REPORT ON A SURVEY OF MINING INDUSTRY EMPLOYMENT AND ACCOMMODATION PRACTICES

PREPARED AS A COMPONENT OF THE

CENTRAL HIGHLANDS ECONOMIC HOUSING ZONE PROJECT

REPORT ON A SURVEY OF MINING INDUSTRY EMPLOYMENT AND ACCOMMODATION PRACTICES

PREPARED AS A COMPONENT OF THE

CENTRAL HIGHLANDS ECONOMIC HOUSING ZONE PROJECT

PREPARED BY

DEBORAH WILSON CONSULTING SERVICES

19 September 2008

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY 1

2. RESEARCH ACTIVITIES AND COVERAGE 6
2.1 Research Activities 6
2.2 Coverage of Mines 7
2.3 Assumptions and Constraints 9
2.4 Data Issues 9

3. REGIONAL ANALYSIS OF EMPLOYMENT AND ACCOMMODATION 13
3.1 Saleable Coal Production 13
3.2 Estimated Employment 14
3.3 Accommodation Provided in 2007 14
3.4 Isaac Region 15
3.5 Central Highlands Region 18
3.6 Southern Region 21
3.7 Costs of Accommodation 24

4. HOUSING POLICIES 25
4.1 Formal Housing Policies 25
4.1.1 Rent Subsidies 26
4.1.2 Purchasing Subsidies 27
4.1.3 Shared Arrangements in SPQs or Camps 27
4.1.4 Other Formal Housing Policies 28
4.2 Informal Housing Policies 29

5. HOUSING ISSUES 30
5.1 Current Housing Issues 30
5.2 Current or Proposed Activities or Actions to Assist Housing Issues 33

6. FUTURE WORKFORCE AND ACCOMMODATION STRATEGIES 34
6.1 Preferred Operation and Development Scenarios 34
6.2 Expected Housing Investment Strategies 35
6.3 Achieving Affordable Housing Solutions in Mining Communities 36
6.4 Future Workforce Strategies and Accommodation 37

APPENDIX 1 – SURVEY QUESTIONNAIRE

1. EXECUTIVE SUMMARY

1. Executive Summary covers:
- *Introduction.*
- *The area.*
- *Coal production.*
- *Employment.*
- *Accommodation.*
- *Analysis by region.*
- *Housing policies.*
- *Current housing issues.*

Introduction

This report represents a component of a project commissioned by the Central Highlands Development Corporation (CHDC) to develop affordable housing solutions for the region.

As the CHDC project developed, it became clear that a lack of information on demand for housing was a barrier to approving new housing developments in the region.

As a result, Deborah Wilson Consulting Services has worked with the Queensland Resources Council to compile this data.

This report presents the findings of research conducted by the Queensland Resources Council to estimate current and future mining industry employment and accommodation supplied by mining companies.

This research supports the information needs of a range of research projects on housing demand and affordable accommodation.

Deborah Wilson Consulting Services has assisted QRC with data analysis of survey returns from 11 mining companies and mining contractors covering 42 mine sites. Data in this report relates to coal mining activities.

The Area

The region for which data has been collected covers the Bowen, Callide, Mulgildie, Surat and Tarong Basins. The mines within these basins have been separated in to the following three regions:

- Isaac region – covering Isaac Regional Council and Whitsunday Regional Council.
- Central Highlands region – covering Central Highlands Regional Council.
- Southern region – covering Banana Shire Council, North Burnett Regional Council, South Burnett Regional Council and Dalby Regional Council.

There are 50 identified mines in this area which are in operation or expected to be in operation before 2016.

Coal Production

The Department of Mines and Energy estimated the overall saleable coal production in 2006/07 for the region, covering 38 open-cut and underground mines, to be 176 million tonnes. Production in each region was as follows:

- Isaac region (52.0% or 91.6 million tonnes).
- Central Highlands region (33.4% or 58.8 million tonnes).
- Southern region (14.6% or 25.6 million tonnes).

Employment

The estimated mining employment in coal operations is expected to increase from 20,112 in 2007 to more than 24,000 by 2010 (24.1% increase).

The employment of 20,112 staff in 2007 consists of:

- FIFO/DIDO staff – 10,791 (53.7% of employees).
- Locally residing staff – 9,321 (46.3% of employees).

Employment is expected to peak at 31,980 workers in 2011, with an increase in FIFO/DIDO staff due to the construction of a number of major projects. Employment after 2011 is expected to remain fairly steady at over 24,000 employees.

Accommodation

An estimated 11,319 mining industry staff were housed in accommodation provided by mining companies in 2007, covering the following types of accommodation:

- Single persons' quarters (SPQs) or camps – 8,771 employees (77.5%).
- Private dwellings – 2,300 (20.3%).
- Caravan parks and hotels/motels – 248 (2.2%).

These staff made up more than half (56.3%) of the estimated 20,112 staff employed in 2007.

The accommodation costs, reported by 25 mines were estimated to be $188 million in 2007. This is expected to double by 2010 to $382 million and increase to around $448 million for 2012 to 2016.

Construction makes up the majority of these costs (68.5% in 2007 increasing to 80.4% by 2012).

Analysis by Region

Isaac Region

Overall in 2007, there were an estimated 10,908 employees working in the mines in the region – 6,667 FIFO/DIDO and 4,421 residing locally. The total employment is expected to increase to 15,623 in 2016.

This region is expected to have a substantial increase in FIFO/DIDO staff in 2011 due to the construction of mines.

In comparison with other regions, this area had the greatest proportion of FIFO/DIDO workers (61.1% increasing to 68.3% in 2016) and the largest number of FIFO/DIDO staff.

In 2016, FIFO/DIDO staff for Isaac region mines will make up 42.6% of all mining industry employees in all regions.

Mining companies in the region provided accommodation for an estimated 7,757 employees in 2007. This is below the estimated 8,279 employees that could be accommodated in mining industry owned/funded accommodation.

An estimated 3,151 employees did not use accommodation provided by mining industry companies in 2007.

Overall, the estimated number of employees not using company provided accommodation (if it was at capacity) will increase up until 2011 due to the construction of a number of major projects (increasing from 4,328 employees in 2008 to 9,942 employees in 2011).

After 2011, the estimated number of employees not using company provided accommodation (if it was at capacity) will decrease (to an estimated 3,346 employees in 2012).

Central Highlands Region

Overall in 2007, there were an estimated 7,122 employees working in the mines in the region – 3,584 FIFO/DIDO and 3,538 residing locally. The total employment is expected to decrease to 6,324 in 2010 and remain steady to 2016.

The proportion of employees residing locally is expected to increase from current levels (from 49.7% in 2007 to 58.5% in 2010).

Mining companies in the region provided accommodation for an estimated 2,084 employees in 2007. This is below the estimated 2,237 employees that could be accommodated in mining industry funded/owned accommodation. An estimated 5,038 employees did not use accommodation provided by mining companies in 2007.

Southern Region

Overall in 2007, there were an estimated 2,082 employees working in coal mines in the region – 540 FIFO/DIDO and 1,542 residing locally.

Total employment is expected to increase to 3,140 in 2016. This region is also expected to have a notable increase in FIFO/DIDO staff in 2010 and 2011 due to the construction of two mines.

Mining companies in the region provided accommodation for an estimated 1,478 employees in 2007. This is slightly below the estimated 1,495 employees that could be accommodated in mining industry funded/owned accommodation.

An estimated 604 employees did not use accommodation provided by the mining industry in 2007.

In 2008, there was expected to be a reduction in SPQs or camp accommodation from a capacity of 1,162 employees to a capacity of 772 employees, to reflect changes in workforce numbers. Employment is expected to increase during 2010/2011 and again in 2016 due to construction activities.

It is estimated that the overall number of employees not residing in company provided accommodation (if it was at capacity) will increase up until 2011, with the general increase in employment associated with the construction of mines (increasing from 1,281 employees in 2008 to 3,127 employees in 2011).

After 2011, the estimated number of employees not using company provided accommodation (if it was at capacity) will decrease (to an estimated 1,459 employees in 2012).

