



Civeo Pty Ltd
Level 1, 225 St Georges Terrace
Perth WA 6000
GPO Box 2720
Cloisters Square PO WA 6850
[ABN 53 003 657 510](http://ABN53003657510)
[TEL 1300 732 911](tel:1300732911)
[TEL +61 8 9363 8400](tel:+61893638400)
[FAX +61 8 9363 8499](tel:+61893638499)
civeo.com

14 August, 2014

Chief Executive Officer
Town of Port Hedland
Civic Centre, McGregor Street
Port Hedland WA 6721

Dear Mal,

Thank you for the opportunity to comment on the draft Non-Resident Workforce Accommodation (NRWA) Strategy Version 2. As the largest developer, owner and operator of workforce accommodation in Australia we know providing quality, well run, long term facilities benefit regional areas by supporting the economy and helping towns grow and diversify.

The Productivity Commission Report into Geographic Labour Mobility, released on 4 May 2014, concluded that geographic labour mobility, including FIFO, has been an important mechanism for adjusting to the demographic, structural and technological forces shaping the Australian economy and has accommodated differences in the pace of economic activity across Australia and enabled wealth to be more widely distributed across the country. Importantly the report also found that the main factors affecting location decisions were personal and that attempts by government to act in contradiction to them were unlikely to be effective.

Well-developed and operated workforce accommodation facilities also specifically act to:

- Reduce upward pressure on house rentals;
- Reduce speculation which increases house prices, forcing out low and middle income earners;
- Free up housing for residents and families;
- Allow facilities such as hotels, motels and caravan parks to become available for tourists; and
- Provide a cushion to falls in residential property prices during the inevitable downturns in the resources industry market cycle and on completion of major projects.

The Town of Port Hedland (ToPH) appears to be reviewing their workforce accommodation strategy in response to pressure from some hoteliers and tourism organisations at the expense of the resource industry that created and continues to sustain Port Hedland. If future NRWAs are restricted to the extent proposed in the draft NRWA Strategy future resource and infrastructure projects will be compromised. These restrictions also risk the loss of legacy, integration and community contributions.

Whilst it is fitting for the Town to understand the difficulties faced by local businesses it is not the role of planning policy to control how businesses operate and local government must not base decisions on protecting some businesses over others.

At a workshop run by the Western Australian Planning Commission (WAPC) on the 26/06/2014 regarding the need for statewide policy on TWAs it was minuted: *“The WAPC Chairman commented that local government should be wary of discriminating when it came to the users of accommodation (‘social planning’) and focus on land use planning”..... “The determination of TWA applications with reference to the overall supply of commercial accommodation to the market was also noted by the WAPC Chairman to be unlikely to succeed, as this is not the role of planning”.*

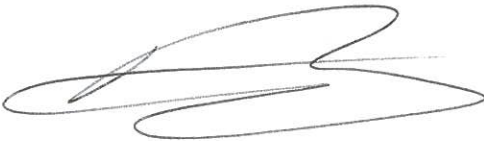
Civeo provided comment on Version 1 of the draft NRWA on 31/03/2014. Our comments clearly pointed out the commercial unviability of the proposed strategy and how it impedes NRWAs from contributing to the growth and diversity of the Town. Unfortunately, Version 2 of the draft NRWA only had minor changes made to a few sections before it was presented for public comment again. Therefore we are largely reiterating the same comments on the Version 2 draft in the hope they will be considered.

Civeo’s position is summarised as follows:

