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The Department of Treasury and Finance

2019-20 Annual Report

The Mining and Quarrying Occupational Health and Safety Committee

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From the Presiding Member

I am pleased to submit the Mining and Quarrying Occupational Health and Safety Committee's Annual Report for 2019–20 for presentation to Parliament.

The Committee has continued to operate with a dedicated commitment to its purpose and has been conscientious in fulfilling its functions and responsibilities during the 2019–20 period.

The Committee provides vital initiatives and services across the State at no cost to industry or workers. This is achieved through the Committee's access to the Mining and Quarrying Industries Fund. The Fund has a long history starting in 1938, formally established in 1941 through the efforts and foresight of the Honourable Thomas Playford IV. That foresight ensures industry paid funds protect then and now, one of South Australia's most precious resources, the many thousands of mine and quarry workers employed directly and indirectly in these industries.

The Committee continues the fund's history and primary functions, allocating available funds to prioritise initiatives, health surveillance, education and research that may prevent occupational disease with a long latency such as silicosis, a disabling and often fatal lung disease that has no cure, however, is completely preventable.

South Australia has had no mine or quarry worker silicosis claims for several decades, this successful outcome is testament to supportive industry programs, continuous industry improvement, education, training and successful partnerships within the industry. However, as we have seen in other states with the re-emergence of Coal Workers Pneumoconiosis (CWP or black lung) for South Australia to maintain this achievement, ongoing vigilance is required.

The Committee has had a busy year with the MAQOHSC operations and staff relocating from Keswick to the Adelaide CBD. The financial commitment is comparative to the previous fee for service accommodation charges, however the ease of access for stakeholders and space advantage including a dedicated training area and room has seen an increase in the uptake in training participation and has received positive feedback. The Committee looks forward to expanding training opportunities during the next reporting period.

The 2019/20 period whilst productive was a very interesting and challenging year for the Committee. It has been a year like no other since my original commencement as Presiding Member in 2013. The combination, of many issues has challenged the Committee to consider its role and direction into the future, while achieving its obligations to industry that started in 1941 and as required by legislation.

Some of the issues compounding on the Committee during the 2019/20 included:

- Serious international financial downturn directly affecting Return to Work SA resulting in substantial Fund losses for MAQOHSC, which will potentially impact future decisions relating to the Committee's service offerings, programs and research funding.

- The Committees three year term of appointment expired during the reporting period with more than half of the long-term Committee Members completing their term and new members being appointed in late 2019.
- A National health crisis of artificial stone bench associated silicosis resulted in the Treasurer instructing the Committee to develop and facilitate a universal health screening program. Funded with \$400,000 from the Mining and Quarrying Industries Fund, the program provided baseline health screening to over 300 artificial stone and construction workers. The Treasurers immediate response to the National occupational related health crisis must be commended. High silica containing products are in many workplaces, the emergence of artificial stone associated silicosis is significant and demonstrates the critical importance of all workplaces where there is potential for silica exposure to be vigilant and undertake health surveillance.
- Whilst the Committee has provided funded health screening for over 30 years, this project was a first for the Committee outside of the Mining and Quarrying industries with numerous difficulties arising during the program, unknown and unforeseeable at the time of commencement.
- The COVID-19 pandemic resulted in numerous annual projects and services being restricted and unable to be facilitated and reported as normally expected. Staff continued supporting those employers and workers who continued operations through the pandemic, although worksite visits were restricted, industry assistance was successfully maintained and conducted electronically to adhere to COVID-19 laws.

The Committee is currently preparing a new strategic plan for the 2020 – 2023 period. The preparation will include Committee industry consultation seeking insight from stakeholders, business owners and workers alike to ensure the Committees future strategic plan aligns with National and Government priorities, however remain inclusive of adaptive initiatives and service offerings that will address emerging issues and remain relevant to South Australian industry needs.

As Presiding Member of the Committee, I acknowledge the commitment, effort and achievements of members and deputies who have served on the Committee during 2019-20. The functions MAQOHSC (the Committee) provides remains in high demand, cannot be duplicated and of significant importance to South Australia's mining and quarrying industries.

