncertainty over the project and rail alignment may disrupt development plans and may make it difficult to sell a property, if any of the property owners are planning to do so.

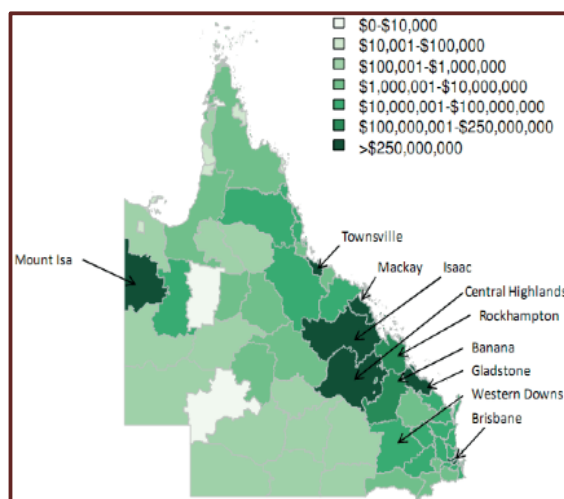
Waratah aims to understand the impacts on property owners, minimise impacts as much as possible, ensure fair compensation when impacts can not be avoided, provide opportunities to benefit from the project when available, and provide every opportunity to engage with property owners in a meaningful and effective manner. Further details are provided in Section 6.3.

### 5.5 Regional Economy

Mining plays a significant role in the regional economy. An analysis of the economic benefits of the resource sector in Queensland was undertaken by Rolfe, Gregg, Ivanova, Lawrence & Rynne using data for 2009/10. Results indicated the following:

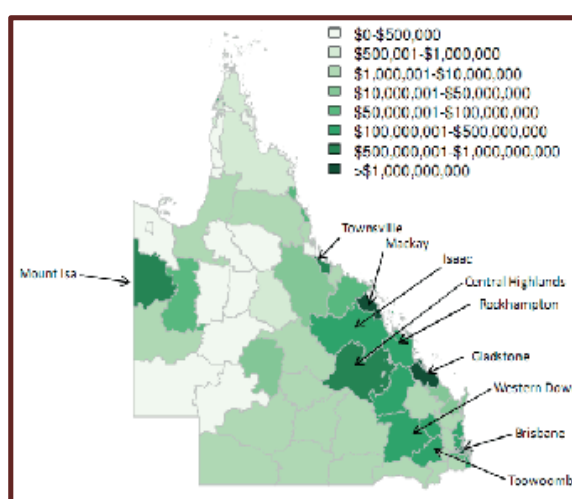
- Resource projects employed 38,000 staff and paid \$5 billion in salaries and wages;
- \$17 billion was paid to Queensland suppliers or as voluntary community contributions;
- The sector generated 254,000 additional jobs and \$28 billion in value added effects (boosting Gross Regional Product to \$50 billion); and
- \$2 billion was paid as royalties.<sup>47</sup>

Payments for (i) salaries and wages and (ii) supplies, by local government area (LGA), are shown in Maps 2 and 3, respectively.



**Map 2: Resource Sector Salary Payments, 2009/10**

Source: Rolfe, Gregg, Ivanova, Lawrence & Rynne, March 2011, p.31.



**Map 3: Resource Sector Supply Expenditure, 2009/10**

Source: Rolfe, Gregg, Ivanova, Lawrence & Rynne, March 2011, p.34.

<sup>47</sup> Refer Rolfe, Gregg, Ivanova, Lawrence & Rynne, March 2011, pp. 25-29.

As shown in Map 2, the highest salary/wage payments occurred in the Isaac, Central Highlands, Brisbane, Mackay, Mt Isa and Townsville LGAs, but were spread through the majority of Queensland. While there is no doubt that resident workers will spend far more money in the local economy than non-resident workers (NRWs), it is important to recognise the important economic contribution made by NRWs from those LGAs that have limited economic opportunities, including many in central-western Queensland. In these locations, mine income can provide a valuable source of off-farm income, which helps maintain the level of economic activity and the population in relatively isolated rural communities.

As shown in Map 3, supply expenditures were far more concentrated, and primarily benefited Brisbane (47% of the total), Mackay and Gladstone.

In recognising the valuable contribution that mining makes to the Queensland economy, and scope to build on and increase existing benefits, Waratah aims to maximise the economic benefits arising from the project, foremost from within the project area, then from within the local region (ie. Central Queensland and the Mackay, Isaac and Whitsunday regions) and the rest of Queensland. This will be achieved by:

1. Contributing to population growth by basing 360 staff (and their families) in Bowen and 50 staff (and their families) in Alpha;
2. Local recruitment preferences;
3. Providing drive in – drive out (DIDO) options for mine workers (and if numbers permit, Bus In – Bus Out options from regional centres);
4. Provision of training, including preference for local apprentices;
5. Local procurement strategies, including preference for locally-based companies and interaction with local suppliers to boost their capacity to submit appropriate tenders; and
6. Employment and procurement strategies to encourage Indigenous participation.

These strategies are described in more detail in Sections 6.5 and 6.6.

From a regional perspective, Emerald, located 170 km to the east of Alpha, is regarded as likely to benefit most from the Galilee Coal Project. The project is likely to have some employees who reside in Emerald, and is likely to source a considerable proportion of mine goods and services from Emerald. This, along with the expansion of coal and CSG projects in the Central Highlands, will contribute to the high population growth rate (2.5% per annum) projected for Emerald over the next 20 years, and help sustain high income levels (the median personal income level in 2011 was \$905/week, 54% higher than the median personal income level for Queensland).<sup>48</sup>

Other regional centres expected to benefit from mine employment include Barcaldine, Tambo, Blackall, Longreach, Winton and Charleville: as employment at the Galilee Coal Project will reduce driving time to Bowen Basin mines by around two hours.

The regional centres expected to benefit from the provision of goods and services, other than Emerald, include Mackay and Townsville. While most mine supplies that can be sourced locally are likely to be sourced from Emerald, supplies required for port and rail operations could be sourced from Mackay and Townsville, which are both around 200 km from Abbot Point.

#### **Loss of staff to the mining industry**

While mining can substantially boost the local economy, it can also draw staff from government agencies and businesses in the local area, including grazing and agricultural businesses, and can leave these agencies and businesses with staff shortages and higher recruitment, salary and training costs. While not

<sup>48</sup> Refer ABS, 2012.



always easy to differentiate between long-term structural changes and short-term impacts occurring as a result of the mining boom, the development of multiple large-scale mining projects within a limited timeframe will no doubt challenge the viability of some businesses in Central Queensland.

The response by the Commonwealth and State Governments to date has largely focused on strategies to support population growth (such as Queensland's Regionalisation Strategy); increase workforce participation; increase skill levels within the existing workforce; and making it easier to source overseas workers (eg. using Enterprise Migration Agreements).

While acknowledging the complexity of dealing effectively with the loss of staff to the mining industry, Waratah Coal believes it is possible to help minimise the impacts, particularly on local businesses. For example:

- Outsourcing goods and services and use established, local contractors when possible;
- Making financial contributions to affordable housing, particularly in Alpha and Bowen; and
- Providing financial support for apprentices that are engaged by local businesses (and not limiting this support to businesses involved in or related to the mining industry).

Addressing the loss of agricultural workers to the mining industry is difficult, in large part due to the disparity between mining and agricultural wage levels and the seasonality of many agricultural positions. However, Waratah Coal is willing to participate in discussions in an attempt to prepare strategies to limit the loss of agricultural workers to the mining industry.

Strategies to counter the loss of workers to the mining industry are described in more detail in Section 6.

## **6. IMPACT MITIGATION AND MANAGEMENT**

The strategies for managing and mitigating social impacts have been prepared in response to:

- The social impacts identified in the SIA;
- The Coordinator General's evaluation of the Alpha Coal EIS, particularly the requirements relating to coordinated approaches for managing social impacts in the Galilee Basin, and subsequent meetings between the Office of the Coordinator General and Galilee Basin proponents;
- Submissions on the draft EIS; and
- Subsequent discussion with key stakeholders, including discussion relating to a Health and Emergency Services Strategy, which was prepared to help facilitate stakeholder input to the management of social impacts.

Social impact management strategies have been prepared for each of the main social impacts identified in Table 4 (Section 4). These strategies have been grouped and Action Plans prepared for:

1. Assistance in Alpha;
2. Assistance in Bowen;
3. Minimising Adverse Impacts on Property Owners;
4. Accommodation and Housing;
5. Workforce Management; and
6. Local Industry Participation.

The link between the social impacts, social impact management strategies and Action Plans is shown in Attachment 3.

The strategies within each Action Plan are described in the remainder of this Section and are supported by draft Action Plans (Attachment 4) and the draft Health and Emergency Services Strategy (Attachment 5). The draft Health and Emergency Services Strategy is supported by draft:

- Workplace induction procedure;
- Drug and alcohol policy;
- Fatigue management plan;
- Community cohesion strategy; and
- Code of conduct.

A Monitoring Framework for the Project is presented as Attachment 6.

## 6.1 Assistance in Alpha

### Development plan

As discussed in Section 5.1, Waratah recommends:

1. The Galilee Basin Roundtable prepare a development plan for Alpha, outlining infrastructure and services required for various population scenarios (eg. from 1,200 to 2,000 residents);
2. The development plan is scheduled over a ten year period;
3. Financial contributions are estimated for the State Government (possibly using contributions from the Royalties for the Regions initiative) and proponents; and
4. The development plans (and costs) are revised annually in response to mine development and social changes that occur.

The preparation of a development plan for Alpha, including cost estimates, should not be an onerous task and the initial plan should not take more than 12 months to complete, including the necessary consultation with government agencies and other service providers and the local community.

Until a development plan for Alpha has been prepared it is not possible to predict the overall cost or funding arrangements, although it is assumed that the proponents will make financial contributions to an 'infrastructure fund', with additional financial contributions provided by the State Government, possibly using funds from the Royalties for the Regions initiative.

It is envisaged that in addition to providing financial contributions towards Alpha's development plan, proponents will provide financial contributions to improve and maintain services, initially focusing on Alpha, but possibly extending to other parts of the BRC area over time. It is estimated that the Galilee Basin proponents will contribute a total of around \$2 million per year to a 'community development fund' to improve and maintain services, once four or more mines enter construction or are operational.

Waratah fully supports and aims to actively participate in the coordinated approach for the development of Alpha, as proposed by the Coordinator General.<sup>49</sup> While further work is required around the funding model (or models), it is worth noting that Council has prepared a preliminary town plan, and a private developer has prepared a plan for Alpha, including development of residential, commercial and industrial areas.

The development plan will need to incorporate and build on the proposed development of residential, commercial and industrial areas. Although the development plan will need to focus initially on basic infrastructure (particularly power, water and sewerage), it is envisaged that the plan would be extended in the medium term to include improvements to health, education, emergency and other services.

<sup>49</sup> Refer Queensland Government, May 2012.

**Housing**

As stated in Section 5.2, Waratah intends to base at least 50 employees in Alpha, and will:

- Provide all mine employees with the opportunity to reside in the local area;
- Provide incentives for mine employees to relocate to Alpha with their families; and
- Encourage contractors to establish facilities and base staff in Alpha by giving preference to businesses and contractors that have locally-based staff.

A property developer has prepared a plan for a residential area in Alpha and has submitted this to Government. Waratah recognises that it will need to provide housing for its employees based in Alpha, and it is envisaged that Waratah will utilise part of this development to accommodate its employees.

**Affordable housing**

Waratah held discussions with the BRC in regard to affordable housing, and had envisaged the provision of 10 to 12 houses in Alpha, as a grant, to Council or other service providers to help address the shortage of, and rising costs, of housing. However, in the evaluation of the Alpha Coal Project EIS, the Coordinator General has tasked the proponent to:

1. Conduct a Housing and Accommodation Study;
2. Develop an Integrated Housing Strategy (in consultation with other proponents), based on the results of the Housing and Accommodation Study; and
3. Provide investment into affordable housing if low to moderate-income non-resource households are affected by increased housing costs.

There is no doubt that low to moderate income households will be impacted by higher housing costs, as housing prices have already risen substantially over the past five years (as discussed in Section 5.2). However, Waratah Coal welcomes the opportunity to participate in the Integrated Housing Strategy and will provide financial support to help address affordable housing in line with recommendations from the Galilee Basin CSIA Roundtable. It is recommended that affordable housing is included as a component of the proposed development plan for Alpha.

**Health and emergency services**

In the evaluation of the Alpha Coal Project EIS, the Coordinator General has tasked the proponent to:

1. Investigate the option of offering medical treatment to landholders and local communities, particularly in Alpha;
2. Collaborate with Queensland Health to develop health service related mitigation strategies to address any impacts on the demands on current regional health services provided by Queensland Health;
3. Provide a fully equipped ambulance and funding to BRC for five years throughout construction and operations, to cover the costs of two paramedics to operate the ambulance (negotiating cost recovery arrangements with other proponents through the Galilee Basin CSIA Roundtable); and
4. Provide an agreed financial contribution towards the provision of a police station in Alpha, police staffing and accommodation requirements, police vehicles for highway patrol and escort vehicles and communications support and education and training programs (negotiating cost recovery arrangements with other proponents through the Galilee Basin CSIA Roundtable).

Waratah Coal will welcome the opportunity to participate in the development of health and emergency service strategies for the Alpha area, and will provide financial support as required. However, Waratah

Coal is concerned that inadequate attention has been given to emergency response and recommends that strategies for emergency air response be considered. Such a strategy could include fixed wing and/or rotary options, based in Alpha (or possibly nearby regional centres such as Rockhampton), and would provide services for the mine workforces, residents of Alpha and other nearby communities.

Waratah prepared a draft Health and Emergency Services Strategy to help articulate Waratah's approach, and to facilitate input by a range of key agencies to the management of social impacts. The draft Strategy is presented as Attachment 5, and includes sections on:

- Improving health and emergency services in Alpha;
- Workforce health and emergency initiatives; and
- Establishing close relationships with local authorities (police, ambulance, fire & rescue and SES).

The draft Strategy also commits Waratah to monitoring the demand on health and emergency service providers in the region, and in Alpha/Jericho in particular.

### **Local amenity**

Waratah has prepared a draft Community Cohesion Strategy that aims to:

- Build strong and productive relationships between the Project, its workforce and local communities;
- Help workers and their families integrate within local communities and maximise their satisfaction from relocating to Alpha or Bowen; and
- Ensure contributions from the Galilee Coal project are beneficial to local communities and reflect community priorities.

The Strategy is presented as an Annex to Attachment 5. The key aspects of the draft Community Cohesion Strategy, as it relates to Alpha, are:

- Providing support to Alpha, including improvements to infrastructure and services;
- Basing 50 staff and their families in Alpha;
- Assisting families who relocate to Alpha;
- Implementing a Code of Conduct for all employees and contractors (refer Attachment 5);
- Effective community engagement (refer Section 7); and
- Establishing a Grievance and Dispute Resolution Mechanism for employees, contractors and any other people impacted by the project (refer Attachment 8).

Additional details are provided in Sections 6.4, 6.5, 6.6 and 7 and in Attachments 4 and 5.

## **6.2 Assistance in Bowen**

### **Development plan**

As stated in Section 5.1, Waratah recommends that a similar structure to the Galilee Basin Roundtable be established for the Bowen-Abbot Point area, with similar objectives of improving infrastructure and services in Bowen, and possibly extending these to other parts of the WRC area over time. It is recommended that:

- The WRC prepares a development plan for Bowen to improve infrastructure and services;
- The proponents and State Government provide financial contributions in support of the plan; and
- Additional contributions are provided to improve and maintain services, initially focusing on Bowen, but possibly extending to other parts of the WRC area over time.

It is envisaged that in addition to providing financial contributions towards Bowen's development plan, proponents will provide financial contributions to improve and maintain services, initially focusing on Bowen, but possibly extending to other parts of the WRC area over time. It is estimated that the Abbot Point proponents will contribute a total of around \$2 million per year to a 'community development fund' to improve and maintain services, once port facilities have been expanded for the export of coal from the Galilee Basin.

Council has already prepared cost estimates for Bowen's water supply and sewerage expansion, so the preparation of a development plan should not be an onerous task. However, it is envisaged, and recommended, that in the medium to longer term, the plan be extended to include other public infrastructure in the Bowen area.

### **Housing**

As stated in Section 5.3, Waratah is expecting 360 employees and 100 contractors associated with the rail and port, and will base at a minimum the 360 employees in the Bowen area. In addition, contractors will be encouraged to establish facilities and base staff in Bowen by giving preference to businesses and contractors that have locally-based staff.

### **Affordable housing and community infrastructure**

An Accommodation and Community Infrastructure Study was completed for the Bowen area in 2010. It is recommended that recommendations arising from this study are considered during the preparation of development plans for Bowen, and funded by the Abbot Point proponents, as discussed above. This may include support for affordable housing and improvements to health and emergency services.

### **Health and emergency services**

Waratah prepared a draft Health and Emergency Services Strategy to help articulate Waratah's approach, and to facilitate input by a range of key agencies to the management of social impacts. The draft Strategy is presented as Attachment 5, and includes sections on:

- Improving health and emergency services in Bowen;
- Workforce health and emergency initiatives; and
- Establishing close relationships with local authorities (police, ambulance, fire & rescue and SES).

The draft Strategy also commits Waratah to monitoring the demand on health and emergency service providers in the region, and in Bowen in particular.

### **Local amenity**

Waratah has prepared a draft Community Cohesion Strategy that aims to:

- Build strong and productive relationships between the Project, its workforce and local communities;
- Help workers and their families integrate within local communities and maximise their satisfaction from relocating to Alpha or Bowen; and
- Ensure contributions from the Galilee Coal project are beneficial to local communities and reflect community priorities.

The Strategy is presented as an Annex to Attachment 5. The key aspects of the draft Community Cohesion Strategy, as it relates to Bowen, are:

- Providing support to Bowen, including a recommendation to establish a 'roundtable' or similar so that Abbot Point proponents can partner with the State Government and WRC to provide improved infrastructure and services to Bowen;
- Basing all 360 staff and their families in Bowen;

- Implementing a Code of Conduct for all employees and contractors (refer Attachment 5);
- Effective community engagement (refer Section 7); and
- Establishing a Grievance and Dispute Resolution Mechanism for employees, contractors and any other people impacted by the project (refer Attachment 8).

Additional details are provided in Sections 6.4, 6.5, 6.6 and 7 and in Attachments 4 and 5.

### 6.3 Minimising Adverse Impacts on Property Owners

The MLA extends over all or part of 8 properties that have a combined area of 867 km<sup>2</sup>. All 8 properties support beef cattle fattening operations, including one that is jointly managed as a wildlife refuge.

A summary of the physical impacts resulting from mine development is presented in Table 7.

**Table 7: Anticipated Outcomes for Properties Inside the MLA**

Property	Area (ha)	Permanent residence	Relocation required	Resulting land-use	Land ownership
1	10,321	Yes	Yes	Mining	Waratah Coal to purchase outright.
2	17,224	Yes	Yes	Mining	Waratah Coal to purchase outright.
3	7,921	No	No	Mining	Waratah Coal to purchase outright and provide environmental offsets.
4	24,256	Yes	No	Mining/grazing	Waratah Coal to purchase, then lease back at a nominal annual fee.
5	9,251	No	No	Mining/grazing	Waratah Coal to purchase, then lease back at a nominal annual fee.
6	6,447	Yes	No	Mining/grazing	Waratah Coal to purchase, then lease back at a nominal annual fee. Monitor impact of subsidence on residence.
7	8,080	No	No	Grazing	No change.
8	3,203	Yes	No	Grazing	No change.

Should the anticipated outcomes occur:

- The area of grazing land would be reduced by 355 km<sup>2</sup>;
- Grazing would continue on the remaining 512 km<sup>2</sup>, subject to dust, noise, vibration and visual impacts, and above-ground infrastructure to support underground mining in a little over half of this area;
- Two families living within the MLA would need to be relocated (along with one part-time residence); and
- Waratah Coal would purchase all or part of 6 properties, but lease 3 back to the property owners at a nominal fee (for example, \$1/year), should they desire to continue grazing operations.

It is anticipated that the property owners who sell their properties could buy a property of at least the equivalent size and/or quality, or chose to retire or enter another business venture should they wish to do so.

Cattle productivity may decline on those properties that are leased back to the property holders, due to a need to develop above-ground infrastructure (eg. roads, drainage channels, power lines, etc) during mine operations and alter grazing practices accordingly (including fencing off roads, relocating fences, building new watering points, etc). Waratah will fund any infrastructure changes required.

## Rail

Waratah's proposed railway is expected to traverse 44 properties. Two properties support cattle feedlots and some have relatively small areas of cropping land (generally limited to areas on the floodplains). The remaining properties support beef cattle grazing operations on native pasture. The size of the properties and the estimated area occupied by the rail corridor, are summarised in Table 8.

**Table 8: Land within the Rail Corridor**

	Property Area (ha)	Corridor Area (ha)	Corridor as % of Property Area
Minimum	188 ha	3 ha	0.02%
Maximum	40,050 ha	112 ha	1.66%
Average	16,719 ha	46 ha	0.28%

The proposed railway will occupy an average of 46 hectares per property, which represents 0.28% of each property, on average. Two residences are located within 500 metres of the proposed rail alignment. However, no relocation is envisaged.

Waratah aims to work with each property owner to:

- Align the railway along property boundaries as much as possible;
- Develop plans and fund any necessary infrastructure changes (eg. fencing, access roads, stock yards and watering points);
- Provide the services of a farm management consultant, if requested;
- Provide compensation through one-off payments based on the area within the railway corridor;
- Provide contracting opportunities to impacted graziers when possible (eg. fencing and weed control); and
- Engage with property owners in a meaningful and effective manner (as discussed in more detail in Section 7).

A major concern of property owners, particularly in the Bowen-Collinsville-Mt Coolon areas, is the risk of fire. The Environmental Management Plan will include strategies to minimise the risk of fire. The fire reduction strategies may provide some opportunity for property owners to earn some off-farm income (eg. vegetation control within the railway corridor).

Another concern to property owners is the loss of staff to the mining industry. Not everyone wants to work in the mining industry, however, the loss of stockmen, in particular, can make it difficult to complete the necessary stock-work to run a viable business. Recruiting new stockmen takes time and usually requires substantial training, not only to become familiar with the property, its livestock and its management practices, but often in terms of basic skills (horsemanship, fencing, etc). Recruiting new staff usually results in higher labour costs and, initially, lower productivity.

The long-term response to labour shortages and/or rising labour prices in Australia's past, without specifically focusing on any one industry, has been a range of labour-saving initiatives, including mechanization. Waratah Coal is not suggesting that mechanisation is the solution to the shortage of stockmen and other rural workers and is not aware of an appropriate solution to this particular problem. However, Waratah Coal is willing to participate in discussions to try and address the issue.

## 6.4 Accommodation and Housing

The Galilee Coal Project will lead to a substantial increase in the population of Alpha and contribute to modest population growth in the Bowen area. While an increase in population is regarded as favourable, it will increase the demand for housing and other accommodation in both Alpha and Bowen. This can have negative impacts on housing affordability and the availability of temporary accommodation.

Waratah aims to minimise negative impacts on housing affordability and the availability of temporary accommodation in Alpha and Bowen. To do this, it will be necessary to:

- Monitor housing affordability and the availability and cost of temporary accommodation in Alpha and Bowen;
- Provide houses for permanent employees based in Alpha; and
- Include housing affordability and temporary accommodation needs in the development plans for Alpha and Bowen and provide financial support to these through the Galilee Basin CSIA Roundtable (and equivalent structure for Bowen).

### Alpha

Waratah Coal aims to contribute to Alpha's growth and prosperity through a well planned and effectively managed expansion in population, physical infrastructure and economic opportunities. As stated in Section 5.2, Waratah intends to base at least 50 employees in Alpha, and will:

- Provide all mine employees with the opportunity to reside in the local area;
- Provide incentives for mine employees to relocate to Alpha with their families; and
- Encourage contractors to establish facilities and base staff in Alpha by giving preference to businesses and contractors that have locally-based staff.

Although the vast majority of mine employees will be engaged on a DIDO or FIFO basis and reside in an on-site work camp, the placement of at least 50 staff in Alpha will make a substantial and what is considered a responsible contribution to Alpha's population. Basing the majority of staff on the mine site will help avoid Alpha becoming 'over-ridden' with mine employees, and will help preserve the existing lifestyle and friendly, rural atmosphere.

Alpha's real estate market is small. Alpha has an estimated 187 houses and 9 units, of which 68 are rental properties. The rental properties have a vacancy rate of less than 1%.<sup>50</sup>

A property developer has prepared a plan for a residential area in Alpha and has submitted this to Government. Waratah recognises that it will need to provide housing for its employees based in Alpha, and it is envisaged that Waratah will utilise part of this development to accommodate its employees. It is also recognised that these houses should fit within the character of Alpha and provide an appropriate standard befitting of senior managers and other employees who wish to reside in Alpha with their families on a long-term basis.

