



Joint Coal Board 54th Annual Report 2000/2001

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The Joint Coal Board is a body corporate with perpetual succession and a common seal constituted under an arrangement between the Governor-General of Australia and the Governor of New South Wales pursuant to the provisions of the Coal Industry Act 1946 (Commonwealth) and the Coal Industry Act, 1946 (NSW).

The main objectives of the Joint Coal Board stemming from its Mission are:

- To operate a fully funded, efficient, competitive and effective workers compensation insurance scheme for the NSW coal mining industry.
- To provide the NSW coal mining industry with an occupational health service that provides medical assessments, injury management, work environment monitoring and health educational material.
- To provide a relevant user-pays statistical service on the NSW and Australian coal industries.
- To provide international training/educational courses in coal production and utilisation technology under the auspices of Australian aid programs and of international development agencies.

Our Vision

To be the best provider of integrated workers' compensation insurance and occupational health and rehabilitation services.

Our Mission

We shall deliver quality service that promotes health and welfare for our customers.

Restructure

- consultations continued between stakeholders and the NSW Government on the creation of a new corporation to undertake the functions of the Joint Coal Board

Grellman Review

- the majority of the recommendations from the review into Coal Mines Insurance by Mr Richard Grellman have been implemented

Online Data Access

- Coal Mines Insurance implemented an online enquiry facility where current policyholders can login to access claims data for their policies through a comprehensive set of reports

New Website

- new website created for JCB Health to enhance client accessibility - visit it at <http://health.jcb.org.au>

Investment Portfolio

- The Board's investment portfolio returned 8% for the year and this included a profit of \$3.5 million on the sale of its North Sydney Building

Financial Result

- The Board incurred a loss of \$20.2 million for the year

Operating Result for the year ended 30 June

	2001 (\$'000)	2000 (\$'000)
Premium income	60,587	51,958
Investment income	27,996	39,529
Total operating revenue	101,698	95,244
Claims payments	80,665	72,614
Increase in provision for outstanding claims	27,400	15,312
Miners pension fund payments	4,153	4,745
Other operating expenses	14,102	13,548
Net loss	(20,184)	(7,647)

Letter to the Minister



Joint Coal Board
21/44 Market Street
Sydney NSW

November 2001

The Minister for Industry Science and Resources
The Special Minister of State, Minister for Industrial Relations and Assistant Treasurer

In accordance with the Coal Industry Act 1946 (Commonwealth) and the Coal Industry Act, 1946 (NSW) the Joint Coal Board presents its 54th Annual Report, covering the year ended 30 June 2001. The report contains financial statements for the year.

The report of the Auditor-General of the Commonwealth required by the Coal Industry Act 1946 (Commonwealth) and the Coal Industry Act, 1946 (NSW) is attached to the financial statements in the report.

A handwritten signature in black ink, appearing to read 'I. L. Farrar'.

Ian L Farrar
Chairman

A handwritten signature in black ink, appearing to read 'R. Land'.

Ronald P Land
Member

A handwritten signature in black ink, appearing to read 'U. Cario'.

Ugo Cario
Member

The 2000/2001 year was a particularly difficult year for the Board. An increase in workers' compensation payments resulted in the Board incurring an operating loss of \$20.2 million for the year.

This operating loss resulted in the Board's net equity position shrinking to \$3.3 million, or 1% of the outstanding claims provision.

Clearly, the solvency position of the Board needs to be, and is being, addressed. This will result in significant workers' compensation insurance premium increases for the 2001/2002 year.

The result for 2000/2001 occurred despite a 12% decrease in the number of claims lodged during the year, down to 2892; a reduction in the claim rate (ie the number of claims received per 100 people working in the industry) to 29.4%; and premiums collected during the year increasing by 16.8% to \$60.6 million.

It is heartening, however, to see that some of the other indicators point to a revival in the NSW coal industry. Employment rose by 2.8% to 9849; raw coal production increased by 4.4% to 138.8Mt; exports increased by 4.8% to 75.9Mt. However, the major contributor to the turnaround was the 24.1% increase in the value of coal exports – up to \$3.834 billion.

Regrettably, there were two fatalities during the year – one each at Wambo and Bellambi West collieries. The Board extends its sympathy to the families of the two miners.

As reported last year, the NSW Government announced its intention to create a new corporation to undertake the activities currently performed by the JCB. This followed the Federal Government's withdrawal from the JCB in April 2001. Consultations are continuing with all stakeholders to ensure that their views are taken into account in creating the new corporation.

I would like to acknowledge the support provided to the Board by our Federal Minister, Senator Minchin and our State Minister, Minister Della Bosca and their respective staffs during the past year.

Finally, I would like to thank the staff of the Board for their support during the year. Their efficiency and flexibility has enabled the Board to respond to a changing environment ensuring we deliver a quality service that promotes health and welfare for our customers.



Ian L Farrar
Chairman



Coal Mines Insurance

Introduction

The Joint Coal Board has two major operating divisions: Coal Mines Insurance and JCB Health.

Coal Mines Insurance provides workers' compensation insurance services to all coal mines in NSW.

JCB Health provides the occupational health services associated with Coal Mines Insurance, and health-related services that enable the Board to discharge its legislated responsibilities for the health and welfare of mine workers.

Between them, Coal Mines Insurance and JCB Health employ around 80% of the total staff of the Board, and provide the interface between the JCB and the industry.

Coal Mines Insurance

Coal Mines Insurance had a challenging year in 2000/2001. Significant reductions in employment levels in the coal industry over the last 3-5 years resulted in higher than expected levels of compensation payments in the current year. This trend was exacerbated by legal advertising and, late in the year, by planned changes in workers' compensation legislation administered by WorkCover, although the changes did not specifically apply to the coal industry.

Despite the increased workload, CMI continued to process claims within the time-frames prescribed under the Act and, at the same time, enhanced its communication with policy holders via personal meetings and electronic/Internet access.

