

**HAZELWOOD MINE FIRE INQUIRY REPORT**

**2015/2016 VOLUME III – HEALTH IMPROVEMENT**

**THE HON. BERNARD TEAGUE AO – CHAIRPERSON**

**PROF. JOHN CATFORD – BOARD MEMBER**

**MRS ANITA ROPER – BOARD MEMBER**

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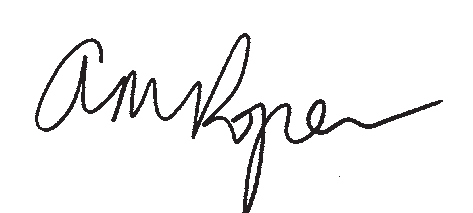
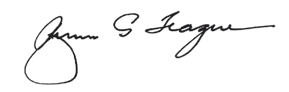
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**Letter of Transmission**

**LETTER OF TRANSMISSION**

The Honourable Linda Dessau AM Governor of Victoria

Government House Melbourne VIC 3004

29 January 2016

Your Excellency

In accordance with the Terms of Reference dated 26 May 2015 and subsequently updated  
on 5 November 2015, we have the honour of presenting to you the third volume of the report of the 2015/2016 Hazelwood Mine Fire Inquiry.

This volume addresses paragraph 7 of the Terms of Reference relating to short, medium and long-term measures to improve the health of the Latrobe Valley communities, having regard to any health impacts identified by the Board as being associated with the Hazelwood Coal Mine Fire. Through the process of inquiring with the community, industry and stakeholders, the Board identified five main areas relevant to progressing health improvements in the Latrobe Valley. These are discussed in the report and comprise: strengthening health services, promoting healthy living, reducing health inequities, building pride of place, and strengthening leadership and sustainability.

The report presents the Board’s considerations for transforming the future health of the Latrobe Valley, including a set of commendations, affirmations and recommendations, and identifies matters for  
further consideration.

Undertaking this work has been a privilege and we thank the people of the Latrobe Valley for their hospitality and generosity. We are also very grateful for the contribution made by a large number of individuals from the community, health services and government agencies who assisted the Board in formulating its recommendations.

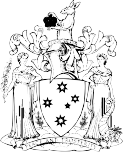
Yours sincerely

The Hon. Justice Bernard Teague AO

Prof. John Catford

Mrs Anita Roper

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**Victoria Government Gazette**

No. S 123 Tuesday 26 May 2015

By Authority of Victorian Government Printer

**Inquiries Act 2014**

APPOINTMENT OF A BOARD OF INQUIRY INTO THE HAZELWOOD COAL MINE FIRE

Order in Council

The Governor in Council, on the recommendation of the Premier under section 53(1) of the

**Inquiries Act 2014**, appoints:

the Honourable Bernard George Teague AO; Professor John Charles Catford; and

Mrs Anita Michele Roper

to constitute a Board of Inquiry to inquire into and report on the terms of reference specified in paragraphs 6 to 11 of this Order.

The Honourable Bernard George Teague AO is appointed as Chairperson of the Inquiry. This Order comes into effect on the date it is published in the Government Gazette.

**BACKGROUND**

1.

In early February 2014 a fire ignited which, on or about 9 February 2014, took hold in the Hazelwood Coal Mine.

The Hazelwood Coal Mine Fire impacted the Latrobe Valley communities.

In March 2014, a Board of Inquiry was established to inquire into and report on the following specified matters:

2.

3.

1.

*The origin and circumstances of the fire, including how it spread into the Hazelwood Coal Mine.*

*The adequacy and effectiveness of the measures taken by or on behalf of the owner, operator and licensee of the Hazelwood Coal Mine to prevent the outbreak of a fire, and to be prepared to respond to an outbreak of a fire including mitigating its spread and severity, in the Hazelwood Coal Mine, including whether the owner, operator and licensee of the Hazelwood Coal Mine, or any person or entity acting on behalf of any of them:*

2.

i.

*implemented the recommendations arising from reviews of previous events; and*

*in the opinion of the Board, breached or did not comply with the requirements of (or under) any relevant statute or regulation, including any notification or directive given under such statute or regulation and any code of practice, management plan or similar scheme, developed and/or implemented due to such requirements.*

ii.

3.

*The adequacy and effectiveness of the application and administration of relevant regulatory regimes in relation to the risk of, and response to, fire at the Hazelwood Coal Mine.*

*The adequacy and effectiveness of the response to the Hazelwood Coal Mine Fire by:*

4.