Housing Policies

Formal housing policies reported by mining companies and mining contractors indicates significant variety in policy types, likely related to aspects such as the location of the operation, proximity to major towns, availability of local accommodation, services and facilities, and availability of local labour.

Key aspects of the policies outlined by mining companies and mining contractors included:

- Provision of houses, often for key company personnel and group housing.
- Rent subsidies or purchase assistance for private accommodation.

- Provision of Single Persons Quarters (SPQs) or camp accommodation, including some shared arrangements such as hot bedding and motel style arrangements, and varying cost arrangements including fixed price and free accommodation.

- Employment of local staff, with accommodation arrangements left up to each staff member.

Current Housing Issues

Current housing issues raised by mining companies and mining contractors included:

- The high cost of housing.

- Housing and accommodation shortages, including shortages of specific accommodation types (for example family houses and single person accommodation).

- Issues slowing the construction of new accommodation including a lack of builders and tradespeople in the area, land availability, slow approval processes and the high costs involved.

Companies also highlighted a range of actions being considered or undertaken to assist in addressing these issues, such as construction of additional accommodation units, release of land for private development, and participation in local housing forums/processes.

Issues that need consideration by local and state governments and other development stakeholders include the availability of land, development approval processes and timeframes, ensuring timely connection of services and the development of a variety of accommodation including affordable housing.

Implications for Affordable Housing Investment

Results of the survey show that mining industry employment in the Central Highlands Region will remain strong. Mining employment in the Isaac region will increase until 2011 before declining but will still remain 60% higher than current employment levels from 2012 to 2016. These findings confirm that demand for accommodation will continue, placing ongoing pressures on housing affordability. For non mining industry employees, this can impact on employee attraction and retention given the cost of housing in an over heated market.

Results support increased investment in affordable housing. The Central Highlands Economic Housing Zone Project aims to support new investment in affordable housing to meet this need through providing access to information for regional planning (contained in this report) and by working with housing investors with a commitment to incorporating affordable housing in new developments.

2. RESEARCH ACTIVITIES AND COVERAGE

2. Research Activities and Coverage covers:

- *Research activities.*
- *Coverage of mines.*
- *Assumptions and constraints.*
- *Data issues.*

2.1 Research Activities

The region covers the Bowen, Callide, Mulgildie, Surat and Tarong Basins in an area between Bowen in the north, Moranbah, Clermont and Emerald in the West, Callide, Monto and Tarong in the east and Dalby in the south. There are 50 identified mines in this area which are in operation or expect to be in operation before 2016.

The research involved 32 responses covering 42 mines from the following regions:

- Isaac region (25 mines covered).
- Central Highlands region (7 mines covered).
- Southern region (10 mines covered).

Note that some responses covered information for more than one mine.

Table 2.1.1 shows the research coverage including Local Government Areas and coal basins.

Table 2.1.1 – Research Coverage

	Isaac Region	Central Highlands Region	Southern Region
Local Government Areas covered	• Isaac Regional Council. • Whitsunday Regional Council.	• Central Highlands Regional Council.	• Banana Shire Council. • North Burnett Regional Council. • South Burnett Regional Council. • Dalby Regional Council.
Coal Basins Covered	• North Bowen.	• Central Bowen.	• South West Bowen. • Callide. • Mulgildie. • Surat. • Tarong.
Number of Mines in the Area	29	11	10

2.2 Coverage of Mines

There are 50 mines currently operational or planned for the three regions, including the following:

Isaac region

- Collinsville (Thiess).
- Sonoma (QCoal).
- Newlands (Xstrata Coal).
- Hail Creek (Rio Tinto).
- North Goonyella, including Eaglefield (Peabody Energy).
- Burton (Peabody Energy/Thiess).
- Ellensfield (VALE).
- Goonyella Riverside, including the expansion (BMA).
- South Walker Creek (BMA/Thiess).
- Broadlea North (VALE).
- Coppabella (Macarthur Coal).
- Moranbah North (Anglo Coal).
- Grosvenor-Moranbah South (Anglo Coal).
- Carborough Downs (VALE).
- Isaac Plains (VALE).
- Moorvale (Macarthur Coal).
- Millennium (Peabody Energy).
- Poitrel (BMA).
- Daunia (BMA).
- Caval Ridge (BMA).
- Eagle Downs (VALE).
- Peak Downs (BMA).
- Lake Vermont (Thiess).
- Saraji (BMA).
- Blair Athol (Rio Tinto).

- Clermont (Rio Tinto).
- Norwich Park (BMA).
- German Creek, German Creek East, Lake Lindsay (Anglo Coal, Capcoal Management).
- Foxleigh (Foxleigh Mining).

Central Highlands region

- Oaky Creek (Xstrata Coal).
- Gregory Crinum (BMA).
- Kestrel (Rio Tinto).
- Yarrabee (Felix Resources).
- Jellinbah East (Jellinbah Mining).
- Ensham (Ensham Resources).
- Curragh North (Thiess).
- Blackwater (BMA).
- Minerva (Felix Resources).
- Cook (Caledon Coal).
- Rolleston (Xstrata Coal).

Southern region

- Wandoan (Xstrata Coal).
- Meandu and Kunioon (Thiess).
- Kogan Creek (Golding Contractors).
- Wilkie Creek (Peabody Energy).
- Baralaba (Peabody Energy).
- Callide, including Boundary Hill (Anglo Coal).
- Belvedere (VALE).
- Dawson Mining Complex (Anglo Coal).
- Goondicum (Monto Minerals).
- Equigold NL (Golding Contractors).

2.3 Assumptions and Constraints

Information provided in this report is based on the best available information at the time of survey.

This research covers coal mines in the Bowen, Callide, Mulgildie, Surat and Tarong Basins. It should be noted that other resource industry operations, such as petroleum and gas operations, were not covered in this research. This should be particularly noted for the Southern region, where these operations are more prevalent.

Projected employment levels are *estimates only*, and may change over time. Employment projections are affected by a large number of variable factors, including commodity prices and exchange rates, infrastructure availability and capacity, and technological advancement. Actual employment levels at mines in the future may vary as a result of these factors.

Data on employment in this study addresses existing and proposed projects. Employment arrangements for most new or proposed projects, particularly where contractors are likely to be used, vary in their certainty. Aspects such as accommodation of these workers will likely be managed by the contracting company, and until the contracts are awarded, details including the allocation of accommodation, are uncertain.

2.4 Data Issues

Questionnaire Responses

The term 'mining companies' refers to companies running coal mines and mining contracting companies. These companies may own more than one mine or may be contracted to more than one mine. Mining sites refers to individual sites.

In some cases, one respondent from a mining company or mining contracting company may have given one response (survey form) for a number of mine sites run by the same company.

In other cases one respondent may have given a number of responses with each response covering one mine site.

Therefore, the term 'responses' has been use to signify the number of completed questionnaires that were received. This does not refer to the number of mine sites, the number of mining companies or the number of respondents.

Employment Data

Employment estimates were received for 42 of the 50 mines in the target regions. Employment estimates for the remaining 8 mines were calculated by scaling the known employment estimates up based on the Department of Mines and Energy's estimate of saleable coal production of the mines in the area. (Source: Queensland's World Class Coals, Department of Mines and Energy, November 2007).

Accommodation Data

Accommodation data compiled included the following:

- The estimated number of staff accommodated (number of beds used) by mining companies in 2007 covering private dwellings, Single Persons Quarters (SPQs) or camps and other accommodation.
- The number of dwellings owned, rented and leased by mining companies including the number of group houses (2007-2016).
- The total number of beds in SPQs/camps owned by the company and under other ownership and the number of beds used for shared purposes (2007-2016).
- The estimated number of staff housed in other accommodation, e.g. in motels and caravan parks (2007-2016).
- The estimated capacity of accommodation or the number of employees that could be accommodated in private dwellings and SPQs/camps (2007-2016).

Accommodation capacity was assumed to be the number of employees that could be accommodated by the company. Types of accommodation and employees were not taken into account, i.e. employees with families, single employees, SPQs, separate houses and townhouses etc. were all treated the same. It was assumed that one employee needed one bed.