During the year CMI implemented many of the recommendations of the Grellman Report, following the review in April 2000, and used this as a guide in developing future strategies.

The Board's current strategic plan continues to be modelled on the Grellman Report's recommendations with the aim of completing them all by the end of 2001/2002.

Injury management remained an ongoing commitment for CMI. Policyholders were encouraged to more actively manage the short-term cases thereby allowing our injury management coordinators to concentrate on the longer-term claimants. Generally speaking, 20% of the claimants generate 80% of the costs and these people are predominantly the "long time off work" cases.

An analysis of claims' trends during the year showed a general decrease in weekly payments, consistent with the decrease in the average number employed over the past few years, but a marked increase in common law claims and redemption payments. Restructuring in the industry appeared to be the trigger factor for the increase in litigated claims.

CMI also carefully entered the "high tech" area through development of an online claims data access facility for policyholders. Implementation of the technology was reasonably straight forward but the security issues have been a major obstacle and continue to be an impediment to future expansion. Despite extensive (and expensive) preventative measures there still seems to be a theoretical threat of computer vandalism and, to this end, further expansion will continue with security as the top priority.

Payments on claims still remain high despite a reduction in the number of claims received



The Board provides an occupational health service that delivers health assessments, injury management, work environment monitoring and health education services in a professional and competitive manner. These services are regularly reviewed to ensure they always remain up to date.

Major Innovations during the past year

During 2000/01, JCB Health redefined its mission to provide expert solutions to assist customers to manage their occupational health risks. This was achieved by providing a range of occupational health, rehabilitation and occupational hygiene services, principally to coal mining operations, but also to organisations related to the coal industry.

To assist in this, JCB Health appointed its first occupational hygiene officer and its workplace environment group now has the ability to identify and provide advice regarding a range of occupational hygiene problems, as well as continuing its role in monitoring for respirable dust and noise. Occupational hygiene problems can be as varied as determining the quality of lighting required in particular work areas, determining and measuring the presence of different gases or providing advice regarding noise, heat stress, chemical hazards and so on.

JCB Health modified and updated its website during 2000/01 to enhance its ability to communicate with customers and increase client accessibility. JCB Health staff also presented papers at the Mining Industry Health & Safety Conferences held in New South Wales and Queensland during the year. Copies are available from the website.

JCB Health will provide expert solutions to assist our customers to manage their occupational health risks

Occupational Health

The routine health assessment service continued throughout the year. Periodic health assessments focussed on obtaining medical surveillance data for the entire NSW coal industry and for monitoring for health problems more likely among coal miners over their working life. The protocol for periodic health assessments reflects best practice in technical procedures and information collection and is standardised across the four district offices.

JCB Health continued to perform a range of health assessments for the industry, as illustrated in the tables.

Health Assessment Figures July 2000 to June 2001

North & North West	1999/2000	2000/2001
Special Medical	220	626
Pre-employment	1010	1533
Mines Rescue	132	126
Periodic – On-site	1262	1013
Periodic – Off-site	579	360
Total – NORTH	3203	3658
South & West		
Special Medical	105	246
Pre-employment	255	428
Mines Rescue	142	113
Periodic – On-site	131	55
Periodic – Off-site	595	443
Total – SOUTH	1228	1285
TOTAL	4431	4943

The use of the mobile health facility to conduct on-site health assessments continued and the van was utilised constantly throughout the year – mostly in the Upper Hunter and in the Western coalfields.



Joint Coal Board Mobile Health clinic

During the year, JCB Health continued to focus on drug and alcohol issues in the industry and conducted the second of its planned seminars on drug and alcohol policies and testing. The seminar was held in Penrith and was attended by mine personnel from the southern and western coalfields. Random drug and alcohol testing was conducted for the majority of coal mines in the Hunter Valley and summary statistics regarding the results of those tests are available from our website.

JCB Health staff may be contacted for education, training and assistance with the development and implementation of drug and alcohol policies at site level

JCB Health continued to be involved in preparing and presenting tailored training and education programs in NSW coalmines. The programs concentrate on back care, hearing loss prevention, skin cancer detection and prevention, first aid, eye protection and accredited Occupational Health and Safety Coordinator training. A list of training courses and dates can be found on the website.

Order No 34

In 1999 the Board revised its guidelines for preparation of Order 34 training schemes, requiring all coalmining operations to submit a

revised training scheme for the Board's approval. The revised schemes were to encompass the modern approach to vocational education and training by focusing on competency based training and assessment. Emphasis was placed on the assessment process against standards of competency applicable to the task or skill.

Revised training schemes have now been approved for all coalmines and a process of quality auditing based on ISO 9000 is well underway. The Board continues to actively encourage development of the training and assessment processes used in the industry and, to this end, conducts regular training scheme audits. To date these indicate an improvement in training and assessment processes which can only lead to a competent workforce and improved safety performance.



Audit being conducted of Westside Open Cut Training Scheme

Rehabilitation

During the year JCB Health maintained formal WorkCover Authority accreditation for its occupational rehabilitation service. The success of the service is illustrated by its ability to return injured coal miners to work as shown in the table. The introduction of Injury Management legislation led to an initial reduction in the number of referrals to JCB Health in its southern and western offices. However, the rate of referral

Rehabilitation Performance

Rehabilitation Performance	1999/2000	2000/01	1999/2000	2000/01
	JCB Health*		All Providers*	
Return to Work Rate	81%	75%	74%	70%
Average Cost of Rehab	\$1175	\$1342	\$2499	\$2066
Average Duration of Rehab (months)	4.0	4.5	6.3	6.1
Average Delay from Injury to Referral (months)	4.0	4.8	5.2	5.6

* Independent figures provided by WorkCover Authority of NSW

appears to be levelling out and the performance of JCB Health in successful rehabilitation completions exceeds the average performance by WorkCover, as illustrated in the table.

