CFMEU

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SUBMISSION TO THE QUEENSLAND GOVERNMENT'S INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE

INQUIRY INTO FLY IN, FLY OUT AND OTHER LONG DISTANCE COMMUTING WORK PRACTICES IN REGIONAL QUEENSLAND

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Executive Summary

The Construction Forestry Mining and Energy Union is pleased to make this submission. CFMEU members work on construction and mining sites throughout Queensland where FIFO and other long-distance commuting practices including Drive In Drive Out (DIDO) and Bus In Bus Out (BIBO) are in common use.

While they are part of the resources industry that is here to stay, the CFMEU is deeply concerned about impacts of the rapid growth of long-distance commuting and compulsory FIFO, including:

- discrimination against local workers in regional areas
- lack of investment in training
- · decline of population, economic activity and social amenity in regional communities
- punishing rosters leading to fatigue, family breakdown and mental illness
- lack of standards and personal freedoms in accommodation camps.

Where companies once built towns to support their operations creating thriving communities through regional Queensland, they now show little interest in or loyalty to those towns and communities that have supported them and supplied labour to them for generations.

If resource companies are to maintain their social license, they must provide the benefit of jobs, training and economic opportunity to the regional areas that bear the negative impacts of their operations.

This is not just a moral issue, but an important economic one. Companies' increasing preference for FIFO is driving centralisation of the Queensland economy, gutting the regions of economic activity and fostering dependence on cities.

The CFMEU notes that concern about the impacts of the growth of FIFO is an area of rare agreement across the political spectrum, with MPs from the LNP, Labor and KAP – especially those representing regional areas – urging action to stem the negative fallout. There is also strong concern and broad consensus at a local government level that action must be taken to recognise and manage the impacts of FIFO.

It's clear that the practices of the mining companies are out of step with the interests of the broader community and we urge the committee to make findings and recommendations in concert with the expectations of the community.

The CFMEU is making a number of recommendations to this inquiry that would improve circumstances for workers and regional communities. Most pressingly, we urge the Queensland Government to put an end to compulsory 100% FIFO operations in the state.

Stephen Smyth, President CFMEU Mining and Energy Division, Queensland District Michael Ravbar, Secretary CFMEU Construction and General Division, Queensland and Northern Territory Branch



Recommendations

- 1. That compulsory 100% FIFO operations are immediately discontinued and no new licenses specifying 100% FIFO workforces be approved.
- Where compulsory FIFO exists, current workers should be guaranteed they will keep their jobs with new positions open to all workers, commuting or local. Discrimination against local workers must end. Local workers must have the right to apply for permanent positions, not just contract positions.
- 3. That FIFO workers be given the opportunity and financial incentives to relocate their families to regional areas in driving distance of their place of work. We note that mines like BHP's Daunia and Caval Ridge have a life span of up to 60 years. This means that generations of workers at these mines are currently denied any choice over their living arrangements and condemned to spend over half their life away from their families.
- 4. That the Queensland Government develop and enforce a uniform set of standards for 'Worker Accommodation Villages', covering room size, food quality, recreational facilities, freedom of movement, access to communications technologies, noise management, fatigue management and engagement with the local community.
- 5. That a tax be introduced on beds in worker camps to be paid by mine operators and/or camp owners to local and state governments in recognition of services and infrastructure provided.
- 6. That rosters be designed in consultation with employees and unions to encourage engagement with families and reduce fatigue.
- 7. That travel time is properly taken into account as part of working hours.
- 8. That a social impact study be conducted before any mining license is granted, recognising that while the whole state benefits from mining it is host local communities that must live with the negative fallout. Mining licenses should depend on a company's commitment to invest in training, engage with local businesses and provide permanent jobs.



Background

The nature of work in the resources industry has changed considerably over the past decade. We have witnessed a significant rise in the use of FIFO and other forms of long-distance commuting and a decline in employment of workers living locally.

