

**Government Response to the
Infrastructure, Planning and Natural Resources Committee
Report No. 9**

**Inquiry into fly-in, fly-out and other long distance
commuting work practices in regional Queensland**

Recommendation 1

The committee recommends the social impact assessment process for major projects be prescribed by legislation.

The government supports this recommendation.

The government is proposing to prescribe in legislation the social impact assessment process. The government will develop an overall policy framework and commence the Parliamentary process to introduce legislation in 2016.

Recommendation 2

The committee recommends the social impact assessment guideline provides a specific framework for assessing a resource project's application of the principles of a social licence to operate.

The government supports this recommendation.

The government is proposing to prescribe in legislation the social impact assessment process. The government will develop an overall policy framework and commence the Parliamentary process to introduce legislation in 2016. This will set out the key components that contribute to a proponent's social licence to operate. This includes:

- Employment strategies including apprenticeships and trainees
- Procurement strategies for local business and industry
- Workforce housing and accommodation
- Community engagement
- Health and community wellbeing.

The proposed policy framework will describe the outcomes the government expects in relation to specific issues identified by the Committee and the July 2015 Review Report: An independent review of existing, predominantly fly-in-fly-out resource projects in Queensland, that contribute to a social license to operate. It is noted that social license is not static but is continually under negotiation and reflects the state of the relationship between the company and its stakeholders at any point in time.

Recommendation 3

The committee recommends the Minister reinstate the cross agency reference group or similar, as part of the social impact assessment process.

The government supports this recommendation.

The establishment of cross agency reference groups either on a project or projects basis, will provide a more comprehensive and collaborative approach to social impact assessment. Membership of this group will include relevant state government agencies as well as local government. Local government has an important role to play on cross agency reference groups. Early engagement is intended to build an effective working relationship at the project's conception that is maintained through to construction and then operation.

Recommendation 4

The committee recommends the Queensland Government review all resource project approval processes (including under the Environmental Protection Act 1994) and the process for granting a mining lease, to:

- (a) determine how the assessment of potential social impacts (including cumulative impacts of multiple resource projects) could be included or enhanced*
- (b) ensure that commitments made by proponents during the environmental impact assessment process form part of the conditions of approval, and*
- (c) determine how the participation of local governments could be enhanced.*

The government supports this recommendation in principle.

The government is proposing to prescribe in legislation the social impact assessment process. The government will develop an overall policy framework and commence the Parliamentary process to introduce legislation in 2016. The proposed policy framework will ensure consistent assessment of resource projects, enhanced social impact assessment and conditioning in relation to workforce management, accommodation and procurement.

The Queensland Government will enhance the social impact assessment process including the participation of local governments (see recommendations 1 – 3 above).

Recommendation 5

The committee recommends the State Development and Public Works Organisation Act 1971 be amended to provide that the Coordinator-General must demonstrate consideration of submissions received on a draft environmental impact statement and change application in the associated reports.

The government supports this recommendation in principle.

As the outcome sought from this recommendation is consistent with existing powers available under the *State Development and Public Works Organisation Act 1971*, no legislative amendment is required.

The Coordinator-General analyses all properly made submissions as part of the decision making process. Each issue raised by submitters on a draft environmental impact statement is individually considered by the Coordinator-General. Where necessary, the Coordinator-General directs the project proponent to respond to these issues in a 'revised draft environmental impact statement'. For privacy reasons, individual or group submissions are not identified in the report by the Coordinator-General.

Submissions received on an EIS are available under existing Right to Information (RTI) provisions and have been provided through the RTI process on several occasions (with appropriate protections of personal and commercial-in-confidence information). The Coordinator-General intends to provide clear

information in the environmental impact statement Evaluation Reports about how submissions have been taken into account.

Recommendation 6

The committee recommends the Queensland Government provide additional resources to expand the Office of the Coordinator-General to establish a compliance and engagement unit to undertake:

- (a) proactive and detailed assessment of compliance with conditions and recommendations*
- (b) engagement and liaison with resource communities*
- (c) the collection of adequate baseline data in order to accurately assess compliance with conditions set in relation to the numbers of non-resident workers, and*
- (d) the assessment of complaints made in relation to a proponent's compliance with conditions and recommendations (which would include the establishment of a formal complaints process).*

The government supports this recommendation in principle.

The government is proposing to prescribe in legislation the social impact assessment process. The government will develop an overall policy framework and commence the Parliamentary process to introduce legislation in 2016. The processes and resourcing required to support the legislative framework will be identified as part of the regulatory assessment process.

