

WHAT THE KIANGA INQUIRY RECOMMENDED

The full text of the Kianga inquiry's recommendations was as follows:

(1) An autonomous Safety in Mines Research Organisation be established urgently in Queensland to examine, among other items:-

- (a) Spontaneous combustion and the determination of proneness of the various coals;
- (b) Effective ventilation systems in pillar extraction in seams liable to spontaneous combustion;
- (c) Rapid means of effective sealing;
- (d) Early warning systems of detection of heating to include portable gas analysis instruments. Ideally, this proposal should ultimately lead to a National Safety in Mines Research Establishment.

The Organisation should be designed to disseminate information in the form of safety circulars to enable better and more up-to-date information to be made available as appropriate to the various facets of the mining industry. The Fire Fighting Techniques in various underground mining conditions be established.

EDUCATION

(2) (a) There is a basic need for all members of the coal mining industry in Queensland to improve their knowledge with regard to the fundamentals of spontaneous combustion and the underground mining problems associated therewith. A lack of appreciation of these fundamentals obviously contributed to the disaster at Kianga.

(b) That a publication be assembled urgently and distributed to all members of the industry by the Mines Department explaining the hazards and giving guidelines for handling of underground fires and heatings. Queensland Colliery Owners Association and the Queensland Combined Mining Unions should assist in this task.

(c) That Rescue Station Superintendents be trained to become expert in dealing with mine fires and to be available for consultation with mine managements.

(d) That Mines Department District Inspectors be trained to become expert in dealing with mine fires and to travel immediately to any mine where a heating or fire has been reported. The inspector should be available for consultation but decisions should still be the prerogative of management.

(e) That a mobile training centre be established and transported to each mining field in Queensland in turn. The mobile training centre to instruct all mining supervisors of the latest techniques in detection and control of mine fires and heating. This should become a permanent feature and refresher courses incorporating changing techniques should be constructed.

(f) In addition to the training of rescue and salvage operations, there appears to be a need for higher management to be



Miners Federation general president Evan Phillips and general secretary Bill Smale at a conference in Sydney with lawyers in early November in preparation for the inquiry.

PROBING THE DISASTER

Recommendations under a series of headings were made in the report of the Warden's Inquiry into the disaster on September 20 last at Thiess Peabody Mitsui's Kianga No. 1 underground mine, in Central Queensland.

The lives of all 13 mineworkers who were underground at the time were lost in the explosion in the mine on that afternoon.

The inquiry, which was held at Rockhampton in November, was conducted by the Mining Warden (Mr. E. N. Loane, SM), together with a panel of four men selected as experts.

The four on the panel were:

Mr. ROY BULLOCK, who is vice-president of the Queensland Colliery Employees Union and who is a deputy at the Collinsville mine (where he is miners branch secretary).

Mr. J. CARTHEW, superintendent of collieries, Queensland Coal Mining Co Ltd (a subsidiary of BHP).

Mr. R. MARSHALL, chief mining engineer, underground, Utah Development Co.

Dr. D. ROWLANDS, senior lecturer in mining, University of Queensland.

Lawyers engaged in the inquiry included Mr. J. Crowley (instructed by Messrs Palmer & Williams) for the Queensland Colliery Employees Union and for the next-of-kin of the Kianga victims.

The miners' general secretary (Mr. W. Smale), Queensland president (Mr. C. Murphy) and a Queensland check inspector (Mr. R. Murphy) attended the whole of the inquiry, and the general president (Mr. Evan Phillips) was there for the opening days.

The inquiry's findings, report and recommendations were delivered on December 15. They were signed by the four members of the panel, with Mr. Loane giving his agreement with the findings and his concurrence with the recommendations.

The inquiry's recommendations are published here in full.



The Warden (Mr. Loane SM) with the members of the panel before the start of the inquiry. Mr. Roy Bullock (Queensland miners' vice-president) is on the left.

involved in supervising simulated disaster situations. Emergency action charts should be developed, not only to alert all the necessary personnel and emergency organisations but extended to include self checking lists of standard requirements and operations.

(g) All parties - i.e., inspectors, managers, and workmen - be made more aware of the dangers of interrupting pillar extraction once started, particularly where spontaneous combustion is likely underground.

LEGISLATION

(3) (a) That the Queensland and New South Wales Mining Acts be standardised.

(b) The Queensland Coal Mining Act be amended to provide for (i) stone dust/water barriers on roadways where it is difficult to maintain compliance with stone dust regulations, and (ii) the provision at the surface of each mine of a barograph.

(c) District returns in seams liable to spontaneous combustion should be continuously monitored for carbon monoxide or sampled at least daily prior to and during pillar extraction. Weekly measurements of air quality and quantity should be made to establish the volumes of methane and carbon monoxide emitted, as well as the CO/O₂ deficiency ratio for each underground district.

(d) Provision be made, in mines liable to spontaneous combustion, at the entrance to every pillar section for preparatory seals prior to the commencement of pillar extraction. The preparations to be approved by District Mines Inspector. The seals need not necessarily be explosion proof; but should be capable of rapid erection.

(e) The Queensland Mining Act should be amended to provide for persons with authority superior to a manager. These persons should be qualified managers under the Act and should bear the same statutory liability as a manager in respect to any acts to which he is a party.

PROVISION OF ANALYTICAL FACILITIES

(4) All mines have available at short notice the means of analysing the air samples necessary in dealing with an outbreak of fire below ground. This end may be accomplished by either Queensland Government Mobile Laboratories or laboratories established in each mining locality.

STONE DUSTING

(5) Stone dust supplies should be available at all times on the mine surface and means of loading and transporting it quickly to any portion of the underground workings should be maintained.

In the case of sealing taking place, as

much stone dust as is allowed by time constraints and accessibility should be placed between the sealing sites and the source of the combustion.

The prime consideration in the control of any heating or fire must be the safety of the personnel present.

Stone dusting must be kept up to specifications throughout all coal mines and trickle dusters must be kept working at all times while continuous miners are operating. Recent innovations in roadway-dust-sampling methods should be evaluated with a view to providing rapid and preferably "on the spot" examinations of incombustible content to enable immediate remedial action to be taken.

GENERAL RECOMMENDATIONS

No person should enter an area on the return side of a suspected heating or fire or on the intake side where smoke is present unless he has the instruments and knowledge to ensure his own safety.

That in all working sections underground a plan be made available to the deputy or other official in charge of the section. This plan to be brought up to date daily and to be available to assist the mine surveyor to keep the mine plan accurate and up to date.

That all check inspectors' reports be sent to the district mines inspector.

At all times during efforts to control fires or other combustions underground, whether those efforts be carried out underground or on the surface, all persons should present any documents or other evidence to the officials charged with making decisions.

Where possible, mine surface buildings should be positioned out of the direct path of any underground explosion.

COMMENTS

During the Inquiry, counsel for the mine management foreshadowed a proposal to re-open the Kianga mine. Whilst this issue was not further pursued, we feel it necessary to state that there be no haste in re-opening the mine. Re-opening should follow safety procedures and should be carried out in stages by and with the advice of experts. Such a re-opening is unlikely to modify substantially the causes as assessed by this Inquiry nor to alter substantially the recommendations herein.

Following the recommendations, the Warden (Mr. Loane) added:

"I desire to record my expression of appreciation for the invaluable contribution made to the conduct of this Inquiry by my fellow Bench-members. They have each brought to the Inquiry a wealth of skilled expertise, practical knowledge and experience. They exhibited a keen interest in the evidence and issues of the investigation and discussed intelligently and responsibly their individual appreciation of the evidence as it unfolded. I add that their attitudes at all times were completely impartial.

"The Court Reporting Staff worked zealously and untiringly in recording the evidence and, together with my office staff and the Under-Secretary Department of Mines and his officers, in providing a system of duplication of transcript, are deserving of commendation and my grateful thanks.

"The exercise was veiled in an overtone of sadness for the relatives of the deceased miners and, for my part and on behalf of my fellow members, I extend our sincere sympathy."



Queensland District check inspectors Steve Morgan and Ron Murphy at Kianga after the disaster.

'Concern' about coal marketing prospects

"On the production side, the outlook is set fair, but immediate market prospects are causing concern... The Australian coal industry faces a serious dilemma... It is important that over-supply be avoided..."

These statements are made by the Joint Coal Board in a recent statement surveying the outlook for the Australian coalmining industry.

The statement is one of a series issued by the Joint Coal Board, pending the release of its annual report.

Further material from these statements will be published by *Common Cause* in later issues.

Increased capacity

The Joint Coal Board's statement on the outlook for the industry was as follows:

The New South Wales coal industry spent a record \$66,922,000 on mine development, plant and equipment during 1974-75. The capacity of many existing mines was increased. The development of a number of large new mines is proceeding.

The industry has advised the Board that it anticipates spending a further \$125,000,000 during 1975-76, primarily at existing mines or at mines currently being developed. These greatly increased levels of expenditure include the costs of larger exploration programmes.

PRODUCTION, MARKETS

On the production side, the outlook is set fair, but immediate market prospects are causing concern.

The world steel outlook is discouraging and the overseas demand for coking coal is far from certain. The export market for steaming coal is no longer buoyant. For the time being there seems to be poor growth prospects in the export field.

Furthermore, growth in local markets for coal cannot be expected until the economy picks up.

SALES IN AUSTRALIA

Future growth will be retarded by the deferment of plans to expand capacity in a number of industries.

An overall market of between 36 and 37 million tonnes for New South Wales coal is expected in 1975-76, little change from the actual market of 35.8 million tonnes in 1974-75.

With oil prices still rising, there are important opportunities to increase sales of coal to Australian industry.

These should be avoided to the greatest possible extent.

A successful campaign in this area would serve the national interest and also be to the advantage of producers by diversifying markets.

The Board offers a technical service to consumers interested in using coal as a source of energy or as a raw material.

There is good reason in the present circumstances to proceed with programmes aimed at making existing mines, transport, and loading facilities more efficient. But the timing of additions to installed production capacity and the scale on which such additions become operational require careful and selective consideration.

The long-term requirements of the market for more coal needs to be given due weight, particularly in view of the long lead-times involved in developing new mines. However, the maintenance of long-term stability of the industry must be a constant aim of policy.

JAPANESE MARKET

The Japanese steel industry early in 1975-76 advised the Australian Government of an intention to purchase the maximum quantity of coking coal from Australia, on condition that such coal is competitive and of acceptable quality.