Waratah held discussions with the BRC in regard to affordable housing, and had envisaged the provision of 10 to 12 houses in Alpha, as a grant, to Council or other service providers to help address the shortage of, and rising costs, of housing. However, in the evaluation of the Alpha Coal Project EIS, the Coordinator General has tasked the proponent to:

1. Conduct a Housing and Accommodation Study;
2. Develop an Integrated Housing Strategy (in consultation with other proponents), based on the results of the Housing and Accommodation Study; and

<sup>50</sup> Refer RP Data, July 2012, p.4.



3. Provide investment into affordable housing if low to moderate-income non-resource households are affected by increased housing costs.

The median house price in Alpha to the year ending March 2012 was \$262,500. This is a substantial increase over previous years, and has been fuelled by speculation surrounding mine development. The increase in prices is demonstrated when comparing the increases to the nearby town of Barcaldine.

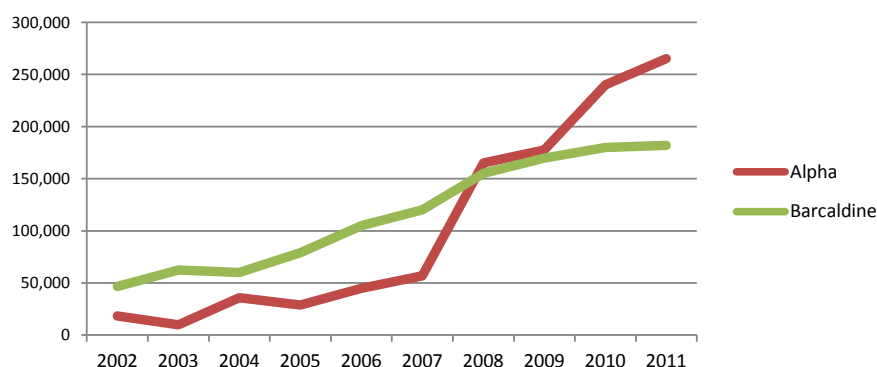


Figure 11: Median House Prices, Alpha and Barcaldine

Source: [www.myrp.com.au](http://www.myrp.com.au)

There is no doubt that low to moderate income households will be impacted by higher housing costs. Waratah Coal welcomes the opportunity to participate in the Integrated Housing Strategy and to provide financial support to help address affordable housing in line with recommendations from the Galilee Basin CSIA Roundtable.

Waratah therefore recommends that affordable housing is included as a component of the proposed development plan for Alpha.

Waratah also recommends that temporary accommodation be considered in the proposed development plan for Alpha. The availability of temporary accommodation can impact on tourist numbers. If Alpha is recognised as a town with limited tourist accommodation, tourists will not plan to overnight in Alpha and local businesses will lose potential tourist income.

**Bowen**

Waratah Coal aims to maximise its contribution to population growth and economic development in the Bowen area. As stated in Section 5.3, Waratah is expecting 360 employees and 100 contractors associated with the rail and port, and will base at a minimum the 360 employees in the Bowen area. Waratah will stipulate that all employees involved in the rail and port components of the project will be expected to reside in the Bowen area and travel to/from work daily. This requirement is expected to limit workers to within a 50 km radius of Abbot Point.

Contractors will also be encouraged to establish facilities and base staff in Bowen by giving preference to businesses and contractors that have locally-based staff.

Bowen has an estimated 3,039 houses and 356 units, of which 1,324 are rental properties.<sup>51</sup> As the housing market is relatively large and there is surplus capacity at present, the purchase or rental of houses in Bowen will be left to individual employees.

<sup>51</sup> Refer RP Data, July 2012, p.4.

Although house prices in Bowen have tapered off in recent years, housing affordability may become an issue when facilities at Abbot Point are expanded.

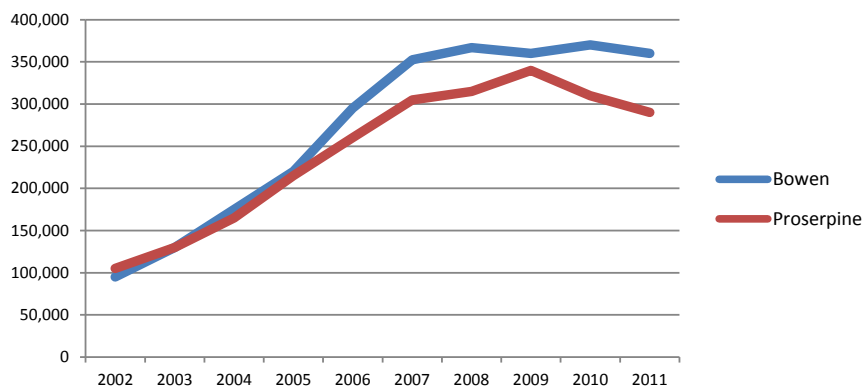


Figure 12: Median House Prices, Bowen and Proserpine

Source: [www.myrp.com.au](http://www.myrp.com.au)

As discussed in Section 6.2, Waratah Coal recommends that the Abbot Point proponents provide funding to improve infrastructure and social services in the Bowen area. This should include, as necessary, the construction of affordable housing (and funds for maintenance and operation). Increases in housing costs should therefore be limited, to some degree.

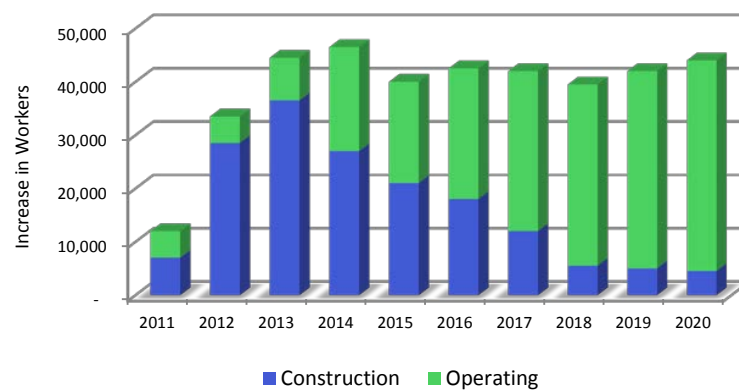
If Bowen is not included in a roundtable (or equivalent), Waratah will monitor housing prices and rental costs and compare this to nearby locations (eg. Proserpine). If housing affordability becomes a significant concern, discussions will be held with the WRC in terms of a financial contribution to help fund the construction of additional houses. This could include grants to WRC and/or other service providers for housing in Bowen.

Waratah plans to accommodate its construction workforce in existing work camps at Merinda, at designated points along the railway, and at the mine site. If sufficient accommodation is not available at Merinda then the construction workforce involved in the northern section of the railway will be accommodated in a temporary work camp. Although difficult to predict the availability of temporary accommodation at this point in time, it is acknowledged that rail and port construction may reduce the availability of temporary accommodation in the Bowen area. This may impact adversely on tourism and seasonal agricultural workers.

Waratah therefore recommends that temporary accommodation needs are assessed as part of the proposed infrastructure plan for Bowen, and funded by proponents of Abbot Point.

## 6.5 Workforce Management

The project is expected to require 3,500 construction workers and 2,460 employees/contractors during the operating phase. These workers shall be required at a time when the resource sector is expanding: the Queensland Resources Council estimates that 40,000 additional construction and operational jobs will be created in the resources sector in Queensland through to 2020 (refer Figure 13).



**Figure 13: Forecast Increase in Resource Sector Workers Under a Full Growth Scenario**

Source: Queensland Resources Council, presented in Skills Queensland, 2012, p.6.

The predicted expansion in the resource sector is likely, despite the Global Economic Slowdown and recent volatility in the price of coal. The skills shortage has been well publicised in Queensland. A *Resource Skills and Employment Plan*, prepared by Skills Queensland, highlighted shortages in the following occupations:

- Electricians and instrumentation technicians;
- Earthmoving plant operators;
- Welders;
- Drillers;
- Mechanical fitters and machinists;
- Miners (surface and open cut);
- Riggers;
- Steel fixers; and
- Carpenters (formwork).<sup>52</sup>

The above occupations are consistent with Waratah's expectations. Other pertinent challenges facing Queensland's mining industry, that Waratah will need to address, include:

- A relatively old workforce (averaging 40 years of age), with 22% of the workforce over 50 years of age and almost 1/3 of new recruits over 50 years of age;
- High annual turnover (averaging 17%, or 24% when including contractors, and 62% among non-resident workers); and
- Low female participation, currently averaging 12% of the workforce.<sup>53</sup>

It is likely that several mines will be developed in the Galilee to coincide with the completion of rail links to, and the expansion of port facilities at, Abbot Point. Thus, it is likely that several proponents will compete for construction and subsequently operational staff as Galilee Basin projects progress in relatively similar timeframes. This could exacerbate the skills shortage in Queensland.

Although it is difficult to predict future labour market conditions, there is clearly a need to target the younger generation and to improve recruitment and selection processes in an attempt to address high

<sup>52</sup> Refer Skills Queensland, 2012, p.6.

<sup>53</sup> Refer Kinetic Group, 2012, p.5.

workforce turnover in the mining industry. However, it will also be essential, if the expanded mining industry is to rely on Australian workers, to increase training within the industry and increase mine career development opportunities. Given the forecast skills shortage, there will be increasing pressure on mining companies to subsidise attractive salary levels with:

- High accommodation standards;
- Subsidised transport to/from work;
- Improved working conditions including flexibility in terms of recruitment, rosters and working conditions; and
- Career development opportunities.

In addition, there will be pressure on companies to meet corporate social responsibility commitments so they are well regarded publically, within the local community and by their workforce.

In addition to an aging workforce, the mining industry faces concerns over health impacts, particularly for DIDO and FIFO workers. Although there are mixed views in regard to health impacts associated with mining, there is mounting evidence that long shifts and long absences from home have detrimental impacts on workers and their families.

The health of the workforce is of paramount importance. Waratah Coal aims to have a well-trained, healthy and relatively stable workforce.

It is not possible at this point in time to confirm exactly where employees and contractors will be sourced, or what measures will be required to recruit the workforce, as this will depend on factors such as global economic conditions, commodity prices and population changes. However, Waratah aims to:

- Maximise employment, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia; and
- Ensure employees and contractors act in a manner that is conducive to a safe, peaceful and enjoyable lifestyle.

Waratah has considered a range of options that it believes will achieve its workforce objectives and these are summarised below. Waratah Coal will:

- Base at least 50 mine employees in Alpha and all 360 port and rail employees in Bowen;
- Provide all mine employees with the option of residing in the local area, should they desire;
- Provide financial assistance to employees to enable them to purchase a house in either Alpha or Bowen (eg. providing a discount on interest charges or a housing deduction for each year of service with the company);
- Provide a one-off bonus to any employee that relocates with their family to Alpha and Bowen and stays for at least a year;
- Provide advice from financial experts to employees in areas such as superannuation, housing or other financial investments (provided free of charge to employees who, for example, have stayed with the company for a period of three years or more);
- Promote healthy lifestyle choices, including but not limited to:
  - Providing a smoke-free work environment;
  - Providing healthy food choices in work camps;
  - Enforcing zero tolerance for drug and alcohol use during work hours;

- Providing clear guidance on the responsible consumption of alcohol in work camps (after hours);
- Providing a gymnasium and potentially other exercise options in work camps;
- Considering health promotion strategies such as that trialled in Moranbah;<sup>54</sup>
- Provide induction training to all staff, contractors and sub-contractors to ensure they are familiar with project facilities; local Indigenous cultures and values; occupational health and safety including emergency response strategies; fatigue management plans; employment conditions and entitlements; Waratah's contributions to the local community; and the grievance mechanism;
- Implement a Code of Conduct, which is described during inductions and agreed (in writing) by all employees, contractors and sub-contractors prior to commencement of work, with the aim of defining:
  - Responsibilities towards other employees and contractors and local residents;
  - Acceptable behaviour on-site;
  - Acceptable behaviour while in local communities (particularly Alpha and Bowen);
- Recruit workers from areas in Queensland that have relatively high levels of unemployment:
  - Participate in any further Job Expos arranged by the Queensland Government;
  - Liaise with the FIFO Coordinators in Cairns, Gold Coast and Wide Bay, and any other FIFO Coordinators that are appointed;
- Promote female employment:
  - Provide a cultural and physical environment where women feel comfortable, included and valued;
  - Promote female employment in the mining industry during assistance to local schools (see below);
  - Trial flexible working arrangements (for men and women), which take into account such matters as employees' child care commitments and work/life balance, while also meeting operational requirements;
  - Consider other strategies to promote female employment;<sup>55</sup>
- Promote Indigenous employment:
  - Collaborate with organisations such as the HiHo Group in Bowen in the provision of work-ready and on-the-job training, along with apprenticeships and scholarships to encourage further training and education (and when possible direct links between the provision of training and project employment);
  - Trial an Indigenous mentoring program;
  - Working with the VET and tertiary education institutions to provide Indigenous people with access to courses that will give them the appropriate qualifications to work in the mining sector;
- For DIDO and FIFO workers:

<sup>54</sup> 'Be More Active – Moranbah' is a partnership between BMA and Queensland Health to trial a range of community health promotion strategies.

<sup>55</sup> For example, the Leading Practice Principles for the Attraction and Retention of Women in the Minerals and Energy Sector. Refer Queensland Resources Council, December 2009.

- Ensure accommodation and recreation facilities at the mine site cater for a diverse workforce, including separate accommodation areas for women and culturally appropriate facilities for Indigenous workers or workers from other cultural backgrounds (eg. separate recreational areas, alcohol free areas, etc.);
- Provide bus services (to reduce traffic and issues relating to fatigue) between the mine site and any nearby regional centre that contains a sufficient number of employees;
- Draw attention to support networks (such as *Mining Family Matters*) and the resources they provide (eg. *Working Away: A Survival Guide for Families*);
- Boost training:
  - Aim to engage 20 new apprentices each year, of which 50% are recruited from Central Queensland and the Whitsunday, Isaac and Mackay Regions;
  - Fund an additional 5 apprentices each year (with 4 year funding commitments subject to satisfactory performance), to be engaged and managed by businesses based and operating in the project area;
  - Provide support to local schools (eg. Alpha, Jericho and Bowen), including mine tours, workplace training, classroom presentations and other interactions (possibly sponsoring schools under the Queensland Minerals and Energy Academy) with the aim of strengthening linkages between schools and the mining industry, and more specifically, to ensure young people are able to make the right choices in education that will prepare them for traineeships, apprenticeships and other employment within the mining industry and associated industry such as hospitality and transport;
  - Aim to establish a long-term link with local training organisations (including TAFE centres) to provide guest lectures by skilled trainers (who work for the project) and accommodate workplace training for apprentices and other trainees;
- Ensure all contractors and sub-contractors incorporate strategies (at least the equivalent as outlined above) to give preference to local recruitment, promote a healthy lifestyle, promote female employment, promote Indigenous employment and provide training.

Waratah will liaise with local recruitment agencies and local employment agencies to help identify suitable staff from the local area, which can include the provision of pre-work training prior to the recruitment of disadvantaged people or people with a disability.

Despite efforts to recruit staff from the local region and Queensland, it is possible that Waratah Coal will need to source some staff from interstate and/or from overseas. If overseas workers (or workers with distinct cultural backgrounds) are required, Waratah will:

- Provide culturally appropriate facilities at the mine site and provide appropriate food and food-handling procedures;
- Show flexibility, as far as possible, in terms of meeting religious and cultural requirements (eg. for worship); and
- Provide cultural awareness for overseas workers during the induction training, and include awareness on their cultures in induction training provided to other workers.

If overseas workers are required, it is not possible at this point in time to say whether the Project would apply for an Enterprise Migration Agreement, or leave it to major contractors to source overseas workers using a 457 visa. However, any employees living in Alpha, whether they relocate from within Australia or overseas, will be encouraged to integrate with the local community. This will be achieved by:

- Placing employees based in Alpha on day shifts and working a five day week, whenever possible, to increase participation in social and sporting activities at night and on weekends;
- Giving preference to employees with families, whenever possible, as families are far more likely to integrate within the local community than single workers;
- Providing funding to local organisations and events and encouraging staff participation; and
- Attempting to organise an informal gathering of local residents to welcome new employees and new families to Alpha and outline potential social and sporting events that they may wish to participate in.

It should be noted that overseas immigration in Emerald has been a positive experience, not only in terms of helping to address workplace shortages, but also by adding a diverse mix of cultures to Emerald. The Central Highlands Regional Council has hosted an annual multicultural festival since 2005.

Waratah Coal (and MCC and their sub-contractors) will monitor and report on the origin and gender of all employees, including the employees of contractors, and the training provided to employees and the employees of contractors. Reporting on employment and training will occur throughout the construction, operating and decommissioning phases and be summarised and included in the Social Impact Management Plan and annual updates.

It is anticipated that a detailed Workforce Management Plan will be prepared following a Final Investment Decision to proceed and between 3 to 6 months prior to the commencement of construction activities. At this stage, a draft Health and Emergency Services Strategy has been prepared (refer Attachment 5). This outlines a number of workforce health and emergency initiatives. The draft Health and Emergency Services Strategy is accompanied by a number of draft policies and procedures, which aim to contribute to a safer and healthier workplace and to enhance the contribution made by the project to the communities in which it is located:

1. Workplace Induction
2. Drug and Alcohol Policy
3. Fatigue Management Plan
4. Community Cohesion Strategy
5. Code of Conduct
6. Grievance and Dispute Resolution Mechanism

The above policies/procedures are presented as Annexes to Attachment 5, with the exception of the Grievance and Dispute Resolution Mechanism, which is presented as Attachment 8.

## **6.6 Local Industry Participation**

As discussed in Section 5.5, local procurement strategies can boost the economic benefits of the project in the project area and local region. In addition, Waratah Coal believes it is also possible to help minimise the loss of staff to the mining industry by outsourcing goods and services and using established, local contractors when possible.

Waratah aims to maximise procurement and contracting opportunities, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia. This will be achieved by:

1. Advertising procurement and contracting opportunities locally;

2. Packaging contracts to ensure local businesses and contractors are able to submit competitive bids (ie. contracts that are small enough, and sometimes limited in scope, so they can be undertaken by small or medium sized companies);
3. Holding briefing sessions in the project area and in Emerald (and possibly Mackay and Townsville) for local businesses and contractors (outlining future opportunities and discussing the contract requirements);
4. Giving preference to locally-based businesses and contractors (ie. those that have staff permanently residing in the project area), particularly those with an established track record in the local area;
5. In some cases, providing assistance to local organisations to help ensure they are able to make a competitive bid (eg. the HiHo Group in Bowen and Indigenous organisations they represent or support, or other Indigenous businesses identified from the ICN Indigenous Gateway website); and
6. Monitoring and reporting on the number and value of procurement/contracts awarded to contractors from the project area, region, rest of Queensland, rest of Australia and overseas.

To ensure full, fair and reasonable opportunity for Queensland and Australian companies, Waratah will prepare either an Australian Industry Participation Plan (AIPP) or a Local Industry Participation Plan (LIPP) for the Galilee Coal Project. The Industry Capability Network (ICN) has placed a description of the Galilee Coal Project on its website. Further collaboration with the ICN is expected, and may include:

- Collaborating with ICN to develop an early Contestability Assessment;
- Using the ICN Gateway website for local suppliers to register their interest in the Project;
- Reporting project milestones on the ICN website;
- Placing work packages of relevant size on the ICN Gateway website (with opening and closing dates);
- Placing tier 1 and 2 contract awards on the ICN Gateway website; and
- Reporting on tenders and contracts awarded.

It is anticipated that an AIPP or LIPP will be prepared following a Final Investment Decision to proceed and between 3 to 6 months prior to tendering for construction works commence.

Other opportunities exist to boost local business activity and employment. For example, the Western Downs Regional Council has a local business network and recently initiated a service in which resource projects are able to outline procurement and contracting requirements and Council identifies suitable local suppliers. This may be an option in the future for any of the local Councils, or a combination of local Councils in the project area.

All contractors and sub-contractors will be required to incorporate strategies to help achieve Waratah's local industry participation objectives, and report on them as appropriate.

## 7. STAKEHOLDER ENGAGEMENT STRATEGY

Effective stakeholder engagement is necessary to ensure the main social impacts are identified and appropriate strategies are prepared and implemented for each of these impacts. Waratah is committed to effective engagement with local communities and other stakeholders throughout the project's construction, operational and decommissioning phases. This is seen as an important and necessary process to:

- Build and maintain relationships with impacted communities and other stakeholders;



- Contribute as appropriate to the sustainable development of local communities; and
- Earn and maintain a social license to operate.

The stakeholder engagement strategy identifies key stakeholders and articulates a process to:

- Ensure stakeholders have a reasonable understanding of the project and its impacts;
- Ensure stakeholders have the opportunity to voice concerns or issues relating to the project; and
- Provide stakeholders with opportunities to discuss their aspirations and how the project can contribute to these.

A summary of the initial concerns raised by participants of public meetings held by Waratah Coal in 2010 and 2011 is presented in Section 3. [Issues or concerns specifically relating to the biophysical environment are addressed in the Environmental Management Plan].

## 7.1 Stakeholders

The main project stakeholders have been identified as:

- Federal Government, particularly the Department of Sustainability, Environment, Water, Population and Communities;
- State Government, including the Department of State Development, Infrastructure and Planning (and Coordinator General), Queensland Treasury and Trade, Department of Education, Training and Employment (including Skills Queensland), the Department of Natural Resources and Mines, Department of Transport and Main Roads, Department of Communities, Child Safety and Disability Services, Department of Community Safety (including Queensland Ambulance Service and Queensland Fire and Rescue Service), Department of Local Government, Queensland Health, Queensland Police Service and government corporations (North Queensland Bulk Ports Corporation, SunWater and Powerlink);
- Regional offices of many of the above agencies;
- Regional Councils in the project area (ie. Barcaldine, Isaac and Whitsunday Regional Councils) and the local region (defined for the purpose of the SIMP as those councils in Central Queensland and the Mackay, Isaac and Whitsunday Regions);
- Property owners impacted by the mine and/or rail;
- Traditional Owners of land impacted by the project, including the Wangan, Jagalingou, Jangga, Birri and Juru People;
- Other people residing in the vicinity of the project (including the communities of Alpha, Jericho, Clermont, Mt Coolon, Collinsville and Bowen);
- Employees;
- Contractors;
- Local business owners;
- Specific interest groups (including the ICN and service delivery organisations and NGOs);
- Other proponents (initially focusing on other proponents in the Galilee Basin, through the Galilee Basin CSIA Roundtable, but later extending to the proponents of facilities at Abbot Point); and
- The media.

Waratah will continue to meet with government agencies, regional councils, other proponents and the public prior to, during and following project construction. The meetings will provide an opportunity to discuss social impacts and social impact management strategies in detail and aims to involve

stakeholders in the formation and refinement of social impact management strategies. Some meetings will be held on a regular and ongoing basis. Other meetings will be held on a regular but *ad hoc* basis (as required). A summary of the particular interests that each of the above stakeholder groups have in the project is presented in Attachment 7. This is used to ensure the appropriate information is provided to relevant stakeholders.

## 7.2 Available Information

The provision of information on the project, including project impacts, is becoming more comprehensive over time:

- The project concept was described in the **Initial Advise Statement** (28 October 2008);
- Additional project details were provided during the preparation of the EIS (including information presented during the two initial rounds of community consultations);
- Detailed assessment of project impacts has been included in the **EIS**, which was made publically available to coincide with the period of public notification (26 September to 7 November 2011) and third round of community consultations; and
- A summary of the project, the social impacts envisaged, and proposed social impact management strategies were initially outlined in the **draft SIMP** (presented in the EIS) and revised, following public comments, in the **revised draft SIMP** (presented in the Supplementary EIS).

Waratah Coal commenced publication of a Quarterly Newsletter in Q4 2011. The purpose of the newsletter is to provide information on the project on a regular basis.

As noted in Section 8, Waratah Coal will prepare a series of reports on an annual basis (once construction commences), and these will contribute to and be incorporated within an updated SIMP:

1. An Annual Social Impact Report
2. An Annual Report on the Local Industry Participation Plan
3. An Updated SIMP

Each of the above reports will be made available to the public on the project's website, with hard copies provided to various Councils and libraries, as described in Section 7.3.

