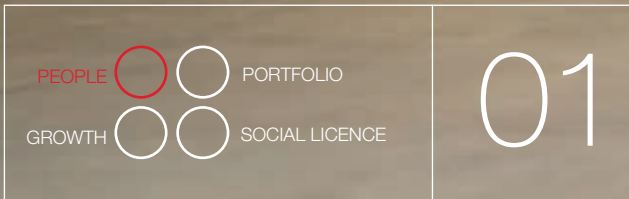




people



**Our strength lies in the knowledge, experience, and skills of our people. Our goal is to attract and retain the best people, provide a healthy and safe work environment, and communicate with them clearly and honestly about our business. We also listen carefully to them, and act appropriately on what they tell us.**



# 01

## People

### Our People

#### Progress 2007/2008

Completed human resources, training and safety systems at Kogan Creek.

Conducted our employee survey, Generating Insight.

Commenced negotiations for Enterprise Bargaining Agreements at Callide and Mica Creek.

Undertook an Industrial Relations Working Party review of our industrial relations consultation processes.

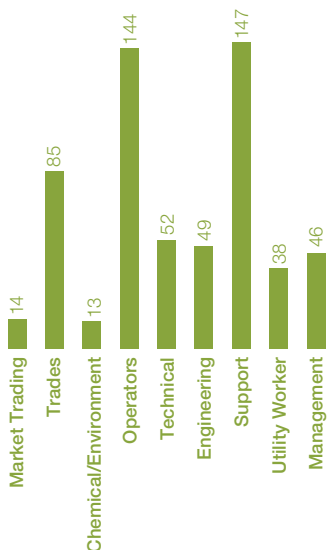
CS Energy is Queensland's largest electricity generator, with more than 580 employees at five sites across the state – Swanbank, Callide, Mica Creek and Kogan Creek power stations, and Brisbane office.

#### Our workforce profile

At 30 June 2008, we employed 588 people in a variety of occupations and professions, including engineering and sciences, technical and trades, contract administration, project management, legal, workplace health and safety, finance, information technology, procurement and human resources.

During the year we recruited 88 permanent employees, and accepted 72 resignations. Our total staff turnover for the year was 12.8 per cent, a slight increase on the previous year's figure of just under 10 per cent.

#### OCCUPATION PROFILE OF OUR WORKFORCE



#### Valuing diversity

We strive to keep our workplace free from all forms of discrimination and harassment. We expect that all people are treated with respect and all employees value the diversity within our teams.

This year we completed a new five-year Equal Employment Opportunity (EEO) Plan, with actions and initiatives to support a positive workplace culture. All employees will be trained in this plan. Our EEO policy can be found on our website [eoo](#).

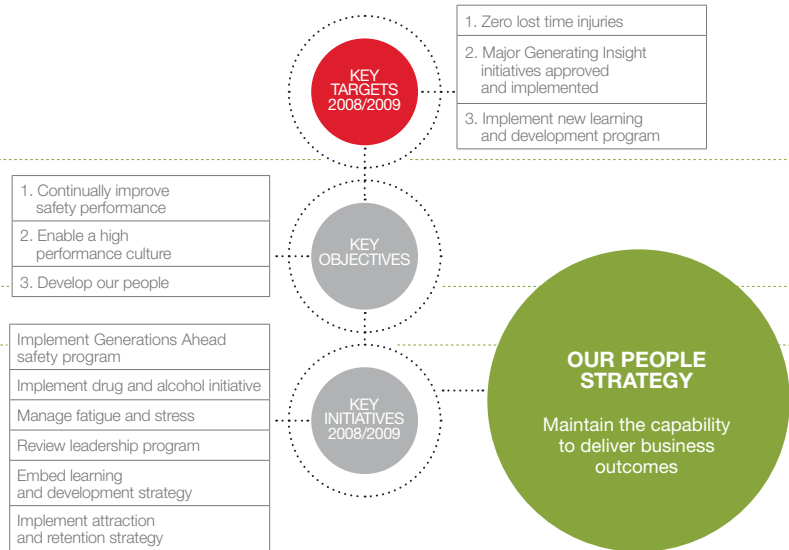
Just over 12 per cent of our workforce is female, with the number of women in technical and trade roles increasing each year. Across our operations we employ a diverse range of men and women of varying ages including a number of people from non-English speaking backgrounds, Aboriginal or Torres Strait Islanders and people with disabilities.

