



Government of Western Australia
Department of State Development

Our ref: S0291/201202
Enquiries: Luke O'Donoghue - Ph 9222 0565 Fax 9222 6156
Email: luke.o'donoghue@dsd.wa.gov.au

Mr Eber Butron
Director Planning and Development
Town of Port Hedland
PO Box 41
PORT HEDLAND WAS 6721



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Officer: EBER BUTRON
File: 08/02/0011

Dear Mr Butron

Thank you for providing the Department of State Development with the opportunity to comment on the Town of Port Hedland's proposed *Transient Workforce Accommodation Strategy*. The Department offers these comments:

- The revised strategy addresses the key concerns raised in the department's previous submission, dated 13 February 2014.
- Some elements of the proposed strategy, particularly those imposing restrictions on who can occupy workforce accommodation facilities and the period of occupancy, are likely to cause concerns for resources companies.
- If the strategy imposes conditions that companies consider unreasonable, those operating under State Agreements may prefer to locate temporary accommodation facilities on State Agreement tenure, as they are entitled to do, in order to avoid the additional obligations.
- If this occurs, the strategy may result in unintended adverse effects, including the loss of a significant revenue stream to the town.

If you would like to discuss these comments, please contact Luke O'Donoghue, General Manager Policy Development, on (08) 9222 0565 or Luke.O'Donoghue@dsd.wa.gov.au.

Yours sincerely

Nicky Cusworth
Deputy Director General

6 August 2014

ICR 49709



WESTERN AUSTRALIA

Our Ref: D14/2538
Tourism WA File: IPD/1521

2 Mill Street
PERTH WA 6000

GPO Box X2281
PERTH WA 6847

Telephone +61 8 9262 1700
Facsimile +61 8 9262 1702

Info@tourism.wa.gov.au
tourism.wa.gov.au

Mr Eber Butron
Director Planning and Development
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

Dear Mr Butron

TRANSIENT WORKFORCE ACCOMMODATION STRATEGY – VERSION 2

Tourism WA again welcomes the opportunity to provide input into the draft Town of Port Hedland Transient Workforce Accommodation (TWA) Strategy (version two).

The comments that were raised in Tourism WA's submission on version one of the Strategy are still relevant, specifically in relation to not restricting the location of TWAs to airport zoned land and facilitating the future conversion of TWA infrastructure for tourism purposes in priority locations.

At its June 2014 meeting, the Tourism WA Board noted that the activities of the Transient Worker Accommodation providers have had a negative impact on the short stay accommodation market in Port Hedland, and endorsed the following position:

Transient Worker Accommodation should be built to accommodate workers for specific construction projects and should be dismantled or mothballed upon project completion. If a transient workers camp is built in a location that would have value as tourist accommodation in the future, it needs to be built in such a way that conversion to standards appropriate for tourism use is possible and viable¹.

¹Viability is reliant on there being the demand for tourism accommodation at time of any conversion.

While it is acknowledged that the permitted locations for future TWA facilities have been expanded to include land on the periphery of South Hedland, the restriction on locations will limit the potential for facilities to be developed for suitable alternative uses in the future. Accordingly Tourism WA recommends that the location section of the Strategy is broadened to include a comment that alternative locations may be considered based on the potential to facilitate a future community and/or tourism benefit/legacy.

It is noted that the Strategy no longer refers to TWAs being developed for specific project needs and for them to not be speculative. Tourism WA would like to see this principle included, or alternatively a timeframe being included on the facility for its decommissioning/conversion.

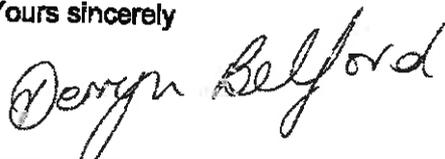
Finally, the Strategy refers to 'non-residential workforce' in several sections, for consistency these should be amended to reflect the revised terminology of 'transient workforce accommodation'.

Separately, Tourism WA is aware of the recently approved 483-room transient workforce accommodation in Port Hedland's Kingsford Smith Business Park and temporary construction accommodation facility for 50 workers. We are currently making inquiries into the details of the development and will be responding with our concerns regarding implications for the short stay accommodation market in due course.



I trust this information is of assistance to you. Should you require any additional information or assistance, please do not hesitate to contact our Development Manager, Ms Vicki Robertson on 8262 1866.

Yours sincerely

A handwritten signature in black ink that reads "Derryn Belford". The signature is written in a cursive style with a large, prominent 'D' at the beginning.

Derryn Belford
EXECUTIVE DIRECTOR, INFRASTRUCTURE AND INVESTMENT

12 August 2014



15th August 2014

Chief Executive Officer
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

Dear Sir,

North West Infrastructure (NWI) is writing in response to the Town of Port Hedland's ('the Town') draft Transient Workforce Accommodation Strategy ('the Strategy'). We refer you to our previous submissions: (1) dated 20th April 2012 to the Draft TWA & FIFO Strategy, and more recently (2) dated 3rd February 2014 to the proposed Non-Residential Workforce Strategy; and to our ongoing participation in the Town of Port Hedland's Community Integration Working Group.

Please contact me if you have any questions about NWI's submission and we would welcome the opportunity to discuss our comments with you prior to the finalisation of your Council submission.

Yours sincerely

Mike Loly

NWI Project Director

NWI Submission

Town of Port Hedland Proposed Transient Workforce Accommodation Strategy.

15th August 2014

Introduction

NWI (formerly the North West Iron Ore Alliance) is a joint venture company which represents the interests of its three shareholder companies: Atlas Iron Limited; Brockman Resources Limited; and FerrAus Limited.

NWI's purpose is to facilitate the construction of a port facility capable of annually exporting 50 million tonnes of iron ore from the South-West Creek location at the Inner Harbour at Port Hedland, Western Australia.

