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The Australian mining industry is gearing up to use "pit stop" crews of temporary workers. Picture: File Source: Bloomberg

MORE foreign workers are expected to service Australian resources projects within the next few years as major companies look to save on labour costs.

The Australian mining industry is gearing up to use "pit stop" crews of temporary workers to maintain and service major operations in the nation's north-west.

While teams of overseas workers are already servicing offshore oil and gas facilities, Karsten Gustera, the strategy and developments director of mining services group Logicamms, says many large remote onshore mining operations could soon be maintained by temporary crews rather than a permanent workforce.

"I think in a couple of years time, probably on a five-year horizon, we're probably going to see pit stop maintenance crews coming from overseas to maintain these mine facilities because it's going to be too expensive to get Australian labour," Mr Gustera said.

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"You can either embrace these changes that are coming or you can fight it, in which case you'll probably die as a service provider."

Logicamms organises operational and regulatory work with high profile resources companies such as Rio Tinto and Chevron.

Mr Gustera said the hydrocarbon sector was already talking about using pit stop maintenance crews of overseas workers as cost pressures on labour forced proponents of bigger projects to look offshore.

And some big mining projects were already delivering projects using overseas labour.

"They're disguised as specialists, but in reality they're basically doing the maintenance activities."

Foreign workers would likely be sought for projects valued at more than \$100 million, he said.

Mechanisms were being put in place to simplify the process after billionaire Gina Rinehart's company Hancock Prospecting was granted approval to use foreign workers.


Hancock Prospecting - the only company to ink an enterprise migration agreement with the federal government - recently appointed national workforce services company Skilled to canvass interest from jobseekers for its \$9.5 billion Roy Hill iron ore project in Western Australia's Pilbara region.

Under the agreement, workers must be paid the same rate as Australian employees and operate under the same conditions.

It comes amid sector-wide job losses, after around 900 coal mining jobs were slashed at BHP Billiton and Xstrata's Australian operations last month, while Perth-based iron ore producer Fortescue Metals Group made 1,000 employees redundant in August.

BHP Billiton recently shelved expansion plans for its \$30 billion Olympic Dam project in South Australia and its Port Hedland harbour expansion.

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