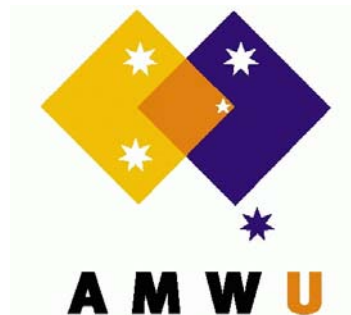


Submission Number: 32  
Date Received: 11/10/2011

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# AUSTRALIAN MANUFACTURING WORKERS' UNION



**Submission to  
The House of Representatives Standing Committee on  
Regional Australia inquiry into the experience of fly-in, fly-out  
(FIFO) and drive-in, drive-out (DIDO) workers in regional  
Australia.**

**October 2011**

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## **EXECUTIVE SUMMARY**

Evidence is that the resource sector has a hefty demand for skilled workers which is draining the pool of skill available for the rest of the economy. The sector has trouble meeting its skill demands. Many resource sector workers are engaged by, or as, contractors. Workers engaged by or as contractors are significantly more likely to be engaged as non-resident workers than directly employed workers.

The impact of a fly in fly out and drive in drive out workforce is felt by the non resident workers and the local communities within which the mine is placed. Non resident workers endure exacting working conditions, isolation, boredom, limited living conditions and community isolation causing in some cases an increase in drunkenness and violence. Local communities experience conflict between resident and non –resident workforces and the decline in community amenity as non resident workers bypass community engagement.

The AMWU proposes a National Engineering Apprentice Employment Trust to ensure both the long and short term supply of skilled workers to the resource and non resource sectors.

The AMWU accepts that a non-resident workforce will be a required component of the resources sector. The geographic clustering of resource activity facilitates planning and regulatory processes which can create synergies across projects, significantly reduce the necessity for non-resident workers and bolster local workforce participation and community building.

The AMWU proposes that the creation of industry wide agreements containing minimum industrial and accommodation standards will encourage workers to resource projects and enhance labour stability, productivity and safety at mine sites and camps.

## 1.0 INTRODUCTION

- 1.1 The “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” is known as the Australian Manufacturing Workers’ Union (AMWU). The AMWU represents over 110,000 members working across major sectors of the Australian economy, including many employees throughout the resources sector. Our members work in Australia’s manufacturing, mining, and building and construction industries and supply maintenance services across all industries. The AMWU’s members work across many skills/ classifications/ occupations, and the vast majority of them are employed by private corporations. The impact of the resource sector’s labour demands is experienced by AMWU members both within and outside of the resources sector. The resources sector within our submission is defined as mining, and oil and gas exploration and production.
- 1.2 The AMWU made extensive submissions to the National Resources Sector Employment Taskforce (NRSET) whose report was published in June 2010 (DEEWR, 2010). The current Inquiry is relevant to matters identified in our submission<sup>1</sup> to the NRSET Inquiry particular regarding a sustainable skill supply for the resource and non-resource sectors.
- 1.3 FIFO and DIDO (note the terms ‘FIFO’ and ‘non-resident’ are used interchangeably throughout this submission) employment has been a feature of the resources sector from at least the 1950’s.<sup>2</sup> Of particular note regarding policy development is that 47% of all mining employees are employed on a non-residential basis and 53% are residential. Of the 23.5% of the total mining workforce engaged through contractors, 77.7% are non-residential. This is significantly higher than the 37.5% of directly

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<sup>1</sup> AMWU Submission, April 2010 National Resources Sector Employment Taskforce

<sup>2</sup> The Chamber of Minerals and Energy Western Australia; *Fly In Fly Out: A Sustainability Perspective*;2005;p.9

employed mine workers who are non-residential<sup>3</sup>. The issue of non-residential contract labour requires particular attention as the conditions for these workers are largely unregulated with the mine owner and/or operator having little or no accountability for this part of their workforce. In this regard we note and support the Queensland Government's Major Resource Projects Housing Policy<sup>4</sup>. The policy defines a project workforce as including both direct and contract employees.<sup>5</sup> The policy requires that the owners of resource projects are responsible for passing on obligations under the Housing Policy to major contractors. The inclusion and consideration of the particular needs of contract workers in all policy initiatives is recommended by the AMWU.