Accommodation data was only received for 34 of the 50 mines. Estimates for the remaining 16 mines were calculated by scaling the known employment estimates up based on the Department of Mines and Energy's estimate of saleable coal production of the mines in the area.

There were many **inconsistencies** encountered when compiling the accommodation data. These issues included the following:

Group households

When there were no group households reported, the number of employees that could be accommodated in private dwellings provided by the company was assumed to be the number of separate houses, townhouses, units and apartments, i.e. one employee per dwelling.

When there were group houses provided by the company, the capacity or the number of employees that could be accommodated was estimated to be the largest of the following:

- Total number of staff accommodated locally on a permanent basis. Where available, the average vacancy of dwellings was also taken into account.
- The number of separate houses, townhouses, units and apartments (assuming one employee per dwelling).

Therefore, when there are group houses provided by the company and no information is provided on numbers of beds, the house has been counted as offering one bed only. This means that the number of employees that could be accommodated in group houses is underestimated.

For example in the Isaac region, the total number of dwellings owned, rented or leased by mining companies in 2007 was 1,836, which was the same estimate for the number of employees that could be accommodated. However, although there were 28 group houses in this region, there was no data available for how many staff could be accommodated by these group houses. Therefore more employees could be accommodated in these group houses which would increase the capacity of accommodation or the number of employees that could be accommodated in private dwellings.

Shared arrangements in SPQs or camp accommodation

A similar situation occurred in single person quarters or camp accommodation with beds being used for shared purposes. When there were no beds used for shared purposes, the number of employees that could be accommodated in SPQs or camps was assumed to be the total number of beds in SPQs/camps owned by the company and under other ownership.

When there were beds used for shared purposes, the capacity or the number of employees that could be accommodated was estimated to be the largest of the following:

- The total number of staff accommodated in SPQs or camps.
- The total number of beds in SPQs/camps owned by the company and under other ownership.

Again, this could be an underestimate because there was no available data on vacancies of beds in SPQs/camps.

Number of employees actually accommodated

The number of employees actually accommodated by mining company provided accommodation and total capacity of accommodation was provided for some of the mine sites.

When the actual number of employees accommodated in mining company provided accommodation was not reported, this was estimated to be the number of employees that could be accommodated (capacity). Where available, vacancies were also taken into account.

This is an estimate of the number of employees that were actually accommodated in mining company provided accommodation in 2007.

Capacity

The capacity of accommodation provided by mining companies was an estimate of the total number of staff that could be accommodated. This assumes that one employee needs one bed. The estimated capacity or the number of employees that could be accommodated ignores whether the staff member is accompanied by family members. All types of accommodation, including separate houses, townhouses, apartments and SPQs, are treated equally.

The capacity of other accommodation (caravan parks, motels/hotels) was assumed to be the number of employees housed by the company in other types of accommodation. This could be an underestimate of the capacity of caravan parks and motels/hotels.

3. REGIONAL ANALYSIS OF EMPLOYMENT AND ACCOMMODATION

3. Regional Analysis of Employment and Accommodation covers:
- *Saleable coal production.*
- *Estimated employment.*
- *Accommodation provided in 2007.*
- *Isaac region.*
- *Central Highlands region.*
- *Southern region.*
- *Costs of accommodation.*

3.1 Saleable Coal Production

Table 3.1.1 shows the saleable coal production 2006/07 for each of the regions. This table also shows the proportion of saleable coal that was covered by responses.

The Department of Mines and Energy estimated the overall saleable coal production in 2006/07 for the region, covering 38 open-cut and underground mines, to be 176 million tonnes. Production in each region was as follows:

- Isaac region (52.0% or 91.6 million tonnes).
- Central Highlands region (33.4% or 58.8 million tonnes).
- Southern region (14.6% or 25.6 million tonnes).

Data on coal production information was used to weight survey data to calculate estimates of total employment and accommodation provided by mining companies.

Table 3.1.1 outlines the survey response rate by region. Results show that survey data coverage is at a good level for all regions. The weighting process allows overall estimates to be used in this report.

Table 3.1.1 – Queensland Saleable Coal Production, 2006/07

Area	Saleable Coal Production (tonnes)	Proportion of Saleable Coal Production Covered in Survey Responses
Isaac region	91,552,661	91.9%
Central Highlands region	58,846,928	83.4%
Southern region	25,614,269	100.0%
Total	**176,013,858**	**90.3%**

Source: Queensland's World Class Coals, Department of Mines and Energy, November 2007.

3.2 Estimated Employment

Table 3.2.1 shows the estimated number of employees for each of the regions for 2007 to 2016.

> The estimated mining employment in coal operations is expected to increase from 20,112 in 2007 to more than 24,000 by 2010 (24.1% increase).
>
> There is expected to be a large increase in FIFO/DIDO staff in 2011 which is due to the construction of a number of major projects. Employment after 2011 is expected to remain fairly steady at over 24,000 employees.

Note that employment estimates were only received for 42 of the 50 mines. Employment estimates for the remaining 8 mines were calculated by scaling the known employment estimates up based on saleable coal production of the mines in the area.

Table 3.2.1 – Estimated Number of Total Staff, 2007 to 2016

Year	Region			Total
	Isaac Region	Central Highlands	Southern Region	
2007	10,908	7,122	2,082	20,112
2008	12,540	6,810	2,379	21,729
2009	14,045	6,393	2,379	22,817
2010	14,889	6,324	3,744	24,957
2011	21,432	6,324	4,224	31,980
2012	15,366	6,324	2,555	24,245
2013	15,616	6,324	2,590	24,530
2014	15,554	6,324	2,670	24,548
2015	15,637	6,324	2,730	24,691
2016	15,623	6,324	3,140	25,087

3.3 Accommodation Provided in 2007

Table 3.3.1 shows the estimated number of employees housed in accommodation provided by the company in 2007 for each of the regions. It also shows the proportion of employees residing in company provided accommodation that is accommodated in each of the types of accommodation.

> An estimated 11,319 mining industry staff were housed in accommodation provided by mining companies in 2007, covering private dwellings, SPQs or camps, caravan parks and hotels/motels. These staff made up more than half (56.3%) of the estimated 20,112 mining industry staff employed in 2007.
>
> The majority of these staff (8,771 or 77.5%) were housed in SPQs or camps provided by the company or under other ownership.

Note that accommodation data was only received for 34 of the 50 mines. Estimates for the remaining 16 mines were calculated by scaling the known accommodation estimates up based on saleable coal production of the mines in the area.

Table 3.3.1 – Estimated Number of Staff in Company Accommodation, 2007

Staff Accommodation	Region			Total	Proportion of Total
	Isaac Region	Central Highlands	Southern Region		
Number of staff living in private dwellings provided by the company	1,593	524	183	2,300	20.3%
Number of staff housed in SPQs or camps provided by the company	*3,642*	*660*	*1,156*	*5,458*	*48.2%*
Number of staff housed in SPQs or camps under other ownership	*2,414*	*899*	*0*	*3,313*	*29.3%*
Total number of staff housed in SPQs or camps	***6,056***	***1,559***	***1,156***	***8,771***	***77.5%***
Number of staff housed in caravan parks by the company	33	0	83	116	1.0%
Number of staff housed in motels/hotels by the company	75	1	56	132	1.2%
Total number of employees living in accommodation provided by the company	**7,757**	**2,084**	**1,478**	**11,319**	**100.0%**

3.4 Isaac Region

The area covered 29 mines from the North Bowen Basin.

Overall in 2007, there were an estimated 10,908 employees working in the mines in the region – 6,667 FIFO/DIDO and 4,421 residing locally. The total employment is expected to increase to 15,623 in 2016.

In comparison with other regions, this area had the greatest proportion of FIFO/DIDO workers (61.1% increasing to 68.3% in 2016) and the largest number of FIFO/DIDO staff. It is estimated that in 2016, FIFO/DIDO staff for Isaac region will make up 42.6% of all employees in all areas.