#### Employee engagement

This year, we revised our employee survey, embarking on a new program, Generating Insight. A total of 74 per cent of employees responded, up from 55 per cent for the last survey.

We benchmarked our results against other Australian organisations, which revealed that work is needed in the areas of teamwork, role clarity and supportive leadership. We exceeded the national benchmark in our approach to safety.

These survey results will be used in the coming year to implement specific improvements. The first stage is to work individually with all CS Energy leaders – 82 individuals – to meet our commitment of improving our approach to leadership.



We also conducted a comprehensive review of our Leadership Principles program during the year, using focus groups at each site to identify effective aspects of the program, as well as areas for improvement.

The outcomes of these reviews will be implemented in 2008/2009.

**Industrial relations**

A total of 63 per cent of our employees are employed under Enterprise Bargaining Agreements (EBAs), with the remaining employed under Alternative Individual Agreements (AIAs). We have separate EBAs for each site, and this year we started negotiations with relevant unions to develop new agreements at the Mica Creek and Callide power stations. Both the EBAs and the AIAs at Mica Creek and Callide will expire in August 2008. In September 2008 we will start negotiations to renew Swanbank’s EBA, which expires in March 2009. We are currently developing a negotiating framework for the Corporate EBA, which will expire in June 2009. The current Kogan Creek EBA is in place until October 2010.

We established an Industrial Relations Working Party during the year, to help us improve our industrial relationships and processes. This group comprises CS Energy and union representatives and is supported by an external facilitator. A final report and recommendations from the group’ will be presented in 2008/2009.

NUMBER OF FEMALES IN OUR WORKFORCE				
YEAR ENDED	TOTAL EMPLOYEES	NO. OF FEMALES	NO. OF FEMALES IN TECHNICAL OR TRADE ROLES	% FEMALES IN OUR WORKFORCE
2008	558	72	10	12.24
2007	559	65	9	11.62
2006	530	61	10	11.50
2005	467	59	9	12.63
2004	467	55	10	11.77

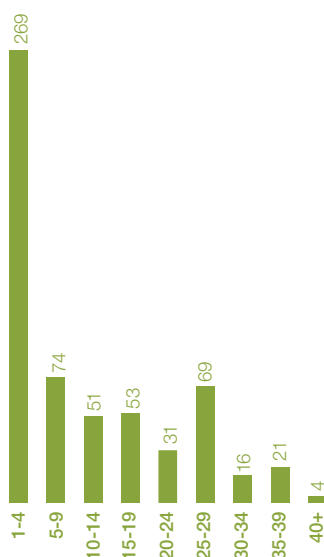
  

EEO NUMBERS	
EEO*	NO. OF EMPLOYEES AT 30 JUNE 2008
Females	72
Non-English speaking background	26
People with a disability	18
Aboriginal and Torres Strait Islander (ATSI)	7
<b>TOTAL</b>	<b>123</b>

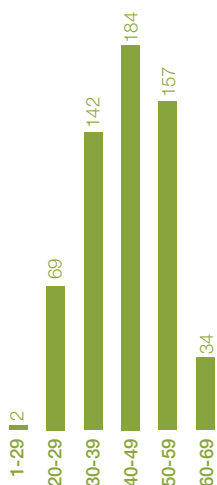
\*Some people chose not to respond to EEO survey questions: non-English speaking background (83 non-respondents to this question); disability (91); ATSI (92)

## Our People continued

EMPLOYEE LENGTH OF SERVICE (YEARS)



AGE PROFILE OF OUR WORKFORCE (YEARS)



### Attraction and retention

We continue to face the challenge of maintaining a skilled workforce in an increasingly competitive employment market. With more than 50 per cent of our staff in remote areas, we compete for skilled people against major operations in the resource sector.

This year we compiled a detailed report of our workforce skills and demographics to assist with workforce planning. We also continued to look for opportunities to strengthen our remote area assistance initiatives, such as housing benefits, travel support and study support for school and tertiary-aged children.

Ensuring we have the right people in the right jobs is a key element of ongoing employee commitment and loyalty. With this in mind, we undertook a major review of our recruitment and selection practices to ensure the most effective approach across the portfolio. This has given us an e-recruitment tool, and a more structured process for managers and supervisors during recruitment, including standard tools, templates and interview guides.