There is increasing concern regarding the impact of a non-resident workforce engagement on labour turnover, the non-resident workers, their families, local mining communities, labour mobility and the supply of skills in other sectors. It is particularly timely to review the impact of FIFO as it is a feature of the resources sector workforce which is projected to be an increasing proportion of the total workforce. The Queensland Treasurer, Andrew Fraser recently announced Queensland had 38 projects in the pipeline over the next six years, including 23 coal mines and 12 coal seam gas projects, supporting 30,000 new workers, many of them identified at this stage as FIFO.

- 1.4 The Chamber of Minerals and Energy, Western Australia have also projected that in the construction phase of projects up to 2015, 92% of the total workforce will be FIFO and only 8% local while in the operations phase, 77% will be FIFO and 23% local.<sup>6</sup> The AMWU's submission is that this projection need not be accepted as a given, particularly as mining projects both operational and in planning stages, which rely on non-resident workers are clustered in specific regions in the Pilbara (WA), Bowen Basin

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<sup>3</sup> Ibid

<sup>4</sup> Queensland Government; The Coordinator General: Major Resource Projects Housing Policy: *Core principles to Guide Social Impact Assessment, August 2011*

<sup>5</sup> Ibid;p.1

<sup>6</sup> The Chamber of Minerals and Energy Western Australia; *WA State Growth Outlook, April 2011.*

(Queensland) and Roxby Downs (SA). Clustering presents opportunities for the development of regional employment and training synergies which would reduce the incidence of FIFO and assist in local community development.

- 1.5 The AMWU's submission is that whilst a non-resident workforce will be part of the resource project mix its unintended negative consequences must be considered with policy settings geared towards an economy wide sustainable skills' supply.
- 1.6 The AMWU's submission focusses on strategies directed to ameliorating the negative impacts of FIFO and establishing positive impacts for those engaged in the sector and also for local resource communities. The key is training, retraining and appropriate infrastructure, including services for FIFO workers and local communities. Training will reduce project reliance on a FIFO workforce, limit the skill's drain from other sectors and build opportunities in local communities. Building community infrastructure and services will support local employment, encourage relocation to the mining regions, encourage training and skills formation facilities and facilitate healthy communities for both FIFO workers and local residents.
- 1.7 As submitted by the AMWU to the NSRET, due to the bell-curved nature of demand of individual projects, the sector itself has shown a tendency to capitalise on a labour force which has been trained outside the sector. Further retraining is sometimes added, but the sector has not demonstrated that it is able or willing to develop the entry level skills and qualifications of individual workers which it later desires to utilise at the most demanding phases of a project. But one project is not as island, and the resources sector is not, and cannot, be self-contained – policy decisions about labour resourcing and skills training should not further encourage the sector to consider itself self-contained.

- 1.8 From a national perspective, heightened resources demand is less an emergency for resource sector employers, than it is an opportunity for developing and retaining skills across the economy. Policy responses must address what is important, not just what appears urgent.
- 1.9 Planning for the long-term needs of the resources sector is paramount to developing policies and practices that support FIFO arrangements as well as generate the greatest benefits for the mobility, productivity and skills development of the economy as a whole. Amongst other ideas, the AMWU proposes the formation of a National Engineering Apprentice Employment Trust (the Trust) as a model for the development of broader skills, because such a model will serve the needs of the resources sector, the needs of other sectors, and the wider needs of Australia's society and economy. At present, the resources sector extracts not only minerals, but labour and productivity from the wider economy, by under-training workers, relying on FIFO and importing temporary overseas skilled labour. It is time that a sector which utilises the resources of a society contributes to the development of those resources. Mutuality of obligation and benefit must be the key.
- 1.10 The AMWU proposed the Trust in our submission to the NRSET. We note that our other proposal to the NSRET, the formation of a Resource Sector taskforce was announced by Minister Evans<sup>7</sup> and we encourage the new taskforce, whose terms of reference include strengthening employment pathways into the resources sector and monitoring the FIFO inquiry to give further consideration to the establishment of the Trust.