- Well built and operated workforce accommodation facilities that are open to all, integrated with the community, long term and not hampered by over regulation can provide many benefits to the Town and assist in the Pilbara Cities vision of normalization;
- Non-resident workforces are an integral, long term part of the workforce in Port Hedland and regional Australia.
- Any policy or strategy needs to be based on factual evidence and not simply supported by sweeping statements like *“Non-permanent residential workers have a significant impact on the housing supply issues experienced within the Town”*;
- Local policy should not attempt to force people to buy houses by restricting alternative accommodation.
- There should be no restrictions on who can stay at a workforce accommodation facility. Good policy outcomes will not be achieved by seeking to impose limits on the type of workforce that may access accommodation villages. It is neither feasible nor desirable to make distinctions between operational and construction workforces, particularly as evidence indicates that regardless of type of workforce, decisions on FIFO are made by individual employers and employees based on many factors including lifestyle choice and need for availability of skilled labour
- Civeo is opposed to terminology with negative connotations to describe workforce accommodation such as *“Transient”* or *“Non-resident”* or *“Temporary”*. An appropriate descriptor is simply *“Workforce Accommodation”*;
- Development Approval (DA) of workforce accommodation villages should not be linked to a specific project. If the DA of a workforce accommodation development is linked to a specific project, that project will be delayed unnecessarily with the obvious economic impacts including possible project termination. It should be up to developers of workforce accommodation villages to take the risk of assessing potential market demand and to commence the planning and approval process in anticipation of the demand.
- The term of the DA for a facility should not be less than 15 years. This allows the developer to invest in a quality facility that can afford legacy and community contributions while having sufficient time to recoup the investment;

- Civeo generally supports voluntary development contributions to community infrastructure;
- No monitoring of client registers. This is unacceptable to many listed companies because it threatens commercial confidentiality;
- Workforce accommodation facilities should be open and integrated with the surrounding community to share the benefits of the facility with the wider community;
- Services and amenities of a workforce accommodation facility should be made available to the wider community;
- There should be no minimum length of stay restrictions. Placing restrictions on how workforce accommodation can operate is uncommercial and impractical. It is also unreasonable to prevent workers requiring short stay accommodation to be denied the choice of staying at a workforce accommodation facility.
- Civeo supports the WAPC initiative to develop a state wide planning policy on workforce accommodation.

Sincerely,



A handwritten signature in black ink, appearing to read 'Ben Davis', written in a cursive style.

Ben Davis
Development Manager WA
Civeo Pty Ltd

14th August 2014 ToPH NRWA Draft Strategy Version Two.

Comments by Civeo Pty Ltd

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<p>Introduction</p> <p>The demand for non-residential workers is expected to continue. While a proportion of this workforce is accommodated in permanent residential housing in established areas, a large number of workers are accommodated in a variety of short stay and Transient Workforce Accommodation (TWA) facilities throughout the town.</p>	<p>An introduction should set out what the strategy is, why it's needed and what it seeks to achieve.</p> <p>Civeo is opposed to terminology with negative connotations to describe workforce accommodation such as “Transient” or “Non-resident” or “Temporary”. An appropriate descriptor is simply “Workforce Accommodation”.</p>
<p>Non-permanent residential workers have a significant impact on the housing supply issues experienced within the Town as well as the supply and demand for services and facilities. The Pilbara’s Port City Growth Plan (Growth Plan) and Pilbara’s Port City Implementation Plan (Implementation Plan) acknowledges the importance of this workforce section to the economic diversification of the Town and to that end has highlighted the location and nature of current and proposed non-residential workforce accommodation facilities. Section 3 of the Growth Plan high- lights the short to medium term imperative to provide adequate levels of transient workforce accommodation in order to cater for the necessary operational and construction workers.</p>	<p>What is the "significant impact"? Broad foundation statements that are the basis of this strategy and subsequent local policy need to be explained with fact-based evidence.</p> <p>Well-developed workforce accommodation villages are part of the solution addressing the issues faced in regional towns and assist in “normalisation”. Specifically accommodation villages act to:</p> <ul style="list-style-type: none"> • Reduce upward pressure on house rentals; • Reduce speculation which increases home prices, forcing out low and middle income earners; • Free up housing for residents and families; • Allow facilities such as hotels, motels and caravan parks to become available for tourists; and • Provide a cushion to falls in residential property prices during the inevitable downturns in the resources industry market cycle and on completion of major projects.