*i.*

*ii. iii.*

*the owner, operator and licensee of the Hazelwood Coal Mine; the emergency services; and*

*other relevant government agencies, including environmental and public health officials,*

*and in particular, the measures taken in respect of the health and well-being of the affected communities by:*

**SPECIAL**

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**Gazette Notice**

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*iv.*

*informing the affected communities of the Hazelwood Coal Mine Fire and about its known effects and risks; and*

*responding to those effects on, and risks to, the affected communities.*

*v.*

5.

*Any other matter reasonably incidental to the matters specified in paragraphs 1 to 4.*

4.

5.

That Inquiry’s report was tabled in the Victorian Parliament on 2 September 2014.

Since that report was tabled, further concerns have been raised about the potential health impacts of the fire on the Latrobe Valley communities and future options for rehabilitating Victorian mines in the Latrobe Valley.

**TERMS OF REFERENCE**

You are required to inquire into and report on the following terms of reference:

6.

Whether the Hazelwood Coal Mine Fire contributed to an increase in deaths, having regard to any relevant evidence for the period 2009 to 2014;

Short, medium and long term measures to improve the health of the Latrobe Valley communities having regard to any health impacts identified by the Board as being associated with the Hazelwood Coal Mine Fire;

Short, medium and long term options to rehabilitate:

7.

8.

(a)

land on which work has been, is being or may lawfully be done in accordance with a Work Plan approved for the Hazelwood Mine, the Yallourn Mine, and the Loy Yang Mine; and

land in relation to which an application for variation of the Work Plan is under consideration for the Hazelwood Mine, the Yallourn Mine, or the Loy Yang Mine;

(b)

9.

For each rehabilitation option identified under paragraph 8:

(a)

whether, and to what extent, the option would decrease the risk of a fire that could impact the mine and if so, the cost of the option relative to the cost of other fire prevention measures;

whether, and to what extent, the option would affect the stability of the mine;

whether, and to what extent, the option would create a stable landform and minimise long term environmental degradation;

whether, and to what extent, the option would ensure that progressive rehabilitation is carried out as required under the **Mineral Resources (Sustainable Development) Act 1990**;

the estimated timeframe for implementing the option;

the option’s viability, any associated limitations and its estimated cost; the impact of the option on any current rehabilitation plans for each mine;

whether, and to what extent, the option would impact the future beneficial use of land areas impacted by the mines; and

whether the option is otherwise sustainable, practicable and effective;

(b)

(c)

(d)

(e)

(f)

(g)

(h)

(i)

10.

Having regard to the rehabilitation liability assessments that have been or will be reported in 2015 by the operators of each of the Hazelwood Mine, the Yallourn Mine, and the Loy Yang Mine, as required by the **Mineral Resources (Sustainable Development) Act 1990**, and to the outcome of the Rehabilitation Bond Review Project:

(a)

(b)

whether the rehabilitation liability assessments referred to above are adequate;

whether the current rehabilitation bond system*,* being one of the measures to provide for progressive rehabilitation by end of mine life as required under the **Mineral Resources (Sustainable Development) Act 1990***,* is, or is likely to be, effective for the Hazelwood Mine, the Yallourn Mine, and the Loy Yang Mine; and

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*3*

(c)

any practical, sustainable, efficient and effective alternative mechanisms to ensure rehabilitation of the mines as required by the **Mineral Resources (Sustainable Development) Act 1990**;

11.

Sustainable, practical and effective options that could be undertaken by the mine operator to decrease the risk of fire arising from or impacting the Anglesea Mine for the 2015/2016 summer season, noting the impending closure of the mine on 31 August 2015; and

Any other matter that is reasonably incidental to those set out in paragraphs 6 to 10.

12.

**REPORTING DATES**

You must report your findings and any recommendations to the Governor as soon as possible, and not later than:

(a)

31 August 2015, in respect of the Anglesea mine Term of Reference in paragraph 11 of this Order, and any reasonably incidental matters;

2 December 2015, in respect of the Health Terms of Reference, and any reasonably incidental matters; and

15 March 2016, in respect of the Mine Terms of Reference, and any reasonably incidental matters.

(b)

(c)

**CONDUCTING THE INQUIRY**

13.

You may:

(a)

conduct your inquiry as you consider appropriate, subject to the requirements of procedural fairness, including by adopting any informal and flexible procedures to: engage with the relevant local communities; ascertain the relevant facts as directly and effectively as possible; and avoid unnecessary cost or delay;

have regard to any research, past inquiries, reports and evaluations that may inform your inquiry and avoid unnecessary duplication;

have regard to any documents, things or evidence received by, and any matters submitted to, the Board of Inquiry referred to in paragraph 3 as if those documents, things or evidence had been received by you, or those matters had been submitted to you, as the case may be, for the purposes of your inquiry and any report or reports under this Order;

consult with the relevant local communities; and

consult with and engage experts (including Australian legal practitioners) as necessary to provide relevant advice and assistance.