Table 3.4.1 shows the estimated number of employees in the region, covering FIFO/DIDO employees and employees that live locally.

Table 3.4.1 – Estimated Employment Projections – Isaac Region

Year	Residence		Total	Percentage Change from Previous Year
	FIFO/DIDO	Reside Locally		
2007	6,667	4,241	10,908	-
2008	7,637	4,903	12,540	15.0%
2009	9,207	4,838	14,045	12.0%
2010	9,864	5,025	14,889	6.0%
2011	16,292	5,140	21,432	43.9%
2012	10,042	5,324	15,366	-28.3%
2013	10,423	5,193	15,616	1.6%
2014	10,305	5,249	15,554	-0.4%
2015	10,381	5,256	15,637	0.5%
2016	10,678	4,945	15,623	-0.1%

Note that employment estimates were only received for 25 of the 29 mines. Employment estimates for the remaining 4 mines were calculated by scaling the known employment estimates up based on saleable coal production of the mines in the area.

> Mining companies in the region provided accommodation for an estimated 7,757 employees in 2007. This is below the estimated 8,279 employees that could be accommodated in mining industry owned/funded accommodation. An estimated 3,151 employees did not use accommodation provided by mining companies in 2007.
>
> Overall, the estimated number of employees not using company provided accommodation (if it was at capacity) will increase up until 2011 due to the construction of a number of major projects (increasing from 4,328 employees in 2008 to 9,942 employees in 2011).
>
> After 2011, the estimated number of employees not using company provided accommodation (if it was at capacity) will decrease (to an estimated 3,346 employees in 2012).

This region is expected to have a notable increase in FIFO/DIDO staff in 2011 due to the construction of mines.

Table 3.4.2 shows the accommodation situation in the region, covering the following:

- The estimated number of staff accommodated (number of beds used) by mining companies in 2007 covering private dwellings, SPQs or camps and other accommodation. Note that this is different to capacity due to vacancies in some accommodation.
- Estimated employment between 2007 and 2016 covering local staff and FIFO/DIDO staff.
- The number of dwellings owned, rented and leased by mining companies and the number of group houses (2007-2016).
- The total number of beds in SPQs/camps owned by the company and under other ownership and the number of beds used for shared purposes (2007-2016).
- The estimated number of staff housed in other accommodation (2007-2016), e.g. in motels and caravan parks.
- Estimated capacity of accommodation or the equivalent number of beds available in private dwellings and SPQs/camps (2007-2016).
- The number of employees that were not using mining company provided accommodation in 2007.
- The estimated number of employees that would not be using accommodation provided by mining companies if the expected capacity or equivalent number of beds were full (2007-2016).

It should be noted that accommodation arrangements for future workforces, especially where contractors may be used, is largely unknown at this stage.

Table 3.4.2 – Accommodation Capacity and Provision – Isaac Region

Accommodation	Actual Provided by Company	Expected Accommodation Capacity/Employment (Year) (Total capacity – Not actual usage)								
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Live Locally										
Total staff that live locally	4,241	4,903	4,838	5,025	5,140	5,324	5,193	5,249	5,256	4,945
Number of dwellings owned by the company	1,596	1,670	1,805	1,948	2,113	2,267	2,267	2,267	2,267	2,045
Number of dwellings rented or leased by the company	240	224	235	301	356	411	411	411	411	411
Number of group households (more than one employee)	28	39	61	61	94	94	94	94	94	94
Total number of employees accommodated in private dwellings	***1,593*** *(243 beds not used)*	***1,894***	***2,040***	***2,249***	***2,469***	***2,678***	***2,678***	***2,678***	***2,678***	***2,456***
Number of mining employees that live locally less the number of employees accommodated by available mining company beds.	2,648	3,009	2,798	2,776	2,671	2,646	2,515	2,571	2,578	2,489
FIFO/DIDO and Staff Living in Camps and Other Accommodation										
Total number of FIFO/DIDO staff	6,667	7,637	9,207	9,864	16,292	10,042	10,423	10,305	10,381	10,678
Total number of beds in SPQs/camps owned by the company	3,505	3,100	3,628	3,672	4,774	5,095	5,139	5,139	5,139	5,095
Total number of beds in SPQs/camps under other ownership	2,414	2,665	2,742	3,072	3,656	3,656	3,986	3,986	3,986	3,960
Number of beds used for shared purposes	761	827	893	904	915	926	926	926	926	926
Total number of employees accommodated in SPQs or camps	***6,056*** *(279 beds not used)*	***6,182***	***6,788***	***7,162***	***8,847***	***9,168***	***9,543***	***9,543***	***9,543***	***9,472***
Number of staff housed in caravan parks by the company	33	17	0	0	0	0	0	0	0	0
Number of staff housed in motels/hotels by the company	75	119	119	119	174	174	174	174	174	174
Number of FIFO/DIDO mining employees less the number of employees accommodated by available mining company beds.	503	1,319	2,300	2,583	7,271	700	706	588	664	1,032
Total										
Total number of employees	10,908	12,540	14,045	14,889	21,432	15,366	15,616	15,554	15,637	15,623
Total number of employees accommodated in mining company provided accommodation	***7,757*** *(522 beds not used)*	***8,212***	***8,947***	***9,530***	***11,490***	***12,020***	***12,395***	***12,395***	***12,395***	***12,102***
Number of mining employees less the number of employees accommodated by available mining company beds.	3,151	4,328	5,098	5,359	9,942	3,346	3,221	3,159	3,242	3,521

3.5 Central Highlands Region

The area covered 11 mines from the Central Bowen Basin. In addition, this region incorporates the major regional centre of Emerald. Emerald is an important service and support centre for the mining industry and related workforce of the broader region, and is therefore likely to experience some flow on effects from changes in surrounding areas, particularly the Isaac region.

> Overall in 2007, there were an estimated 7,122 employees working in the mines in the region – 3,584 FIFO/DIDO and 3,538 that reside locally. This is expected to decrease to 6,324 in 2010 and remain steady to 2016.
>
> The proportion of employees residing locally is expected to increase from current levels (from 49.7% in 2007 to 58.5% in 2010).

Table 3.5.1 shows the estimated number of employees in the region, covering FIFO/DIDO employees and employees that live locally.

Table 3.5.1 – Estimated Employment Projections – Central Highlands Region

Year	Residence		Total
	FIFO/DIDO	Reside Locally	
2007	3,584	3,538	7,122
2008	3,129	3,681	6,810
2009	2,724	3,669	6,393
2010	2,626	3,698	6,324
2011	2,626	3,698	6,324
2012	2,626	3,698	6,324
2013	2,626	3,698	6,324
2014	2,626	3,698	6,324
2015	2,626	3,698	6,324
2016	2,626	3,698	6,324

Note that employment estimates were only received for 7 of the 11 mines. Employment estimates for the remaining 4 mines were calculated by scaling the known employment estimates up based on saleable coal production of the mines in the area.

> Mining companies in the region provided accommodation for an estimated 2,084 employees in 2007. This is below the estimated 2,237 employees that could be accommodated in mining industry funded/owned accommodation. An estimated 5,038 employees did not use accommodation provided by mining companies in 2007.
>
> In the future, it is estimated that around 3,000 workers between 2008 and 2016 will not be using accommodation provided by mining companies (if it was at capacity).

Table 3.5.2 shows the accommodation situation in the region, covering the following:

- The estimated number of staff accommodated (number of beds used) by mining companies in 2007 covering private dwellings, SPQs or camps and other accommodation. Note that this is different to capacity due to vacancies in some accommodation.

- Estimated employment between 2007 and 2016 covering local staff and FIFO/DIDO staff.

- The number of dwellings owned, rented and leased by mining companies and the number of group houses (2007-2016).

- The total number of beds in SPQs/camps owned by the company and under other ownership and the number of beds used for shared purposes (2007-2016).

- The estimated number of staff housed in other accommodation (2007-2016), e.g. in motels and caravan parks.

- Estimated capacity of accommodation or the equivalent number of beds available in private dwellings and SPQs/camps (2007-2016).