There are occasions where injured workers are unable to return to work in the coal industry, and JCB Health runs a Vocational Retraining Program. During 2000/01, JCB Health became involved in the "Next Step" program in the Hunter Valley, designed to assist retrenched coal miners get into the general workforce, and will continue in the coming year through the participation of its rehabilitation counsellor in the Singleton office.

The Board's physiotherapists performed a major role providing advice to injured mineworkers about prevention and treatment of injuries. This is also provided to retired mineworkers. Demand for JCB Health's physiotherapy increased during the year, particularly in the Hunter Valley, and this trend is expected to continue.

JCB Health's occupational therapists continued to provide their services to various mines in the Newcastle and Hunter regions. Functional assessments now form a major part of most employers' pre-employment assessment protocols and are a key tool in preparing rehabilitation programs for injured workers. In addition, our occupational therapists conducted task analysis services at various sites throughout

the Hunter Valley and the results of these will assist in the development of customised rehabilitation programs to assist injured workers back to normal duties.

Occupational Hygiene

The Board continued its active interest in industrial and occupational hygiene issues within the coal industry and recruited an occupational hygiene officer to enhance the group's ability to respond to the various occupational hygiene problems that arise in the industry.

During the year, Denis Glover, dust sampling supervisor, retired after serving over 37 years with the Joint Coal Board. Denis contributed significantly to the development of the hygiene group and we wish him well in his retirement.



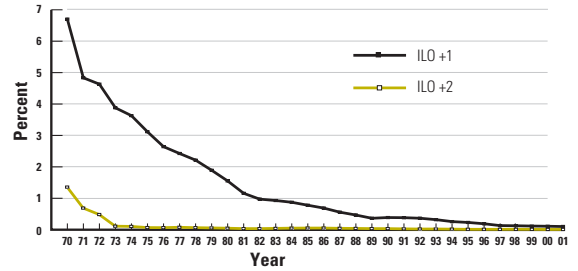
Denis Glover



Standing Dust Committee visiting Cooranbong Colliery

The Board's Standing Committee on Dust Research and Control continued to meet during the year. This Committee is an expert advisory body comprising representatives of the colliery proprietors, mining unions, government departments and Joint Coal Board medical and technical personnel. The Committee meets bi-monthly to monitor dust sampling results, evaluate dust hazards and encourage research to improve dust control methods. During the year the Committee visited South Bulga, Cooranbong, Wyee and Westcliff collieries and participated in a conference on Dust Control in Thick Seam Mining at the Joint Coal Board's office, Warners Bay organised in conjunction with the University of Queensland, who were undertaking an Australian Coal Association Research Program (ACARP) project. The Diesel Particulate Sub Committee of the Standing Dust Committee continued to operate throughout the year, with meetings in September 2000 and February 2001.

Pursuant to its Order No 40, the Board requires new longwall developments to be approved prior to their commencement. This enables the Board to ensure that adequate dust suppression and ventilation measures are in place to minimise workers' exposure to respirable dust. During 2000/01 the Board consented to 24 requests for approval to commence longwall operations under Order No 40.



The ILO classification of x-rays is a method of grading based on x-ray appearance and may be in practical terms interpreted as the following:-

ILO+1 = people with diagnostic features of dust exposure but no clinical symptoms.

ILO +2 = People with more severe dust exposure than above and likely to have symptoms

For the fourth year running, the Board has included in its report information about the prevalence of pneumoconiosis in the NSW coal industry. Rates of pneumoconiosis in NSW continue to be less than 0.5%. The twin strategies of proper ventilation and dust suppression continue to control the disease in the NSW coal industry.

See the new JCB Health Website at <http://health.jcb.org.au>

Research

In any year Board staff, and in particular JCB Health staff, may be asked to research various topics regarding coal miners' health. In the past this has involved the Board in studies on electronic devices being used underground, clothing suitability during mines rescue, or the occurrence of cancer in coal miners when compared to the normal population.

During the coming year, JCB Health staff will continue involvement with several projects funded by the Joint Coal Board Health and Safety Trust. These include production of a manual handling video for the coal industry, a project to introduce a better safety boot into workplaces, and involvement in a major project on pain management coordinated by the Royal North Shore Hospital.

Comparative Statistical Profile

	Notes	Units	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
Industry Declared wages		\$m	883.0	847.0	799.0	813.0	875.0	946.0	887.9	754.9	693.7	693.2
Average Number Employed		No	16600	15100	14700	14300	14473	14793	13522	11064	10150	9838
Premiums Received	(a)	\$m	39.0	33.0	32.5	38.0	55.8	60.0	54.0	45.9	51.9	60.6
Average Industry Premium Rate		%	4.4	3.9	4.1	4.7	6.4	6.3	6.1	6.1	6.4	8.5
Premium Cost Per Employee	(b)	\$	2349	2185	2211	2657	3855	4056	4008	4140	5113	6160
Workers Compensation Claims Lodged		No	6616	5903	5690	6231	5533	5095	4651	3552	3285	2892
Claim Rate	(b)	%	39.9	39.1	38.7	43.6	38.2	34.4	34.0	32.1	32.4	29.4
Payments on Claims		\$m	80.0	77.0	72.4	68.1	64.9	69.1	57.8	73.0	72.6	80.7
Provision for Outstanding Claims		\$m	248.0	223.0	212.4	221.3	233.0	232.3	247.7	261.7	277.0	304.4
Raw Coal Production		mTonnes	101.2	102.9	101.9	107.8	113.1	123.7	134.0	131.4	132.9	138.8
Premium Cost Per Tonne of Coal Produced		\$	0.39	0.32	0.32	0.35	0.49	0.49	0.40	0.35	0.39	0.44
Lost Time Injury Frequency Rate	(c)	No	108	78	68	73	56	48	52	39	34	33
Severity Rate	(d)	Days	1878	1210	1128	1332	1050	999	1215	1079	947	1083
No of Mines		No	70	67	68	69	72	68	66	64	57	56
Days Lost per Employee due to Industrial Disputes		Days	5.1	2.5	6.7	2.0	5.0	5.8	5.4	2.6	2.4	1.2
Days Lost per Employee due to Workers Compensation		Days	4.0	3.4	3.6	4.1	3.7	3.3	3.2	3.5	3.3	3.1
Fatalities		No	7	4	1	2	2	6	2	3	3	2
Investment Income		\$m	50.4	37.1	21.6	29.5	37.5	55.1	33.3	27.9	39.5	28.0
Total Assets		\$m	382.0	352.0	312.5	293.3	306.2	332.1	344.6	327.6	330.2	322.5
Accumulated Funds		\$m	55.7	56.4	42.5	22.4	24.0	55.7	57.3	31.1	23.5	(1.8)
Staff	(e)	No	177	143	139	131	130	130	131	123	114	113

