



Queensland Council of Unions

Submission to:

Infrastructure, Planning and Natural
Resources Committee
Queensland Parliament

Fly in, fly out and other long distance
commuting work practices in regional
Queensland

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Introduction

The Queensland Council of Unions (QCU) is the peak union body in Queensland and makes this brief submission in relation to Fly in, fly out (FIFO) and other long distance commuting work practices in regional Queensland. Firstly the QCU congratulates the Parliament for considering this issue and thanks the Infrastructure, Planning and Natural Resources Committee (the committee) for this opportunity to make a submission.

A number of interrelated questions are asked by the committee in relation to FIFO and other long distance commuting work practices. This submission seeks to provide assistance to the committee in relation to these questions informed by contemporary scholarly research and other credible sources on this specific topic. It is noted that much of the earlier research on the topic of FIFO and other long distance commuting work practices pertains to the Pilbara region of Western Australia, however the lessons learnt there are relevant to the issues being considered by the committee. In addition there has been a more recent focus on Queensland including independent research undertaken on behalf of the CFMEU (SGS 2014).

From the outset it needs to be established that the union movement understands the value of the resource sector to the Australian and in particular Queensland economy. It is not the intention of the union movement to endanger investment in the resource sector or to adopt an anti-industry policy. None the less we fear that any suggestions intended to improve conditions and sustainability of working arrangements will be interpreted as being anti-industry. This concern is illustrated by the attacks on the Committee Chair before any discussion on the issue of FIFO has even commenced.

The union movement does not advocate the eradication of FIFO and other long distance commuting work practices as they clearly have their place in a modern setting. Aside from practicalities the FIFO lifestyle does suit some employees (Parliament of Australia 2013). There are also some projects that could only be serviced by such arrangements and the complete removal of FIFO would be absurd (Parliament of Australia 2013). The complete removal of FIFO would be as absurd as imposing a policy of 100% FIFO when there is a ready, willing and able workforce at the disposal of the companies constructing or operating the mine.

The concerns raised by the QCU are not only those of the unions involved in the construction of mines and extraction of resources but for the broader community. Those employees who provide services, such education, health and public safety to the broader community are also affected by decisions made in relation to how these major projects are staffed. As will be the focus of other submissions regional and remote communities are vulnerable to the introduction of 100% FIFO workforces (Parliament of Australia 2013).

The health impacts on workers and their families from long-distance commuting, particularly mental health impacts, and the provision of health services in mining communities

The first and second questions are inter-related and the effects on families is also answered in relation to the next question below. The most obvious health impact for mining communities is the inevitable reduction in health services to the community as the permanent population of the community is reduced by the increasing incidence of FIFO and other long distance commuting work practices. The provision of health services is driven by population and it is well known that any reduction in population will have a knock effect for a range of services (Parliament of Australia).

The 12 hour shift has been a feature of the mining industry for some time. This presented employers with an increase in productivity and a benefit to employees of additional days off (Di Milia and Bowden 2007). Nonetheless, it is well understood that extended working hours brings with it occupational health and safety risks (McDonald et al 2012; Peetz 2011; Peetz and Murray 2011; Peetz et al 2014). A tangential risk is that of driving long distances whilst fatigued which has been identified as an inadvertent impact of 12 hours shifts. The extended shift and concentrated work blocks is attributed to the creation of the drive-in, drive out workforce, with the concomitant additional hazard of driving when fatigued (Di Milia and Bowden 2007). Little consideration is given to the fate of FIFO employees who then have undertaken long drives and the data concerning the cause of traffic accidents and fatalities is not captured to the extent that would give a true picture of the extent of problems associated with extended working shifts.

As will noted elsewhere employees within the mining sector have no or little input into the rosters they work (Peetz and Murray 2011). The level of control exercised by employers within the resources sector is verging on absolute as a result of legislative and industrial changes over recent decades (Peetz et al 2014). It follows that an absence of any input into working conditions is going to be deleterious to the mental health of employees. This absence of input into working arrangements may go some way to explaining the inordinate level of staff turnover, despite high rates of pay, experienced within the mining industry (Peetz et al 2014).

The effects on families of rostering practices in mines using FIFO workforces

Work intensification is fact of life throughout the Australian workforce but nowhere has been more evident than in the mining industry (Ellem 2015; McDonald et al 2012. Peetz et al 2014; Peetz and Murray 2011). The impact of the 12 hour shift and its adverse occupational health and safety impacts has been previously mentioned in this submission. An average of 51 hours per week is worked in the mining industry which is one and a half times the national average (Peetz et al 2014). It is self-evident that such extensive hours will have an adverse impact on family (Ellem 2015; Mc Donald et al 2012).

Moreover it has been noted that extended shifts have a particular impact on women who continue to shoulder burden of domestic load. The burden of adjustment of the extended hours that have been used to fuel productivity within the resource sector has gone to households. Women are far more likely to report work/life imbalance and

the unrelenting reliance on FIFO workforces has led to the continued masculinisation of regional communities (Peetz et al 2014). None of these emerging trends can be beneficial to family life. The dislocation FIFO creates means that parents returning to a family have difficulty with assimilation upon return from extended tours of work. The family, as a result, grows up and away from that parent.