Martin O'Malley

Presiding Member

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Overview: The Mining and Quarrying Occupational Health and Safety Committee (The Committee)

The Committee supports South Australia's mining and quarrying industries in line with the objectives of the MAQOHSC strategic plan, aligning South Australian Government Strategic Plans and the Australian Work Health and Safety Strategy 2012-2022 (the National WHS strategy).

The Committees Fundamental Role and Functions

The Committee's principal function is to oversee the Mining and Quarrying Industries Fund. *The Work health and Safety Act 2012* provides nominating organisations for Committee Members and provides guidance to the Committee in utilising the fund in the performance of its functions:

- to promote and support practices and procedures designed to protect workers from silicosis;
- to support education in the field of occupational health and safety in the mining and quarrying industries;
- to initiate or support research and studies into occupational health and safety that could benefit workers in the mining and quarrying industries;
- to promote and support persons or organisations working to prevent, alleviate, or treat the kinds of disabilities suffered by workers in the mining and quarrying industries; and,
- to support any other kind of activity that could directly or indirectly improve occupational health and safety in the mining and quarrying industries, or assist in the rehabilitation of disabled workers in those industries.

The Committee and The Mining and Quarrying Industries Fund Legislation

The Mining and Quarrying Occupational Health and Safety Committee (The Committee) is a tripartite Committee established under the *Occupational Health, Safety and Welfare Act 1986* and continues existence under the *Work Health and Safety Act 2012 (the WHS Act)*.

The Committee in the performance of its functions pursuant to the *Return To Work Act 2014 (RTW Act)* utilises the Mining and Quarrying Industries Fund in the performance of its function.

The Committee is subject to the control and direction of the Minister.

The Committees Strategic Focus

The Committee's strategic plan spans the period 2017-2020. The strategic imperatives were developed through industry engagement and consultation around key elements that achieve positive industry outcomes across the State.

The key elements are:

- Research and Innovation
- Mentor and Education
- Work Health and Safety
- A Safe Productive South Australia

The Committee's Vision

Our vision is for South Australia's mining and quarrying industries to be safe, responsible, prosperous, well-educated and innovative workplaces where protecting workers is the priority.

The Committee's Values

Mentor, Achieve, Quality, Optimise, Honesty, Success and Collaboration

Composition of the Committee

MINING AND QUARRYING OCCUPATIONAL HEALTH AND SAFETY COMMITTEE MEMBERSHIP SUMMARY 1 JULY 2019 – 30 JUNE 2020				
Name	Position	Remuneration	Appointment expiry date	Nominated Organisation
Martin O'MALLEY	Presiding Member	\$221 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	Industrial Relations Consultative Council
Peter LAMPS (deputy Nathan CRACK)	Member	\$177 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	SA Unions
Carolyn FISHER (deputy Sarah BELLMAN resigned 17 October 2019) (deputy Barry HARKIN from 18 October 2019 – 17 October 2021)	Member	\$177 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	Cement Concrete and Aggregates Australia

Erryn MUNCHENBERG (deputy not required under act) Charlie CONDO (deputy not required under act)	Member	\$177 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	Industrial Relations Consultative Council
Graeme SAUER (deputy Sylvia UGLESIC) Luke BRAMMY (deputy Graeme SAUER)	Member	\$177 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	The Department (SafeWork SA)
Glenn MURRAY (Phillipa Weltner appointed deputy 21 December 2018 – 17 October 2019) Rebecca KNOL (deputy Phillipa WELTNER)	Member	\$177 per session	21 October 2016 17 October 2019 18 October 2019 17 October 2021	SA Chamber of Mines and Energy
Colin FENNEY Alexandra RUSSELL (deputy Derek STAPLETON)	Member	\$177 per session	23 January 2019 2 September 2019 18 October 2019 17 October 2021	SA Unions

All Committee membership and sitting fee payments are reported to The Department of The Premier and The Cabinets (DPC) Boards and Committees Information System (BCIS) annually.