Where FIFO was employed by companies to deal with issues of remote location, short project timeframe and overcoming skills shortages, it is now being used in circumstances where it is not necessary – close to established towns for long-term projects and in place of locally skilled and qualified workers.

FIFO is not just a form of commuting. It rests on a set of circumstances and conditions that make its use desirable and profitable for employers. These include long rosters, rigid camp-style accommodation that gives greater control over the workforce and reduced investment in skills training.

The use of FIFO to circumvent the need to invest in training is a serious issue. By sourcing labour from the cities, corporations subvert their obligations to invest in building a skills base in the areas they operate in. The resources sector has a track record of 'bodysnatching' – sucking up skilled labour from other regions and industries – leading to a net reduction in skills development and placing the burden of training on government and other sectors of the economy.

Apprenticeships are nearly unheard of on major construction projects in the resource industry and they are declining rapidly in mining production as the use of FIFO grows. For example the BHP-Mitsubishi Alliance (BMA) has indicated it will take on only 12 new apprentices in 2015 across its massive coal operations in the Bowen Basin – a massive shortfall in the training commitment of previous years considering the joint venture currently employs 230 apprentices.

The spread of FIFO beyond the circumstances where it is necessary and appropriate is contrary to the interests of workers, their families, regional communities and the general public.

CFMEU members work in FIFO and other long-distance commuting arrangements in both the construction and production phase of resource developments. These phases have issues in common while each also has distinct characteristics and concerns.

Construction phase

FIFO has traditionally been more common and accepted during the construction phase of resource projects, due to the shorter-term nature of projects – two to three years compared to the production lifespan of a mine which can be fifty or sixty years.

FIFO construction workers struggle with long rosters. While there are a variety of rosters worked across the industry, four weeks on and one week off or three weeks on and one week off are not uncommon. Roster lengths are the issue that cause most anxiety and concern among commuting construction workers, leaving them struggling for long periods away from their family. Roster lengths have been linked to deteriorating mental health and suicide among FIFO workers.



Curtis Island

Bechtel's LNG project on Curtis Island off the coast off Gladstone was the site of a major dispute last year centring around punishing rosters for the project's mostly FIFO workforce. Some six thousand FIFO workers are employed at Curtis Island on a 4/1 (four weeks on, one week off) roster. During their four weeks on, workers are expected to work six days of ten-hour shifts. These rosters were causing great anxiety among the workforce and were the major sticking point in accepting a new workplace agreement. The Agreement was voted down twice, and it wasn't voted up until after the company engaged workers on 457 visas and told them during their induction to vote for the agreement or risk losing their job. The CFMEU knows of at least once instance where an employee on a 457 visa refused to endorse the agreement and was sent home. Bechtel offered workers hefty cash bonuses to accept their preferred agreement maintaining the 4/1 roster, but a significant 46% no vote reflected deep opposition to the rosters.

Production phase

The production phase of resource projects has traditionally been serviced by residential workforces, due to the long lifespan of most mining operations. Coal mines can operate for many decades.

Mining companies were required by the Queensland Government to build residential towns to house workers in return for licenses to develop the Bowen Basin coalfields during the 1960s and 1970s. Towns like Moranbah and Emerald and Dysart flourished and developed thriving communities with schools, sporting clubs and local shopping strips.

FIFO is now increasingly used in regions like the Bowen Basin that have residential populations, including many unemployed skilled workers.



Daunia and Caval Ridge

BHP Mitsubishi Alliance mines Daunia and Caval Ridge are both located within 30 km from Moranbah town, where recent job cuts have meant many skilled mineworkers living locally are out of a job.

But despite living only a short drive away from these mines, local workers are locked out. To apply for a job at either Daunia or Caval Ridge, workers have to reside in Brisbane or Cairns. Daunia and Caval Ridge are a

symptom of mining companies' increasing appetite to use commuting workforces, even where local residential workforces are available.