## 2 ISSUES

Recruitment for resource sector projects (refer **Attachment 1**) highlight the benefits of high paying jobs without identifying any of the growing number of issues of concern. The difficulties of a large influx of non resident workers

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<sup>7</sup> The Hon Julia Gillard and Senator Evans, Joint Press Release 15 September 2011

into a community where they have no connection have been well documented. The AMWU's view is that the need for FIFO requires reduction through sustainable regional skill development processes. Such processes would deliver accredited and portable resource and cross resource industry skills.

Where the nature of the project and/or its geographic location create barriers to local skill development processes then the emphasis needs to be on the provision of appropriate accommodation, services and community engagement processes for resident and non-resident resource workers, their families and communities.

### **Building a sustainable supply of skills**

2.1 It is the view of the AMWU that the interests of the resources sector can be best served by the establishment of mechanisms for broad skills development that can serve the tri-faceted needs of the sector:

- limited demand in the lead-up to a project
- massive demand in the construction/establishment phase,
- more modest demand in the operational or through life support phase.

If training is skills and competency focussed, if the sector engages in skills formation - but recognises that skills must be broad-based and portable if they want to pick up workers during periods of high demand and discard them during leaner times - then training clearly must focus on competency outcomes which leave individuals mobile across sectors, but agile to be deployed in the resources sector when they are required. If training costs are to be shared across sectors and the broader economy, then training outcomes must also.

2.2 This is a core reason why the sector must engage with training, skills and workforce development and meet the cost of that engagement, so that local labour resources are best utilised, and portability flexibility and



mobility are maximised. Invigorating the local labour market – be it from remote locations, under-represented groups like female or indigenous workers, or any worker who is not optimally skilled – is the best way of deepening the pool of available workers. Introducing a greater degree of gender mix it is argued<sup>8</sup> will also reduce the increase in incidence of heavy drinking and male on male violence identified in local communities and attributed to non- resident workers.

- 2.3 An analysis of the incidents of labour demand by the resources sector demonstrates a disconnect between its practices and its wants, and an even greater disconnect between its practices and its needs. According to the research project Workforce Turnover in FIFO in Mining Operations In Australia (2003) the mining industry has the highest rate of workforce mobility of any sector in the Australian economy – 21.7 per cent compared to the national average of 15 per cent.<sup>9</sup> Turnover rates beyond 20% are considered by mine site managers to be detrimental to productivity.<sup>10</sup> Factors identified as reducing turnover included the level of management commitment to employee training and skills development, and ‘good management’ generally. Shorter shift patterns were also found to reduce turnover.<sup>11</sup>
- 2.4 Engaging workers on 12 hour shifts on a FIFO basis will not lower attrition rates. Neither will industry practices of rostering for four or five weeks “on”, then one-week “off”, with thirteen day fortnights. Using FIFO and overseas temporary visa workers will not assist in developing long-term stability in operational workforces. Engaging temporary overseas labour, or using contract workers will not stabilise a workforce, or produce a dependable skills base for the industry. Using FIFO will not improve

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<sup>8</sup> Carrington, K et al; *Globalisation, frontier masculinities and violence: booze, blokes and brawls*; Oxford University Press, 2010

<sup>9</sup> Workforce Turnover in FIFO Mining Operations in Australia: An Exploratory Study. Summary Report; University of Queensland 2003 for Centre for Social responsibility in Mining; p.1

<sup>10</sup> Ibid;p.3

<sup>11</sup> Ibid;p.5

training of workers when there are not complementary facilities for training at either end of the FIFO route (or time to undertake training). A failure to invest in employees' initial qualifications (even when there are long project lead-times) will not lead to a sustainable and steady supply of skilled workers to be deployed on projects within the resources sector.

2.5 The AMWU's submission to NRSET contained extensive data on the decline in apprenticeships, the decline in completion of apprenticeships and the resource industry's requirements for apprentices.<sup>12</sup> The current lift in the apprenticeship training rate will have to be maintained for around 10 years and the current decline in apprenticeship completion rates will have to be reversed to compensate for the under-investment in training that occurred in the previous decade. Just as there are a myriad of causes of any skills shortage, there are a number of policies that need to be implemented to rectify the situation centred on maintaining the increased apprentice rates and up skilling existing workers. Overall, skills shortages require a systematic approach to domestic training, skills and workforce and career development supplemented by stocks of permanent skilled migrants.