The Committee's Performance

Performance at a glance

- Funded 3500 Secondary Students Safety Awareness Training
- Funded the Development of a Digital Industry Safety Planner (Program)
- Provided Skin Cancer Screening to 188 Mine and Quarry Workers
- Funded Targeted Silicosis Related Research
- Funded Health Screening to 326 Engineered Stone and Construction Workers
- Presented Dust Monitoring Results at the Queensland Mines Conference
- Provided Industry Specific Training to Mine and Quarry Workers
- Funded Mental Health First Aid Officer Training
- Funded Workers Drug and Alcohol Awareness Training
- Funded Supervisors Reasonable Cause Training (Drug and Alcohol)
- Funded Workers Respiratory Equipment Fit Testing (Onsite)
- Provided the MAQOHSC Informative website with over 200 developed resources including industry information and training modules, audit, policy & procedure templates and industry specific safety alerts.

- Supported small to medium mine and quarry business through over 1000 requests for industry specific assistance, service requests, best hygiene practices, workplace information and training sessions, MAQOHSC audit tools, safety templates, mental health and wellbeing resources, mental health first aid offer training, workers health surveillance and workplace dust monitoring.

Strategic Focus

Research and Innovation

The Committee annually budgets priority funding to support South Australian research and grant applications. It should be noted during the past 15 years the Committee has invested \$3,346,848.00 in 59 projects and continues to support opportunities for industry improvement programs and or beneficial research that supports South Australian businesses and prevents injury, disease and death.

During the reporting period the Committee has funded one targeted silicosis related research program. The grant funding supports research into the toxicology of engineered stone and adverse health effects to exposed workers.

This practical research project will provide both a positive work health and safety research outcome for South Australia, and the opportunity to contribute a research outcome to a current issue of National work health and safety importance. A report is expected in early 2021.

The international Covid-19 pandemic has significantly impacted the Committees research and innovative programs during this reporting period, it is envisaged during the 2020-21 period scheduled research and innovative projects will recommence.

Scheduled research and innovation programs for the 2020-21 period is as follows:

- Health Surveillance – Workplace Dust Monitoring
- Health Surveillance – Mine and Quarry Workers Workplace Health Assessments
- Workplace Skin Cancer Screening

Mentor and Educate

The Committee continues to fund accredited training, develop quality publications and resources that combined provide and promote the critical importance of education and training. Mines and quarries are high risk work environments and tragically with two industry fatalities during the reporting period education and training remains a high importance core strategic imperative in the Committees operations.

The following education and training opportunities were funded and or provided:

- Certificate IV Work Health and Safety
- Mental Health First Aid Officer Training
- Risk Assessment Support
- Isolation and Lockout
- Dust Awareness
- Preventing Occupational Dust Related Disease
- Due Diligence
- Workplace Consultation and Engagement
- Chapter 10 (Mines – WHS Act)
- Principal Mining Hazards (PMH)
- Application of the MAQOHSC PMH
- Safety Management Systems

The Committee strongly advocates maintaining ongoing training in all workplaces and as such provides all services including mentoring workers completing their funded 12-month certificate IV in work, health and safety and training direct in the workplace. This model of engagement reduces business downtime and business interruption, both of which are vitally important to small business.

The Committee achieves its strategic mentoring and training targets in part through highly skilled mine and quarry work health and safety specialists and fully equipped vehicles that operate as dedicated mobile offices. All participating mines and quarries are provided a MAQOHSC training register detailing workers training undertaken for inclusion to company records, additionally all workers receive a MAQOHSC certificate of attendance for training attendance.

The Committee is further developing its mentoring and training service offerings with a targeted silica awareness online course. It is anticipated completion of all course material will be finalised in late November 2020. The Committee will commence with the following adaptable online training and education module. The Committee is investigating potential further online course development during 2021 period.