## 7.3 Information Dissemination

Project details and other information have and will continue to be available through a range of mechanisms:

1. **Public meetings:** As discussed in Section 3, a total of 23 public meetings were held during the preparation of the EIS and Supplementary EIS. This has proved to be beneficial in terms of providing project details to the public, gauging public perception, identifying key issues or areas of concern, and developing possible mitigation strategies. Nevertheless, few meetings had more than 20 participants, and participants often cited difficulties attending meetings because of the time and/or distance required to travel to the venue. Other approaches are now considered more effective both in terms of providing information to the public, and involving the public in discussion about social impacts and mitigation strategies. More attention will be given to electronic media, and once construction commences, the opportunity to meet face-to-face by establishing an office in Alpha.

Although needs may change in the future, Waratah is not currently planning to hold any further public meetings.

- 2. Newsletter:** The Quarterly Newsletter is sent electronically to a range of federal and state government agencies, regional councils, traditional owners, property owners and any other organisation/individual who request to be added to the mailing list. Access to the newsletters is also available on the Waratah Coal website. Waratah maintains a register of organisations and individuals that are provided with the newsletters, and will mail hard copies to anyone that indicates they are unable to access the internet.

The newsletters are sent to the BRC and Waratah has request that they, or an abbreviated version, be included in the 'Galilee Gazette': a quarterly newsletter sent by Council to all ratepayers.

- 3. Website:** Project information will be available on Waratah's website ([www.waratahcoal.com](http://www.waratahcoal.com)), including:
- The EIS / Supplementary EIS;
  - Press releases; and
  - The quarterly newsletters.

Information can also be requested by email, phone or post:

email: [info@waratahcoal.com](mailto:info@waratahcoal.com)

phone: 1800 085 915

post: GPO Box 1538

Brisbane, QLD, 4001

website: [www.waratahcoal.com](http://www.waratahcoal.com)

- 4. Public display:** Hard copies of the Supplementary EIS and subsequently, annual social reports (Annual Social Impact Report, Annual Grievance Report, Annual Report on the Local Industry Participation Plan and Updated SIMP) shall be forwarded to various councils and libraries for public display.

This is expected to include council offices and/or libraries in Barcaldine, Jericho, Alpha and Bowen. Waratah will provide hard copies to other councils/libraries on request.

- 5. Project office:** Once construction commences Waratah Coal will maintain a project office in Alpha. The office will be staffed by a Project Liaison Officer and will provide access to a range of maps, documents and other project materials.

The Project Liaison Officer will prepare and manage an annual consultation program, which is expected to include regular meetings with key stakeholders, and the provision of up-dated information on the project. The Project Liaison Officer is expected to:

- Prepare and disseminate quarterly newsletters;
- Manage Waratah Coal's inputs to community and technical reference groups;
- Meet with a wide range of project stakeholders on a regular basis;
- Ensure the website is kept up-to-date in terms of project information and reports, press releases, newsletters, etc.;
- Manage the grievance and dispute resolution mechanism;
- Provide input to press releases and disseminate as appropriate;
- Present information to students from schools in the project area; and

- Provide input to annual reports (eg. stakeholder engagement, grievance and dispute resolution).

## 7.4 Community Consultation

Waratah Coal aims to join existing groups that have been established to exchange information between resource project proponents and local communities. Joining existing groups will promote more coordination and collaboration between proponents, and make it far easier for all parties involved to understand and assess the cumulative impacts of resource projects.

1. **South Galilee Coal Community and Technical Reference Groups:** Waratah joined the Community Reference Group (CRG) and Technical Reference Group (TRG) established by AMCI for the South Galilee Coal Project, and participated in meetings in October 2011 and November 2012.

The CRG provides a formal communications process between the proponents and local community, and aims to help identify potential impacts from mining operations and discuss strategies for mining companies to contribute towards a shared vision for Alpha while minimising negative impacts from mining.

The TRG provides a formal communications process between the proponents and representatives from government agencies, and while focusing on technical and specialist issues, has a similar aim of helping to identify potential impacts from mining operations and discuss strategies for mining companies to contribute towards a shared vision for Alpha while minimising negative impacts from mining.

2. **Galilee Basin Cumulative Social Impact Assessment Roundtable:** Waratah Coal welcomes the Coordinator General's recommendation to establish a Galilee Basin CSIA Roundtable and looks forward to the opportunity to participate as an active member.

The key functions of the Roundtable are, as noted by the Coordinator General, the design of the Galilee Basin Cumulative Social Impact Assessment Study and development of the Galilee Basin Social Infrastructure Plan.<sup>56</sup> Waratah would prefer to see the Roundtable focus more on planning and development and subsequently monitoring cumulative social impacts (and revising development plans and strategies over time) rather than commence with another cumulative social impact assessment.<sup>57</sup>

The Galilee Basin CSIA Roundtable is regarded as the most appropriate opportunity for engagement with other proponents.

3. **Bowen Abbot Point Community Consultation Group:** It is uncertain whether the Bowen Abbot Point Community Consultation Group will continue to meet. However, Waratah Coal would welcome the opportunity to participate in this, or similar group, to provide information to, and collect feedback from, the community about issues associated with the development and operation of facilities at Abbot Point.

As for the Galilee Basin CSIA Roundtable, a consultative committee at Bowen would preferably provide input to the planning of infrastructure and services for Bowen, including specification of financial contributions by the Abbot Point proponents.

<sup>56</sup> Refer Queensland Government, May 2012, p. 288.

<sup>57</sup> The *Galilee Basin Economic and Social Impact Study* was commissioned by DEEDI, the Central Highlands Development Corporation and the Central Western Queensland Remote Area Planning and Development Board. Refer Economic Associates, August 2010.

**4. Landowner Engagement Strategy:**<sup>58</sup> The option of establishing a community consultation group to represent property owners along or near the railway route was considered by Waratah Coal, but rejected due to the distance and time required to bring property owners together.

As an alternative, a number of approaches will be initiated to help ensure landowners – particularly those impacted by the mine and rail – have access to relevant information and have sufficient opportunity to engage with the project in an appropriate and meaningful way. This shall include:

- Establishment of a database of impacted landowners, including identification of the preferred method of communication;
- Providing information on the project (newsletters and other published information) on a regular basis, particularly that relevant to each landowner;
- Meeting with landowners on a regular basis, if they so desire, including meeting in groups if they wish to do so;
- Providing the services of an independent advisor, who can act on behalf of landowners, during discussions, negotiations (for example in terms of relocating or providing on-farm infrastructure) or in raising issues, suggestions or complaints;
- Providing the option to landowners of participating in various consultative groups in Alpha or Bowen;
- Raising awareness of the grievance mechanism; and
- Monitoring and reporting on the effectiveness of landowner engagement strategies.

The Project Liaison Officer will have prime responsibility for liaison with landowners.

**5. Indigenous Engagement Strategy:** Waratah Coal has engaged with the Identified Aboriginal Parties and will continue to do so through the various provisions held within the approved Cultural Heritage Management Plan. The broader Indigenous community will be involved in the project, and updated on a regular basis, through implementation of an Indigenous Engagement Strategy. This will involve:

- Identifying key organisations that deal with or represent Indigenous people;
- Meeting on a regular basis;
- Providing information on the project (newsletters and other published information);
- Developing strategies to maximise Indigenous participation through employment and contracting opportunities, including but not limited to work-ready and on-the-job training and mentoring programs;
- Addressing any other issues raised by the Indigenous parties;
- Raising awareness of the grievance mechanism; and
- Monitoring and reporting on the progress of the strategies.

Waratah Coal will appoint an Indigenous Liaison Officer to oversee and support the Indigenous Engagement Strategy.

**6. School Engagement:** Once construction commences, Waratah Coal will make a series of presentations to students from schools in the project area (including but not limited to Alpha, Jericho and Bowen). The content of the presentations will be finalised in consultation with

<sup>58</sup> The term landowner is used as a proxy for landowners and landholders and other people legally living on properties that are impacted by the mine and rail components of the Galilee Coal Project.

teachers from the local schools, but intends to initially raise awareness on the project and subsequently provide a link to work in the mining industry, as discussed in Section 6.5.

### **Social Monitoring**

The other main opportunity for engagement with the community is during the monitoring and review of social impact management strategies. Although described in further detail in Section 8, this will entail direct involvement of external representatives in:

- The monitoring of social impacts and social impact management strategies;
- The review of these strategies, and discussion on revising strategies and identifying new strategies; and
- The preparation of annual updates of the SIMP.

### **Maintenance of Records**

Records of stakeholder engagement will be maintained. While many senior staff will have responsibilities for stakeholder engagement, their duty statements will reflect the need for adequate documentation of this engagement, and forwarding this documentation (or a copy) to the Project Liaison Officer. The Project Liaison Officer will be responsible for recording this information in a safe, confidential, user-friendly and easily accessible manner (for those granted access provisions).

## **7.5 Grievance & Dispute Resolution Mechanism**

Once project construction commences, Waratah Coal will implement a grievance and dispute resolution mechanism. This will allow any affected person or organisation to voice or register a complaint, and for that complaint to be dealt with in an effective, timely and appropriate manner. This includes documenting the complaint and outcome, and ensuring no retribution. It is also important that the mechanism does not impede access to other judicial or administrative responses that might be available under law or through existing arbitration procedures or substitute for grievance mechanisms provided through collective agreements.

The benefit of an effective grievance and dispute resolution mechanism is to ensure that project managers are aware of any adverse impacts caused either directly or indirectly by the project, and to enable them to deal with these in an effective, timely and appropriate manner. Grievances may be either internal (employees) or external, and are not limited geographically.

Raising awareness of the grievance mechanism, both within and outside the project, is important if it is to be an effective mechanism for identifying adverse impacts. Employees and contractors will be advised of the grievance mechanism at the time of hire and during induction training. The mechanism will need to be advertised for external stakeholders.

A draft grievance and dispute resolution mechanism is presented as Attachment 8.

## **7.6 Assessment of Stakeholder Engagement**

A stakeholder consultation framework is presented in Table 9, indicating the main forms of consultation and/or interaction in different phases of the project.

**Table 9: Stakeholder Consultation Framework**

Project phase	EIS preparation	Supplementary EIS	Pre-construction	Construction	Operations	Mine closure
Formal meetings with agencies, businesses, etc.						
Communication channels: <ul style="list-style-type: none"> <li>• 1800 hotline</li> <li>• email</li> <li>• post</li> </ul>						
Public meetings						
Website – project details						
Alpha CRG & TRG						
Newsletters						
Galilee Basin Roundtable						
Public displays						
Abbot Point-Bowen CRG			Unsure of status.			
Social monitoring						
Project Liaison Officer						
Indigenous Liaison Officer						
Grievance mechanism						

The effectiveness of stakeholder engagement will be reviewed annually, and documented as part of the Annual Social Impact Report. A summary of this assessment and an outline of any changes to stakeholder consultation will be included in annual updates of the SIMP.

## 8. SOCIAL MONITORING AND REPORTING PROGRAM

### 8.1 Monitoring Framework

A framework for monitoring social impacts has been prepared for the project and is presented as Attachment 6. The framework focuses on the strategies and action plans, which focus specifically on the main social impacts. The monitoring framework includes key performance indicators (KPIs), a monitoring strategy, and when possible, targets, the responsibility for monitoring, and the frequency of monitoring activities.

The action plans, strategies and targets will not be finalised until a point in time approaching the construction stage. This is due to a number of reasons:

- The Coordinator General is expected to impose conditions on Waratah Coal, some of which will need to be reflected in the SIMP;
- Strategies and targets involving other proponents can not be finalised until the timeframe for the development of other projects more certain;
- Targets relating to employment and procurement cannot be set until economic conditions, including the labour market in Central Queensland, are more predictable; and
- Detailed consultation is required with a wide range of stakeholders as strategies and targets are refined prior to the commencement of construction activities.

Moreover, the Coordinator General’s evaluation of the EIS for the Alpha Coal Project provides opportunities not only for social impact management strategies to be prepared in response to multiple

mining projects, but for the proponents to combine their efforts through the Galilee Basin CSIA Roundtable to:

- Identify and prioritise social impacts;
- Develop (and subsequently refine) mitigation strategies;
- Monitor and evaluate the mitigation strategies; and
- Revise the social impacts and mitigation strategies.

A coordinated approach may not adequately address all social impacts, particularly those specific to individual projects (such as impacts on directly impacted property owners), but provides an opportunity for a coordinated approach in responding to many of the broader social impacts.

Irrespective of the extent to which the Galilee Basin CSIA Roundtable is involved in the key social impact management steps (outlined above), it is important to involve impacted stakeholders. Waratah Coal intends to do this by publicising and inviting input to:

- A list of social impacts and assessment of their significance;
- The strategies for addressing social impacts; and
- Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.

The above information will be available on the project website at all times. In addition, the information will be publicised (and comments invited) on a periodic basis to coincide with internal and external monitoring and evaluation activities. This may include the presentation of information in the project's quarterly newsletters, council newsletters, newspapers, etc. The comments submitted will be documented and used to update the SIMP each year.

## 8.2 External Review

An external review will be conducted every two years to:

1. Assess the social impacts of the project;
2. Assess the effectiveness and adequacy of social impact management strategies as described in the Action Plans (and including the effectiveness of workplace inductions, the drug and alcohol policy, the fatigue management plan, the community cohesion strategy, the code of conduct and the grievance and dispute resolution mechanism);
3. Review the degree of compliance with conditions stipulated by the Coordinator General (that relate to social issues and social impact management);
4. Review the effectiveness and adequacy of stakeholder engagement processes, including reporting on social impacts and social impact management strategies; and
5. Provide recommendations for continuous improvement in regard to social impact management and community engagement.

The external review will include interviews with a wide range of stakeholders, detailed assessment of the project's process for dealing with social impacts, and assessment of the resources allocated to social impact management. This is expected to include interviews (or surveys) with:

- Impacted property owners;
- Residents in Alpha and Bowen;
- Local councils;
- Service providers in Alpha and Bowen; and
- Employees and contractors.



The external reviewer will prepare a report summarising the findings and recommendations and will present this to Waratah Coal and subsequently, with a response from Waratah Coal to the main recommendations, to the Office of the Coordinator General. A summary of the review report will be placed on the project's website.

Waratah Coal will identify and appoint the external reviewer and meet all costs of the review. It is envisaged that the reviewer will be independent of the project and have substantial experience in social impact assessment, preferably in the Australian mining industry, and be familiar with the regulatory and policy framework guiding social impact management in Queensland.

### **8.3 Reporting**

The social impact management process will be assessed and documented on an annual basis, and will include the preparation of three reports each year.

1. An Annual Social Impact Report, containing:
  - An assessment of progress in implementing each management and mitigation strategy (based on the KPIs);
  - A comparison of the progress achieved against baseline data and the annual targets (again focusing on the KPIs);
  - An analysis of the relevance of the management and mitigation strategies (ie. did they effectively focus on and cover the main social impacts);
  - A summary of stakeholder engagement during the year and assessment of effectiveness;
  - A summary and analysis of the grievances received during the year; and
  - A summary of the follow-up action taken in response to the grievances received.
2. Report on the Australian or Local Industry Participation Plan;
3. An Updated SIMP, containing:
  - A brief summary of the project;
  - A summary of the above reports;
  - A description of any changes to the SIMP from the previous year (including any new or emerging social impacts);
  - A revised list of key social impacts and their significance (as per Table 4), to ensure the SIMP remains focused on the main social impacts;
  - Revised or updated Action Plans (as per Attachment 4);
  - An updated Monitoring Framework (as per Attachment 6); and
  - An updated Stakeholder Engagement Summary (as per Attachment 7).

The three reports will be prepared by Waratah Coal and made publically available. Summaries of the Annual Social Impact Report and Report on the AIPP or LIPP will be included in the SIMP annual update. The SIMP and its updates will be available on the website and will be sent electronically to key stakeholders. In addition, electronic or hard copies will be provided on request to members of the public, although a small fee may be charged for hard copies. The annual report on the AIPP or LIPP will be copied to the ICN and the project's main contractors.

In addition to the above reports, a summary of the biennial external review will be placed on the project's website.

## 9. SUMMARY OF COMMITMENTS AND RECOMMENDATIONS

Waratah Coal has made a number of commitments to help maximise positive social impacts and help minimise negative social impacts arising from the Galilee Coal Project. Waratah will:

1. Minimise impacts on property owners as much as possible, ensure fair compensation when impacts can not be avoided, provide opportunities to property owners to benefit from the project when available, and encourage productive engagement with property owners;
2. Provide the services of a farm management consultant, if requested, to assist property owners plan for changes as a result of mine and/or rail infrastructure (eg. modifications to fencing, stockyards, watering points and access roads);
3. Base at least 50 mine employees in Alpha and all port and rail employees in the Bowen area;
4. Provide housing for mine employees in Alpha that fits within the character of Alpha and provides an appropriate standard befitting of senior managers and other employees who wish to reside in Alpha with their families on a long-term basis;
5. Provide all mine employees with the opportunity to reside in the Alpha area;
6. Provide incentives for mine employees to relocate to Alpha with their families, for example:
  - Financial assistance for employees opting to reside in Alpha to purchase a house in Alpha (with similar assistance for employees to buy a house in Bowen);
  - A one-off bonus for any employee that relocates with their family to Alpha and stays for at least a year;
7. Encourage contractors to establish facilities and base staff in Alpha and Bowen by giving preference to businesses and contractors that have locally-based staff;
8. Participate in the Galilee Basin CSIA Roundtable and provide financial support, as recommended by the Roundtable, for public infrastructure in Alpha, including affordable housing and health and emergency services;
9. Participate in a roundtable (or equivalent) for Abbot Point proponents, and provide financial support to improve public infrastructure in Bowen, including affordable housing and health and emergency services;
10. If Bowen is not included in a roundtable (or equivalent), Waratah will hold discussions with the WRC in regard to possible financial contributions towards public infrastructure and/or services in Bowen;
11. Establish an arrangement with an established emergency service/retrieval provider for the provision of aero-medical and retrieval services for the project;
12. Invite local emergency service providers (police, ambulance, fire & rescue and SES) to participate in the preparation and practicing of emergency procedures;
13. Give employment preference, in order, to workers from the local area, the local region, the rest of Queensland and the rest of Australia before overseas;
14. Promote healthy lifestyle choices among the workforce;
15. Provide induction training to all staff, contractors and sub-contractors to ensure they are familiar with project facilities, local Indigenous cultures and values, occupational health and safety including emergency response strategies, fatigue management policies, employment conditions and entitlements, Waratah's contributions to the local community and the grievance mechanism;

16. Implement a Code of Conduct, applicable to all employees, contractors and sub-contractors, which aims to enhance relationships between employees and contractors and the local community and minimise adverse social impacts;
17. Participate in government-led initiatives to recruit workers from areas in Queensland that have relatively high levels of unemployment;
18. Promote female employment;
19. Promote Indigenous employment;
20. Provide support for DIDO and FIFO workers, including suitable accommodation and recreation facilities, bus services between the mine site and any nearby regional centre that contains a sufficient number of employees, and promote available support networks;
21. Provide support and encouragement for employees living in Alpha to integrate within the local community;
22. Engage 20 new apprentices each year (and aim to recruit 50% of these from Central Queensland and the Whitsunday, Isaac and Mackay Regions);
23. Fund an additional 5 apprentices each year (with 4 year funding commitments subject to satisfactory performance), to be engaged and managed by businesses based and operating in the project area;
24. Provide support to local schools, including mine tours, workplace training, classroom presentations and other interactions with the aim of strengthening linkages between schools and the mining industry (and increasing female and Indigenous participation);
25. Aim to establish a long-term link with local training organisations (including TAFE centres) to provide guest lectures by skilled trainers (who work for the project) and accommodate workplace training for apprentices and other trainees;
26. Implement Indigenous engagement and participation strategies, to help communicate effectively with Indigenous groups, and promote Indigenous employment and contracting opportunities;
27. For any overseas workers, provide culturally appropriate facilities at the mine site and provide appropriate food and food-handling procedures, show flexibility, as far as possible, in terms of meeting religious and cultural requirements (eg. for worship), and provide cultural awareness for overseas workers during the induction training, and include awareness on their cultures in induction training provided to other workers;
28. Give procurement preference, in order, to suppliers from the local area, the local region, the rest of Queensland and the rest of Australia before overseas;
  - Advertise procurement and contracting opportunities locally;
  - Package contracts to help local businesses and contractors submit competitive bids;
  - Hold briefing sessions in the project area for local businesses and contractors;
  - Provide support to local organisations to increase their capacity to submit a competitive bid;
29. Ensure all contractors and sub-contractors incorporate strategies (at least the equivalent as outlined above) to give preference to local recruitment, local suppliers, promote a healthy lifestyle, promote female employment, promote Indigenous employment and provide training;
30. Participate in discussions to help develop strategies to address the loss of agricultural workers to the mining industry;

31. Provide information to, and communicate with, stakeholders through a variety of mechanisms, including but not limited to:
  - Quarterly newsletters;
  - Maintenance of an information hotline and project website;
  - Participation in various consultative committees, including the Galilee Basin CSIA Roundtable;
  - Maintenance of a grievance mechanism;
  - Appointment of a Project Liaison Officer and Indigenous Liaison Officer;
32. Report on social impacts and social impact management annually, and make the reports publically available; and
33. Fund an external and independent review of the project's social impacts and social impact management strategies, every two years, and make the reports publically available.

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## Attachment 1

**Good Practice Principles for the Development and Implementation of SIMPs**

The following summary is derived from the guideline *Leading Practice Strategies for Addressing the Social Impacts of Resource Developments*.<sup>59</sup>

- 1. Prioritisation.** SIMPs should summarise the issues identified in the SIA and prioritise the key issues of concern through effective scoping and engagement. SIMPs should not seek to tackle all issues that are identified. A risk management approach should inform prioritisation.

SIMPs should also be concerned with the enhancement of opportunities, the avoidance of negative impacts and the minimization of social harm, in addition to the mitigation of negative social impacts.

- 2. Adaptive management and flexibility.** SIMPs should be responsive to changing circumstances and increased knowledge and awareness of impacts over time. The design of SIMPs should thus emphasise process and outcomes in contrast to the prescription of outputs and activities, and focus on identification, coordination and planning as much as regulation and compliance. Similarly, SIMPs should demonstrate continuous improvement.

- 3. Life-cycle approach.** Social impacts, opportunities and risks should be assessed and managed at all stages across the life-cycle of extractive resource developments and should articulate a process for ongoing assessment.

SIMPs should also focus on leaving positive long-term legacies. SIMPs should be aligned with community and government-preferred futures through engagement and make explicit reference to regional planning and other relevant processes/frameworks. SIMPs should also demonstrate a process for closure planning at the outset of an operation.

- 4. Engagement.** SIMPs should demonstrate the process for how a mining operation will approach ongoing engagement with community and government. The development of a SIMP should reflect meaningful public input. Active processes that seek community involvement should be prioritized over standard periods for public comment.

- 5. Integration.** Where applicable SIMPs should demonstrate integration with relevant regional, strategic, planning, legislative and corporate initiatives, as well as with Environmental Management Plans. Environmental impacts are a common source of social impact, and, in turn social factors will often constrain how environmental impacts are managed.

- 6. Build capacities.** Social investments and community development activities outlined in SIMPs should, where possible, seek to build the capacity of communities to undertake activities, and minimise dependency on mining companies.

Investments and activities committed to in SIMPs should avoid over-reliance on built infrastructure, in part because of the associated issue of maintenance liabilities. A more effective focus is likely to be in areas such as enterprise development, local and Indigenous employment programs, and other programs focused on building human and social capital.

- 7. Partnerships.** Where appropriate, SIMPs should demonstrate partnerships with local and state government, communities, other mining operations, and with other industries to address issues of concern.

- 8. Commitments.** The content of SIMPs should reflect and reiterate the commitments made by the mining organisation in corporate and industry policies and standards, other voluntary codes, plus contextually specific documents such as memoranda of understanding and agreements, in addition to the commitments made during the preparation of the plan.

<sup>59</sup> Refer Franks, Fidler, Brereton, Vanclay & Clark, November 2009.

- 9. Balance between operational and regional context.** SIMPs should be tailored to the individual operational context; however, they should also seek, where appropriate, to take a systems level approach to ensure that the totality of impacts from other operations, industries and activities are considered, and that efforts to coordinate management, monitoring and mitigation are explored. The initial development of SIMPs should, where appropriate, consider existing plans and SIAs for other operations. Subsequent reviews of plans should take into account changed circumstances; for example, the closure or opening of new operations.
- 10. Coordination.** SIMPs should guide a more strategic use of funds, trusts and other investments and activities and a more coordinated approach across mining operations across the region.
- 11. Monitoring.** SIMPs should outline a process for monitoring at the operation level and identify key indicators. Periodic reporting of SIMPs may provide an opportunity to detail the outcomes of monitoring. Monitoring should be tailored to priority concerns at the operational and regional scale and address priority issues and concerns, as verified with community stakeholders ('monitoring what matters').

