

Submission Number: 78

Date Received: 7/10/2011



# Regional Social Development Centre

Submission to FIFO/DIDO Enquiry

October 2011

## 1. Introduction

The Regional Social Development Centre (the trading name for Mackay Regional Council for Social Development Ltd) has worked across the Mackay, Whitsunday and Isaac region since 1974. It acts as the key regional body for social and community issues. The organisation is incorporated as a company limited by guarantee (with not-for-profit objectives) and its membership and governance structure includes community, organisational, regional council and State and federal government representatives.

The Whitsunday, Isaac and Mackay region is currently experiencing unprecedented economic growth, which is rapidly expanding our population base. While this generates wealth for our region, rapid growth also creates significant social impacts. Fly-in, Fly-Out (FIFO) and Drive-In, Drive-Out (DIDO) work arrangements also have a range of impacts on communities, families and individual workers. Without appropriate consideration and planning, these impacts can negatively affect liveability and sustainability and disadvantage our region on a state, national and global level.

RSDC works with other organisations and all levels of government to facilitate the alignment of economic growth in our region with implementation of strategies to manage subsequent social impacts. This ensures that our region is sustainable and all community members benefit from economic growth.

As a community and social development organisation, RSDC's response to the Terms of Reference focuses on those aspects which lie within our realm of expertise. As such, this submission will include:

1. Introduction
2. Clarification of FIFO and DIDO
3. Effect of a non-resident workforce on established communities
4. The impact on communities sending large numbers of FIFO/DIDO workers to mine sites
5. Provision of services, infrastructure and housing availability for FIFO/DIDO workforce employees
6. Strategies to optimise FIFO/DIDO experience for employees and their families, communities and industry
7. References
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## 2. Clarification of FIFO and DIDO

It must first be clarified that the social impacts of FIFO and DIDO work practices are not identical. FIFO and DIDO work practices generate distinct social impacts for regional communities. FIFO and DIDO workers and their families may also have quite distinct experiences with these work practices. The community from which the FIFO or DIDO worker originates may also be differently impacted. These differences are identified further below.

FIFO workers originate from a community some distance from their place of work, such as workers travelling from Brisbane or Melbourne for shifts at mine sites in the Bowen Basin region. This typically means that:

- They have limited connection with, or sense of ownership, of this community;
- The behaviour and attitudes of workers, and the community towards these workers, may reflect this lack of ownership and connection;
- Without any connection to the community, FIFO workers are more susceptible to offers for employment in other regions or states. This impacts on retention and productivity for employers and increase the transience of the community;
- The worker is more likely to spend their income in their place of origin than the community where they work;
- The worker is not counted in Census data, which impacts on the level of funding and infrastructure allocated to this region.

DIDO workers originate from a larger regional centre within approximately 2.5 hours of their place of work (Hogan & Berry 2000). The impacts of DIDO work arrangements for the region differ from FIFO in that:

- As a resident of the region, the worker is more likely to have some sense of connection to, or ownership, of the community in which they work;
- With this connection to the community, DIDO workers are more likely to remain in the region;
- The worker contributes to the region by spending locally;
- The worker will be counted in the Census data for this region.

### 3. Effect of a non-resident FIFO/DIDO workforce on established communities

Reliance on non-resident FIFO/DIDO workforces has a range of impacts on established communities. These were identified in the Adaptive Communities initiative in the Moranbah community (conducted by Isaac Regional Council), where data collected from the community indicates that these impacts include:

- A loss of economic benefits to local businesses, since FIFO/DIDO workers have limited spend in the local community. Communities with mining as a single economic base experience limited flow-on of economic capital. Attracting and retaining staff is also very difficult for local businesses competing with mining companies that can offer higher wages and better working conditions. These factors indicate that non-mining business expansion is unlikely to be sustainable beyond the life of coal mining. Towns servicing the mining industry with a reliance on FIFO/DIDO workforce risk becoming “poorly serviced poverty traps for those who cannot afford to move elsewhere if ways cannot be found to stop the economic leakages (Rolfe et al 2003).” As explained by a Moranbah resident:

*The greatest disadvantage is that they (FIFO/DIDO workers) only come here to work but they still want to go to Coles and Red Rooster but without their families here we don't have the population that is going to provide the workers for those service industries. Everyone whinges in Moranbah, you're lined up at the checkout at Coles for a long time, but that's because they are struggling to get staff ... There's not a big pool of people that are going to be available for us in those service industries.” (RSDC report, 2011).*