Executive Summary

NWI supports the underlying goals of the Town of Port Hedland Proposed Transient Workforce Accommodation Strategy to identify a clear direction for TWA's and provide a statutory framework, seeking to deliver benefits to both developers and the Port Hedland community. However NWI is concerned that:

1. Only new developers will be impacted by the strategy, yet the established major mining companies control ~81% of the existing TWA's and will not be affected by this document.
2. The strategy doesn't appear to help introduce a competitive environment by allowing or encouraging independent 3rd party providers into the market.
3. TWA's will only be approved with clear time limits, but these are not stated and no comment made as to how a proponent can have these extended.
4. The strategy is unclear as to how any community legacy requirement will be determined as acceptable to the community and how these conditions will be negotiated.

NWI appreciates the intent of the TWA Strategy and supports its underlying goals. As a potential developer requiring construction and operating accommodation we will be impacted substantially more than any existing company by any changes as outlined in this Strategy and the to the Scheme Amendment.

North West Infrastructure

After Roy Hill and FMG have completed their current inner harbour expansions, NWI will have the largest single unallocated demand for accommodation still to be met (RHI's accommodation is now built and BHPB's outer harbour having been deferred). The construction industry is focused on the Project Costs or any further cost impositions due to planning and approval requirements. Over the past 2 ½ years NWI has contributed to the two previous draft strategies and has attended / contributed at all of the subsequent Community Integration Working Group meetings as part of our corporate commitment to work with local authorities and stakeholders to establish positive outcomes in the areas of our (future) operations.

NWI has a 3-5 year time accommodation demand of some 454,000 bed nights with a peak demand close to 800 rooms. To mitigate for any demand surges and minimise for any risks its likely NWI will seek to access a total of 1,000 beds but not necessarily in the same facility.

BHPB, FMG & RHI, the three major users of TWA and FIFO staff in the Port Hedland area all have their existing accommodation facilities which they own or have primary rights to access. From an assessment of the existing TWA Villages in Port Hedland (and the immediate area) it's clear that there are very limited 3rd party (independent) TWA providers for FIFO workers.

NWI Comments & Feedback to this draft Strategy

Purpose

Statement:

'Is not intended to'.....'impact / affect'.....'existing State Agreement's / leases and tenements....or lawfully approved TWA's.

NWI comment:

BHPB, FMG & RHI all have their TWA facilities built with presumably operating leases which allow continued use for many years. With some 4,330 beds currently available in the immediate vicinity of Port Hedland and the mining boom peaking or on the wane.

As existing TWA villages are not impacted by this draft Strategy it can only impact new facilities, if this is the case it will impose restrictions and cost burdens on new projects such as NWI's South West Creek, which the incumbents are not liable for.

The Strategy

Statement:

'The imposition of clear time limits on the operation of these (TWA) sites'.

NWI comment:

Mention is made on clear time limits that TWA villages can be used for but no duration(s) are stated or how this can be extended. TWA Villages built to 'today's' standard in a cyclone rated area are expensive and should 'easily' last 20 years. Thus limiting them to an unspecified but presumably significantly shorter time limit associated around the construction period, appears unnecessarily restrictive, financially unattractive and an extra hurdle to any proponent. Options could include allowing (1) allowing longer leases tied to the life of the facility and or (2) encouraging owners to sell and transfer ownership once their project have been commissioned. Both options allow longer use of a valuable asset.

With most major projects already having been completed in Port Hedland, any organisation building a TWA exclusively for its needs to have confidence that it can amortise the capital cost over an appropriate life of the asset. As the South West Creek project will be a major employer of labour and will require the use of a large, potentially 1,000 bed (A\$120M) TWA NWI believes that any time limitation has the very real potential to add significant costs to its project which other earlier proponents have not had to bear.

Statement from draft TWA Strategy:

'Need to demonstrate community benefit / legacy'.

NWI comment:

Two of the three options suggested: (1) augmentation of physical infrastructure & (2) retention of permanent buildings, are not within the realm of the project proponent to determine. NWI believes that plans / designs for land use post a TWA is best undertaken by the ToPH or other Regulatory / Government Planning body. If the ToPH have designs for an area of land and provide this to the proponent then it is possible to consider what can be designed and subsequently left when the land is no longer used by the proponent for accommodation. So it is unrealistic for a proponent to consider these without such input from others.

NWI recognise that the ToPH as the representatives of the community and main provider of services to the local area. Whilst we are aware of the needs of the community and the shires want to provide these; we see any financial burden during construction such as the option of a 'monetary contribution' as an additional challenge to delivering this project and could undermine the very community benefit / legacy this strategy seeks to deliver.

NWI believes that the real long term benefit it can contribute to the community is through delivering a successful project that guarantees a route for the Iron Ore juniors to export 50Mtpa and the associated knock on benefits to the Town this will deliver. Although we are a small project team currently in study mode, NWI have already made modest contributions to a number of worthy causes in Port Hedland, including PANGO, NGALA, Acacia Support Centre, Wirraka Maya Health service, and the Rotary Club amongst others. Once NWI's project has been developed it can be expected that our legacy will be targeted contributions to important local causes.

Principals

Statement from draft TWA Strategy:

'Minimum period of stay is 2 (two weeks)'.

NWI Comment:

The stipulation that the minimum period of stay is two weeks is unrealistic. Whilst the majority of construction staff work longer rosters and would be unaffected by this; head office based staff, specialists and other ad hoc visitors will often visit for shorter durations. An artificial limitation where the proponent has capacity in their TWA will only add cost for no value. If proponents are

forced to have staff stay in hotels, then accommodation must be guaranteed to be available at any time and at reasonable rates. At this time no such undertaking has been made.

In the Port Hedland area it is usual (refer BHOB, FMG & RHI) to accommodate 'all' their FIFO staff in major TWA facilities; for ease of management, cost effectiveness and assurance of supply. We do not see why late entrants such as NWI should have additional management and financial burdens imposed on them. Project proponents need to be able to manage their demand / supply as best they feel fit, any and all TWA staff should be accommodated in the most appropriate and cost effective facility available.

Ambiguity

Wording in draft TWA Strategy:

Both 'Transit Workforce Accommodation Strategy' and 'Non Residential Workforce Accommodation' used in this document.