SIMPs should, where applicable, articulate the process adopted for grievance and complaints handling. Periodic reporting on SIMPs could provide an analysis of the cases received and their resolution.
- 12. Review.** SIMPs should be periodically reviewed by industry to realign processes and activities and take into consideration changed circumstances. A comprehensive SIMP would include a process of periodic compliance auditing.
- 13. Reporting.** SIMPs, and reports arising from them, should be public and have a facility for public input and review.



## Attachment 2 Assessment of Social Impact Significance

Project significance has been assessed on the likelihood and consequence of the potential impacts occurring as a result of (i) the Galilee Coal Project and (ii) the cumulative impact of multiple resource projects being developed in a similar timeframe. Significance has been categorised based on the combined score of the likelihood and consequence:

- Likelihood (L):** 5= almost certain; 4=likely; 3=possible; 2=unlikely; 1=rare
- Consequence (C):** 5=severe; 4=major; 3=moderate; 2=minor; 1=negligible
- Significance (S):** 10=extreme; 8-9=high; 5-7=medium; 3-4=low; 2=negligible

**Table 7: Summary of Social Impacts and Significance**

Impact	Description	Significance					
		Project			Cumulative		
		L	C	S	L	C	S
<b>Positive:</b> Increased employment	The project will generate: <ul style="list-style-type: none"> <li>• An additional 3,000 jobs during construction and 4,000 jobs during operations in Queensland,</li> <li>• An additional 700 jobs during construction and 600 jobs during operations in the region.</li> </ul>	4	3	7	5	4	9
Improved skill levels	Skill levels in the region will be increased as training is provided to workers, apprentices engaged, and support provided to local schools to establish pathways for school children to enter the mining industry.	4	3	7	4	3	7
Increased business activity	The project will procure a range of goods and services from the project area and local region, leading to a direct increase in business activity and employment. By contributing to population growth, the project will also have indirect and induced impacts on business activity and employment.	4	3	7	4	4	8
Higher income levels	Increased employment and business activity will increase personal and family income levels in the project area and local region.	4	4	8	5	4	9
Population growth	The project will lead to a substantial increase in the population of Alpha, and contribute to modest population growth in the Bowen area.	4	3	7	5	4	9
Improved infrastructure and services	The project is expected to lead to substantial improvements in infrastructure and services in Alpha, and significant improvements in Bowen, both from the project’s contribution through the Royalty for the Regions Initiative, and from direct contributions by Waratah Coal as part of a coordinated, multi-proponent response in both locations. Population growth will also help secure improved public and commercial services in Alpha and Bowen.	4	4	8	5	5	10
<b>Negative:</b> Additional stress	The uncertainty over the rail alignment and which railway will be constructed is causing uncertainty and stress for property owners. Mine and rail construction will cause further stress on property owners.	5	3	8	5	3	8
Dust, noise, vibration and reduced visual amenity	People residing in the vicinity of the mine and railway can expect, to varying degrees, increased levels of dust, noise, vibration and reduced visual amenity as a result of the project.	5	2	7	5	2	7
Lower cattle production	Cattle operations will be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.	4	2	6	4	2	6

Impact	Description	Significance					
		Project			Cumulative		
		L	C	S	L	C	S
Loss of staff to the mining industry	Government agencies and local businesses, including grazing and agricultural enterprises, will lose staff to the mining industry, leaving them short-staffed and/or facing higher recruitment, labour and training costs.	4	4	8	5	4	9
Increased demand on health and emergency services	Resident and FTE population growth will place additional demand on health and emergency services in Alpha and Bowen. Increased traffic on highways and local roads may also contribute to an increase in traffic accidents and may therefore increase the demand on police, fire, ambulance and health services.	3	3	6	3	4	7
Rising living costs	Housing prices, rental costs and the costs of local goods and services are expected to rise. Shortages in accommodation and trade services are likely. Higher living costs will disadvantage the non-mining sector and particularly low-income groups.	3	3	6	5	4	9
Loss of rural atmosphere	Without a well-managed and adequately resourced approach, Alpha could lose its existing friendly, rural atmosphere and exhibit a range of characteristics more commonly described as befitting a mining town.	2	4	6	4	5	9
Decline in tourism	A lack of temporary accommodation in Alpha, and potentially Bowen, or excessive costs for temporary accommodation, could result in a decline in tourist numbers, and therefore, less business activity.	3	3	6	4	3	7
Economic decline following mine closure	Mine closure (or a downturn in the mining industry) may result in a decline in employment levels, contracting opportunities and income levels in the project area.	3	3	6	2	5	7

### Attachment 3 Link Between Social Impacts and Social Impact Management Strategies


Impact	Phase	Stakeholders	Type of Impact	Project Significance	Management &/or Mitigation Strategies	Responsible Parties	Action Plan
<p><b>Increased employment</b> The project will generate:</p> <ul style="list-style-type: none"> <li>An additional 3,000 jobs during construction and 4,000 jobs during operations in Queensland,</li> <li>An additional 700 jobs during construction and 600 jobs during operations in the region.</li> </ul>	Construction and operations	Employees Contractors DETE (including Skills Queensland)	Positive	Medium	Increase employment within the project area and local region by: <ol style="list-style-type: none"> <li>Giving preference to local employees</li> <li>Increasing workforce participation by increasing female and Indigenous employment</li> <li>Providing training, with preference to local people (see below)</li> </ol>	Waratah Coal Major contractors	5
<p><b>Improved skill levels</b> Skill levels in the region will be increased as training is provide to workers, apprentices engaged, and support provided to local schools to establish pathways for school children to enter the mining industry.</p>	Construction and operations	Employees Contractors DETE (including Skills Queensland) Local training providers Indigenous groups Local schools	Positive	Medium	Increase skill levels in the project area and local region by: <ol style="list-style-type: none"> <li>Providing training, with preference to local people</li> <li>Targeting apprentices from the project area and local region</li> <li>Strengthening links between schools and the mining industry</li> <li>Strengthening links with local training providers</li> </ol>	Waratah Coal Major contractors	5
<p><b>Increased business activity</b> The project will procure a range of goods and services from the project area and local region, leading to a direct increase in business activity and employment. By contributing to population growth, the project will also have indirect and induced impacts on business activity and employment.</p>	Construction and operations	Contractors and businesses in the region ICN Indigenous groups	Positive	Medium	Increase procurement from the project area and local region by: <ol style="list-style-type: none"> <li>Giving preference to local contractors and suppliers</li> <li>Advertising locally</li> <li>Packaging procurement so local businesses can tender</li> <li>Holding briefing sessions on procurement opportunities and contract requirements</li> <li>Provide support to some local organisations</li> <li>Prepare and implement a Local Industry Participation Plan (in collaboration with ICN)</li> </ol>	Waratah Coal Major contractors	6
<p><b>Higher income levels</b> Increased employment and business activity will increase personal and family income levels in the project area and local region.</p>	Construction and operations	Employees, contractors and business people in the region	Positive	High	Incorporated in the employment, training and contracting strategies outlined above (although monitoring of income levels is included in Action Plans 1 and 2).	Waratah Coal	5, 6
<p><b>Population growth</b> The project will lead to a substantial increase in the population of Alpha, and lead to modest population growth in the Bowen area.</p>	Construction and operations	Residents of Alpha and Bowen and the broader communities BRC, WRC Local businesses and property developers	Positive	Medium	<ol style="list-style-type: none"> <li>Base at least 50 mine employees in Alpha and all 360 rail and port employees in Bowen</li> <li>Provide the option to all mine employees to reside in the local area</li> <li>Provide financial assistance to mine employees to buy a house in Alpha</li> <li>Provide a one-off bonus to mine employees who reside in Alpha with their families (eg. after a year)</li> <li>Give preference to contractors who have staff based in Alpha or Bowen</li> </ol>	Waratah Coal BRC WRC	1, 4, 6


Impact	Phase	Stakeholders	Type of Impact	Project Significance	Management &/or Mitigation Strategies	Responsible Parties	Action Plan
<p><b>Improved infrastructure and services</b> The project is expected to lead to substantial improvements in infrastructure and services in Alpha, Bowen, both from the project's contribution through the Royalty for the Regions Initiative, and from direct contributions by Waratah Coal as part of a coordinated, multi-proponent response in both locations. Population growth will also help secure improved public and commercial services in Alpha and Bowen.</p>	Construction and operations	Residents of Alpha and Bowen and the broader communities BRC WRC Service providers, including OPS, QAS, QFRS, Qld Health, Department of Education, Training and Employment (DETE), etc.	Positive	High	Support the establishment of a coordinated approach to the development of Alpha and Bowen, involving the local councils, selected government agencies and Galilee Basin and Abbot Point proponents, and including: 1. Preparation of development plans for Alpha and Bowen 2. Annual contributions to Infrastructure Funds by all proponents (based on the needs outlined in the development plans) 3. Annual contributions to Community Development Funds by all proponents, to improve service delivery, maintain infrastructure and support local organisations 4. Continued review and revision of the development plans in response to community needs and preferences	Department of State Development, Infrastructure and Planning (DSDIP) BRC WRC Galilee Basin proponents Abbot Point proponents	1, 2, 4
<p><b>Additional stress</b> The uncertainty over the rail alignment and which railway will be constructed is causing uncertainty and stress for property owners. Mine and rail construction will cause further stress on property owners.</p>	Pre-construction and construction	Property owners in the vicinity of the mine and railway	Negative	High	1. Finalise selection of the preferred railway as soon as possible and advise the relevant councils and all potentially impacted property owners. 2. Engage effectively with property owners prior to, during and after construction.	DSDIP Waratah Coal	3
<p><b>Dust, noise, vibration and reduced visual amenity</b> People residing in the vicinity of the mine and railway can expect, to varying degrees, increase levels of dust, noise, vibration and reduced visual amenity as a result of the project.</p>	Construction and operations	Property owners in the vicinity of the mine and railway	Negative	Medium	1. Gain a full understand and appreciation of the potential impacts on property owners 2. Minimise impacts as much as possible 3. Ensure fair compensation when impacts can not be avoided 4. Provide opportunities for property owners to benefit from the project when available	Waratah Coal	3, EMP
<p><b>Lower cattle production</b> Cattle operations will be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.</p>	Construction and operations	Property owners impacted by the mine and railway	Negative	Medium	1. Gain a full understand and appreciation of the potential impacts on property owners 2. Work with each property owner to minimise disruptions and reduce impacts as much as possible 3. Relocate or provide new infrastructure when required (eg. fences, stockyards, watering points, access roads) 4. Ensure fair compensation for the loss of grazing land or other adverse impacts 5. Provide the assistance of a farm management consultant if requested 6. Provide opportunities for property owners to benefit from the project when available	Waratah Coal	3
<p><b>Loss of staff to the mining industry</b> Government agencies and local businesses including grazing and</p>	Construction and operations	Local businesses (including property	Negative	High	To reduce the impact of staff losses in Alpha and Bowen: 1. Outsource goods and services and use established, local contractors when	Waratah Coal Major contractors	1, 2, 3, 6

Impact	Phase	Stakeholders	Type of Impact	Project Significance	Management &/or Mitigation Strategies	Responsible Parties	Action Plan
agricultural enterprises will lose staff to the mining industry, leaving them short-staffed and/or facing higher recruitment, labour and training costs.		Local councils and other government agencies Service providers owners)			<p>possible</p> <ol style="list-style-type: none"> <li>Make financial contributions to affordable housing in Alpha and Bowen (by all Galilee Basin and Abbot Point proponents)</li> <li>Provide financial support for apprentices that are engaged by local businesses</li> <li>In Bowen – ensure available accommodation for seasonal workers</li> </ol> <p>Discussions are required with relevant stakeholders to discuss how to reduce the loss of stockmen and other agricultural workers to the mining industry.</p>	Galilee Basin proponents Abbot Point proponents BRC WRC	
<b>Increased demand on health and emergency services</b> Resident and FTE population growth will place additional demand on health and emergency services in Alpha and Bowen. Increased traffic on highways and local roads may also contribute to an increase in traffic accidents and may therefore increase the demand on police, fire, ambulance and health services.	Construction and operations	QPS Qld Health QAS QFRS SES DTMR Local councils Road users Road Accident Action Group	Negative	Medium	<ol style="list-style-type: none"> <li>Establish an arrangement with an established emergency service/retrieval provider (eg. RFDS or CareFlight), to provide aero-medical and retrieval services for the project</li> <li>Establish close relationships with local health and emergency service providers and involve QPS, QAS, QFRS and SES in the preparation and practicing of emergency procedures</li> <li>Provide support to improve health and emergency service facilities through a coordinated approach involving Galilee and Abbot Point proponents</li> <li>Monitor the demand on health and emergency services</li> <li>Ensure all employees and contractors observe heavy vehicle fatigue management legislation, report all accidents, incidents and near misses, and abide by the project's fatigue management strategies</li> </ol>	Waratah Coal and major contractors	1, 2, 5
<b>Rising living costs</b> Housing prices, rental costs and the costs of local goods and services are expected to rise. Shortages in accommodation and trade services are likely. Higher living costs will disadvantage the non-mining sector and particularly low-income groups.	Construction and operations	Residents in Alpha and Bowen and surrounding areas BRC, WRC Department of Communities and social housing providers	Negative	Medium	<ol style="list-style-type: none"> <li>Provide assistance to address housing affordability and social housing needs in Alpha and Bowen through the proposed Infrastructure and Community Development Funds</li> <li>Provide housing for mine employees living in Alpha (acknowledging that due to the limited housing market these houses will need to be built)</li> </ol>	DSDIP BRC WRC Galilee Basin proponents Abbot Point proponents	1, 2, 4
<b>Loss of rural atmosphere</b> Without a well-managed and adequately resourced approach, Alpha could lose its existing friendly, rural atmosphere and exhibit a range of characteristics more commonly described as befitting a mining town.	Construction and operations	Residents of Alpha and broader community BRC	Negative	Medium	<ol style="list-style-type: none"> <li>Prepare a development plan for Alpha, outlining improved infrastructure and services, and provide annual financial contributions to Infrastructure and Community Development Funds (all Galilee Basin proponents)</li> <li>Implement a Community Cohesion Strategy, to enhance relationships between mine workers and other people in the community: <ul style="list-style-type: none"> <li>Code of Conduct for employees/contractors)</li> <li>Encourage employees and their families to integrate within the local community</li> <li>Ensure contributions provided by the project support community priorities</li> </ul> </li> </ol>	DSDIP BRC Waratah Coal Other Galilee Basin proponents	1, 4, 5
<b>Decline in tourism</b> A lack of temporary accommodation in Alpha, and potentially Bowen, or	Construction and operations	Tourists Local business people in	Negative	Medium	<ol style="list-style-type: none"> <li>Provide temporary accommodation facilities, catering for the needs of tourists, through the proposed Infrastructure and Community</li> </ol>	DSDIP BRC	1, 2


Impact	Phase	Stakeholders	Type of Impact	Project Significance	Management &/or Mitigation Strategies	Responsible Parties	Action Plan
excessive costs for temporary accommodation, could result in a decline in tourist numbers, and therefore, less business activity.		Alpha and Bowen			Development Funds (which will preferably be implemented in both Alpha and Bowen).	WRC Galilee Basin proponents Abbot Point proponents	
<b>Economic decline following mine closure</b> Mine closure (or a downturn in the mining industry) may result in a decline in employment levels, contracting opportunities and income levels in the project area.	Mine closure	Employees Contractors Residents of Alpha and Bowen and the broader communities Councils Government agencies and other service providers	Negative	Medium	<ol style="list-style-type: none"> <li>1. Ensure development plans for Alpha and Bowen reflect population projections that are realistic, and build infrastructure and services based on these projections</li> <li>2. Encourage economic diversification when developing plans for Alpha and Bowen, and when allocating funds from the proposed Infrastructure and Community Development Funds</li> </ol>	DSIDP BRC WRC Galilee Basin proponents Abbot Point proponents	1, 2

**Attachment 4  
Draft Action Plans**


<p><b>Action Plan # 1 Assistance to Alpha</b></p> 	
<p><b>Objectives</b></p>	<p>To contribute to Alpha’s growth and prosperity through a well planned and effectively managed expansion in population, physical infrastructure and economic opportunities, while trying to preserve and contribute positively to the existing lifestyle and friendly, rural atmosphere.</p>
<p><b>Key stakeholders</b></p>	<p>Residents of Alpha and the local area BRC Galilee Basin CSIA Roundtable (which, based on the Evaluation of the Alpha Coal Project EIS, is anticipated to include other proponents, councils, selected government agencies and community representatives). Local business people Property developers</p>
<p><b>Management and/or mitigation strategies</b></p>	<p>Waratah Coal aims to be a member of the Galilee Basin CSIA Roundtable, which is expected to play a leading role in:</p> <ol style="list-style-type: none"> <li>1. The preparation of a development plan for Alpha</li> <li>2. Determining annual contributions by each proponent to an Infrastructure Fund (based on the needs outlined in the development plan)</li> <li>3. Determining annual contributions by each proponent to a Community Development Fund to improve service delivery, maintain infrastructure and support local organisations</li> <li>4. Reviewing and updating the development plan each year, in response to community needs and preferences</li> </ol> <p>It is envisaged that the Infrastructure and Community Development Funds would support a wide range of needs in Alpha, including assistance for affordable housing and supporting local health &amp; emergency service providers.</p> <p>Waratah will recommend that the development plan includes population projections and facilitates economic diversification to help limit the future impacts of mine closure or a downturn in the mining industry.</p> <p>Waratah Coal will also:</p> <ol style="list-style-type: none"> <li>5. Base 50 staff in Alpha, preferably with families, to boost the population</li> <li>6. Provide housing for its staff in Alpha</li> <li>7. Provide the opportunity for all mine staff to reside in Alpha, and provide incentives for mine staff to live in Alpha with their families</li> <li>8. Give preference to contractors who are have staffed based permanently in Alpha</li> </ol> <p>Waratah Coal will implement a Community Cohesion Strategy to build strong and productive relationships between the project, the workforce and the local community, and will help workers and their families integrate within the local community. This will entail:</p> <ol style="list-style-type: none"> <li>9. Effective community engagement</li> <li>10. Providing support for organisations and events in Alpha</li> <li>11. Providing support to the school</li> <li>12. Assisting families to integrate with the local community</li> <li>13. Ensuring all employees and contractors abide by a Code of Conduct</li> <li>14. Establishing an effective grievance and dispute resolution mechanism</li> </ol>
<p><b>Key Performance Indicators</b></p>	<ol style="list-style-type: none"> <li>1. Development Plan for Alpha and annual updates</li> <li>2. Financial contributions to development plans by Waratah Coal and other proponents</li> <li>3. Other financial contributions by Waratah Coal for services and organisations in Alpha</li> <li>4. Population of Alpha and surrounding area</li> <li>5. Number of mine workers residing in Alpha</li> <li>6. Number of Waratah employees residing in Alpha, provided with accommodation, and average household size</li> <li>7. Financial contributions towards affordable housing, health &amp; emergency services and temporary accommodation (Waratah Coal and other proponents)</li> <li>8. Demand for health &amp; emergency services</li> </ol>


<b>Action Plan # 1</b> <b>Assistance to Alpha</b> 	
	9. Effectiveness of the drug and alcohol policy and code of conduct 10. Effectiveness of community engagement, the community cohesion strategy and the grievance and dispute resolution mechanism 11. Level of community support for proposed development activities 12. Comparison of personal and family income levels between Alpha and Queensland
<b>Baseline data for KPIs</b>	2011 census data: <ul style="list-style-type: none"> <li>• Population (Alpha urban centre): 349</li> <li>• Mine employees residing in Alpha (urban centre): 6</li> <li>• Personal income level (Alpha urban centre) 109% of median level for Queensland</li> <li>• Family income level (Alpha urban centre) 96% of median level for Queensland</li> <li>• Personal income level (BRC) 94% of median level for Queensland</li> <li>• Family income level (BRC) 93% of median level for Queensland</li> </ul> Other baseline data to be quantified once strategies have been finalised.
<b>Targets</b>	To be quantified once strategies have been finalised. This is likely to be determined by the Galilee Basin CSIA Roundtable. However, Waratah Coal will base 50 employees in Alpha, and this is expected to equate to 125 residents when including family members.
<b>Implementation schedule</b>	To be prepared once strategies have been finalised. This is likely to be determined by the Galilee Basin CSIA Roundtable.
<b>Monitoring and review</b>	<p>It is anticipated that the Galilee Basin CSIA Roundtable will play a key role in the monitoring and evaluation of Alpha’s development. It must be recognised that the Alpha Coal Project has been tasked by the Coordinator General, should the project proceed, to prepare TOR for the Galilee Basin CSIA Roundtable, and define its membership.</p> <p>Waratah Coal will continuously monitor its workforce, including the number of employees living in Alpha, the number of houses provided to employees living in Alpha, and the number of family members residing in Alpha. Waratah Coal will also solicit an independent review every two years that is expected to include a survey of local residents to assess their opinion on the behaviour of Waratah’s workforce and the project’s effectiveness in contributing to the local community. It is recommended that community contributions are assessed in terms of:</p> <ul style="list-style-type: none"> <li>• Infrastructure and services;</li> <li>• Community vitality and spirit;</li> <li>• Friendliness/good neighbours; and</li> <li>• Safety.</li> </ul> <p>Waratah Coal will publicise and invite input to:</p> <ul style="list-style-type: none"> <li>• A list of social impacts and assessment of their significance;</li> <li>• The strategies for addressing social impacts; and</li> <li>• Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.</li> </ul> <p>The above information will be available on the project website and will be publicised (and comments invited) on a periodic basis to coincide with monitoring and evaluation activities. This may include the presentation of information in the project’s quarterly newsletters, council newsletters, newspapers, etc. The comments received will be used to update the SIMP each year.</p> <p>An independent/external review will be conducted every two years to:</p> <ul style="list-style-type: none"> <li>• Assess the social impacts of the project;</li> <li>• Assess the effectiveness and adequacy of social impact management strategies;</li> <li>• Review the degree of compliance with conditions stipulated by the Coordinator General;</li> <li>• Review the effectiveness and adequacy of stakeholder engagement processes; and</li> <li>• Provide recommendations for continuous improvement.</li> </ul>
<b>Documentation and reporting</b>	Documentation and reporting in regard to the development of Alpha will preferably be coordinated through the Galilee Basin CSIA Roundtable. However, Waratah Coal will also prepare: <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> </ol>





<p><b>Action Plan # 1</b> <b>Assistance to Alpha</b></p>	 <p><b>CHINA FIRST</b> Developing the Galilee Basin</p>
	<ol style="list-style-type: none"> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>The three reports, and bi-annual external review, will be made publically available.</p>

<b>Action Plan # 2</b> <b>Assistance to Bowen</b> 	
<b>Objectives</b>	To maximise its contribution to population growth and economic development in the Bowen area.
<b>Key stakeholders</b>	Residents of Bowen and the local area WRC Galilee Basin CSIA Roundtable (or preferably a similar structure specifically for the Bowen-Abbot Point area, including other Abbot Point proponents, WRC, selected government agencies and community representatives). Local business people
<b>Management and/or mitigation strategies</b>	Waratah Coal recommends that a roundtable (or equivalent structure) be established for the Bowen area, comprising all Abbot Point proponents, which is expected to play a leading role in: <ol style="list-style-type: none"> <li>1. The preparation of a development plan for Bowen</li> <li>2. Determining annual contributions by each proponent to an Infrastructure Fund (based on the needs outlined in the development plan)</li> <li>3. Determining annual contributions by each proponent to a Community Development Fund to improve service delivery, maintain infrastructure and support local organisations</li> <li>4. Reviewing and updating the development plan each year, in response to community needs and preferences</li> </ol> It is envisaged that the Infrastructure and Community Development Funds would support a wide range of needs in Bowen, including affordable housing. Waratah Coal will also: <ol style="list-style-type: none"> <li>5. Base all its port and rail employees in Bowen</li> <li>6. Provide incentives for mine staff to live in Bowen with their families</li> <li>7. Give preference to contractors who are have staffed based permanently in Bowen</li> </ol> Waratah Coal will implement a Community Cohesion Strategy to build strong and productive relationships between the project, the workforce and the local community, and will help workers and their families integrate within the local community. This will entail: <ol style="list-style-type: none"> <li>8. Effective community engagement</li> <li>9. Providing support for organisations and events in Bowen</li> <li>10. Providing support to local schools</li> <li>11. Ensuring all employees and contractors abide by a Code of Conduct</li> <li>12. Establishing an effective grievance and dispute resolution mechanism</li> </ol>
<b>Key Performance Indicators</b>	<ol style="list-style-type: none"> <li>1. Development Plan for Bowen and annual updates</li> <li>2. Financial contributions to development plans by Waratah Coal and other proponents</li> <li>3. Other financial contributions by Waratah Coal and other proponents for services and organisations in Bowen</li> <li>4. Population of Bowen and surrounding area</li> <li>5. Financial contributions towards affordable housing (Waratah Coal and other proponents)</li> <li>6. Number of Waratah employees and dependents residing in Bowen</li> <li>7. Effectiveness of the drug and alcohol policy and code of conduct</li> <li>8. Effectiveness of community engagement, the community cohesion strategy and the grievance and dispute resolution mechanism</li> <li>9. Level of community support for proposed development activities</li> <li>10. Comparison of personal and family income levels between Bowen and Queensland</li> </ol>
<b>Baseline data for KPIs</b>	2011 census data: <ul style="list-style-type: none"> <li>• Population (Bowen urban centre): 8,604</li> <li>• Personal income level (Bowen urban centre) 98% of median level for Queensland</li> <li>• Family income level (Bowen urban centre) 86% of median level for Queensland</li> <li>• Personal income level (WRC) 106% of median level for Queensland</li> <li>• Family income level (WRC) 97% of median level for Queensland</li> </ul> Other baseline data to be quantified once strategies have been finalised.
<b>Targets</b>	To be quantified once strategies have been finalised. This is likely to be determined by the Galilee Basin CSIA Roundtable (or equivalent structure for the Bowen-Abbot Point area).