Recommendation 7

The committee recommends the Queensland Government assist local governments to undertake additional compliance checking relating to temporary accommodation villages to determine whether any villages are operating outside of their conditions of approval.

The government does not support this recommendation.

Local governments have existing powers and responsibilities to undertake compliance activities for accommodation villages approved under the local planning scheme requirements. The development fees and rates are sources of revenue that can be utilised by local government to ensure resources are available to monitor compliance with council conditions of approval.

Where accommodation villages are located on the mining lease, the local planning scheme does not apply as the accommodation villages are subject to different legislation. Workers accommodation on a mining lease must comply with resource legislation, health and safety legislation as well as any environmental approvals. It is already the responsibility of the State approving authority (e.g. Coordinator-General) to determine whether any villages are operating “outside their conditions of approval” and to take action as required. Creating a new statutory power for local government to also undertake this assessment would lead to additional regulatory burden.

Greater collaboration with local government at the early stage of projects will ensure local governments have improved access to information and direct engagement in relation to accommodation requirements, including location, as well as future capacity.

Recommendation 3 (cross-agency reference group) will lead to enhanced consultation and information sharing. The Queensland Government also proposes to improve the availability of information on worker accommodation villages (see also Recommendation 15).

Recommendation 8

The committee recommends as part of the development of a whole-of-government policy framework for managing FIFO impacts, the Queensland Government include minimum standards for the provision of substantial temporary and permanent accommodation for FIFO workers that include:

- (a) room design that provides for adequate protection from noise and light to aid with fatigue management*
 - (b) permanent private spaces for each employee and storage facilities*
 - (c) reliable access to communication services in a private space*
 - (d) access to health services, including social activities and gyms*
 - (e) recreational areas to encourage socialising, and*
 - (f) a variety of healthy food options, and*
- that the standards advise against the practice of ‘motelling’ or ‘hot-bedding’.*

The government supports this recommendation in principle.

The proposed whole-of-government policy framework will include guidance on the location, design and management of long-term worker accommodation villages. The objective is to ensure all resource workers have a safe, comfortable and healthy environment to live in while on roster. The proposed policy position is that ‘hot bedding’ is not supported in long-term worker accommodation villages and that workers should be provided with individual secure storage facilities and use of the same quarters, if requested, for each roster wherever possible.

During the environmental impact statement for projects to which the policy framework applies, the accommodation plan and the workforce plans will need to respond to the policy direction of Government. Proponents may be required to review their social impact assessment plans, which includes accommodation and workforce plans, six months prior to construction to ensure the plans reflect current circumstances.

Recommendation 9

The committee recommends the Minister include best practice principles for commuting, rostering and fatigue management in the whole-of-government policy for managing the impacts of FIFO work practices and that the policy emphasise that resource companies have a duty of care to workers for ensuring their safety and well-being when travelling for work.

The government supports this recommendation in principle.

Health and safety is paramount in the workplace as well as commuting to and from the workplace. *QGN 16 Guidance Note for Fatigue Risk Management* provides information to mining operators on how to manage fatigue risks in the workplace to ensure compliance with legislative standards. It applies not only during the hours worked, but also includes the health and safety of employees during the commute to and from the workplace.

The Government considers that this framework is currently working effectively and that no further work is required on the guidance note to improve the safety of a commuting workforce in relation to fatigue management. The Government will however continue to monitor the effectiveness of this approach and make changes as appropriate in the future.

In the petroleum and gas sector, Environment, Health and Safety Management Systems which include fatigue management plans are integral to operations. The Government considers that this approach is currently working effectively and that no further work is required to improve the safety of a commuting workforce in relation to fatigue management at this time. The Government will however continue to monitor the effectiveness of this approach and make changes as appropriate in the future.

The proposed policy framework will include additional direction on best practice principles in relation to commuting, rostering and fatigue management.

Recommendation 10

The committee recommends the Queensland Government investigate options for providing independent mental health support services for FIFO workers.

The government supports this recommendation in principle.

In discussions with industry representatives, the government was advised that independent mental health support services for FIFO workers are generally provided by a company as part of an employee's workplace conditions. An Employee Assistance Program is a confidential service that employees may use at their request.

Industry-led programs such as the trial Mates in Mining project may deliver a peer support model that breaks through stigma associated with seeking help and facilitates the connection between employees and the help that is widely available.

The Office of Industrial Relations (Workplace Health and Safety Queensland) advises that a roadshow is proposed in the Bowen Basin led by Beyond Blue and includes the resources industry, to meet with stakeholders and examine mental health issues, including acceptability and feasibility of programs to address mental health problems in coal mining.

