

Senate Standing Committee on Economics**ANSWERS TO QUESTIONS ON NOTICE**

Resources, Energy and Tourism Portfolio

Budget Senate Estimates

31 May 2011

Question: BR8
Topic: Workers from overseas
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Senator Cameron asked:

Senator CAMERON: If you are intimately involved, let us talk detail. I do not want to get pushed off to the immigration department, because your department is responsible for safety in mining and your department is responsible for productivity in mining, and they are both linked to bringing in workers from overseas. So your department has not made any assessment as to the number of workers who will come to Australia in the next 12 months?

Ms Constable: The work that the taskforce has done is on a medium-growth scenario. I have figures out to 2015: 30,000 construction jobs on new resource projects in every year to 2015, peaking at around 45,000 between 2012-13. The numbers of jobs in mining and gas operations will grow, as I have said, 65,000 to 75,000, taking the sector's direct employment to around 250,000 people by 2015. So, as I said, there are skill shortages—but Australian workers first. We expect that there will be further vacancies in both mining and gas operations of around 10 per cent of employees, more than about 18,000 people, who leave the sector each year.

Senator CAMERON: I am happy to get all those global statistics.

Ms Constable: No; these are Australian statistics.

Senator CAMERON: Yes, but they are global Australian statistics; that is globally. I am interested in how many workers will be coming here in the next 12 months, and you cannot tell me.

Ms Constable: I would have to go back and get those numbers from companies, certainly.

Senator CAMERON: Is that something the department normally does?

Ms Constable: We do not collect numbers of workers coming in. As I have said, that sits with another portfolio; it sits with the Department of employment and workplace relations and the department of immigration. But certainly, to be helpful, we can take that on notice and provide that information.

Answer:

Australia's permanent skilled migration program will total 125,850 people in 2011-12. Whether these workers will work in the resources sector or not will depend on employment opportunities within the sector. Australia's temporary skilled migration program, the 457 visa program, is an uncapped, demand-driven, sponsored visa. This means that the number of temporary overseas workers that will arrive will depend on the number of vacancies that exist that cannot be filled by local labour. In the 2010-11 program year to 30 April 2011, there were 3,020 overseas workers sponsored under the 457 visa in the mining industry. This represents a 55 per cent increase over the same period in 2009-10.

The labour market appears to be tightening, so the Department expects there will be more temporary overseas workers coming to Australia in the coming year. The Department has contacted several companies with major projects at an advanced stage of development (construction underway or financially committed), and the companies that were able to respond collectively estimate that they will require approximately 2,300 skilled temporary migrants during the construction phase for these projects.