29th March 2012

Mr Tony Windsor, MP

Chair

Standing Committee on Regional Australia

House of Representatives

PO BOX 6021

Parliament House

CANBERRA ACT 2600

RE: INQUIRY INTO USE OF FIFO WORKFORCE PRACTICES IN REGIONAL AUSTRALIA

Dear Minister,

Thank you for the opportunity to prepare this submission.

Term of Reference

The effect of a non-resident FIFO/DIDO workforce on established communities, including community wellbeing, services and infrastructure;

- The major concern of a FIFO workforce is the social, and economical, aspect and the damage caused to established communities. A FIFO workforce does not value their town and are not an integrated part of the community.
- A community relies on families. A FIFO workforce is often a large influx of men 25-40 years old. This can have law and order issues, as well as social issues regarding the development of an “us versus them” attitude.
- Sporting and community groups suffer as they can no longer attract enough volunteers, players or participants.
- FIFO people are less likely to contribute to the community either with their time or finances, and hence fundraising efforts can also be affected.
• Most towns in regional Australia have limited medical facilities and basic hospitals. Increases in FIFO workers increase the demand on these services, which are already struggling to meet the demand of the resident population.
• When companies use a FIFO workforce, most employees are housed in a group house, which can have a negative impact on the community. A large group of people living in what used to be a family home can increase the instance of socially inappropriate behaviours and has a negative impact on neighbours in terms of traffic congestion and noise.
• In Karratha a FIFO workforce of around 15,000 has contributed to safety fears for Senior High School students and locals who have questioned whether the community could continue supporting the transient population.
• In the Pilbara FIFO workers are having a detrimental impact on the community. Fights in overcrowded taverns are now common place.
• Litter is a problem.
• Women don’t feel safe to walk around in public.

Term of Reference

The current initiatives and responses of the Commonwealth, State and Territory Governments

• The fringe benefit tax has a significant impact. When companies move people, they are required to subsidise their rental, therefore they incur, fringe benefits tax. Companies, who pay air fares and accommodation, can claim them as a tax deduction.
• Financial incentives need to be offered, both to, the company hiring residential employees, and the worker who lives in the community.
• The current policies that encourage resource companies not to engage with local councils. This results in resource companies ignoring legal clearances to undertake work.

I ask you to carefully consider the overall effect of FIFO on our society. It is clear that a FIFO workforce does not promote a happy and sustainable community.

Yours Sincerely

Camille Oddy