
From: Laura Nieuwoudt
Sent: Tuesday, 6 March 2012 2:23 PM
To:
Cc: management
Subject: Supplementary Sub 2: Moranbah Medical

Dear Siobhan

I refer to the recent FIFO enquiry held in Moranbah and the invitation for Moranbah Medical to present on the day. We really appreciated the Committee's invitation and their attention to our issues and their visit to Moranbah.

Due to the nature of an enquiry such as this (and the nerves which accompanied my presentation on the day!), there are a couple of things I would like to add to the testimony I gave at the time.

In particular, Moranbah Medical would like to make the following comments in addition to those already heard – these below being particularly from the perspective of operating a small business:

- The practices inherent in housing a transient workforce in a small rural town include using family style homes to house several single workers. This impacts negatively on the rental / housing market, placing availability pressures on the entire residential housing environment. Due to this shortage, rental prices escalate exponentially with Companies prepared to pay whatever the named price to ensure their workforce is housed.
- This results in the inflated housing prices we currently see and has many impacts – previously family friendly neighbourhoods are now peppered multi-share houses with the accompanying large numbers of work trucks and busses, with gardens and yards untended.
- This breaks down the cohesion of previously close neighbourhoods as well as having other, more obvious impacts which are keenly felt by small businesses and anyone operating in the non-mining field.

Running any small business in a rural setting is challenging. Competing with businesses in larger regional centres and often online competitors means that overheads need to be kept to a minimum. This is very difficult when there are a number of pressures faced by any business operating rurally when cost comes into play. Speaking from experience, there are many factors which make operating in a rural location difficult including:

- The cost of freight and transport which inflates the cost of all supplies.
- Difficulty obtaining suitably qualified / experienced staff which means that every new staff member needs to be trained from scratch. Current industry estimates state that it takes 12 – 18 months to fully train a medical receptionist, for example.
- The cost of specialist support (e.g. regular calibration of medical equipment / telephone system upgrades etc) is inflated by the costs of travel and accommodation for providers who travel from regional centres (e.g. Mackay and Rockhampton).
- Staff training is impossible to obtain locally and although every effort is made to use online alternatives, sometimes this is not possible and businesses have to spend thousands of dollars on top of usual training costs in travel and accommodation. A good example of this is a recent Family Planning course we sent our Practice Nurse on – registration for the 2 modules cost \$1 100. The total expense for the business with flights and accommodation included = \$2 700.
- Staff time off for medical or personal reasons is often inflated by the amount of time they need for travel. Therefore a staff member who needs to visit their Obstetrician may need to have a whole day off work given the travel and associated time to get to the appointment in Mackay. This same staff member in a regional or city setting might have just taken an hour or 2 off work to achieve the same outcome. Overall business productivity is negatively affected.

Operating a small business in a rural, mining town has the following disadvantages in addition to those mentioned above:

- Wages need to be well above award rates. Although it is not possible to compete with the packages offered by the mining conglomerates, small business needs to offer good working conditions and wages to attract and keep candidates.
- Mining companies often move their key people frequently – say every 18 to 24 months. Small businesses may experience regular staff turnovers when employees’ husbands / partners are transferred. This means there is constant flux in the business’ workforce – in our business it would not be an exaggeration to say that we would always have a staff member in training.
- With the level of local industry, rural mining towns are challenged in the amount of retail / office / business space on offer. Available space is often snapped up by mining / associated industry players who can pay top dollar, leaving the service industry unable to find suitable premises.

Operating a small business in a rural, mining town where FIFO practices are so entrenched as they are becoming in Moranbah has the following disadvantages in addition to all of the above:

- The cost of housing makes it impossible to attract and retain key personnel without offering very generous housing subsidies. We estimate that this year we will be subsidising housing in the amount of approximately \$100 000.
- The potential for investors to make profits in this housing boom results in many property owners selling their commercial properties to developers who are building unit complexes. This means we lose valuable support services further driving up costs. Case in point - last year Moranbah lost its laundry to one of these developments, so without a local service provider we have had to switch to using disposable sheets on our examination couches – a more expensive and wasteful alternative to laundering our cloth sheets.
- Small business is heavily reliant on the spouses / partners of local workers. In our business every one of our 10 staff members have partners who work in the mining sector. FIFO robs host communities of the skills, experience and time which the spouses of mine workers put into the local economy and volunteering sector.
- FIFO creates large numbers of customers with no relationship to the community or service providers and a lack of understanding of the service limitations which may exist in local businesses. With unrealistic expectations and no local ties, these consumers are often dissatisfied and can lodge complaints which can be time consuming and stressful to deal with.

The Silver Bullet

During my evidence, the Committee asked me about what Moranbah Medical would like to see done about the issues challenging us. I indicated that the establishment of a medical workforce accommodation precinct would be a great first start to ensure the community would be able to continue to attract and retain essential medical personnel to service the needs of the town and the region.

I also stated that we needed effective planning and projections to ensure services could keep up with the influx of people and that this planning needed to be influenced in large part by the community and their needs and concerns.

What I didn't mention is that to do these things we would need to see:

- The region needs better planning – but this would mean coming up with a better / different way of counting the users of services. At the moment nobody is even sure of how many people there are at any given time in Moranbah, so planning around service provision is simply not possible.
- A change in the way Queensland Health and other State Government bodies calculates funding for regions such as the Isaac. It is our understanding, for example, that currently funding for the area’s Hospital services is worked on census figures which do not factor in the large numbers of non-resident workforce. To compound this, the area’s rapid growth is not reflected in the census anyway, as these figures are years out of date. For this reason, Queensland Health only allocates 2 part-time Hospital doctors to Moranbah which is significantly less than the 4 or 5 Moranbah Medical currently allocate to fill the roster for the Hospital work.

- A model such as the Royalties for Regions which is present in WA needs to be considered to ensure funding is available to support the provision of services in host communities as currently ad hoc requests for funding to the big miners most often go unheeded.

Thank you so much for the time and consideration you and the Committee have afforded this very important issue. We are very grateful that our community's issues are being investigated at this level and we look forward to reading the outcomes.

Kind regards,

Laura



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