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<p>Purpose</p> <p>The purpose of this strategy is to manage the development of future TWA's within the Town of Port Hedland.</p> <p>This strategy is not intended to:</p> <ul style="list-style-type: none"> • Impact / affect existing State Agreements and the rights governed by these Agreements; • Impact / affect land subject to mining leases and tenements developed pursuant to the provisions of the Mining Act 1978; • Impact / affect the operations of existing and lawfully approved (under the provisions of Town of Port Hedland Town Planning Scheme 5) Non Residential Workforce Accommodation (TWAs -Transient Workforce Accommodation). 	<p>Workforce Accommodation is integral to the growth and ongoing prosperity of Port Hedland and the Pilbara.</p> <p>Any strategy requires a clear definition of its intent and purpose.</p> <p>The purpose of this strategy should be to encourage well developed workforce accommodation facilities (not restrict) for the benefit of all stakeholders:</p> <ul style="list-style-type: none"> • Project proponents • The developer of the accommodation facility • The occupants • The community • The economy
<p>Transient Workforce Accommodation Definition</p> <p>Transient Workforce Accommodation is currently defined within TPS 5 as <i>“Accommodation intended for the temporary use 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”</i>.</p>	<p>Propose – <i>“Workforce accommodation caters to people requiring accommodation while working in locations away from their primary residence.”</i></p>
<p>The intent of this strategy is to review the definition of TWA's to address non-residential workers staying within a TWA and restricting occupation to:</p> <ol style="list-style-type: none"> 1. Construction workers; 2. Operational workers required for resources industry maintenance requirements. 	<p>Why is it required to restrict occupation to the types of workers?</p> <p>Restricting occupation types is anti-competitive. At a workshop run by the Western Australian Planning Commission (WAPC) on the 26/06/2014 regarding the need for statewide policy on TWAs it was minuted: “The WAPC Chairman commented that local government should be wary of discriminating when it came to the users of accommodation (‘social planning’) and focus on land use planning”</p> <p>Whilst the preference of ToPH that operational workers are permanent residents is acknowledged, this should be achieved by making residential options attractive, not by imposing restrictions on occupants of workforce accommodation facilities.</p>

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	<p>Where possible, workforce accommodation villages should be open for use by all workers from all industry sectors. Such open villages allow workers the opportunity of interacting with people outside their working environment and encourage interaction and integration with the local community.</p>
<p>The Strategy</p> <p>The Growth Plan advocates a balanced and dispersed approach to the siting and location of TWA and the imposition of clear time limits on the operation of these sites to encourage a shift to a more permanent and integrated skilled workforce in the Town.</p>	<p>If the personal view of workers is to not relocate permanently to Port Hedland, trying to force the shift by reducing accommodation options will not work. Port Hedland will subsequently continue to repeat the boom/bust housing cycle.</p> <p>Furthermore, if the time limit is short (<15 years) the facility will be of a low standard at a high cost. This will not endear workers to Port Hedland and further reduce the likelihood of people making the personal decision to relocate permanently.</p>
<p>Location</p> <p>Future Transient Workforce Accommodation facilities are to be located:</p> <ol style="list-style-type: none"> 1. On land identified at the Port Hedland International Airport 2. On land located at the periphery of South Hedland <p>Map A illustrates the preferred indicative locations for future TWA's.</p> <p>Transient Workforce Accommodation facilities proposed to be located on the urban periphery of South Hedland will need to demonstrate a community benefit / legacy. The community legacy may include:</p> <ul style="list-style-type: none"> • Augmentation of physical infrastructure (Roads, Water, Sewer, Power etc) • Monetary contribution toward needed community facilities and projects • Retention of a permanent community buildings and/ or infrastructure at the completion of Non Residential Workforce Accommodation 	<p>Locating all workforce accommodation in a single location on the urban periphery restricts the opportunity for integration.</p> <p>We note and support the dispersed approach as advocated by the Growth Plan.</p> <p>A development approval term no less than 15 years is required to commercially justify any contributions and legacy benefits.</p>