Although this document is titled the Transient Workforce Accommodation Strategy two terms are extensively used in this document; TWA and NRWA (non-residential workforce accommodation). NRWA is not commonly used in Western Australia and NWI believes this will lead to confusion over any slight difference in the terminology between TWA and NRWA.

The Scheme Amendment proposes to only use the phrase Non Residential Workforce Accommodation, NWI questions why are 'TWA' and 'FIFO workers' not suitable when they are both widely used and understood terms, NWI sees no reason for complicating matters and introducing new phrases where existing ones already exist (unless this is a State wide change).

Additional NWI Comments

- Independent TWA Providers

NWI believes that one of the key underlying objectives of this Strategy is to limit the number of TWA facilities within the Town. The significant capital cost of building a TWA and their lifespan means that once a project proponent has built one for their construction phase they will be reluctant to close a valuable asset. This is not recognised in the draft strategy.

A key option to overcome this is and to efficiently amortise the significant capital cost of a new facility is for 3rd party accommodation providers to develop TWA's and provide accommodation for a number of projects over a longer time frame. This would need to be at a competitive cost and not seen as a monopoly, if a number of providers with a variety of product offerings were available in the ToPH area this could provide a competitive and open market place.

To this end NWI welcomes the imminent approvals for two such TWA villages in the Port Hedland area, those being proposed by Ausco for the Airport Precinct 3 site and my Minpac just east of the airport on the Great Northern Highway.

- **Employee Preferences**

NWI's draft attraction and retention strategy highlights that for site Operational staffing needs residential employment will be preferred, this NWI believes will align with the goals of the State Government, Pilbara Cities and ToPH. But NWI also recognises that some staff due to a variety of personal commitments may not wish to be Pilbara based, or due to family circumstances many wish to change (from residential to FIFO at a later date) and these also needs to be recognised if NWI wishes to employ the best workforce available.

- **Land Availability & Utility Capacity**

To allow as many operational employees as possible to become residentially based there must be cost effective land and housing options available for both companies and individuals to buy / lease. Power, town water and waste water treatment have all been limited over recent years, restricting some developments. Community infrastructure, including but not limited to medical facilities and schools must be of a standard that is at least as good as elsewhere and the ambiance of the area must be attractive and residents must feel safe, to make Port Hedland a regional centre new staff would wish to live.

No mention of these supporting factors has been discussed in the Strategy which could encourage potential operational staff to choose residential employment over FIFO. NWI acknowledges that many of these elements have been improved substantially over the last 10 years, but some are still wanting and will be 'show stoppers' limiting the proportion of operational staff who take up the 'live local' option. These factors are all out of the control of NWI.

To this effect, refer to the North West Telegraph report, page 5 on 16th July 2014, titled 'Economics affect settlement' where Tim Langmean from FMG discusses the issues restricting their employees from buying and living locally in Port Hedland.

- **Federal Government Report on 'Fly-in, Fly-out & Drive-in, Drive-out Workforce Practices in Regional Australia**

This report completed in January 2103 covers the breath of the National and a wide variety of drivers, blockers and influencers on this topic; some are pertinent to the Pilbara and some definitely not. Section 5 on Governance, covers a number of issues out of the control of the resource companies and the ToPH, but have a major impact on this topic. Changes to taxation law that supported residential occupancy and not adding costs (as now) could help the strategic goal of encouraging residential living and assist with growing the population of Port Hedland.

- **Port Hedland TWA Demand / Supply**

This draft strategy is solely focused on the supply of TWA in the Port Hedland area without any update to projected demand. Comment is made that 'the demand for non-residential workers is

expected to continue' but NWI is unaware of any update to the estimates made some years ago at the height of the boom. Updated demand projections go hand in hand with supply.

- **Emergency Maintenance**

Unplanned emergency breakdowns can have very real and significant cost burdens on operators of major industrial facilities such as NWI propose for South West Creek. The cost of maintaining a empty rooms in a TWA facility may seem extravagant and costly, but the cost of emergency maintenance not being undertaken and the associated loss of production are substantially greater. Accordingly to de risk the facility any operator will want to maintain for emergencies a sufficient number of rooms that can be used for unplanned emergency maintenance, again this is not articulated in this draft strategy.

As stated previously if proponents are forced to have staff stay in hotels, then accommodation must be guaranteed to be available at any time and at reasonable rates. At this time no such undertaking has been made.



Mike Loly
Project Director

Addendum

- **Port Hedland and Area Accommodation Supply**

NWI has recently undertaken some desk top research into the projected TWA supply, the following estimate tabulated below is based on the existing facilities (existing rooms, announced closures and investment commitments so includes closure of the Wedgefield Camp and includes the soon to be built AUSCO facility); this shows there will be some FIFO 5,680 beds in the Port Hedland area by late 2014. In addition there are a further 700 beds / rooms / caravan plots available to the general public.

TWA Accomodation – Village Name	Number of Beds	BHPB / FMG / RHI
RHI's Gateway Village	1,200	1,200
BHPB's Port Haven	1,200	1,200
FMG's Club Hamilton	900	900
Minpac's Beebingarra Parklane Village (upto 840 - not included)	(Opening TBA)	
BHPB's Mooka	617	617
FMG's Camp 25a	514	514
Ausco's Precinct 3 (Upto 484 - not included)	(Opening TBA)	
<i>Auzcorp's the Beachfront 400 rooms (excluded, currently on care and maintenance)</i>		
Auzcorp's Mia Mia	255	
Private - The Landing	240	
Rilbara TAFE's Pundulmurra	186	
Private - The Walkabout	121	
Total FIFO Rooms (Q1 2015)	4,333	3,531

N.B. Mining Companies control the largest villages and by far the largest proportion (3,531/4,333) or 81% available TWA FIFO beds in the Port Hedland area. If all the rooms in the Ausco and Minpac villages are built this figure changes to (3,531/5,657) or 62%.