The mills indicated a broad requirement of some 44-49 million tonnes of Australian coal by 1980. This would represent an additional 20-25 million tonnes per annum over and above actual shipments to the mills in 1974-75.

At the same time, it was indicated that any requirements by power stations, cement works, etc. would be a separate matter.

These requirements imply a rapid and large-scale expansion of the Japanese steel industry.

The current depressed state of the world steel market, which resulted in the Japanese industry operating below capacity throughout 1975, does not encourage expectations of a swift recovery and of expansion by 1980 to the level of activity implied by the estimates.

DILEMMA

The Australian coal industry faces a serious dilemma.

If it is to supply the additional quantities indicated, then the capacity of the industry must be further increased. Equipment will need to be purchased and installed and employees trained. Contracts will

need to be arranged to justify the large-scale investment involved in such an expansion.

However, the industry's productive capacity should not be expanded to become unduly large in relation to continuing export demand.

It is important that actual output be not set at levels which cannot be maintained without the accumulation of excessive colliery stockpiles as has been the case in the past.

These basic aims raise difficult issues of industry management. It is important that over-supply be avoided and that existing mines continue to play a viable role in supplying the export market.

Australian coal resources should be developed in a manner which avoids over-supply on world markets. Such a situation would lead to depressed prices and inadequate benefits for Australia.

The supervision of export contracts by the Australian Department of Minerals and Energy has been of critical importance in ensuring that our exports are sold at prevailing world prices.

Federation warnings

The Joint Coal Board's sombre statements reinforce Miners Federation statements last year foreshadowing the possibility of a decline in the boom.

The report of the general president (Mr. Evan Phillips) to the annual Council meeting in February last year warned of the need to take into account changing international and national economies and also the outside factors, including cutbacks in various industries, which could exert an impact on coalmining.

"While mining may weather a storm to a better degree than previously," the report said, "this does not mean that it has the capacity to avoid all its consequences."

Later last year, the general president's report to the October meeting of the Central Council said that monopoly groups' eagerness for the quick quid could lead to overproduction.

The report went on: "Even a levelling off of demand could mean saturation of the market, particularly with lesser grade coal. This could return the industry to the buyers' price wars of the past and, in its train, unemployment..."

"We must not be caught up with the propaganda of those people who want to do grand things for the industry. Their goal is more millions for themselves."

"We need to develop counter-pressure for more controls, not less; for greater planned direction of the industry; for conservation of reserves and balanced extraction as opposed to rip, tear and drag; and for greater utilisation of coal for beneficial purposes."

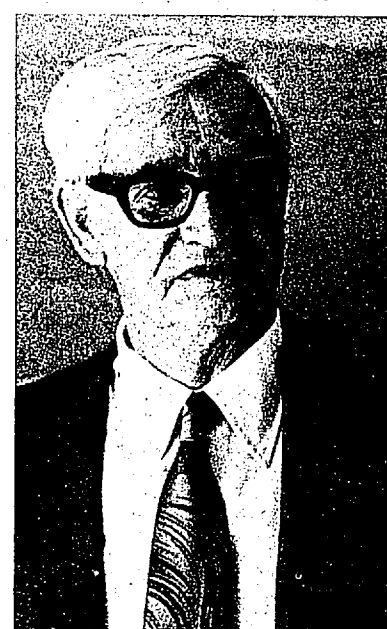
The February and October reports, which were endorsed by the Central Council, emphasised the Federation's policies for nationalisation and for coal-mining to be operated as a public utility.

KIANGA DONATION

MIM Holdings and Wood Hall - who are now combining their Collinsville and Scottville coal interests, in the north of Queensland's Bowen Basin - made a \$20,000 donation to the fund for the families of victims of the Kianga explosion.

SOME OF THE VETERANS

These are some of the veterans who were at the retired mineworkers Christmas parties at Lithgow (NSW Western District) and Oakdale (Burrumbidgee Valley) last month.



Perce Bromfield and his wife Alice, who are pictured above, were married 49 years ago this February. They have 11 children, 31 great grandchildren and one great-grandchild.

Jock King (pictured) is one of the veterans of the Miners Federation whose name is known throughout the industry.

After two years as vice-president of the Federation in the NSW Western District, he became District Secretary, and he held that position for 23 years until he retired in 1969.

He was a communist alderman in Lithgow for ten and a half years. He started in the industry in 1923 in Scotland. He came to Australia in 1925 and worked at Oakley Park, Ivanhoe and Steelworks mines.

And how is he going these days? "Good, extra good."



Retired mineworkers NSW State president Bill Gardner and Western District president Arnie Glew at the Lithgow party.



Because of his union loyalty and activity, he was victimised again and again. But he kept on battling.

From Wonthaggi, he went to mines in New Zealand for a time. Then back to Wonthaggi, then to Coal Cliff on the NSW South Coast - and there, involvement in the 1917 strike.

After that, he went to Broken Hill: "I couldn't get a job in the coal industry."

In 1918, he went to Kurri Kurri, in NSW's Northern District, where he worked at Richmond Main, and he was lodge treasurer there for many years.

He went through the bitter Northern District lockout of 1929-30 and then the depression: "I was on the dole for seven years."

After that, he got a job at Old Bulli, on the NSW South Coast, in 1937, and he was lodge president there when he retired in 1951.

He has been president of the Retired Mineworkers' Thirroul branch for the last 20 years, "and still going strong."

He suffered a sad bereavement when, after 62 years of marriage, his wife died recently.



Jim Seamer (pictured) has a seniority in the mining industry which could be challenged by few (in fact, there are none who could do so): he started in the industry in 1910, at Wonthaggi, in Victoria.

Because of his union loyalty and activity, he was victimised again and again. But he kept on battling.

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To Jim Seamer, a grand old man, everyone offers condolences, along with their respect and good wishes.

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Year's work gives Nattai Bulli its annual big day

A year's efforts by a devoted group, backed by the support of all the miners at the mine, culminated in the annual Nattai Bulli Christmas party-picnic on the outskirts of Camden last month, on the last Saturday before the industry's Christmas-New Year break.

Nattai Bulli is one of the Clutha mines in the NSW Burrigorang Valley. The miners lodge there has about 130 members.

It has a social committee which consists of the miners lodge executive — Rod Powell (president), Les Ohlsen (secretary-treasurer), Garry Marden (vice-president), John Trace (check inspector) and three assistant secretaries, Bill Lygoe, Paul Dodd and Barry Warren — plus three or four representatives from each shift.

The organisation of the Christmas party is part of that committee's responsibilities.

"It's this committee which deserves the credit; without such an active committee, it couldn't be done," says Les Ohlsen.

For the youngsters

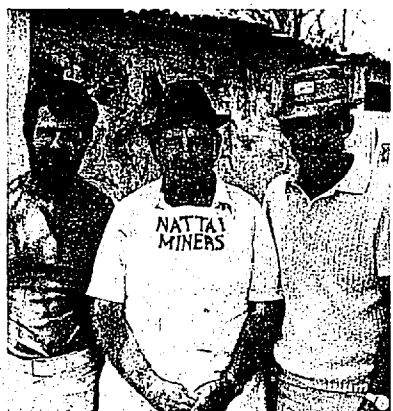
The annual party, held in the open air in part of the St. Gregory's College grounds, has a special emphasis on things for the youngsters in the miners' families.

There were all the things that go in such quantities down young throats: soft drinks, ice creams, ice blocks, fruit and the rest.

There was Joe Van Der Molen again, with his improvised train



Alan Austin won the men's sprint so far ahead of the rest of the field that no one else got into the picture of the finish.



Paul Dodd, Bill Lygoe and Barry Warren.

These are the assistant secretaries — one from each shift — of the miners lodge at Nattai Bulli, assisting lodge secretary Les Ohlsen, president Rod Powell and the executive generally. Bill Lygoe is on day shift, Paul Dodd is on afternoon shift, and Barry Warren is on dog watch.

RESCUE CORPS MEN & LEAVE LOADING

Under a Coal Industry Tribunal order last month, stand-by allowances payable to permanent mines rescue corps members are included as part of the ordinary rates for the purpose of calculating the annual-leave loading of 17½ per cent.

The Tribunal order was made on December 19, to remain in force for a year or until further order.

which took successive loads of children on a constant circuit of the ground.

There were races, with prizes for all starters.

And, as the day neared its end, Father Christmas arrived, with an individually-addressed present for every child up to the age of 12. (Altogether, there were 180 of these presents, with an average value of around \$4-\$5 each, the value of the presents selected being scaled upwards according to the age of the persons who were to get them.)

Not that the elders were neglected, by any means. They, too, were amply catered for.

Raising the money

The annual party is financed in various ways.

For instance, Nattai Bulli miners contribute 65 cents a week for purposes which include the social fund, as well as other things.

Then there is a weekly competition. Those who work on this in various ways include Les Ohlsen and his wife Lou and daughter Bernadette, Wally Taylor and his wife, Jim Hickson, Bill Lygoe, Ken Barrass and others.

There also are other forms of money-raising, and the company makes certain contributions.

Getting it all done

On the day itself, teams of workers are hard at it, looking after all the various things that have to be done.

George Tasker (after having had a tooth out that morning) and his group of volunteer cooks worked constantly, preparing the steaks — so tender that plastic knives sliced through them as if they were scrambled eggs — sausages, salads and other food, of which there seemed to be an unending supply.

Bill Lygoe, his wife Audrey, Bernadette Ohlsen — a 15-year-old who obviously enjoys helping other people to enjoy themselves — and others were looking after the soft drinks, ice cream and other such things, which were in high demand; Joe Wilson was in charge of the bar (business was steady there, too); Frank Farmer was in charge of the public address; John Falk and others organised the races, and Les Osborne was in charge of the presents.

Others, too, helped in a variety of ways.

Guests at this year's party included Miners Federation central executive members Evan Phillips and Bill Snaile, and Southern District officials Rex McGrath, Bob Shadlow, Fred Moore and Tom Hamilton, and also the mine's manager Neville Wells, who was formerly a Federation member on the NSW South Coast.

There were also retired mineworkers, including the president (Mr. George Parrington) and secretary (Mr. Alf Cox) of the Burrigorang Valley-Camden Retired Mineworkers Association.

The guests joined in appreciation for all the work that had been done towards making the day a success, and in good wishes for the future.

At Nattai Bulli's picnic



Lunchtime: Women and children first, but there were lashings to eat for everyone.