Notes (a) 2000 and 2001 figures include a 20% levy imposed in the policy year 1 October 1999 to 1 October 2000

(b) the claims rate is calculated as follows:
$$\frac{\text{Number of claims during the period} \times 100}{\text{number of employees exposed to risk during period}}$$

(c) number of lost time injuries per million hours worked

(d) days lost due to absences on workers compensation per million hours worked

(e) staff numbers as at 30 June in each year

(*) preliminary



The Organisation

Appointments to the Board are for terms of up to three years. The terms of the Chairman and Members expire on 31 December 2001



IAN FARRAR,
B.Comm; FCPA;
FCIS; FAIM; FAICD

Ian Farrar was appointed Chairman and Chief Executive Officer of the Joint Coal Board in July 1992.

Prior to this Ian was Senior Principal

Advisor to the Commonwealth Scientific and Industrial Research Organisation (CSIRO), Australia's largest research organisation and has extensive experience in research management.

An accountant and economist by training, Ian is a Fellow of the Society of Certified Practising Accountants, a Fellow of the Chartered Institute of Secretaries and Administrators, a Fellow of the Australian Institute of Management and a Fellow of the Australian Institute of Secretaries and Administrators.



RON LAND

Ron Land is the Secretary of the Northern Branch of the United Mine Workers Federation. Ron is also Chairman of CoalSuper, Company Secretary of United Mining Support Services,

and is a Trustee of the Joint Coal Board Health and Safety Trust and the United Collieries Trust Fund.

Ron has extensive experience as an underground mine worker, with 14 years experience working for a variety of coal mines in the northern coal district, before becoming Northern District Secretary of the CFMEU in 1985.

Ron was appointed the employees' representative on the Board in February 1998.



UGO CARIO,
B.Comm; CPA

Ugo is Managing Director of Austral Coal Limited – a public company owning the Tahmoor underground longwall mine located in the southern coalfields.

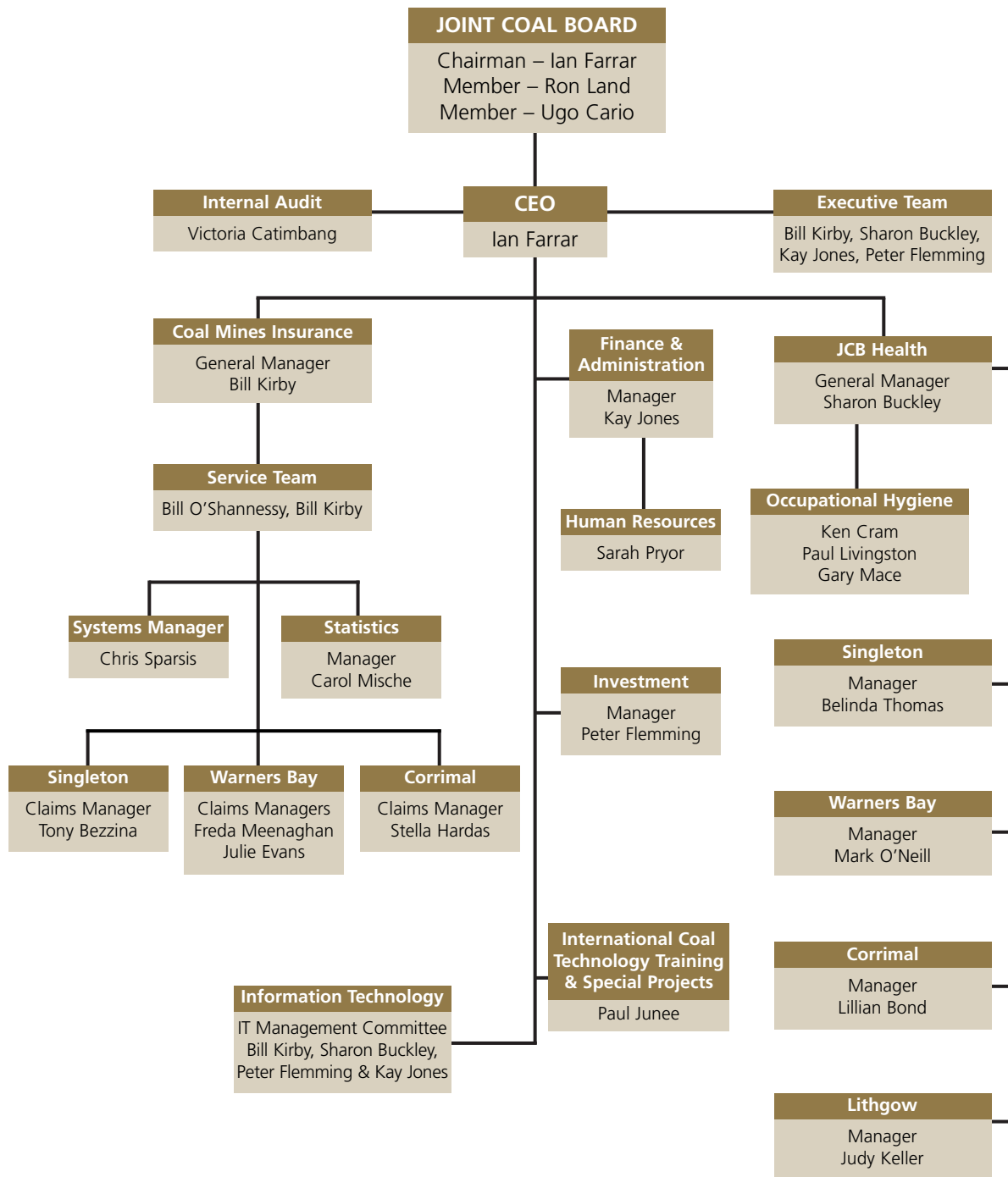
Ugo was appointed to Austral Ltd in January 1997 when the mine was acquired from CRA.

