Fly-in/Fly-out Work Arrangements: Perspectives on the Pros and Cons

Keith Storey The Harris Centre Memorial University St. John's, NL, Canada

Presentation to Nordregio Forum 2014, *Nordic Bioeconomy and Regional Innovation* 12-13 November 2014, Keflavik, Iceland

Commute employment defined

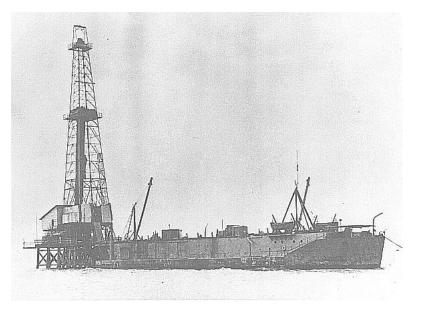
Commuting employment refers to all employment in which the work place is beyond daily commuting distance of the workers' homes such that food and lodging accommodations are provided for them at the work site and schedules are established whereby employees spend a fixed number of days working at the site followed by a fixed number of rest days at home.

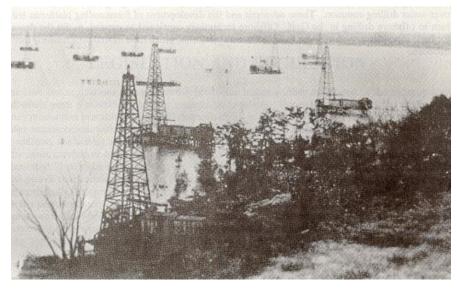
Based on Hobart 1979

Origins of the FIFO Model

Model evolved from 1940s oil industry in Gulf of Mexico

Daily commute from onshore becomes impractical as distance from shore increased





Drilling over water Gulf of Mexico, 1930s

Kermac 16

first offshore drill rig with onboard accommodations 1947 Resource Resource Town

Urban Centre



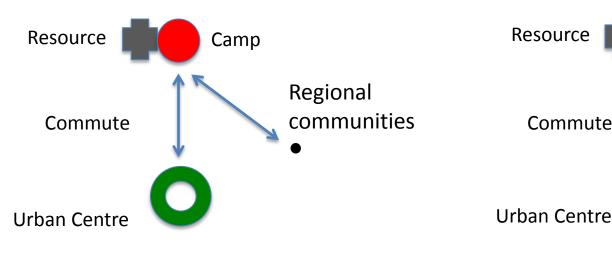
Traditional Model: "New Towns"





