

*The following letter from CFMEU WA Branch Secretary Mick Buchan to the West Australian was published in the print version of the paper on Wednesday 26/09/2012. Since it is unavailable on the newspaper's website, it is reproduced in PDF format here:*

### **I DISAGREE NO LABOUR SHORTAGE**

The Opinion piece (*Resources industry on brink, 25/9*) by Allan Drake-Brockman and Philip Kirchlechner was devoid of any reality, let alone facts.

Their comment that, according to the WA Chamber of Commerce and Industry, 488,500 additional workers will be required in this State by 2020 is laughable. The precise nature of this figure has us intrigued. Why not make it 488,501? So we need what amounts to be a quarter of the State's current population again within the next 12 years to keep projects going?

Was it more than just a coincidence that this piece also coincided with a story from Woodside's managing director, Peter Coleman, about the high costs of doing business in the Pilbara (Woodside boss warns of costs nightmare).

First, they say overseas workers are needed because there's not enough local labour. A hard ask now, given that BHP has mothballed several labour-intensive projects because of depressed world markets, FMG is cutting up to 1000 workers and the high value of the Australian dollar has seen thousands of job losses in manufacturing. Now they've shifted the goalposts by saying it's because costs are too high.

They don't mention that all the financial projections, massive borrowing costs or new loan negotiations by resource companies were based on much higher commodity prices. Who's greedy? Resource companies. Who's to blame? Not the workers.

The answer, according to Messrs Drake-Brockman and Kirchlechner, is to allow a greater number of overseas workers in via enterprise migration agreements to take local jobs and in the process flood the market with cheaper labour.

We don't have a labour shortage, we have a skills crisis brought on, in part, by resource companies contributing nothing to the WA Construction Training Fund. In Queensland and South Australia resource companies pay a small levy to training. Here in WA they pay nothing, yet resource and mining companies are the biggest users of labour.

Many of these resource projects would do well if they considered having better family friendly rosters to attract local workers. Four weeks on and one week off is tearing families apart. Their management certainly doesn't work long rosters.

The article's assertion that the "enhanced role of unions" has contributed to a wages blowout and spiralling industrial action has put Australia's reputation as a reliable supplier at risk is without foundation. Unions do not have unfettered access to workers on major resource projects and Australia is a far more reliable supplier than many other countries where wars are fought with guns and not over wages and conditions.

**Mick Buchan, State secretary, CFMEU WA**