Permanent Town Accommodation	Number of Beds / Rooms
Cooke Point Caravan Park	190
Blackrock Caravan Park	150
The Esplanade Hotel	108
South Hedland Hotel	104
Ibis Styles	65
Hospitality Inn	36
The Lodge	30
Pier Hotel	18
Total Rooms / Caravan Sites	701

Submission
September 2014



Town of Port Hedland

Draft Transient Workforce Accommodation Strategy – (Version 2)

Contact
William Witham
c.witham@cmewa.com

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About CME

The Chamber of Minerals and Energy of Western Australia (CME) is the peak resources sector representative body in Western Australia funded by its member companies, which generate 95 per cent of the value of all mineral and energy production and employ 80 per cent of the resources sector workforce in the state.

The Western Australian resources sector is diverse and complex, covering exploration, processing, downstream value adding and refining of over 50 different types of mineral and energy resources.

In 2013, the value of Western Australia's mineral and petroleum production was \$113.8 billion, accounting for 91 per cent of the state's total merchandise exports and thus representing the majority of Western Australia's 43 per cent contribution to Australian merchandise exports. Furthermore, royalty payments to the State Government are forecast to total \$6.1 billion in 2013-14.

The Chamber of Minerals and Energy of Western Australia (CME) appreciates the opportunity to provide comment on the Town of Port Hedland's Transient Workforce Accommodation Strategy Version 2 (the Strategy).

RECOMMENDATIONS

While a number of changes have been made from the December 2013 version of the Strategy, including the increase in area delineated for Transient Worker Accommodation (TWA), the Strategy in its present form is still not supported for a number of reasons outlined in this submission.

- The Town of Port Hedland should defer consideration of the TWA Strategy pending further direction from the WAPC
- The Town of Port Hedland not restrict the use of Transient Workforce Accommodation (TWA) to construction-only workforces through amended land use definitions and policy provisions
- The Town of Port Hedland does not impose Minimum Stay periods nor require the submission of a guest register.
- The Town of Port Hedland does not impose time-limited approvals for TWA.
- The Town of Port Hedland reconsider the implementation of Developer Contribution Plan and work to provide more clear guidelines
- The Town of Port Hedland does not mandate locations for locating TWA
- Changes outlined in the Strategy will not be retrospectively applied on existing TWA facilities

Context

The Chamber of Minerals and Energy of Western Australia (CME) appreciates the opportunity to provide comment on the Town of Port Hedland's Transient Workforce Accommodation Strategy Version 2 (the Strategy).

While a number of changes have occurred from the first version of the document, the Strategy in its present form is still not supported as outlined below.

WAPC

Work is currently underway by the Western Australian Planning Commission (WAPC) to give consideration to the appropriateness of evaluating transient workforce accommodation issues on a state-wide basis. Acknowledging the ongoing existence of fly in, fly out work practices and the State Government's commitment to regional development it is important a resolution on accommodating those workers who are on a long distant commute schedule is found.

CME understands an interim position paper will be developed by the WAPC by the end of 2014, meanwhile ongoing meetings will be held with individuals/groups.

Recommendation

The Town of Port Hedland should defer consideration of the TWA Strategy pending further direction from the WAPC

TWA Definitions

The new definition of TWA in Town Planning Scheme No.5 (TPS5) restricts occupants of TWA to construction and maintenance personnel only. The existing definition of:

"dwellings intended for the temporary accommodation of transient workers and may be designed to allow transition to another use or may be designed as a permanent facility for transient workers and includes a contractor's camp and dongas."

does not distinguish between the type of transient workers (i.e. construction or operational), nor does it prescribe a maximum term of approval. The definition also provides for both temporary and permanent facilities.

CME member companies are working towards integrating a portion of their workforce into the Port Hedland and South Hedland's communities through new housing projects. However, it is important to recognise there will always be a component of the operational workforce that flies in from another part of the state or country.

A blanket approach to in-town accommodation and housing is not an appropriate option for construction and operational workers, and may have consequences for the community. If this approach is adopted by the Town of Port Hedland it will further increase living costs in the town through low rental vacancy, rising rental rates, expensive house prices and lack of decent housing stock. For industry, the consequence will be difficulty attracting and retaining a workforce for those who do not want to relocate to the Pilbara region.

The population in the Pilbara is not sufficient to be able to source the breadth of skilled personnel required. Given this, and individuals and their families choosing to live in other locations around Australia while they work in the resources sector, will mean there is an ongoing need to be able to accommodate operational personnel who are employed on a FIFO basis.

Due to complex scheduling, some of the workforce operate out of different bases on each swing. With the rostering arrangements, operational workers such as train drivers head off to different localities on every swing, making it difficult for them to be based in the Pilbara.

There is a need to ensure the Strategy enables sufficient flexibility for the resources sector to be able to accommodate the maintenance workforce required to undertake the regular shut-downs which will become more prevalent in the production phase. During shut-downs, there is a significant influx of personnel to site who require accommodation.

With regard to ongoing repair work that does not require personnel to be on hand all the time, it is essential they be able to utilise TWA. Companies structure their maintenance schedules according to operational needs and as such require accommodation facilities to be available when required. It is not practical to expect maintenance workers can be accommodated within residential housing or other town based accommodation.

Recommendation

The Town of Port Hedland not restrict the use of Transient Workforce Accommodation (TWA) to construction-only workforces through amended land use definitions and policy provisions.

Minimum Stay

The imposition of a minimum stay of two weeks is not supported. As noted above, operational needs require a higher degree of flexibility as some personnel are required on site for shorter periods for specific purposes.

The approach being proposed by the Strategy does not demonstrate an understanding of the roster system or the various roster lengths that exist, not only in the resource sector but in other sectors.

In addition, CME does not support the requirement to periodically submit a guest register for verification purposes. This appears to be overly prescriptive and administratively onerous for both the operator of the TWA and the Town of Port Hedland. It is not obvious how the Town of Port Hedland would be able to verify the register and the cost of compliance to do so would be counter-productive. Prior to adopting these provisions, the Town would need to identify the means of enforcement and penalties to be prescribed where evidence of noncompliance is identified.

Recommendation

The Town of Port Hedland does not impose Minimum Stay periods nor require the submission of a guest register.