### Functional review

This year we continued a functional review to assess the delivery of internal support services across the portfolio. A review of the delivery of engineering services in 2006/2007 revealed that the most effective means to deliver these expert services was through a centralised team, accessible to all sites. This year we rolled out a similar model for Information Technology, Procurement, Finance and Human Resources. This has streamlined processes and has the potential to open up new career paths for staff previously limited to site-based activity.

### Looking forward 2008/2009

Implement Generating Insight action plans.

Consolidate Functional Review outcomes.

Implement EEO management plan.

Negotiate new Enterprise Agreements at Mica Creek, Callide and Swanbank.

Implement Industrial Relations Working Party findings.

## Learning and Development

### Progress 2007/2008

Opened the Learning and Development Centre.

Commenced second year of Power Generation Skills Development Program and Operator Training Program.

Finished first round of the Supervisor Development Program in 2007 and started second program in 2008.

Developed new Emerging Supervisor Program.

Started review of succession planning strategy.

Making sure our people have the right skills for the right jobs is fundamental to our business strategy. It is also important for our long term growth that our industry has enough people, with the right skills, for the future.

This year, we implemented a Learning and Development Strategy, and opened a new Learning and Development Centre at Swanbank Power Station.

The cornerstone of our skills development strategy, the centre provides a focal point for learning and development initiatives for the whole company in an operational setting. It also enables coordinated management of all our training, training records and employee qualifications, ensuring a consistent approach to shaping employee development plans and recording compliance training. We have also invested in an e-learning tool to develop and manage online learning.

### Professional development

CS Energy joined forces with Tarong Energy, Stanwell Corporation and three Queensland universities to develop an industry-specific post-graduate program to build skills among engineers and para-professionals. Launched in early 2007, the Power Generation Skills Development Program is offered through the University of Queensland, Queensland University of Technology and Central Queensland University. The course is targeted, providing industry with an increased pool of staff, and participants with professional development opportunities. The course entered its second year in 2007/2008 and, as at 30 June 2008, we had six staff enrolled.

We were also part of an industry-wide Power Station Operator Training Program during 2007 providing qualified Operators for Kogan Creek and Callide power stations. These employees were one of the first groups in Queensland to achieve a Certificate IV in Generation (Operations) on the completion of their studies and on-the-job requirements.

Our first Supervisor Development Program was also completed in 2007, which saw 22 staff graduate with a Certificate IV in Business (Frontline Management). A second program was launched in early 2008, with a further 26 CS Energy Supervisors currently completing this course. In response to the demand for places in this current program, an 'Emerging Supervisor Program' has been developed for staff who are placed in 'step-up' or acting supervisor roles, or who aspire to become supervisors in the future.

### Developing the next generation

This year we undertook a review of our Graduate Professional Development Program, which has expanded from two to 13 participants and embraced five new disciplines since 2005. Following the review, a graduate working group was established, a graduate website was developed to encourage peer support among participants, and workshops will now be held annually to allow graduates to share their experiences.

Most of our apprentices and trainees are employed through group training organisations. At 30 June 2008, we had 36 group training apprentices and trainees, and eight employees who are completing in-house apprenticeships/traineeships as part of their development plans. This year we completed a



## Learning and Development

### Looking forward to leadership and success

“ Last year I started in a new senior position and found myself responsible for supervising people for the first time. In the past I’ve had both good and bad managers, but I guess I really didn’t understand the specific skills required for managing people until I started CS Energy’s Supervisor Development Program.

There were all sorts of supervisors from across all power stations in the training, which was specifically tailored to what we do at CS Energy, so we could share experiences and learn from each other. While our jobs may be different, we found that we shared a lot of the same challenges and faced similar situations when it came to managing teams.

I now feel I’ve gained the confidence, tools and day-to-day skills I need to be an effective supervisor and a strong leader in the Company. ”

CAMERON SMITH – MICA CREEK POWER STATION

## Learning and Development continued

review of apprentice and trainee management across all sites to ensure we are supporting their development consistently across the company.

One of our Swanbank apprentices, Adam Jolliffe, was awarded Apprentice of the Year at the Ipswich City Employee awards in May 2008. The awards, organised by the Ipswich City Council, honour the 'front-line' of the region's workforce.

