

## HUMAN RESOURCES

### Case study



### Reducing labour turnover in Australia

Owing to its remote location in the Eastern Goldfields of Western Australia, the Sunrise Dam Gold Mine sources the majority of its labour from the Perth area. Employees have been engaged on a fly-in/fly-out (FIFO) basis, which until recently, in an arrangement common in the Australian Mining industry, followed a roster of 14 days work duty, followed by seven days at home.

The mine has experienced difficulty retaining its workforce and replacing nearly half of its employees each year was proving to be a difficult and costly process. This problem had been exacerbated by the labour shortage in Australia, more particularly in Western Australia where turnover figures at Sunrise Dam reflect the difficulties facing the resource sector as a whole as the availability of skilled labour struggles to keep pace with the resource boom.

In order to investigate ways of ameliorating the difficulties associated with the reality of having employees working in remote locations, AngloGold Ashanti Australia commissioned a study in 2005 and 2006 that explored the trends of FIFO operations. The report emanating from the study established that a 14/7 roster was no longer viewed as competitive when compared with other job opportunities, as employees looked to improve their quality of life. Although the mine facilities were seen as excellent, the roster only allowed employees to return home every third weekend, and the time spent away from family and friends was viewed as significant. The lack of competitiveness of the roster was confirmed by the labour turnover statistics. The 12 month running average to June 2006 was 36% and the annualised turnover for the six month period from January to June 2006 was 44%. These statistics were reinforced by several key people indicating in the study that they were looking for alternative employment that offered a better roster cycle than the 14/7 one currently in place at Sunrise Dam.

A decision was taken in June 2006 to change the roster to eight days on and six days off. Employees who had previously indicated a desire to leave have been retained as they are now more able to maintain a balance between their work and personal lives. The annualised labour turnover figures for June to September had dropped to 10%, an acceptable number for workers in a FIFO operation, with only minimal increases in direct personnel costs.

