

THE COAL EXPRESS

A Newsletter for Balmer Employees

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WHEN WILL THE COAL MARKET TAKE OFF AGAIN?

You'd be a millionaire if you had a nickel for every time that question was asked. The news editor from World Coal magazine recently tried to answer the question and this is what he said.

Energy experts agree that in the medium and long-term, the world cannot do without a considerable increase in coal use. The short term, however, is a different story.

As one coal mining association president said, "the coal industry was slow feeling the effects of the recession and it will be slow coming out of it" - which means that it will be a while yet before things improve.

But World Coal believes they will improve. First there will have to be a general economic recovery in the international marketplace, and higher oil prices, and once the market does improve, it will only be the most cost-efficient mines that will be able to take advantage of it.

OPEC's struggle over price fixing, lower energy requirements of a depressed world economy and the present oil glut have made consumers and producers complacent. The search for fresh oil is losing momentum and efforts to achieve energy efficiency are weakening. According to World Coal that means higher oil prices in the very near future.

A healthy international economy will take a little longer to achieve. Gary Livingstone, president of Westar Mining, believes that the economy has "bottomed out" and that although things will not get better for the coal mining industry in 1984, neither will they get worse. As long as companies can hang on to their productivity records for the next few years, survival will be possible.

World Coal lists an impressive list of specialists and organizations that firmly believe coal production and consumption will at least double and world coal trade triple by the end of the 1990's. The greatest potential growth area seems to be the market for industrial heat, or thermal coal, especially in the developing countries where it is expected coal will replace oil in the direct production of heat.

When will the coal market take off again? is an important question for all of us, but one which can only be realistically answered when the economy improves worldwide. And there are no sure indicators of when that will happen. All we can hope is that Westar can maintain its competitive position so it is prepared for the good times when they come.



President Gary Livingstone explains Westar's competitive position to employees at the Harmer deployment area.

GETTING TO KNOW OUR COMPETITORS — AUSTRALIA

On November 28 Westar president Gary Livingstone discussed the company's out-look for 1984 and 1985 with some 90 people in the deployment area at Harmer as part of the Job-Interest Committee's speaker's program.

In his talk Gary discussed Balmer's major coal competitor, Australia, and the importance of knowing and appreciating what we are up against. The following information may help employees get a better idea of why Australia is such a tough act to beat.

Coal is Australia's number one commodity, representing \$2-3 billion a year in export dollars. Because it is so important to the economy of the country, the industry receives substantial support and encouragement from the federal government.

Australian coal comes from both underground mines in New South Wales or surface mines in Queensland, the largest conglomerate of companies being owned by Utah Mines Ltd.

Coal was first discovered in Australia almost 200 years ago and although production increased slowly it wasn't until Japan recognized Australia as a nearby source of coking coal that production skyrocketed to some 47 million tonnes a year!

Like Westar's Balmer mine, Australian mines need heavy-duty railroads and modern ports to get their product to market. Unlike Westar, however, the distance to port via rail is much shorter and the mines themselves are in flatter terrain, which allows them to use more efficient equipment like draglines. The climate is also milder and the seams flatter which improves working conditions and, therefore, productivity.

Working and living conditions in Australia are generally good and wages high, although the labour movement is quite militant and Australia's reputation as a reliable supplier has suffered because of it. Our fairly stable labour environment has always been our ace in the hole when competing with Australia for contracts.

According to Gary Livingstone, we expect that Australia's share of the Japanese coal market will stay at about 45 percent; if our share increases at all it will be at the expense of the Americans. In the next issue of the Coal Express we will discuss our competition to the south.



Westar 1982 retirees were invited back to tour the Harmer and Greenhills mines. Pictured above with Greenhills assistant superintendent Al Merritt are: (l. to r.) back row: P. Camilli, A.M., B. Verkerk, A. Krall, J. Latka, E. Harlick, A. Mauch; front row: D. Quarin, D. Bonfield, P. Michel.



Another group of visitors — this time wives of company managers — relax after a tour of Balmer North. l. to r.: A. Bouvier, M. Powell, H. Desjardins, G. Brust. Hosting the group are general foreman Bud Morgan (l.) and underground superintendent Mike Fisher.

VISITORS SAYS THANKS

Ever wonder what all those different flags flying at the main office mean? They mean visitors — lots of them — in fact over 5,000 this year, including the summer bus tours. Here are thank you letters from three of them:

I wish to express my personal appreciation to you for your efforts to host ourselves and a delegation from the People's Republic of China.