Recommendation 11

The committee recommends the Minister for State Development, in consultation with the Office of Industrial Relations and Queensland Mental Health Commission, progress the FIFO workers mental health project and undertake additional research to examine and identify strategies to address:

(a) the characteristics that promote resilience within FIFO workers

(b) effective workplace programs or external programs to prevent mental health injuries in FIFO workers

(c) effective family support programs, and

(d) the presence of suicide risk and protective factors.

The information gathered from this project should be used to contribute to the whole-of-government framework for managing the impacts of FIFO work practices.

The government supports this recommendation in principle.

The Office of Industrial Relations advises the FIFO workers mental health project was predominantly a literature review which identified an absence of sufficient research on mental health issues relating to FIFO workers. As a result it does not identify strategies in relation to promoting resilience in FIFO workers or programs for preventing mental health issues.

However, there are a number of initiatives and programs underway. The Government's Early Action: Mental Health Promotion, Prevention and Early Intervention Action Plan 2015-17 (Early Action Plan) provides a framework for improving mental health and supports a focus on workplace mental health and wellbeing as important across all sectors and industries. The Queensland Mental Health Commission has also advised that in 2016, the Commission will be facilitating the development of an action plan focused on improving health and well-being for individuals and families in rural and remote communities.

As discussed above (Recommendation 10), the Office of Industrial Relations (WHSQ) will also be participating in a roadshow in the Bowen Basin led by Beyond Blue, and this will provide further information on risk factors associated with FIFO work practices.

As further information becomes available the overall policy framework for managing FIFO work practices can be reviewed, particularly through the participation of relevant experts in the Environmental Impact Statement process (see Recommendation 12).

See also response to recommendation 8.

Recommendation 12

The committee recommends the social impact assessment process consider the mental health of workers and that accommodation standards include measures addressing mental health needs and access to effective workplace health initiatives.

The government supports this recommendation in principle.

During the environmental impact statement process for projects to which the whole-of government policy framework applies, suitably qualified representatives from Queensland Health and the Queensland Mental Health Commission will be invited to contribute their expertise in relation to potential mental health issues relating to the proposed project. This will include advice in relation to conditions, if required, for the project.

See also response to recommendations 8 and 10.

Recommendation 13

The committee recommends the Queensland Government makes further representation to the Australian Government to include non-resident population numbers in the census data.

The government does not support this recommendation.

The infrequency of the national Census of Population and Housing means that even if non-resident worker data was collected, it would be outdated thus providing little value to the assessment of cumulative impacts or for local government planning purposes.

The Queensland Government supports the valuable work of the Queensland Government Statistician's Office that collects non-resident data on an annual basis. The methodology used by the government Statistician's office is internationally recognised and produces high quality reports on the non-resident workforce by region.

Recommendation 14

In the event that the Australian Government does not support the inclusion of the non-resident population being captured in the census data, the committee recommends the Queensland Government ensures that planning for essential services in resource communities is based on the data collected by the Queensland Government Statistician's Office on the non-resident population.

The government supports this recommendation in principle.

The Non-Resident Population Reports prepared by the Queensland Government Statistician's Office are annual reports that provide region specific estimates of the non-resident population, and projections of the non-resident population out to a seven year horizon. Annual surveys of mining companies and accommodation providers have been underway for the last ten years. The responses from the surveys are analysed and the reports made publicly available.

The Queensland Government encourages the use of these reports, particularly by local governments in resource communities, to help plan for essential services into the future.

Recommendation 15

The committee recommends the Minister investigate the issue of notifying local governments about accommodation villages on a mining tenement in further detail with a view to amending the mining

legislation to provide more effective notification of accommodation villages and their capacities to the relevant local government.

The government supports this recommendation in principle.

The Queensland Government expects project proponents to closely engage with local government in relation to accommodation requirements during the construction phase as well as into the operational phase. The response to recommendation 3 supports the reinstatement of cross agency reference groups which would include local government membership, should they choose to participate. These groups will provide a forum for communication and information sharing, including in relation to the location of accommodation villages on a mining lease.

The Queensland Government is also investigating improved data collection and publication of information on worker accommodation villages both operational and approved but not constructed. The Department of State Development will work with peak bodies to investigate how government and industry can improve data collection and the distribution of this information to local government.

Recommendation 16

The committee recommends the Queensland Government consider amending the Anti-Discrimination Act 1991 to include location as a prohibited ground of discrimination with the intent of ensuring that all workers are provided a choice of where they live for work.

The government supports this recommendation in principle.

