

# NOMADS OF THE BOOM

## A travelling workforce brings with it both benefits and baggage.

**Story: Emma O'Sullivan**

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It's easy to see why a city worker down on his luck and short on experience would quickly snap up one of the thousands of lucrative mining jobs on offer.

Anyone who does a quick web search will soon be bombarded by ads promising wages of close to \$100,000 a year for unskilled positions, with much more on offer for engineers, geologists and project managers.

In contrast to struggling industries like manufacturing and tourism, mining companies are practically begging people to join their ranks as the resources boom continues to steam ahead at a frenetic pace.

And the demand for workers is mind-boggling. According to the Queensland Resources Council (QRC), over 3,600 positions are vacant in its state and that number is set to increase over the next four years.

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**"The mining boom has a very uneven impact."**

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In Western Australia it is estimated 33,000 more people will be needed in the next 18 months to work on projects already under way, on top of the 90,000 already employed in the sector.

But before you are sold by the big pay packet, it might be worth considering the potential downside.

For starters, you may end up living away from your family for a substantial part of the year. You're stuck in a remote outpost, or offshore, ploughing through 12-hour shifts for a month straight while you miss out on seeing your kids grow up.

As your family struggles through the daily routines of life without your help, you may feel isolated and lonely.

That's because you are now a non-resident worker or, as they're known in the business, a 'fly-in fly-out' (FIFO) or 'drive-in drive-out' (DIDO) employee.

AAPONE



GOLDEN OPPORTUNITY: *Fly-in jobs are booming*

Although the practice is used in other rural industries, the resources sector is becoming increasingly dependent on FIFO workers.

Families who sign up to the FIFO lifestyle do so for several reasons. It may be a way to pay off the mortgage quickly or to get off the debt treadmill.

But is everyone prepared for the hardships the job might bring? Are companies doing enough to support their workers? And how much truth is there to reports that large numbers of FIFO employees are contributing to social and economic problems in some regional communities?

These are just some of the issues the House of Representatives Regional Australia Committee will consider in its latest inquiry established in the wake of several calls from within and outside parliament for a thorough examination of FIFO workforce practices.

“Already we have heard concerns about air safety, health funding, taxation, family and relationship breakdown and the loneliness of the FIFO bachelor,” committee member Barry Haase (Durack, WA) told federal parliament.

“The cost of housing, antisocial behaviour and how to optimise the FIFO/DIDO experience for families are also on the committee’s agenda.

“It turns out to be almost a love-hate relationship. The practice suits some incredibly well and it does not suit others.

“The drain of skills out of rural communities to FIFO and DIDO workforces is causing major problems in some areas and yet, for those who are developing resources in Western Australia, often the only way is to deploy a FIFO workforce.”

Nicole Ashby, founder of the support group website, FIFO Families, welcomes the inquiry. She has been living life as a ‘FIFO wife’ for the past three years.

Ms Ashby lives in Perth where around 45,000 resource employees are FIFO workers, including her husband Joe who spends one month on an offshore oil rig before coming home for four weeks.

She established her website when she realised there was inadequate support for families in the same situation as hers.

Through the website, families around Australia are able to get in touch, attend social events and form friendships. Ms Ashby says forming a connection to other FIFO families is crucial.

“The feedback I get from other members is that sometimes they also feel judged by people that aren’t FIFO,” she says.

“They think that you’ve got loads of money and you’ll get comments like, ‘how could you do that to your family’, ‘I couldn’t be away from my husband’, and ‘what about the kids?’”

A quick browse of the FIFO Families online chat forum reveals that relationship issues, such as trust, resentment and the strains of separation, are a hot topic.

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**TAKE YOUR PICK:** *Many workers have no choice but to commute*

“There’s often discussions about, ‘well my husband’s on a mine site with women and he’s out there for two weeks and he’s only home for one week so he’s away more than he’s home and there’s alcohol on the mine site’, and that’s an issue for a lot of women,” Ms Ashby says.

People also ask why families choose to live apart, instead of moving to communities closer to where the job is located.

For Nicole Ashby it’s impossible to live on an oil rig, but for others the rents in some crowded mining towns are too high and the facilities might be lacking.

“In Karratha and Port Hedland, the rent is like \$2,000 a week so that’s a huge obstacle right there,” she says.

Families are free to choose whether or not they enter the FIFO lifestyle, but Ms Ashby warns people should be prepared for some tough times.



**FAR OUT:** Remote locations are part of the FIFO lifestyle

And she thinks companies and governments should help FIFO families by funding services and programs to support families. One example she cites is the need for more flexible day care options.

“For example, when the father is home from work, they may not want to place a child in day care but prefer to spend time with them, but the day care spot is more often than not a permanent spot and must be paid for,” she says.

Ms Ashby also believes consideration should be given to abolishing some of the tougher rosters, such as four weeks away and one week home.

While many mine sites in WA are so remote workers have no choice but to commute, the state of affairs in Queensland’s coal-rich Bowen Basin is a different story.

Containing the largest coal reserves in Australia, the basin stretches about 60,000 sq km across the centre of the state. According to the QRC there is a staggering \$115 billion worth of new projects on the books.

“The industry is on the cusp of an enormous growth opportunity here and nationally, and new recruitment approaches will be required,” the QRC’s Greg Lane says.