This group was very impressed with your overall facilities. It was obvious to me during my visit that a great deal of the success of the Titan fleet can be attributed to (employee) efforts and it is equally obvious that Westar Mining Ltd. has taken a very progressive approach to employee involvement.

M.J. Callaghan, Titan Hauler Sales Manager

Just thought I'd take a moment and write you to thank you again for the tour of your Balmer facilities. A most impressive facility, and a most enjoyable and informative tour.

Andy Bryce, CFEK Radio, Fernie

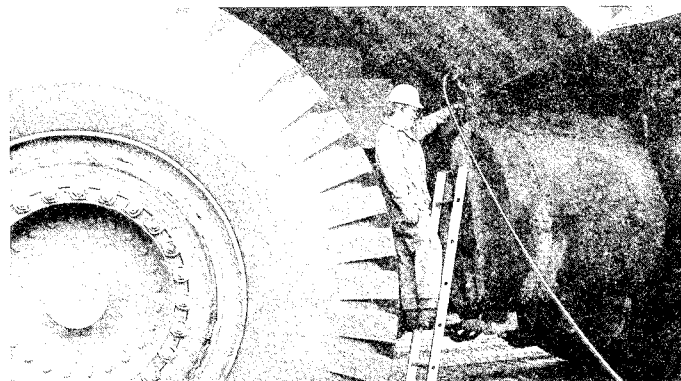
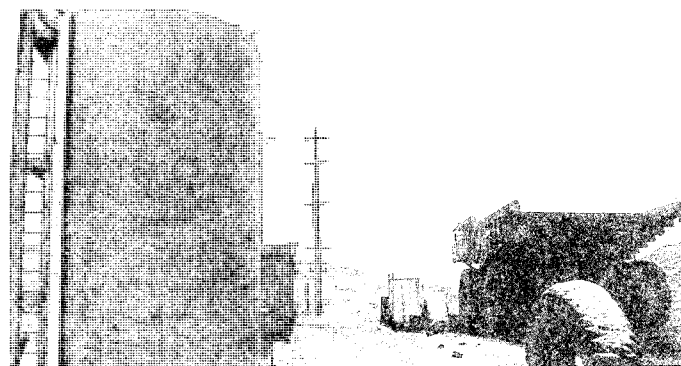
Many thanks for the tour you gave us last week. Donald Graham and I were very impressed with the spirit and enthusiasm evidenced by everyone we met.

Dougal Meekison, Director, Finance, BC Resources

ONE MORE TIME

They've done it again. In June of 1983 Crews 161, 162 and 163 achieved a record availability of 76.9 per cent for the Unit Rig M200 fleet. People said it couldn't be beat, but beat it they did - in October fleet availability for the M-200 fleet was up to 79 per cent. Congratulations to everyone involved.

A belated congratulations as well to Titan crews 165, 166, and 167 for a 89.3 percent availability for the 33-15C fleet and 80.3 per cent availability for the 33-15B fleet, also achieved in June. Well done!



Truck driver Robin Waldner pulls up to the new lube island at the Harmer surface mine (top), then fills up with lubricant. Look for the full report on this innovation in the next Energy Line.

OOPS!

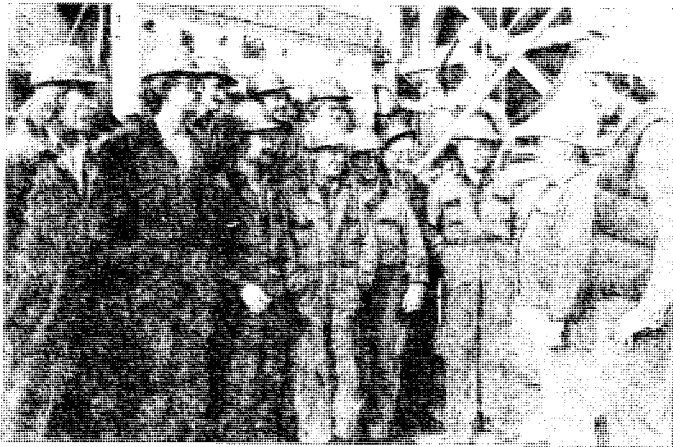
Jim Davis, assistant superintendent, surface mine operations was quick to point out an omission from the August issue of the Coal Express. The all-time record holder for feet drilled per shift is Jose Pires with a total of 1,532 feet per shift of drilling. Also up in the 1,000+ club are drillers John Iddon and Dennis Makin. Way to go!

FIXING A STICKY SITUATION

Everyone knows what a bother winter weather can be - but for the Westar Engineering staff the problem is to keep it from being expensive as well.

