
Australia to increase migration for skilled workers

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With 61,500 new operational jobs expected in the Australian mining sector by 2015, as well as tens of thousands more in the construction stages, the industry is facing a skills shortage that far exceeds that experienced in the boom period of 2003 to 2008.

There are currently 75 advanced projects listed by the Australian Bureau of Agriculture and Resources Economics (ABARE). Of the 75, 67 are already under construction. Eight are still to start, but will do so within the next three years. 41 projects are in the energy sector (predominantly coal seam gas/liquefied natural gas), 28 are in mining (predominantly coal and iron ore) and six in mineral processing. Simply put, the Australian resource sector is experiencing an unprecedented level of growth.

Responding to the ongoing skills shortage – across all industry sectors – but driven by the booming resources sector, the Australian Federal Government has announced a range of changes designed to ease migration restrictions.

Key initiatives include an increase in overall migration numbers under the 2011-12 General Skills Migration (GSM) Program, increases in migration numbers for regional areas most affected by the availability of specific skills, and additional funding to reduce 457 visa processing times.

Here, we take a look at each initiative:

Increase in Overall Migration Numbers

The 2011-12 General Skills Migration Program will see an increase of 16,300 places, bringing the overall places available in the GSM to 185,000.

Regional Migration Programs

Specifically aimed to address skills shortages in regional areas, the number of visas available under the Regional Sponsored Migration Scheme (RSMS) will increase by 16,000.

The RSMS allows employers to sponsor employees to work in regional areas on the condition they maintain employment in the specified regional area for two years. Visa applications lodged under the RSMS will also receive priority processing.

At the time of announcement, all areas of Australia were eligible for the RSMS except Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong, Melbourne and Perth.

In an interesting twist and hot off the heels of the Federal Government's announcements, Immigration Minister Chris Bowen declared Perth a "regional city", despite its population of some 1.7 million.

The purpose? To encourage more people to migrate to Western Australia to take jobs in the mining sector, or to replace the workers who have quit their regular jobs for fly-in-fly-out work in the Pilbara, or who have moved north permanently.

Downgrading Perth to 'regional city' status means that employers will now be able to recruit workers abroad under the RSM Scheme, which in turn, provides a more permanent pathway for skilled workers. Unlike the 457 temporary visa program, migrants will not have to renew their visas after four years.

In addition, the criteria for visa approvals have been relaxed. For example, an applicant's English language skills must be at an 'average' of 4.5 on the international testing scale, which is lower than the 'average' score of at least 5.0 for 457 visa applicants.

With Hobart, Adelaide and Darwin already categorised as 'regional cities', it begs the question how long it will be before other capital cities are allowed to join the list – potentially making Australia the world's first entirely 'regional' nation.

In addition, a new program that seeks to bring together employers, local and state governments and unions to address skills shortages was announced under the Scheme. Regional Migration Agreements will be custom created and geographically-based, and will prescribe the occupations and the number of foreign workers that can work in a particular regional area. Participating regional employers can utilise streamlined application processes for temporary and permanent foreign workers.

New Migration Program for Natural Resources Investment Projects

A new program called Enterprise Migration Agreements (EMAs) will be introduced to facilitate the employment of skilled foreign workers to work on major mining and natural resource industry projects having a capital expenditure of more than AUD 2 billion and a peak construction workforce of 1,500 workers.

To qualify for an EMA, project owners need to develop a comprehensive training plan that will demonstrate how the project will invest in improving the skills of Australians to meet future skills needs in the natural resources sector. The project owner will also need to demonstrate effective and ongoing local recruitment efforts.

New Matching System for Skilled Migrants and Employers

The Government will also overhaul how the country selects skilled migrants by introducing the Skilled Migrant Selection Model (the Model), an electronic matching program for foreign workers and Australian employers.

The purpose of the Model is to better match visa applicants with places available in the General Skilled migration program and comprises a two-part electronic system.

First, foreign nationals seeking to migrate to Australia will file an online Expression of Interest (EOI). Secondly, if there is an employer match for the foreign national, he or she will be invited

to apply for a migration visa. Employers in Australia will be able to contact prospective applicants during the EOI stage to explore sponsorship opportunities.

All foreign nationals will be required to use the Model and the EOI process for applications in the independent/family sponsored, State/Territory Sponsored, and Regional Sponsored (provisional) migration categories. Transitional arrangements will be implemented for prospective applicants with existing employers or those who lodge applications prior to the implementation of the new Model.

The Skilled Migration Selection Model is expected to take effect on 1 July 2012.

Additional Funding to Decrease Subclass 457 Visa Processing Times

\$10 million of additional funding is included in the 2011-2012 Federal Budget to address processing delays of Business Long Stay (Subclass 457) visas. It is expected that this additional funding will halve processing times for Subclass 457 visas to a 10 calendar days.

Industry's response to the initiatives has been largely positive with employers specifically welcoming the reduction in visa processing times and the concessional access to semi-skilled foreign workers for regional areas and for large mining and natural resource projects where local labour is in particular demand.

When many of Australia's LNG and coal projects in particular intend to employ fully residential workforces in regional areas, the suite of changes to the current migration program will play a key role in staffing both the construction and operational requirements.

ENDS

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The Resource Channel received the national award for the 'Best Blog Website' at the Australian Web Awards in Perth on 6 November 2010 and was awarded 'Best Industry Job Website' 2011 by Reuters International. The website attracts more than 300,000 visitors per annum.

About Jody Elliott With fifteen years in senior and management roles across human resources, career and organisational development, and recruitment, Jody has held positions at WMC Resources, CSR, Australian Rail Track Corporation, Santos and more recently, three years with BHP Billiton, managing the Nickel West recruitment function. She is a regular speaker at conferences and within media on sourcing and skills availability.