



13 May 2015

Our Ref: 966261
File Ref: 06/PLA/04
Enquiries: Martin Homisan

Mr Jim Pearce MP
Infrastructure, Planning and Natural Resources Committee
Parliament House
BRISBANE QLD 4000

Email: IPNRC@parliament.qld.gov.au

Dear Mr Pearce

Re: Fly-in, fly-out (FIFO) Submission

Reference is made to your media release of 10 April 2015, inviting submissions with respect to fly-in, fly-out work practices. Charters Towers Regional Council hereby submits its concerns for your attention.

Key reasons for the Charters Towers Regional Council submission

1. The Charters Towers LGA's Gross Regional Product (as estimated by industry value added contribution) is estimated to have decreased by 15% between 2006 07 and 2010 11 (an average rate of 4% per year) in real terms (i.e. at current prices), to approximately \$705 million in 2010-11. Mining is *the main contributor* to Gross Regional Product (GRP), accounting for 33.5% of the total Charters Towers GVA in 2010-11 (or \$236 million).
2. Existing mining operations remain a key driver of the Charters Towers economy and FIFO/DIDO are important issues for this region.
3. The Adani project will generate 1000s of construction and operational FTE jobs, and the Charters Towers region, notwithstanding its close proximity to the site, will be unable to provide a viable alternative to the proposed FIFO option as planned by the Carmichael Mine and associated projects proponents to the detriment of the local work force.
4. Council's Economic Development Plan 2012 17 reinforces the need of ongoing support for the Region's proven economic sectors of Mining and Education. Charters Towers Regional Council harbours ambitions to become a *mining focused digital economy leader* of regional Queensland by way of coupling the needs and potential for growth of both sectors.
5. A concept proposal 'Towers Energy and Data' (T.E.D.) for a dedicated, Charters Towers based, *big data centre* includes virtual, remote operation of mining equipment by the youth from Charters Towers and a wider North Queensland region. This approach would minimise total number of FIFO jobs required in the future, which are seen as counterproductive for the mid and long term growth of our regional economy. At the same time, it would provide much needed *21st Century, well paid, meaningful jobs to rural youth*, who typically have to leave Charters Towers region for major urban areas to get employment in the digital economy sector.





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Attraction and retention of a regional workforce

Arguments have been presented that a good regional workforce strategy is focusing on entrepreneurship and innovators, rather than jobs. Thus, there needs to be positive recognition of the opportunities for regional careers and developing regional career aspirations e.g. the work of the Rural Doctors Association in the attraction and retention of medical practitioners in regional Australia. Regional Australia has significant proportion of highly mobile residents. Business practices need to respond to this and find ways of maximising regional participation of the mobile skilled workforce. There is ample evidence that there are significant opportunities to keep commuter workforces in the region e.g. by providing regionally based serviced office space.

FIFO/DIDO influence across Galilee and Bowen basins

Council appreciates that the issue is quite complex as decisions regarding options available for housing of employees are not simply driven by economic factors but rather, other considerations including desirability or location for attraction of workers and families and site specific issues catering for provision of adequate and safe amenity for establishment of communities to name a few.

However, of more relative ease to determine is the fiscal consequence of a region that does not have or has restricted access to FIFO ports. For instance, Charters Towers is not the beneficiary of a transport service direct from its airport. Workers involved are required to travel to Townsville to catch relevant transport modes. Whilst Townsville is only 130 kilometres in distance from Charters Towers, the continuous driving to and from has resulted in workers and their families departing the City to take up residence closer to ports to minimise the travel. But for the travel, the workers and families would have been content to remain.

Obviously, families leaving a community such as Charters Towers has an adverse economic impact on the community as a whole to the benefit of towns offering travelling facilities.

In the interest of equity and fairness and in the interest of allowing freedom of choice as to residence, it is suggested that subsidies should be available to airlines etc. to provide pick up/drop off points at locations such as Charters Towers where facilities are available i.e. airport.

The other matter of concern to Council is the non-retention of any economic benefit to the community notwithstanding that the resources recovery necessitating FIFO/DIDO operations are occurring within its community and where more often than not, infrastructure owned and maintained by the community is essential to such operation (i.e. local roads).

Council considers that some revenue resulting from royalty etc. should be directed towards communities in that situation by way of compensation for disadvantages of the nature highlighted above.

Council will appreciate the opportunity to discuss its concerns including the ability to provide specific situations to assist the enquiry in understanding the concerns during your regional public hearing.

For further assistance, please contact Mr Martin Homisan of this office at your convenience.

Yours faithfully

MP Crawley
Chief Executive Officer