#### FAR FROM HOME:

*Separation from family is a downside*

## For some, the feeling is that the town is not seeing its fair share of the wealth it's helping to generate.

There are already 15 established communities in the basin, including the town of Moranbah, which is located near several mines. Moranbah has about 8,000 people and was built in 1971 to service the nearby Goonyella and Peak Downs Mines.

The community is part of the Isaac Regional Council which has around 22,000 permanent residents. But with so much activity in the area, FIFO and DIDO workers blow this number out by a further 10,000.

Figures published in 2010 by the Office of Economic and Statistical Research showed that house prices in Moranbah are more than double that of Brisbane. The cost of goods and services in Moranbah is 13 per cent higher than in Brisbane making it one of the most expensive places in Queensland to live.

In light of those figures, it's easy to see why in Moranbah the issue of non-resident employees is a contentious one. Residents are concerned that the high number of FIFO workers is simply not sustainable, leaves local businesses out in the cold and exacerbates the housing shortage.

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Many of these issues came to a head this year when BHP Billiton Mitsubishi Alliance (BMA) sought approval to build a high-quality coking coal mine south east of Moranbah which will require 2,000 employees to build and 500 to operate. It had wanted to bring the whole workforce in from other areas, a move which caused considerable local angst.

Conditions were eventually imposed on the company which will require it to have at least 80 per cent of its workforce across all operations in the region to live in the area they work. The company must also build 400 new homes by June 2013, including 160 in Moranbah.

But that doesn't stop some residents from worrying about the impacts, including council mayor Cedric Marshall. While he agrees mining activity is a good thing for regional areas like his, he is concerned about the rapid pace of mining expansion and what that means for Moranbah.

"When they fly-in fly-out ... they go straight to work, they do their roster system, they leave work, get back on the plane and head home. There's not a lot of income into our region from FIFO workers," Mr Marshall says.

"I think the [federal] government needs to have a look and see if we can control this a little bit. It's just willy-nilly issuing [mining] permits to everyone to go out there and there doesn't seem to be any control over it."

The QRC's Greg Lane says in 2009–10 its members spent more than \$17b on goods and services in Queensland and advocates for a fair return of royalties collected by state governments to the resource-rich regions.

"Queensland resource sector companies pay in the order of \$7b a year in state royalties and federal corporate taxes and it's clear that not enough is being reinvested in the regions where that revenue originates," he says.

"We keep making the point alongside organisations such as the Local Government Association of Queensland that if resources communities are seen to have facilities and services comparable to coastal centres more people will be willing to move there."

Professor Kerry Carrington of QUT's school of justice is sceptical of some claims from industry that they are adequately investing back into communities and is also critical of state governments.

She was involved in a three-year study of six regions across Australia, five of which were impacted by rapid socio-demographic changes due to resources sector development. The study found FIFO communities were struggling with violence fuelled by excessive alcohol consumption and high stress among workers.

More recently Professor Carrington conducted a survey of communities in the Bowen Basin which found several adverse economic and social impacts on towns like Moranbah.

"The mining boom has a very uneven impact," she says. "They're generating huge economic prosperity for the industry itself and state governments are raking in record royalties."



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**TAKING OFF:** *Thousands of workers are flying to their workplaces each week*

“But you get the mining communities and those little communities further on sort of lumbered with a whole new set of burdens – massive increases in housing affordability, increase in living costs, rents soar, but their quality of life declines.”

She believes the Commonwealth government must intervene because the states, which approve licences and collect royalties, have a fundamental conflict of interest.

“There’s an absolute clear and dire urgent need for a national policy framework to guide the sustainable development of resources and resource stocks so that they can harness some of the benefits for rural and regional Australia [but also] the very long-term interest of all Australians,” she says.

Unsurprisingly, many parts of the industry do not agree with Professor Carrington’s findings. Bruce Campbell-Fraser from the Chamber of Minerals and Energy of WA says he thinks there has been some “sensationalist” reporting on the issue – especially on the supposed impacts on FIFO workers.

“Perhaps historically practices have been a bit poor but certainly we see in the WA context FIFO rosters being good for families and there being additional support for families.

“Companies are far more aware about retaining our workforce so making sure that not just the employee is happy but there is support and other things there for the family of that employee as well.”

Ultimately it also comes down to where people want to live, and for most workers that is in the cities, says Mr Campbell-Fraser. He points out that in the 1920s 43 per cent of people were living in metropolitan areas in contrast to 70 per cent today.

“It’s also a work-life balance for many people. They can have a roster that when they’re at work they’re at work but when they’re at home they’re a long way from work and they can’t just be called in to participate because someone’s sick.”

The QRC’s Greg Lane agrees. “It is evident from our members’ experiences that families put a high value on educational and other social services, which they perceive as more attractive in a number of coastal centres.”

The committee will have much to consider as it seeks to strike a balance for all. •

**FOR MORE INFORMATION** on the inquiry into ‘fly-in fly-out’ work practices in regional Australia visit [www.aph.gov.au/ra](http://www.aph.gov.au/ra) or email [ra.reps@aph.gov.au](mailto:ra.reps@aph.gov.au) or phone (02) 6277 4162.