(b)

(c)

(d)

(e)

14.

You must conduct your inquiry in accordance with this Order, the **Inquiries Act 2014**, and all other relevant laws.

It is anticipated that in conducting your inquiry you will, to the extent you think it appropriate, work co-operatively with, and seek not to prejudice, any ongoing response or recovery activities or investigations into the Hazelwood Coal Mine Fire.

The powers of the Board of Inquiry, at the discretion of the Chairperson may, at any time, be exercised by one or more Inquiry members.

15.

16.

**BUDGET**

17.

You may incur expenses and financial obligations to be met from the Consolidated Fund up to $3.378 million in conducting this Inquiry.

**DEFINITIONS**

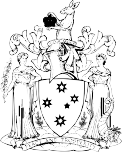
18.

In this Order:

***Anglesea Mine*** means the land the subject of the Mines Aluminium Agreement (Agreement 6829) as in force from time to time, which was ratified by the **Mines (Aluminium Agreement) Act 1961**;

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*Victoria Government Gazette*

***Hazelwood Coal Mine Fire*** means the fire that took hold in the Hazelwood Mine on or about

9 February 2014;

***Hazelwood Mine*** means the land the subject of Mining Licence Number 5004*,* as in force from time to time;

***Health Terms of Reference*** means the terms of reference in paragraphs 6 and 7 of this Order;

***Loy Yang Mine*** means the land the subject of Mining Licence Number 5189*,* as in force from time to time;

***Mine Terms of Reference*** means the terms of reference in paragraphs 8, 9 and 10 of this Order;

***Rehabilitation Bond Review Project*** means the current review into rehabilitation bonds and the methodology by which they are calculated, as referred to at page 1612, lines 7–8 of the transcript of the Hazelwood Mine Fire Inquiry dated 10 June 2014;

***Work Plan*** means a work plan approved under the **Mineral Resources (Sustainable Development) Act 1990** or endorsed pursuant to clause 21A of the Agreement set out in Schedule 1 to the **Mines (Aluminium Agreement) Act 1961**, as amended by the Amendment Agreement set out in Schedule 2 to that Act, as the case may be;

***Yallourn Mine*** means the land the subject of Mining Licence Number 5003*,* as in force from time to time.

Dated 26 May 2015 Responsible Minister:

THE HON DANIEL ANDREWS MP

Premier

YVETTE CARISBROOKE

Clerk of the Executive Council

**Victoria Government Gazette**

No. G44 Thursday 5 November 2015

By Authority of Victorian Government Printer

**Inquiries Act 2014**

AMENDMENT TO THE TERMS OF REFERENCE FOR

THE BOARD OF INQUIRY INTO THE HAZELWOOD COAL MINE FIRE

Order in Council

The Governor in Council under section 53 of the **Inquiries Act 2014**, amends the Order in Council dated 26 May 2015 establishing the Board of Inquiry into the Hazelwood Coal Mine Fire by:

1. For paragraphs (b) and (c) under the heading ‘Reporting Dates’ **substitute** –

“(b) 2 December 2015, in respect of the Term of Reference in paragraph 6 of this Order, and any reasonably incidental matters; and

(c) 29 January 2016, in respect of the Term of Reference in paragraph 7 of this Order, and any reasonably incidental matters; and”

1. After paragraph (c) under the heading ‘Reporting Dates’ **insert** –

“(d) 15 March 2016, in respect of the Mine Terms of Reference, and any reasonably incidental matters.”

Dated 4 November 2015 Responsible Minister

THE HON. DANIEL ANDREWS MP

Premier

MATTHEW McBEATH

Clerk of the Executive Council

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GUIDE TO READING THIS REPORT

This report constitutes the Board of Inquiry’s response to the Hazelwood Mine Fire Inquiry’s Term of Reference 7. Term of Reference 7 requires the Board to inquire into, report on, and make any

recommendations that it considers appropriate in relation to short, medium and long-term measures

to improve the health of the Latrobe Valley communities, having regard to any health impacts identified by the Board as being associated with the Hazelwood Coal Mine Fire.

This report takes into account information provided through community consultations, public submissions, expert reports, public hearings, and at Health Improvement Forums held in Traralgon on 28–30 September 2015, 13 October 2015 and 19 October 2015.

This report may be the first time that an overview of health improvements, considered across the continuum from primary prevention and screening through to treatment and care, has been compiled at the one time for a Victorian community. Uniquely, the report has also been approached from the perspective of a community, rather than a health service agency or government department.

A large number of possibilities for improving health in the Latrobe Valley, representing many different perspectives, were presented to the Board during this Inquiry. The Board has considered the best available advice and evidence for progressing health improvements.