BMA's 100% compulsory FIFO policy at these mines actively discriminates against local workers and does not give commuting workers a choice about their living arrangements. 100% FIFO arrangements mean that workers who want to live closer to the mines – in local towns or regional centres like Mackay -



do not have that option. Rather they are confined to living in a 100 kilometre radius of Brisbane and Cairns as dictated by their employer. During their roster, workers' accommodation is also dictated by their employer, who insists they stay in a particular camp under strict terms. Many workers at Daunia and Caval Ridge would move with their families to Moranbah or rent share houses in town allowing for more engagement with the community if they had the opportunity.

Major issues faced by commuting workers include:

- Punishing rosters for workers during the construction phase. While rosters vary significantly project to project, many workers have only one week off to three or four weeks on.
- Lengthening of rosters in the production phase to accommodate the growing use of FIFO work patterns. Rosters like four days on and four days off that suit local workers going home to their families after shifts are giving way to roster patterns like seven days on seven days off, that suit long-term commuting.
- Lack of choice over accommodation arrangements, with many employers now insisting workers live in camp-style accommodation villages rather than investing in local housing or allowing workers to rent in the local community.
- Companies changing the transport arrangements with no notice or choice. This can include making workers pay for flights out of their own wages or removing flights and replacing them with buses. Workers being forced to pay for their own flights if they miss the company flight due to illness or family matters.
- Discriminatory treatment of contract and labour hire workers.
- Job insecurity meaning workers are reluctant to raise concerns over their work and safety conditions with their employers.



Terms of reference

Our response to the terms of reference draws on a number of documents including the CFMEU's Commuting Workers Survey, the SGS economic and social impact assessment on Fly-In-Fly-Out employment policy on Mackay and Moranbah, and the CFMEU's Camp Life report – all attached to this submission.

The health impacts on workers and their families

The Essential Research survey of commuting workers commissioned by the CFMEU (attached) found high levels of personal and family stress.

More than half of all commuting workers say their working arrangements are causing stress to them personally (58%) or to their family (54%).

	Personal Stress	Stress for Family
Yes, a very high level of stress	13%	11%
Yes, a moderate level of stress	45%	43%
Not really	35%	37%
Not at all	7%	8%
Base	9 1482	1474

<u>Question</u>: Do your current work arrangements make <u>you</u> feel stressed? Do your current work arrangements cause stress for <u>your family</u>?

Fatigue is a major concern with 80% of commuting workers indicating it was a big issue in their workplace. Many were concerned about the safety implications of fatigue both on the job and during the commute.

Mental health is a critical issue, and there is increasing evidence that loneliness, social isolation and punishing rosters take their toll on the emotional health and wellbeing of workers and their families. Last year in the Pilbara region of WA, nine FIFO workers took their lives, prompting a <u>parliamentary inquiry</u> into mental health issues among FIFO workers in WA. The issues raised in the WA inquiry are the same issues facing FIFO workers in Queensland.



Not only are there many characteristics of commuting work which potentially lead to a high risk of mental illness, it is also in many cases much harder for those suffering mental health problems to seek help. Extended periods of time away means accessing services or reaching out to family and friends is more difficult for commuting workers. Negative stigma in many workplaces in the mining and construction industries make it difficult for workers to seek help from their colleagues or management.

Pervasive job insecurity in the industry compounds the problem. The CFMEU's survey of commuting mineworkers shows that more than two thirds are afraid of losing their job, and many workers fear they will be targeted if they disclose any health issues to management.

"If I say anything I'm scared I'll get fired" "Speak up and lose your job that's how it works"

Extreme job insecurity in the industry is also linked with risk to workers' safety while at work. Afraid of losing their job, many employees do not feel confident to speak up about safety concerns when they are in their workplaces. Many employees (46%) were uncomfortable raising issues with their employer, with many citing fear of repercussions.

