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Mr Mathew Bates
Principal Research Officer
Education and Health Standing Committee
Parliament House
Perth WA 6000

30 September 2014

Dear Mr Bates,

Chevron Australia Pty Ltd (Chevron) places the highest priority on the health and safety of our workforce and we welcome the opportunity to make a submission to the parliamentary inquiry into mental health within the fly-in fly-out workforce in Western Australia.

Chevron endorses the submission of the Chamber of Minerals and Energy of Western Australia (CMEWA). We also refer to Chevron's submission and evidence to the House of Representatives Standing Committee on Regional Australia inquiry into Fly-in fly-out (FIFO) work practices ('the Windsor Inquiry').

Chevron Australia

Chevron has been present in Australia for more than 60 years as operator of the Barrow Island oilfield and is a foundation partner in the North-West Shelf Joint Venture.

Chevron leads the development of the Gorgon and Wheatstone natural gas projects which represent over \$80 billion in investment, delivering energy, jobs and economic benefits to Australia for many years to come.

The two projects will generate almost \$50 billion in expenditure on Australian goods and services, create jobs and provide taxation revenues of more than \$60 billion.

Once online, Gorgon and Wheatstone are expected to add more than 40 percent to Western Australia's current domestic gas capacity.

The vital role of Fly-in Fly-out work arrangements

FIFO work arrangements are essential to the construction and operation of Chevron's major projects in remote Western Australia, particularly given the unique characteristics of the Gorgon and Wheatstone projects.

Gorgon

The Gorgon project is located on Barrow Island, sixty kilometres off the Pilbara coast. Barrow Island is a Class A nature reserve and contains no existing settlements. The Island is subject to a stringent quarantine regime and environmental conditions. It would not be practical to establish a residential workforce on the Island or desirable from an environmental perspective. Given these constraints, all of the construction and operational workforce on the Island will be employed under FIFO arrangements.

Wheatstone - Construction

The Wheatstone project is under construction at Ashburton North, approximately 30 km from Onslow which has a very small resident population of around 700 people. During Chevron's extensive consultation prior to the commencement of the project, the community expressed strong concerns about the impact of a large construction workforce on the amenity of the town. As a result, the construction workforce is FIFO and accommodated at Ashburton North.

During the construction phase, Chevron is encouraging the local employment of existing residents of Onslow, and developing the capability and capacity of local enterprise with a view to long-term employment and economic benefits.

Since construction began, the project has spent over \$200 million with more than 60 local Onslow businesses and organisations for site construction contracts and town-based services such as transport, catering, venue hire and general supplies.

Chevron and its prime contractor Bechtel are members of the Onslow Chamber of Commerce and Industry (OCCI) and will continue to work with the OCCI to help build local business capability. Chevron also supports local businesses through our economic development partnerships with RSM Bird Cameron, Many Rivers Microfinance Limited, the Small Business Centre West Pilbara and Industry Facilitation and Support Program grants.

Wheatstone - Operations

For the operational phase, the Wheatstone project's workforce will number approximately 370 and will be a mix of residential and FIFO workers. Chevron strives to provide an attractive work environment and supportive culture for all employees. We operate in a competitive labour market where skilled people (particularly with LNG operational experience) are in high demand. Our commitment to be an employer of choice necessitates an ability to meet the expectations of our employees with regard to work and life styles. A range of residential and FIFO opportunities enable us to attract and retain quality staff.

As the Windsor Inquiry stated,

"...FIFO work practices have allowed many Australians the opportunity to access the wealth of the mining industry without uprooting their families and social networks and, for those

who reside in metropolitan areas, maintaining access to the full amenity that comes with urban living. These work practices can allow both spouses to pursue fulfilling careers and for the FIFO parent – predominantly fathers – to spend large blocks of time away from work to concentrate on full-time parenting.

“Labour and skills shortages mean that employers need to offer a range of work practices, including FIFO in order to attract employees. FIFO work practices can provide expertise to resource extraction operations and, more broadly regional communities.

“FIFO work practices are necessary and appropriate for operations in remote areas and the labour intensive construction phase of resource projects.”

Chevron is also investing more than \$250 million in social infrastructure projects in Onslow which will improve services and facilities, and better equip the town for the forecast population growth.

- health services – Chevron will contribute funds to new health facilities in Onslow, and is in consultation with WA Country Health Service and the State Government.
- community infrastructure – Chevron will contribute funds to a new aquatic and recreation centre. It has already contributed to upgrades to the Four Mile Creek Picnic area including new lighting, toilets, shade and BBQ facilities.
- education services
- airport upgrade
- Onslow road upgrade
- power upgrade
- water upgrade

Mental Health

Chevron places the highest priority on the health and safety of our workforce.

Chevron is well aware of the research which indicates one in five Australians aged 16 to 85 will have experienced a mental illness in any given year and almost half of Australians will experience mental illness in their lifetime.