Length of TWA Lease Periods

Given the Town's TWA Strategy position is that TWA is a temporary land use, it is contradictory for the new land use definition to require TWA to be designed in a manner that may be capable of conversion to a legacy use. Unless the conversion is to a similar type land use (i.e. TWA for operational workforce, tourism) there will be increased upfront costs of constructing a TWA facility. These increased costs need to be amortised over the life of the facility. A 5 year timeframe may result in unnecessary increased costs associated with designing for conversion/adaptability.

By limiting the time frame of approved TWAs, amenity quality will be offset against the level of investment.

Recommendation

The Town of Port Hedland does not impose time-limited approvals for TWA.

Developer Contribution Plans

The TWA Strategy indicates a Developer Contributions Plan (DCP) be prepared that establishes an appropriate contribution rate for TWA. CME does not consider the implementation of a DCP targeted at TWA has planning basis and would be inconsistent with the principles of orderly and proper planning.

If a DCP is to be implemented it should not apply exclusively to TWA but must apply to existing and future residents to be fair and equitable, as outlined in State Planning Policy 3.6 - Development Contributions for Infrastructure (SPP3.6). This means the burden of the cost for new or additional infrastructure is shared between the Town (i.e. the Town contributes on behalf of existing residents) and developers (who pay a proportionate contribution for new or additional infrastructure).

CME members greatly value their role in the community with many substantial voluntary community contributions, in addition to the mandatory requirements, being made. Through these contributions, resources companies provide key support to the long-term efforts to help realise the "Pilbara Port City Growth Plan" vision of the Town. These programs support essential health and education service delivery, local government programs, and many other community organisations.

The imposition of additional mandatory provisions in the Strategy may have the consequence of impacting on resource companies' ability to continue to provide the same level of voluntary contributions to the local community, decrease housing affordability and discourage investment.

Recommendation

The Town of Port Hedland reconsider the implementation of Developer Contribution Plan and work to provide more clear guidelines

Location of TWA

The requirement for TWA facilities to be restricted to the Airport-zoned and periphery of South Hedland appears to contradict the objective of integration with existing urban areas. This area is neither urban nor planned to be urban nor does it provide for ease of access to the communal facilities of the townships. The provision to group TWA facilities together in outlying location will not lead to encouraging integration of FIFO and permanent residents.

Recommendation

The Town of Port Hedland does not mandate locations for locating TWA

Existing TWA Facilities

It is noted the purpose of the TWA "strategy is to manage the development of future TWAs within the Town of Port Hedland and understand this to mean the TWA strategy is not intended to apply to existing TWAs nor Precinct 3. Confirmation the changes outlined in the Strategy will not impinge on existing TWA facilities if their approvals and leases were to be extended is required.

Recommendation

Changes outlined in the Strategy will not be retrospectively applied on existing TWA facilities

Conclusion

CME understands the Town of Port Hedland wishes to provide clarity on how it will deal with existing TWA, assess future applications for TWA and the content required for such applications.

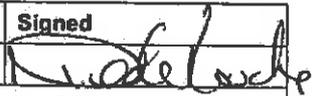
CME considers the conditions contained in the Strategy will impose additional costs for resources projects at a time when the sector is already facing significant costs pressure. Recent increases above CPI in local government rates have added to these costs.

While there have been some improvements from the initial draft TWA strategy, the overall approach is still restrictively prescriptive. Resource companies and related parties have previously negotiated agreements with the Town and been able to reach mutually beneficial outcomes. The current development approval process allows for each proposal to be judged on its merits.

By adopting a formal and prescriptive policy, the Town of Port Hedland may force resource companies to look at different arrangements to meet both the company's and the community's needs and will restrict flexibility in the type of contribution that can be given or requested.

CME would welcome the opportunity to participate in discussions to look at other alternatives that may assist the Town of Port Hedland in achieving its desired development outcomes.

If you have any questions, please don't hesitate to contact Chub Witham, Manager – North West on 9220 8500 or at c.witham@cmewa.com.

Authorised by	Position	Date	Signed
Nicole Roocke	Deputy Chief Executive	22/09/2014	
Document reference	K:\North West\Projects & Issues\Transient Worker Accommodation\ToPH 2014\140808-NW-New ToPH TWA Planning Policy Version 2 Submission-V04.docx		



15 August 2014

Mr Mal Osborne
Chief Executive Officer - Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

ESS SUBMISSION IN RESPONSE TO THE TOWN OF PORT HEDLAND - TWA STRATEGY (DRAFT VERSION 2)

Thank you for the opportunity to provide a response to Draft 2 of the Town of Port Hedland's Transient Workforce Accommodation Strategy. For convenience, we have also included a copy of the response provided on March 31.

The accommodation services provided by ESS at Gateway Village and Port Haven help ensure that the workforce required for local mining and construction projects can be mobilised quickly and efficiently and that the unique needs and demands of these workers can be supported. The design and operation of ESS non-residential accommodation villages centre on the needs of our resource industry clients and their workers and, beyond advising village patrons on local attractions, has no focus on the tourism market. Further, ESS does not build accommodation villages on spec –our villages are constructed to support key clients and projects.

Building and operating facilities such as those in the Port Hedland region represents a significant investment by ESS and a sizeable source of financial revenue and infrastructure support to the Town of Port Hedland. If adopted in its current form, the proposed TWA Accommodation Strategy would have a negative impact on the Town's infrastructure, income and support services and would limit the ability of companies like ESS to invest in the region. We urge you to reconsider several of the proposed principles.

BENEFITS OF TRANSIENT WORKFORCE ACCOMMODATION VILLAGES

The resources industry calls on a diverse and constantly changing workforce with varying skills and experience often for short or intermittent periods of time. In order to construct, operate and maintain these projects it is imperative that a level of flexibility is provided to accommodate and support the fluctuating labour pool. Accommodation Villages such as those operated by ESS and others represent an important element of a comprehensive housing strategy for resource industry workers.



