



OPINION

# Imported skills build our future

The mining sector needs foreign workers during the construction phase of projects, writes, **Steve Knott**.

**T**he shrill commentary about foreign workers and attacks on individual mining entrepreneurs have reached new heights following Hancock Prospecting's approved enterprise migration agreement (EMA) for its Roy Hill project.

While industry is concerned that it has become commonplace for unions to roll out the same old campaigns of negativity and fear-mongering, this recent migration debate has gone further than the usual recurring misinformation.

Included in some of the statements coming from the Labor movement was Australian Workers Union national secretary Paul Howes's assertion that "Gina Rinehart is our enemy"; and senator Doug Cameron's quip that "Chinese workers are going to be marched onto the job in the Pilbara".

With Roy Hill's EMA covering about 1700 migrant workers, Howes should be reminded that Rinehart's project is delivering more than 6000 jobs to Australians, which deserves some acknowledgement.

There is also no explanation for why Cameron would assume these migrants would be unskilled Chinese workers, apart from the underlying xenophobic "yellow peril" attitudes of such commentary.

Let's focus on the objective facts of this EMA. The Roy Hill project will create 8000 jobs during the peak construction phase, of which up to 22 per cent could be migrant workers under the EMA.

Meanwhile, 2000 training positions have been committed for local workers, and 83 per cent of the \$10 billion capital expenditure for the construction of this project will be spent in Australia to support local jobs and industry. Put simply, the EMA for the construction of the Roy Hill mine will provide a vital

piece of resources infrastructure for Western Australia. But in short, this is not the Gina Rinehart or mining magnate class war issue being perpetuated by some; instead it is a serious skills and investment issue.

The Australian Mines and Metals Association is assisting six major members with their mega-project EMA planning, two of which are at an advanced stage. Properly managed, these will create more jobs for Australians and enhance, not detract from, our nation's economic prosperity. EMAs were introduced for mega resource projects with a capital expenditure of \$2 billion or more and a peak workforce of at least 1500. At the time, it was estimated this would cover between 13 and 20 resource projects.

The point of the EMA program is to allow temporary use of highly skilled migrant workers in the construction phase, in order to get a project to the point where it will provide economic and employment benefits for decades to come.

More broadly, it should be recognised that the use of migration in the resource industry is a very small, but important, part of the solution to address labour shortages.

Outside Western Australia there is very little understanding of the magnitude of the skills challenges facing the resources sector, with a predicted 90,000 shortages expected in the coming years.

Various initiatives and policy settings are in place to fast-track the development of the Australian workforce to ensure the overwhelming majority of these new jobs will be filled by Australian workers.

Resource employers rely only on migrants to fill critical temporary skills gaps that at this stage are

unable to be solved by local supply.

The trade-off here between a small number of temporary migrant jobs and a large number of long-term jobs for Australians appears simple, but the oversimplified and divisive arguments being made by the union movement often mislead the public.

No doubt the arrival of EMAs will foster more myths and mistruths. As a nation we need to move beyond the shallow political discourse following the Roy Hill EMA announcement on Friday and focus on more objective facts: the facts that clearly demonstrate how EMA programs like that at Roy Hill will create long-term sustainable employment opportunities in Australia and promote, rather than threaten, our national wellbeing.

■ *Steve Knott is the chief executive of the Australian Mines and Metals Association.*