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="flex: 1;"> <p><b>Action Plan # 2</b> <b>Assistance to Bowen</b></p> </div> <div style="flex: 2; text-align: center;">  <p><b>CHINA FIRST</b> Developing the Galilee Basin</p> </div> </div>	
	<p>Waratah Coal will base all rail and port employees in Bowen (currently estimated at 360), which is expected to equate to 900 residents when including family members.</p>
<b>Implementation schedule</b>	<p>To be prepared once strategies have been finalised. This is likely to be determined by the Galilee Basin CSIA Roundtable (or equivalent structure for the Bowen-Abbot Point area).</p>
<b>Monitoring and review</b>	<p>It is anticipated that the Galilee Basin CSIA Roundtable (or equivalent structure) will play a key role in the monitoring and evaluation of Bowen’s development. It must be recognised that the Alpha Coal Project has been tasked by the Coordinator General, should the project proceed, to prepare TOR for the Galilee Basin CSIA Roundtable, and define its membership. No reference has been made for an equivalent structure for the Bowen area.</p> <p>Waratah Coal will continuously monitor its workforce, including the number of employees living in Bowen. Waratah Coal will also solicit an independent review every two years that is expected to include a survey of local residents to assess their opinion on the behaviour of Waratah’s workforce and the project’s effectiveness in contributing to the local community. It is recommended that community contributions are assessed in terms of:</p> <ul style="list-style-type: none"> <li>• Infrastructure and services;</li> <li>• Community vitality and spirit;</li> <li>• Friendliness/good neighbours; and</li> <li>• Safety.</li> </ul> <p>Waratah Coal will publicise and invite input to:</p> <ul style="list-style-type: none"> <li>• A list of social impacts and assessment of their significance;</li> <li>• The strategies for addressing social impacts; and</li> <li>• Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.</li> </ul> <p>The above information will be available on the project website and will be publicised (and comments invited) on a periodic basis to coincide with monitoring and evaluation activities. This may include the presentation of information in the project’s quarterly newsletters, council newsletters, newspapers, etc. The comments received will be used to update the SIMP each year.</p> <p>An independent/external review will be conducted every two years to:</p> <ul style="list-style-type: none"> <li>• Assess the social impacts of the project;</li> <li>• Assess the effectiveness and adequacy of social impact management strategies;</li> <li>• Review the degree of compliance with conditions stipulated by the Coordinator General;</li> <li>• Review the effectiveness and adequacy of stakeholder engagement processes; and</li> <li>• Provide recommendations for continuous improvement.</li> </ul>
<b>Documentation and reporting</b>	<p>Documentation and reporting in regard to the development of Bowen will preferably be coordinated through the Galilee Basin CSIA Roundtable or equivalent. However, Waratah Coal will also prepare:</p> <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>The three reports, and bi-annual external review, will be made publically available.</p>

<b>Action Plan # 3</b> <b>Property owners</b> 	
<b>Objectives</b>	To understand the impacts on property owners, minimise impacts as much as possible, ensure fair compensation when impacts cannot be avoided, provide opportunities to benefit from the project when available, and provide every opportunity to engage with property owners in a meaningful and effective manner.
<b>Stakeholders</b>	Property owners (MLA and rail corridor)
<b>Management and/or mitigation strategies</b>	<p>Waratah Coal will:</p> <ol style="list-style-type: none"> <li>1. Gain a full understand and appreciation of the potential impacts on property owners</li> <li>2. Work with each property owner to minimise disruptions and reduce impacts as much as possible</li> <li>3. Ensure fair compensation when impacts can not be avoided</li> <li>4. Relocate or provide new infrastructure when required (eg. fences, stockyards, watering points, access roads)</li> <li>5. Ensure fair compensation for the loss of grazing land or other adverse impacts</li> <li>6. Provide the assistance of a farm management consultant if requested</li> <li>7. Provide opportunities for property owners to benefit from the project when available</li> <li>8. Provide every opportunity to engage with property owners in a meaningful and effective</li> </ol> <p>In addition, discussions are required with relevant stakeholders to discuss how to reduce the loss of stockmen and other agricultural workers to the mining industry. This may best be undertaken under the auspices of the Galilee Basin CSIA Roundtable.</p>
<b>Key Performance Indicators</b>	<ol style="list-style-type: none"> <li>1. Number of properties with plans for relocation and/or provision of new infrastructure</li> <li>2. Number of properties provided with assistance of a farm management consultant</li> <li>3. Number of properties with compensation agreements</li> <li>4. Number of property holders providing contract services to Waratah</li> <li>5. Development of strategies to address the loss of agricultural workers to the mining industry</li> </ol> <p>KPIs should include details on the length of fencing, number of additional watering points, properties provided with electricity, etc., and the costs of each.</p>
<b>Baseline data for KPIs</b>	<p>Waratah Coal will impact 8 properties on the MLA and up to 44 properties along the railway line. Note that other properties in the vicinity of the MLA and railway, that are impacted by dust, noise, vibration or visual amenity, will be addressed in the EMP.</p> <p>As Waratah Coal has not provided direct support to property owners at this stage so the baseline will be zero.</p>
<b>Targets</b>	Targets will be established either negotiations with individual property owners or during the support provided by the farm management consultant. However, all properties are to have infrastructure plans and compensation agreements finalised prior to construction, and farm management advisory support to be provided to all property holders who request assistance.
<b>Implementation schedule</b>	Implementation shall occur following the Final Investment Decision and focus on the pre-construction period. However, environmental monitoring will occur throughout operations and property owners will be specifically targeted within the community engagement process. This will help ensure they continue to have a voice during operations and decommissioning.
<b>Monitoring and review</b>	<p>Waratah Coal will continuously monitor impacts and mitigation strategies involving property holders. A database will be established with information for each property holder impacted by the MLA or rail corridor.</p> <p>Waratah Coal will publicise and invite input to:</p> <ul style="list-style-type: none"> <li>• A list of social impacts and assessment of their significance;</li> <li>• The strategies for addressing social impacts; and</li> <li>• Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.</li> </ul> <p>The above information will be available on the project website at all times. The above information will be publicised (and comments invited) on a periodic basis to coincide with internal and external monitoring and evaluation activities. This may include the presentation of information in the</p>


<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="width: 30%;"> <p><b>Action Plan # 3</b> <b>Property owners</b></p> </div> <div style="width: 40%; text-align: center;">  <p><b>CHINA FIRST</b> Developing the Galilee Basin</p> </div> </div>	
	<p>project’s quarterly newsletters, council newsletters, newspapers, etc. The comments submitted will be documented and used to update the SIMP each year.</p> <p>An independent/external review will be conducted every two years to:</p> <ul style="list-style-type: none"> <li>• Assess the social impacts of the project;</li> <li>• Assess the effectiveness and adequacy of social impact management strategies;</li> <li>• Review the degree of compliance with conditions stipulated by the Coordinator General;</li> <li>• Review the effectiveness and adequacy of stakeholder engagement processes; and</li> <li>• Provide recommendations for continuous improvement.</li> </ul>
<b>Documentation and reporting</b>	<p>Waratah Coal will prepare:</p> <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>The Social Impact Report will contain a summary of grievances received during the year, and the response provided to these grievances. The three reports will be made publically available. A summary of the biennial external review will also be placed on the project website.</p>

Action Plan # 4 Accommodation and Housing 	
<b>Objectives</b>	To minimise negative impacts on housing affordability and the availability of temporary accommodation in Alpha and Bowen.
<b>Stakeholders</b>	Residents of Alpha Residents of Bowen BRC WRC Department of Communities Social housing providers in Alpha and Bowen Real estate agents and/or property developers in Alpha and Bowen
<b>Management and/or mitigation strategies</b>	<ol style="list-style-type: none"> <li>1. Waratah will provide housing for mine employees living in Alpha (acknowledging that due to the limited housing market these houses will need to be built); Under the auspices of the Galilee Basin CSIA Roundtable (and possibly an equivalent structure for Bowen), it is recommended that:</li> <li>2. Affordable housing is considered during the preparation of development plans in Alpha and Bowen;</li> <li>3. Financial support is provided to help address housing affordability in Alpha and Bowen through the proposed Infrastructure and Community Development Funds (using contributions from all Galilee and Abbot Point proponents);</li> <li>4. The need for additional temporary accommodation is assessed in both Alpha and Bowen; and</li> <li>5. Financial support is provided to help address temporary accommodation needs in Alpha and Bowen, if required, through the proposed Infrastructure and Community Development Funds (using contributions from all Galilee and Abbot Point proponents)</li> </ol>
<b>Key Performance Indicators</b>	<ol style="list-style-type: none"> <li>1. Number of Waratah employees provided with suitable accommodation in Alpha</li> <li>2. Median house prices and rental costs in Alpha and Bowen and comparisons with other centres in the BRC and WRC areas</li> <li>3. Availability and cost of temporary accommodation in Alpha and Bowen and comparisons with other centres in the BRC and WRC areas</li> <li>4. Financial contributions towards affordable housing (Waratah Coal and other proponents) in Alpha and Bowen</li> <li>5. Financial contributions towards temporary accommodation (Waratah Coal and other proponents) in Alpha and Bowen</li> </ol>
<b>Baseline data for KPIs</b>	Housing provided to permanent staff in Alpha by Waratah: 0  Median house prices (2011): Alpha: \$265,000 Barcaldine: \$185,000 Bowen: \$360,000 Proserpine: \$290,000 <sup>60</sup>  Median rental costs (November 2012): Alpha: \$190/week Barcaldine: \$240/week Bowen: \$365/week (units \$270/week) Proserpine: \$320/week (units \$230/week) <sup>61</sup>  The availability and cost of temporary accommodation (hotel rooms, cabins and van sites) is yet to be confirmed.
<b>Targets</b>	Housing provided to 50 permanent staff in Alpha by Waratah House prices in Alpha not to rise significantly more than they do in Barcaldine

<sup>60</sup> Refer [www.myrpdata.com](http://www.myrpdata.com)


<sup>61</sup> Refer [www.realestateinvestar.com.au](http://www.realestateinvestar.com.au)


<b>Action Plan # 4</b> <b>Accommodation and Housing</b> 	
	<p>Rental costs in Alpha not to rise significantly more than they do in Barcaldine                      House prices in Bowen not to rise significantly more than they do in Proserpine                      Rental costs in Bowen not to rise significantly more than they do in Proserpine</p> <p><b>Temporary accommodation:</b>                      Availability – hotel rooms, cabins and van sites are available on more than 90% of nights surveyed (Alpha and Bowen)                      Cost – hotel rooms, cabins and van sites cost no more than 20% more than comparable facilities in the region (Alpha/Barcaldine and Bowen/Proserpine)</p> <p><b>Financial contributions:</b>                      Targets for financial contributions towards housing affordability and temporary accommodation in Alpha and Bowen to be determined by the Galilee Basin CSIA Roundtable (and equivalent for Bowen), based on development plans for Alpha and Bowen</p>
<b>Implementation schedule</b>	<p>Waratah Coal aims to provide 50 houses to staff living in Alpha within 3 years of first production.</p> <p>Financial contributions towards housing affordability and temporary accommodation in Alpha and Bowen will be determined by the Galilee Basin CSIA Roundtable (and equivalent for Bowen), based on development plans for Alpha and Bowen</p>
<b>Monitoring and review</b>	<p>Waratah Coal will continuously monitor its workforce, including the number of houses provided to employees living in Alpha.</p> <p>Waratah Coal will monitor house and rental costs in Alpha and Bowen.</p> <p>It is recommended that the Galilee Basin CSIA Roundtable (and equivalent for Bowen) play a lead role in the monitoring of housing affordability and the availability and cost of temporary accommodation in Alpha and Bowen.</p> <p>An independent/external review will be conducted every two years to assess the social impacts of the project and the effectiveness and adequacy of social impact management strategies. This will include impacts relating to housing affordability and the availability and cost of temporary accommodation in Alpha and Bowen.</p>
<b>Documentation and reporting</b>	<p>Documentation and reporting in regard to the development of Alpha will preferably be coordinated through the Galilee Basin CSIA Roundtable. However, Waratah Coal will also prepare:</p> <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>The Social Impact Report will contain a summary of grievances received during the year, and the response provided to these grievances. The three reports will be made publically available. A summary of the biennial external review will also be placed on the project website.</p>

Action Plan # 5 Workforce Management	
	
<b>Objectives</b>	Waratah Coal aims to have a well-trained, healthy and relatively stable workforce. Waratah also aims to: <ol style="list-style-type: none"> <li>1. Maximise employment, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia; and</li> <li>2. Ensure employees and contractors act in a manner that is conducive to a safe, peaceful and enjoyable lifestyle within the project area.</li> </ol>
<b>Stakeholders</b>	Employees and contractors BRC WRC Alpha and Bowen communities Skills Queensland Indigenous groups Training providers Local schools
<b>Management and/or mitigation strategies</b>	Waratah Coal will increase employment within the local area and region by: <ol style="list-style-type: none"> <li>1. Giving preference to employees, in order of priority, from (i) the project area, (ii) the local region, (iii) the rest of Queensland, (iv) elsewhere in Australia, and (v) overseas.</li> <li>2. Increase workforce participation by increasing female and Indigenous employment</li> <li>3. Provide training, with preference to local people</li> <li>4. Strengthen links between local schools and the mining industry</li> <li>5. Strengthen links with local training providers</li> </ol> To help reduce accident-related risks, Waratah Coal will: <ol style="list-style-type: none"> <li>6. Provide a bus service between the mine site and any major regional centre that contains sufficient mine workers</li> <li>7. Prepare traffic management plans in consultation with DTMR, local councils, Qld Police and the Road Accident Action Group</li> <li>8. Require all transport operators to observe heavy vehicle fatigue management legislation and report all accidents, incidents and near misses</li> <li>9. Require all employees and contractors who drive to/from work to abide by fatigue management strategies and report all accidents, incidents and near misses</li> </ol>
<b>Key Performance Indicators</b>	<ol style="list-style-type: none"> <li>1. Number and % of employees (including contractors) from the project area, region, rest of Qld, elsewhere in Australia and overseas</li> <li>2. Employment by gender</li> <li>3. Indigenous employment</li> <li>4. Number of staff trained (local, region, Qld, Aust, overseas)</li> <li>5. Number of apprentices, including the number of apprentices from the local region</li> <li>6. Number of schools assisted</li> <li>7. Number and % of employees arriving by bus</li> <li>8. Traffic management plans (including heavy vehicle management plans)</li> <li>9. Accident, incident and near miss data</li> </ol>
<b>Baseline data for KPIs (and source of data)</b>	Baseline is zero.
<b>Targets</b>	Targets will be finalised prior to the construction period when economic conditions, including those relating to the labour market, are more predictable.
<b>Implementation schedule</b>	To be prepared once strategies have been finalised.
<b>Monitoring and review</b>	Waratah Coal will continuously monitor its workforce, including the origin of employees, apprentices engaged, training provided, etc.  Waratah Coal will publicise and invite input to: <ul style="list-style-type: none"> <li>• A list of social impacts and assessment of their significance;</li> <li>• The strategies for addressing social impacts; and</li> </ul>



<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="width: 35%;"> <p><b>Action Plan # 5</b> <b>Workforce Management</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>CHINA FIRST</b> Developing the Galilee Basin</p> </div> </div>	
	<ul style="list-style-type: none"> <li>• Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.</li> </ul> <p>The above information will be available on the project website at all times. The above information will be publicised (and comments invited) on a periodic basis to coincide with internal and external monitoring and evaluation activities. This may include the presentation of information in the project’s quarterly newsletters, council newsletters, newspapers, etc. The comments submitted will be documented and used to update the SIMP each year.</p> <p>An independent/external review will be conducted every two years to:</p> <ul style="list-style-type: none"> <li>• Assess the social impacts of the project;</li> <li>• Assess the effectiveness and adequacy of social impact management strategies;</li> <li>• Review the degree of compliance with conditions stipulated by the Coordinator General;</li> <li>• Review the effectiveness and adequacy of stakeholder engagement processes; and</li> </ul> <p>Provide recommendations for continuous improvement.</p>
<b>Documentation and reporting</b>	<p>Waratah Coal will prepare:</p> <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>The Social Impact Report will contain a summary of grievances received during the year, and the response provided to these grievances. The three reports will be made publically available. A summary of the biennial external review will also be placed on the project website.</p>

Action Plan # 6 Local Industry Participation 	
<b>Objectives</b>	<p>Local procurement strategies can boost the economic benefits of the project in the local region. Waratah aims to maximise procurement and contracting opportunities, in order of priority, in (i) the project area, (ii) the region, (iii) the rest of Queensland, and (iv) elsewhere in Australia.</p> <p>Waratah Coal believes it is also possible to help minimise the loss of staff to the mining industry by outsourcing goods and services and using established, local contractors when possible.</p>
<b>Stakeholders</b>	MCC and major contractors ICN Contractors Councils within the region
<b>Management and/or mitigation strategies</b>	<p>Waratah Coal will increase procurement from the local area and region by:</p> <ul style="list-style-type: none"> <li>• Giving preference to local contractors and suppliers (with increased preference to contractors that have staff permanently based in Alpha and Bowen)</li> <li>• Advertising locally</li> <li>• Packaging procurement so local businesses can tender</li> <li>• Holding briefing sessions on procurement opportunities and contract requirements</li> <li>• Provide support to some local organisations to assist them to meet contract requirements.</li> </ul> <p>To ensure full, fair and reasonable opportunity for Queensland and Australian companies, Waratah will prepare an AIPP or LIPP for the Galilee Coal Project. The AIPP/LIPP will focus on products and services that could be provided by either Australian or foreign entities. The ICN has placed a description of the Galilee Coal Project on its website. Further collaboration with the ICN is expected and may include:</p> <ul style="list-style-type: none"> <li>• Collaborating with ICN to develop an early Contestability Assessment;</li> <li>• Using the ICN Gateway website for local suppliers to register their interest in the Project;</li> <li>• Reporting project milestones on the ICN website;</li> <li>• Placing work packages of relevant size on the ICN Gateway website (with opening and closing dates);</li> <li>• Placing tier 1 and 2 contract awards on the ICN Gateway website; and</li> <li>• Reporting on tenders and contracts awarded.</li> </ul>
<b>Key Performance Indicators</b>	<ol style="list-style-type: none"> <li>1. Number and % of contracts and value of goods and services from the project area, region, rest of Qld, elsewhere in Australia and overseas</li> <li>2. Number and value of contracts awarded to Indigenous organisations</li> </ol>
<b>Baseline data for KPIs</b>	Baseline is zero.
<b>Targets</b>	Targets will be finalised prior to the construction period when economic conditions, including those impacting the ability of domestic companies to provide the necessary goods and services required for the project, are more predictable.
<b>Implementation schedule</b>	To be prepared prior to tendering (eg. three months prior to construction).
<b>Monitoring and review</b>	<p>Waratah Coal will continuously monitor its procurement, including the number and value of orders from different geographic areas.</p> <p>Waratah Coal will publicise and invite input to:</p> <ul style="list-style-type: none"> <li>• A list of social impacts and assessment of their significance;</li> <li>• The strategies for addressing social impacts; and</li> <li>• Results from monitoring the implementation of social impact management strategies and evaluating the outcomes.</li> </ul> <p>The above information will be available on the project website at all times. The above information will be publicised (and comments invited) on a periodic basis to coincide with internal and external monitoring and evaluation activities. This may include the presentation of information in the project's quarterly newsletters, council newsletters, newspapers, etc. The comments submitted will</p>

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="flex: 1;"> <p><b>Action Plan # 6</b> <b>Local Industry Participation</b></p> </div> <div style="flex: 2; text-align: center;">  <p><b>CHINA FIRST</b> Developing the Galilee Basin</p> </div> </div>	
	<p>be documented and used to update the SIMP each year.</p> <p>An independent/external review will be conducted every two years to:</p> <ul style="list-style-type: none"> <li>• Assess the social impacts of the project;</li> <li>• Assess the effectiveness and adequacy of social impact management strategies;</li> <li>• Review the degree of compliance with conditions stipulated by the Coordinator General;</li> <li>• Review the effectiveness and adequacy of stakeholder engagement processes; and</li> </ul> <p>Provide recommendations for continuous improvement.</p>
<b>Documentation and reporting</b>	<p>Waratah Coal will prepare:</p> <ol style="list-style-type: none"> <li>1. An Annual Social Impact Report</li> <li>2. An annual AIPP or LIPP Report</li> <li>3. An Updated SIMP</li> </ol> <p>Summaries of the Annual Social Impact Report and AIPP/LIPP report will be included in the Updated SIMP. The SIMP and its updates will be available on the website and sent electronically to key stakeholders. A summary of the biennial external review will also be placed on the project website.</p>

## Attachment 5

## Galilee Coal Project

## Draft Health and Emergency Services Strategy

A draft Health and Emergency Service Strategy was prepared for the Galilee Coal Project in October 2012 to help articulate Waratah's approach to the management of social impacts, and to facilitate input to the management of social impacts by various stakeholders. The strategy (below) was updated in November 2012, following discussion with stakeholders, and changes reflected in the SIMP.

**Objective**

The overall objective of the Health and Emergency Services Strategy is to promote a safer and healthier workplace and to enhance the contribution made by the project to the communities in which it is located.

**Background***General*

The Galilee Coal Project (which is alternatively known as the China First Project) includes open cut and underground mining approximately 30 km north-west of Alpha; the transport of coal by rail to the Abbot Point State Development Area; and the export of approximately 40 million tonnes of thermal coal annually from Abbot Point for a period of at least 25 years. Construction is expected to occur over a 3-year period commencing in 2013/14.

*Workforce*

The Project will require 3,500 workers during construction and 2,460 workers during operations. The construction workforce will be located in five work camps at or near Merinda, Collinsville, Mt Coolon, the mine site and one midway between Mt Coolon and the mine site. Construction workers will generally work extended shifts (eg. 21 days on – 7 days off).

The operational workforce will be located in the Alpha and Bowen areas. The number of employees and contractors based in each location is shown in Table 1.

Table 1: Operational Workforce

	Alpha/Mine Site	Bowen Area
Resident	50	360
FIFO/DIDO	1,950	100

Many of the resident workers are expected to work day shifts. The FIFO/DIDO workforce is expected to work 12-hour shifts on a 7 days on, 7 days off rotation.

*Transport*

FIFO workers will be transported from the Alpha Airport to the mine site and back by bus. DIDO workers are expected to represent a relatively small proportion of the workforce and many are expected to originate from west of the mine site (eg. Charleville, Blackall, Longreach, Winton) and choose to work near Alpha rather than drive further to mines in the Bowen Basin).

The majority of materials, equipment and supplies required during construction will be transported to the project area by road from Mackay:

- Along the Peak Downs Highway to the mine site;
- Along the Bruce Highway to Abbot Point; and
- Along other roads between the mine site and Abbot Point, including the Alpha-Clermont road and Bowen Development Road.

Once the railway has been completed it is envisaged that fuel and possibly some other supplies/equipment may be transported to the mine site by rail. This will help limit the increase in traffic, and particularly trucks, on the above-mentioned highways and local roads.

### **Social impacts**

The Galilee Coal Project will have social and economic impacts through much of Queensland. However, when considering the cumulative impacts of multiple large-scale coal projects in the Galilee Basin, the most impacted community will be Alpha, followed by Bowen.

#### *Alpha*

Alpha contains around 400 residents and another 170 people living in the surrounding area. The population is aging and has been in decline until recent exploration activity; many of the younger people leave the area in search of higher education or employment; income levels are low in comparison to Queensland as a whole; and access to services is limited. Other than for basic needs, the nearest commercial services, senior high school and resident doctor are located in Barcaldine (143 km) or Emerald (169 km).