Support Services Worldwide

There are a number of benefits that Transient Workforce Accommodations deliver including:

- The ability to recruit and retain the necessary skilled labour to complete large scale highly specialised major infrastructure projects.
- Increased efficiency of existing infrastructure such as airports, roads and waste water treatment systems
- The ability to meet peak labour demands without placing equivalent demands on a range of family based services including child care, schools and leisure facilities.
- The ability to attract skilled workers who are not considering relocating their family from their existing home environment (Perth, Regional WA , Eastern Seaboard)
- The ability to provide the food and related services necessary to support shift workers with demanding schedules and limited free-time

ESS unequivocally supports the ability of resource related businesses and their employees to make the right accommodation choices for them. The ability to cater to the varying needs of the labour force is key to the continuing prosperity of all.

PROPOSED STRATEGY – PRINCIPLES

Several of the principles included in Version 2 of the Town of Port Hedland Draft TWA Strategy are in line with ESS' current approach to running FIFO style accommodation villages:

- ESS Accommodation Villages are operated to service those involved in the resource industry and are not advertised to the general public who might be looking for an affordable short term accommodation option.
- All residents checking into an ESS accommodation village are required to sign in and abide by a stringent set of village rules governing the conditions under which they are permitted to stay.
- ESS operates our facilities to service the village population and does not actively promote services to the town residential population.

However, there are some proposed principles that do not reflect the reality of roster systems and would materially impact on the ability of village operators to achieve a return on the sizeable investment required to build and operate such properties.

- Imposing a 2 week minimum stay does not take into account the diverse roster systems now operating across the industry and the myriad of situations where employees and contractors may be required to visit sites for brief work tasks or oversight. Excluding client employees based solely on their length of stay or shift pattern represents a significant impact on resource sector employers, employees and village operators.
- Mandating that operational employees must be integrated into the existing urban framework impinges on the ability of employees and employers to decide on the best living arrangements for them. This in turn has the potential to negatively impact on efforts to attract the necessary skill base to participate on projects. Providing a variety of work and living models remains a key tool in attracting talent to work in often physically demanding conditions.



SUMMARY

Servicing the many and varied accommodation needs of resource industry employees relies on access to a range of reliable and cost effective housing options. Given the magnitude of investment required to build and operate such facilities it is imperative that operating frameworks, whilst taking a balanced approach, allow for a viable TWA accommodation sector whilst the demand from industry exists.

ESS appreciates the intent in which the Town of Port Hedland's Proposed Non-Residential Workforce Accommodation Strategy has been drafted and recognises that the large number of FIFO personnel employed in the Port Hedland region presents both challenges and opportunities for the town and region. We welcome the opportunity to engage in an ongoing dialogue around this important topic and arrive at a solution that balances the needs of all stakeholders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Nugent', written over the printed name.

Paul Nugent

Executive Director

Mobile : 0400 126 588;

paulnugent@compass-group.com.au



ESS

Support Services Worldwide

ESS Support Services Worldwide's
response to the Town of Port Hedland's
proposed Non-Residential Workforce
Accommodation Strategy

BACKGROUND

ESS Support Service Worldwide (ESS) has a long association with the community of Port Hedland, with operations commencing in the town in the 1960's. Since that time, ESS has invested heavily in the local area and engaged residents and staff in the activities and day-to-day life of the local Port Hedland community.

As the world's leader in the provision of contract catering and support services to the mining, oil and gas industry, ESS currently operates 70 sites in Western Australia and 105 throughout Australia.

ESS currently operates the following mining FIFO-style accommodation villages or non-resident workforce accommodation in the Port Hedland area:

- **Gateway Village** – this newly constructed 1,200 person village is fully owned by ESS and is servicing the Roy Hill Mining project. Located in South Hedland.
- **Port Haven** – this village is operated on land leased from the Town of Port Hedland. It has capacity for 1,201 residents and, on average, has 700 – 900 people on site at any one time. Located near the Port Hedland Airport.

The accommodation services provided by ESS help ensure that the manpower required for local mining and construction projects can be mobilised quickly and efficiently. Through its management of non-residential accommodation villages in the Port Hedland area, ESS currently accommodates around 1700 mining industry employees in the region.



EXECUTIVE SUMMARY

ESS appreciates the pressures that a large non-residential workforce places on the Town of Port Hedland and its resources and welcomes the opportunity to provide feedback on the Town's proposed strategy to address these planning challenges.

It is our belief that in order to meet the fluctuating labour market within the region there needs to be a variety of accommodation types available to workers. FIFO Style accommodation, such as that provided by ESS and others, is just one component of the necessary infrastructure within the Town of Port Hedland and indeed other resource driven communities. By offering a scalable and highly flexible level of accommodation it represents an integral part of the solution to house the significant number of non-resident workers who are unable to relocate their families to the area. In addition, village style accommodation facilities represent a significant revenue stream to local council.

Whilst ESS believes that an organised, multi-faceted approach to housing workers in the region is entirely appropriate the flow on benefits of an appropriate level of FIFO style villages should not be underestimated.

Benefits include:

- The ability to recruit and retain the necessary skilled labour necessary to complete large scale highly specialised major infrastructure projects.
- Increased efficiency of existing infrastructure such as airports, roads and waste water treatment systems
- Meet peak labour demands without placing equivalent demands on a range of family based services including Child Care and schools.
- The option of FIFO-style accommodation allows employers to attract skilled workers who are not considering relocating their family from their existing home environment (Perth, Regional WA , Eastern Seaboard)
- It is essential that recreational amenities are provided on-site at FIFO-style accommodations given the limited amount of leisure time – approximately 1.5 hours/day – these workers have available and the importance of such leisure time to overall health and wellbeing.
- A minimum of 10 year leases would be required to make any additional investment in accommodation financially viable.
- Design Standards: FIFO-style accommodations are in place to service industry not the tourist market and the marketing of such accommodations would not negatively impact tourism.

A more detailed overview of our position follows.



COMMUNITY SUPPORT

As the operator of a number of sizeable accommodation facilities ESS support a range of local businesses, sourcing a range of local services and products as well as offering employment opportunities to local residents.