- Silica Awareness (Adaptable to workplaces with known silica exposure)

The Committee is the Diamond Sponsor of Passport to Safety. A web-based, self-paced learning and test program delivered in secondary schools, aimed at young people who are preparing to enter the workforce for the first time for work experience, work placement, part-time or full-time work. The program delivered free in South Australian public schools since July 2005 ensures young people entering workforce environments are prepared and have the basic safety awareness knowledge required. This funded initiative aligns and supports the objectives within South Australian Youth Action Strategic Plan.

Work Health and Safety

The Committees work health and safety core priority is to protect mine and quarry workers from occupational dust related disease with a priority focus on silicosis, promote best workplace hygiene practices, minimises injury, disease and death in South Australia's mining and quarrying industries.

The Committee makes funds available for work, health and safety programs, research, targeted programs and projects, targeted MAQOHSC developed resources, workers education and training. Combined these initiatives collectively champion and promote positive work health and safety outcomes, provide vital support to the mining and quarrying industries and successfully achieve the primary function of protecting workers.

The Committee continues to be well recognised for the MAQOHSC high quality, professional publications and suite of practicable industry specific resources. All resources developed are based on industry needs and in consultation with stakeholders, workers, peak bodies and Government. This ensures all publications meet legislative requirements, Australian Standards and lead industry to best practice, continuous improvement and assist businesses meet their safety obligations under South Australian law.

Committee funded accredited work health and safety training initiatives greatly benefit both worker and business. Workers are provided the opportunity to upskill or gain a qualification, potentially leading to career advancement, whilst the workplace business benefits include increased businesses safety knowledge base and suitably qualified staff onsite.

The MAQOHSC website is the digital vehicle for the delivery and online access of the Committees work, health and safety information and resources. The website has hundreds of subscribers, housing over 200 industry specific resources including templates, guides, publications safety awareness training modules and industry safety alerts it is regularly utilised both nationally and internationally.

A significant work health and safety project developed and facilitated by the Committee was a Universal Health Screening Program for South Australia's artificial stone workers. Although South Australia's artificial stone industry is smaller comparative to other States, over 300 workers identified eligible for baseline health screening and the program was successfully completed during the period. The program outcome report is due for release in the near future.

The Covid-19 pandemic significantly impacted the Committee fully achieving its targeted work health and safety strategic imperatives. Mines and quarries continued operations through the covid-19 pandemic, however the delivery of MAQOHSC services during Covid-19 was limited to online meetings, telephone and email. Projects requiring close contact such as workers health surveillance, personal dust monitoring, fit testing workers respiratory equipment and workplace engagement could not be facilitated.

The Committee achieved the following work, health and safety related outcomes:

- Development of Respirable Crystalline Silica – Health Assessment
- Facilitated Baseline Health Screening to South Australian Artificial Stone and Construction Workers
- Health Surveillance – Mine and Quarry Workers Health Assessments
- Health Surveillance – Workplace Dust Monitoring
- Presentation To Australian Simulation Congress (Queensland) Worksite Safety Planning Tool
- Presentation of MAQOHSC Dust Monitoring Outcome Data - Queensland Mines Conference
- Assistance to Queensland Government for Development of QLD Opal Miners Safety Resources – Provided MAQOHSC Opal Miners Publications.
- MAQOHSC Opal Miners Induction – South Australia
- South Australian Opal Fossicking Guide (In conjunction with Department of Energy and Mines)
- South Australian - Tourist Safety - Opal Fields Guide (In conjunction with Department of Energy and Mines)
- MAQOHSC Opal Miners Safety Management System
- South Australian Opal Miners – Mining Dangerous Ground Application (In conjunction with Safework SA)
- Supported Industry During Pandemic - Promoting National Approach and State Covid-19 Compliance.

The Committee will recommence the following programs during the 2020-21 reporting period:

- Silica Special Emphasis Program – Reduced Workplace Exposure Focus
- Regional Safety Seminars with Interactive Workshops
- Health Surveillance – Workplace Dust Monitoring
- Health Surveillance – Workplace Mine and Quarry Workers Health Assessments
- Mine and Quarry Workers Respiratory Equipment Fit Testing
- The Release of the MAQOHSC Health Management Manual

The Committee maintains a strong position on prevention through targeted campaigns and industry engagement.