"Mining deaths in Queensland coal mining are about to escalate. Safety is not being adhered to on sites."

An additional health issue emerging from the growth of FIFO is increased difficulty in workers managing illness around inflexible travel and shift arrangements. A worker who is ill at the start of their roster has to decide whether to take a day off to see the doctor and seek treatment, risking high costs to book a flight the following day and financial penalty from their employer.

The outcomes of this include:

- Higher absenteeism as workers choose to simply take their whole week-long shift off because managing a short illness to fit with FIFO work patterns is logistically difficult or impossible.
- Employees going to work sick because the financial penalties of not attending are too high, compounding the illness and spreading it across the workplace.

Many FIFO workers choose to go to work while sick because they fear they'll lose their job or face disciplinary action if they take time off.

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

Time away from family is the most difficult aspect of FIFO life for workers to manage, with strong anecdotal evidence of high levels of relationship breakdown.



While FIFO work arrangements are often spruiked by employers as promoting 'choice', the survey found that over half of all commuting workers had no choice about their living and commuting arrangements when employed in their current job.

FIFO workers had the least choice, with 76% having no choice about their working arrangements when they were employed.

<u>Question</u>: When you were employed, did you have a choice about [your living and working arrangements]?

	%	FIFO	DIDO	BIBO	Local	Other
Yes	43%	24%	49%	61%	69%	48%
No	57%	76%	51%	39%	31%	53%
В	ase 1392	603	498	130	259	40

FIFO workers were less likely than other commuting workers to be satisfied with their work arrangements, and significantly less than those who live locally (-27%) to be satisfied. A significant proportion (37%) said they would prefer to live within driving distance of work. Dissatisfaction rates among FIFO workers are highest among those with dependent children and those who are married or partnered.

Given the decades-long production lifespan of mining operations, workers are locked into a lifetime of separation from their families if they wish to keep their jobs. Compulsory FIFO arrangements do not recognise that a worker's circumstances may change over the years or decades and choices about where and how they live may change depending on life events like getting married or having children.

'A roster allowing more personal/family time' was the most common thing that commuting workers would like to change or improve about their working situation.

"I believe difficult and unreasonable rosters are the biggest issue facing mine workers. Better rosters mean more time at home, less fatigue, depression and stress."

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

The 2013 House of Representatives Standing Committee on Regional Australia report: "<u>Cancer of the</u> <u>bush or salvation of our cities</u>" (The Windsor Report) noted the lack of research into FIFO work practices and their effects. The CFMEU has analysed unpublished census data that shows FIFO and DIDO mobility in the Australian construction and mining industries is extensive.



FIFO work practices have grown significantly in Queensland's coalfields as major employers embrace the practice. We are aware that in addition to the BHP Mitsubishi Alliance's two 100% compulsory FIFO mines at Daunia and Caval Ridge it is seeking approval for a third 100% compulsory FIFO operation at Red Hill. We were alarmed by <u>evidence</u> revealing that BHP had explored the option of reopening the Norwich Park coal mine with a FIFO workforce from interstate, to drive down wages in the Queensland industry.

Apart from overtly compulsory FIFO operations, many more employers are finding ways to avoid hiring residential workforces by preferencing commuting employees, and due to declining populations in regional coal communities.

For example, the proportion of commuting to residential workers at BMA's Blackwater mine has grown from approximately 50-50 in 2012 to around 70-30 in 2015. The use of commuting workforces by mining companies has triggered a change in the social mix of the town of Blackwater to the point that many workers and their families are choosing to leave the area and commute to work.

The extent of FIFO and commuting work arrangements varies as projects move from the construction into the operations phase where the workforce substantially decreases.

We urge the Queensland Government to conduct a study into the extent and growth of FIFO work practices as a proportion of the total mining and construction workforce in Queensland to provide empirical data to underpin policy-making in this area.