Prior to 1997 Ugo worked for Rio Tinto for 22 years and as General Manager was responsible for their commercial and business analysis division as well as operating the Tahmoor mine and Illawarra Cokeworks. He is also a director of the Port Kembla Coal Terminal.

Ugo was appointed as the employers' representative on the Board in July 2000.

The current Board Members have wide ranging experience in the fields of business management, coal mining and industrial relations

Organisation Chart



Powers and Functions of the Board

The Joint Coal Board is constituted under an arrangement between the Governor-General of Australia and the Governor of New South Wales made pursuant to the provisions of the Coal Industry Act 1946 (Commonwealth) and the Coal Industry Act, 1946 (NSW).

The powers and functions of the Board are stated in identical provisions of the Commonwealth Act, sections 23 to 27, and the New South Wales Act, sections 24 to 28, and are as follows:

- to provide occupational health and rehabilitation services for workers engaged in the coal industry including providing preventive medical services, monitoring workers' health and investigating related health matters;
- to collect, collate and disseminate accident and other statistics related to the health and welfare of workers engaged in the coal industry;
- to refer matters relating to the safety of workers engaged in the coal industry, as it thinks fit, to the Chief Inspector of Coal Mines or the Commonwealth Minister and the State Minister for consideration;
- to provide courses in the production and utilisation of coal under international development assistance programs sponsored or administered by the Commonwealth Government or approved by the Commonwealth Minister and the State Minister;

- to report to the Commonwealth Minister and the State Minister as it thinks fit, or when requested by either Minister, on matters related to the health or welfare of workers engaged in the coal industry, or on any other matter concerning or arising out of the Board's powers or functions;
- to publish reports or information of public interest concerning or arising out of the Board's powers or functions; and
- to promote the welfare of workers and former workers in the coal industry in the State, their dependants, and communities in coal mining areas.

Until such time as the Commonwealth Minister and the State Minister direct, the Board has the following powers and functions:

- to monitor, promote and specify adequate training standards relating to health and safety for workers engaged in the coal industry; to monitor dust in coal mines; and to collect, collate and disseminate statistics related to the coal industry, other than statistics related to the health and welfare of workers.

The Board has power to establish workers' compensation insurance schemes and to require any employer in the coal industry in the State to effect with or through the Board all workers' compensation insurance in respect of the employer's employees in that industry.

The Organisation

Responsible Minister

The Coal Industry Act 1946 (Commonwealth) is administered by the Commonwealth Minister for Industry, Science and Resources. The Coal Industry Act, 1946 (NSW) is administered by the NSW Special Minister of State, Minister for Industrial Relations & Assistant Treasurer.

Annual Operating Plan

The Coal Industry Acts provide that the Board must by 31 May each year submit to Ministers an annual operating plan for the year commencing on the following 1 July. The plan must address the strategy the Board proposes to adopt in exercising its powers and functions. The Annual Operating Plan for 2001/02 was submitted to both Ministers on 28 May 2001.

Direction on Matters of Policy

The Board is subject to the joint control and direction of the Commonwealth Minister and the State Minister. Either Minister may, with the agreement of the other Minister, issue written directions to the Board and it is the duty of the Board to carry out any direction given. When requested by either Minister, the Board must furnish reports to both Ministers on matters of policy. No direction or requirement has been issued during 2000/2001.

Board Meetings During the Year

Member	Eligible to Attend	Attended
Mr Farrar	11	11
Mr Land	11	9
Mr Cario	11	11

Executive Team

The executive team meets at least once a month to develop and address key strategic management and policy issues relevant to the operations of the Board. Where appropriate, the team implements, or recommends that the Board implement, measures that will assist staff to improve overall performance within the Board.

The team comprises the following persons:



Mr Ian Farrar,
Chairman and Chief
Executive Officer



Dr Bill Kirby, General
Manager, Coal Mines
Insurance



Ms Sharon Buckley,
General Manager,
JCB Health



Mr Peter Flemming,
Manager, Investment
Management



Ms Kay Jones,
Manager, Finance &
Administration

The Board performs optimally when the right people, structures and systems are in place to manage, train, support and appropriately resource its business. The Board manages its accounting, human resources and information technology functions centrally.

Considerable effort is expended each year in planning for all areas of the Board's operations. Strategic and operational plans provide guidance to managers and staff, and appropriate financial, computing and human resource professionals support the businesses.

Staff Training & Development

The Board ensures that its level of service matches the industry's demand through appropriate training and development.

The Board is committed to attracting and retaining quality staff. It also has a commitment to equal opportunity in employment and industrial democracy based firmly on human rights principles.

The Board has in place a performance review and development program, which links personal performance objectives to the wider goals and objectives of the organisation, including those outlined in the Joint Coal Board Operational Plan.

A number of activities and strategies from the Joint Coal Board Human Resources Strategic Plan were implemented during 2000/2001 including the change to Microsoft Office and the completion of associated training. In addition, the Board continued to support post-graduate studies for its staff. Further implementation of strategic human resource initiatives will be important in assisting the Board to meet the changing needs of its customers and stakeholders in the coming year.