Twelve graduate and fourth year apprentices completed a five-day Outward Bound Program in August 2007 to develop their leadership, teamwork and problem-solving skills. The program was initiated to build the capabilities of the next generation of CS Energy leaders and strengthen participants' transition from training or study to the workplace.

### Development opportunities

Providing development opportunities for our people is a core component of our people management philosophy. This year we piloted a new system, Manager-one-Removed (MoR), which provides an opportunity for staff to discuss their career paths with their supervisor's manager. The MoR system gives employees access to personalised, long-term career development and is a catalyst for the development and maintenance of trusting relationships in line with our Leadership Principles. The MoR system will commence formally across the business during 2008/2009.

With 32 per cent of our workforce aged 50 years and above, effective workforce planning is essential to our long-term business strategy. We are currently revising our succession planning to address work volume, identify positions and associated skills critical to our business, and evaluate the current breadth and depth of internal capability for progression to these critical positions.

### Looking forward 2008/2009

Merge all training records from sites.

Start online training program.

Commence Manager-one-Removed system.

Develop revised workforce planning system.

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## Health and Safety

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### Progress 2007/2008

Finalised rollout of high visibility and flame retardant clothing at all sites.


Completed fatigue management training.

Worked with energy GOCs, unions and sites to develop a combined drug and alcohol policy and procedure.

Finished rollout of our behaviour-based safety training program, SAFEmap.

We aim for a workplace free of occupational illness and injury, and a culture of responsibility toward health and safety. Our Safe Move awareness program encapsulates this objective, using the most basic principle of safety – to think before acting.

Our Occupational Health and Safety Management System (OHSMS) provides a uniform approach to safety at all sites and is designed to encourage continuous improvement. The system includes corporate policies, procedures, audits and health and safety manuals. Information about this system, as well as our safety policies and procedures, can be found on our website .

A key element of our OHSMS is the Permit to Work system, which is used to coordinate and control the isolation of live electrical plant at all power stations. Regular site inspections, job observations and toolbox talks encourage staff to take responsibility for health and safety in their area. Our Permit to Work procedures are available at the suppliers section of our website .

### Safety performance

We improved our safety performance this year, recording six lost time injuries (down from ten in the previous year), with a corresponding lost time injury frequency rate of 3.3. These figures include staff and contractors at CS Energy's five sites. We continue to aim for zero lost time injuries.

Mica Creek Power Station reached a safety milestone of one year without a lost time injury in March 2008, but the team at this site also boasts the


impressive achievement of recording just one lost time injury in five years. Callide Power Station also reached 18 months without a contractor lost time injury.

This year we completed the development of the Chairman's Safety Awards, designed to encourage innovative approaches to safety in the workplace. The awards will include quarterly Safe Move Awards and an annual Generations Ahead Award for the most outstanding safety initiative. We plan to roll out the awards program early in the 2008/2009 year.

### Emergency planning

This year we joined forces with Queensland Fire and Rescue, Queensland Ambulance and Queensland Police for a joint crisis exercise at Swanbank Power Station. Codenamed Operation Boombox, it successfully tested our Emergency Response Team and Crisis Team capabilities, as well as our coordination with emergency services.

### Fit for Duty

Our Fit for Duty Policy ensures everyone in our workplace can perform their duties without posing unacceptable risks to the health and safety of themselves or others. A copy of our Fit for Duty Policy is on our website .

During 2007/2008, representatives from CS Energy, Tarong Energy and Stanwell Corporation in conjunction with state union officials and site delegates, developed a combined policy and procedure for the management of alcohol, other drugs and fatigue in the workplace.