A Safe Productive South Australia

The Committees strategic vision is for South Australia's mining and quarrying industries to be safe, responsible, prosperous, well-educated and innovative workplaces where protecting workers is the priority.

The Committees mining and quarrying industry function, is a distinctly separate purpose provided across the State. Through positive communication, open dialogue and consultation between stakeholders, workers, industry partners and Government, funded initiatives both successfully achieve the MAQOHSC strategic imperatives whilst contributing and providing broader benefits across South Australia.

The Committee, where possible, supports and promotes strategic alignments. This includes initiatives, projects and programs that contribute to the long-term success of South Australia, The supportive role the Committee has made to many peak industry bodies, South Australian law and Government initiatives and strategic plans include the following:

- The Department of The Premier and Cabinet
- Department of Treasury and Finance
- Department for Energy and Mining
- South Australian Silicosis Campaign
- Environment Protection (Air Quality) Policy 2016
- SA Youth Action Strategic Plan
- Work Health and Safety Act 2012
- Return to Work Act 2014

Contractors disclosure

The following is a summary of external contractors that have been engaged by the Committee, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors	Purpose	\$ Actual payment
12 Media	Silica Training Video	\$10,000.00
Advance Business Consulting	Monthly Web Hosting & Professional Services	\$36,411.73
Ball Public Relations	RCS Assessments	\$8,956.25
CCAA	Sponsorship 2019	\$9,000.00
Characters	MAQOHSC Website	\$9,005.00
Comwire	VPS Hosting	\$5,473.83
Department of Planning, Treasury & Infrastructure	Lease/Electricity/Rent for Torrens Building	\$57,725.61
Dr Beata M Byok	RCS Assessments	\$1,169.54
Department of Treasury & Finance	Cost incurred at Keswick Office	\$308,058.83
Face to Face	MHFA training	\$2,400.00
Governance Institute	Governance Essentials	\$8,000.00
Greencap	Silica in Wastewater	\$1,100.00
HSE Australia	Dust Monitoring	\$85,146.60
Jobfit Health Group Pty Ltd	RCS Assessments	\$54,464.92
Passport to Safety	Diamond Sponsorship	\$22,727.27
Randstad	Wages for employees	\$485,159.03
Skin Patrol	Skin Cancer Screening	\$5,880.00
St Andrews Medical	RCS Assessments	\$18,741.65
Topline	Rubber moulded USB Sticks	\$3,475.00
Toyota	Vehicles Leasing	\$57,586.97
University of Adelaide	Engineered Stone	\$28,000.00
	Total	\$1,218,482.23

Appendix: Audited financial statements 2019-20

Mining and Quarrying Industries Fund Financial Statements 2019-2020

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Statement of Comprehensive Income for the year ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
Net investment profit/(loss)	4	(18)	1,272
Operating expenses		(1,062)	(1,424)
Depreciation of right-of-use assets	6	(29)	-
Finance costs		(3)	-
Total comprehensive result		(1,112)	(152)

Statement of Financial Position as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000
Assets			
Trade and other receivables		22	45
Investments	5	14,596	15,858
Right-of-use assets	6	42	-
Total assets		14,660	15,903
Liabilities			
Trade and other payables		95	269
Outstanding claims	7	100	100
Lease liabilities		43	-
Total liabilities		238	369
Net assets		14,422	15,534
Equity			
Retained earnings		14,422	15,534
Total Equity		14,422	15,534

The above statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2020

	2020 \$'000	2019 \$'000
Total equity at the start of the year	15,534	15,686
Total comprehensive result	(1,112)	(152)
Total equity at the end of the year	14,422	15,534

Statement of Cash Flows for the year ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
Cash flows from operating activities			
Payments to suppliers		(1,295)	(1,355)
Interest received	4	310	176
Dividends received	4	628	334
Net cash flows from/(used in) operating activities	8	(357)	(845)
Cash flows from investing activities			
(Acquisition)/disposal of investments		385	845
Net cash flows from/(used in) investing activities		385	845
Cash flows from financing activities			
Repayment of lease liabilities		(28)	-
Net cash flows from/(used in) financing activities		(28)	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-

The above statements should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

30 June 2020

Note 1 Reporting entity

The Mining and Quarrying Industries Fund was established to replace the Silicosis fund under the repealed Workers Compensation and Rehabilitation Act 1986 and is continued under the Return to Work Act 2014.

