

Sustaining the boom will require 400,000 extra workers

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AN extra 400,000 workers will be needed in Western Australia over the next 10 years if the state is to reap the full benefits of the economic boom.

Despite more than 770 people flooding into the state each week, a report by the WA Chamber of Commerce and Industry found the influx of workers from overseas and interstate was well short of demand, severely limiting the state's growth.

It recommended major changes in areas ranging from federal immigration policy and tax to training up more older workers and the long-term unemployed.

CCI chief John Langoulant said WA did not have enough workers to service the \$100 billion investment already in the pipeline, and the situation would worsen because of the ageing of the population.

The report called for a raft of urgent measures, including increasing Australia's permanent

immigration intake, simplifying 457 visas, extending temporary migration programs, lowering income tax rates to increase the incentive to work and allowing childcare to be salary-sacrificed.

It said overseas migrants accounted for more than 85 per cent of the new workers coming to Western Australia, dispelling claims that huge numbers of workers had been sourced from other states.

While many new workers had arrived, there was often two-way travel, with the net migration less dramatic than the arrivals indicated. The net gain last year was 3760 interstate workers.

The 120-page report said that since the current phase of economic expansion started six years ago, almost 200,000 new jobs had been created in Western Australia. If the same growth rate were to be maintained, another 400,000 workers would be needed over 10 years.

"There is a clear and pressing need to increase the overall population of Australia," the report said.

It said both the number of migrants and the weighting towards skilled migrants needed to be expanded.

It also advocated allocating more places under the employer sponsored migration stream and including semi-skilled workers from a wider range of professions in temporary migration schemes.

The state Government was also urged to do more, accused of failing to fully utilise mechanisms to bring more skilled migrants to WA by nominating people under the Skilled Independent Regional provisional visa and State Territory Nominated Independent permanent visa schemes.

It said WA accounted for just 13 per cent of primary applicant grants under those schemes in 2006-07, compared with South Australia (58 per cent) and Victoria (17 per cent).

If it wasn't addressed, Mr Langoulant said, the labour shortage would threaten the state's ability to deliver major projects on time and budget, and weaken its reputation as a place to invest.