7 October 2011

Committee Secretary
House of Representatives Standing Committee on Regional Australia
PO Box 6021
Parliament House
Canberra ACT 2600

e-mail: ra.reps@aph.gov.au

Dear Sir/Madam

Re: Inquiry into the use of ‘fly-in, fly-out’ (FIFO) workforce practices in regional Australia

Thank you for the opportunity to submit this letter for consideration by the House of Representatives Standing Committee inquiry into the use of ‘fly-in, fly-out’ (FIFO) and ‘drive-in, drive-out’ (DIDO) workforce practices in regional Australia.

The submission outlines the increased demand on the Royal Flying Doctor Service (RFDS) from the amplified levels of activity in remote communities which appear to be associated with the increased use of non-resident FIFO/DIDO workforce arrangements. This has the effect of reducing service availability for the general population and increasing financial pressure on RFDS operations.

The National Rural Health Alliance, of which the RFDS is a member, has prepared a submission which comments on a number of the Inquiry terms of reference, including community wellbeing, services and infrastructure and notes that although locally based workforce arrangements are preferable, FIFO/DIDO workforce arrangement are becoming an inevitable part of rural and remote Australia. RFDS provides no additional comment on these issues.

The RFDS is concerned at the impact on emergency evacuations, telehealth consultations and clinic services provided to small geographically isolated populations beyond the reach of normal medical infrastructure. For the most part, these populations are stable outside of mining ventures, but too small to support a medical practitioner and other health services. The RFDS has provided these essential services to remote Australia for over 80 years.

Most of the RFDS clinical workforce is located in operating bases in regional centres and in some cases capital cities. The majority of services are provided from these bases on a FIFO arrangement to small remote communities. The capital city bases also assist in rotating staff to regional centres where recruitment is difficult. Although not without challenges, these arrangements allow RFDS to offer a more reliable supply of clinical personnel for remote communities than many mainstream services.

RFDS service activity has generally been stable or showing mild growth and this is reflected in the funding arrangements in place with the Australian Government which have no provision to fund growth in activity within the contract period.
States and Territories purchase additional specific services from RFDS and community and commercial sponsors and donors provide significant support to offset costs.

While RFDS does use FIFO workforce arrangements these are for essential services and on a relatively small scale. For commercial enterprises, the location of operations and staffing arrangements are determined largely by commercial and market forces. The commercial FIFO/DIDO workforce can therefore significantly increase the population and activity levels within remote communities or form a new community themselves.

The consequent rise in demand for health services appears to be increasing activity in RFDS remote telephone consultations and emergency evacuations occurring in mining areas. For example in Western Australia primary evacuations increased by 5% in 2010/11 following increases of around 20% in both evacuations and telehealth calls in 2009/10. Nationally telehealth calls increased by a more modest 1.5% in 2010/11 however the increase in 2009/10 was 7.5%. Additional analysis of the available data is being undertaken to assess this further. However, it is important to note that any increase in demand depletes the availability of aircraft and medical personnel to respond to medical emergencies to non-commercial and non FIFO populations and may affect planned services.

If the FIFO/DIDO workforce continues to grow the strain on RFDS health services is likely to increase. The funding available to the RFDS is fixed and fully committed. If demand continues to escalate from increased commercial operations rendered viable through FIFO workforce arrangements, it is inevitable that our service levels to remote communities will reduce.

The RFDS would like to recognise the support and additional funding for RFDS health programs and services from a number of mining organisations. In some cases these arrangements allow full cost recovery and provide additional donations to the benefit of health care to remote communities. However such arrangements are not uniform and tend to be associated with a small number of larger scale entities and operations.

As a not for profit health care provider, the RFDS has limited capacity to identify costs and pursue recovery from each commercial enterprise.

The RFDS seeks the assistance of the Committee in developing ways of assessing and addressing the impact on public infrastructure and services from increased commercial activities in remote locations. This should we hope, include facilities that allow RFDS to adjust service levels to meet likely demand in advance.

If you require any further information do not hesitate to contact me

Yours faithfully

G. Seg Rochford
National CEO