Four-year-olds Leah and Nicole Robinson. Their parents are Wendy and John Robinson.



Bernadette Ohlsen and Mrs Audrey Lygoe at the soft drinks stall. The camera must have wobbled: Bill Lygoe just made it into the picture on the left.



George Tasker (foreground) and Ken Doosey were part of the team which did such a good job as cooks.



Joe Wilson, in charge of the bar, was another who was kept busy.



There were some difficulties in getting the field into line and set to go in the under-three race. It didn't matter; there was a prize for them all.

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Our coal as stake for biggest-ever merger

Some of Australia's richest coal deposits are being used as a chip in a \$US1904 million share-exchange horse-trading deal in USA which is aimed at creating the biggest merger in US history.

The companies concerned are two massive multinationals.

One of the two is the enormous General Electric (GE). The other is the Utah International Inc., which gets towards 90 per cent of its international revenues from Queensland coal and (to a lesser extent) WA iron ore.

Utah International's other interests include minerals in USA, South America, Canada and New Zealand.

The proposed merger would give GE a direct pipeline to coal, copper and other raw materials mined by Utah. It would, on the other hand, hook Utah into power development, manufacturing and other GE activities.

GE is second only to Westinghouse as a US constructor and operator of nuclear power stations.

One kite being flown in the eddies of speculation is that a Utah-GE combination could move into coal processing in Australia, including liquefaction and gasification, and into the enrichment of uranium here.

The proposed merger is on ice for the present, because of an investigation of it by the anti-trust division of the US Justice Department. The investigation may take some months.

Profits

At the same time as the proposed merger scheme was announced last month, Utah International disclosed that in 1974-75 it had sales of \$US683 million and profits of \$US139 million (before an extraordinary charge of \$US24 million), compared with \$US96 million in the previous year.

Utah International's mining subsidiary in Australia is Utah Development Co (UDC) which, just before Christmas, announced a 1974-75 year's net profit of \$100,958,185.

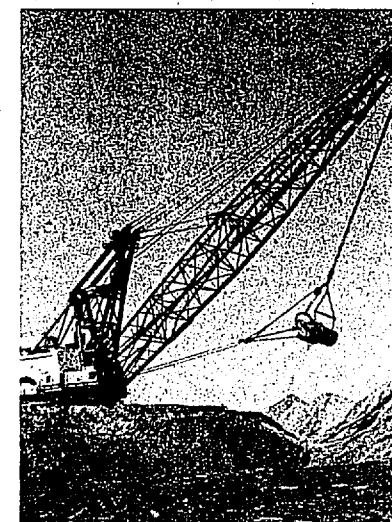
UDC's \$100 million was made in spite of the introduction of the export levy of \$6 a tonne and in spite of the sharp industrial dispute and the lockout imposed by Utah at its Goonyella, Peak Downs and Saraji open-cut coal-mines in Queensland.

Sprung on Govt.

Utah International and General Electric kept their negotiations quiet until they saw which way the cat skedaddled in Australia's Dec. 13 elections. Then, with a Liberal-NCP Government in office, they announced their scheme, without bothering to consult the Fraser Government beforehand.

A little nettled, Deputy Prime Minister Anthony screwed up the nerve to issue a statement saying that Australian equity (10.8 per cent) in Utah Development is "disappointingly low"; that the Government "would expect a significantly increased Australian equity shareholding," and that the merger move "will be subject to screening under the provisions of the foreign takeovers legislation" — though it is not likely that the prospect of a screening by this Government caused GE or Utah to quake or blanch.

Despite Mr Anthony's mutterings, the *Financial Review* said that the merger would make it



In Saraji open cut

more difficult to increase Australian equity in Utah Development.

'Complete insensitivity'

In the *Financial Review* also, an article by John Byrne accused Utah International of having shown "political naivety and complete insensitivity to the prevailing mood."

Going on to point to the foreign character of the control of Utah Development, he wrote: "Utah Development is directed from San Francisco. It does not have an Australian board of directors and its chief executive in Australia is a US citizen."

"After 10 years, one could have expected Utah Development to have more than the day-to-day running of the business controlled by Australians."

"And it is hard to see any changes in this regard for some time if Utah is absorbed into the General Electric group."

This situation of ownership and control from afar was something which Mr Rex Connor, as Labor's Minister for Minerals & Energy, wanted to rectify. That was one reason why the multinationals were gleeful when Mr Connor went from the Ministry and then when the whole Labor Government went out.

Concern

The whole General Electric-Utah business is cause for sharp concern for Australia, and not least for mineworkers.

Australian mineral wealth is being used for billion-dollar wheeling-and-dealing in a foreign country, thousands of miles away across the Pacific Ocean, by avaricious interests whose concern is only with their own maximum profitmaking.

In the boardrooms and executive suites of GE and Utah International, there would be not a vestige of genuine interest in Australians' welfare or in anything else Australian other than what is directly or indirectly related to the companies' position and their galloping pursuit of profit.

For whose benefit?

The obnoxious elements of Utah control are smeared over by those who are mesmerised by Utah influence.

In Queensland, the Bjelke-Petersen Government has virtually allowed Utah to write its own tickets and terms, with the Government signing where Utah has put the dotted lines.

Premier Bjelke-Petersen has acted as a leader of a cheer squad for Utah, making it sound as if

Utah is in business selflessly and just for Queensland's benefit.

In fact, whatever benefits may have come to Queensland from the Utah operations have been an incidental result and not a primary Utah purpose.

The negative aspects, on the other hand, are fundamental to the nature of the Utah operation, shaped as it is by policies drawn up in remote offices on the other side of the world and moulded to suit the interests of Utah International Inc and those who are behind it.

Those who acclaim "foreign investment" overlook the real point; that is, that foreign investment is made so that, over the years, much more will be drained out of Australia, in profit, than was ever brought in.

In that aim, Utah's ambitions are limitless.

Union-bashing

Utah also sets out to exercise a powerful influence on the style of industrial relationships through-out the coal industry in Australia.

In America, Utah is well-known for union-bashing attitudes. It would like to transplant its ways to Australia too.

During the past year, Utah was one of the hardliners in the coal companies' ranks: during the dispute around the mining unions' log of claims.

Utah was one of the companies which demanded that the employers dig in their heels and take off the gloves. Utah itself, in August, locked-out some 1000 workers at Goonyella, Peak Downs and Saraji.

Utah tried to impose on the whole industry the sort of bare knuckle industrial tactics which it has applied at Utah mines in Queensland and which have, over years, created a constant succession of bitter disputes at those mines.

If it had not been for Utah and the influential few others with it, then the gains which the mining unionists eventually won in the latter part of last year could have been secured much earlier and without such losses through lockouts, etc.

Australians' demand

The adverse aspects of Utah operations in Australia up to now will be multiplied if the Utah mines here are swept into USA's biggest-ever corporation merger and are used as a major part of the Utah dowry in a General Electric-Utah marriage of convenience.

Australians can't do much to stop what Utah and GE may do in USA.

But Australians should be vocal and emphatic in demanding that Government policies in Australia be directed to ensure that the development and use of Australian minerals be determined in Australia by Australians and not by alien multinationals.

RECORD QLD OUTPUT

Queensland mineral production last year reached a record value of \$725 million, according to a January 11 broadcast by Queensland Mines Minister Camm.

WHAT UTAH'S UP TO HERE

Utah Development Co. (UDC) is owned 89.2 per cent by Utah International Inc. of USA, and 10.8 per cent by Utah Mining Australia.

UDC wholly owns the Blackwater open-cut coalmine in Queensland and has a one-third interest in Mt. Goldsworthy iron ore in WA.

UDC has an 85 per cent interest in Central Queensland Coal Associates (the other 15 per cent is held by Mitsubishi of Japan), which owns the Goonyella, Peak Downs and Saraji open-cut coal-mines and the Norwich Park project in Queensland.

UDC accounts for about 40 per cent of Australia's export of coking coal. It is by far the biggest single coal producer and coal exporter in Australia.

Coal shipments for 1974-75 from

UDC and UDC-Mitsubishi mines were 13,241,000 tonnes (Blackwater 3,134,000 tonnes, Goonyella 3,210,000, Peak Downs 4,117,000, Saraji 2,780,000).

UDC's disclosed net profit for 1974-75 was a colossal \$100,958,185 million, compared with \$48,750,097 in the previous year. UDC's 1974-75 figure was exceeded in that year only by BHP (\$109 million).

Total UDC employment in Australia is something over 2000. Even putting the figure at 2500, it means that UDC in 1974-75 made net profit at the average rate of \$40,000 in the year from every single employee.

On UDC's pre-tax profit (\$178.6 million), the average rate of profit was over \$70,000 in the year from every single employee.

Even Utah's crumbs run into millions

Things have been stirring, too, on the Utah front in Goldfields House in Sydney, where Utah Mining Australia Ltd (UMAL) has its head office, and UMAL shareholders are to get a handout of 20 million free UMAL shares.

UMAL is an odd company. It was set up in 1970 for the sole purpose of getting, for interests in Australia, some thin slice of the ownership of Utah Development Co., which up till then had been wholly owned by Utah International of USA.

UMAL's share in 1970 of the ownership of Utah Development was a mere 10 per cent, leaving 90 per cent in the hands of Utah International. UMAL's portion has since been inched up to 10.8 per cent.

UMAL itself operates nothing and produces nothing. It just holds those shares and whacks up the dividends that come from them.

But, though it does nothing productive, UMAL is doing very well out of it.

In the latest year (1974-75), UMAL's holding in Utah Development brought dividends which allowed UMAL to declare a net profit of over \$8.1 million. There was a cash pay-out of 30 cents on every one of the ten million UMAL shares.

Those ten million shares each have a face value of 50 cents. But, as an demonstration of Stock Exchange regard for Utah profits and prospects, UMAL shares were bought and sold on the Sydney Stock Exchange during 1975 at prices as high as \$10 each, or 20 times their face value.

UMAL shares were quoted on the market at around \$9.50 when 1975 ended.

Highly encouraged, UMAL directors now propose to bestow some added benefit on UMAL shareholders.

The present ten million UMAL shares (face value, 50 cents each) are to be split into 20 million shares at 25 cents each (plus one special \$1 share held by Utah International) and, in addition, shareholders are to be given one free new 25 cent share for every existing share.

That means a handout of 20 million new shares, at no cost at all to gratified shareholders. Nice going — for shareholders.

These proposals are to go to the company's annual general meeting in Sydney on February 25.