Funds standing to the credit of the Silicosis Fund were transferred to ReturnToWorkSA (RTWSA), and credited to a special account entitled "Mining and Quarrying Industries Fund" which is divided into two parts:

- Part A - to satisfy liabilities under the Silicosis Scheme; and,
- Part B - to be available to the Mining and Quarrying Occupational Health and Safety Committee for the purposes referred to in the Schedule 2 of the Work Health and Safety Act 2012.

At 30 June 2019 Finity Consulting Pty Limited, Actuaries provided an estimate of the extent of the existing and prospective liabilities under the Silicosis scheme under the repealed Act. The next review will be conducted in June 2022.

RTWSA administers the repealed Act and from 1 July 2015 the Return to Work Act 2014 (the Act). The financial statements have been prepared in accordance with the Act. Financial reporting for the Mining and Quarrying Industries Fund is undertaken by RTWSA. All investments held by the fund are pooled with RTWSA's investments. Investment income is allocated to the fund based on the average earning rate of RTWSA as a whole. All expenses incurred by the fund are initially paid for by RTWSA, the actual costs are then reimbursed by the Fund.

Note 2 Statement of compliance

The financial statements are not a general purpose financial report but are prepared consistently with Australian Accounting Standards (AASBs) with the exception of the disclosure requirements of AASB 7, AASB 9, and AASB 132.

Mining and Quarrying Industries Fund has applied Australian Accounting Standards that are applicable for not-for-profit-entities, as Mining and Quarrying Industries Fund is a not-for-profit entity. Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by Mining and Quarrying Industries Fund for the reporting period ending 30 June 2020.

Notes to and forming part of the financial statements

30 June 2019

Note 3 Reporting by fund

(a) Statement of Comprehensive Income for the year ended 30 June 2020

	Notes	2020 Part A \$'000	2020 Part B \$'000	2020 Total \$'000	2019 Part A \$'000	2019 Part B \$'000	2019 Total \$'000
Net investment profit/(loss)	4	-	(18)	(18)	27	1,245	1,272
General operating expenses		-	(1,062)	(1,062)	-	(1,424)	(1,424)
Depreciation of right-of-use assets	6	-	(29)	(29)	-	-	-
Finance costs		-	(3)	(3)	-	-	-
Total comprehensive result		-	(1,112)	(1,112)	27	(179)	(152)

(b) Statement of Financial Position as at 30 June 2020

	Notes	2020 Part A \$'000	2020 Part B \$'000	2020 Total \$'000	2019 Part A \$'000	2019 Part B \$'000	2019 Total \$'000
Assets							
Trade and other receivables		-	22	22	-	45	45
Investments	5	342	14,254	14,596	342	15,516	15,858
Right-of-use assets	6	-	42	42	-	-	-
Total assets		342	14,318	14,660	342	15,561	15,903
Liabilities							
Trade and other payables		-	95	95	-	269	269
Outstanding claims	7	100	-	100	100	-	100
Lease liabilities		-	43	43	-	-	-
Total liabilities		100	138	238	100	269	369
Net assets		242	14,180	14,422	242	15,292	15,534
Equity							
Retained earnings		242	14,180	14,422	242	15,292	15,534
Total equity		242	14,180	14,422	242	15,292	15,534

Notes to and forming part of the financial statements

30 June 2020

Note 4 Investment profit

	2020	2019
	\$'000	\$'000
Dividends	628	334
Interest received	310	176
Change in net market values:		
Investment held at end of the financial year	(534)	907
Investment realised during the financial year	(372)	(115)
Investment profit	32	1,302
Investment expenses	(50)	(30)
Net investment profit/(loss)	(18)	1,272

Interest income is recognised in the Statement of Comprehensive Income as it accrues, using the effective interest method. Dividend income is recognised in the Statement of Comprehensive Income on the date the right to receive payment is established which is the case of quoted securities is the ex-dividend date.