- The number of employees that were not using mining company provided accommodation in 2007.

- The estimated number of employees that would not be using accommodation provided by mining companies if the expected capacity or equivalent number of beds were full (2007-2016).

Table 3.5.2 –Accommodation Capacity and Provision – Central Highlands Region

Accommodation	Actual Provided by Company	Expected Accommodation Capacity/Employment (Year) (Total capacity – Not actual usage)								
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Live Locally										
Total staff that live locally	3,538	3,681	3,669	3,698	3,698	3,698	3,698	3,698	3,698	3,698
Number of dwellings owned by the company	608	610	653	644	644	644	644	644	644	644
Number of dwellings rented or leased by the company	68	68	68	68	68	68	68	68	68	68
Number of group households (more than one employee)	2	2	2	2	2	2	2	2	2	2
Total number of employees accommodated in private dwellings	***524*** *(153 beds not used)*	***679***	***721***	***712***	***712***	***712***	***712***	***712***	***712***	***712***
Number of mining employees that live locally less the number of employees accommodated by available mining company beds.	3,014	3,002	2,948	2,986	2,986	2,986	2,986	2,986	2,986	2,986
FIFO/DIDO and Staff Living in Camps and Other Accommodation										
Total number of FIFO/DIDO staff	3,584	3,129	2,724	2,626	2,626	2,626	2,626	2,626	2,626	2,626
Total number of beds in SPQs/camps owned by the company	660	660	845	845	845	845	845	845	845	845
Total number of beds in SPQs/camps under other ownership	899	899	777	585	585	585	585	585	585	585
Number of beds used for shared purposes	0	0	0	0	0	0	0	0	0	0
Total number of employees accommodated in SPQs or camps	***1,559*** *(all beds used)*	***1,559***	***1,622***	***1,430***	***1,430***	***1,430***	***1,430***	***1,430***	***1,430***	***1,430***
Number of staff housed in caravan parks by the company	0	0	0	0	0	0	0	0	0	0
Number of staff housed in motels/hotels by the company	1	1	1	1	1	1	1	1	1	1
Number of FIFO/DIDO mining employees less the number of employees accommodated by available mining company beds.	2,024	1,569	1,101	1,195	1,195	1,195	1,195	1,195	1,195	1,195
Total										
Total number of employees	7,122	6,810	6,393	6,324	6,324	6,324	6,324	6,324	6,324	6,324
Total number of employees accommodated in mining company provided accommodation	***2,084*** *(153 beds not used)*	***2,239***	***2,344***	***2,143***	***2,143***	***2,143***	***2,143***	***2,143***	***2,143***	***2,143***
Number of mining employees less the number of employees accommodated by available mining company beds.	5,038	4,571	4,049	4,181	4,181	4,181	4,181	4,181	4,181	4,181

3.6 Southern Region

The area covered 10 coal mines from the South West Bowen, Callide, Mulgildie, Surat and Tarong Basins.

> Overall in 2007, there were an estimated 2,082 employees working in the mines in the region – 540 FIFO/DIDO and 1,542 that reside locally. The total employment is expected to increase to 3,140 in 2016.

Table 3.6.1 shows the estimated number of employees in the region, covering FIFO/DIDO employees and employees that live locally.

Table 3.6.1 – Estimated Employment Projections – Southern Region

Year	Residence		Total
	FIFO/DIDO	Reside Locally	
2007	540	1,542	2,082
2008	625	1,754	2,379
2009	625	1,754	2,379
2010	1,945	1,799	3,744
2011	2,195	2,029	4,224
2012	775	1,780	2,555
2013	725	1,865	2,590
2014	725	1,945	2,670
2015	725	2,005	2,730
2016	1,075	2,065	3,140

> Mining companies in the region provided accommodation for an estimated 1,478 employees in 2007. This is slightly below the estimated 1,495 employees that could be accommodated in mining industry funded/owned accommodation. An estimated 604 employees did not use accommodation provided by mining companies in 2007.
>
> In 2008, there was expected to be a reduction in SPQs or camp accommodation from a capacity of 1,162 employees to a capacity of 772 employees, to reflect changes in workforce numbers. While employment is expected to increase during 2010/2011 and again in 2016 due to construction activities, the number residing in SPQs or camps is not expected to change.
>
> It is estimated that the overall number of employees not residing in company provided accommodation (if it was at capacity) will increase up until 2011, with the general increase in employment associated with the construction of mines (increasing from 1,281 employees in 2008 to 3,127 employees in 2011).
>
> After 2011, the estimated number of employees not using company provided accommodation (if it was at capacity) will decrease (to an estimated 1,459 employees in 2012).

Table 3.6.2 shows the accommodation situation in the region, covering the following:

- The estimated number of staff accommodated (number of beds used) by mining companies in 2007 covering private dwellings, SPQs or camps and other accommodation. Note that this is different to capacity due to vacancies in some accommodation.

- Estimated employment between 2007 and 2016 covering local staff and FIFO/DIDO staff.

- The number of dwellings owned, rented and leased by mining companies and the number of group houses (2007-2016).

- The total number of beds in SPQs/camps owned by the company and under other ownership and the number of beds used for shared purposes (2007-2016).

- The estimated number of staff housed in other accommodation (2007-2016), e.g. in motels and caravan parks.

- Estimated capacity of accommodation or the equivalent number of beds available in private dwellings and SPQs/camps (2007-2016).

- The number of employees that were not using mining company provided accommodation in 2007.

- The estimated number of employees that would not be using accommodation provided by mining companies if the expected capacity or equivalent number of beds were full (2007-2016).

Table 3.6.2 –Accommodation Capacity and Provision – Southern Region

Accommodation	**Actual Provided by Company**	**Expected Accommodation Capacity/Employment (Year)** (Total capacity – Not actual usage)								
	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Live Locally										
Total staff that live locally	1,542	1,754	1,754	1,799	2,029	1,780	1,865	1,945	2,005	2,065
Number of dwellings owned by the company	61	96	96	96	97	96	96	96	96	96
Number of dwellings rented or leased by the company	104	104	104	104	104	104	104	104	104	104
Number of group households (more than one employee)	25	25	25	23	23	23	23	23	23	23
Total number of employees accommodated in private dwellings	***183*** *(11 beds not used)*	***250***	***250***	***250***	***249***	***248***	***248***	***248***	***248***	***248***
Number of mining employees that live locally less the number of employees accommodated by available mining company beds.	1,359	1,504	1,504	1,549	1,780	1,532	1,617	1,697	1,757	1,817
FIFO/DIDO and Staff Living in Camps and Other Accommodation										
Total number of FIFO/DIDO staff	540	625	625	1,945	2,195	775	725	725	725	1,075
Total number of beds in SPQs/camps owned by the company	1,162	772	772	772	772	772	772	772	772	772
Total number of beds in SPQs/camps under other ownership	0	0	0	0	0	0	0	0	0	0
Number of beds used for shared purposes	2	2	2	2	2	2	2	2	2	2
Total number of employees accommodated in SPQs or camps	***1,156*** *(6 beds not used)*	***772***	***772***	***772***	***772***	***772***	***772***	***772***	***772***	***772***
Number of staff housed in caravan parks by the company	83	60	60	60	60	60	60	60	60	60
Number of staff housed in motels/hotels by the company	56	16	16	16	16	16	16	16	16	16
Number of FIFO/DIDO mining employees less the number of employees accommodated by available mining company beds.	-755	-223	-223	1,097	1,347	-73	-123	-123	-123	227
Total										
Total number of employees	2,082	2,379	2,379	3,744	4,224	2,555	2,590	2,670	2,730	3,140
Total number of employees accommodated in mining company provided accommodation	***1,478*** *(17 beds not used)*	***1,098***	***1,098***	***1,098***	***1,097***	***1,096***	***1,096***	***1,096***	***1,096***	***1,096***
Number of mining employees less the number of employees accommodated by available mining company beds.	604	1,281	1,281	2,646	3,127	1,459	1,494	1,574	1,634	2,044

3.7 Costs of Accommodation

Table 3.7.1 shows the cost of construction, maintenance and other costs associated with accommodation for all regions. This is based on data for 29 mines (these mines accounted for 74.7% of production in 2006/07).