It should be a gleeful occasion for shareholders, who get their dividends — and now their free shares too — without having to do any of the yakker that creates the profits.

NEWCOM SCRUTINEER



Gus Ferguson (pictured) has been scrutineer at Newcom, in the NSW Western District, for about a year. He started in the industry at Hermitage in 1947. Then he went to Steelworks for about two years until it closed. Then he was at Nebo, in the Southern District, for about six months, before moving to Newcom.

He plays A grade squash and he used to play Rugby League.



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1975's GRIM MINING TOLL: 24 LIVES LOST

Twenty-four mineworkers in NSW and Queensland were killed by accidents while at work at coalmines during 1975.

This was a grim increase on the number — 11 — of fatalities at mines in 1974.

The 1975 toll included the victims of the Kianga horror, in Central Queensland, on September 20, when the Kianga underground mine blew up.

The 13 whose lives were lost at Kianga were:

RONALD THOMAS LINDBURG, aged 59 years.
CLIFFORD JOHN

STRUDWICK (45).
JOHN RAYMOND TEBBITT (28).

BRUCE DOUGLAS ELLIOTT (30).
MURRAY WILLIAM MARTIN (33).

ERIC LESLIE FLETCHER (52), formerly a member of the miners' Queensland Board of Management.

MICHAEL LENNOX CARIGE (24).
GEORGE SYDNEY WIDT (44), miners branch chairman.

MERVYN JAMES WALKER (22).
LESLIE GORDON WILLIAMS (25).

LESLIE ARTHUR DEETH (33).

KEVIN JOHN WIDDERICK (54).
JAMES CLARENCE FERIS (56).

* * *

Others who lost their lives in mining accidents in 1975 were:

RUSSELL ALLEN LAWS, aged 19 years: Electrocuted at Brimstone No. 2 (NSW Burragorang Valley).

ROSS O'MAY (24): Crushed by a continuous miner when it slid during repairs, at New Hope on Queensland's West Moreton field.

REGINALD HUBERT BARRETT (57): Found dead at the bottom of a chute at Grose

Valley, in the NSW Western District.

ANGELO MARINO (43) and ALEXANDER WAGG (35): Killed by a fall of a "greasyback" stone at Brimstone No. 1, in the Burragorang Valley.

ALAN HALL (43) and ALAN BRYANT (48): Killed when a slab of coal fell at Southern Cross No. 9 (West Moreton, Queensland).

RICHARD MAHER (46): Fatally injured when a loco which he was driving apparently got out of control at Darkes Forest (NSW South Coast).

GORDON HARN (40) and ALAN NAYLOR (30): Killed by a falling rock when driving a mine entrance at Coal Cliff (NSW South Coast).

RONALD MILLER: Killed when a front-end loader rolled over at Goonyella, in Central Queensland.

Other mineworkers tragically lost their lives in accidents going to or from work.

The Red Roll for 1975 is an appalling testament to the hazards of the industry and is a cruel reminder of the need to force the industry to recognise that safety must always be paramount.

A sort of editorial

NOW THAT FRASER'S IN: WHAT'S AHEAD FOR US ALL?

In the word-slanging during the run-up to the Federal election last month, Fraser & Co. set out to persuade the people that they had the answers. Now they've got the job in front of them.

The airy self-assurance which the Liberal-National Country Party coalition wore before the elections has already started to wilt. "Let us not pretend that Australia does not face enormous and difficult economic problems, or that these problems can be solved without hard decisions," Prime Minister Fraser said on January 5 in what the *Sydney Morning Herald* called "his first major speech since his election victory."

The *SMH* said that the Fraser speech was aimed at preparing people "for the cutbacks in welfare schemes he will have to make": that is, the very cutbacks in welfare which Mr Fraser before the election refused to acknowledge as being in his thinking.

Any cuts in welfare would be a callous bid to make the neediest suffer the pains of the economic problems, while such corporations as BHP and Utah (as examples) are helped to notch up net profits that already run above \$100 million a year.

The cultivated myth that Fraser & Co possess some mysterious recipes to cure economic ills in Australia was abandoned immediately the election on December 13 was over.

On December 15, for instance, the *Financial Review* (which is part of the Fairfax media stable) quoted BHP managing director McNeill as saying that "no one should be looking for immediate changes in the economy," and CRA chairman Carnegie was quoted as saying that "the world economy is not picking up very quickly" and "the year does not look likely to be other than one of hesitant recovery."

The following day's *Sydney Morning Herald*, after canvassing executives of major companies, said: "The key to a broadly based recovery continues to be held by a pick-up in the world economy..."

This is no doubt very true. But papers such as the *Sydney Morning Herald* seemed to discover such elementary facts only after election day; reading the papers in the period leading up to the election, anyone could have imagined that only Australia was having problems and that our problems all arose from the Labor Government at Canberra and its policies (plus, of course, from trade union claims).

Now that Labor is out and the Liberal-NCP group is in, those same papers are prepared to acknowledge that Australia's economy does not exist in a vacuum but is powerfully affected by what happens in other countries. The explanations given by the Labor Government which were scoffed at so derisively are now being paraded in defence of the Fraser Government.

Apart from his notions of peeling important layers from welfare services, Mr

Fraser also hankers for some union-bashing.

Mr Fraser himself has never even been an employee, far less a trade unionist. His concepts of trade unionism and his attitudes to it have grown in the rarefied atmosphere of Liberal Party discussions and the talk and scheming that goes on in the plush Tory clubs of Melbourne and elsewhere.

He hankers for some new forms of anti-strike penal laws. He seems to have learnt nothing from 1969, when Australian trade unionists' concerted and massive actions, at the time of the O'Shea case, threw the penal clauses of earlier Liberal-Country Party Governments right down the rubbish chute. Any attempt now by Mr Fraser to retrieve penal clauses would invite a similar trade union upsurge.

Mr Fraser shows his ignorance of Australian trade unionism also by his advocacy of introduction of secret ballots in union elections.

The fact is major unions have for years been electing their officials by secret ballots. The Miners Federation is one of the unions whose ballots are by secret voting. Miners' ballots gain the maximum involvement by taking the votes at the pit-tops and are thoroughly proof against any possible fiddling.

Trade unions will not allow the Fraser Government to gnaw away their existing independent rights to act in the interests of their members against the big exploiting employers who see the Liberal Party as their political wing.

The size of the Liberal-NCP majority in the House of Representatives may encourage Mr Fraser and his Liberal-National Country Party satellite Ministers to think that they can climb to new levels of conceit and arrogance.

They would have no justification for doing so.

The size of the Government's majority in the House grossly exaggerates the size of its vote in the elections. Despite the ferocity of the campaign against Labor, 43 per cent of the voters still voted for Labor.

Distortions in electorates is a factor in the Government's majority in the House. Its 57 per cent of the vote gave the Government 72 per cent of the seats, whereas Labor's 43 per cent of the votes gave it only 28 per cent of the seats.

No wonder the Liberal-NCP in the Senate blocked the Labor Government's attempt to bring electorates into a more equitable balance with each other.

The pious concern of the Liberal-NCP coalition for purity of elections in trade unions is shown up all the more obviously as a sham in the light of the Liberal-NCP's cherished gerrymanders, in their own favor, in Parliamentary elections.

In the coal industry, the Fraser-Anthony Government faces an early test, with the prospect of what the *National Times* last month called "a significant fall in export demand for Australian coal."

The record of past Liberal-Country Party Governments gives no cause for optimism about the present Government's capacity to handle such a situation satisfactorily.

Cold figures say that Japan's stockpiles of coking coal are between 7 and 7½ million tonnes, close to the total stockpile capacity of 8 to 8½ million tonnes.

With Japan's steel production in 1975 possibly having dropped below 100 million tonnes for the first time in four years, Japan may seek cutbacks of up to 25 per cent in deliveries of Australian coking coal and possibly price cuts.

Sombre recent statements by the Joint Coal Board "...the overseas demand for coking coal is far from certain," "the export market for steaming coal is no longer buoyant," "the Australian coal industry faces a serious dilemma," and so on) add emphasis to the looming problems.

The Fraser Government's approach to this question will call for the closest scrutiny by mineworkers and others.

The Fraser Government has one advantage, though it's not of its own making. This is the existence now of the system of export controls which Mr Connor introduced, as Labor Minister for Minerals & Energy. This system gives the Government the opportunities and authority for an informed supervision of the coal-export situation and of the development of mines for export.

The establishment of this system by Mr Connor was a sharp and positive break from the scene under Liberal-Country Party Governments which seemed to be content to know only what the companies cared to tell them and to nod their heads to whatever the companies wanted.

It is to be hoped that those in the Liberal and Country Parties who made such a fuss when Mr Connor introduced the controls, in early 1973, have grown up and seen some sense in the meantime.

An acknowledgement of the importance of the system is contained in the recent Joint Coal Board statement, which says: "The supervision of export contracts by the Australian Department of Minerals & Energy has been of critical importance in ensuring that our exports are sold at prevailing world prices."

Any failure by the Fraser Government to recognise this would sharply aggravate the problems which are now on the industry's horizon.

It can be said that, in some respects, the Labor Government contributed to its own defeat.

The aloofness of some of its Ministers towards the trade unions and their needs; Mr Whitlam's public humiliation of

prominent Ministers (including Rex Connor, Dr. Cairns, and Clyde Cameron); the Government's failure to react positively and challengingly on some issues (for instance, it allowed the loans affair to become focussed on oddities instead of on the positive purposes for which the money was required, such as retrieving Australian resources from the multinationals)... these and some other things gave the media ripe opportunities to set out to ridicule the Labor Government.

At the same time, the Government was denied its due credit for a number of overdue social and other innovations. Instead, the Government was put on the defensive over them — even though some of the initiatives concerned did no more than bring Australia into line with what various other countries had done years ago.

For instance, many people were led to imagine that Medibank has sinister undertones, and that its opponents were nobly upholding some cherished public rights.

Propaganda along those lines caused delays in the introduction of Medibank, allowed the Lewis Government in NSW and the Bjelke-Petersen Government in Queensland to escape responsibility for their costly antics against it, and created wide public confusion, at the expense of the Labor Government's credit.

The Whitlam Government came to office in December 1972 with a 23-year lag in social and other programs, as a legacy of the Liberal-Country Party Governments.

The Labor Government did much towards overhauling this.

In industrial affairs, some of the Government's initiatives in the period in which Mr Cameron was Minister for Labor were a refreshing and commendable change.