- ESS utilise an extensive range of maintenance related products and services including hardware, pest control and equipment hire which are sourced locally
- A fleet of ESS company vehicles is fuelled, serviced and repaired by business within the Port Hedland area
- In addition staff and residents utilise a wide variety of convenience and service based businesses during their rostered time in the area.

ESS encourages its residents and staff to become involved in and support the local Port Hedland community through a number of initiatives including:

- Encouraging residents to shop locally by running a weekly bus from its villages in to the town, in addition to organising transport when markets are on
- Promoting local events such as visiting comedians, bands and carnivals/events to residents on site
- Organising activities in the local area for residents on their days off, including, boating, go-carting and the like

ESS has also demonstrated support for the community via in-kind support of local events and charities, in addition to its employees being involved in fundraising or volunteering activities for organisations such as:

- Royal Flying Doctors Service
- Bloodwood Tree Association
- S.A.F.E. (Save animals from euthanasia)
- Relay for Life
- City to Surf
- Local junior rugby and basketball teams

With extensive continuing operations in Port Hedland and the surrounding Pilbara community, ESS remains committed to the region now and in to the future.



SPECIFIC RESPONSE TO PROPOSED NON-RESIDENTIAL WORKFORCE ACCOMODATION STRATEGY

PROPOSED NON-RESIDENTIAL WORKFORCE ACCOMMODATION STRATEGY: OBJECTIVE 1

Where possible, to integrate non-residential operational industry workforce within existing urban areas/urban framework and thereby encouraging the integration of temporary and permanent residents in Town

FIFO-style accommodations are essential to attracting and retaining non-resident workers and to manage the fluctuating labour market in the Pilbara region.

While efforts should be made to encourage members of the non-resident workforce to integrate with permanent residents of Port Hedland, the provision of FIFO-style accommodation is required and its sustainable development should not be unnecessarily hampered.

FIFO-style or village accommodation allows employers to attract skilled workers to their projects across the country – including regional Western Australia. Employers may have trouble securing personnel without the supply of suitable FIFO-style accommodation, particularly those who are unable to relocate their family from their existing home base.

ESS also believes that to adequately service the fluctuating labour market in the Pilbara region a variety of accommodation types are required. The FIFO-style accommodation provided by ESS offers a flexible solution that can be scaled up and down quickly and efficiently to complement permanent residential accommodation.

PROPOSED NON-RESIDENTIAL WORKFORCE ACCOMMODATION STRATEGY: OBJECTIVE 2

To provide clear time limits on the operation of non-residential workforce accommodation facilities to secure a more permanent and integrated skilled workforce

To make investment in accommodation infrastructure financially viable, a minimum lease period of 10 years increased activity must be established.

The proposed strategy seeks to change the length that leases are granted for non-residential construction workforce accommodation facilities to a minimum of 5-10 years.

ESS has a firm view that leases should be granted for a minimum of 10 years in order to make any investment in accommodation infrastructure financially viable. A period of less than 10 years is likely to discourage investment in accommodation facilities in the region thereby exacerbating accommodation shortages at times of increased activity.



IMPLEMENTING THE STRATEGY: LOCAL PLANNING POLICY

No Communal facilities be made available for public use and workers must make use of local amenities

It is essential that recreational amenities are provided on-site at FIFO-style accommodations given the limited amount of leisure time – approximately 1.5 hours/day – these workers have available and the importance of such leisure time to overall health and wellbeing.

ESS notes the motivation behind the proposed change to the Local Planning Policy but believes such a restriction would undermine efforts to address the overall health and well-being of FIFO workers, an area of great concern. It is vitally important for amenities to be provided to village residents that recognize the limited amount of leisure time available to them on an average day, support overall mental and physical health and alleviate the already high demands on the Town's existing infrastructure.

With most village residents having little or no access to personal or public transport, the proximity of recreational facilities is vital if participation is to be encouraged.

IMPLEMENTING THE STRATEGY: DESIGN STANDARDS

The non-residential workforce accommodation facility may not be advertised to the general travelling public market that would generally stay at a traditional hotel/motel.

FIFO-style accommodation villages are built and operated with the express intent of servicing the resources industry and the marketing of such accommodations would not negatively impact the tourism industry.

FIFO-style accommodation villages are built and operated with the express intent of servicing the resources industry and not the tourism industry. This is evident in the location and design of villages, the services provided on site and the manner in which they are operated.

Commercial entities, such as ESS, should not be restricted in promoting its villages in times of low occupancy and the marketing of such accommodations would not negatively impact the tourism industry given the notable difference in service offerings.



CONCLUSION

ESS appreciates the intent in which the Town of Port Hedland's Proposed Non-Residential Workforce Accommodation Strategy has been drafted and recognises that the large number of FIFO personnel employed in the Port Hedland region presents both challenges and opportunities for the town and region.

We appreciate the opportunity to provide feedback on the proposal as outlined above and welcomes the opportunity to engage in an ongoing dialogue around this important topic.

If you would like to discuss this submission with an ESS representative please contact:
Paul Nugent, Executive Director on 0400 126 588 or via email on paulnugent@compass-group.com.au



Iron Ore



BHP Billiton Iron Ore Pty Ltd
ABN 46 008 700 981
125 St Georges Terrace
Perth WA 6000 Australia
PO Box 7122 Cloisters Square
Perth WA 6850 Australia
Tel +61 8 6321 0000 Fax +61 8 6322 9978
bhpbilliton.com

15 August 2014

Mr Mal Osborne
Chief Executive Officer
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

ICR 49994
File Number: 08/02/001
Int. Correspondent: Mal Osborne + David W

Dear Mal,

**SUBMISSION IN RESPONSE TO THE TOWN OF PORT HEDLAND (TOPH) DRAFT VERSION 2
TRANSIENT WORKFORCE ACCOMMODATION STRATEGY (TWA STRATEGY)**

Thank you for giving BHP Billiton Iron Ore (BHP Billiton) the opportunity to provide the ToPH with a further submission on the TWA Strategy.