The accommodation costs reported by 25 mines in 2007 were estimated to be $188 million. This is expected to double by 2010 to $382 million and increase to around $448 million for 2012 to 2016.

Construction makes up the majority of costs (68.5% in 2007 increasing to 80.4% by 2012).

Four mines did not expect any costs for the construction or maintenance of accommodation. This is likely due to sites employing local workers and/or expecting workers to independently seek private accommodation.

Table 3.7.1 – Estimated Costs of Accommodation – All Regions

Year	Cost Aspect			Total
	Construction	Maintenance	Other Costs	
2007	$128,780,040	$36,905,000	$22,444,389	$188,129,429
2008	$160,880,050	$37,885,000	$26,006,453	$224,771,503
2009	$253,680,080	$41,675,000	$33,671,630	$329,026,710
2010	$305,080,100	$43,785,000	$33,540,061	$382,405,161
2011	$330,480,120	$44,965,000	$36,311,915	$411,757,035
2012	$360,680,120	$46,360,000	$41,387,361	$448,427,481
2013	$360,680,120	$46,360,000	$41,466,579	$448,506,699
2014	$360,680,120	$46,360,000	$41,549,797	$448,589,917
2015	$360,680,120	$46,360,000	$41,637,096	$448,677,216
2016	$360,680,120	$46,360,000	$41,728,801	$448,768,921

4. HOUSING POLICIES

4. Housing Policies covers:

- *Formal housing policies covering:*
  - *Rent subsidies.*
  - *Purchasing subsidies.*
  - *Shared arrangements in SPQs or camps.*
  - *Other formal housing policies.*
- *Informal housing policies.*

4.1 Formal Housing Policies

Responses from mining companies provided information on the key aspects of formal housing policies of the site or company. Specifically, whether any rent subsidy or purchasing subsidies were provided and whether there were shared arrangements in any SPQs or camps.

Formal housing policies typically incorporate a variety of subsidies and arrangements, such as the following key aspects:

- Rental subsidies for accommodation (16 responses).
- Purchasing subsidies for accommodation (5 responses).
- Shared arrangements in SPQs and camp accommodation, including hot bedding and motel style arrangements (9 responses).
- Other policies included fixed price or free camp accommodation, housing provided for key company personnel and group housing.
- Employment of local staff and/or accommodation arrangements made privately by staff.

Responses highlighted the variety in policies and strategies not only between companies, but also between sites within a company. The policies are likely to be influenced by a number of factors including:

- Location of the operation.
- Availability of local labour.
- Availability of local housing for people coming from other areas.
- Proximity to other major towns.
- Services and facilities provided within the local town (which influences the attractiveness of towns for people to relocate).

Some companies operate policies which allow for one accommodation type only, for example all employees reside in Single Persons Quarters and are transported to and from the nearest major town for rostered time off, or all employees are required to seek local private accommodation. This may be due to factors such as location of the operation, lack of local accommodation, or high availability of local workforce.

However, there appears to be a growing trend for mixed accommodation policies to cater for the variety of preferences of employees. A number of company policies incorporate aspects to support local living such as rental subsidies or company provided housing, while alternatively offering SPQ accommodation, should that be the preference of the employee.

4.1.1 Rent Subsidies

Sixteen responses reported that rent subsidies were provided for accommodation. Comments on rent subsidies included the following:

(a) Local housing

Subsidies for local housing may be set or vary on a case by case basis. The amount of subsidy offered, requirements of employment and restrictions were varied between companies and included the following:

- Geographic consideration e.g. housing assistance available for the surrounding districts only or specific nearby towns.
- Varying subsidy amounts for different staff in different positions, e.g. full rent subsidy available to superintendents and senior supervisors only; differing arrangements for wages and salary staff.
- Employees are required to pay a base amount and the company subsidises the remaining amount. In addition, subsidies may have a ceiling amount.
- Rental subsidies for accommodation vary over the period of employment (e.g. decreasing with each year of employment).
- The amount subsidised may vary depending on the type of accommodation (e.g. size of house, units etc.), or be based on equivalent costs of other accommodation such as SPQ or camp costs.
- Rental subsidies may be offered to staff members who relocate their families to local towns or certain regional centres. However, rental subsidies may not be available to workers who already reside locally.

(b) Salary sacrifice/employment package

A number of companies also offer some assistance as part of workers' employment package or a salary sacrificing option. Arrangements included the following:

- Subsidised housing may be provided as part of the employment package and EBA agreements. Alternatively, other payments such as allowances for living away from home may be included in EBAs.
- Salary sacrificing options, available in accordance with the provisions for remote area housing.

- Additional rental subsidy is made available for employees who salary sacrifice employee contributions for accommodation. This can result in employees paying well below market value for accommodation.

4.1.2 Purchasing Subsidies

Five responses reported that purchasing subsidies were provided for accommodation. These arrangements vary between operations, and can include provision of an up front capital lump sum, interest subsidy support or capital guarantee.

Purchasing subsidies may also contain some restrictions such as assistance only for staff that are relocating to a particular site or town.

4.1.3 Shared Arrangements in SPQs or Camps

Nine responses reported having shared arrangements in SPQs or camps. There was variation in the use and management of shared arrangements, including the following arrangements:

(a) Hot bedding, including these arrangements:

- Hot bedding used in peak periods to maximise availability of accommodation.
- Hot bedding arrangements for subcontractors only.
- Hot bedding can be arranged in some rooms at all times. Other rooms can be hot bedded only with the express permission or approval of the permanent resident.

(b) Motel style, including these arrangements:

- Contractors, subcontractors or suppliers may request a permanent room (motel style) which is shared by two employees. Whilst one employee is rostered on shift the other is rostered off shift where they permanently reside elsewhere.
- Rooms are provided in motel style for EBA employees on a four day on four day off roster. Staff are accommodated in allocated rooms.

In these situations, the room is cleaned in between one employee booking out of the room and the next booking in.

4.1.4 Other Formal Housing Policies

Other formal housing policies included the following:

(a) Employees reside locally

Employment of local employees and use of local housing are also common. A number of operations are located near quality housing in local towns. In these cases, employees are required to provide their own accommodation and tend to already live in the local area. The companies typically do not purchase or own any accommodation.

A number of operations actively seek to employ local personnel. However one company did note that in some cases, while making their own accommodation arrangements, employees may be paid an accommodation subsidy.

(b) SPQs or camps

A number of operations use SPQ or camp accommodation. Arrangements for the use of SPQs vary. SPQ accommodation may be provided for:

- All employees.
- Some sectors of the workforce for example contractors and/or subcontractors only.
- Some employees based on distance of their permanent residence from the site, e.g. all employees who live more than 1 hour drive time from the site.
- On a preference basis for individual employees.

Some SPQs accommodation is provided free of charge, while other employees are charged at a fixed price or subsidised price. Employees may also receive some additional benefits such as allowances for living away from home.

(c) Housing for managers or key company personnel

Some site policies allow for the provision of housing, often with subsidised rental for key company personnel such as Site General Manager, senior managers, superintendents, senior supervisors or professional staff or other selected positions.

Other than senior positions, these accommodation arrangements may be used for 'difficult to fill' positions where the provision of housing acts as an incentive to attract workers.

(d) Group houses

Some accommodation in group housing is also provided, for example one company may take out a lease on behalf of a group of employees, or may provide houses for graduates who share accommodation on a rotation basis.

4.2 Informal Housing Policies

Some companies use informal housing policies to encourage preferred accommodation arrangements amongst staff, for example:

- Managers may be expected to live locally either in permanent housing or rental accommodation.
- While not a formal policy, local labour is supported with employment opportunities made available to people from outside the area only after local employment opportunities have been maximised.
- Accommodation provided for staff who are willing to relocate to remote areas.

Mining companies have a strong focus on supporting local communities. This plays a role in informally influencing housing and accommodation. One company noted that the internal company values are based on living in and supporting local communities.

