

Westfund Health Insurance is a company limited by guarantee, commencing business in 1929 and is the eighth largest, open, registered health fund in Australia representing 47 000 members and 120 000 people.

Our expected premium income in 2015/16 is \$175 million and we currently employ 183 staff. In the Emerald, Moranbah and Mackay areas in particular we collect over \$45 million in premium income. Recently, we completed investment in Mackay of an 800 m2 building with a dental, health and eye care centre at a cost of \$7 million. This centre will employ in excess of 30 people with an annual wage bill of \$2 million and a further \$2 million in other associated business costs.

When considering this investment and further investment in the area the consideration of FIFO mining contracts provides significant uncertainty to our company in regard to our present investment decisions and future employment capacity.

Our organisation bases its value proposition on local service to local people. The very significant change that 100% FIFO brings, seriously weakens our resolve to identify opportunities in the local area.

We are very much opposed to the detrimental impact to not only our business but other locally based businesses by the impact of 100% FIFO workplace agreements on top of the mining downturn.

While we understand there can be a need for FIFO through the mining boom cycle it is hard to see the economic advantage for Australia to be supporting these arrangements in the present downturn. While we recognize an organisations right to manage its cost structures we also believe there is corporate responsibility to communities for their welfare. Understanding the hardship the present FIFO policies are having on regional economies we support policies that support local jobs for local people.

We further see the hardship on families (impacted by both separation and mental illness) exacerbated by the imposition of 100% FIFO workplace agreements during this downturn.

CONCLUSION

We see that management that is connected to the local area is more likely to understand local community problems. When CEO's of companies are bunkered in the large cities both here and overseas it becomes easy to disassociate from community issues.

While the region is experiencing economic downturn we are strongly opposed to 100% FIFO where polices for FIFO are engaged in a similar manner to those during the boom. We believe a preference should be applied to local people for local jobs moving into the future.