Staff Names

Peter Adlington, Renae Alam, Janet Alania, Anne Anderson, Frances Arjonilla, Maria Arsenovic, Belinda Bailey, Chris Baillie, Tammy Ballard, Kerrie Barnett, Stephen Bevan, Tony Bezzina, Cena Biscocho, Craig Bloomfield, Lillian Bond, Marion Brien, Kym Bright, Sharon Buckley, Margaret Butler, Wendy Cairns, Sue Calvert, Natalie Card, Judy Carlisle, Victoria Catimbang, Helen Chung, Wendy Cordell, Ken Cram, Jill Davidson, Neil Derwent, Rebecca Dicks, Margaret Donald, Julie Evans, Katrina Evans, Anne Evers, Sandra Felder, Lyn Ferguson, Peter Flemming, Leisa Floyd, Belinda Frandsen, Stephanie Gilfillan, Sue Gilroy, Antony Gloss, Glenn Goodwin, Jane Gorton, Jenny Gould, Sarah Hamilton, Stella Hardas, James Hardy, Julie Heuston, Natalie Hewitt, Lisa Hocking, Fiona Holman, Tanya Howe, Eva Hua, Suzanne Johnson, Anissa Jones, Kay Jones, Paul Junee, David Kane, Judy Keller, Chris Kelly, Jody Kerr, Kim Kerr, Bill Kirby, Brian Kirkland, Allen Lee, Paul Livingston, Gary Mace, Janelle Mackee, Dana MacPherson, Donna MacPherson, Fernando Mariano, Karina Mason, Graeme McDonald, Lynette McKinnon, Freda Meenaghan, Connie Merritt, Carol Mische, Narelle Morsillo, Ellen Mungoven, Gail Narvo, Danny Ngo, Kirsten Nicholls, Nola O'Connor, Mark O'Neill, Bill O'Shannessy, Tom Packovski, Lynette Pike, Bill Pollock, Ellen Prescott, Geoff Pritchard, Sarah Pryor, Maria Reynolds, Liz Rienstra, Cheryl Roach, Alison Robinson, Karen Rock, Rebecca Rumbel, Melinda Scott, Amanda Schultz, Lynn Sinclair, Bruce Smart, Calee Smith, Luisa Solari, Jacqui Solomon, Chris Sparsis, Sandra Speakman, Pauline Suhr, Henry Swan, Debbie Tancred, Sally Taylor, Sandy Thai, Belinda Thomas, Peter Thurgood, Lyn Tran, Kylie Vanderlely, Donna Varley, Shamali Viswakula, Kim Wilkinson-Kerin, Sharyn Williams, Denise Willis, Roger Willis, Elaine Winterbine, Renia Woodard, David Wu.

Finance and Investment

Staff Salary Table

Salary	Female	% of Total	Male	% of Total	TOTAL
< \$30 000	12	10	0	0	12
\$30 001 - \$40 000	42	37	7	6	49
\$40 001 - \$50 000	11	10	4	3	15
\$50 001 - \$60 000	18	16	8	7	26
\$60 001 - \$80 000	1	1	3	3	4
\$80 001 and above	3	3	4	4	7
TOTAL	87	77	26	23	113

Note: Figures do not include casual staff

Finance and Investment

The consolidated financial statements for Joint Coal Board for the year ended 30 June 2001 are included in this report. They show an operating loss for the twelve months of \$20.2 million.

Premium income for the year increased to \$60.6 million following an increase in the premium rates from 1 October 2000.

The investment income for the year was \$28.0 million which represented a rate of return of 8%.

The table below shows the asset class allocation for the Board's investment portfolio.

Payments on claims continued to increase during the year, totalling \$80.7 million for the twelve months compared to \$72.6 million in the previous year. Despite the higher payments, the estimated value of the outstanding claims liability as at year's end increased 7.6% to \$304.4 million.

Asset Classes

Asset Class	Asset Allocation Benchmarks (%)	30.6.00 \$('000)	%	30.6.01 \$('000)	%
Cash and Money Market	4	8,356	2.6	17,081	5.5
Fixed Interest	35	86,668	27.1	89,218	28.6
Australian Equities	30	99,369	31.0	102,404	32.9
Property Trusts	3	10,026	3.1	10,732	3.4
Overseas Equities	10	32,176	10.0	30,124	9.7
Property	17	83,147	26.0	62,087	19.9
Other	1	162	0.1	94	–
Unsettled Transactions	–	358	0.1	(68)	–
Total	100	320,262	100.0	311,672	100.0

Board

The Board is responsible for the business of the economic entity, including its strategic direction within the parameters established by its governing legislation, establishing goals for management and monitoring achievement of those goals. The Board has established a framework for corporate governance which includes an Audit Committee, a process for the identification of risk and its management through a system of internal control and the establishment of appropriate ethical standards.

The Board consists of three people: an independent Chairperson, a Member representative of coal industry employers, and a Member representative of coal industry employees.

Audit Committee

The Audit Committee comprises the two Members of the Board representing the coal industry's employers' and employees' interests and a retired general manager of the Board.

The role of the Committee is to review all aspects of the internal and external audit processes, including the monitoring of the identification and management of risk.

Risk Management and Control

The Board acknowledges that it is responsible for the overall internal control framework. To assist in discharging this responsibility the Board has instigated an internal control framework which includes:

Risk Management and Internal Control System

The risks involved in achieving the Board's objectives and the system of internal control in place to ensure that those risks are kept within acceptable limits are monitored by the Audit Committee through Internal Audit.

Financial Reporting

A comprehensive budgeting system is in place. Monthly actual results against budget are reported to the Board and variations examined.

Fraud Control

The Board has a fraud control plan in place and it is updated on a regular basis. The current assessment of the plan is that the potential for fraud at the Board is low.

Internal Audit

An internal auditor reports directly to the Chairman of the Audit Committee and is responsible for monitoring, investigating and reporting on the system of internal control and the risks that this system mitigates.

Ethical Standards and Code of Conduct

The Board recognises the importance to good corporate governance of a high standard of conduct by the Board and its people. The Board has a Code of Conduct for its Members, and one for its staff.