One mining company attempts to house all employees locally. However, if all employees chose this option, the company would be unable to provide this housing and would have to consider a change in policy or commence construction subject to capital approval.

Seventeen responses did not mention any informal housing policies.

5. HOUSING ISSUES

5. Housing Issues covers:
- *Current housing issues.*
- *Current or Proposed Activities or Actions to Assist Housing Issues.*

5.1 Current Housing Issues

Mining companies were invited to comment on the current issues surrounding housing facing the workforce. Only five responses in the southern area did not mention any housing issues.

The key current housing issues identified in the survey included the following aspects:

- The high cost of housing.
- Housing and accommodation shortages, including shortages of specific accommodation types (family houses and single person accommodation).
- Issues slowing the construction of new accommodation including a lack of builders and tradespeople in the area, land availability, slow approval processes and the high costs involved.

Fifteen responses did not mention any current or proposed activities or actions to assist with housing issues.

While these key issues were highlighted across all regions, some concerns were area specific.

The limited availability of land was a strong concerned noted for the Moranbah community, although the lack of developed land was also noted in areas such as Clermont and Biloela.

The availability of limited types of housing was of particular concern in Moura, Moranbah and Tieri, as were difficulties in gaining approvals for developments. The shortage of SPQ accommodation as well as the high cost of expanding this accommodation was highlighted in Nebo and Glenden.

While the high cost of housing was noted in a number of areas, this was the key concern for the Emerald community.

The following sections outline the key issues raised regarding housing and accommodation.

Cost of Housing

The high cost of housing was raised as a strong concern with six responses highlighting the high cost of housing and high rent in the open market caused by high demand and a lack of housing availability

A number of other factors influencing the cost of housing were also mentioned, including:

- The “boom or bust” nature of the mining industry (and resulting variable land/house valuations) makes it difficult for employees to obtain mortgages from financial institutions for residences in the area.
- Media advertising is misleading, stating that investors can expect a return of $600 per week in the Central Queensland area, when in fact this rate is only applicable at times or in areas experiencing housing shortages.
- Land is developed for housing, however land sale prices are beyond the means of the local people. In addition, increasing general costs make living locally with a family difficult.
- Release of land for public auction – investors have bought land at public auction, offering to on sell to mining companies the next day at exorbitant rates. Mining companies refuse to purchase these housing blocks and as a result shortages continue.
- There is insufficient private investment in housing in high demand regions.

General Housing Shortages

A general shortage of accommodation was reported in Bowen Basin towns such as Dysart and Moranbah, as well as neighbouring coastal towns. In one town there is an anticipated requirement for an additional 300 rental dwellings over the next 3 years.

Survey responses also highlighted the circumstances affecting variations in demand. As mining construction and maintenance projects occur in a region, housing shortages may be experienced due to the influx of temporary construction personnel, often largely contractors.

As a result rental rates increase rapidly and local residents not directly employed by the mining or construction companies (e.g. service and retail organisations) experience financial hardship at this time due to the marked cost of living increase whilst their income rate remains fixed.

In some areas this is believed to be a short term issue that will be resolved by market forces.

Shortages of Specific Accommodation Types

The survey highlighted that some areas are experiencing a shortage of specific accommodation types, for example with a shortage of 4 bedroom houses. It can be difficult to accommodate families of 2 adults and 2 children or more.

Such shortages are likely due to demographic trends and the origin of housing stock (for example a community with former Queensland housing commission housing will tend to lack larger homes).

Other communities are experiencing a shortage of housing for couples and single professionals.

In addition, some areas are struggling with shortages of single person/camp accommodation. Further expansion/construction of SPQ accommodation can be costly due to land shortages, the cost of taxes, charges, red tape and the shortage of builders.

Issues Slowing Construction of New Housing

The skilled labour shortage in remote areas was highlighted as a key impediment to the construction of additional accommodation. A lack of builders and tradespeople was mentioned in eight responses.

Potential reasons for this shortage included difficulty in finding suitable accommodation for transient subcontractors during peak periods and strong building and construction activity at the coast in Mackay and Rockhampton. This means that building and construction workers do not need to seek additional work in inland areas.

One respondent noted that the shortage of tradespeople and high building demand is leading to quality issues with housing being built.

Land availability and the shortage of land being released for housing was mentioned by six responses as a key issue feeding the accommodation shortage.

The survey also highlighted a range of other issues which are perceived to be slowing the construction of new housing, including:

- Slow approval of development applications by local government agencies and regulatory bodies (3 responses).
- The high cost of land.
- High taxes and charges on development.
- Restrictive planning processes which do not recognise modern high density and small lot dwelling practices.
- Few major housing companies willing to work in regional Queensland.

Occupancy and Vacancy Rates

Survey respondents provided feedback on current occupancy and vacancy rates generally indicating trends of high occupancy and low vacancy.

Responses indicated occupancy rates between 92% and 100% for housing and 99% and 110% for camp accommodation. One company reported that 10% of its workforce is currently on the housing waiting list.

Mining companies advised that occupancy can vary throughout the week with peak demand for accommodation during the week while weekend occupancy rates decrease. In addition, other major works such as upgrades of some accommodation can affect occupancy for short periods of time.

5.2 Current or Proposed Activities or Actions to Assist Housing Issues

The activities and actions proposed or currently underway by companies to assist housing issues included the following:

- Constructing additional housing.
- Establishing new SPQs or hiring more SPQs to be located on site at current camp facilities.
- Using other available SPQ accommodation within a specified driving distance.
- Working with local councils and communities to develop suitable accommodation strategies, including participation in relevant forums/community groups to address the issues.
- Releasing land to the local council for residential development.
- Seeking the use of previously unallocated state land for housing construction.
- House sharing for graduates.

Fifteen responses did not mention any current or proposed activities or actions to assist with housing issues.

6. FUTURE WORKFORCE AND ACCOMMODATION STRATEGIES

6. Future Workforce and Accommodation Strategies covers:

- *Preferred operation and development scenarios.*
- *Expected housing investment strategies.*
- *Achieving affordable housing solutions in mining communities.*
- *Future workforce strategies and accommodation.*

6.1 Preferred Operation and Development Scenarios

Preferred operation and development scenarios impacting on housing demand and the reason for these preferences included the following feedback from companies:

(a) Local accommodation

A number of responses highlighted the preference to employ people who live locally or employees who will seek local private accommodation. It was also noted that this approach helps to manage fatigue and support the local community.

There is a need to make local towns more attractive and liveable to ensure retention of employees and families. This supports a more stable workforce.

One respondent highlighted previous experiences in Western Australia, particularly with mining towns making a difficult transition from company sponsored to private ownership.

(b) FIFO/DIDO and camp accommodation

Mining companies also indicated that FIFO/DIDO and SPQ/camp accommodation will continue to be used and current accommodation centres will continue to be supported, particularly for contractors.

One respondent reported that DIDO operations and use of SPQs will be of continued importance due to high rental costs and inadequate availability of housing in Moranbah and Nebo.

A number of respondents also advised that other accommodation options, such as living locally (as opposed to living in camps), would be permitted where requested.

(c) Mix of accommodation

Responses highlighted a growing trend and preference for mixed housing arrangements including the following:

- Employees to reside locally with the majority of contractors DIDO.
- The workforce resides locally and accommodation is rented by the company if the employee’s usual residence is outside the local area.

- Some employees purchase open market housing to stabilise the town housing market, while professional and 'hard to fill' positions are supplied with company housing as part of their salary package, as a reflection of constant turnover and attraction issues.

- There is a preference to initially employ locally qualified mine workers as a means of supporting the local community, with these workers usually providing their own private accommodation.

- Some mining companies are encouraging more full time employees to improve ownership and control.

Mixed housing approaches also reduce pressure on one sector of the housing market. One company reported that the company attempts to house all employees locally. However, should all employees all choose to live locally, the company would be unable to provide this housing and would have to consider change in policy or commence construction subject to capital approval.

6.2 Expected Housing Investment Strategies

The expected housing investment strategies included the following:

(a) Construction of new accommodation

A number of companies outlined plans to construct new accommodation including additional single person rooms, separate houses and development of additional housing within existing estates.