In other fields, the Whitlam Government ended Australian involvement in the Vietnam war, ended conscription, recognised People's China (after Liberal Governments had tried for 23 years to pretend it didn't officially exist, in the hope that it might sink or go away) and at least did something to loosen the knots by which previous Governments had lashed us to USA's courses.

These things are a matter of history. Our concern now is for the present and the future.

The forces of the Establishment were able in 1972-75 to prevent the Labor Government from achieving stability or durability and even from carrying out the program on which the people had twice elected it.

The Establishment was determined to restore to office a Government of its own character, for its own purposes.

In this immediate objective, it has succeeded. The task now for the labor movement is to re-gather its forces and develop its militant progressive capacity.

This will be needed in the months ahead for defence against any attacks which may come from the Fraser Government and for the counter-offensive around the needs of the real people of Australia, including those in the mining industry.

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Valley-Camden veterans celebrate the year's end

A lighthearted spirit of celebration was mixed with expressions of resolve for 1976 when the NSW Burragorang Valley-Camden Retired Mineworkers Association held its annual Christmas party at the Oakdale Workers Club on December 15.

The lively enjoyment was part of the pre-Christmas feeling shared by everyone. The resolve was around the determination of the mining unions, and their retired members, that 1976 should be the year of the pensions, with insistence on drastic improvements in them.

Over 150 people had a grand afternoon at the party. They were warmly appreciative of the efforts of the association and its Women's Auxiliary and also of the help from many quarters towards the afternoon.

The big attendance — men and women — thoroughly enjoyed a fine meal and musical items afterwards, and warmly applauded the various speakers.

Lodges' support

It was symbolic of the practical goodwill of the miners lodges towards the association that, during the afternoon, Bill Lygoe (one of the Nattai Bulli lodge's assistant secretaries) presented a cheque for \$380 to the association.

"We support you to the hilt," said Bill Lygoe.

"All lodges have helped us a lot," said retired mineworkers president George Parrington.

He also had a lot of praise for the association's women's auxiliary, whose leaders include Mrs. Hilda Cox (president), Mrs. Roma Heaver (secretary) and Mrs. Childs (treasurer).

Executive members of the Burragorang Valley-Camden Association, in addition to president George Parrington, are Col Huolohan and Bob Brown (vice-presidents), Alf Cox (secretary) and Ted Smith (treasurer).

The association averages about 44 or 45 at meetings, from a membership of 70.

Guests

Union leaders who were guests at the Christmas party included Messrs. Evan Phillips, Bill Smale, Rex McGrath and Les Ohlsen, from the Miners Federation, and Ralph Sharp (Mining Mechanics).

There also were representatives from the various lodges and from the Retired Mineworkers Associations in other districts, from the Oakdale Workers Club (whose generosity contributed substantially to the success of the function) and from Clutha Development.

Miners Federation general president Evan Phillips told the gathering that the party was a demonstration of how retired mineworkers have been able to keep together and band together.

"You have retired from the industry, but you have not retired from your union, from activity and the things of life," he said.

Federation general secretary Bill Smale said: "This coming year of 1976 is the year for doing something about pensions."

DUTCH LIFT HOLDING OF SHARES IN B.H.P.

A Dutch investment group, Rolinco, has increased its shareholding in BHP by another 150,000 shares, giving it a total now of 1,250,000 shares, valued at over \$8.8 million.

Christmas party



Miners Federation general president Evan Phillips making presentations to Women's Auxiliary members.



The Retired Mineworkers' Women's Auxiliary president, Mrs. Hilda Cox, with some of the hamper items.



During the lunch



Sally and Dave Bowen were among the guests from the South Coast.



Some of those at the party.



Executive members of the NSW Burragorang Valley-Camden Retired Mineworkers Association: President George Parrington, vice-president Col Huolohan, secretary Alf Cox, treasurer Ted Smith, vice-president Bob Brown.

Lockouts' echo in bonus case

The lock-outs by various companies during last year's campaign around the mining unions' log of claims had an echo in Coal Industry Tribunal proceedings last month around the calculation of average bonus at the mines involved in the lockouts.

Average bonus, which is payable on annual leave, is calculated by using "available production days" as a divisor. Therefore, the greater the number of "available production days," then the lower is the average bonus.

The matter came before the Tribunal on a claim by the Miners Federation that the days involved in the lockouts be not included as "days available for production," in other words, that the average bonus not be reduced by inclusion of those days in the calculation.

The lockouts were applied last August by sackings at South Bulli, on the NSW South Coast, and by stand-downs at various other mines in NSW and Queensland.

Employers who imposed the stand-downs did so on the ground that the workers — in upholding the unions' overtime ban — breached an award provision requiring the working of "reasonable overtime." This provision had been included in the award in early August, on the application of the employers and while the unions' overtime ban was already in operation.

Union spokesmen

In last month's Tribunal hearing around the issue of "available production days," the unions' spokesmen were Messrs W. Smale and A. McLagan who, as well as appearing for their own unions (Miners Federation and ETU), also represented the Mining Mechanics, FED&FA and AMWU.

In giving the Tribunal decision, Mr David Duncan said that the facts of the industrial trouble from January to September were well known, and he recalled the background to the inclusion of the award provision for "reasonable overtime" and to the subsequent stand-downs by a number of employers.

Dealing with the arguments by the unions in the current case, he said that Mr Smale had contended that "available production days" were days on which the mine was available for production, and that the days in question were not such days because of the action by the managements.

Mr Smale had been supported in this submission by Mr McLagan.

The union application had been opposed by the employers.

Decision

Mr Duncan said that the discussion leading to the original inclusion of the provision on average bonus related to a normal working situation: "no attention was paid to the type of situation that existed in August..."

He went on to say that, "although the sequence of events establishes that the employees took action which affected production, it is beyond dispute that the decision to discontinue production was a step taken by management."

He said that, "in considering whether or not it was fair and just to find in favor of the applicant unions against the fact that the stand-downs by management were justified," he had taken into account that stand-downs were

applied by some employers and not by others," that the "reasonable overtime" provision was of recent origin as an express award provision; and that the dispute which led to the stand-downs antedated that provision.

His decision was that the stand-down days were not "available production days" for the purposes of calculating the average bonus.

KIANGA REPORT

(Continued from Page 1)

The report also contains the following passage:

"While the Manager and Superintendent were actively involved, the mine organisation underground on the day was wholly inadequate in that—

- (i) No senior officials were left in charge throughout the period;
- (ii) No regular comprehensive sampling at specific sampling points was initiated;
- (iii) No checks were made to see that men did not enter goaf areas without the knowledge of the Deputy in charge;
- (iv) No attempt was made to get as near as possible to the fire site, i.e. Belt heading just out by seven cut-through after Jump and Allison were in the vicinity at about 11.30 a.m.

"Due to these inadequacies, the accelerated progress of the fire was not recognised."

"During the 20th of September, 1975, persons were entering areas of smoke without instruments to determine the toxicity of the atmosphere commencing with the initial inspection by the manager and his deputy."

"No form of organisational structure with a definite line of command was established on the surface during the emergency period."

"This resulted in no comprehensive system of briefing of officials or recording of the information obtained during the sealing operations..."

Stone dusting

Dealing with the question of stone dusting at Kianga No. 1, the report says:

"Although there are samples which indicate the non-compliance of the mine with stone-dusting standards, it seemed to be generally agreed that the manager attached priority to stone-dust application. Nevertheless, this explosion involved the untreated coal dust in the goaf area..."

The Warden, in a conclusion which forms part of the report, expresses appreciation of "the invaluable contribution" made to the conduct of the inquiry by the panel which occupied the Bench with him.

'Constructive'

The Miners Federation general secretary (Mr. Bill Smale), who attended the whole of the hearing in November, and the general president (Mr. Evan Phillips), who was there for the first two days of the hearing, told *Common Cause* that the inquiry had heard the evidence of a wide range of witnesses, and the Warden and the panel had obviously made a thorough study of this.

"As a result," they said, "constructive recommendations have been brought forward."

FEDERATION'S CABLE OVER MINE HORROR IN INDIA

The Miners Federation central executive has cabled its sense of shock at the appalling mine disaster in India last month, in which 372 lives were lost.

A cable signed by Federation general president Evan Phillips and general secretary Bill Smale said:

"Miners Federation of Australia shocked at the tragic loss of so many lives at Chasnala mine.

"We offer our sympathies to the families of the victims and our support to all efforts for greater mining safety in all countries."

According to press reports, the 372 miners were trapped underground on December 27 when water from disused workings flooded into two shafts at Chasnala mine, in Bihar State, about 150 miles north-west of Calcutta.

It was said in some reports that accumulated gas led to an

explosion which caused the mine's walls to buckle, opening a passage for water from an abandoned shaft.

The Chasnala mine was formerly owned by Indian Iron & Steel Co., which has been nationalised.

The mine is in one of India's main coalmining areas.

Ten years ago, 375 miners were killed by a huge explosion at another mine in the district.

The world's worst recorded mining disaster was in 1942 at Honkeiko colliery, in China (which was then under the Chiang Kai-shek regime), when 1572 men died in a series of coal dust explosions.

AT FUNERAL



Four representatives from Nymboida mine, on the NSW South Coast, attended the funeral of Nymboida miner Graham Cook last week. They were John Hogan (miners lodge secretary), Keith Ryan (AMWU delegate), Peter Crane (ETU rep) and Howard Gill (Mechanics).

PRIORITY NOW ON PENSIONS

Having secured a settlement in the 1975 claim on wages, the top priority now is pensions.

The Miners Federation general secretary Mr. W. Smale said this at a meeting of mining unions liaison committee in Sydney on December 18.

Federation representatives at the meeting included members of the Central executive and the NSW Northern, Southern and Western District executives.

There were also representatives of the AMWU, FED & FA and ETU.

Survey

The meeting was told that the coal companies have engaged a firm to conduct a survey on the pensions scheme. This survey is expected to be completed next month.

The meeting decided to defer further action pending the outcome of this.

It was also decided that Mr. W. Gardner (NSW president of the Retired Mineworkers Association) be invited to future meetings of the liaison committee on pensions.

Printed by Kralco Printing Co. Pty. Ltd., Cnr. Parramatta & Marlborough Rds., Flemington, NSW 2140, for the proprietor & publisher, E. Phillips, Miners' President, 383 Sussex St., Sydney 2000; phone 61-7514.