2.6 The resources sector has, more so in recent years, turned to offshoring of the pre-assembly and pre-production of certain elements of projects. Modularisation of projects has clearly assisted in this. The stated aim of such an approach is to lower the costs of projects – offshoring the labour costs of important elements of a project's start-up costs. Obvious examples include prefabrication in Thailand of a processing train for the Pluto LNG plant in the Carnarvon Basin in WA, for assembly in Australia, and overseas assembly, in Malaysia and China, of offshore production systems and platforms for the same project.<sup>13</sup> The increased incidence of importing prefabricated and preassembled project infrastructure is also

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<sup>12</sup> AMWU Op Cit; section 3

<sup>13</sup> op cit at note 16.

seen in the almost doubling of steel imports into Australia between financial years 2004 and 2009<sup>14</sup>

- 2.7 The difficulty with this approach, of course, is the loss of that prefabrication and pre-assembly work to overseas producers. The skills and capability that are lost in this short-term cost-cutting will ultimately drive up labour costs with shortages in the future – to the ultimate detriment of the resources sector. This overseas pre-production is especially devastating because the bulk of apprentice training for trades has traditionally been completed in workshops involved in such fabrication work.
- 2.8 We have little difficulty with resource sector projects using offsite preproduction facilities. Indeed, offsite preproduction may well assist in alleviating many of the more deleterious effects of remotely located resources project work and FIFO can be reduced. However, when offsite preproduction becomes offshore preproduction, then the skills base of the resources sector, and the economy more generally, is decimated, and our capability to participate in major projects is compromised.
- 2.9 The solution here is to maximise local content – encouraging on site and onshore preproduction facilities. If offshore preproduction remains an easy answer for large resource sector projects, then Australian skills, capability and productivity are weakened. Whilst offshore preproduction seems an easy answer, it is not a good answer. To develop the skills which the sector needs to maintain its own productivity – and to benefit wider productivity across other sectors – then the resources sector needs to focus on local suppliers. For the sake of Australian productivity and capability, any policy response should encourage this focus. The AMWU acknowledges the initiatives announced following the Canberra Jobs

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<sup>14</sup> [www.onesteel.com/keymarkets.asp](http://www.onesteel.com/keymarkets.asp).

Summit however more needs to be done if we are to flow the gains from the mining sector across the rest of the economy.

- 2.10 Satisfying the employment demands of the resources sector should focus on needs, not just wants – the long term, not the short. This is why we propose one model for a “National Engineering Apprentice Employment Trust”, to provide a nationally beneficial, long term structural answer to the training deficit which plagues the resources sector, as it does the economy at large.

The proposal is set out below.

## ***NATIONAL ENGINEERING APPRENTICE EMPLOYMENT TRUST***

### **Introduction**

The project centred and cyclical nature of the heavy engineering, defence engineering and resources engineering industries in Australia present skills and workforce development challenges for the Australian economy.

The long lead times required to develop the highly skilled engineering trades and technical workers are inconsistent with the often time-limited nature of the projects that drive demand for such skilled workers.

Employment demand often spans from limited demand in the lead-up to a project, to massive demand in the construction/establishment phase, to more modest demand in the operational, or through life support phase.

### **The Trust**

The AMWU proposes the establishment of a National Engineering Apprentice Employment Trust as a vehicle for the employment of apprentices and engineering cadets in the key engineering trades and technical occupations critical to the future of Australia’s heavy engineering, defence engineering and resources engineering industries.

The Trust would establish itself as, or would engage, a Group Training Company responsible for sourcing companies that could host apprentices, the cost of whose employment would be supported by funding from existing Commonwealth & State funding programs and additional funding from heavy engineering, defence engineering and resource engineering contractors whose projects will require large numbers of skilled trades and technicians but whose projects are not yet able to employ apprentices.

An appropriate formula for the industry contribution to the Trust would need to be negotiated.