- The persistence of anti-social behaviour. FIFO/DIDO workers are predominantly male, which creates a gender imbalance in mining communities and has been linked to increasing levels of violence and alcohol abuse. Petkova et al, (2009, p. 222) describe this as follows:

*“Lack of integration creates a strong sense of ‘us versus them’ and mine-workers are blamed for a disproportionate share of the crime and anti-social behaviour. The increasing levels of fear reported, itself a significant social impact, seems to be borne out by available statistics which indicate an increase in the rate of offences against the person. This is especially so for sexual assault, which is now rated higher in parts of the Isaac Region than Queensland, with average rates increasing faster than the state average in some towns.”*

- The continued strain on infrastructure and services in meeting the needs of FIFO/DIDO workers who are not counted in the Census for the local community. Significant population growth and rising levels of violence and alcohol abuse places additional strain on infrastructure and services in mining communities, which are also burdened the related economic costs. This growth is not captured in Census data however, since it only recognises 'residential' addresses, which FIFO/DIDO workers list as their place of origin. This is not a fair measure of the population of mining communities, the actual burden on their services and infrastructure, and the increased government funding required to support influxes of FIFO/DIDO workers. As stated by a Bowen Basin resident:

*"The demands on our services, our housing, police, all those services that are provided from the Census data which is not a true reflection of the population that they're servicing." (RSDC Report, 2011)*

- Social disintegration between the community and FIFO/DIDO workers. An influx of a significant number of transient workers, who are mostly men, is likely to have multiple negative impacts for a small regional community. Professor Carrington from Qld University of Technology, who conducted a recent study in the Bowen Basin, explains this impact as follows:

*"They (the regional communities) have dense social networks, they have high rates of volunteering and community participation...so when very large groups of strangers...(arrive), it disrupts the whole equilibrium of how that community functions." (www.watoday.com.au, 2011)*

A Bowen Basin resident describes this impact on a local level as:

*"They (FIFO/DIDO workers) don't have access to Moranbah facilities. There is no pride or ownership ... No humanity or diversity, no opportunity to mix with other people outside mining. They are isolated. It's not good for workers' physical and mental health. It segregates Moranbah into different groups. It can create a 'pack mentality' when they come into town - no social norms. They struggle to integrate and there's an increase in violence with no accountability.*

#### 4. The impact on communities sending large numbers of FIFO/DIDO workers to mine sites

The impacts of sending large numbers of FIFO/DIDO workers to mine sites are felt by the individual workers, their families and communities. These include:

- Emotional challenges for workers and their families associated with the FIFO/DIDO lifestyle, such as loneliness (Sibbel, 2010). As identified in a case study of a DIDO worker for the Adaptive Communities initiative:

*Damien's partner worries about him driving to and from Moranbah and she misses not having him home every night. She says she is "lonely" and feels "vulnerable being home alone at night". When asked about being away from his partner, Damien said it "makes me feel down and I think about her all the time which makes it harder when I am at work".*

- Difficulties in maintaining family relationships. As stated by FIFO/DIDO workers who participated in the Adaptive Communities initiative:

*"It was pretty rocky. I missed out on how my son was going at school and my wife was working as well and she had dramas at work and she couldn't talk to me. When you are together day to day you work through it but when you are apart, the other family members feel that they are alone, that there is no help."*

- Social isolation for employees who are separated from family and friends, particularly where employees are 'off shift' while their friends are at work.
- Having 'non-standard' work hours, which can limit opportunities for participation in the community. For example, accessing child care outside of normal work hours, participating in sports teams or volunteering can be difficult for workers who do not work standard hours or have a regular work routine (Sibbel, 2010). As an Adaptive Communities participant (a DIDO worker) explains:

*"You have limited time back in where you live in Mackay and it is hard to have a lot of steady friends...you can't do normal things like play sport as you only have two weekends so your whole life feels like you are working all the time. Even your time off is such a short period and then you have got to go back."*

- Decreased participation rates in communities. Increased levels of FIFO/DIDO work arrangements reduce participation rates by individuals in their community, as explained above. This negatively impacts on the growth of social capital of communities, including support for sporting, community and other social groups and participation in volunteer

activities. In 1997, the Australian Bureau of Statistics estimated that volunteering contributes between \$24 billion and \$31 billion in direct economic contributions to the Australian economy each year (ABS 2000: p. 4). There are also significant and well documented health outcomes embedded in the more than 700 million hours of volunteer labour that this figure represents (ABS 2001). This takes the form of social capital, the networks of social relationships, of trust and reciprocity, which form the basis for social and emotional well-being. Leading social researchers have demonstrated its importance as the 'glue' which holds communities together. Social ties can be both informal (e.g. friends and family) or more formal (as in volunteering) but these create the basis for systematic improvements in crime rates, education, economic growth and health.