Last winter, and again this winter, engineers Randy Ross of Sparwood and Dave Crook of Westshore have been conducting a series of tests to find a way of reducing the amount of coal that sticks and freezes inside railcars after they have been dumped at Westshore.

Whenever a ton of coal makes a round trip, the freight charge must be paid again since the coal stuck in the car becomes part of the next load. Tests are currently being carried out using special chemicals called, "side release agents." In these tests some 25 unit train railcars will be treated through December and January and the results recorded. If effective, a full time program could be in place as early as the fall of 1984.



General foreman Bob Sweet (r.) and foreman Gert Miller thank the rebuild centre's engine shop crew for reducing time spent on rebuilding engines by 48 percent below target and 28 percent below outside vendor rebuilding hours. Outstanding!

EMPLOYEE DAY AT SPARWOOD LEISURE CENTRE

Bring your swimming trunks along because Westar employees will have the chance on Friday, January 13 to have a free swim and tour of the new Sparwood Leisure Centre. The Centre, which includes a leisure pool, kiddies pool, sauna, raquetball courts, exercise room and hot tub, will officially open January 6. From January 9 to 12 the facility will be open for Sparwood residents to tour and swim, then on Friday it's "Westar Employees Day."

Notices will be going up on the bulletin boards letting employees know times and booking procedures — so pay attention. Winter doesn't have to be all bad.

EMPLOYEES GET SMARTER

Employees all over the property have been attending various courses and seminars over the past few months — here are some of the graduates:

Hoisting and Rigging — Nov. 21-25

Instructor — Stan Plonka

D. Bailey	T. Fumagalli	D. Orr
J. Bankhead	C. Gobbett	M. Paul
L. Bedard	B. Hummel	L. Polack
E. Blumers	E. Hunt	D. Roberge
W. Brown	N. Johnston	F. Rutschmann
B. Camilli	C. Mattersdorfer	D. Shaunwhite
E. Cimolini	F. Meadows	J. Stachurski
J. Dentrey	G. Moore	M. Tartal
D. Doering	B. Nastasi	B. Teeple
P. Flanagan	L. Nelson	G. Whiting
R. Frederick		

St. John First Aid

R. Blankman	P. Loeth
R. Clegg	H. Miller
R. Jeria	M. Naslund
R. Lamey	D. Ogden
B. Liesemer	

Blasting

R. Ayers	D. Klein
R. Benko	J. Komishin
R. Cameron	J. Reed
D. Carnes	D. Robinson
J. Hury	J. Romaniuk

Welding

W. Caldwell	P. Letasy
S. Hildebrandt	S. Liska
B. Hill	C. McClure
D. Hill	J. Meeuswsen
L. Jancozn	S. Plonka
M. Leslie	J. Smith

IN CASE SOMEONE ASKS — WE ARE NOT OWNED BY THE GOVERNMENT!

We all know, or should know, that Westar Mining is not owned by the British Columbia government. What a lot of people aren't so sure of, however, is exactly what the relationship between us and the government is and was. The following explanation should be carried around in your pocket so you are prepared for the next time someone calls you a government employee.

Westar Mining Ltd. is 67 per cent owned by the B.C. Resources Investment Corporation (BCRIC) and 33 percent owned by the Mitsubishi Corporation of Japan and a consortium of nine Japanese steel mills. BC Resources is a diversified company with interests in Western Canada's major natural resource industries — coal, forest products, and oil and gas. It is owned by: 121,218 registered shareholders, an estimated one million British Columbians with bearer shares, and 1,998 preferred shareholders. With 96¼ million outstanding shares, traded on both the Vancouver and Toronto stock exchanges, it is among the most widely held companies in North America.

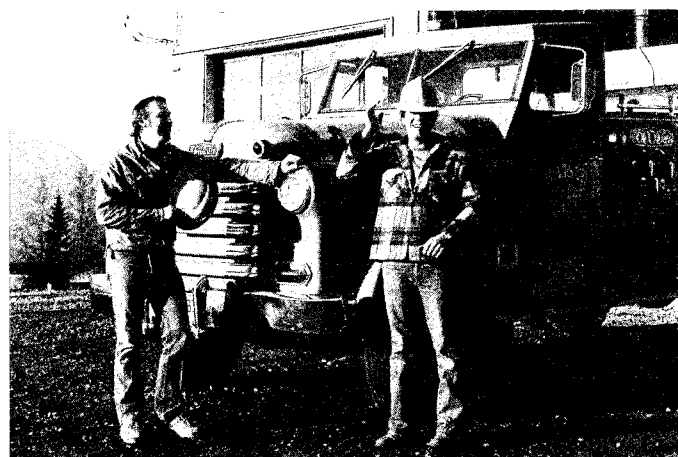
BC Resources was created in 1978 by the British Columbia Social Credit government from companies previously nationalized by the New Democratic Party government. To create an independent company the Socred government issued five free shares to each resident of the province. The remaining 4.6 million shares were turned over to the Terry Fox Foundation, insuring that the government owned no part of the corporation.