Tumbler Ridge, BC - coal





Type 1: Remote camps: No Alternative -Operations

Commute

Camp

Regional

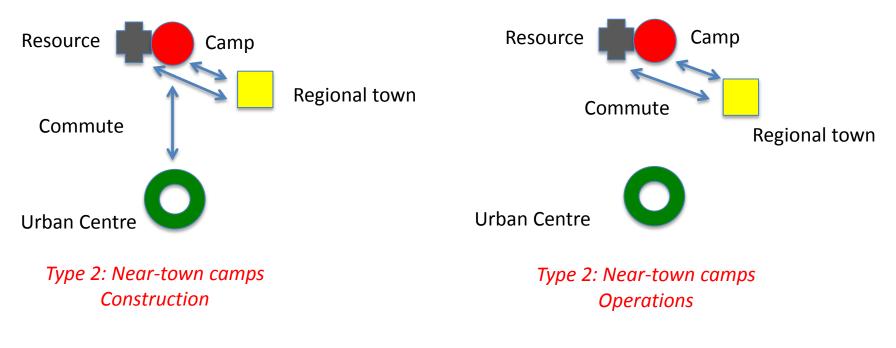
communities

Type 1: Remote camps: No Alternative -Construction





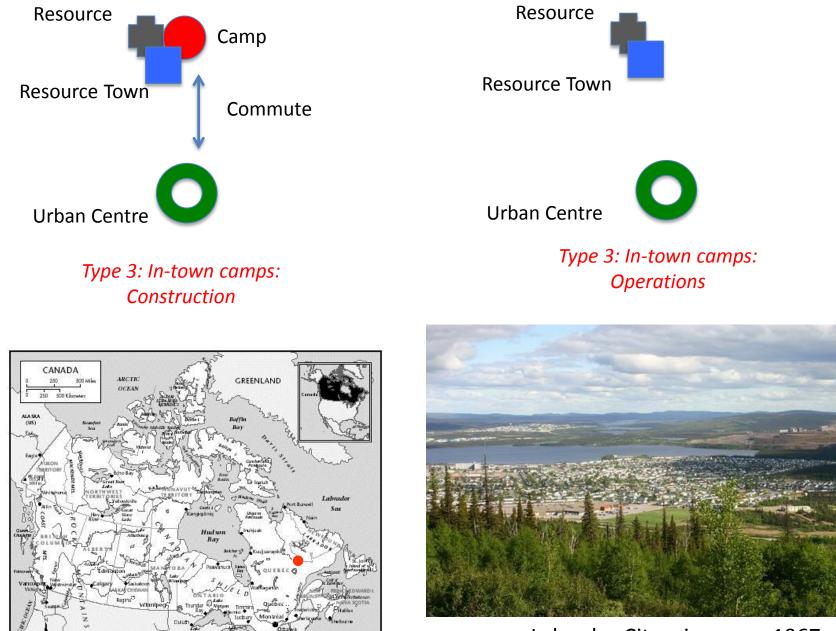
Polaris, NWT 1980-2002 zinc, lead







• Fort McMurray, Alberta – oil sands, 1967-



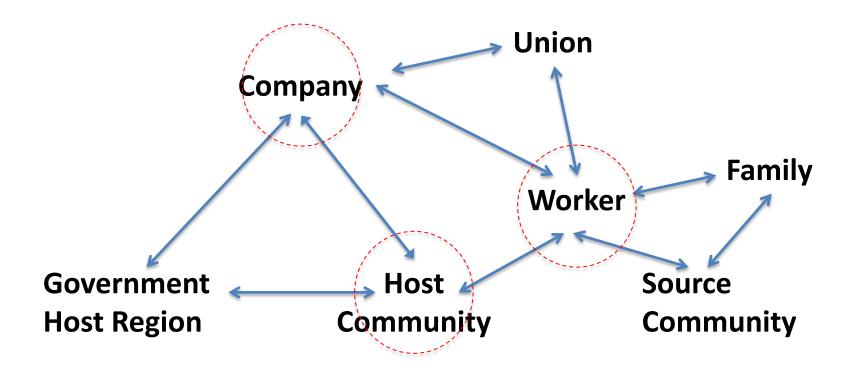
ATLANTIC

OCEAN

UNITED STA

• Labrador City – iron ore, 1967-

Principal FIFO Actors



Pros and Cons of FIFO: Host Community Perspective

Pros

Employment

local opportunities

Wages

- local beneficiaries *Housing*
- local beneficiaries Expenditures
- local beneficiaries *Corporate engagement*
 - donations

Cons

Employment

- local qualifications/union
 Wages
- inequalities, "Dutch disease" Housing
- rising costs for locals *Expenditures*
- "fly-over"/ "fly-through" effects Corporate engagement
 - communications
 - transient workforce

Infrastructure and Services

"free rider" problem

Pros and Cons of FIFO: Worker Perspective

Pros

Employment

 jobs, training, experience, responsibility, mobility, career advancement

Wages

 high rates, lifestyle, expenditures

Rosters

 on-shift focus, off-shift family time

Cons

Wages

"golden handcuffs"

Rosters

family separation, child raising, relationships

Health

- fatigue, recovery time
- personal health practices, health management

Safety

 safety culture, communications, journey to work, turnover

Pros and Cons of FIFO: Company Perspective

Pros

Labour

- access to larger pool
- costs
- on-site control absenteeism, productivity, worker preferences, flexibility (startup, expansion/contraction, closure)

Community

 regulatory requirements, responsibilities

Unions

site access

Cons

Labour

- costs (travel, accommodations, infrastructure), turnover
- *Co-ordination/Management*
 - weather, infrastructure and services, communications, roster hand-overs

Conclusions

- FIFO here to stay
 - will become more important given labour supply issues
- Little attention by provincial governments
 - ones with most ability to fund local community/region costs
- Governments too slow to act
 - companies often act in ways that might not be in best interest of communities/regions
- FIFO preferred choice of many workers cf. relocation
 - place preferences, risk aversion, no cost travel/accommodations
- Pros outweigh cons for most actor groups
 - host communities most likely to see fewest benefits and highest costs