- Fatigue and increased risk of accidents. As previously mentioned, DIDO workers commute an average of 2.5 hours to work. When coupled with working long shifts, the risk of fatigue and accidents is significantly increased. An expanding population, with more traffic on roads in steadily declining condition, also contributes to the incidence of injuries and fatalities. Fatigue researchers have identified that between 13-23% of drivers on their way to or from shifts will fall asleep, resulting in crossing the centre line or running off the road (Di Milia 2006, in RSDC, 2011). This creates an additional burden for local organisations such as the State Emergency Service that face extra demands without being able to recruit extra members (Rolfe *et al*, 2009, in RSDC, 2011).

## **5. Provision of services, infrastructure and housing availability for FIFO/DIDO workforce employees**

The issues relating to provision of services and infrastructure for FIFO/DIDO workforce employees are:

- Census data not accurately reflecting the population levels of regional communities servicing mine sites, with the influx of a transient workforce;
- Resultant absence of an increase in government funding and other related support;
- Resultant lack of services and infrastructure to meet population growth needs, which includes medical, social and community services;
- Increased burden on already overstretched existing services, which experience difficulty in attracting and retaining staff in small regional communities with proportionately high costs of living;

- Additional burden for local services that face increased demands but have a decreasing population base from which to recruit volunteers, members or other community support;
- Declining condition of roads which access local community and larger regional centres.

Housing shortages and localised inflation also significantly impact regional communities servicing mine sites, particularly low and middle income earners. A rapidly increasing population base has resulted in limited availability of permanent housing and the associated inflation in purchase and rental costs. In Moranbah for example, house and rental prices have increased by 400%. This creates considerable hardship for middle and low income earners, who may have to sleep in cars or tents, or choose to leave the community. As a result, attraction and retention of employees in essential services such as schools, hospitals and social services is very difficult. As explained by Petkova et al (2009, in RSDC, 2011):

“It is these kinds of situations which have resulted in uneven development of the community economy, such that the domination of corporate economic capital undermines the social capital of communities, which lays at the basis of the community’s capacity to take advantage of the economic benefits.”

## **6. Strategies to optimise FIFO/DIDO experience for employees and their families, communities and industry**

- For community members to fully embrace an increase in FIFO/DIDO workers in their community, further research is required relating to the true economic benefits and opportunities for the community and local business, with recommendations about how these benefits can be maximised and maintained.
- Census data collection tools to be modified so they provide more accurate data about the population of mining communities and nearby regional centres, including the number of DIDO / FIFO workers.
- Improved infrastructure, facilities and services must be provided to local communities servicing mine sites so they can adequately meet increased population growth and corresponding demand for services and infrastructure. This may require an analysis of local data from existing community, social and health services, to provide a ‘real’ rather than perceived representation of usage of these services by FIFO/DIDO workers.



- The concerns of communities servicing mine sites about the increases in crime and anti-social behaviour among FIFO/DIDO workers need to be better understood so this critical social issue can be addressed.
- Local government and mining companies need to work together to develop strategies to create greater social cohesion in mining towns. Community capacity building efforts to increase social and communal responsibility among both permanent residents and FIFO/DIDO workers could be considered. For example, community events that are inclusive of FIFO/DIDO workers which celebrate the community's diversity and what it means to be a mining town; organised community sporting events for non-permanent and permanent residents; and other strategies which invite FIFO/DIDO workers to contribute to, or be a part of, the communities in which they work and play.

RSDC supports choice for all employees so their work arrangements enhance their community of origin, the community in which they work, their family life and themselves. Reliance solely FIFO/DIDO work arrangements prohibits this choice and creates negative impacts for workers, families and communities. To avoid these negative impacts, the issues described above must be proactively addressed as part of planning processes, not just when problems become acute. They are a key element in the corporate sector's 'social licence to operate' in the community, who in the end owns these resources, across the life of the mine.

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