Code of Conduct

Board Members

The Board has instituted a code of conduct for the Chairman and Members to ensure they act in good faith, with appropriate skill, care and diligence in the interests of the NSW coal industry. They have a fiduciary duty of loyalty to the Joint Coal Board as a whole and to meet these requirements the Chairman and Members must:

- at all times act honestly
- exercise due care in the performance of their duties
- be diligent, attend Board meetings and make themselves knowledgeable about the operation of the JCB
- ensure that systems are established within the JCB to provide sufficient and accurate data on a regular and timely basis
- act in the interests of the JCB as a whole
- avoid conflicts of interest
- be independent in their judgements and actions
- maintain confidentiality of information provided and not disclose it unless there is agreement of the Board to do so.

Ethical Standards

Our first responsibility is to the people who comprise the NSW coal industry; the workers and the management of the coal mining companies to whom we provide a service. In meeting their needs everything we do must be of high quality. Without compromising quality we must constantly strive to reduce our costs to ensure premiums are minimised and services we provide on a “user pays” basis are provided at reasonable prices. Services we provide to our stakeholders must be provided efficiently and be of a high quality. Advice to Ministers must be timely and unbiased. Suppliers of goods and services to the Board must have an opportunity to compete for our business on an equitable and fair basis, and we must recognise their legitimate aim is to make a fair profit.

We are responsible to our employees; each must be considered as an individual.

We must respect the dignity and recognise the merit of each employee. Remuneration must be fair and adequate, and working conditions clean, orderly and safe. Employees must feel free to communicate and to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management and the actions of management must be just and equitable.



Associated Groups
Committees and Apendices

The Joint Coal Board is represented on several coal-related organisations. The strategic alliances created allow for the Board's expertise to be utilised to the benefit of the NSW coal industry.

Joint Coal Board Health and Safety Trust

Structure of the Trust

The Joint Coal Board Health and Safety Trust was formed by the Board in 1991 for the purpose of funding research to improve the health and safety of coalminers at work. The current members are:

Trustees:

Ian Farrar	Chairman, Joint Coal Board
Ron Land	Member, Joint Coal Board; Member Coal Super
Peter Hayes	General Manager Operations, BHP Billiton COAL
John Maitland	National Secretary, CFMEU
Dick Austen AO	former Mining Executive

Priority Areas for Funding Research

The Trust has links with the major research funding bodies in the coal industry and it targets its research at health and safety issues for the industry. Priority areas are set after consultation with the other major funding bodies to ensure that minimal duplication occurs in the research funded. The Trust also examines relevant statistical information on accident and injury trends in the industry prior to setting its priority areas. The current priority areas are grouped into three broad categories each of which are divided into a further two categories. They are:

Injury	Sprains and Strains Manual Handling
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Disease	Noise, and Noise Induced Hearing Loss Other Occupational Disease
Human Factors	Fatigue and Stress Attitudinal Factors Affecting OHS Outcomes

During 2000/2001 the Trust held displays at the 4th International Scientific Conference of the International Occupational Hygiene Association, Cairns (July 2000); the NSW Mining Industry Occupational Health & Safety Conference, Terrigal (July/August 2000); and the Queensland Mining Industry Health & Safety Conference, Townsville (August 2000).

In March 2001 the Trust conducted seminars in New South Wales and Queensland on the results of completed projects and included outlines of the new projects approved during the year. Promotion of the Trust at these venues facilitated communication with the broader Australian coal industry while the Occupational Hygiene Conference in Cairns allowed the Trust's research activities to be disseminated to a wider international audience.

Projects Completed During 2000/2001

- 1 Exposure to Whole Body Vibration for Drivers and Passengers in Mining Vehicles Part 2 and a Handbook
- 2 Deterioration of Noise Absorption Materials used in the Underground Coal Mining Equipment
- 3 Safety / Protective Footwear Specification
- 4 An Occupational Hygiene Manual for the Coal Industry. Revision 1 available on compact disc
- 5 ALTS II – A Longwall Gate-Road Design Methodology for Australian Collieries

New Projects Approved for 2000/2001

- 1 Update Occupational Hygiene Manual for Coal Mines
- 2 Injury Network Program
- 3 Feasibility Study for a National Mining Health Database
- 4 Determine Risk Factors for Heart Disease Among Coal Miners
- 5 Noise Awareness and Hearing Protection for the Australian Coal Industry
- 6 The Utility of Standardising the Assessment of Low Back Pain
- 7 Implementation of an Ergonomics Program Intervention
- 8 The Effects of Coal Dust Exposure in Longwall Coal Mine Workers
- 9 Safety Certification Procedure for Underground Mine Workers with Partial Hearing Loss
- 10 Acoustic Energy Meter
- 11 e-Minesafe Simulator Training and Assessment
- 12 Manual Handling Video for the Australian Coal Industry
- 13 Injury Rehabilitation Project

For further information about the Trust and its activities please contact:

Sharon Buckley
Trust Secretary
Tel. (02) 9291 5658
Email. buckley@jcb.org.au

Ken Cram
Project Liaison Officer
Tel. (02) 4222 9023
Email. cram@corrjm.jcb.org.au

Audit Committee

The Joint Coal Board established the Audit Committee to assist it to meet its responsibility for good corporate governance and accountability. During 2000/2001, membership of the committee was as follows:-

Ugo Cario
Board Member
Chairman of the Committee

Ron Land
Board Member
Member of the Committee

Lloyd O'Brien
Past General Manager
Member of the Committee

Representatives from the Board's Internal Audit function and relevant managers attend meetings of the committee, whose function is to review and guide the internal audit process. During 2000/2001, the Audit Committee reviewed reports from the Board's Internal Auditor on the following systems:-

- claims and related systems including miners' group certificates
- health services
- dust and noise monitoring
- fixed assets
- investments
- property
- tax compliance review including GST
- welfare grants
- health and safety trust
- funeral benefits trust
- coal miners' pension fund
- risk and control self assessment

- corruption/fraud prevention
- audit committee preparations
- audit planning and liaison
- external audit recommendations

The committee also meets periodically with delegates from the Australian National Audit Office to coordinate the total audit function and to receive any reports from them relating to internal control. The Board's financial statements are reviewed by a separate committee.