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

The Windsor Report exposes the array of tax incentives available to mining companies using FIFO workforces. These include Fringe Benefits Tax exemptions for flights and camp accommodation, as opposed to permanent housing. We urge the Queensland Government to work with the Commonwealth Government to progress the broad range of tax changes recommended by the Windsor Report to remove incentives for companies that favour FIFO over residential workforces.

We note the recent Federal Budget decision to wind back Zone Tax Offsets for workers only addresses workers' benefits without addressing the array of far more expensive tax concessions for resource companies. Given workers have little choice about their working and living arrangements, this measure will hit workers' pay packets while doing nothing to address the structural issues driving growth of FIFO.

In addition, we recommend additional levies on the development of camps which are putting extreme burdens on the services, infrastructure and social amenity of regional Queensland towns. A levy per camp bed paid to local and state governments would go some way to contributing to the services and infrastructure publicly provided to worker camps and would encourage companies to provide more accommodation options to workers.



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

The introduction of compulsory 100% FIFO operations into the established communities of Central Queensland is having a devastating and demoralising impact. CFMEU members living and working in regional towns report on the transformation of once thriving towns into 'ghost towns'. There is a snowball effect as families move away for job opportunities, taking children out of schools and sporting clubs and resulting in contracting public services and opportunities for social engagement.

Tragically, communities that were once vibrant and family-focussed are becoming less desirable places to live due to residents being outnumbered by temporary commuting workers and declining services.

Rising job insecurity in the industry also means that workers are less committed to living in a town linked to a mine as they could lose their job any time. Many workers figure that living in a regional centre will mean less upheaval for their family if they lose their job.

Any discussion about choice to live in regional communities must be matched by an effort to make these regional communities a good place to live once again.

The CFMEU's survey found the commuting workers themselves disagreed strongly with employment policies that prioritised FIFO over local workers:

- 96% of commuting workers agree that companies should allow locals access to job and apprenticeship opportunities
- 82% agreed that companies have an obligation to ensure local businesses and communities are supported
- Fewer than one quarter of respondents agreed that companies should be allowed to employ 100% FIFO workforces
- Just 14% of commuting workers said that transport to the local shops and community facilities is provided at their camp

"FIFO personnel shouldn't have priority over local qualified people, employ them on their qualities not their postcode."

"Create permanent jobs and live locally, give us our townships back."



Case study: Moranbah

The CFMEU commissioned a report from SGS Economics and Planning into the impact of 100% FIFO operations Daunia and Caval Ridge on the nearby town of Moranbah.

Moranbah is a small regional town 190 km south west of Mackay with a population of 9,269. Nearly half of the population is employed in the mining industry and it also has a large contingent of non-resident workers who, through FIFO operations or by other means work in the area and live elsewhere. Sourcing employment entirely remotely threatens the social makeup of Moranbah as a lack of working opportunities will force people to look elsewhere for jobs.

Due to 100% FIFO policies in place at Daunia and Caval Ridge between 1,000 and 1,200 permanent jobs are inaccessible to the local working population of Moranbah and its surrounds.

The SGS study found that the Mackay and Central Queensland region is missing out on millions of dollars per year because of BMA's decision to exclude local workers from permanent jobs.

The report found that sourcing just 30% of the workforce locally at Daunia and Caval Ridge would:

- directly deliver at least \$14.3 million to the regional economy annually, or more than \$143 million over a decade.
- generate over four times the local expenditure as a compulsory 100% FIFO workforce.
- provide greater incentive for new families to move to Central Queensland.

The report also found that the social impacts of BMA's compulsory FIFO policy on the mining dependent town of Moranbah are severe because it means there are no new jobs bringing people to the area and current residents are being forced to move away for work.

A community's health and wellbeing is enhanced by connections to place, a sense of belonging and relationships established within the community. Social infrastructure provides an important role in providing places for people to meet and interact. It also provides essential services such as health and education. A cohesive community is also the key to a strong local economy, including investment and participation in local businesses and community groups.