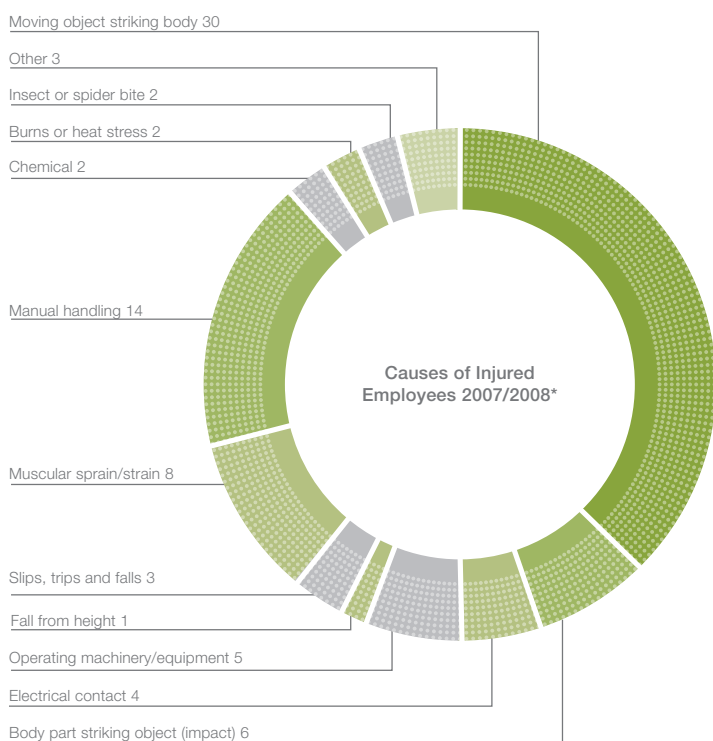
In 2008/2009, we will progress our Alcohol and Other Drugs Policy, which includes an education program for staff and a three-month introductory testing phase.

Fatigue management was also a focus this year, with training in a new procedure designed to help staff and contractors manage fatigue levels, particularly during overhauls and shift work, conducted at all sites. The training included lifestyle tips for employees, as well as outlining the company's responsibility to ensure shift rosters and the workplace environment do not cause undue fatigue.

DETAILS OF THE SIX LOST TIME INJURIES FOR 2007/2008



## Health and Safety continued



\*Causes of injured employees includes all lost time injuries, injuries and medical treatments for staff and contractors at our five sites.

### Safety training

This year we finished the rollout of our new behaviour-based safety training program, SAFEmap. Behaviour-based safety training aims to enhance our safety management systems by focusing on human factors and developing a stronger workplace safety culture. Specifically, the training improves participants' risk identification and response skills, and the training was mandatory for every operations-based employee to complete.

CS Energy takes electrical safety very seriously. We initiated an internal investigation following a rise in electrical safety incidents this year. One major outcome of this investigation was the purchase of four ground-penetrating radars, which will help to locate underground cables. We also continued our electrical safety training program to achieve a more consistent approach at all sites.

Other safety training carried out in 2007/2008 included:

- Incident investigation training
- Safe Move inspection and observation training
- Asbestos management training
- Emergency Response Team training at the Queensland Fire and Rescue training centre.

### Employee health and wellbeing

We believe the physical and mental health and wellbeing of our people is paramount. We offer a range of programs to promote a healthy lifestyle and to help staff balance their work and personal lives.

Our Employee Assistance Program provides free, independent counselling to staff and their families on work or personal issues in a private atmosphere. This year, our employees sought assistance 763 times through the program, compared with 582 in the previous year. We will continue with regular promotion of the service to ensure a high level of awareness throughout the organisation.

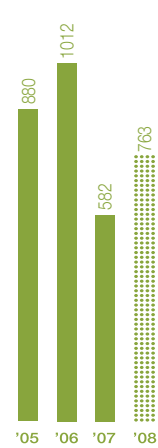
We continue to provide pre-employment medicals for all new power station staff, which have proven successful in identifying current and developing health problems and formulating proactive management plans. Free health assessments are also offered for staff over 50, and we provide free influenza vaccinations to all staff.

A major weight-loss campaign was initiated at Callide, with participants working with the onsite nurse to determine a weight loss strategy, and supporting each other in healthier lifestyle choices and exercise. In 2007, we tested 199 people and found 80 per cent were overweight; in 2008 we tested 169 people, and just 38 per cent were overweight. This weight-loss effort has also seen a dramatic reduction in the number of staff with an unhealthy cholesterol level, falling from 70 last year to 27 this year.

NUMBER OF LOST TIME INJURIES



NUMBER OF EMPLOYEE ASSISTANCE PROGRAM CONTACTS



### Looking forward 2008/2009

- Launch Chairman's Safety Awards.
- Finalise Emergency Response training at Kogan Creek and Mica Creek.
- Focus on reducing workplace stress as part of our Fit for Duty program.
- Ensure consistent plant identification, numbering, signs and symbols across all sites.