## Key Features

- Bi-Partite governance
- Not-for-profit business model
- Restricted to specified trades and technical occupations expected to be in high demand or in legitimate skill shortage
- Designed to support projects and endeavours that are deemed to be of economic or social importance to the Australian economic or social outlook
- Funding from industry on a mutual obligation formula basis unless evidence provided of employment of sufficient numbers of apprentices/cadets to meet anticipated demand
- Established to complement existing Group Training Arrangements rather than competing with them.
- The trust would be the employer of record and host out cadets and apprentices (using enhanced subsidies and mentoring) to existing employers who would contribute work and learning experiences that build relevant, generic and mobile skilled workers in key occupations.
- Underpinned by appropriate rotation of apprentices/cadets to ensure breadth of skills experience.
- Training based on broad based generic National Training Package trade and technical qualifications designed to leverage mobility and flexibility.

2.11 The geographical clustering of major resource projects has been referred to in paragraph 1.4 above. Clustering presents opportunities for skill and local community development to be approached on an across project basis. The obligation for major resource projects to coordinate across the region/regions at the planning and license application stage and to develop proposals for meeting projects' skill, housing and community infrastructure and service requirements maximises the long term sustainability of project resources both within and beyond the region/s during and at the end of the project cycle. We recommend that Federal and State Government trial regional resource coordinators whose role is to identify and model skill, accommodation, community and project infrastructure and service synergies and that the opportunities for an Engineering Employment Trust be modelled within the research. This approach is consistent with our proposal to encourage mobility between

projects.<sup>15</sup>

- 2.12 The funding of additional FIFO coordinators as advised by the Minister<sup>16</sup> is a useful strategy however it does nothing to lessen the dependency of the sector on a non-resident workforce, reduce the negative impacts of a non resident workforce on local communities or build long term benefits for those communities.

**Impact of FIFO on local communities.**

- 2.13 If the resource sector wants a workforce that is stable, socially connected and characterised by low or average levels of turnover, then workers need to be connected to the community in which they are employed. Non resident workers have no ongoing commitment to community or ongoing employment relationships.
- 2.14 The release of the Queensland Government’s core principles for Major resource projects Housing Policy<sup>17</sup> (MRPHP) is a useful model for adoption by other States. The policy amongst other matters requires that proponents of major projects will need to address seven principles in a new housing and accommodation strategy. Among the considerations are whether new infrastructure is required and how the lifestyle in the local towns will be protected when a non-resident workforce is proposed.
- 2.15 Under the Housing Policy resource proponents proposing a non residential workforce will have to determine how much demand there is for local jobs before a project goes ahead, and justify its non-residential workforce. The proponent must “work with local communities, councils, unions and the

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<sup>15</sup> Dave Oliver, AMWU National Secretary speech to the National Conference of the Australian Mines & Metals Association (AMMA) on May 26th, 2011.

<sup>16</sup> Senator Chris Evans; Press release;21 September, 2011

<sup>17</sup> Major resource projects Housing Policy: Core principles to guide social impact assessment; Coordinator general; Queensland Government, August 2011

state government to make sure that the liveability and sustainability of towns is protected and that workers have choice about where they live.”<sup>18</sup>

The AMWU supports the concept of workers having a choice and not just being informed that they will be non –residential.

2.16 The AMWU supports the Queensland Government’s Housing Policy for major resource projects and recommends that it be adopted by others states and apply to all resource projects receiving any Federal Government support either directly or indirectly. We also recommend tightening the policy as detailed below -

- there must be labour market testing across occupation, industry, region and sector;
- contractors’ resource projects where local workers have been made redundant within previous 12 months must first offer re employment and investigate skill matching and/or up skilling prior to determining FIFO numbers;
- the MRPHP would be enhanced through a greater emphasis on proposals to positively support housing within local communities rather than proposals to minimise negative consequences of the form of workers’ housing adopted. For example the policy requires that resource projects must *“locate a proportion of their operational workforce in resource towns to support growth and liveability”*<sup>19</sup> however only where such housing is *“practicable and sustainable”*. The policy should provide a solid framework for assessing *“practicable and sustainable”* to ensure that obligations are not bypassed;
- the MRPHP would be strengthened by an independent review of decisions and outcomes commencing 12months from commencement and regular reviews of implementation strategies during the project cycle.