Residents unable to find work nearby may be forced out of the area. With Moranbah's population of just over 9,000 when residents leave this can have significant flow on effects through the community

Communities fight back

Singleton

Residents of the NSW Hunter Valley town of Singleton were alarmed at news the MAC group had applied to build a 1500-unit temporary worker accommodation camp on the outskirts of town. Residents and local business owners feared the camp would drive the introduction of FIFO work practices in the region and undermine local jobs and economic activity. After looking at the experience of camp



development and FIFO in Queensland a local action group was formed and through building strong community opposition they were able to convince state government planning authorities to reject the development application for the camp.

Karratha

The Western Australian mining town of Karratha has been growing steadily over the past decade and now has a population of about 26,000 residents. There are still approximately 13,000 beds for FIFO workers but the City of Karratha has gone to great lengths to invest in services and recreation to make incentivise workers to move to the town permanently and reduce the role of FIFO arrangements in the area. This has resulted in the West Australian Lands Minister refusing to extend the lease on a large FIFO camp run by Woodside on the outskirts of the town, citing that the significant investment and development in Karratha has meant that the camp was no longer necessary.

The quality of housing provided in accommodation villages for FIFO workforces;

The trend in the resources sector towards using FIFO or other commuting workers has led to the rapid growth of accommodation villages, or camps, for the temporary workforce.

Where once this style of temporary accommodation was restricted to remote areas and short-term projects, in the past decade the experience for more and more mineworkers is of commuting and spending extended periods of time living in camps. These camps are no longer restricted to remote areas but are now commonly set up alongside established communities.

There are now 69 camps and a total of approximately 32,000 beds for temporary workers in the Bowen Basin alone. Central Queensland mining town Moranbah has been surrounded by mining camps and the town's population of just over 9,000 is now overshadowed by almost 10,000 beds for temporary workers in the surrounding area.

Camps have been set up quickly and mostly under the public radar, and there has been little serious research into their extent and impacts.

The 2013 Windsor Report into FIFO "Cancer of the Bush or Salvation of our Cities" noted the lack of data about the extent and impact of FIFO and camps in regional Australia:

"There is very little authoritative national data available... therefore it is difficult to establish the extent of the use of FIFO arrangements in the resource industry."

The fast growth of temporary camps has also gone ahead without proper scrutiny and with little regulation.

The Queensland Government's <u>guidelines</u> (Non-resident worker accommodation, PDA Guideline 3, March 2014) on developing temporary worker accommodation outline that camps should provide for the



safety and comfort of occupants, integrate with existing towns and have a minimum aesthetic standard. However, these standards are not enforced and vary considerably camp to camp.

Inside central Queensland camps

A survey of camps in the Bowen Basin conducted by the CFMEU (attached 'Camp Life' report) found that standards are not enforced. While some camps have great recreational facilities, decent room sizes and quality food, others feel like prisons, with old buildings, windowless rooms, low quality and repetitive food and a lack of recreation facilities.

Camp conditions vary widely

Coppabella MAC camp

One of the larger camps, Coppabella has about 5,000 beds and is just under an hour's drive away from Moranbah. The camp is well landscaped, has facilities including a pool, tennis court and gym. Rooms have a king single bed, ensuite, air-conditioning, a fridge, kettle, tv and wifi.



Rosewood Accommodation Village

Originally Rosewood camp in Blackwater was built as a temporary camp to last for two years. This camp has now been housing workers for more than 15 years, as it keep getting license renewals for six and 12 month periods.

The shoddy buildings and lack of landscaping are an eyesore and resented by the Blackwater community and the workers who stay there.

Apart from the facilities on offer there are a number of other areas of concern for workers living in temporary accommodation – such as employer control, room arrangements, food, medical facilities and access to communications.