Occupational Health and Safety Committee

The Joint Coal Board Occupational Health and Safety Committee comprises a representative from each Board office and a management representative. The purpose of the committee is to help to identify, report on and monitor issues relating to the occupational health and safety of the Board's staff.

Four Committee meetings were held throughout the year – one each at the offices in Lithgow, Warners Bay, Singleton and Sydney.

Hunter Valley Coal Chain Council

The Joint Coal Board chairs the Hunter Valley Coal Chain Council and provides its Secretariat. The Council met quarterly to discuss issues and resolve problems arising across the coal chain in the Hunter Valley. Meetings were held at Joint Coal Board, Warners Bay; Department of Mineral Resources, Gateshead; Newcastle Port Corporation, Newcastle & CFMEU offices, Cessnock.

Membership of the Council is drawn from organisations including PWCS, Newcastle Trades Hall Council, FreightCorp, CFMEU, Department of Mineral Resources, Department of Industrial Relations (State), the Newcastle Port Corporation and the Maritime Union of Australia. The Council's wide representation from organisations

across the coal chain helps to identify potential problems before they arise, and provides a forum for addressing issues of concern to the members.

Freedom of Information

The Board's statement for the purposes of the Freedom of Information Act 1982 appears in accordance with Section 8 of the Act as follows:

FOI Procedures and Initial Contact Points

All enquiries for access to documents under FOI should be made to the Human Resources Officer, Joint Coal Board, 44 Market Street, Sydney, Telephone (02) 9291 5666. Board publications may be obtained and inspected at this address.

Arrangements for Outside Participation

As the Board is set up under essentially identical Acts of the New South Wales and Commonwealth Parliaments, the right of the New South Wales Government to participate in the Board is the same as that of the Commonwealth Government. There is no other formal arrangement for outside participation.

Categories of Documents

Publications produced by the Board are listed elsewhere in this report. The Board maintains files containing documents relating to its functions and responsibilities and to its internal administration. Documents include personnel records, reports, minutes, correspondence and accounting records. Other categories of documents held are medical data on coalmine workers, accident statistics, Board Orders and Alnewcol Circulars.

The Board's business records, accounting records, statistical data and accident data are accessible by computer. No requests for information under FOI were made in 2000/2001 for information held by the Board.

Statistical Publications

New South Wales Coal Statistics

Annual publication containing comprehensive statistical information on production, employment, productivity, exports and domestic consumption of New South Wales coal.

Australian Black Coal Statistics

Annual publication produced in co-operation with the Department of Mines & Energy, Queensland. Contains a wide range of industry statistics for the 2000 calendar year, resource data and producers directory

Lost-Time Injuries and Fatalities, New South Wales Coal Mines

Annual publication containing lost-time injury and fatality statistics for NSW coal mines.

Injury and Disease Claims, New South Wales Coal Mines

Annual publication containing injury and disease claim data for NSW coal mines.

Australian Longwall Quarterly Report

Production, productivity and equipment information on an individual mine basis to assist the underground longwall industry to gauge performance. 4 issues – March, June, September and December quarters plus a copy of:-

Australia's Longwalls

Annual publication co-produced with Australia's Mining Monthly – comprehensive profiles on longwall mines, new projects and a statistical review of the calendar year.

Visit the JCB Website at www.jcb.org.au for a complete list of publications, price list and order forms.

Location of Offices

SYDNEY

Joint Coal Board

21/44 Market St Sydney NSW
GPO Box 3842 Sydney NSW 1042
Tel: (02) 9291 5666
Fax: (02) 9262 6090
Email: admin@jcb.org.au

Coal Mines Insurance

21/44 Market St Sydney NSW
GPO Box 5319 Sydney NSW 1008
Tel: (02) 9291 5600
Fax: (02) 9262 6090
Email: sparsis@jcb.org.au

CORRIMAL

JCB Health

Princes Hwy Corrimal NSW
PO Box 42 Corrimal NSW 2518
Tel: (02) 4222 9000
Fax: (02) 4285 4144
Email: bond@corrimal.jcb.org.au

Coal Mines Insurance

Princes Highway Corrimal NSW
PO Box 212 Corrimal NSW 2518
Tel: (02) 4222 9030
Fax: (02) 4283 7163
Email: hardas@corrimal.jcb.org.au

WARNERS BAY

JCB Health

472 The Esplanade Warners Bay NSW
PO Box 516 Warners Bay NSW 2282
Tel: (02) 4948 3100
Fax: (02) 4948 9198
Email: oneill@warner.jcb.org.au

Coal Mines Insurance

472 The Esplanade Warners Bay NSW
PO Box 276 Warners Bay NSW 2282
Tel: (02) 4948 3150
Fax: (02) 4948 6158
Email: meenaghan@warner.jcb.org.au
Email: evans@warner.jcb.org.au

SINGLETON

JCB Health

1 Civic Ave Singleton NSW
PO Box 317 Singleton NSW 2330
Tel: (02) 6570 3800
Fax: (02) 6572 2667
Email: thomas@single.jcb.org.au

Coal Mines Insurance

1 Civic Ave Singleton NSW
PO Box 566 Singleton NSW 2330
Tel: (02) 6570 3830
Fax: (02) 6571 1258
Email: bezzina@single.jcb.org.au

LITHGOW

JCB Health

52 Eskbank St Lithgow NSW
PO Box 72 Lithgow NSW 2790
Tel: (02) 6351 2331
Fax: (02) 6352 3170
Email: keller@jcb.org.au

CONTACT OFFICER

Kay Jones
Manager Finance and Administration
Sydney Office
GPO Box 3842 Sydney NSW 1042
Tel: (02) 9291 5666
Fax: (02) 9262 6090
Email: kayj@jcb.org.au