The principles of community engagement and equity are embedded across this report. This reflects the Board’s view that the purpose of any health improvements is threefold: to improve the health of the Latrobe Valley community; to reduce inequity within the Latrobe Valley; and to develop actions towards improving health that are community-centred and community-informed.

**KEY TERMS**

Throughout the report, the term ‘State’ is used broadly to encompass the Victorian Government and the Victorian public service.

The term ‘statutory authorities’ refers to public entities such as the Environment Protection Authority (EPA), VicHealth and WorkSafe.

The term ‘state-level non-government health agencies’ refers to non-government agencies that have a specific focus on promoting health and/or preventing or addressing ill health across Victoria, such as

beyondblue, Cancer Council Victoria, Diabetes Victoria, Heart Foundation Victoria, the Victorian Branch of the Public Health Association Australia, Quit Victoria, and the Victorian Healthcare Association.

The term ‘four principal health agencies’ refers to Latrobe Regional Hospital, Latrobe Community Health Service, Latrobe City Council, and the Gippsland Primary Health Network. These are the key organisations responsible for health and wellbeing in the Latrobe Valley.

The term ‘short-term’ should be taken to be up to two years; ‘medium-term’ between two and five years; and ‘long-term’ more than five years.

**Part 1** of this report, INTRODUCTION TO THE INQUIRY, outlines the new approach taken to addressing Term of Reference 7. This new approach involved collaborative discussion amongst a diverse range of experts from across the community at Health Improvement Forums.

**Part 2** of this report, BACKGROUND TO HEALTH IMPROVEMENTS, provides an overview of health improvement themes, and considers the health of communities in the Latrobe Valley and the health impacts associated with the Hazelwood mine fire. This Part also provides an overview of matters the Board recommended for further consideration in the 2014 Hazelwood Mine Fire Inquiry

Report, in particular the Hazelwood Mine Fire Health Study, the designation of the Latrobe Valley as a health zone and the appointment of a Health Advocate for the Latrobe Valley.

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**Part 3** of this report, HAZELWOOD MINE FIRE HEALTH STUDY, gives further consideration to the ongoing health surveillance of the Latrobe Valley community, which was the subject of much discussion and several recommendations in the 2014 Hazelwood Mine Fire Inquiry Report.

**Part 4** of this report, STRENGTHENING HEALTH SERVICES, considers how health services in the Latrobe Valley could be strengthened in order to improve health outcomes. This Part discusses the need to re-design health services, and to innovate and coordinate healthcare so that the burden of chronic and complex health conditions can be more effectively managed. This Part also considers consumer-led care, screening and early detection of chronic disease, the health workforce in the Latrobe Valley, and the infrastructure required to support health service delivery.

**Part 5** of this report, PROMOTING HEALTHY LIVING, considers a broad remit of measures— including reducing smoking, improving nutrition, increasing physical activity, and improving mental health— that will enable people in the Latrobe Valley to enjoy better health. This Part includes a particular focus on local and state-wide actions to support healthy living and explores settings for action, such as sports clubs, schools, workplaces and the environment. Priority populations in need of health support within the Latrobe Valley are also identified.

**Part 6** of this report, REDUCING HEALTH INEQUITIES, considers the health inequities experienced both within the Latrobe Valley and between the Latrobe Valley and other parts of Victoria. It considers possible measures to address the social determinants of health inequity. Particular focus is given to the health of Aboriginal people in the Latrobe Valley, and potential measures to reduce health inequities by responding to the needs of Aboriginal communities as they relate to health services, health and wellbeing.

**Part 7** of this report, BUILDING PRIDE OF PLACE, discusses the need for more effective engagement by the State and key health agencies with Latrobe Valley communities, and the need to acknowledge the assets of the community. This Part also considers the particular role that industry has had in forming the Latrobe Valley’s sense of pride, and the importance of engaging the community in planning for the transition of industry in order to restore pride of place.

**Part 8** of this report, STRENGTHENING LEADERSHIP AND SUSTAINABILITY, discusses how to achieve improvements to health in the Latrobe Valley through effective leadership and collective impact. This Part also explores the concepts of, and resourcing for, a designated health zone and a health advocate, initiatives recommended by the Board for further consideration in the 2014 Hazelwood Mine Fire Inquiry Report.

**Part 9** of this report, TRANSFORMING THE FUTURE HEALTH OF THE LATROBE VALLEY,

presents the Board’s overarching considerations together with a set of Recommendations, Commendations and Affirmations. This Part notes that proposals made by various stakeholders throughout this Inquiry provide a rich source of advice in guiding future action towards better health in the Latrobe Valley.

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