Control

A big issue in the camps is the perceived control that the employer has over workers, with nearly half (47 per cent) of commuting workers saying their employer is very controlling even when they are at their accommodation. In some camps workers report feeling constantly under surveillance.

The CFMEU has had reports that workers have been disciplined or fired for leaving the camps without having prior authorisation from management.



"Security is over the top and controlling."

"Cameras are positioned everywhere in the village, infringing on our privacy."

'Hoteling' or 'hot bedding' arrangements

Many workers complained about 'hoteling' arrangements, which meant that each time they arrived to start their roster they were given a different room in the camp. This was very common even when workers had a very consistent roster and stayed at the same camp each time.

Not only does this create extra hassle for the workers who have to check in and out of different rooms each time, and cannot leave any gear behind when they finish their roster, it also prevents any sense of community among the mineworkers who live in different parts of the camp for each roster.

A sense of community is very important for the mental well being of workers, especially commuting workers who are subject to other high risk factors as outlined above. It is also particularly important for female workers, who have a greater need for security in their living arrangements, particularly in the heavily male-dominated resources industry.

Similarly, less common 'hot bedding' arrangements involve workers sharing a bed while on the same roster but different shifts, so one worker will sleep in it during the day and the other one at night. This arrangement denies workers any privacy and also means that fatigue can be an issue if the room is not ready when needed after a shift.

Food

Only 41% of commuting mineworkers said they had access to good quality food at their accommodation.

"It's the same food day in, day out - I wouldn't say that it's good quality"

Medical facilities

Only 49% of commuting workers rated their access to medical facilities as good. In nearby towns medical facilities are increasingly under strain because they are servicing non-resident commuting workers in addition to the local population.

Access to communications

Keeping in touch with families and friends through communication facilities is essential for commuting workers. However, many camps do not provide internet access or mobile phone coverage. Many are left without adequate communication at their accommodation, with only 58 per cent of workers having phone access at their accommodation and 59 per cent with access to Facebook or other social media.



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

A central feature of employers' FIFO employment practices is enhanced control over the workforce, by directing the means of transport and dictating place and type of accommodation.

Central to improving the FIFO experience for workers and families is to ensure they are given genuine choice over their working and living arrangements. Companies should not be able to dictate workers' addresses at their main residence or during their rostered days on.

Permanent jobs and real job security are also essential if workers are to be comfortable to speak up about work practices that are unsafe or are damaging to their physical and mental health.

To improve the FIFO experience for employees, governments should support policies that promote employee choice, permanent work and job security and engagement between commuting workers and local communities.

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 CFMEU's Commuting Worker Survey found that fatigue is a major concern with 80% of commuting workers indicating it was a big issue in their workplace. Many were concerned about the safety implications of fatigue both on the job and during the commute.

The union has heard of cases of workers from the Bowen Basin flying from Moranbah to Cairns or Brisbane, where the workforce is sourced from, to then fly back to the mines for work to comply with compulsory FIFO policies. There are many other cases of workers travelling all day to get to work – in some cases travelling by three transport modes for example car, plane and bus.

Some employers cover the cost of flights for FIFO workers but many other workers pay for their own flights. Travel time is never taken into account as work time under rosters, but the CFMEU argues it should be. With a full day of travel each day a seven on/seven off roster easily becomes a nine on/ five off roster.

Travelling for extended periods at the beginning and end of their block of shifts (often 12 or 12.5 hours) is frequently pushing people into 16 or 17 hour days.

Our survey of commuting workers found nearly half of FIFO workers were spending over five hours of their own time getting to work while one in five drive-in drive-out workers were spending over five hours on the road at the beginning and end of their roster.



<u>Question</u>: How much of your own time is spent getting to work (that is - from your home to your workplace)?