Alpha is undergoing considerable change as a result of mine exploration and property speculation. Housing prices have increased substantially.

#### *Bowen*

Bowen contains around 8,000 residents. The number of residents has stagnated over the past 30 years. Household income levels are low in comparison to Queensland as a whole, due to the high number of relatively low paid jobs in agriculture and tourism, and their seasonality; a relatively old population; low workforce participation; and a high proportion of single-person households.

Bowen's economy has suffered major setbacks when the abattoirs closed in 1997, and again when Chalco withdrew from the proposed bauxite processing project in July 2010. Further doubts as to the economic future for Bowen followed the decision by SunWater not to proceed with the Water for Bowen project in October 2011, and the decision to scale back the expansion of facilities at Abbot Point following the election of the LNP in May 2012.

#### *Waratah objectives*

In response to the anticipated social and economic impacts, and the needs of both the Alpha and Bowen communities, Waratah aims to:

- Contribute to Alpha's growth and prosperity through a well planned and effectively managed expansion in population, physical infrastructure and economic opportunities, while trying to preserve and contribute positively to the existing lifestyle and friendly, rural atmosphere; and
- Maximise its contribution to population growth and economic development in the Bowen area.

The placement of 50 workers in Alpha and 360 workers in Bowen, on a permanent basis, are deliberate strategies to help achieve the above objectives.

### **Galilee Basin Roundtable**

In the evaluation of the Alpha Coal Project the Coordinator General stated that a 'roundtable' is to be established to support and coordinate development in the Galilee Basin. The roundtable will include

representation from government, councils, community and mining proponents. Subsequent discussions with the Office of the Coordinator General and various proponents have indicated that the roundtable should focus specifically on Alpha, and a second roundtable (or alternative mechanism) possibly be established for the Bowen-Abbot Point area.

The discussions also confirm that a development plan will be prepared for Alpha, outlining infrastructure and services for an expanded population, with funding for infrastructure and services derived from the government (possibly using funds from the Royalty for the Regions initiative) and those mining proponents that make a Final Investment Decision (FID) to proceed. It is envisaged that the development plan will incorporate and build on existing residential development proposals for Alpha.

Waratah supports:

- The preparation of a development plan for Alpha;
- A coordinated approach, preferably reflecting a partnership between government, the Barcaldine Regional Council and local community and the various mining proponents; and
- The provision of financial support for key infrastructure and services, channelled through jointly managed infrastructure and service funds.

#### **Improving health & emergency services in Alpha**

In the evaluation of the Alpha Coal Project the Coordinator General stated that the proponent must:

- Provide a fully equipped ambulance and funding to BRC for five years throughout construction and operations, to cover the costs of two paramedics to operate the ambulance; and
- Provide an agreed financial contribution towards the provision of a police station in Alpha, police staffing and accommodation requirements, police vehicles for highway patrol and escort vehicles and communications support and education and training programs.<sup>62</sup>

It is anticipated that the above requirements will be incorporated in the proposed development plan for Alpha and all proponents will contribute to the ambulance and police costs, following a FID to proceed, through the roundtable funding mechanism.

It should also be noted that the Alpha's multi-purpose health facility was constructed in 1924 and is both old and in a flood-prone position. Queensland Health has suggested it be relocated, and potentially collocated with other emergency services in Alpha. Queensland Health has also indicated that the greatest demand for health services in mining communities relates to injuries, alcohol and other drugs, mental health and sexual health services.

It is envisaged that, as part of the development planning exercise for Alpha, consideration will be given to:

1. Establishing and resourcing a combined emergency services facility that accommodates the police, ambulance and fire brigade, and potentially relocating health facilities with a combined emergency services facility;
2. Funding a doctor in Alpha;
3. Extending health services to cater for a higher (resource-based) population, potentially including sexual health, health promotion, drug and alcohol programs, additional mental health services, and other identified needs;
4. Arranging aero-medical and retrieval services for mine workers and the local community from an established emergency service provider (eg. Royal Flying Doctor Service or CareFlight); and
5. Providing affordable housing for health, police and other emergency service providers in Alpha.

<sup>62</sup> Refer Queensland Government, May 2012, pp.292-3.

Other suggestions are likely to be raised during the planning exercise. Waratah's preferred approach is to provide financial support under the auspices of the proposed roundtable in accordance with a development plan that reflects the needs and priorities of Council, State Government agencies, the local community and the mining proponents. However, neither the funding or implementation arrangements for the proposed roundtable have been finalised at this stage.

### **Improving health & emergency services in Bowen**

The evaluation of the Alpha Coal Project made no specific recommendations relating to Bowen. Waratah has recommended to the Office of the Coordinator General that a separate roundtable be established specifically for Bowen, involving all proponents using the Abbot Point State Development Area. Bowen and Alpha have different priorities, and a different mix of proponents will use the facilities at Abbot Point.

Should a separate roundtable be established for Bowen, it is envisaged that Waratah will provide financial support, along with other proponents, to fund priority infrastructure and services identified by the WRC and local community. This may include health and emergency infrastructure and services.

### **Workforce health & emergency initiatives**

Each work camp will contain a basic medical facility, medical supplies and trained medical staff. Each site will have a lead Occupational Health & Safety officer. Each site will have established emergency procedures, including muster points, and will have emergency drills on a periodic basis. Waratah will invite local police, ambulance, fire & rescue and SES officers to:

- Visit each work camp to become familiar with site access and layout;
- Provide advice and/or participate in the finalisation of fire control strategies, emergency response strategies and training for medical/emergency staff (possibly on a fee basis); and
- Provide advice and/or participate in emergency drills (possibly on a fee basis).

Prior to construction, the Galilee Coal Project will enter an arrangement with an established emergency service/retrieval provider (eg. Royal Flying Doctor Service or CareFlight), to provide aero-medical and retrieval services, initially for construction workers and subsequently for operational workers. As noted above, this service would preferably be extended to the Alpha community under the auspices of the Galilee Basin roundtable.

Waratah Coal aims to have a healthy workforce. To help achieve this, Waratah will:

- Promote healthy lifestyle choices within the workforce, including but not limited to:
  - Providing a smoke-free work environment;
  - Providing healthy food choices in work camps;
  - Enforcing zero tolerance for drug and alcohol use during work hours;
  - Providing clear guidance on the responsible consumption of alcohol in work camps (after hours);
  - Provide low-alcohol and non-alcoholic beverages in wet mess areas;
  - Providing a gymnasium and potentially other exercise options in work camps;
  - Considering health promotion strategies such as that trialled in Moranbah;<sup>63</sup>

<sup>63</sup> 'Be More Active – Moranbah' is a partnership between BMA and Queensland Health to trial a range of community health promotion strategies.

- Provide induction training to all staff, contractors and sub-contractors to ensure they are familiar with occupational health and safety including emergency response strategies, and fatigue management plans;
- Implement a Code of Conduct, which is described during inductions and agreed (in writing) by all employees, contractors and sub-contractors prior to commencement of work, with the aim of defining:
  - Responsibilities towards other employees and contractors and local residents;
  - Acceptable behaviour on-site;
  - Acceptable behaviour while in local communities (particularly Alpha and Bowen);
- Provide a cultural and physical environment where women feel comfortable, included and valued;
- Trial flexible working arrangements (for men and women), which take into account such matters as employees' child care commitments and work/life balance, while also meeting operational requirements;
- For DIDO and FIFO workers:
  - Ensure accommodation and recreation facilities at the mine site cater for a diverse workforce, including separate accommodation areas for women and culturally appropriate facilities for Indigenous workers or workers from other cultural backgrounds (eg. separate recreational areas, alcohol free areas, etc.);
  - Provide bus services (to reduce traffic and issues relating to fatigue) between the mine site and any nearby regional centre that contains a sufficient number of employees;
  - Draw attention to support networks (such as *Mining Family Matters*<sup>64</sup>) and the resources they provide (eg. *Working Away: A Survival Guide for Families*); and
- Ensure all contractors and sub-contractors incorporate strategies (at least the equivalent as outlined above) to promote a healthy lifestyle.

Traffic Management Plans are not covered in this strategy. However, Waratah will consult with the QPS and Department of Community Safety (DCS) on the development of Traffic Management Plans at the appropriate time.

#### **Relationship with local authorities**

The Project will attempt to establish close relationships with local Police, Ambulance, Fire & Rescue and SES officers. Local authorities will be invited on-site to become familiar with site access and layout, project facilities and risks. As noted above, local authorities will be encouraged to participate in the preparation of emergency strategies, training of staff and/or emergency drills.

To help facilitate a collaborative relationship with local authorities, and to contribute positively to local communities, the Project will provide emergency assistance when practical. This may include utilisation of the Project's personnel and facilities to complement the response by emergency services to car/other accidents, fires or other emergencies in the vicinity of the Project.

#### **Policies and procedures**

A number of draft policies and procedures have been prepared for the Galilee Coal Project to contribute to a safer and healthier workplace and to enhance the contribution made by the project to the communities in which it is located:

<sup>64</sup> Refer <http://www.miningfm.com.au/>



1. Workplace Induction
2. Drug and Alcohol Policy
3. Fatigue Management Plan
4. Community Cohesion Strategy
5. Code of Conduct
6. Grievance and Dispute Resolution Mechanism

The above policies/procedures are attached to this policy, with the exception of the Grievance and Dispute Resolution Mechanism, which is presented as Attachment 8.

### **Monitoring**

The demand on health and emergency service providers in the region, and in Alpha/Jericho and Bowen in particular, will need to be monitored. It is therefore suggested that the monitoring framework for the Galilee Coal Project includes the following indicators:

- Population of Alpha and Bowen;
- Participation of local police, ambulance and fire & rescue officers in project planning and emergency response procedures/drills;
- Workload of police, ambulance and fire & rescue officers (*specific indicators will be developed in consultation with respective agencies*);
- Accident, injury and near misses (for the project); and
- Independent external assessment of the effectiveness of workplace inductions, the drug and alcohol policy, the fatigue management plan, the community cohesion strategy, the code of conduct and the grievance and dispute resolution mechanism.

END

## Galilee Coal Project

### Draft Workplace Induction Procedure

A detailed induction procedure will be prepared for the Galilee Coal Project following a FID to proceed. The following draft procedure indicates Waratah Coal's intent and commitment to the induction process, including specific mention of the code of conduct, drug and alcohol policy, fatigue management plan and grievance mechanism.

#### Scope

An induction will be provided to all employees and contractors (including sub-contractors) prior to the commencement of work.

It is envisaged that a separate induction process will be prepared prior to construction for local authorities (police, ambulance, fire & rescue and SES) to facilitate access and the effective response to any emergency on Project sites.

#### Objective

The induction aims to ensure that employees and contractors have both the knowledge and confidence to commence duties as quickly, effectively and as safely as possible. The induction also provides an opportunity for employees and contractors to understand and appreciate the project's objectives and its contribution to and relationship with the local community and traditional owners.

#### Contents

##### *Phase 1 (general):*

- Welcome
- Company/project history
- Project objectives
- Relationship with the local community
- Traditional owners – description/relationship
- Employment conditions
- Human resource development
- Workplace health and safety
- Emergency procedures
- Code of Conduct
- Environmental considerations
- Drug and alcohol policy
- Fatigue management policy
- Other policies
- Grievance mechanism
- Work camp facilities and access
- Q&A

##### *Phase 2 (site specific):*

- Orientation

Team

Work procedures and competencies

Site-specific hazards

Emergency procedures

PPE

Q&A

### **Procedures and responsibilities**

Induction content will be outlined in detail in a folder that will be available to all employees and contractors in either hard copy or electronically. An assessment will be conducted on completion of the induction to ensure employees and contractors are satisfactorily inducted.

HR personnel will manage the induction program:

- HR personnel will take responsibility for preparing and regularly updating the induction folder;
- The initial induction (phase 1) and assessment will be undertaken by suitably qualified personnel employed by the Project or contractors specialising in the delivery of induction training;
- Site supervisors will conduct the site-specific induction (phase 2), under the guidance of suitably qualified personnel employed by the Project or contractors specialising in the delivery of induction training; and
- HR personnel will maintain a record of the inductions, including the assessment.

### **Review**

The induction process and content will be reviewed periodically in an attempt to assess its effectiveness, make improvements and respond to new and emerging challenges over time.

END

## Galilee Coal Project

### Draft Drug and Alcohol Policy

A draft Drug and Alcohol Policy has been prepared for the Galilee Coal Project following discussion with various stakeholders. The draft will be finalised prior to construction.

#### Context

The Galilee Coal Project will include wet mess facilities in its work camps. This provides an opportunity for workers to wind down after a day of work and to socialise with co-workers. However, the risks of alcohol and drug abuse associated with a FIFO or DIDO lifestyle are well publicised and acknowledged. The Galilee Coal Project aims to promote the responsible consumption of alcohol as part of its approach to providing a safe, healthy and productive working environment. The Galilee Coal Project also aims to promote responsible behaviour of employees and contractors outside the workplace, both in an attempt to promote a healthy lifestyle for workers and to strengthen relationships and have a positive impact in the local community.

#### Objective

The Drug and Alcohol Policy aims to:

1. Raise awareness of the risks posed by drugs and alcohol in the workplace;
2. Confirm the Project's commitment to the effective management of alcohol and drugs in the workplace; and
3. Define acceptable behaviour for employees and contractors in relation to alcohol and drug use.

Although focusing predominantly on the workplace, the link between the workplace and local community is acknowledged, and the Drug and Alcohol Policy is therefore an important element of the Project's Community Cohesion Strategy.

#### Scope

The Drug and Alcohol Policy applies to all employees and contractors (including sub-contractors) involved in the Galilee Coal Project.

#### Definitions

Illicit drugs refers to:

- Illegal drugs including heroin, cocaine, barbiturates, cannabis, etc;
- Non-medical use of pharmaceutical drugs including painkillers, amphetamines, methadone, other opiates and steroids; and
- The inappropriate use of volatile substances and other substances like ketamine or inhalants.

Workplace alcohol and illicit drug use refers to a wider definition that includes alcohol and/or drugs consumed during work hours or immediately before commencing work. It also includes consumption that occurs outside of normal working hours that may be influenced by workplace culture, norms or expectations or that could have an effect on the person's capacity to perform their work.

#### Risks

Australian Guidelines to reduce health risks from drinking alcohol were produced by the National Health and Medical Research Council in 2009. A summary is presented as Box 1, including guidelines relating to children, and women who are pregnant or breastfeeding (as the Galilee Coal Project is likely to employ some women who are pregnant or breastfeeding, and may employ apprentices under 18 years of age).

**1. Reducing the risk of alcohol-related harm over a lifetime**

The lifetime risk of harm from drinking alcohol increases with the amount consumed.

**For healthy men and women, drinking no more than two standard drinks on any day reduces the lifetime risk of harm from alcohol-related disease or injury.**

**2. Reducing the risk of injury on a single occasion of drinking**

On a single occasion of drinking, the risk of alcohol-related injury increases with the amount consumed.

**For healthy men and women, drinking no more than four standard drinks on a single occasion reduces the risk of alcohol-related injury arising from that occasion.**

**3. Children and young people under 18 years of age**

For children and young people under 18 years of age, not drinking alcohol is the safest option.

- A. Parents and carers should be advised that children under 15 years of age are at the greatest risk of harm from drinking and that for this age group, not drinking alcohol is especially important.**
- B. For young people aged 15–17 years, the safest option is to delay the initiation of drinking for as long as possible.**

**4. Pregnancy and breastfeeding**

Maternal alcohol consumption can harm the developing fetus or breastfeeding baby.

- A. For women who are pregnant or planning a pregnancy, not drinking is the safest option.**
- B. For women who are breastfeeding, not drinking is the safest option.**

**Box 1: Summary of Guidelines to Reduce Health Risks from Drinking Alcohol**

Source: National Health and Medical Research Council, February 2009.

The effects of either alcohol or illicit drug use during or outside of work hours can have a significantly negative impact on workplace health, safety and productivity. The risks posed by alcohol and drugs are described in Annex 1.

**Statement of intent**

Employees and contractors have a duty of care to take all reasonable steps to ensure their own safety and wellbeing in the workplace, as well as that of co-workers and other people impacted by the project. Accordingly:

- The abuse of prescription drugs or the use or possession of illicit drugs either at work, or in a manner that detrimentally affects performance at work, will not be tolerated and neither will the consumption of alcohol, or anything-else which detrimentally affects other employees, work performance, safety or where it violates the law.
- The project has a policy of zero tolerance to the consumption and possession of alcohol at work, except in those cases of approved employee entertainment, and zero tolerance to employees being under the influence if it would detrimentally affect other employees, work performance, safety or where it violates the law.
- Drunken behaviour in public is not acceptable.

### **Management strategies**

The Galilee Coal Project will explore a range of approaches to reduce adverse impacts resulting from alcohol and drug use in the workplace. The approaches are likely to include:

1. *Health promotion*

The inclusion of alcohol and drug messages as part of the Project's health promotion activities.

2. *Education and training*

The provision of factual information on alcohol and drug use to help raise awareness of workplace policies and the health and safety implications associated with alcohol and illicit drug use. Training will be provided to build the capacity of supervisors and other employees to identify and deal with alcohol and illicit drug related harm in the workplace.

3. *Restrictions*

Alcohol will only be available in designated wet mess areas in work camps. No person will be permitted to bring alcohol into the camps and will not be permitted to consume alcohol in any area other than designated wet mess areas.

The project will comply with legislation relating to the responsible serving of alcohol.

4. *Support programs*

The provision of counselling and/or assessment services will be provided by on-site medical staff, on a confidential basis, for those employees who seek assistance, along with referrals for diagnosis, treatment and assistance, case monitoring and follow up services.

5. *Drug and alcohol testing*

Testing may be instigated before employment, after a specific accident or incident, or as a random test.

### **Disciplinary process**

Any employee or contractor may be dismissed when they:

- Are found bringing alcohol or illicit drugs on site;
- Are removed from a workplace due to impairment or suspicion of impairment caused by substance abuse, drugs or alcohol consumption;
- Tests positive for illegal drugs or alcohol;
- Refuses to take a drug or alcohol test; or
- Are found supplying illegal drugs in the workplace.

### **Implementation**

The Drug and Alcohol Policy will be highlighted to all employees and contractors (including sub-contractors) as part of the site induction.

The Policy will be sent to all contractors and it will be a condition of their contract with the Project that this policy applies to anyone they engage to work on or for the Project.

Project visitors will also be advised of the policy as part of their site inductions.

Implementation, including training for supervisors and employees, and updating of the Drug and Alcohol Policy will be the responsibility of the Health and Safety Manager.

### **Confidentiality**

All parties will be sensitive to the individual's right to confidentiality, privacy and dignity. However, contractors and sub-contractors will need to be informed about issues that may affect workplace safety.

## Review

The Drug and Alcohol Policy will be reviewed periodically in an attempt to respond to new and emerging challenges and improve its effectiveness over time.

### Annex 1

#### Risks Associated with Alcohol and Drug Use

The following risks associated with alcohol and drug use are derived from a paper prepared by Dianna Smith (Office of the Australian Safety and Compensation Council), drawing on research compiled by the Australian Drug Foundation.<sup>65</sup>

*Alcohol is a depressant drug, slowing down activity in the central nervous system, including the brain. It affects concentration and coordination, and slows the response time to unexpected situations, which could lead to risk taking behaviour, accidents, falls, injury and death, as consequences of the brain's reduced control over reaction time. After just one or two drinks, a person will feel more relaxed but will also have slower reflexes and reduced coordination and concentration. As the person drinks more, they will continue to experience the acute health effect of alcohol use, which includes confusion, drowsiness, blurred vision, poor muscle control, gut irritation, diarrhoea, nausea and disturbed sleep patterns.*

*Alcohol is absorbed through the stomach and small intestines and is processed by the liver at a fixed rate, and so cold showers, exercise, black coffee, fresh air or vomiting do not speed up the "sobering up" process. Common after effects of an episode of heavy drinking are headaches, nausea, tiredness, shakiness and vomiting. These can last well into the following day.*

*Although there is evidence that light alcohol consumption can protect against cognitive impairment in later life, heavy consumption of alcohol over a long period will cause brain cell damage and cell death, which leads to cognitive impairment including loss of memory and reasoning skills. Heavy consumption can cause hepatitis, cirrhosis and severe swelling of the liver. It has also been associated with increased risk of:*

- *Cancer of the mouth, throat, oesophagus, lips, liver;*
- *High blood pressure, irregular pulse, enlarged heart and changes in red blood cells;*
- *Inflamed stomach lining, bleeding and stomach ulcers, and;*
- *Increased risk of lung infections.*

*Research indicates that low levels of blood alcohol can affect reaction time, immediate and delayed recall, hand steadiness, information processing and visual perception. They also found that there was limited evidence that showed that heavy drinking could affect next day neurological performance.*

*The physical and psychological effects of illicit drugs depend on the type of drug use. The most common illicit drugs consumed are cannabis, ecstasy, amphetamines and cocaine. Impaired coordination, affected thinking and memory, increased heart rate and low blood pressure are some of the effects of consuming even small doses of cannabis. Larger quantities can lead to distorted perception, confusion, restlessness, anxiety and panic, decreased reaction time and paranoia.*

*Some people who consume ecstasy will initially have an increase in confidence and well-being, but people can also be anxious, have increased heart rate, blood pressure and temperature. Higher doses could produce convulsions, vomiting, irrational or bizarre behaviour and hallucinations. Consumption of amphetamines will produce increased heart rate, breathing and blood pressure, restlessness, anxiety,*

<sup>65</sup> Refer Australian Safety and Compensation Council, March 2007.

*irritability, hostility and aggression. Higher doses can cause headaches, dizziness, blurred vision, tremors and loss of coordination. Cocaine can produce symptoms of exhilaration, anxiety, poor concentration and judgement and intolerance to pain and fatigue. These symptoms will peak after about 15 –20 minutes and then diminish. Larger doses that are repeated over several hours will lead to extreme agitation, paranoia, hallucinations, tremors and loss of concentration and coordination.*

*Generally, the assumption is that most harm is caused by a small proportion of people who are habitual heavy alcohol drinkers or habitual users of illicit drugs. However, it is the much larger group of more moderate drinkers or occasional users when they use drugs or drink alcohol hazardously that are associated with the most harms.*

*The relationships between consumption and impairment levels are not always straightforward. Just because consumption of alcohol and illicit drugs is detected, it would be incorrect to assume that impairment follows. Conversely, just because no alcohol and illicit drugs are detected, does not mean that there won't be impairment. There is a range of factors that needs to be considered before it is appropriate to conclude that someone is impaired. The effects of any drug (including alcohol) vary from person to person. This will be influenced for example by how much and how quickly the substance(s) are consumed, and in combination with what others. The effects also depend on the person's tolerance, mood, age, weight, sex, fatigue and general health status.*

*Substance intoxication and conversely withdrawal can negatively affect performance in a number of ways. Impaired or altered memory, concentration, reaction times, dexterity and mood could all contribute to the risks of accidents. These impairments can also be caused by a number of other factors. There are a number of other factors that could also affect performance, such as fatigue, stress, working conditions and workloads. As such, workplaces should also take into account these factors when assessing a person's fitness for work and the risk of accidents.*

END



## Galilee Coal Project

### Draft Fatigue Management Plan

A draft Fatigue Management Plan has been prepared for the Galilee Coal Project following discussion with a range of stakeholders. Finalisation of the plan will occur following a detailed fatigue risk assessment, undertaken prior to construction.

#### Context

The majority of both the construction and operational workforces for the Galilee Coal Project will be engaged on a FIFO or DIDO basis and will often work 12-hour shifts. Workers will be susceptible to fatigue due to work practices, travel and non-work causes. Irrespective of the cause, fatigue is acknowledged as a major cause of both workplace and travel incidents and accidents and must be effectively managed if the Galilee Coal Project is to provide a safe, healthy and productive working environment.

#### Objective

The Fatigue Management Plan aims to:

1. Raise awareness of the risks and consequences of fatigue;
2. Confirm the Project's commitment to the effective management of fatigue in the workplace and in travelling to/from work; and
3. Outline a process for managing fatigue.

#### Scope

The Fatigue Management Plan covers managers, professional staff, contractors, those who work on planned rosters and those who may undertake unplanned work, such as overtime and call outs. The Fatigue Management Plan covers time at work and any time spent travelling to and from work.

#### Definition

Fatigue is defined as the increasing difficulty in performing mental and physical activities as a consequence of inadequate restorative sleep.<sup>66</sup>

#### Symptoms and consequences

Signs of fatigue include long eye blinks, repeated yawning, frequent blinking, bloodshot eyes, poor reaction time, slow speech, loss of energy, and/or an inability to concentrate.

