

Narrabri Community Action Group
Submission to FIFO Inquiry

- Narrabri and the Namoi Catchment is in the midst of rapid expansion of extractive industries.
- The recent development of the MAC village in Narrabri brings to our local community the impacts of FIFO workforce.
- Recent events at the village are indicative of what may come and the need for better work practices for FIFO in rural communities.
- As a community group we are offering our thoughts on the impacts of FIFO on our local town, but more importantly that we wish to have a say in what happens to our town and our community.

Costs and benefits

- **Tax System:** Currently the taxation system subsidises company housing in mining towns as a fringe benefit. The costs are then considered an operating cost by the mine and can therefore be a tax deduction. The mining companies therefore exert more control over their workers in FIFO situation.
- **This current process does not encourage extractive industries to grow with our local community and engage with us.** They remain outsiders.
- There are increased costs on the rate base for services to the village including sewerage, transport, road maintenance etc are not covered by the rates charges levied on the village.
- At what stage as a community should we accept FIFO – is it acceptable for the Medical profession because we don't have the critical mass to support full time positions and the workforce influx is small in comparison to the rest of the community?
- Is it unacceptable for the mines to be FIFO because the wealth generated in our region is spent elsewhere and does not contribute to the growth and sustainability of our community? The economic benefits are dispersed over a wider area and remain largely unseen by the local community therefore increasing the "us and them" mentality.
- The SPLASH CASH impact, every sporting team is sponsored by a CSG, Mine or the Mac Village. As a community we should not be giving our social licence away for a new indoor pool! We do not wish to see increased dependency of our community on mining companies to fulfill an economic and social development function that is outside rate based system.
- The rating of mines and return of funds to our local towns is a key issue. The current rating system is not sufficient to cover the impacts that mining has on infrastructure.
- Currently voluntary arrangements are being negotiated, is this good for our town overall has yet to be determined. Would Royalties for regions better deliver funding for our region such as currently in place in WA?
- The income disparity is increasing with that the social changes both positive and negative impact on our community. The opportunity for higher incomes, career advancement and block shifts with longer time off are all positives from mining boom and drive growth to contribute to hopefully more workers choosing to live in our local community or work being available for local youth.

- The cost to local businesses in losing quality staff to mining employment and their inability to compete with wages provided. Therefore putting pressure on the business to charge customers more for services as the cost of staffing has increased.

The effect on Community Services : One of the main reasons for FIFO is where the mine is in a remote community or where there are not quality services available such as medical, educative etc in smaller communities. **We do not believe this is the case for Narrabri Shire.**

- Narrabri shire has three large primary schools in Narrabri and three in Wee Waa. There are smaller primary schools in the villages of Maules Creek, Bellata, Rowena, Burren Junction and up until recently at Baan Baa. We have two high schools and opportunity exists for bus service to Gunnedah for local catholic high school and in Tamworth for weekly boarding at larger private and public schools.
- Our regional centre Tamworth is 2 hours drive and offers further level of services associated with it's size and service area of the Namoi catchment.
- There are medical centres and two hospitals in the district the level of medical services is parallel to what can be found in most inner suburb areas. Physio, Chiro, Naturopath, Dieticians can all be found in Narrabri.
- There are daily flights to Sydney however already the majority of the seats are taken up with Mining industry employees (mainly male dominated).
- The mining construction phase has resulted in numerous contractors being housed in our local community, we agree there is a need to ensure temporary accommodation is available. However the balance between permanent workers and timelines between mine development and a lack of planning results in the negative impacts of FIFO being felt within communities that are ill informed, ill prepared for the impacts.

Impact on Social structure : The FIFO village in Narrabri is already having a negative social impact, how can this be better managed is a question we are seeking answers to as a community group.

- The current MAC village is located on the edge of Narrabri and the workers do not drive through the town for work. They can if they choose to, not integrate with our community as their work and travel does not require them to come into town. This is increasing the sense of individualism rather than building on the established community, which is based on common good values is concerning. This dislocation from community and its impact in a generational sense has yet to be understood fully.
- It is reported through other submissions and via information available to us in researching the impact of FIFO that there is an increase in policing required with the potential for assault, drug usage and violence. Inappropriate behavior of workers that do not have responsibilities to the communities where they work exacerbates this situation. Anecdotally we are on the cusp of this increasing in Narrabri with assaults already occurring by FIFO workers, local women are being propositioned at the pubs and being offered money in return for sexual favors and drug availability increasing. This cannot be supported with hard numbers, yet the people within our

town are discussing these impacts in our café's, at the pub, at work meetings and at home. Simply because it is not reported in our local paper does not mean that it is not occurring.

- Where is there evidence that FIFO has a positive impact on a community, the longer established mines in WA and Qld all report issues not only in the community effected but at home where a family is missing a parent, child or sibling.
- It is projected that over 50% of the workforce is not based in the local community. The separation of work and family life and the trap of increasing wage resulting in increase spending are further social issues that FIFO work choice contributes to.
- Generally it is reported as being a conscious decision to undertake FIFO with the wage benefits and lifestyle opportunities for the family at home thus on the surface the net benefits outweigh the losses.
- Where are the mining companies undertaking investment into social research to determine best practices at a peak body level? Surely with 30+ years experience in coal boom and hundreds of years experience in mining booms the industry sees their cultural impacts on communities as being their responsibility – even it its not legislated! Why does this industry wait for regulation when they have at their disposal the resources to research, investigate and provide solutions in the form of best practice for companies expanding in either rural or remote communities.
- The demand for accommodation has driven accommodation costs up – not just for low income but now is impacting on middle income earners. It impacts on our visitors to the town our capacity to host major events and utilise our current facilities.
- The local homelessness services are stretched to find accommodation, families are displaced and move to outlying towns or villages without support services needed to address their complex needs.

Key skill sets and training of workers : The mining industry reports shortage in skilled workers, therefore FIFO is the an easy option.

- Yet given the potential for mining and CSG expansion in Narrabri Shire there is little being done by mining companies to train staff locally to meet this requirement. The local TAFE should be bulging with courses and trainees being upskilled to be ready both mature age and young people exist within our town to supply workforce numbers required. The training facilities need to be where the industry is, at the very least within the region.

Conclusion:

With respect the mining industry will not address this issue unless it is regulated to do so. The FIFO suits their business model and their business opportunities.

Local communities are impacted both positively and negatively. The negative impacts need not occur inherently because we have a FIFO accommodation facility, however it requires the mining industry to invest in social research, resulting in best practice options in consultation with communities to enable strategic planning to develop infrastructure that is in line with community expectations (both existing and potential new community members) and are matched with MINING company POLICY.