The extent and projected growth in FIFO work practices by region and industry

The practice of 100% FIFO workforces, when there is a ready and available workforce in close proximity to a project, is of the greatest concern to the union movement. As is stated in our recommendations, this should never be allowed happen again. In the event that the resource sector is permitted to continue with 100% FIFO workforces, it could be envisaged that this form of employment would become almost universal and this in turn would lead to the destruction of communities that grown up around and supported mining activities. State Governments should not be encouraging the use of 100% FIFO workforces if they have any concern for regional development (Parliament of Australia 2013).

In the previous House of Representatives Standing Committee on Regional Australia Inquiry (Parliament of Australia 2013) some submissions were optimistic about regional centres becoming FIFO hubs. It should be noted that a FIFO is in fact a poor substitute for a regional community in terms of the dollars spent by FIFO workers in transit compared to actual residents in a community (SGS 2014).

Another emerging trend that is of concern is the requirement of employees to be required to get themselves to jobs in remote locations. The most parsimonious possible outcome is to further impose the cost of travel to a FIFO workforce.

The costs and/or benefits and structural incentives and disincentives, including tax settings, for companies choosing a FIFO workforce

The use of FIFO workforces originated for projects where there was no alternative, most notably the Pilbara region of Western Australia. However the practice of a FIFO workforce has now spread to other areas such as the Bowen Basin in Queensland where it is not necessary or even desirable. In our submission, the decision to create 100% FIFO workforces in locations where a ready workforce exists is more about control over a workforce than economic considerations.

However it is evident that existing taxation arrangements encourage FIFO by virtue of companies' capacity to write off all expenses associated with FIFO expenses and fringe benefits taxation favouring building camps rather than community investment (Parliament of Australia 2013). Whilst there has been some movement in latest budget with respect to zone tax offset, this represents the taxation of employees who most likely have no choice over whether they are FIFO workers or not (Workplace Express 2015). The removal of zone tax offset to FIFO workers will not end the practice but simply result in those workers paying more tax.

Where a camp is established, it will still require services such as water, rubbish and sewerage from adjoining Local Councils and will obtain these services without any financial return to the Council in question.

The effect of a 100% non-resident FIFO workforce on established communities; including community wellbeing, the price of housing and availability, and access to services and infrastructure

As previously mentioned the provision of health, education and public safety services are principally determined on a population needs basis. It is self-evident that the reduction of the permanent population in a location will result in a diminution of essential services to that area (Parliament of Australia 2013). The same principles apply for local governments and infrastructure (McGrady 2015; Parliament of Australia 2013) and as mentioned above the service may need to be provided by the council without any recompense.

The quality of housing provided in accommodation villages for FIFO workforces

As a peak body, the QCU is unable to assist with this particular question but it is understood that other organisations will address this issue. Submissions to a previous Commonwealth enquiry have described the standards of accommodation as variable (Parliament of Australia 2013).

Strategies to optimise the FIFO experience for employees and their families, communities and industry

The strategies that might be considered are to give employees some choice in the way in which working hours are developed. If employers in the resources sector were to constructively work with unions and employees to this end it is likely that a number of obstacles would be overcome. The QCU would urge employers particularly in the mining industry to take seriously the high turnover as being a problem not merely an inconvenience to be overcome.

The commuting practices for FIFO workforces, including the amount of time spent travelling, the methods of transportation, and adequacy of compensation paid for commuting travel times

The length of time employees are being required to spend away from home is obviously emerging as an industrial issue (Bailey and Peetz 2015; Workplace Express 2014a; 2014b). It is also apparent that a continued and greater

intensification of work is unsustainable (Peetz and Murray 2011). Impacts on workplace health and safety, the existence of regional communities and the impact on families all combine to illustrate the need to rethink policy regarding FIFO and other long distance commuting work practices.

The effectiveness of current responses to impacts of FIFO workforces of the Commonwealth, State and Local Governments

It is apparent that the previous Queensland Government was complicit in the extension of 100% FIFO workforces (Parliament of Australia 2013). A Government that would be complicit in 100% FIFO clearly has no concern for regional development or the welfare of employees or potential employees in the resource sector.

A recent back down from the Abbott Government regarding a notion of an inquiry into iron ore pricing demonstrates that it is fearful of mining companies. It is unlikely that the current Australian Government is likely to do anything that might incur the ire of mining companies. Taxation arrangements have been previously discussed and the policy adopted is to shift the burden to the workforce rather than make any substantial changes aimed at regional development.

Any other related matter

There is little doubt that the motivation for 100% FIFO workforces has been to de-unionise existing sites. This practice is abhorrent in itself as it is intended to deny a workforce the basic human rights of the freedom of association and collective bargaining. These human rights are clearly relegated as inferior to the need for mining to manage as they see fit regardless of sovereign laws and institutions.

Regardless of one's sympathy towards union membership, the policy of 100% FIFO is simply "cutting off the nose to spite the face" from a State Government perspective. The previous LNP Government was willing to be complicit in the destruction of regional communities in order to appease the mining companies' anti-union agenda. Such a Government places its hatred of unions ahead of the needs of the communities it purportedly represented.

Recommendations

The QCU recommendations are that:

1. No further approvals be given to projects that unnecessarily provide for 100% FIFO workforces, particularly when other local workforces are available;

2. FIFO is not used as industrial strategy to de-unionise an industry and Government should not be complicit in such a strategy; and
3. Existing 100% FIFO sites could be supplemented by local workforces, as we are aware that there is high turnover within those workforces, and vacancies created by attrition could be mandated to be filled by appropriately qualified local people.

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