Since 1978 BC Resources has acquired a number of companies, including Kaiser Resources, and made numerous investments, such as those in the South and North Brae oilfields.

It is undeniably and unquestionably an independent operating company.



What a team! Westar Mining's Fernie Mighty-Mite team show off their new uniforms after a close victory over the Fording Coal team.



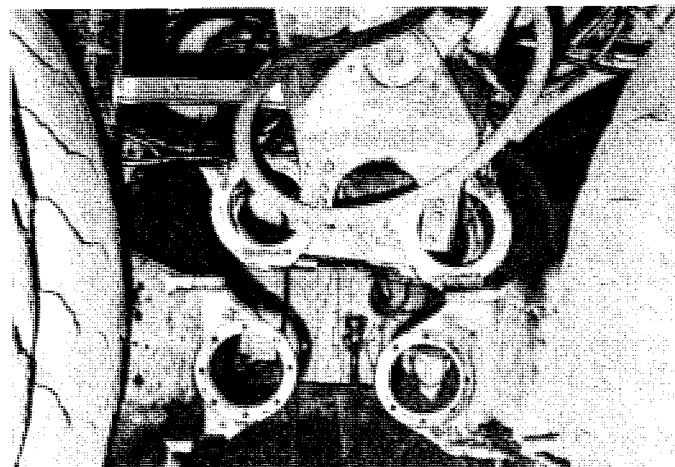
Baynes Lake volunteer firemen, and Westar employees, Arlin Johnson (l.) and Ian Stokie proudly show off the old company firetruck recently donated to the Baynes Lake community by Westar.

WESTAR TO THE RESCUE

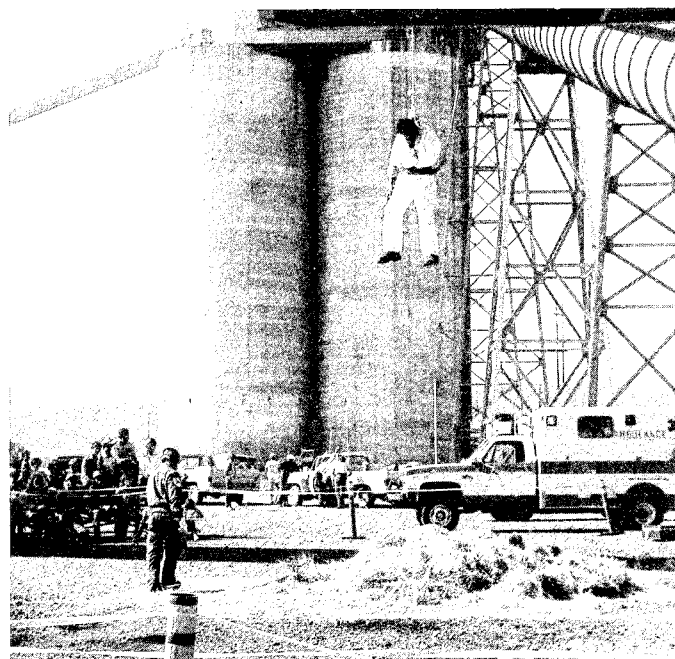
The mine rescue team was contacted at 9:35 a.m., team members Larry Ritchat, Randy Penner, Mike Weeks and Ron Penner were there minutes later. Westar was contacted for assistance when a Kiki Transport tractor trailer unit struck overhead power lines on the Elk Valley Road close to the Inland Cement office in Sparwood. The driver of the vehicle was trapped inside, and high voltage power lines were resting on the trailer.

The company's mine rescue team were requested for accident scene control and to extricate the driver from the vehicle. Assisting was the Sparwood ambulance and Westar's line crew, who were available to help the B.C. Hydro emergency team members remove the charged power lines.

Everything was done professionally and quickly, with no one hurt and only minimum damage to equipment. Congratulations guys for a job well done!



Welder Walter Fantuz peers through the old nosecone of the 350-tonne Terex Titan. Major repairs to the vehicle, recently purchased by the company from General Motors, will have it in operation again by the end of January. Look for the feature article in the next Energy Line.



Westar's surface mine rescue team prepare to help a dangling miner at the International Mine Rescue Competition held in Gillette, Wyoming in the late fall. The company team placed second.