Nymboida fatality

(Continued from Page 1)

by Federation, Government and Joint Coal Board officers.

The Nymboida men, at a pit-top meeting, decided that — in the unique circumstances of the mine — they should not stop but should show their respect for their lost workmate in other ways.

Industry hazards

Federation central executive members Bill Smale and Evan Phillips told *Common Cause* that the Federation was deeply shocked by the fatality. They offered earnest condolences to Graham Cook's relatives and their sympathies to the injured men.

"What happened has shown once again the hazards that shadow mining operations," they said.

They went on to say that the fact that the ignition did not become an explosion — such as the devastating explosion which occurred at Nymboida in 1956 — demonstrated the attention which had been paid to safety by Jack Tapp, Neil McLennan and the Nymboida men generally.

The evidence showed the thoroughness of the stone dusting — and, as well, there were bags of stone dust in reserve at the place and some of this was used to extinguish the smouldering brattice.

"At the same time as we all grieve at the fatality, we are sure that mineworkers everywhere and other mining people will acknowledge the lesson that proper safety practices can prevent a misadventure from becoming a major disaster," they said.

Funeral

The funeral of Graham Cook took place at the Roman Catholic Church and cemetery at the Oaks, in the Burrigorang Valley, on Thursday last week.

Those there included a large number of Miners Federation representatives and other mining unionists and retired mineworkers.

Among Federation officials present were central executive members Evan Phillips and Bill Smale, Southern District acting-president Rex McGrath and check inspector Tom Hamilton and Central Councillor Les Ohlsen, and representatives of every mine in the Burrigorang Valley and a number of South Coast mines.

Those who were there from other unions included Mining Mechanics Federal president Ralph Sharp.

Mr. Sharp told *Common Cause*: "This tragedy, with the loss of a young life, is additionally sad because it happened at the Federation's mine."

"Our union fully appreciates what the Federation has been doing at Nymboida."

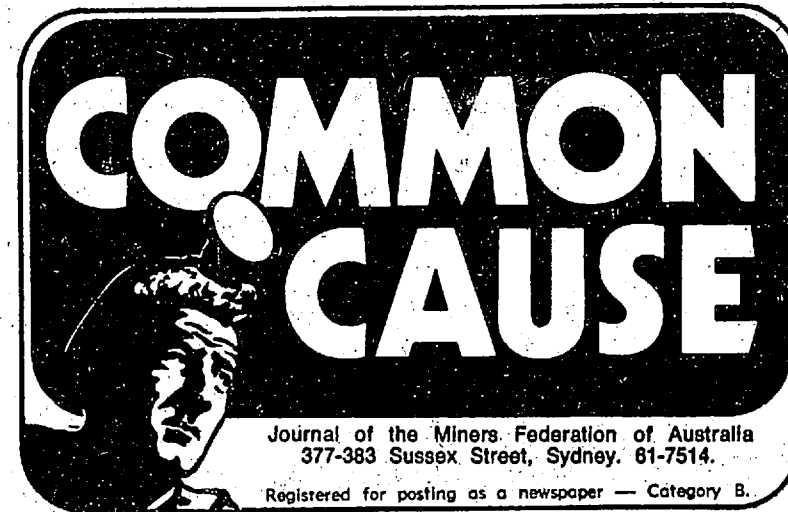
"We offer sympathy to the relatives of the young miner who died and also to the whole Federation."

Tribunal sympathy

Among the expressions of regret and sympathy received by the Miners Federation was a letter from the Coal Industry Tribunal (Mr David Duncan) to Federation general president Evan Phillips.

After extending sympathy, and also good wishes for a quick recovery by the injured men, Mr Duncan's letter added: "It is indeed a pity that such an accident had to occur at the mine."

"I hope that it does not set back too far the efforts that have been made to keep the mine open and that the men there can continue the difficult task they have undertaken in the spirit they have shown to date."



Journal of the Miners Federation of Australia
377-383 Sussex Street, Sydney, 61-7514.
Registered for posting as a newspaper — Category B.

Price 10c — Monday, January 19, 1976 — Vol. 41, No. 1

MOURING THE MINE DEATH



Miners Federation representatives and other unionists headed the procession from the church to the cemetery when the funeral of Nymboida miner Graham Cook was held at the Oaks, in NSW's Burrigorang Valley, on Thursday last week.

Fatality at Nymboida

On the very first day of the general resumption of work throughout the coalmining industry after the holiday break, the industry on Monday last week had its initial tragedy of 1976 and, to make the grief even sharper, the fatality occurred at the Miners Federation's Nymboida mine, in northern NSW.

In the final minutes of work that afternoon, with only the last crew still in the Basin Creek tunnel, an ignition killed one young worker and injured the four other men who were there.

The meticulous safety practices which are maintained at the mine — including the extent of the stone dusting — prevented the ignition from becoming an explosion such as that which wrecked the Nymboida pit in 1956 (when it was under private ownership) and which killed both the men who were underground at that time.

Victims

The victims of last week's ignition were:

KILLED
GRAHAM COOK, aged 23, of Red Rock, near Grafton.

INJURED
THOMAS FORD, 42, of Lower Kangaroo Creek.

LESLIE HERRMANN, 37, of Nymboida.

JOSEPH STEVENS, 50, of South Grafton.

ELLIS WATERS, 32, of Nymboida.

Graham Cook formerly worked at Old Wollondilly, in the Burrigorang Valley. He started at Nymboida in August last year.

Two in work-ins

Two of the four injured men took part in last year's Nymboida work-ins which defied dismissals by Nymboida Collieries Pty Ltd, saved the mine from closure and created the takeover by the Federation.

These two were Joe Stevens, who has been at Nymboida mine

On behalf of all its readers, *Common Cause* extends condolences to the bereaved relatives of Graham Cook, and voices the hope for a quick recovery by the four injured men.

since 1954, and Tom Ford, who has been there since 1965.

Les Herrmann was there for part of 1974 and returned in April last year. Elly Waters, who also was at Nymboida previously, returned there towards the middle of last year.

End of shift

Last week's fatality occurred about 2.45 on the Monday afternoon.

The remainder of the Basin Creek men had left to return to the surface at the end of the shift but the final crew stayed, in a working place 3ft. 3in. high, to fire a round of shots so as to provide coal for the start next morning.

A test previously had shown no gas, and the men had a gas detector in the working place.

However, there was apparently an ignition — as distinct from an explosion.

Graham Cook was caught by the effect of this, and it is probable that he died immediately.

The other four men were burnt and suffered shock. They stumbled out, helping each other, for the distance of about 500 yards to the entrance.

They were then taken by ambulance to Grafton District Hospital.

Rescue efforts

On the surface, the Federation's manager Jack Tapp, deputy Neil McLennan and others had noticed a thud and had at first thought it could have been a fall.

When the situation became known, initial attempts to get to Graham Cook were defeated because of the state of the atmosphere. The ignition had breached ventilation brattice and it took some time to ventilate the place sufficiently to allow men to go in.

Immediately it became possi-

ble, manager Jack Tapp, deputy Neil McLennan and miner Frank Smidt went in.

They found Graham Cook's body about 70 feet from the face, where he had been when the ignition occurred, and they brought his body out.

Jack Tapp told *Common Cause* afterwards: "Frank Smidt didn't just volunteer; he told us flatly 'I'm coming in with you.' And he did."

Officials soon there

Federation officials who went to Nymboida on hearing of the fatality included general secretary Bill Smale, and Northern District president Bill Chapman, vice-president Jim Hayes and check inspector John Tapp (son of Jack Tapp and who was himself the Federation's manager of the mine for the Federation for a period after the takeover).

An inspection was carried out (Continued on page 8)

FINDINGS & RECOMMENDATIONS OF THE KIANGA INQUIRY

SAFETY MUST BE 'PRIME CONSIDERATION'

"The prime consideration in the control of any heating or fire must be the safety of the personnel present"... "No person should enter an area on the return side of a suspected heating or fire or on the intake side where smoke is present unless he has the instruments and knowledge to ensure his own safety..."

Those are the among the recommendations of the Warden's inquiry into the disaster at Kianga No. 1 underground mine, in Central Queensland, on Saturday, September 20, when 13 mineworkers lost their lives.

As the Warden (Mr E. N. Loane SM) said in his conclusion, the inquiry "was veiled in an overtone of sadness for the relatives of the deceased miners."

The report of the inquiry said that, from the force of the underground explosion which occurred on that Saturday afternoon and from samples of the mine's atmosphere secured through drill holes, it was "mer-

cifully established that the 13 men died almost immediately."

The inquiry was held at Rockhampton, in Central Queensland. The evidence was heard in November and the findings were released on December 15.

The Warden was assisted by a panel of four men selected as experts. One of these four was Mr Roy Bulloch, who is vice-president of the Queensland Colliery Employees Union (which is the Queensland District of the Miners Federation) and who is a deputy at the Dapon mine at Collinsville.

Kianga is part of Thiess Peabody Mitsui's Moura-Kianga coalmining operation, which includes both open-cuts and underground mines.

Recommendations

The recommendations of the inquiry are published in full on Page 4.

They include that —
— An autonomous Safety in Mines research organisation be established urgently in Queensland, to examine a range of problems and to disseminate information.

— The Mines Department urgently prepare and distribute a publication on the hazards and handling of underground fires and heatings.

— The Queensland and NSW Mining Acts should be standardised.

— Stone dust supplies to be available at all times on the mine surface, and means be maintained of getting it quickly to any part of the underground workings.

— Provision be made, in mines liable to spontaneous combustion, at the entrance to every pillar section for preparatory seals prior to the commencement of pillar extraction.

Other recommendations (as set out in Page 4) relate to training, analytical facilities at mines, education, and other matters.

The explosion

The report of the inquiry said in one passage that, in order to establish the cause of the explosion and loss of life, it was necessary to examine the factors that allowed —

- (a) A spontaneous heating of coal to develop to the point that it could ignite an explosive mixture of gases in the goaf.
- (b) That explosion to propagate a coal dust explosion.

The inquiry found that, with a heating having developed in the goaf area of 4 North section of the mine —

"... it would appear that the Kianga explosion initiated from the ignition of inflammable gases by a spontaneous combustion source in the

goaf of 4 North district.

"The explosion propagated outby involving coal dust; but evidence shows that the explosion was extinguished outby before it arrived at the mine portals."

"The force of the underground explosion was sufficient to project material to the surface and cause damage to surface structures in a direct line from the mine portals."