Note 5 Investments

	2020	2019
	\$'000	\$'000
Deposits with financial institutions	978	1,048
Government / semi-government securities	3,942	3,787
Non-government debt instruments	1,770	1,938
Securities listed on the Australian Stock Exchange	1,277	1,666
Securities listed on overseas stock exchanges	3,624	4,154
Unit Trusts – unlisted property and debt security assets	2,946	3,236
Derivatives	59	29
Total investments	14,596	15,858
Current	1,542	1,501
Non-current	13,054	14,357
Total	14,596	15,858

Investments are measured at fair value. Changes in the fair values of investments at the reporting period from the end of the previous reporting period, or from cost of acquisition if acquired during the financial year, are recognised as gains or losses in the Statement of Comprehensive Income.

The fair value of investments represents their net fair value and is determined as follows:

- cash assets are carried at the face value of the amounts deposited or drawn which approximates their fair value
- listed securities and Government securities are valued by reference to market quotations
- underlying property assets and investments in unlisted unit trusts are valued by reference to independent third parties.

Notes to and forming part of the financial statements

30 June 2020

Note 6 Right-of-use assets

	Motor vehicles \$'000	Total \$'000
Additions in year	71	71
Depreciation charge	(29)	(29)
Carrying Amounts		
At 30 June 2020	42	42

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. If applicable, the associated lease payments are recognised as an expense.

Depreciation is calculated on a straight line basis so as to write off the cost of each item over its expected useful life. The estimated useful life used is the lease term.

Note 7 Outstanding Claims Liability

At 30 June 2020 the existing and prospective liabilities for the Silicosis Scheme under the repealed Act is \$100,000 as estimated by Finity Consulting Pty Limited at 30 June 2019.

Note 8 Reconciliation of comprehensive result to net cash flows from operating activities

	2020 \$'000	2019 \$'000
Comprehensive result	(1,112)	(152)
Adjustments for:		
Investment (profit) / loss	(32)	(1,302)
Interest received	310	176
Dividends received	628	334
Increase / (decrease) in payables	(174)	104
(Increase) / decrease in receivables	23	(5)
Net cash (out) flows from operating activities	(357)	(845)

Notes to and forming part of the financial statements

30 June 2020

Note 9 Basis of preparation

The financial statements have been prepared based on a twelve month period and are presented in Australian currency and have been rounded to the nearest thousand dollars (\$'000s).

The preparation of financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

Note 10 Use of judgments and estimates

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on The Fund and that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are those related to the valuation of outstanding claims liability. The outstanding claims liability has been established on the basis of an independent actuarial assessment of the estimated costs of settlement of claims, inflated for the anticipated effects of inflation and other factors and discounted to a present value at the end of the reporting period.

Note 11 Risk management

The Mining and Quarrying Industries Fund's investments are pooled with investments of RTWSA. It is not possible to identify specific assets belonging to the Mining and Quarrying Industry Fund. Investment income is allocated to the Mining and Quarrying Industries Fund based on the average earning rate of RTWSA as a whole, the Mining and Quarrying Industries Fund is not subject to the interest rate risk of any of its individual investments, but rather to the interest rate risk of RTWSA. Full risk management disclosure is shown in the notes to the RTWSA financial statements.

Notes to and forming part of the financial statements

30 June 2020

Note 12 – Changes in accounting policy

AASB 16 Leases

AASB 16 sets out a comprehensive model for lessee accounting that addresses recognition, measurement, presentation and disclosure of leases. Lessor accounting is largely unchanged. AASB 16 Leases replaces AASB 117 Leases and related interpretations.