	%	FIFO	DIDO	BIBO	Local	Bowen Basin workers
Five hours or more	28%	48%	21%	10%	-	18%
3-5 hours	21%	25%	25%	29%	-	22%
1-3 hours	29%	18%	45%	52%	12%	36%
Less than 1 hour	22%	9%	8%	9%	87%	24%
Base	1481	574	485	120	263	809

Another concerning development is a push by employers to have workers travel within a mine site or take mandated safety breaks on their own time. The CFMEU has dealt with employers expecting workers to travel from the central starting point at a mine site to the area of their work on their own time.

Enforcing safe work practices in line with the Mine Safety Act is a challenge for the unions in the face of employers attempting to drive continual growth in production.

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

The Windsor Report was a very welcome and thorough investigation into FIFO practices and their impacts on regional communities. The CFMEU supports the full implementation of the Windsor Report's recommendations, but unfortunately there has been too little action on this.

The Western Australian Parliamentary Inquiry into the mental health impacts of FIFO work arrangements is another important piece of work in this space.

At local government level there has been strong concern and the subject has been repeatedly raised in local government forums with a position urging greater attention to the issue <u>winning broad agreement</u>.

We welcome this important inquiry and the growing recognition of the wide implications of FIFO and commuting work practices for workers, communities and the whole economy. Resource companies are driven by the need to deliver for their shareholders – it is up to governments at all levels to hold them to account and make sure their practices not only don't harm the community but deliver benefits back to the state.



Related matters

Worker "Blacklisting" in resources construction

Construction work by nature is short term and itinerant, meaning that FIFO and other workers in the resource construction sector are required to seek employment with a number of different contractors on a variety of projects.

The majority, if not all, employers in this sector use a "registration of interest" process to recruit workers through consultancy firms. Though this process vast amounts of data about individual workers is collated and used to scrutinise the worker before any employment decision is made. The logistics around FIFO work arrangement with personal information needed to book flights and accommodation mean the data available to employers is becoming more extensive. Numerous members of the CFMEU have complained that this data has been misused to extract information such as about their union membership and involvement or whether they have had any workers compensation claims in the past. In some instances union members have been informed they were denied employment because of their union membership.

This apparent "blacklisting" of employees further adds to the stress and insecurity felt by many FIFO workers working on resources construction projects.

Worker's view: 'So controlling'

Peter (not his real name) has worked at BHP's Daunia mine since its commissioning nearly three years ago. He lives in Brisbane with his young family, moving there from the Latrobe Valley. At the beginning of each roster cycle he flies to Moranbah airport, before taking the bus to Coppabella camp. When it's time to go to work he is bussed from the camp to the mine.

Lots of travel means fatigue is a major issue for FIFO workers, says Peter. Flights are cut fine so that any delay cuts into important rest time before starting work. For example a flight might be delayed meaning workers arrive late at camp, but they must still be on the bus at 5.15am the next morning to start their shift. "You don't get a lot of sleep," he says.

Peter strongly objects to the 100% compulsory FIFO employment policy at Daunia. "It wrecks the community. There's no need for it here. There's a lot of unemployment in Moranbah. It's a town that's been built around families but a lot of people have left."

Peter says it's common knowledge among the workforce that the only reason BHP wants 100% FIFO operations is to keep the union out. "BHP are a dictatorial company they want their own way on everything. I've worked on a lot of mine sites and I've never known a company to be so controlling."



FURTHER READING

1. Commuting mineworkers survey 2014 http://cfmeu.com.au/downloads/commuting-mineworkers-survey-2014

2. SGS Economics and Planning: The impact of Fly-In-Fly-Out employment policy on Mackay and Moranbah, Qld http://cfmeu.com.au/study-finds-compulsory-100-fifo-costs-central-queensland-millions

3. Camp Life report May 2015 http://issuu.com/cfmeu-miners/docs/cfmeu_camp_audit_report_may-2015/1

QUESTIONS

Any questions about this submission, please contact:

Stephen Smyth Queensland Mining and Energy President 33 Milton St Mackay 4740 07 4957 2644 <u>mackay@cfmeuqld.asn.au</u>