Chevron Australia therefore has a range of measures to promote and protect the wellbeing of all of its employees.

As the CMEWA submission notes,

The extensive 2012 national Inquiry into FIFO (the Windsor Inquiry) found “No evidence was presented that supported a claim mental health issues were any higher in the FIFO worker population than in the wider workforce.”

Examination of available research does not suggest any significant association between employment in the resources sector and poor wellbeing with a range of recent research finding workers in the resources sector, including FIFO and DIDO workers do not report having a higher prevalence of mental health problems, compared to the general population.

Additionally, employees in the sector report overall satisfaction with the FIFO lifestyle. Research undertaken by Dr Anne Sibbel in 2010 found “both FIFO employees and their partners are within the norms for healthy functioning on the scales and sub-scales of the measures of psychological wellbeing, relationship satisfaction and perceptions of family function”.

In a 2013 national study into factors linked to the wellbeing of FIFO workers conducted by the Centre for Social Responsibility in Mining, Minerals Industry Safety and Health Centre and the University of Queensland a lower prevalence of depression, anxiety and stress was found when compared to the general population.

Chevron measures focus on fitness for duty and employee wellness. In this regard Chevron has developed tools and initiatives that help our workforce to make informed decisions about their long term health, and to develop resilience and coping strategies for various situations.

Fitness for Duty

Chevron’s fitness for duty process contains several elements including:

- The provision of 24/7 in person medical care, including the provision of mental health assessment and services are provided by doctors and nurses on Barrow Island and Ashburton North in Onslow. This is available to all employees and contractors
- assessing medical and functional fitness prior to commencing new roles through pre-employment medicals and/or functional capacity evaluations carried out by an external advisor;
- drug & alcohol testing; and
- return to work assessments to ensure a worker’s safe transition back to full duties after injury or illness.

Employee Assistance Program

The Employee Assistance Program (‘EAP’) is a twenty-four hours a day, seven day a week service which provides Chevron employees and their immediate families with free access to a range of specialist support and information including telephone and face-to-face counselling. This service is provided in complete confidentiality by an independent external provider. The EAP is designed to provide short- medium term counselling assistance to employees for any issue which may be affecting their wellbeing including but not limited to emotional stress, marital or family issues, alcohol or drug abuse, gambling addiction, financial worries, sole parent troubles, poor health, workplace conflict, management issues and anxiety and depression.

FIFO for Families Workshop

Another service offered to employees is Chevron's FIFO for Families Workshop. This program invites employees and their partners to participate in workshops with a small group of colleagues and their partners to:

- meet colleagues and their partners;
- be provided with an overview of the Australian business unit;
- discuss how to remain connected with family and friends to have a quality of life and relationship that transcends your FIFO roster;
- discuss how to make the most of the lifestyle and relationships and what you might need to support these;
- review and plan for your family and relationship needs in the context of your current situation;
- find a common language to talk about your functioning family life, staying emotionally connected and patterns of adjustment for family and friends;
- share FIFO experiences and lessons learned; and
- obtain resources and strategies for further support.

Other services

In addition to direct services provided by Chevron for its employees, Chevron also supports and promotes a number of third party initiatives which support general wellbeing including mental health. These include our support of the 'Act Belong Commit' programme run by Curtin University's Mentally Healthy WA. This programme delivers three distinct programmes aimed at preventing the onset of mental health problems. Chevron Australia employees are encouraged to complete the Act-Belong-Commit Self-Assessment Tool and discover how they can boost your mental wellbeing by getting involved in a range of mentally healthy activities.

Chevron also communicates initiatives around 'RU OK Day' and Mental Health Awareness Week to the workforce.

Contractors engaged by Chevron are done so under the Chevron Contractor Health, Environment and Safety Management (CHESM) framework. CHESM provides a management quality control system for the engagement of contractors, based on Chevron Australia's health, environment and safety expectations. CHESM monitors and tracks contractor's health and safety performance through the life of the contract including qualification, pre-job review, work in progress and end of contract evaluation.

Contractors living at both the Gorgon and Wheatstone construction villages have access to a high level of amenities including ensuite accommodation units, dining facilities, recreational and fitness facilities, including gyms, group fitness rooms, pools, cricket pitches and multi-purpose courts. On Barrow Island a weekly activities schedule is coordinated by a team of 15 "active life coaches" dedicated to developing and running recreation facilities and classes for residents. Wheatstone has a similar activities program.

Conclusion

Chevron will consider any constructive, evidence-based findings from the Committee on improving the mental health and wellbeing of its FIFO workforce. Given the differing and unique circumstances of individual projects, highly prescriptive policy responses are unlikely to succeed. Improved data collection and greater sharing of industry best practices are more likely to deliver meaningful improvements across the resources sector and the broader community.

Yours sincerely,

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

For **Peter Fairclough**
General Manager Policy Government and Public Affairs