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<sup>18</sup> Major Resource Housing Project (MRPHP) section 5.1, p.7

<sup>19</sup> Ibid, section 5.2, p.7

- The MRPHP <sup>20</sup> identifies the context for the new policy listing various programmes and strategies. The effectiveness of the MRPHP and similar models will be improved by the incorporation of additional measures to ensure coordination across all Government policies and the departments responsible for delivering them eg if the the Federal Government adopted the MRPHP model there would be a requirement to coordinate its implementation with the Government's broader housing and housing affordability strategies

2.17 The housing policy would also be improved to include requirements that decisions being considered during as well as at the commencement of the project's life. Decisions which will, or may cause an impact on town sustainability , need to be considered under the policy. For example BHP's workforce working Monday-Friday shifts and living in the township of Karratha in Western Australia have been asked to move to an 8 on/6 off arrangement. This will inevitably lead to workers moving back to Perth with a significant negative impact on the local township schools, services and community.

2.18 Mining Companies do provide substantial contributions into local mining towns. Research indicates however that this support is not based in local partnerships but instead is based on patronage of local services and events often replacing the State obligation rather than building sustainable infrastructure and services able to operate independently after the mine vacates the area. <sup>21</sup> We recommend Governments ensure that mining licence applicants identify in their application the sustainable initiatives and partnerships that they will build with their local community and appropriate partners and agencies and that mine support is not directed toward forms of intervention which foster dependency within the

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<sup>20</sup> Ibid, section 3, p.3

<sup>21</sup> Cheshire, Lynda: *A Corporate responsibility? The constitution of fly-in, fly-out mining companies as governance partners in remote, mine affected localities*; Journal of Rural Studies 26 (2010) pp12-20



community and create a sense of fatalism that the mine will always be there to provide.<sup>22</sup> Given the skills shortage and difficulties in attracting labour to remote sites regional training facilities accessible across projects and industries are worthy of exploration.

### **Industrial Arrangements**

- 2.19 Fifo workers face extreme working, and living, conditions. Long shifts of hard work without break over several weeks, heat, dust, dirt, no after work life, loneliness and separation from friends and family. One AMWU Western Australian organiser likened conditions at an isolated mining site as similar to prison camp. Despite having no recreational facilities employees were not allowed to go to the nearby beach or leave the camp without express permission requiring several forms of identification. AMWU non-resident members recount terrible stories of living at mine sites. The most horrific being at a Woodside camp in Karratha where in early January 2011 a 55-year-old contractor who worked for the company AGC at the Pluto Project's Gap Ridge Village, lay dead in his donga for more than a week before being missed. The AMWU and CFMEU wrote to Worksafe asking for an investigation into the contractor's duty of care when this particular employee didn't turn up for his shift. The unions asked that the investigation identify why was it left so long to find out where the man was and whether he was ok. Camp management clearly need to have processes for ensuring that people that live in their establishment are protected by appropriate health and safety provisions. These stories have to be consigned to the past if the resource sector is to be a fit and proper place to work. The grant of mining licences should be subject, amongst other matters, to the establishment of relevant health and safety provisions both at the site and within attached camps.

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<sup>22</sup> Ibid p.19

- 2.20 In current circumstances, there appears to be an unwillingness of sufficient workers to apply their skills to the resources sector under the terms and conditions of employment offered to them. Terms which may affect the decision of these workers range from wages paid, the location of work, to conditions such as FIFO employment, non-permanent contract-to-contract employment and 12 hour shifts, worked for 13 day fortnights, often five weeks on one week off. The specific impact of non-resident resource project work on s.457 and other overseas based workers requires specific investigation. FIFO/DIDO arrangements recognise the psychological and physiological importance of workers spending time with the family, friends and community for workers. Overseas based workers are flown to their nearest regional or capital city where they pay for accommodation until the commencement of their next shift. Their time away from the mine and camp is spent in an environment where they have no family, and limited community, support.
- 2.21 Each of the above factors is addressable to a greater or a lesser degree (even the location of work can be made more habitable for FIFO workers, if isolated sites are necessary). Unaddressed, these factors effectively exclude workers who wish to maintain a family or community life, especially those with caring responsibilities. Women suffer particularly from the indirect discrimination endemic in the adoption of such industry working conditions
- 2.22 The establishment of minimum industry arrangements based on research, best practice and identified OH and S outcomes we submit would be both effective in attracting labour to resource projects and reducing costly labour turnover. Industry minimum conditions would boost productivity by reducing the requirement for individual mine owners/operators/contractors to negotiate such arrangements. The industry standard would establish certainty and be available to be built on

to cover project specific needs . The AMWU recommends that the Fair Work Act 2009 be amended to provide for industry agreements

