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Resource employers call for all hands on deck

Recent confirmation of the Federal Government considering the announcement of a significant reform package to the skilled migration scheme in the forthcoming Federal Budget has been keenly welcomed by resource industry employers across the nation.

Minna Knight, spokeswoman for the resource industry employer group, AMMA, commended the proposed introduction of the Enterprise Migration Agreements (EMAs) saying the new agreements - if approved by Minister Bowen - would be vital in addressing the future labour needs of the sector.

Ms Knight said existing requirements under the 457 labor programme already required employers to make significant contributions towards the training of Australian residents and workers.

"As such, AMMA has some concerns over reports of an additional training levy being imposed on top of existing training contributions as part of the new arrangements," Ms Knight said.

"The last thing we want to see is this Government revisiting the policy failures of the past by reinventing the Training Guarantee Scheme - a scheme where the range of training options narrowed despite their being an increase in expenditure, with compliance and administrative costs soaring for employers and employees being provided with substandard training.

"In addition, AMMA members have significant concerns in relation to some of the hurdles being proposed by unions in order to hinder employers' access to the EMAs.

"Despite the glaringly obvious need for skilled workers, it is disappointing to see some elements of the union movement seeking to place a threshold limit of \$10 billion on the cost of a project before the EMA scheme could apply.

"The reality is such a high threshold level would virtually exclude all but a few major projects, rendering the proposed EMAs completely inaccessible to a majority of resource industry employers.

"At a time when the nation's resource industry employers are calling out for all-hands-on-deck, it's unfortunate to see certain union officials trying to limit the number of projects eligible under the scheme to just a handful," Ms Knight said.

Ms Knight said a threshold of between \$1- \$2 billion in capital expenditure and 1,000 - 1,500 employees at peak construction was a more realistic and acceptable threshold for meeting the definition of a large project.

"This definition would capture the majority of significant resource projects in the pipeline - \$133 billion of advanced projects and \$248 billion of less advanced projects, according to ABARE 2010," Ms Knight said.

"As it currently stands, there are around sixty-five projects in Australia valued at over \$1 billion which could be eligible to be covered by an EMA threshold of \$1 billion. If the CEPU and CFMEU were to have their way, this would in fact be cut down to just 6 projects," Ms Knight said.

Ms Knight said a report to the Federal Government last year identified a potential shortage of 36,000 skilled workers by 2015.

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"Despite the best efforts of both industry and government policy settings to both train Australian workers and encourage people off welfare and back into the workforce, the stark reality facing our nation is we simply do not possess the number of workers needed to do the job.

"Employers have to be able to access overseas workers in order to fill the huge void in the pool of available workers and continue to progress projects which are in the economic interests of all Australians.

"Australia currently has over seventy advanced major resources projects in the pipeline. In addition, there are a further 286 less advanced projects on the books, and our expenditure on mining-related civil construction - including mines, ports, railways and other mining infrastructure - is expected to nearly double between 2010 and 2014 to about \$57 billion.

"Despite this obvious need, rather than taking a long-term view in the national interest, it is disappointing to see unions determined to seek to curtail the number of projects where EMAs could apply, while at the same time entrench themselves into the day-to-day decision making processes of the businesses delivering these projects.

"Resource industry employers would strongly urge the Minister to recognise this union pressure on thresholds and additional levies for what it is - an attempt to create an artificial and unrealistic threshold and impose additional costs that the majority of projects would be unable to meet," Ms Knight said.

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