




Speech By
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MEMBER FOR MOUNT ISA

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STRONG AND SUSTAINABLE RESOURCE COMMUNITIES BILL

 **Mr KATTER** (Mount Isa—KAP) (8.13 pm): I rise to make a contribution to the debate of the Strong and Sustainable Resource Communities Bill 2016. FIFO is a relevant issue to the electorate of Mount Isa. I think the federal parliament's report on FIFO was definitive. FIFO is a cancer of the bush. It is a burning issue in places like Mount Isa and Cloncurry where there is constant tension with companies that seem to have an increasing appetite for breaking up permanent workforces, having a contract workforce and flying them in. It diminishes those communities that exist around those mines.

That tension will always exist. There will always be a need for government to be in the middle of that tension. Companies will do what they always do. They will extract as much benefit and as much profit from those operations until the government holds them accountable in terms of their responsibilities to the community, the state and the nation. Just as we do not like people coming into our country and extracting our resources without putting something back into our country, we do not like people doing that to our state and our towns.

A new company was coming into town and they made a big song and dance about the fact that they were starting up operations a couple of hundred kilometres south of Mount Isa. They proudly declared that they were starting up their operations there. The response from the chamber of commerce was, 'Who really cares? It is a FIFO workforce. We might get a few service contracts down there.' It was supposed to be a big announcement of a mine, but people's genuine reaction was, 'What do we care? We will get no jobs out of it. The royalties will go down to Brisbane. I am not sure why we are supposed to be excited about this. You might make a profit out of it.'

That is at the heart of what this is about. We live out there. These companies would find it very hard to operate in these places if they did not have the stable base of government services, airports and the things that the ratepayers provide. They need a stable workforce in order for them to operate. If they are near McKinlay and break down or need a tyre, there is a mechanic and tyres in Julia Creek. They can rely on that. They are happy to rely on these towns, but, unfortunately, so many of these companies do not give back to the towns. The biggest way they can give back to these communities is by providing jobs. Jobs are, far and away, the most important thing we need. We need jobs before royalties or anything else.

The last time I checked, Ernest Henry Mining, a Glencore operation, which is only 20 or 30 kilometres out of town, had about 30 per cent of locals employed in their workforce and the rest are FIFO employees. In recent discussions with Townsville Enterprise, I said that they should be championing issues around rail infrastructure and utilities charges more than me because they would have more of their people working in the north-west than I would have from my electorate. There would be more Townsville and Brisbane FIFO employees out there than locals.

Jobs are precious. I am not saying that we should have ownership of all the jobs, but there should be some benefit for those areas. We can blame everyone, but both sides of the House have had their hands dirty in this respect. I acknowledge that this is a positive move in the right direction.

In terms of the construction side of the bill, I believe that there are some proposed amendments. I think there is some merit in those. Dugald River near Cloncurry is a mine that is starting up in my area. A big FIFO workforce has been moving in there. That construction period has taken a while. Unfortunately, I do not think there were many checks and balances. There has been some good work done by the unions to get a local workforce for that operation. Unfortunately, it has not been enough. There are a lot of empty houses in Cloncurry. Unfortunately, we do not have enough workers at these places.

One attitude that really annoys me—and I have heard it said in this House before; perhaps it has been said with the best of intentions—is when people say, ‘You have to give people a choice where to live.’ I do not agree with that. If there is a couple living on the Gold Coast and they are offered a job in Mount Isa, we have developed a culture in Queensland where we have to say, ‘Live wherever you want. You can fly up there. You can stay at the Gold Coast or you can move to Mount Isa.’

I love living in Mount Isa. No-one is going to consciously displace their wife and kids and move up to Mount Isa to take a job. Perhaps 80 or 90 per cent of people would move to Mount Isa if they were made to and then they would say, ‘What a wonderful life we have made for ourselves here.’ That is what people did for the 70 or 80 years before FIFO. They thought it was a great place to live, as I discovered. Until they are forced out of their comfort zone of the coastal and metropolitan areas they will not have the opportunity to experience life in regional areas.

I do not accept the proposition that people cannot be made to work somewhere. If we all adopt that, we are going to have a slow descent into a culture of keeping FIFO going. We are stopping 100 per cent FIFO, but we are not forcing anyone to have 70 or 80 per cent local content in places where they should such as Cloncurry and Mount Isa. There is good intent here, but in some ways it will not go far enough. I understand that there are differences. Coalmining areas around Moranbah have a very different dynamic to mining base metals in the north-west minerals province where there are longer distances to travel. It is difficult to put form around in terms of policy; I appreciate that.

Another point that I would like to raise is the impact of FIFO on services in the towns. I remember the previous mayor of Cloncurry Andrew Daniels talking to me about the hospital. The hospital in Cloncurry by rights would have had two doctors allocated to it based on the numbers in the census data. It was Dr Bryan who said that they had about five doctors working there, because they were lucky to have combined it with the local practice—Dr Bryan is a go-getter. They have five or six doctors there at any one time servicing the hospital in Cloncurry to keep up with all of the FIFO workers who come into town. There are old ladies sitting in line waiting two hours longer than they should otherwise because FIFO workers are there using the services.

Unfortunately, we get complaints from locals in the town that a lot of FIFO workers come to Mount Isa and say disparaging things about the place because they have not made the effort to integrate into the community, play sports and enjoy the wonderful benefits we have of living there. They go away with a negative outlook of the place. I do not think that is healthy for anyone. Unfortunately, we have become too complacent. I think there is a culture in Queensland now where a mine manager talks to his engineering mate and says, ‘Mate, don’t bother moving out to Mount Isa. They’ll take you on a FIFO basis. Just play hardball with them and they won’t make you move out there.’ We have all become complacent in saying, ‘You cannot make them do it.’ That is rubbish. We can make these people move out there. It might not be for everyone. We do not have the infrastructure for everyone, but there are empty houses and empty shops, and there is a lot of forgone activity and benefit that we will never see again because these opportunities are not captured.

It is easy to pick on mining companies, and some of them do have a case to answer where they are trying to break up the workforce and deliberately mess with the permanent workforce, but we do need to acknowledge the increasing pressures on mining companies that have been imposed by government in other areas—that includes utility charges, with the rising costs of energy, rail and water. You cannot keep putting this pressure on all of the mines and then expect them to do the community service that they have done in the past as well. You cannot have it both ways. I am all for making them base their workforce locally, but at the same time we need to acknowledge that we need a healthy and vibrant mining industry. I believe that balance can be found.

We definitely need this legislation to tighten things up, to make sure that there is government intervention to force a commitment from these people—that, when the market does not prevail, there are conditions imposed upon them, that they have a responsibility to give back to these communities. Jobs are the most important thing they can offer to these remote communities. These opportunities do not come around very often. Mining companies will most often do what they do best, and that is extract those resources with as much profit as they can. Unfortunately, that has meant an increase in the use of FIFO workforces and that should be stopped. In that case, I believe there are some very strong merits associated with the intent of this bill.