Fatigue causes an increased risk of incidents because of tiredness and lack of alertness. When employees/contractors are fatigued they are more likely to exercise poor judgment and have a slower reaction to signals. This can increase all risks on site because fatigued employees/contractors are less able to respond effectively to changing circumstances, leading to an increased likelihood of incidents due to human error.

Fatigue can also result in long-term health problems, such as:

- Heart disease;
- Diabetes;
- High blood pressure;
- Gastrointestinal disorders;

<sup>66</sup> Queensland Government, February 2011, p.2.

- Harmful drug and alcohol use; and
- Stress, depression and mental illness.<sup>67,68</sup>

### Risk assessment

A fatigue risk assessment will be undertaken to identify fatigue risks and develop measures to reduce, manage and monitor fatigue in the workplace and travelling to/from work. Some of the common causes of fatigue are summarised below.

#### Work related:

- High workload within standard shifts;
- Roster design (eg. too many consecutive night shifts, rosters that limit the amount of rest between shifts, high risk shifts without adequate in-shift breaks);
- Unplanned work, overtime, emergencies, breakdowns and call-outs;
- Noise and/or temperature extremes;
- Poor sleeping conditions/environment;
- Excessive commuting times.

#### Non-work related:

- Sleep disruption due to ill family members;
- Strenuous activities outside work, such as a second job;
- Sleep disorders;
- Age or health/fitness levels;
- Inappropriate use of alcohol, prescription or illegal drugs; and
- Stress associated with financial difficulties or domestic responsibilities.

### Statement of intent

Fatigue management is a responsibility shared between employees/contractors and managers.

Employees/contractors are responsible for ensuring that their behaviour does not create or exacerbate risks. They should ensure that they use the opportunities provided to obtain sleep, report occasions when adequate rest is not obtained and do their best to remain fit for work. Responsibilities are summarised below.

#### Employees/contractors:

- Present fit for work at the commencement of and during the work period;
- If not fit for work then notify the supervisor; and
- Monitor for the signs and symptoms of fatigue in co-workers and report personnel fatigue issues to supervisors.

#### Supervisors:

- Ensure persons under your control are aware of and comply with the fatigue management plan;
- Ensure that rosters comply with the fatigue management plan;
- Monitor personnel for the signs and symptoms of fatigue;
- Approve controls for managing fatigue; and
- Conduct a review of any fatigue-related incidents and the effectiveness of existing control measures as required.

<sup>67</sup> Queensland Government, February 2011, p.2.

<sup>68</sup> NSW Mine Safety Advisory Council, December 2009, p.4.

Health and safety managers:

- Provide timely advice, support and assistance to supervisors in the implementation of the fatigue management plan;
- Conduct a review of fatigue risk assessments and the effectiveness of existing control measures as required; and
- Ensure that fatigue related incidents are reported and fatigue is considered during incident investigation.

### **Management strategies**

The Fatigue Management Plan contributes to and is part of the Project's overall health and safety management system.

Rest is the most important control measure for managing fatigue. Time spent away from the immediate work environment allows workers to recover from fatigue, thereby improving safety and work performance. Conditions for restful sleep must be provided and breaks must be taken during the work shift and not be traded for an early finish time for the shift.

Adequate rest will be provided by:

- Providing breaks of at least 10 hours between shifts;
- Providing breaks between shifts provides an opportunity of at least 7 hours of continuous sleep;
- Providing a minimum of one break every 4 hours of work, with one break of sufficient length to have a meal (eg. 30 minutes);
- Providing more frequent short breaks for strenuous activities;
- Providing ready access to drinking water;
- Ensuring adequate rest for anyone on a call-out before returning to regular shifts;
- Limiting the time spent driving before commencing shift or following a shift to 30 minutes; and
- Ensuring anyone that drives to the worksite for more than 30 minutes arrives at least 8 hours before the commencement of shift, and departs not earlier than 8 hours following completion of the shift.

### **Implementation**

The Fatigue Management Plan will be highlighted to all employees and contractors (including sub-contractors) as part of the site induction.

The Plan will be sent to all contractors and it will be a condition of their contract with the Project that this plan applies to anyone they engage to work on or for the Project.

Implementation, including training for supervisors and employees, and updating of the Fatigue Management Plan will be the responsibility of the Health and Safety Manager.

### **Review**

The Fatigue Management Plan will be updated regularly using a risk management approach. This involves hazard identification and risk assessment, control of the risks and evaluation of the effectiveness of the risk control process.

END

## Galilee Coal Project

### Draft Community Cohesion Strategy

A Community Cohesion Strategy has been prepared for the Galilee Coal Project following discussion with a range of stakeholders. The draft will be finalised prior to construction.

#### Context

Adverse social impacts resulting from mining operations in the Bowen Basin, particularly mining operations with a high proportion of FIFO or DIDO workers, are well documented.

The Galilee Coal Project will have greatest social impact in the Alpha and Bowen areas, where the majority of staff and most physical infrastructure will be located:

- Alpha has around 350 residents and no mining history. While many local residents would like improved services, they wish to retain the friendly and relatively quiet lifestyle.
- Bowen has around 8,000 residents and its population has stagnated according to economic conditions. Many local residents seek improved services and greater economic opportunities.

Although there are few similarities between Alpha and Bowen, the Galilee Coal Project aims to make a positive contribution to both communities and minimise adverse social impacts.

#### Objective

The Community Cohesion Strategy aims to:

1. Build strong and productive relationships between the Project, its workforce and local communities;
2. Help workers and their families integrate within local communities and maximise their satisfaction from relocating to Alpha or Bowen; and
3. Ensure contributions from the Galilee Coal project are beneficial to local communities and reflect community priorities.

#### Definitions

A definition of cohesive community, prepared by the United Kingdom Local Government Association, is one that includes:

- A common vision and a sense of belonging;
- Appreciation of diversity of backgrounds and circumstances;
- Similar life opportunities for all people not dependent on background; and
- A community where strong relationships can be developed between people from diverse backgrounds within workplaces and schools, as well as within the broader community.<sup>69</sup>

Research in northern NSW identified four indicators of community cohesion:

- A sense of belonging;
- Engagement;
- Perception of safety; and
- Access.<sup>70</sup>

<sup>69</sup> Quoted in Holdsworth & Hartman, January 2009, p.79. Additional information is available in Department of Communities and Local Government, June 2007.

<sup>70</sup> Refer Holdsworth & Hartman, January 2009, p.83.

The research in NSW indicated that neighbours and neighbourliness were the foundation of a strong community. However, a number of factors contribute to a sense of community. These are summarised below.

<p><b>A sense of belonging:</b></p> <ul style="list-style-type: none"> <li>• Neighbourliness <ul style="list-style-type: none"> <li>○ High level of interaction with neighbours, friends and family</li> <li>○ An ethic of care (offering support and help)</li> <li>○ Mutual respect (observing boundaries, acceptance of diversity, community consultation)</li> </ul> </li> <li>• Ownership</li> <li>• Sense of pride</li> </ul> <p><b>Community engagement:</b></p> <ul style="list-style-type: none"> <li>• Volunteering</li> <li>• Use of services</li> <li>• Attendance at community events</li> </ul> <p><b>A perception of safety:</b></p> <ul style="list-style-type: none"> <li>• Local official crime rate</li> <li>• Residents' expression of feeling safe</li> </ul> <p><b>Access to resources:</b></p> <ul style="list-style-type: none"> <li>• Adequate service provision</li> <li>• Built environment that promotes ease of physical mobility</li> <li>• Provision for socially disadvantaged residents</li> </ul>
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**Box 1: Factors Contributing to a Sense of Community**

Source: Holdsworth & Hartman, January 2009, p.85.

### Scope

The Community Cohesion Strategy commences with a focus on the Alpha and Bowen communities, which will incur the greatest social impacts as a result of the Galilee Coal Project. The Strategy covers all employees and contractors engaged by or working on the Project.

### Statement of intent

The key aspects of the Community Cohesion Strategy are:

1. **Providing support** to the Alpha and Bowen communities:
  - Contributing to improved infrastructure and services (preferably through the Galilee Basin roundtable for Alpha, and an equivalent group for Bowen);
  - Promoting local employment and contracting opportunities;
  - Targeting training towards local residents and providing support to local schools;
  - Organising and/or contributing towards community events and voluntary programs;
2. **Basing staff in Alpha (50) and Bowen (360);**
3. **Assisting families** who relocate to Alpha:
  - Placing employees based in Alpha on day shifts and working a five day week, whenever possible, to increase participation in social and sporting activities at night and on weekends;
  - Giving preference to employees with families, whenever possible, as families are far more likely to integrate within the local community than single workers;
  - Providing funding to local organisations and events and encouraging staff participation;

- Attempting to organise an informal gathering of local residents to welcome new employees and new families to Alpha and outline potential social and sporting events that they may wish to participate in;
4. Implementing a **Code of Conduct** for all employees and contractors (including sub-contractors), to help ensure:
    - Acceptable behaviour on-site;
    - Acceptable behaviour while in local communities (particularly Alpha and Bowen);
    - Taking responsibility, as appropriate, for other employees, contractors and local residents;
  5. Effective **community engagement**, including:
    - Participation in the South Galilee Community and Technical Reference Groups;
    - Participation in the Galilee Basin Cumulative Social Impact Assessment Roundtable;
    - Participation in the Bowen Abbot Point Community Consultation Group (or equivalent group established to represent the Bowen area);
    - Specific landowner engagement strategies;
    - Specific Indigenous engagement strategies;
    - Engagement with schools in the local area; and
  6. Establishing a **Grievance and Dispute Resolution Mechanism** for employees, contractors and any other people impacted by the project.

The Galilee Basin roundtable is expected to prepare a development plan for Alpha. While expecting to focus on public infrastructure and services, it is expected to contribute towards and actively promote social cohesion. The development plan should:

- Build a sense of pride;
- Facilitate community events;
- Promote ease of physical mobility;
- Promote contribute safety; and
- Provide for the socially disadvantaged.

The SIMP provides additional details on the community engagement strategies and the support provided to the Alpha and Bowen communities. Separate procedures have been prepared for the Code of Conduct and Grievance and Dispute Resolution Mechanism.

### Implementation

Different components of the Community Cohesion Strategy will be implemented separately. However, the overall effectiveness of the Strategy will be assessed as part of the social monitoring program. Indicators for social cohesion will be included in the Project's social monitoring program in both Alpha and Bowen. These have been included in the Social Impact Management Plan.

### Review

The Community Cohesion Strategy will be reviewed periodically in an attempt to review its effectiveness, improve its effectiveness and respond to new and emerging challenges over time.

END

## Galilee Coal Project

### Draft Code of Conduct

A draft Code of Conduct has been prepared for the Galilee Coal Project following discussion with a range of stakeholders.<sup>71</sup> The draft will be finalised prior to construction.

#### Context

Irresponsible behaviour by any employee or contractor can have a negative impact on other employees/contractors and local communities and can impact adversely on the relationship between the Project and local communities.

#### Objective

The Code of Conduct aims to help ensure that all employees and contractors (including sub-contractors):

1. Follow acceptable behaviour while on-site;
2. Follow acceptable behaviour while in local communities (particularly Alpha and Bowen); and
3. Take responsibility, as appropriate, for other employees, contractors and local residents.

#### Scope

The Code of Conduct applies to all employees and contractors (including sub-contractors) engaged by or working on the Galilee Coal Project. The Code of Conduct applies both during and after work hours.

#### Values

The Galilee Coal Project has adopted the following values:

- Work together to deliver practical excellence;
- Take ownership and be proactive;
- Respect, support and encourage each other;
- Be open and honest with each other; and
- Pursue ideas and innovation.

At all times employees/contractors should conduct themselves in a manner that is aligned with and will support these values. In carrying out their duties, employees/contractors must follow established procedures and carry out any lawful instruction from their supervisor.

#### Responsibilities

Project employees/contractors must:

- Comply with all lawful directions from Project Management;
- Promote the interests of the Project;
- Act in accordance with the Project's approved policies and procedures (as amended on a periodic basis); and
- Observe the Project's required standards of performance and behaviour.

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<sup>71</sup> The draft Code of Conduct draws heavily on Waratah Coal's Code of Conduct, refer Waratah Coal, January 2007.

**Working environment**

The Project will provide a safe, healthy and productive working environment and employees/contractors have a duty of care to take all reasonable steps to ensure their own safety and well-being in the workplace, as well as that of co-workers and other people.

Access to work camps and other project facilities will be controlled and limited to workers and other people with a bona fide reason for visiting.

Any conduct that is intimidating or offensive to the public or other employees/contractors will not be tolerated.

Employees attending meetings or social functions must ensure that personal behaviour in no way detracts from the image or reputation of the Project or brings the Project into disrepute. Severe breach of this requirement could lead to disciplinary action.

Employees/contractors and visitors must abide by the Project's Drug and Alcohol Policy.

Gambling is prohibited in work camps and at any other project facility.

The Project has a zero tolerance policy in relation to prostitution and will not tolerate any activities that involve Project employees or contractors engaged to the Project, whether on site or in Alpha, Bowen or other towns in the vicinity of the Project.

Employees/contractors residing or spending time in Alpha or Bowen should be aware of the importance, attached by the Project, of:

- Building strong relationships with local government, local communities and the traditional owners;
- Respecting local people, their customs and their way of life;
- Contributing to the local community:
  - Giving preference, when possible, to local employees and contractors;
  - Encouraging employees and their families to reside locally;
  - Encouraging positive interaction between employees and local people and participation by employees and their families in local organisations and events;
  - Building positive relationships with local schools and helping to establish links between young people and the mining industry; and
  - Providing financial support for community infrastructure, services, local organisations and events.

Any employee/contractor that is in a position to interact with local people and/or the travelling public must also be aware of their responsibility to report any grievances, expressed verbally or in writing, that reflect in any way on the Project (refer Grievance and Dispute Resolution Mechanism).

The Project has a zero tolerance policy in relation to the intentional transmission, downloading, communication or access to offensive material, images or text such as pornography. Contravention of the policy in relation to pornographic material may result in immediate dismissal. This zero tolerance policy exists out of respect for other work colleagues and to avoid any possible breach of copyright, criminal, workplace health and safety and any other relevant laws.



**Conflict of interest**

Employees must devote full-time attention to Project duties and not undertake any paid or unpaid activity that is damaging to the interests of the Project. It is the employee's responsibility to raise any potential conflicts of interest with their supervisor or manager.

Involvement in social, sporting, community, welfare, religious, artistic and political activities would not normally conflict with the Project's interests.

**Property, information technology, systems and records**

Project assets, including vehicles, goods, money, intellectual property or the services of other employees must not be used for personal gain. This includes but is not limited to:

- Transcription of computer software programs regardless of whether or not the programs are protected by copyright; and
- Falsification or improper use of Project credit cards, expense accounts or other similar accounts.

Project property is not to be removed from the premises without authorisation except where the items are necessary for the performance of the employee's duties (eg. laptop computers, mobile phones and other items of mobile equipment).

Email and internet/intranet systems are company resources intended for business purposes only and the users should not abuse these privileges by knowingly transmitting, receiving or visiting sites containing material that could be perceived by others as offensive, sexually explicit, annoying, insulting, harassing or intimidating. Distribution of messages via these and other systems is subject to scrutiny as inappropriate use could result in the Project attracting criticism or even legal action, and will not be condoned.

Employees must not destroy business documents and records that are required by the Project or required by law to be maintained for a statutory period, nor must any records be falsified or manipulated.

**Confidentiality**

Employees must comply with the Confidentiality Agreement, if required.

**Fraud and corruption**

Employees must not engage in any fraud, corruption, unethical or improper practices or irregular transactions. To assist in understanding these concepts:

- Fraud, generally, is the intentional use of false representations or deception to avoid an obligation or obtain an unjust advantage;
- Corruption, generally, is behaviour that may involve fraud, theft, misuse of position or authority, or other acts that are unacceptable to the Project and which would be likely to cause loss to the Project or the community;
- Specific examples include:
  - Participating in commercial bribery;
  - Being party to the bribery of public officials; and
  - Establishing so-called 'slush funds' to facilitate bribery or improper or questionable practices.

Employees will not be criticised for the loss of business resulting from not making or receiving a bribe or inducement to or from a third party.

Employees may be dismissed if they knowingly make or receive a bribe or inducement to or from a third party even if such a transaction is to further the interests of the Project. Under no circumstances will such a situation be tolerated where an employee benefits personally from such a transaction.

Employees who believe they know of any fraud, corruption or irregular transactions are encouraged to raise that matter with the most senior Project officer on site, and employees who have reasonable grounds or evidence of any fraud, corruption or irregular transactions have a duty to raise that matter with the appropriate Project officer.

**Discrimination**

Discrimination or harassment based on race, colour, religion, gender, age, marital status, disability or other factors unrelated to an employee's merit or Project's legitimate business interests, will not be tolerated.

All employees are entitled to their personal preferences in private or political matters. No pressure should be placed on anyone to influence those preferences and no approval or disapproval should be shown by anyone in their Project role, of anybody's private or political preferences or activities.

**Environment**

All employees, when carrying out their duties, are responsible for maintaining and protecting the environment. No employee is to carry or have in possession hunting weapons, or to hunt or cause wilful damage to wildlife on or in the vicinity of the Project's leases. All native wildlife is protected under law and any native wildlife found within the mining lease that may require relocation to facilitate mining operations should be reported to the on-site environmental officer – do not attempt to handle or euthanase native animals.

Employees should always consider the impact of their activities on the environment and the local community.

**Leaving the Project**

On leaving the Project, each employee must surrender all Project property and items containing business information.

**Reporting breaches of these standards**

Employees have a duty of care to report material breaches of these standards to the most senior Project officer at the work site.

**Review**

The Code of Conduct will be reviewed periodically in an attempt to review its effectiveness, improve its effectiveness and respond to new and emerging challenges over time. Results from the Grievance and Dispute Resolution Mechanism will be used as an indicator of employee conduct and the effectiveness of the Code of Conduct.

END

## Attachment 6 Monitoring Framework

Impact	Key Performance Indicators	Monitoring Strategy	Target & Outcomes	Responsibility	Frequency
<p><b>Increased employment</b></p> <p>The project will generate:</p> <ul style="list-style-type: none"> <li>An additional 3,000 jobs during construction and 4,000 jobs during operations in Queensland,</li> <li>An additional 700 jobs during construction and 600 jobs during operations in the region.</li> </ul>	<ol style="list-style-type: none"> <li>Number and % of employees (including contractors) from the project area, region, rest of Qld, elsewhere in Australia and overseas</li> <li>Employment by gender</li> <li>Indigenous employment</li> </ol>	<p>Employment data will be monitored constantly and aggregated and presented on an annual basis.</p> <p>Tender documents and contracts will stipulate the need for contractors to provide this information to Waratah Coal on an annual basis.</p>	<p>Employment targets for both the construction and operational phases will be finalised prior to the construction period when economic conditions, including those relating to the labour market, are more predictable.</p>	<p>Waratah Coal and major contractors</p>	<p>Annual</p>
<p><b>Improved skill levels</b></p> <p>Skill levels in the region will be increased as training is provided to workers, apprentices engaged, and support provided to local schools to establish pathways for school children to enter the mining industry.</p>	<ol style="list-style-type: none"> <li>Number of staff trained (local, region, Qld, Aust, overseas)</li> <li>Number of apprentices, including the number of apprentices from the region</li> <li>Number of schools programs implemented</li> </ol>	<p>Training data will be monitored constantly and aggregated and presented on an annual basis.</p> <p>Tender documents and contracts will stipulate the need for contractors to provide this information to Waratah Coal on an annual basis.</p>	<p>Training targets will be finalised with major contractors prior to construction.</p> <p>20 apprentices engaged each year</p> <p>At least 3 schools supported (ongoing programs)</p>	<p>Waratah Coal and major contractors</p>	<p>Annual</p>
<p><b>Increased business activity</b></p> <p>The project will procure a range of goods and services from the project area and local region, leading to a direct increase in business activity and employment. By contributing to population growth, the project will also have indirect and induced impacts on business activity and employment.</p>	<ol style="list-style-type: none"> <li>Number and % of contracts and value of goods and services from the project area, region, rest of Qld, elsewhere in Australia and overseas</li> <li>Number and value of contracts awarded to Indigenous organisations</li> </ol>	<p>Contract data will be monitored constantly and aggregated and presented on an annual basis.</p> <p>Tender documents and contracts will stipulate the need for contractors to provide this information to Waratah Coal.</p>	<p>Targets will be finalised prior to the construction period when economic conditions, including details on the development of other large-scale resource projects in Central Queensland, are more predictable.</p>	<p>Waratah Coal and major contractors</p>	<p>Annual</p>
<p><b>Higher income levels</b></p> <p>Increased employment and business activity will increase personal and family income levels in the project area and local region.</p>	<p>Personal and family income levels in Alpha and Bowen (urban centres) and in the BRC and WRC areas</p>	<p>ABS data from the National Population and Housing Census.</p>	<p>Gradual increase in personal and family income levels relative to Queensland.</p> <p>2011 personal/family income levels in comparison to Queensland: Alpha: 109%, 96% Bowen: 98%, 86% BRC: 94%, 93% WRC: 106%, 97%</p>	<p>Waratah Coal</p>	<p>Every 5 years</p>
<p><b>Population growth</b></p> <p>The project will lead to a substantial increase in the population of Alpha, and lead to modest population growth in the Bowen area.</p>	<ol style="list-style-type: none"> <li>Population of Alpha and Bowen (urban centres)</li> </ol>	<p>ABS data from the National Population and Housing Census.</p>	<p>Population growth in comparison to 2011: Alpha: 349 Bowen: 8,604</p>	<p>Waratah Coal</p>	<p>Every 5 years</p>

Impact	Key Performance Indicators	Monitoring Strategy	Target & Outcomes	Responsibility	Frequency
<p><b>Improved infrastructure and services</b></p> <p>The project is expected to lead to substantial improvements in infrastructure and services in Alpha, and significant improvements in Bowen, both from the project's contribution through the Royalty for the Regions Initiative, and from direct contributions by Waratah Coal as part of a coordinated, multi-proponent response in both locations. Population growth will also help secure improved public and commercial services in Alpha and Bowen.</p>	<ol style="list-style-type: none"> <li>2. Number of project employees/contractors residing in Alpha and Bowen</li> <li>3. Average family size for mine employees residing in Alpha</li> </ol>	<p>Waratah Coal will provide data on the number of employees residing in Alpha and Bowen, and the number of dependents residing in Alpha.</p>	<p>Waratah Coal will base 50 employees in Alpha and 360 employees in Bowen. Mine employees in Alpha are expected to have 2.5 family members on average.</p>	<p>Waratah Coal</p>	<p>Annual</p>
<p><b>Additional stress</b></p> <p>The uncertainty over the rail alignment and which railway will be constructed is causing uncertainty and stress for property owners. Mine and rail construction will cause further stress on property owners.</p>	<ol style="list-style-type: none"> <li>1. Development Plan for Alpha &amp; annual updates</li> <li>2. Development Plan for Bowen &amp; annual updates</li> <li>3. Financial contributions to development plans by Waratah Coal and other proponents</li> <li>4. Other financial contributions by Waratah Coal for services and organisations in Alpha and Bowen</li> <li>5. Level of community support for development activities</li> </ol>	<p>It is recommended that the Galilee Basin CSIA Roundtable (and preferably an equivalent structure for Bowen) oversee monitoring of development plans and support provided in Alpha and Bowen. It is also recommended that the Galilee Basin Roundtable monitor the community's perception towards mine development in the vicinity of Alpha, and an equivalent structure monitor the community's perception of the development at Bowen</p>	<p>To be determined during plan preparation. Community perceptions could be surveyed in Alpha and Bowen to assess the degree to which the projects are making positive contributions in terms of:</p> <ul style="list-style-type: none"> <li>• Infrastructure and services</li> <li>• Community vitality and spirit</li> <li>• Friendliness/good neighbours</li> <li>• Safety</li> </ul>	<p>Galilee Basin CSIA Roundtable (and equivalent structure for Bowen)</p>	<p>Annual/bi-annual</p>
<p><b>Dust, noise, vibration and reduced visual amenity</b></p> <p>People residing in the vicinity of the mine and railway can expect, to varying degrees, increase levels of dust, noise, vibration and reduced visual amenity as a result of the project.</p>	<p>Effective engagement with property owners.</p>	<p>Using the grievance mechanism - the number of complaints received regarding the lack, clarity or availability of information. By the independent review – proportion of property holders that are satisfied with project-related engagement</p>	<p>No complaints received in regard to the lack, clarity or accuracy of information provided to property owners. General satisfaction by property owners with regard to project-related engagement</p>	<p>Waratah Coal</p>	<p>Annual/bi-annual</p>
<p><b>Lower cattle production</b></p> <p>Cattle operations may be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.</p>	<ol style="list-style-type: none"> <li>1. Number of properties directly impacted by the mine and/or railway. Environmental impacts will be monitoring as part of the EMP.</li> <li>2. Number of properties with plans for relocation and/or provision of new infrastructure</li> <li>3. Number of properties provided with assistance of a farm management consultant</li> <li>4. Number of properties with compensation agreements</li> <li>5. Number of property holders providing contract services to Waratah Coal</li> </ol>	<p>Support provided to property owners will be monitored constantly and aggregated and presented on an annual basis.</p>	<p>All properties to have infrastructure plans and compensation agreements finalised prior to construction. Farm management advisory support to be provided to all property holders who request assistance. It is not possible to specify targets</p>	<p>Refer EMP.</p>	<p>Refer EMP.</p>
<p><b>Lower cattle production</b></p> <p>Cattle operations may be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.</p>	<ol style="list-style-type: none"> <li>1. Number of properties with plans for relocation and/or provision of new infrastructure</li> <li>2. Number of properties provided with assistance of a farm management consultant</li> <li>3. Number of properties with compensation agreements</li> <li>4. Number of property holders providing contract services to Waratah Coal</li> </ol>	<p>Support provided to property owners will be monitored constantly and aggregated and presented on an annual basis.</p>	<p>All properties to have infrastructure plans and compensation agreements finalised prior to construction. Farm management advisory support to be provided to all property holders who request assistance. It is not possible to specify targets</p>	<p>Refer EMP.</p>	<p>Refer EMP.</p>
<p><b>Lower cattle production</b></p> <p>Cattle operations may be disrupted on some properties, potentially increasing labour requirements and possibly reducing cattle productivity.</p>	<ol style="list-style-type: none"> <li>1. Number of properties with plans for relocation and/or provision of new infrastructure</li> <li>2. Number of properties provided with assistance of a farm management consultant</li> <li>3. Number of properties with compensation agreements</li> <li>4. Number of property holders providing contract services to Waratah Coal</li> </ol>	<p>Support provided to property owners will be monitored constantly and aggregated and presented on an annual basis.</p>	<p>All properties to have infrastructure plans and compensation agreements finalised prior to construction. Farm management advisory support to be provided to all property holders who request assistance. It is not possible to specify targets</p>	<p>Waratah Coal</p>	<p>Annual</p>