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operations.	
<p>Principles</p> <p>Principles envisaged to be applied to Transient Workforce Accommodation include:</p> <ul style="list-style-type: none"> • Non-residential workforce accommodation can't be leased to customers without an ABN. • The non-residential workforce accommodation facility must render no services to the public that are widely available within the Town such as catering or a public restaurant without the prior authorization of Council. • The non-residential workforce accommodation facility may not be advertised to the general travelling public market whom would normally stay at a traditional hotel. • That space is made available in the accommodation facility's reception area to highlight local attractions, local commercial business, local clubs, events opportunities etc. • The accommodation must not house operational employees in Port Hedland on a permanent basis. The operational workforce must be integrated in the urban framework. • Transient Workforce Accommodation facilities must periodically submit a guest register so that conditions of lease can be verified by the Town. This guest register may be subject of an independent audit / review to ensure they are compliant with their Planning Approval. 	<ul style="list-style-type: none"> • This principle is over-regulation, difficult to monitor and unnecessary. What qualifications should be required to stay at a hotel? • This principle is anti-competitive. If the services offered to the public are attractive, why is that a disadvantage to the public? • This principle is anti-competitive. Workforce facilities are not designed to target the travelling public. If the travelling public choose to stay at a workforce accommodation facility then they should be entitled to have the freedom of choice to do so. • Agreed • Operational workforce should have the freedom of choice to stay where they want. Whilst the preference of ToPH that operational workers are permanent residents is acknowledged, this should be achieved by making residential options attractive, not by imposing restrictions on occupants of workforce accommodation facilities. • Unworkable. Many clients of workforce accommodation require commercial confidentiality. This principle alone will render workforce accommodation facilities unworkable and detrimentally impact the resource industry.

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<ul style="list-style-type: none"> Minimum period of continuous stay is 2 (two) weeks. An exception to this may be to provide for certain resource industry Non Residential operational staff required to undertake operations such as “shut downs”. 	<ul style="list-style-type: none"> Why is this necessary? Placing restrictions on how workforce accommodation can operate is uncommercial and impractical. It is also unreasonable to prevent workers requiring short stay accommodation to be denied the choice of staying at a workforce accommodation facility. There should be no minimum length of stay restrictions.
<p>Typology</p> <p>Temporary Non Residential Workforce Accommodation facilities (similar to existing facilities such as Port Haven, Mia Mia, Gateway Village and Pundulmurra) are to be located in areas identified in Map A.</p> <p>Non Residential Workforce Accommodation facilities proposed to be located within the existing urban framework of Port and South Hedland must be of a permanent nature and its building type must be considerate and in keeping with the existing built environment and surrounding amenity. Permanent buildings of this type will not be classified as Non Residential Workforce Accommodation and instead be defined pursuant to existing land use definitions within Town Planning Scheme 5.</p> <p>The land use definitions may include:</p> <ul style="list-style-type: none"> Grouped Dwellings Guesthouse Holiday Accommodation Holiday Home Hotel Lodge Motel Multiple Dwellings Residential Building Serviced Apartment Short Stay Accommodation Tourist Resort Tourist Development <p>The development of permanent buildings to accommodate the Non Residential Workforce is preferred from an integration perspective as well as from a future</p>	<p>The definition of “permanent” needs to be clarified to distinguish between the residential products around Port Hedland, which include modular and transportable dwellings, and the buildings used in workforce accommodation facilities.</p> <p>Agree with the alternative land use definitions.</p>

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<p>city building vision.</p> <p>The establishment of further Fly Camps will not be encouraged. These construction workers are to be accommodated in NRWA Park or alternate accommodation in Town.</p>	<p>Agree</p>
<p>Timing</p> <p>The intention of this strategy is to provide clear time limits on the operation of Non Residential Workforce Accommodation facilities.</p> <p>A Non Residential Workforce Accommodation facility will provide for any number of beds but be limited to a period of 5 -10 years. The period of establishment can be extended at the discretion of the Town. By failure to accede to a request for an extension beyond 5 years (up to 10 years) may lead to the financial inability of the developer to provide a higher quality development in a shorter period of time. Furthermore, it will also not be conducive to create and maintain a positive perception of the Town.</p>	<p>>15 years is required to make a workforce accommodation facility financially viable. Any shorter will deliver a low cost facility that will need to charge high room rates. This defeats the purpose of facilitating economic growth by hampering the cost of working in Port Hedland.</p>
<p>Non Residential Workforce Accommodation facilities must be able to demonstrate clear links to approved and/or forecast projects.</p>	<p>Workforce accommodation is important infrastructure on the critical path of any major resources or infrastructure project. If Development Approval for workforce accommodation is linked to a specific project, that project will be delayed unnecessarily with the obvious economic impacts including possible project termination. It should be up to developers of workforce accommodation facilities to take the risk of assessing potential market demand and commence the approval process in anticipation of the demand.</p> <p>Failure to have approvals for workforce accommodation in advance of major projects results in any available accommodation being swallowed up for workforce accommodation with the inevitable spike in housing rentals and selling prices.</p>

Implementing the Strategy

The implementation of the Strategy is dependent on the following actions to be undertaken:

Planning Scheme

- Scheme Amendment to TPS 5
- Implementation through the proposed new TPS 6.

