



From: matthew ford |
Sent: Tuesday, 18 September 2012 4:14 AM
To: Committee, RA (REPS)
Subject: FIFO workpractices in regional Australia

Dear Sir/madam

Thank you for the opportunity to make a submission to the Inquiry, It is of great interest to me, particularly regarding the options for workers, to get into housing in regional areas, who are currently experiencing FIFO/DIDO work conditions in the mining industry. Thanks also to Tony Windsor's office for encouraging me to submit a statement to the Inquiry.

Are mining companies doing much in the way of lasting value in the Regional areas they are operating in, apart from paying tax, only a little of which would then meander its way back to the region?

In the case of assistance for workers wanting permanent housing in regional areas, there is something a little bit odd about companies flying workers in and accomodating them, at great expense, in a camp and seemingly not being interested in local housing options. Some calculations of mine suggest over \$30,000 / year in flights & camp fees is about on par, per FIFO employee, varying a little depending on shift duration, flight frequency and distance, camp quality etc. Money which could be redirected to employees to assist them to live in a nearby town, of which there are plenty of viable examples. Depending on the marginal tax rate that applied to an employee, the sum above could represent the equivalent of a \$900/wk pay increase.

History shows us cities that are thriving now built up on industries that are largely defunct. The penal colonies, manufacturing in Adelaide. Nobody expected Sydney to disappear off the map the moment convicts stopped arriving. Many towns in the mining districts of W.A. are surviving due to a diversified economic base inc. agriculture, fishing, tourism, Government services and more, despite the fact the advantages of mechanical flight have drawn many of their former and potential residents off to Perth against their will. It's resilience and the finding of other opportunities that ensures survival, not necessarily government handouts or the resurrection of the original industry . Many workers are at home in 'the bush' and why wouldn't they be, even if the mine they were initially employed in and who helped establish housing nearby, closed, they would have options in mining or other industries. I'm sure many would be better off waiting out a time of unemployment in their own home in the bush, rather than living in a hotel in the city, although the Hotels Association may not think so.

A blend of FIFO and locally housed workforces is ideal. Home-ownership of new homes in regional areas as an alternative for a FIFO worker should be facillitated as an important part of any plan. Those who already, or want to live in a major FIFO centre such as Perth could continue to and where possible those who want to make a 'tree change' could, if people are willing to make the effort to make it happen. Most local councils would be happy to have more employed residents joining and growing the community, although certain interests would be happy to see rents skyrocket. State Governments have some soul searching to do, keeping up with land release demands and keeping a fair balance between city and country demands. Fairminded city folk do not want to see the country suffer, they may want to move there themselves one day. The Federal Government could look at, whether FIFO has grown exponentially due to company tax considerations and play a big role in making it attractive to companies to have a percentage of workers being housed in the bush but I think its obviously important for these people to have an arrangement to be purchasing the home and for there to be enough houses made avaiable, possibly by more than one purchasing scheme. With one designed to pick up genuine cases that may be falling through the cracks due to casual employment status, labour hire staff and other considerations.

I have lived in some very well constructed transportable homes (joists bolted to brackets, welded to steel bearers, for the floor sub-frame) that I have been more than happy to call home. Bondcorp, or possibly the

liquidators sold off a large number of these houses on established blocks in Coolgardie around 1988. These homes sold by tender at about the \$30,000 mark, horrified estate agents soon recovered and the homes have served the community well, many still occupied by those in the mining industry, workers making themselves available to other mining companies, as experienced personnel but some as you would expect are now retired, or the homes are being used by people in other industries and roles.

These Bondcorp homes for company workers in an established town, required start up investment and mobilisation of Government processes. They have been a great success, of lasting benefit to the community and like a bird hollow in a tree, there is always a taker. Although it may seem extraordinary to city folk, Coolgardie is a very pleasant little town and Australian country towns can be very special places where the old folks guide the new comers into the community in a way that may not happen in the cities.

Why does Western Australia have such a bustling and well serviced Capital City? Since the incredible growth of FIFO compared to regional housing options, more money than ever has been flowing to Perth. Every day mining workers, some with families, some single, some with homes, some without, are pouring back into that city with money to spend. No surprise, however these workers usually have no real choice about the situation, it is part of the vast majorities employment conditions.

I was often employed Ex-Perth, meaning the worker gets himself to Perth and is then employed via a labour-hire firm (another business expense, but no doubt tax deductible, the labour hire firms must profit from the administration of the worker and some are listed companies or even subsidiaries of the companies they are scouting for). My shift then effectively began and ended at Perth domestic airport, to begin again in a weeks time. I formed the opinion Perth was a city of clever business people, as I the wages I had earned labouring in the interior, as an aspirational young man, started to disappear quickly on basics such as accomodation and meals.

Whilst in Mt Isa, I was offered work by the HR dept of XTRATA on a Sunday, they ran a Hostel in Townsville for workers to stay at during their days off, a great option for many workers, unheard of in other places. I believe the Boddington Mine enterprise in W.A. wanted to construct a permanent housing estate for its workforce, in a beautiful part of the State, but the development was stalled unendingly in the planning and approval stage by State Govt Officials and that the mining company gave up in frustration on the idea, with the end result of a few extra homes being built nearby but many workers travelling much longer distances by private motor vehicle from other accomodation with the associated dangers and road trauma cases. Far better to be bussed to work, from a home you are buying off a company that is saving money not spent on FIFO.

I have been suprised by the lack of initiative shown by mining companies to install renewable energy systems on site, preferring to truck in diesel which is also used by mining machinery appart from the diesel electric generators and may attract some sort of diesel rebate. Perhaps this is changing under the Carbon tax legislation, or is a subject for another day This was happening even in areas where local councils who are off the grid were using wind turbines to reduce the quantities of diesel they had to truck in. I suppose my point is a renewable energy installation is another piece of infrastructure a good corporate citizen could leave the local community after they have wound up their activities.

I would like to end my submission here and again thank the Honourable Members and Parliamentary staff involved in this Inquiry. I hope I have been able to give my point of view as worker in an Industry heavily involved in FIFO/DIDO work practices but who believes there are many out there, who would jump at the opportunity, given a little bit of encouragement and assistance by the system to live and participate as well as work in regional Australia.

Yours Sincerely

Matthew Ford