2.23 Within the mining industry we propose an industry wide agreement developed with employers, unions and government. The agreement would be binding on the mine owner/operator and mining and camp contractors and include but not be limited to minimum provisions for:

- The process for assessment of skills and qualifications, formal recognition of prior learning and training;
- Apprentice provisions including formula for a minimum numbers of apprentices per project, transfer provisions from project to project, and training;
- Enforceable Right of Entry provisions into mines and work camps which recognise the unique geographical and physical features of the mining industry;
- Ensuring genuine contracting arrangements;
- Contract and FIFO employees, including s.457 and other overseas based workers to be covered by site agreement;
- Provision for S.457 and other overseas based workers to be provided air travel enabling family reunification
- Accommodation standards and services to be supplied in camps, excluding motelling as an option;
- 10 hour shifts and optimum shift cycles recognising the increasing travel time as workers fly inter as well as intra state ;
- Provision for the active recruitment of local, indigenous and women workers;
- Occupational health and safety provisions reflecting Labor's inquiry into the WA mining sector to ensure that the risks posed by working in the resource sector are mitigated and that adequate legislation and inspectorates are in place to ensure workers' safety is the paramount consideration for mining companies<sup>23</sup>.

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<sup>23</sup> Australian Labor Party; Conference Resolutions 45th National Conference; 2009

- Federal FIFO-specific and DIDO-specific safety guidelines (e.g. hours of work, fatigue management, camp site health and safety provisions)

## 2.24 ACCOMMODATION

AMWU non resident members report that in the early 1990's accommodation for non-residential workers was reasonable. Facilities included swimming pools, tennis courts and gyms. Prior to the introduction of "motelling" employees worked in groups and lived in communities. Members report that motelling has eroded community spirit with workers left to haul their small collection of possessions from a storage unit to a new donga each time they fly in for work and then fly out, repeating the process every few weeks: *"You don't bother getting to know your neighbor or anyone within your vicinity. In a few weeks time you will be gone and when you come back you will be moved into a totally different area"*<sup>24</sup>

2.25 The practice of motelling is understood to stem from the mining companies linking payment to the contracting companies who oversee the camps, according to the percentage of workers sleeping in the camp on any given night. Under that formula it is in the contractor's interest to keep moving the workers on. Motelling is disliked by workers already under considerable stress and its cost effectiveness must be questioned in relation to labour turnover, lost production and damaged industrial relations disputes such as occurred at the Pluto mine when 1,500 construction workers walked off the job when Woodside announced it was introducing motelling.

2.26 Stable, safe affordable housing is consistently identified as the key to enabling the organization of the rest of one's life. Workers on resource

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<sup>24</sup> AMWU member reported in AMWU News, Summer 2010

projects, like everyone else have the right to security and control over their living arrangements.

2.27 Researcher Kerry Carrington<sup>25</sup> has identified that it is the process and physical setting which non-resident workers face which encourages violence beyond any individual propensity for violent activity and reduced self control. Carrington described contractors providing mining camp sites with 'wet messes' and/or providing regular bus services between camps and town drinking venues as "*arguably, organised drunkenness sponsored in part by the companies and contractors that hire and house these men*"<sup>26</sup>

2.28 The AMWU recommends that the industry through the resource sector taskforce develop enforceable minimum accommodation standards, which have to be accounted for in mining licence applications, for non resident workers including:

- Consigned dongas for the workers period of engagement at the project;
- Accommodation design suitable for the specific needs of women and indigenous workers;
- Tenancy arrangements and dispute procedures which provide security and protect workers from being evicted without due process;
- Non alcohol related activities including fitness infrastructure;
- Program of community and individual activities;
- Free movement within and outside of the camp consistent with health and safety and local regulations if applicable

### **3 RECOMMENDATIONS:**

3.1 The following is a summary of recommendations contained in the above submission. The recommendation is followed by the relevant submission paragraph number.