The government appreciates this was a fundamental recommendation of the inquiry and is proposing to introduce a legislative package, which will ensure that for existing and future resource projects to which the policy applies, any person must be able to apply for a job no matter where they live. The government will develop an overall policy framework and commence the Parliamentary process to introduce legislation in 2016.

Recommendation 17

The committee recommends the whole-of-government framework for managing the impacts of FIFO work practices highlights the importance of offering local apprenticeships and traineeships in the resource industry and that the Queensland Government explore options for providing resource companies with additional incentives for employing local apprentices and trainees.

The government supports this recommendation in principle.

The Department of Education and Training works with proponents to promote apprenticeships and traineeships as part of the workforce. The Skilling Queenslanders for Work initiative is an investment of \$240 million over four years to support up to 32,000 Queenslanders into work.

The Queensland Government also provides a payroll tax initiative for companies who employ apprentices and trainees. This has provided employers with \$2.4 million in rebates since the initiative commenced in July 2015. This program is available to eligible companies which may include resource companies who apply for the exemption.

As part of the proposed enhancement to social impact assessment, proponents will be required to prepare workforce plans that give effect to the policy objective of building stronger regions. The government expects that a project proponent will include apprenticeships and traineeships as part of the development of this plan.

The Coordinator-General will also notify Jobs Queensland when a Coordinated Project is declared for consideration of training programs to particular regions or locations, with the aim of maximising the employment opportunities for ‘locals first’ on major resource projects.

The government considers that industry is best placed to manage apprenticeships and traineeships in light of market conditions as well as maintaining a social licence to operate.

Recommendation 18

The committee recommends the Queensland Government’s policy position sets out that project proponents are required to source accommodation for operational workforces from the local community where possible, and that the proponent would be required to demonstrate the need for alternative accommodation.

The government supports this recommendation in principle.

The proposed whole of government policy framework will require project proponents to undertake a comprehensive review of the housing market, through accommodation and workforce plans, to identify available accommodation for the workforce with a preference for recruiting workers from the local community, where available.

The proposed policy framework will include best practice principles for accommodation location, design and management. Projects to which the policy framework applies will be required to deliver the policy outcomes through the accommodation plan and the workforce plan. The projects may be required to review their social impact assessment plans, which includes accommodation and workforce plans, six months prior to construction to ensure the plans reflect current circumstances.

Where strong local community support has been demonstrated through the social impact assessment process, the proposed policy position will encourage the co-location and integration of worker accommodation villages in or adjacent to existing communities.

Recommendation 19

The committee recommends the Minister:

- (a) review the effectiveness of industry led programs to determine whether such programs are maximising the procurement opportunities for small local businesses*
- (b) consider whether the Charter for Local Content should apply to private sector projects, and*
- (c) evaluate the current procurement gateways including the effectiveness of the Industry Capability Network in providing procurement opportunities for small local businesses.*

The government supports this recommendation in principle.

The Queensland Government recognises that the objective of recommendation 19 is to increase the opportunity for competitive local businesses to tender for local resource projects. The proposed, whole of government policy framework will require proponents to submit a procurement plan to the Coordinator-General. The plan will set out how capable local businesses will have the opportunity to tender for work. This plan must be to the satisfaction of the Coordinator-General and there may be conditions imposed in relation to procurement included in the project’s approval.

The government also committed to delivering improved opportunities for local businesses to capitalise on emerging projects through the ‘Locals First’ initiative. Arrangements have been put in place for a Locals First program to support local contractors and suppliers in regional areas. New projects that will be assessed by the Coordinator-General, will be referred to Jobs Queensland so that the appropriate assessment and planning for skills requirements can commence immediately for their advice as to how a project has provided locals with opportunities for employment.

The Queensland Resources and Energy Sector Code of Practice for Local Content (2013) is a voluntary code administered by the Queensland Resources Council. The Department of State Development participates in the annual review of the effectiveness of the code including the annual effectiveness report and how improvements can be made.

While reviewing and extending the application of the Charter for Local Content to Government Owned Corporations is in progress, it is not currently the policy of the government that the Charter should apply to private sector projects.

The Department of State Development regularly reviews local content services purchased from Industry Capability Queensland (ICN Qld). These findings inform the ongoing purchasing of services to support local suppliers in gaining full, fair and reasonable opportunity to tender.

In addition, the Department of State Development also conducts Tendering for Government Business workshops to educate industry on the Queensland Government procurement process. It also helps suppliers maximise their chances of winning government work. The training at the workshop is also applicable to the private sector, including tendering for major projects.