



**Townsville
Chamber of Commerce**

Making Business Connections



**Townsville City Council
Townsville Chamber of Commerce
Townsville Enterprise Limited**

Submission to

**Inquiry into the use of 'fly-in, fly-out' (FIFO) workforce
practices in regional Australia**

**House Standing Committee on Regional Australia
October 2011**

Townsville City Council, Townsville Enterprise and the Townsville Chamber of Commerce welcome the opportunity to provide input to the inquiry into 'fly-in fly-out' (FIFO) workplace practices in regional Australia.

The city of Townsville is a major service and administrative centre for some of Australia's most important mining areas, including the Bowen and Galilee Coal Basins, and the North West Minerals Province, stretching west from Townsville to Mount Isa and the Gulf of Carpentaria.

This submission recognises that there are significant social and development challenges for many regional communities in accommodating large numbers of 'fly-in fly-out' workers. However, FIFO workplace arrangements will remain critical to supplying the skilled labour required for the ongoing productivity of North Queensland's mining sector. In Townsville, 'fly-in fly-out' workers and their families are an important part of the local economy and community, with the city's lifestyle, attractions and ready connectivity to mining areas making it an important industry base for large numbers of skilled workers.

Townsville is the largest city in northern Australia and has a long established role as a services and export hub for the greater North Queensland region. The city is one

of the key developmental centres targeted under the Queensland Government's Regionalisation Strategy. The Queensland Government also is preparing a specific *Townsville Futures Plan*, which seeks to harness Townsville's potential as a second capital city for the state. The *Futures Plan* recognises Townsville as a major service centre for the state's mining industry providing labour, engineering and logistical support. Townsville's geographical location, in particular, makes it a natural value-adding and distribution point. The city's airport and port facilities, high-capacity rail and road networks connect Townsville to the wider North Queensland region and to global export and import markets.

In addition, the attractiveness of Townsville's lifestyle – including its appeal to young families – has contributed to significant migration and population growth; which will see the city's current 195,000 residents increase to between 250,000 and 300,000 people by 2030.

Townsville's family amenity is founded upon strong investment in urban and social infrastructure. Townsville has an extensive network of quality public and privately funded primary and secondary schools, and tertiary education is available through the Barrier Reef Institute of TAFE and James Cook University. Townsville Hospital is the region's largest and Queensland's only tertiary training hospital outside of the south east corner.

Because of its services, infrastructure and lifestyle advantages, Townsville plays a vital role in attracting and accommodating the large numbers of skilled workers required for the expansion of mining operations in North and North West Queensland. In particular, FIFO arrangements based upon major hubs like Townsville remain critical to fulfilling these labour and skill demands. Townsville is a logical location to base FIFO workers, particularly as its population is large enough to accommodate new arrivals without social dislocation to the broader local community.

Townsville City Council and the Townsville Chamber of Commerce are committed to supporting opportunities for 'fly-in fly-out' workers and their families within Townsville.

Council also recognises that there are significant social and development challenges faced by many regional communities in accommodating large numbers of 'fly-in fly-out' workers.

Greater support and flexible policy initiatives are required to meet these challenges.

FIFO arrangements are essential to regional and state economies insofar as they mitigate the skills bottlenecks that both stifle mining operations and reduce output across related transport, logistics, manufacturing and retail sectors: the highest quality of skills and labour can only be sourced by ensuring the highest possible quality of lifestyle and support services and, in many circumstances, this necessitates FIFO workplace arrangements.

FIFO arrangements, however, may also mitigate against the growth of local employment and business opportunities within many rural and regional centres located at the heart of major mineral and mining areas.

It is important to secure a developmental balance that ensures employment flexibility, the supply of skilled labour for industry expansion, and the strengthening and long term growth of regional communities across Australia.