"No sensible heat from the explosion was experienced by witnesses on the surface; but some coal dust ejected shows evidence of having been effected by heat."

"The explosions were followed by fires..."

After referring to various conditions concerning the goaf, the inquiry's report said: "Under such conditions, it would be doubtful if the goaf was ever fully ventilated and kept free of methane."

The heating

The report showed that, earlier on the fatal day, the first indications of heating had been found by deputy William Allison, who started a pre-shift inspection at 6 a.m.

The report said that "his suspicions were so aroused that he immediately reported to the manager, Fowler, in the presence of another employee, Faber."

After subsequent inspections, work was begun to set brattice seals as a preliminary to constructing permanent brick seals.

Men working on this on day shift were replaced in the afternoon by another shift, and it was workers from this second shift who lost their lives when the explosion occurred at about 5.10 p.m.

'In hindsight'

The report from the inquiry says:

"In hindsight, it is obvious that the fire was further advanced on the morning of the 20th September, 1975, than was recognised by any of the people involved."

"At no time during the 20th did any person know exactly where combustion was occurring, or what the state of ventilation or gas concentrations were, in the immediate vicinity of the heating or fire..."

Another section in the report says:

"All authorities agree on the need to dilute gases surrounding a heating during sealing."

"Neither Inspector Hardie nor management appeared to understand the effects of the action in erecting brattices and no attempt was made to measure the air flow at any time on the day in question."

"This is contrary to the advice from the Mines Fires Seminar and possibly the omission of this detail may in itself be responsible for the explosion; however, it cannot be said with certainty that the explosion would have been averted by their not being constructed."

(Continued on Page 8)

WHAT THE KIANGA INQUIRY RECOMMENDED

The full text of the Kianga inquiry's recommendations was as follows:

(1) An autonomous Safety in Mines Research Organisation be established urgently in Queensland to examine, among other items:-

- (a) Spontaneous combustion and the determination of proneness of the various coals;
- (b) Effective ventilation systems in pillar extraction in seams liable to spontaneous combustion;
- (c) Rapid means of effective sealing;
- (d) Early warning systems of detection of heating to include portable gas analysis instruments. Ideally, this proposal should ultimately lead to a National Safety in Mines Research Establishment.

The Organisation should be designed to disseminate information in the form of safety circulars to enable better and more up-to-date information to be made available as appropriate to the various facets of the mining industry. The Fire Fighting Techniques in various underground mining conditions be established.

EDUCATION

(2) (a) There is a basic need for all members of the coal mining industry in Queensland to improve their knowledge with regard to the fundamentals of spontaneous combustion and the underground mining problems associated therewith. A lack of appreciation of these fundamentals obviously contributed to the disaster at Kianga.

(b) That a publication be assembled urgently and distributed to all members of the industry by the Mines Department explaining the hazards and giving guidelines for handling of underground fires and heatings. Queensland Colliery Owners Association and the Queensland Combined Mining Unions should assist in this task.

(c) That Rescue Station Superintendents be trained to become expert in dealing with mine fires and to be available for consultation with mine managements.

(d) That Mines Department District Inspectors be trained to become expert in dealing with mine fires and to travel immediately to any mine where a heating or fire has been reported. The inspector should be available for consultation but decisions should still be the prerogative of management.

(e) That a mobile training centre be established and transported to each mining field in Queensland in turn. The mobile training centre to instruct all mining supervisors of the latest techniques in detection and control of mine fires and heating. This should become a permanent feature and refresher courses incorporating changing techniques should be constructed.

(f) In addition to the training of rescue and salvage operations, there appears to be a need for higher management to be



Miners Federation general president Evan Phillips and general secretary Bill Smale at a conference in Sydney with lawyers in early November in preparation for the inquiry.

PROBING THE DISASTER

Recommendations under a series of headings were made in the report of the Warden's Inquiry into the disaster on September 20 last at Thiess Peabody Mitsui's Kianga No. 1 underground mine, in Central Queensland.

The lives of all 13 mineworkers who were underground at the time were lost in the explosion in the mine on that afternoon.

The inquiry, which was held at Rockhampton in November, was conducted by the Mining Warden (Mr. E. N. Loane, SM), together with a panel of four men selected as experts.

The four on the panel were:

Mr. ROY BULLOCH, who is vice-president of the Queensland Colliery Employees Union and who is a deputy at the Collinsville mine (where he is miners branch secretary).

Mr. J. CARTHEW, superintendent of collieries, Queensland Coal Mining Co Ltd (a subsidiary of BHP).

Mr. R. MARSHALL, chief mining engineer, underground, Utah Development Co.

Dr. D. ROWLANDS, senior lecturer in mining, University of Queensland.

Lawyers engaged in the inquiry included Mr. J. Crowley (instructed by Messrs Palmer & Williams) for the Queensland Colliery Employees Union and for the next-of-kin of the Kianga victims.

The miners' general secretary (Mr. W. Smale), Queensland president (Mr. C. Murphy) and a Queensland check inspector (Mr. R. Murphy) attended the whole of the inquiry, and the general president (Mr. Evan Phillips) was there for the opening days.

The inquiry's findings, report and recommendations were delivered on December 15. They were signed by the four members of the panel, with Mr. Loane giving his agreement with the findings and his concurrence with the recommendations.

The inquiry's recommendations are published here in full.



The Warden (Mr. Loane SM) with the members of the panel before the start of the inquiry. Mr. Roy Bulloch (Queensland miners' vice-president) is on the left.

involved in supervising simulated disaster situations. Emergency action charts should be developed, not only to alert all the necessary personnel and emergency organisations but extended to include self checking lists of standard requirements and operations.

(g) All parties - i.e., inspectors, managers, and workmen - be made more aware of the dangers of interrupting pillar extraction once started, particularly where spontaneous combustion is likely underground.

LEGISLATION

(3) (a) That the Queensland and New South Wales Mining Acts to be standardised.

(b) The Queensland Coal Mining Act be amended to provide for (i) stone dust/water barriers on roadways where it is difficult to maintain compliance with stone dust regulations, and (ii) the provision at the surface of each mine of a barograph.

(c) District returns in seams liable to spontaneous combustion should be continuously monitored for carbon monoxide or sampled at least daily prior to and during pillar extraction. Weekly measurements of air quality and quantity should be made to establish the volumes of methane and carbon monoxide emitted, as well as the CO/O₂ deficiency ratio for each underground district.

(d) Provision be made, in mines liable to spontaneous combustion, at the entrance to every pillar section for preparatory seals prior to the commencement of pillar extraction. The preparations to be approved by District Mines Inspector. The seals need not necessarily be explosion proof; but should be capable of rapid erection.

(e) The Queensland Mining Act should be amended to provide for persons with authority superior to a manager. These persons should be qualified managers under the Act and should bear the same statutory liability as a manager in respect to any acts to which he is a party.

PROVISION OF ANALYTICAL FACILITIES

(4) All mines have available at short notice the means of analysing the air samples necessary in dealing with an outbreak of fire below ground. This end may be accomplished by either Queensland Government Mobile Laboratories or laboratories established in each mining locality.

STONE DUSTING

(5) Stone dust supplies should be available at all times on the mine surface and means of loading and transporting it quickly to any portion of the underground workings should be maintained.

In the case of sealing taking place, as

much stone dust as is allowed by time constraints and accessibility should be placed between the sealing sites and the source of the combustion.

The prime consideration in the control of any heating or fire must be the safety of the personnel present.

Stone dusting must be kept up to specifications throughout all coal mines and trickle dusters must be kept working at all times while continuous miners are operating. Recent innovations in roadway-dust-sampling methods should be evaluated with a view to providing rapid and preferably "on the spot" examinations of incombustible content to enable immediate remedial action to be taken.

GENERAL RECOMMENDATIONS

No person should enter an area on the return side of a suspected heating or fire or on the intake side where smoke is present unless he has the instruments and knowledge to ensure his own safety.

That in all working sections underground a plan be made available to the deputy or other official in charge of the section. This plan to be brought up to date daily and to be available to assist the mine surveyor to keep the mine plan accurate and up to date.

That all check inspectors' reports be sent to the district mines inspector.

At all times during efforts to control fires or other combustions underground, whether those efforts be carried out underground or on the surface, all persons should present any documents or other evidence to the officials charged with making decisions.

Where possible, mine surface buildings should be positioned out of the direct path of any underground explosion.

COMMENTS

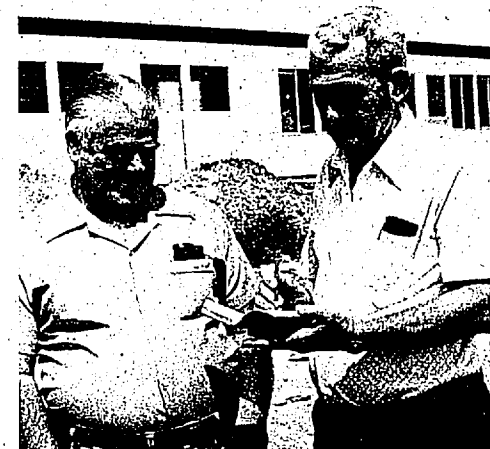
During the Inquiry, counsel for the mine management foreshadowed a proposal to re-open the Kianga mine. Whilst this issue was not further pursued, we feel it necessary to state that there be no haste in re-opening the mine. Re-opening should follow safety procedures and should be carried out in stages by and with the advice of experts. Such a re-opening is unlikely to modify substantially the causes as assessed by this Inquiry nor to alter substantially the recommendations herein.

Following the recommendations, the Warden (Mr. Loane) added:

"I desire to record my expression of appreciation for the invaluable contribution made to the conduct of this Inquiry by my fellow Bench-members. They have each brought to the Inquiry a wealth of skilled expertise, practical knowledge and experience. They exhibited a keen interest in the evidence and issues of the investigation and discussed intelligently and responsibly their individual appreciation of the evidence as it unfolded. I add that their attitudes at all times were completely impartial.

"The Court Reporting Staff worked zealously and untiringly in recording the evidence and, together with my office staff and the Under-Secretary Department of Mines and his officers, in providing a system of duplication of transcript, are deserving of commendation and my grateful thanks.

"The exercise was veiled in an overtone of sadness for the relatives of the deceased miners and, for my part and on behalf of my fellow members, I extend our sincere sympathy."



Queensland District check inspectors Steve Morgan and Ron Murphy at Kianga after the disaster.