We note the purpose of the TWA "*strategy is to manage the development of future TWA's within the Town of Port Hedland*" and it is "*not intended to impact/affect the operations of existing and lawfully approved Non Residential Workforce Accommodation*". We understand this to mean the TWA Strategy is not intended to apply to Port Haven or the proposed Precinct 3 (Airport Village) camp. We recommend that the TWA Strategy make this clear by expressly stating that it is not intended to apply to Port Haven or the proposed Airport Village.

We refer you to our previous submission to the earlier draft Non-Residential Workforce Accommodation Strategy (previous draft TWA Strategy) and attach a copy of that submission and accompanying town planning advice (both dated 31 March 2014).

We appreciate the attempts by the ToPH to consult with industry and other stakeholders in progressing consideration of the TWA Strategy. However, BHP Billiton does not support the TWA Strategy. If the TWA Strategy is progressed in its current form, BHP Billiton will be forced to consider alternatives in how we operate and accommodate our workforce in Port Hedland. This is because the TWA Strategy continues to propose a number of onerous restrictions including:

1. Replacing the definition of Transient Worker Accommodation (TWA) in Town Planning Scheme No.5 (TPS5) with a new definition.

In summary, a TWA land use, if defined in the Scheme, is incapable of being included in another more general land use.

4. Requiring a minimum stay of two continuous weeks.

We maintain any minimum stay requirement is arbitrary, unreasonably restricts our ability to accommodate our workforce and will, over time, result in significant increases in short term accommodation prices.

The previous draft TWA Strategy required a minimum stay of one continuous week. The imposition of a minimum stay of two weeks would impact an even broader range of workforce rosters and in turn have an even greater adverse impact on how we operate the business.

5. Mandating Developer Contribution Plans.

Given BHP Billiton's significant contribution to date and our ongoing commitment to the Port Hedland community we maintain a development by development approach to community benefit/legacy contributions is not the correct approach. If mandated, it would prevent the Company from using its community investment funding to meet this requirement, as that funding is not permitted to be used for purposes linked to any approval. In addition it is not clear whether the Town is proposing the imposition of both Developer Contribution Plans and separate community benefit/legacy contributions.

We suggest an alternative approach the ToPH might consider is to focus on the quality of TWA facilities and how those facilities may be best integrated with the Town.

I would welcome the opportunity to discuss and resolve the concerns put forward in this submission, and would be pleased if you would contact me to arrange a suitable opportunity.

Yours sincerely



Julius Matthys

**Vice President, Corporate Affairs WA
BHP Billiton**

Attachments:

- (1) BHP Billiton submission to the ToPH's draft NRWA Strategy, 31 March 2014
- (2) Advice from Planning Solutions (Australia) on the NRWA Strategy, 31 March 2014

08/02/2011
Eben Butson

Izabela Sandrini

From: Bob Neville <bob.neville@bloodwoodtree.org.au>
Sent: Wednesday, 6 August 2014 3:41 PM
To: Records
Subject: ICR49457 - Submission on Draft Transient Workforce Accommodation Strategy
SynergySoft: ICR49457

Dear CEO, Councillors and Council Staff,

Any strategy to deal with a visiting workforce and the relevant accommodation needs to be thoroughly canvassed in relation to the impact on the permanent population and the Town itself.

Firstly, after reading the Version Two Strategy of the TWA, I was appalled to see that "Operational Workers required for resource industry maintenance requirements" be included.

Next we will be stating that "Operational FIFO" will be a part of the strategy.

The Town needs to firstly consider if the community is happy to approve, not just large finite construction projects as a transitional workforce, but also parts of an "operational workforce" as a transitional workforce. Without impacting on any State Agreements and rights attached to the SGA, the community should (through the Town of Port Hedland) be negotiating local training and employment and local business benefits from all aspects of any workforce, whether construction or operational. With a large unemployment rate within the Indigenous population numbering some 850 registered unemployed, governments (local, state and federal) should be ensuring the local population benefits from both the finite projects as well as the operational side of the business.

Since 2003, the local and permanent population has experienced very little benefits from the decade-long "mining resources boom" centred in Port Hedland.

Basically, if finite construction projects need to be catered for with a skilled workforce (not semi-skilled workers) from an external source then a relevant TWA on land outside of the residential town-sites (e.g. at the Airport) should be utilised.

There should be NO support for any operational workforce from any company being transitional, and the Town should also decide if they either support or not support, more and more workers and positions going outside of Port Hedland while our unemployment rate and unacceptable side-effects of high unemployment goes higher and higher.

Although not within the scope of this Strategy, it has been suggested that one major mining company is about to embark on a development on the edge of the South Hedland CBD and on the peripheral of the residential area to house "operational Fly-in, Fly-out" workers, with the following report:

BHP-Billiton has lodged plans for a markedly downsized worker village than the 6000-person one it had knocked back by the Town of Port Hedland in 2012.

The pictured 'Quattro South Hedland' project has 55 three-bedroom town houses, 12 one-bedroom apartments, eight two-bedroom apartments, two 67sqm shops and 157 car parks.

The project also includes 10 boat parking bays to cater for the recreational aspirations of BHP workers.

If this indeed is a true account of what is happening, then the Town's future is somewhat cloudy. It would be criminal to see our town become a permanent Fly-in, Fly-out facility. As deciphered: **Residency** is the act of establishing or maintaining a residence in a given place. Residency is a concept which heavily affects a the legal

Chloe Speakman

From: Joseph Bav <joebav99@hotmail.com>
Sent: Friday, 11 July 2014 3:23 PM
To: Records
Subject: ICR48891 - TWA - feed back

Dear Sir/Madam,

I do not see the the current need for TWA, while there are over 230 house vacant in the area. In times of high construction demand i agree of a need, however i have seen many towns go down, where councils have agreed on mining camps over first utilising the local homes.

This in turn has created high unemployment locally, and for commercial shop owners to also move out of town.

I know this may be an extreme case, though i hope you have taking this into consideration when outlining the TWA need.

Thank you for allowing me the opportunity to express my concerns.

Joseph



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