The Scheme Amendment needs to incorporate the following:

- Replace the definition *Transient Workforce Accommodation with Non-Residential Workforce /Accommodation*
- Developer Contribution Plan
- Local Planning Policy
- Definition

The Western Australian Planning Commission is considering developing a state-wide policy on workforce accommodation.

Workforce accommodation policy is a matter of State and National significance and should not be developed at local government level where local issues and interests tend to influence policy with resultant unsatisfactory outcomes. It is important to acknowledge that "The Community" is not only the "Host" community; it is also the "Source" community, the State of WA, and the country as a whole.

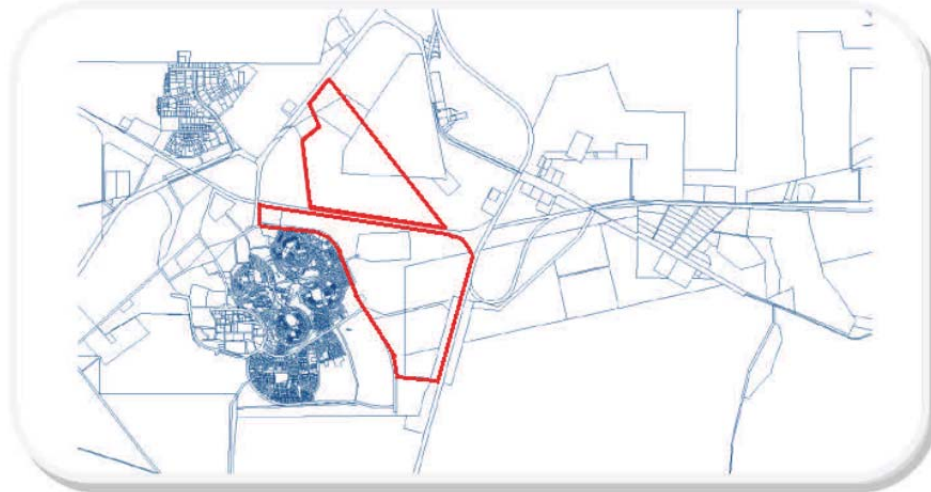
The most applicable definition is simply "*Workforce Accommodation*".

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Preferred Location

Preferred location for Non Residential Workforce Accommodation Facility (Map A)



The proposed locations for workforce accommodations is logical, however multiple small facilities concentrated together in the same location will be difficult to make attractive. Civeo supports fewer but larger, well-built, long term facilities.

In addition, based on the commercial restrictions proposed in this strategy the ToPH cannot expect to achieve a functional, attractive or integrated area that can deliver legacies and contributions to the wider community.

The commercial restrictions are more likely to create an unwelcoming, cheap, ghetto-type of environment that does not promote Port Hedland in a good light to visiting workers. Furthermore, the isolation of the locations mean there will be little or no integration with the broader community and businesses.

Conclusion

Non-permanent residential workers have a significant impact on the housing supply issues experienced within the Town as well as the supply and demand for services and facilities.

While a proportion of this workforce is accommodated in permanent residential housing in established areas, a large number of workers are accommodated in a variety of short stay and non-residential workforce accommodation facilities throughout the town.

This Strategy aims to ensure that appropriate accommodation for this section of the market is planned for and developed in future and at the same time leaving a legacy benefit to the Town.

Must clarify what the “significant impact” is using fact based information.

Agree with the aim to cater for this sector by planning and developing in advance of the requirement. However, linking future workforce accommodation facilities to specific projects means planning consent applications cannot be considered until a project is announced. This places uncertainty and delays on projects and defeats the aim of developing for the future.