The need for diverse housing types to cater for the range of families and single persons was also supported.

(b) Other strategies

A number of other proposed strategies were outlined including:

- Continuing to rent in the local area.

- Continuing to provide company owned and subsidised housing and maintaining current company owned housing stock.

- Purchasing additional executive style homes for senior management.

- Free market disposal of housing during operations or at mine closure.

- Increased availability of temporary accommodation, including greater availability for the general public, for example in local caravan parks.

As mining is vulnerable to supply/demand commodity cycles, long term projects such as company housing, supplying infrastructure and community services can be difficult to fund as these are long term commitments. Some suggested that long term commitments should be part of the government strategy and local planning – otherwise it will be open to the business to decide on the most cost effective option (which in many cases is FIFO and camp accommodation).

6.3 Achieving Affordable Housing Solutions in Mining Communities

Companies were invited to provide broader feedback including any general strategies for achieving affordable housing solutions in mining communities. Suggestions included the following:

(a) Land availability

- Releasing more land at affordable prices. This additional land would reduce demand and make land prices more affordable.
- Reduce the range of taxes and charges.
- Reduce the time needed for local council approval processes.
- Councils should require more development in middle of range accommodation instead of luxury apartment blocks.

(b) Increase in housing supply

It was highlighted that an increase in the supply of housing should drive the purchase and house rental prices down. The following suggestions were raised regarding investment in housing:

- As part of the release of land for public auction a condition of sale could be to require that buyers construct houses within a set period of time. This would reduce investors buying land at public auction, then holding land and requiring mining companies purchase at exorbitant costs.
- External developers should also construct additional housing to increase the housing stock and address affordability, particularly in communities which have a range of economic sectors (not just mining). For example, Moura consists of residents working in the mining industry as well as in the cotton, grain and beef cattle industries.

(c) Financial solutions

To address financial constraints, the following actions were suggested:

- Government assistance and the injection of revenue from increased royalties needs to be put back into mining communities and associated road and social infrastructure.

- Financial institutions need to have a lower deposit rate for buying houses in the Blackwater area. Currently a 50% deposit is required.

6.4 Future Workforce Strategies and Accommodation

Companies commented on the future for workforce strategies and accommodation for employees in mining communities. Feedback included the following responses:

(a) Increase in FIFO/DIDO

Some respondents felt that there will be an increase in the use of FIFO/DIDO arrangements for both employees and contractors which is expected to result in greater demand for SPQs and camp type accommodation.

One participant also reported a trend toward bus in/bus out (BUBU) in recognition of road fatigue and a greater number of employees preferring to travel long distances to coastal locations and even to Adelaide and Perth rather than move to a new location.

(b) Improving attractiveness of towns and housing

Respondents emphasised the need to increase the production of affordable housing and consider the variety of accommodation required (e.g. families and single persons). This mix will help reduce the number of workers using FIFO/DIDO arrangements and residing in SPQ accommodation. As an interim measure, it was suggested that more land could be released for expanded caravan park style accommodation and more encouragement provided for motels to cater for transient visitors to mining communities.

If the housing and accommodation situation continues as it is presently, companies will have to continue to rely on SPQ accommodation for sizeable workforces with continuing fatigue issues as workers commute to coastal and regional towns for their breaks from roster.

Other suggestions to increase the attractiveness and liveability of towns in the area included:

- Working together to lobby for funding to ensure that services and lifestyle support activities are maintained and fatigue issues are managed.

One respondent encouraged an early transition to high levels of private sector home ownership in towns serving mining operations, highlighting previous experiences in Western Australia where mining towns made a difficult transition from company sponsored to private ownership.

APPENDIX 1 – SURVEY QUESTIONNAIRE

Please complete 1 survey form <u>for each</u> operating mine and developing site in the Bowen Basin, North West and/or Surat Basin.

General information	
Mine name	
Status (operating, under development)	
For developing mines only	
○ Expected construction start	
○ Expected operation start	
For operating mines only	
○ Expected decommissioning	
Mine location	
Current local government area	
Towns:	
○ Local service town	
○ FIFO town	
Main contact person (for follow up enquiries)	
Name	
Position	
Telephone contact	
Email address	

Table 1: Employee projections

Please include workers both on site, and those working off site (e.g. in town offices).

		Actual	Projected								
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total number of workers (please state either the number at the end of the financial year, or annual average)											
Number of workers expected to reside locally	Directly employed by mining company										
	Employed by mining contractors/subcontractors										
FIFO/DIDO workers (requiring camp accommodation or other non-private accommodation)	Directly employed by mining company										
	Employed by mining contractors/subcontractors										
If possible, number of workers employed by contractors providing off site services to the operation											

Table 2: Housing and accommodation details
Please state either the number at the end of the financial year, or annual average

		Actual							Projected								
		2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Number of private dwellings provided by the company																	
Number of separate houses																	
Number of townhouses, units, apartments etc																	
Number of group households (dwellings accommodating more than one employee, including contractors but excluding family members).																	
Number of dwellings accommodating employees and one or more family member/s.																	
Total number of staff accommodated locally, on a permanent basis, including mining contractor staff	Total number of staff accompanied by family members																
	Total number of unaccompanied staff																
Average vacancy rate of dwellings (or the number of dwellings currently vacant).																	
Tenure of housing: Number of private dwellings (including houses, units etc) which are:																	
Fully owned and being rented by the company																	
Owned by the company and currently being purchased by employees																	
Rented/leased by the company from the private market, and provided for employees/ contractors																	
Other (please specify)																	

	Actual							Projected								
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Single Persons Quarters/Camps																
Total number of beds in SPQ/camps owned by the company (maximum capacity)																
Total number of beds in SPQ/camps other under ownership (e.g. contractor, private ownership) (maximum capacity)																
Number of beds which are used for shared purposes (e.g. motel style or 'hot-bedding')																
Total number of persons accommodated (please state either the number at the end of the financial year, or annual average)																
Other accommodation: Number of employees housed by the company in other types accommodation, including:																
Caravan parks																
Motels/hotels																
Other (please specify)																
Costs																
Estimated cost of construction of all accommodation																
Estimated maintenance or other ongoing costs for all accommodation																
Other costs associated with the provision of accommodation																

Company housing policies

Please outline or attach any available information regarding company housing policies/practices, and expected accommodation and workforce strategies.

1. **Key aspects of site/company formal housing policies**

   Specifically:

   - Do you provide any rent subsidy for accommodation?

   ____

   ____

   ____

   - Do you provide any purchasing subsidy for accommodation?

   ____

   ____

   ____

   - Do you have shared arrangements in any SPQs or camps? If yes, please outline.

   ____

   ____

   ____

2. **Informal housing policies** (e.g. managers housed locally to encourage employees to live in town)

   ____

   ____

   ____

3. **Current issues surrounding housing facing the workforce**

   Specifically:

   - Particular issues or problems which have slowed construction of new housing in either your immediate area, or the larger Central Queensland region?

   ____

   ____

   ____

   - Details of shortages or waiting lists that have been identified for company housing/accommodation?

   ____

   ____

- Further details of occupancy or vacancy rates?

____

____

4. Future workforce and accommodation strategies/plans

Specifically:

- What are your preferred operation/development scenarios (e.g. use of contractors, fifo/dido operations, free market for housing), and why is this the company preference?

____

____

____

- What are your expected housing investment strategies (e.g. expected sale to renter, free market disposal during operations or at mine closure)?

____

____

____

5. Current or proposed activities/actions to assist housing issues (e.g. release of land to local councils for residential development, funding of housing studies).

____

____

____

<u>General Questions</u>

6. In looking at the bigger picture, do you have any general suggested ways forward to help achieve affordable housing solutions in mining communities?

____

____

____

7. What do you believe is the future for workforce strategies, and accommodation for employees in mining communities?

____

____

To assist QRC in developing a comprehensive database of existing housing studies, please note any studies around accommodation issues previously undertake or currently being conducted by your company (Please list)?

____

____