

MEDIA RELEASE

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New research launched that shows migrants essential to Australian mining projects

A GROUNDBREAKING research project released today has backed the usage of 457 Visas and temporary overseas workers in the national resource industry, with a body of evidence showing a genuine reluctance for skilled and experienced workers to relocate from Australia's East Coast to remote western locations.

The Edith Cowan University (ECU) study confirms the small but important role temporary overseas skilled workers play in ensuring resource projects are built on time and on budget, leading to increased longer-term employment opportunities for Australians and greater investment security.

In light of the report's findings, national resource industry employer group AMMA is calling for wider acknowledgement and acceptance of these challenges in public and political debate on enterprise migration agreements (EMAs), 457 Visa schemes and temporary skilled migration more generally.

"Government figures show that of the 45,000 new jobs in Australian mining created in 2012, 98.7% were filled by Australian workers. However this industry study demonstrates that temporary migration schemes are still very important to Australia's overall skills strategy," says Minna Knight, AMMA executive director, industry.

"Temporary skilled migration is particularly important in those remote areas of Western Australia where this study identified is very difficult to attract the total number of skilled workers necessary. The study shows many cases where skilled workers based in the eastern states were reluctant to move to the west due to a lack of regional infrastructure and general lifestyle preferences.

"The report also found that the initial cost in sourcing and recruiting temporary skilled migrants can reach \$65,000 per worker, highlighting that employers only go down this path as a last resort to supplement their skilled domestic workforce where significant skills or experience gaps emerge."

Led by ECU academic Dr Susanne Bahn, the study: 457 visa workers in Western Australian resources industry investigates the costs and benefits of employing workers on temporary residence subclass 457 business visas as one mechanism to address skilled labour shortages, particularly in Western Australia.

"Participants indicated that they had encountered reluctance from Australian recruits about relocating to WA, with moving away from family and friends and a lack of social infrastructure among the main reasons," Dr Bahn says.

"The construction phase of the resource projects currently underway in WA relies on a steady supply of skilled and experienced labour from across the country. The representatives interviewed found a shortage of skilled workers in Australia which led them to source temporary workers on 457 visas to top up their labour force for short periods of time.

"Participants in this research recognised many benefits of integrating their local workforce with skilled temporary migrants, such as the transfer of international experience and unique knowledge and skills to the design and construction of Australian resource projects. This ensures Australia remains a world-leader in terms of innovation and technology."

The study identifies three key responses to the issues of skills shortages in the resource industry, including training of Australian workers and development of diverse workforces; greater incentives to encourage workers to move interstate; and the continued use of overseas skilled workers as a short-term solution.

"The resource industry has committed to various workforce diversity and training programs, but with continued demand for skilled and experienced workers in Australia predicted to increase to 90,000 by 2016, employers must be supported in accessing skilled and experienced labour to fill immediate skills gaps," Ms Knight says.

The final report titled 457 visa workers in the Western Australian resource industry was partially funded by AMMA and will be launched at Edith Cowan University, Joondalup Campus at 12:30pm today.

MEDIA: For a copy of the report, <u>click here</u>. For more information, contact AMMA media and communications officer Kylie Sully on 0409 781 580 or <u>kylie.sully@amma.org.au</u>.