Our coal as stake for biggest-ever merger

Some of Australia's richest coal deposits are being used as a chip in a \$US1904 million share-exchange horse-trading deal in USA which is aimed at creating the biggest merger in US history.

The companies concerned are two massive multinationals.

One of the two is the enormous General Electric (GE). The other is the Utah International Inc., which gets towards 90 per cent of its international revenues from Queensland coal and (to a lesser extent) WA iron ore.

Utah International's other interests include minerals in USA, South America, Canada and New Zealand.

The proposed merger would give GE a direct pipeline to coal, copper and other raw materials mined by Utah. It would, on the other hand, hook Utah into power development, manufacturing and other GE activities.

GE is second only to Westinghouse as a US constructor and operator of nuclear power stations.

One kite being flown in the eddies of speculation is that a Utah-GE combination could move into coal processing in Australia, including liquefaction and gasification, and into the enrichment of uranium here.

The proposed merger is on ice for the present, because of an investigation of it by the anti-trust division of the US Justice Department. The investigation may take some months.

Profits

At the same time as the proposed merger scheme was announced last month, Utah International disclosed that in 1974-75 it had sales of \$US683 million and profits of \$US139 million (before an extraordinary charge of \$US24 million), compared with \$US96 million in the previous year.

Utah International's mining subsidiary in Australia is Utah Development Co (UDC) which, just before Christmas, announced a 1974-75 year's net profit of \$100,958,185.

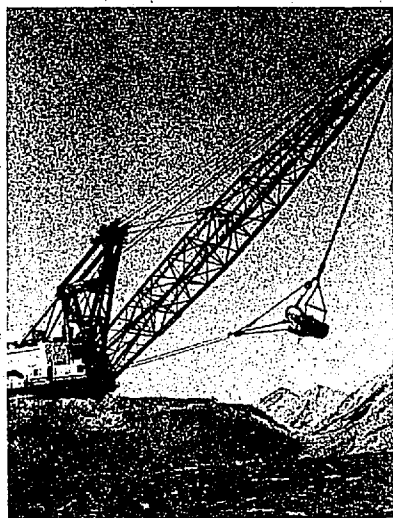
UDC's \$100 million was made in spite of the introduction of the export levy of \$6 a tonne and in spite of the sharp industrial dispute and the lockout imposed by Utah at its Goonyella, Peak Downs and Saraji open-cut coalmines in Queensland.

Sprung on Govt.

Utah International and General Electric kept their negotiations quiet until they saw which way the cat skedaddled in Australia's Dec. 13 elections. Then, with a Liberal-NCP Government in office, they announced their scheme, without bothering to consult the Fraser Government beforehand.

A little nettled, Deputy Prime Minister Anthony screwed up the nerve to issue a statement saying that Australian equity (10.8 per cent) in Utah Development is "disappointingly low"; that the Government "would expect a significantly increased Australian equity shareholding," and that the merger move "will be subject to screening under the provisions of the foreign takeovers legislation" — though it is not likely that the prospect of a screening by this Government caused GE or Utah to quake or blanch.

Despite Mr Anthony's mutterings, the *Financial Review* said that the merger would make it



In Saraji open cut

more difficult to increase Australian equity in Utah Development.

'Complete insensitivity'

In the *Financial Review* also, an article by John Byrne accused Utah International of having shown "political naivety and complete insensitivity to the prevailing mood."

Going on to point to the foreign character of the control of Utah Development, he wrote—

"Utah Development is directed from San Francisco. It does not have an Australian board of directors and its chief executive in Australia is a US citizen."

"After 10 years, one could have expected Utah Development to have more than the day-to-day running of the business controlled by Australians."

"And it is hard to see any changes in this regard for some time if Utah is absorbed into the General Electric group..."

This situation of ownership and control from afar was something which Mr Rex Connor, as Labor's Minister for Minerals & Energy, wanted to rectify. That was one reason why the multinationals were gleeful when Mr Connor went from the Ministry and then when the whole Labor Government went out.

Concern

The whole General Electric-Utah business is cause for sharp concern for Australia, and not least for mineworkers.

Australian mineral wealth is being used for billion-dollar wheeling-and-dealing in a foreign country, thousands of miles away across the Pacific Ocean, by avaricious interests whose concern is only with their own maximum profitmaking.

In the boardrooms and executive suites of GE and Utah International, there would be not a vestige of genuine interest in Australians' welfare or in anything else Australian other than what is directly or indirectly related to the companies' position and their galloping pursuit of profit.

For whose benefit?

The obnoxious elements of Utah control are smeared over by those who are mesmerised by Utah influence.

In Queensland, the Bjelke-Petersen Government has virtually allowed Utah to write its own tickets and terms, with the Government signing where Utah has put the dotted lines.

Premier Bjelke-Petersen has acted as a leader of a cheer squad for Utah, making it sound as if

Utah is in business selflessly and just for Queensland's benefit.

In fact, whatever benefits may have come to Queensland from the Utah operations have been an incidental result and not a primary Utah purpose.

The negative aspects, on the other hand, are fundamental to the nature of the Utah operation, shaped as it is by policies drawn up in remote offices on the other side of the world and moulded to suit the interests of Utah International Inc and those who are behind it.

Those who acclaim "foreign investment" overlook the real point; that is, that foreign investment is made so that, over the years, much more will be drained out of Australia, in profit, than was ever brought in.

In that aim, Utah's ambitions are limitless.

Union-bashing

Utah also sets out to exercise a powerful influence on the style of industrial relationships throughout the coal industry in Australia.

In America, Utah is well-known for union-bashing attitudes. It would like to transplant its ways to Australia too.

During the past year, Utah was one of the hardliners in the coal companies' ranks during the dispute around the mining unions' log-off claims.

Utah was one of the companies which demanded that the employers dig in their heels and take off the gloves. Utah itself, in August, locked-out some 1000 workers at Goonyella, Peak Downs and Saraji.

Utah tried to impose on the whole industry the sort of bare knuckle industrial tactics which it has applied at Utah mines in Queensland and which have, over years, created a constant succession of bitter disputes at those mines.

If it had not been for Utah and the influential few others with it, then the gains which the mining unionists eventually won in the latter part of last year could have been secured much earlier and without such losses through lockouts, etc.

Australians' demand

The adverse aspects of Utah operations in Australia up to now will be multiplied if the Utah mines here are swept into USA's biggest-ever corporation merger and are used as a major part of the Utah dowry in a General Electric-Utah marriage of convenience.

Australians can't do much to stop what Utah and GE may do in USA.

But Australians should be vocal and emphatic in demanding that Government policies in Australia be directed to ensure that the development and use of Australian minerals be determined in Australia by Australians and not by alien multinationals.

RECORD QLD OUTPUT

Queensland mineral production last year reached a record value of \$725 million, according to a January 11 broadcast by Queensland Mines Minister Camm.

WHAT UTAH'S UP TO HERE

Utah Development Co. (UDC) is owned 89.2 per cent by Utah International Inc. of USA, and 10.8 per cent by Utah Mining Australia.

UDC wholly owns the Blackwater open-cut coalmine in Queensland and has a one-third interest in Mt. Goldsworthy iron ore in WA.

UDC has an 85 per cent interest in Central Queensland Coal Associates (the other 15 per cent is held by Mitsubishi of Japan), which owns the Goonyella, Peak Downs and Saraji open-cut coalmines and the Norwich Park project in Queensland.

UDC accounts for about 40 per cent of Australia's export of coking coal. It is by far the biggest single coal producer and coal exporter in Australia.

Coal shipments for 1974-75 from

UDC and UDC-Mitsubishi mines were 13,241,000 tonnes (Blackwater 3,134,000 tonnes, Goonyella 3,210,000, Peak Downs 4,117,000, Saraji 2,780,000).

UDC's disclosed net profit for 1974-75 was a colossal \$100,958,185 million, compared with \$48,750,097 in the previous year. UDC's 1974-75 figure was exceeded in that year only by BHP (\$109 million).

Total UDC employment in Australia is something over 2000. Even putting the figure at 2500, it means that UDC in 1974-75 made net profit at the average rate of \$40,000 in the year from every single employee.

On UDC's pre-tax profit (\$178.6 million), the average rate of profit was over \$70,000 in the year from every single employee.

Even Utah's crumbs run into millions

Things have been stirring, too, on the Utah front in Goldfields House in Sydney, where Utah Mining Australia Ltd (UMAL) has its head office, and UMAL shareholders are to get a handout of 20 million free UMAL shares.

UMAL is an odd company. It was set up in 1970 for the sole purpose of getting, for interests in Australia, some thin slice of the ownership of Utah Development Co., which up till then had been wholly owned by Utah International of USA.

UMAL's share in 1970 of the ownership of Utah Development was a mere 10 per cent, leaving 90 per cent in the hands of Utah International. UMAL's portion has since been inched up to 10.8 per cent.

UMAL itself operates nothing and produces nothing. It just holds those shares and whacks up the dividends that come from them.

But, though it does nothing productive, UMAL is doing very well out of it.

In the latest year (1974-75), UMAL's holding in Utah Development brought dividends which allowed UMAL to declare a net profit of over \$8.1 million. There was a cash pay-out of 30 cents on every one of the ten million UMAL shares.

Those ten million shares each have a face value of 50 cents. But, as an demonstration of Stock Exchange regard for Utah profits and prospects, UMAL shares were bought and sold on the Sydney Stock Exchange during 1975 at prices as high as \$10 each, or 20 times their face value.

UMAL shares were quoted on the market at around \$9.50 when 1975 ended.

Highly encouraged, UMAL directors now propose to bestow some added benefit on UMAL shareholders.

The present ten million UMAL shares (face value, 50 cents each) are to be split into 20 million shares at 25 cents each (plus one special \$1 share held by Utah International) and, in addition, shareholders are to be given one free new 25 cent share for every existing share.

That means a handout of 20 million new shares, at no cost at all to gratified shareholders. Nice going — for shareholders.

These proposals are to go to the company's annual general meeting in Sydney on February 25.

It should be a gleeful occasion for shareholders, who get their dividends — and now their free shares too — without having to do any of the yakker that creates the profits.

NEWCOM SCRUTINEER



Gus Ferguson (pictured) has been scrutineer at Newcom, in the NSW Western District, for about a year. He started in the industry at Hermitage in 1947. Then he went to Steelworks for about two years until it closed. Then he was at Nebo, in the Southern District, for about six months, before moving to Newcom.

He plays A grade squash and he used to play Rugby League.



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