The adoption of AASB 16 Leases from 1 July 2019 resulted adjustments to the amounts recognised from a lessee perspective in the financial statements:

- AASB 117 Leases only required the recognition of an asset and lease liability in relation to finance leases. AASB 16 Leases applies a comprehensive model to all leases. Applying AASB 16 will result in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position
- AASB 117 Leases resulted in operating lease payments being recognised as an expense under expenses relating to operating leases. AASB 16 Leases largely replaces this with depreciation expenses that represents the use of the right-of-use asset and finance costs that represent the cost associated with financing the right-of-use asset.

The total impact on RTWSA's retained earnings as at 1 July 2019 is as follows:

	Total \$'000
Closing earnings 30 June 2019 – AASB 117	15,534
Assets – motor vehicles	71
Liabilities – lease liabilities	<u>(71)</u>
Opening retained earnings 1 July 2019 – AASB 16	<u>15,534</u>

Ongoing accounting policies

The Treasurer's Instructions (Accounting Policy Statements) specify required accounting policies for public authorities in applying AASB 16. These requirements are reflected in the RTWSA's accounting policies as follows:

- AASB 16 is not applied to leases of intangible assets.
- right-of-use assets and lease liabilities are not recognised for leases of low value assets, being assets which have a value of \$15 000 or less, nor short-term leases, being those with a lease term of 12 months or less.
- RTWSA, in the capacity of a lessee, does not include non-lease components in lease amounts.
- right-of-use assets are subsequently measured applying a cost model.

Notes to and forming part of the financial statements

30 June 2020

Note 13 Related parties transactions

There are no related party transactions for the year ended 30 June 2020.

The names of persons who were Committee Members at any time during the financial year are as follows:

M. O'Malley
L. Brammy
C. Condo
C. Fisher
R. Knol
P. Lamps
E. Munchenberg
G. Murray
A. Russell
G. Sauer

Note 14 Commitments

Mining and Quarrying Industries Fund has entered into agreements to lease motor vehicles under non-cancellable operating leases for terms in excess of one year. The aggregate non-cancellable lease commitments not provided for in the financial statements are as follows:

	2020	2019
	\$'000	\$'000
Motor vehicles lease within one year	-	31
Motor vehicles lease later than one year but not longer than five years	-	45
Total commitments	-	76

Operating lease commitments is provided for the comparative year only as AASB 16 Leases does not distinguish between operating and finance leases for the lessee.

Note 15 Events after the reporting period

There have been no events after the reporting period which would have a material effect on the Mining and Quarrying Industries Fund financial statements at 30 June 2020.

Statement by Presiding Member, Mining and Quarrying Occupational Health and Safety Committee

In my opinion the attached financial statements for the Mining and Quarrying Industries Fund:

- 1) present fairly the results of the financial transactions of the Fund during the year ended 30 June 2020 and sufficiently explain the financial position of the fund as at that date, and
- 2) at the date of signing the financial statements I am not aware of any circumstances that would render any particulars included in the statements misleading or inaccurate.

The Mining and Quarrying financial figures have not been separately audited as they are part of the Funds comprising RTWSA.

The accompanying financial statements have been prepared consistently with all applicable accounting standards with the exception of the disclosure requirements of AASB 7, AASB 9 and AASB 132.

In accordance with a resolution of the committee.



Martin O'Malley
Presiding Member
Mining and Quarrying Occupational Health and Safety Committee

Date:

Freedom of Information

In accordance with the Freedom of Information Act (1991), information concerning the operation of the Mining and Quarrying Occupational Health and Safety Committee can be found throughout this report.

All project reports that have been received and accepted by the Committee can be accessed by contacting the Executive Officer on (08) 8303 0499.

To access documents other than those mentioned above, please apply in writing to:

Leonie Caldarelli

The Executive Officer

The Mining and Quarrying Occupational Health and Safety Committee

Level 2, 220 Victoria Square

ADELAIDE SA 5000