Impact	Key Performance Indicators	Monitoring Strategy	Target & Outcomes	Responsibility	Frequency
<b>Loss of staff to the mining industry</b> Government agencies and local businesses including grazing and agricultural enterprises, will lose staff to the mining industry, leaving them short-staffed and/or facing higher recruitment, labour and training costs.	<ol style="list-style-type: none"> <li>Contractors as a % of overall workforce</li> <li>Value of goods and services procured from the project area</li> <li>Number of 'external' apprentices engaged in Alpha and Bowen with support from Waratah Coal</li> <li>Financial contributions to affordable housing in Alpha and Bowen by Waratah Coal and other proponents</li> <li>Financial contributions to temporary accommodation in Bowen, for seasonal workers, by Abbot Point proponents</li> <li>Development of strategies to address the loss of agricultural workers to the mining industry</li> </ol>	Procurement data will be monitored constantly and aggregated and presented on an annual basis. Training data will be monitored constantly and aggregated and presented on an annual basis. It is recommended that the Galilee Basin CSIA Roundtable (and preferably an equivalent structure for Bowen) oversee monitoring of support provided in Alpha and Bowen, and plays a role in addressing the loss of agricultural workers to the mining industry	Procurement targets will be finalised prior to construction 5 new external apprentices supported each year Affordable and temporary housing targets to reflect development plans.	Waratah Coal and major contractors Galilee Basin CSIA Roundtable (and equivalent structure for Bowen)	Annual Annual
	<b>Increased demand on health and emergency services</b> Resident and FTE population growth will place additional demand on health and emergency services in Alpha and Bowen. Increased traffic on highways and local roads may also contribute to an increase in traffic accidents and may therefore increase the demand on police, fire, ambulance and health services.	<ol style="list-style-type: none"> <li>Arrangement for aero-medical and retrieval services for the project</li> <li>Input by QPS, QAS, QFRS and SES in the preparation and practicing of emergency procedures</li> <li>Support provided to improve health and emergency service facilities through a coordinated approach involving Galilee and Abbot Point proponents</li> <li>Demand on health and emergency services (indicators to be prepared in consultation with service providers)</li> <li>Frequency of accidents, incidents and near misses (including number of emergency evacuations)</li> <li>Assessment of the effectiveness of workplace inductions and the fatigue management plan</li> </ol>	Emergency arrangements will be in place prior to construction and reviewed periodically. It is recommended that the Galilee Basin CSIA Roundtable (and preferably an equivalent structure for Bowen) oversee monitoring of development plans and support provided in Alpha and Bowen. To be determined in consultation with service providers All employees and contractors will be required to report on accidents, incidents and near misses. Data will be aggregated and reported on an annual basis. Periodic assessment of employees and contractors to assess workplace safety and other practices.	To be determined during detailed design. To be determined during plan preparation. To be determined in consultation with service providers Target of zero accidents	Waratah Coal in consultation with DTMR and local councils Galilee Basin CSIA Roundtable (and equivalent structure for Bowen) Waratah Coal and health and emergency service providers Waratah Coal and major contractors Waratah Coal and major contractors
<b>Rising living costs</b> Housing prices, rental costs and the costs of local goods and services are expected to rise. Shortages in accommodation and trade services are	<ol style="list-style-type: none"> <li>Housing affordability – Alpha and Bowen</li> <li>Financial contributions to affordable housing in Alpha and Bowen by Waratah Coal and other proponents</li> </ol>	It is recommended that the Galilee Basin CSIA Roundtable (and equivalent structure in Bowen) oversee monitoring of housing affordability and financial contributions	Housing affordability in Alpha and Bowen mirrors other towns in the area (eg. Barcaldine and Proserpine) Satisfactory inductions for all employees and contractors Full compliance with the fatigue management plan	Galilee Basin CSIA Roundtable (and equivalent structure for Bowen) Waratah Coal and major contractors	Annual

Impact	Key Performance Indicators	Monitoring Strategy	Target & Outcomes	Responsibility	Frequency
<p>likely. Higher living costs will disadvantage the non-mining sector and particularly low-income groups.</p>	<p>3. Number of mine employees provided with suitable accommodation in Alpha and Bowen</p> <p>4. Housing and rental costs in Alpha and Bowen</p>	<p>towards affordable housing.</p> <p>Staff housing will be monitored constantly and aggregated and presented on an annual basis. Median house prices and median rental costs will be monitored in Alpha and Bowen.</p>	<p>Financial contributions to be determined during the preparation of development plans for Alpha and Bowen</p> <p>At least 50 mine employees based in Alpha will be provided with housing. Housing and rental cost increases mirrors other towns in the area (eg. Barcaldine and Proserpine).</p>	<p>Waratah Coal</p>	<p>Annual</p>
<p><b>Loss of rural atmosphere</b> Without a well-managed and adequately resourced approach, Alpha could lose its existing friendly, rural atmosphere and exhibit a range of characteristics more commonly described as befitting a mining town.</p>	<p>1. Development Plan for Alpha &amp; annual updates</p> <p>2. Financial contributions to the development plan by Waratah Coal and other proponents</p> <p>3. Effectiveness of the drug and alcohol policy and code of conduct.</p> <p>4. Effectiveness of community engagement, the community cohesion strategy and the grievance and dispute resolution mechanism.</p>	<p>It is recommended that the Galilee Basin CSIA Roundtable oversee monitoring of the development plan for Alpha.</p> <p>Bi-annual external survey of local residents to assess their opinion on the behaviour of mine employees and contractors</p> <p>Bi-annual external survey of local residents to assess their opinion on community cohesion, information dissemination and the effectiveness of the grievance mechanism</p>	<p>To be determined during plan preparation.</p> <p>At least 90% of survey respondents view mine employees and contractors as behaving reasonably and responsibly while in or near Alpha</p> <p>At least 90% of survey respondents satisfied that the project is contributing positively to Alpha in terms of:</p> <ul style="list-style-type: none"> <li>• Infrastructure and services</li> <li>• Community vitality and spirit</li> <li>• Friendliness/good neighbours</li> <li>• Safety</li> </ul>	<p>Galilee Basin CSIA Roundtable</p> <p>Waratah Coal</p> <p>Waratah Coal</p>	<p>Annual</p> <p>Bi-annual</p> <p>Bi-annual</p>
<p><b>Decline in tourism</b> A lack of temporary accommodation in Alpha, and potentially Bowen, or excessive costs for temporary accommodation, could result in a decline in tourist numbers, and therefore, less business activity.</p>	<p>1. Temporary accommodation costs and availability in Alpha and Bowen</p> <p>2. Financial contributions to temporary accommodation facilities, catering for the needs of tourists, through the Infrastructure and Community Development Funds</p>	<p>It is recommended that the Galilee Basin CSIA Roundtable (and equivalent structure in Bowen) oversee monitoring of temporary accommodation costs/availability.</p>	<p>Availability: hotel rooms, cabins and van sites are available on more than 90% of nights surveyed Cost: hotel rooms, cabins and van sites cost no more than 20% more than comparable facilities in the area (eg. Barcaldine and Proserpine)</p>	<p>Galilee Basin CSIA Roundtable</p>	<p>Annual</p>
<p><b>Economic decline following mine closure</b> Mine closure (or a downturn in the mining industry) may result in a decline in employment levels, contracting opportunities and income levels in the project area.</p>	<p>1. Development plans for Alpha and Bowen based on clear population targets</p> <p>2. Evidence that funding for infrastructure and services goes beyond that required for mining operations</p>	<p>It is recommended that the Galilee Basin CSIA Roundtable (and preferably an equivalent structure for Bowen) oversee monitoring of development plans and support provided in Alpha and Bowen, including strategies to limit adverse impacts from mine closure.</p>	<p>To be determined during preparation.</p>	<p>Galilee Basin CSIA Roundtable (and equivalent structure for Bowen)</p>	<p>Annual</p>

**Attachment 7  
Stakeholder Engagement Summary**

#	Key stakeholders	Stakeholder's Interests	Engagement Actions	Management Strategies	Review Mechanisms
1	Federal Government agencies, particularly the Department of Sustainability, Environment, Water, Population and Communities	Economic and infrastructure development, industry development, employment, immigration and environmental impacts	Provide environmental and social monitoring reports on a regular basis, and consult as necessary	Preparation and implementation of an EMP, including regular monitoring reports	Independent review of the initial EMP and periodic external review
2a	State Government agencies including: <ul style="list-style-type: none"> <li>• DSDIP</li> <li>• Old Treasury &amp; Trade, DETE (including Skills Queensland)</li> <li>• Department of Natural Resources &amp; Mines</li> <li>• DTMR</li> <li>• Department of Communities, Child Safety and Disability Services</li> <li>• DCS (including QAS, QFRS)</li> <li>• Department of Local Government</li> <li>• Qld Health</li> <li>• QPS</li> </ul>	Construction timeframe, economic and infrastructure development, employment, immigration, environmental and social impacts, and compliance with conditions stipulated in the project agreement, and subsequently the EMP and SIMP	Consult during preparation of the EMP and SIMP; provide environmental and social monitoring reports on a regular basis, and consult as necessary	Preparation and implementation of an EMP and SIMP, including regular monitoring reports for both (eg. annually)	Independent review of the initial EMP and SIMP, and periodic external review of both
2b	Regional Offices of the above agencies	Construction timeframe, economic and infrastructure development, employment, immigration, transportation, environmental and social impacts, and compliance with conditions stipulated in the project agreement, and subsequently the EMP and SIMP	Consult during preparation of the EMP, SIMP, emergency response plans, fatigue management plans, transport plans; provide environmental and social monitoring reports on a regular basis, and consult as necessary	Preparation and implementation of an EMP and SIMP, including regular monitoring reports for both (eg. annually). Agencies will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	As above
3	Regional Councils	Construction timeframe, employment and population change, demand on public infrastructure and services and mitigation strategies, other social, economic and environmental impacts of the project, and changes in the quality of life	Provide project updates during construction and operations, consult regularly, and join local consultative committees (see #8 below)	Provide regular updates/plans during the construction period, collaborate during the preparation of the EMP and SIMP, and provide regular monitoring reports for both (eg. annually). Councils will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	As above
4	Impacted property owners	Construction timeframe (including decisions on the railway lines), impacts on grazing activities, impacts relating to legal and illegal access to properties, fire prevention and	Implement a Landowner Engagement Strategy, which will outline preferences for engagement with individual property owners and ensure	Provide regular updates/plans during the construction period and meet with individual property owners prior to commencement of	As above

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#	Key stakeholders	Stakeholder's Interests	Engagement Actions	Management Strategies	Review Mechanisms
		management strategies, and impacts in terms of noise, dust vibration and visual amenity	appropriate information is provided in a timely manner and opportunities are provided to consult over the project and related issues	Property owners will be invited to comment on construction activities on their properties). Property owners will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	
5	Other local residents	Construction timeframe, social, economic and environmental impacts of the project, the cumulative impacts of multiple resource projects, and changes in the quality of life	Provide project updates during construction and operations and ensure the views of local residents are incorporated in the monitoring of the project's social impacts	Display regular updates/plans on local noticeboards and provide to local media (see #11 below). Local residents will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	As above
6	Contractors	Construction timeframe, contracting opportunities and contract requirements	Provide information to local businesses in collaboration with ICN to ensure they are aware of potential contracting opportunities and understand the required contract standards and conditions Ensure contractors are aware of the grievance and dispute resolution mechanisms	Local Industry Participation Plan	Independent review of the initial SIMP and external review every two years
7	Other local businesses	Construction timeframe, social, economic and environmental impacts of the project, the cumulative impacts of multiple resource projects, and changes in the quality of life	Provide project updates during construction and operations and ensure the views of local businesses are incorporated in the monitoring of the project's social impacts	Display regular updates/plans on local noticeboards and provide to local media (see #10 below) and involve local businesses in the monitoring of social impacts	As above
8	Employees	Construction timeframe, employment opportunities and employment conditions	Advertise positions locally Ensure employees are aware of the grievance and dispute resolution mechanisms	Recruitment and Training Plan (aiming to enhance the skill levels of the workforce and local communities, ensure opportunities for Indigenous employment and maximise the number of apprentices from the region). Employees will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	As above
9	Other mining proponents	Construction timeframe, infrastructure requirements (including air, road, power, water), workforce numbers, accommodation arrangements, social impact mitigation strategies and other support provided to the community	Participate in and collaborate through the Galilee Basin CSIA Roundtable (and preferably an equivalent structure for the Bowen-Abbot Point area). This may replace the existing Community and Technical Reference Groups established for the South Galilee Project	Promote local development planning, and as recommended in the SIA, contribute to the preparation and implementation of local development plans for the Galilee Basin (and preferably for the Bowen-Abbot Point area)	Local development plans need to have their own review process, but implementation should generally be reviewed on an annual basis as part of the planning process for the following year
10	Indigenous representative groups	Construction timeframe and details, environmental impacts on traditionally owned land, impacts on areas of cultural significance and business and employment opportunities	Implement an Indigenous Engagement Strategy to ensure effective engagement with Indigenous People (in addition to the provisions of the Cultural Heritage Management Plan)	Provide regular updates/plans during construction, meet regularly and discuss business and employment opportunities (refer #6 and #8 above). Indigenous groups will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.	Independent review of the initial SIMP and external review every 2 years
11	ICN	Construction timeframe, contracting opportunities and contract requirements, progress in preparing and implementing the AIPP or LIPP	Consult regularly during the preparation and implementation of the AIPP or LIPP	Report on local industry participation on a regular basis	Independent review of the SIMP, and AIPP/LIPP, and periodic external review of both
12	Local media	Construction timeframe, employment and production levels,	Provide project updates during construction and	Identify local media and provide project	Independent review of the initial



#	Key stakeholders	Stakeholder's Interests and other points of public interest	Engagement Actions	Management Strategies	Review Mechanisms
13	Local interest groups	Construction timeframe and the social, economic and environmental impacts of the project, and cumulative impacts of multiple resource projects	<p>operations</p> <p>Provide project updates during construction and operations and ensure the views of local interest groups are incorporated in the monitoring of the project's social impacts</p>	<p>updates on a schedule and in a format that suits their need to inform their audience on the project and the project's impacts</p> <p>Identify local interest groups and provide monthly updates/plans to each. Local interest groups will be invited to comment on social impacts and social impact strategies each year as part of the process to update the SIMP.</p>	<p>EMP and SIMP, and periodic external review of both</p> <p>As above</p>

## Attachment 8

**Galilee Coal Project****Draft Grievance and Dispute Resolution Mechanism**

A draft Grievance and Dispute Resolution Mechanism has been prepared for the Galilee Coal Project. The draft will be finalised prior to construction.

**Objectives**

The Grievance and Dispute Resolution Mechanism aims to ensure project managers are aware of any adverse impacts caused either directly or indirectly by the project, and to help ensure impacts are dealt with in an effective, timely and appropriate manner.<sup>72</sup>

**Scope**

The Grievance and Dispute Resolution Mechanism will be implemented during the construction, operations and mine closure phases of the project. The mechanism will allow any person or organisation to voice or register a complaint in regard to the Project or its employees or contractors.

**Principles**

The Grievance and Dispute Resolution Mechanism will be based on a number of principles:

1. The Mechanism will be open to both internal and external parties and respond to both formal and informal complaints;
2. The Mechanism will be promoted among the workforce, contractors, local councils (Barcaldine, Isaac and Whitsunday) and local communities (focusing on Alpha, Jericho, Mt Coolon, Collinsville and Bowen);
3. The Mechanism will be transparent in terms of describing the type and number of complaints, and the responses provided, but will treat the names of any people and organisations making a complaint, and specific details provided, as confidential;
4. An annual report will be prepared summarising the number and type of grievances received, the response to these grievances, the timeframe for responding to grievances, and the proportion of complainants that were satisfied with the response received; and
5. The effectiveness of the Grievance and Dispute Resolution Mechanism will be reviewed annually and recommendations made for improvement.

Dealing with grievances effectively, and transmitting the response in a timely and appropriate manner, is essential if the grievance mechanism is to be accepted by both internal and external stakeholders as an effective and worthwhile process.

It is also important that grievances are treated and recorded separately from requests for assistance, suggestions, and accidents, all of which warrant separate procedures.

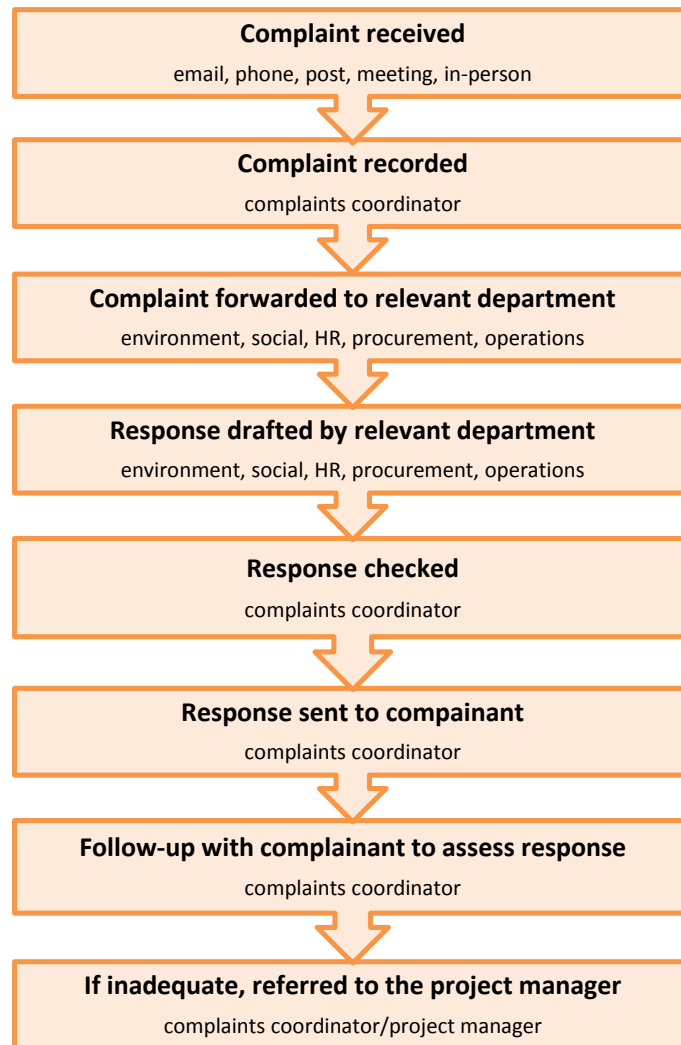
**Limitations**

The Mechanism will not impede access to other judicial or administrative responses that might be available under law or through existing arbitration procedures or substitute for grievance mechanisms provided through collective agreements.

<sup>72</sup> The words complaint and grievance are used interchangeably.

**Process**

Figure 1 outlines the basic process that the Grievance and Dispute Resolution Mechanism will follow.



**Figure 1: Galilee Coal Grievance and Dispute Resolution Process**

**Implementation**

The Grievance and Dispute Resolution Mechanism will be managed by a Complaints Coordinator, who is expected to be part of the HR department and based at the mine site. The Complaints Coordinator will:

- Receive and document all complaints;
- Assess the complaints and either respond immediately (eg. if a similar complaint has recently been adequately addressed) or forward to the relevant department;
- If forwarding to the relevant department, send an acknowledgement to the complainant to state this (generally within 24 hours of receiving the complaint);
- Follow-up with the relevant department if a response is not forthcoming within a period of one week;

- Assess the response from the departments and either solicit additional information or send the response to the complainant;
- Contact the complainant approximately one week after response has been sent and ask whether they were satisfied with the response received;
- For any complainants not satisfied with the response, forward the complaints and the response to the project manager;
- Prepare an annual summary of the grievance and dispute resolution mechanism, including details on the number and type of grievances received, the response to these grievances, the timeframe for responding to grievances, and the proportion of complainants that were satisfied with the response received; and
- Ensure the grievance and dispute resolution mechanism is adequately covered in the induction training for employees and contractors, and is adequately advertised among external stakeholders.

While complaints can be made via email, phone or post, or expressed to the Galilee Coal Project (or its representatives) in public meetings or in-person, it will be important to collect as many of the following details as possible:

- Name and address of complainant (including phone number);
- The date of the complaint;
- The nature of the complaint – providing as many details as reasonably possible, including the date and precise location of any incidents and the names of any people involved; and
- For complaints raised during public meetings or in-person, details of the meeting and the name of the person receiving the complaint.

Department Managers will be required to prepare a written response for any complaints forwarded to them by the Complaints Coordinator. The response should be forwarded to the Complaints Coordinator within one week of receiving the complaint.

All staff who may have contact with government agencies, local councils or local communities must be briefed on the Grievance and Dispute Resolution Mechanism, and must be made aware of their obligation to document any complaints they hear or receive. The information outlined above must be documented and forwarded to the Complaints Coordinator as soon as possible.

Any grievances that are not dealt with adequately, based on the perception of the complainant, will be referred to the Project Manager. The Project Manager will review the grievance and respond accordingly. As the grievances are expected to be relatively minor, in comparison to mines in some locations (eg. that may displace large numbers of local people, are located in environmentally sensitive areas, or pay relatively low wage levels), the referral to the Project Manager is considered an appropriate action. The alternative, to refer the grievance to a committee that includes external (independent) members, is not considered necessary at this point in time, but will be considered as part of the annual review process. Similarly, the need for a whistle-blower policy, to protect the identity of any person making a complaint of a serious or personal nature, is not considered necessary at this point in time, but will be considered as part of the annual review process.

All new staff will partake in induction training, and this will include an overview of the Grievance and Dispute Resolution Mechanism. Those staff that are likely to engage with government agencies and/or the public will also be made aware of the requirement to record information and report grievances, as described above.

The Grievance and Dispute Resolution Mechanism will be advertised to ensure external stakeholders:

- Are aware of the mechanism;

- Are aware of how the mechanism operates; and
- Are aware that the Galilee Coal Project will respond to all grievances in a timely manner, and if the response is not adequate, that the grievance will be referred directly to the Project Manager.

It is envisaged that the Galilee Coal Project will provide a response to all grievances within a three-week period. The time taken to respond to grievances will be recorded and summarised annually.

**Review**

In line with international best practice, it is important for the Grievance and Dispute Resolution Mechanism to:

- Include adequate engagement and dialogue;
- Be culturally appropriate;
- Provide action/responses proportional to the grievances raised;
- Help empower stakeholders; and
- Demonstrate continual improvement.

The grievance mechanism and the grievances raised will be reviewed annually. Recommendations from this review process will be made to help ensure improvements are made to the Mechanism.

END

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