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<sup>25</sup> Carrington et al, op cit

<sup>26</sup> Ibid,p.8

- 3.2 Contract workers must have the same conditions and protections in the mine, and at camp sites, as provided to directly engaged workers. The inclusion and consideration of the particular needs of contract workers in all policy initiatives is recommended by the AMWU. (1.3).
- 3.3 A National Engineering Apprentice Employment Trust (the Trust) be established jointly funded by existing State and Federal Government with additional funding from large scale project employers relying on engineering skills such as in the resource, defence and heavy engineering sectors, as a model for the development of broader skills. Such a model will serve the needs of the resources sector, the needs of other sectors, and the wider needs of Australia's society and economy. At present, the resources sector extracts not only minerals, but labour and productivity from the wider economy, by under-training workers, relying on FIFO and importing temporary overseas skilled labour. It is time that a sector which utilises the resources of a society contributes to the development of those resources. Mutuality of obligation and benefit must be the key. (1.9, 2.10)
- 3.4 We recommend that Federal and State Governments trial regional resource coordinators whose role is to identify and model skill, accommodation, community and project infrastructure and service synergies and that the opportunities for an Engineering Employment Trust be modelled within the research. This approach is consistent with our proposal to encourage mobility between projects (2.11)
- 3.5 The AMWU supports the Queensland Government's Housing Policy for major resource projects and recommends that it be adopted by others states and apply to all resource projects receiving any Federal Government support both directly or indirectly. We also recommend tightening the policy. (2.16)

- 3.6 We recommend Governments ensure that mining licence applicants identify in their applications the sustainable initiatives and partnerships that they will build with their local community and appropriate partners and agencies and that mine support is not directed toward forms of intervention which foster dependency within the community. Given the skills shortage and difficulties in attracting labour to remote sites regional training facilities accessible across projects and industries are worthy of exploration. (2.18)
- 3.7 The negotiation by government/s, employers and unions of a resource industry industrial agreement and the amendment of the Fair Work Act 2009 to enable industry agreements. (2.22)
- 3.8 The AMWU recommends that the industry through the resource sector taskforce develop enforceable minimum accommodation standards, which have to be accounted for in mining licence applications, for all non resident workers. (2.27)

**END**

Internet Add ([www.westjobs.com.au/jobseeker/mining-jobs-no-experience.htm](http://www.westjobs.com.au/jobseeker/mining-jobs-no-experience.htm))

### **Unskilled Mining jobs in WA**

There are examples of professionals with years of experience and skills from unrelated industries changing their profession to reap the benefits of larger salaries. With the right information, mindset and some related skills, you may be able to approach mine companies such as [Rio Tinto](#) and [BHP Billiton](#) and secure a job with training. Salaries can be good for unskilled mining jobs with no experience, these can pay \$1,200 - \$2,000 a week. The average salary in the mining industry is currently about \$90,000 per year.

All the mining hot spots like [Gorgon Gas Project](#), [Karratha](#), [Port Hedland](#), [Mount Isa](#) and [Kalgoorlie](#) are facing massive workforce shortages. The unskilled labour shortage has been so high; that the Australian Government has in the past ran a pilot program offering \$5,000 to unemployed people to move to Western Australia to take up unskilled mining jobs. The pilot program was the beacon of Western Australia's mineral wealth and prosperity. If you are looking for a career in mining in WA and live outside of the state, then the WA government's site [migration.wa.gov.au](http://migration.wa.gov.au) is worth a visit.

Positions on mine sites can either be residential positions where you live in a mining town and usually picked up by the mining company free bus service to the mine site and back home again after work. Other types are drive in drive out known as [DIDO](#) where you drive to a mine site from your full time residence to the mine site and live in a mining camp or caravan while working a set roster and when your roster is finished you drive back home for your rostered time off. [FIFO mining jobs](#) - fly in fly out mining jobs are very common as this enables you to live in the city and when your roster starts you fly on a free chartered flight to work, live in a mining camp which is fully catered with free food and accommodation, work a set roster and then fly back to the city when your roster has finished. Working within the industry and securing a mining job with no experience is a great way to save money, when everything is paid for.