

MEDIA RELEASE

October 19, 2011

Soaring labour shortage threatens to cripple resource projects

As recent labour market research shows Australia's \$427 billion worth of resource projects will struggle to survive the crippling labour and skills shortage, resource industry employer group AMMA says only a united front from all tiers of government can alleviate the imminent threat to many prospective workplaces.

Speaking from the Gold Coast at the first of the Queensland Government's Mining and Gas Jobs Expos, AMMA Director Minna Knight is calling on all levels of government to speed up a raft of training and workforce initiatives to address the unprecedented demand for workers.

Labour market forecasting conducted by workforce specialists Pitcrew Consultants shows demand for resources construction jobs alone is circa 40,000 workers in the second half of 2011. In a dire warning for the Australian economy, the analysts' report says the 'hypothetical' call for workers will soon translate into resource companies scrambling for workers to complete large-scale projects.

"AMMA commends the Queensland Government for going above and beyond many other states and taking proactive leadership in supporting the great employment and economic potential of its thriving resource industry," Ms Knight said.

"The example set by Queensland in this instance should be followed right across the country. Before the day is out we will see more than 3500 prospective resource workers from the Gold Coast alone flow through this Mining and Gas Jobs Expo, all seeking ways to connect with the mining boom.

"As it stands there are around \$236 billion of resource projects underway across Australia and a further \$191 billion awaiting the final stages of approval. Pitcrew's data supports what the industry has been saying for many months - that unless we urgently address the worsening labour demand these projects will not come to fruition.

"The data suggests that in Queensland and Western Australia alone, each state's best labour sourcing efforts will only fill the requirements of around half the currently planned resource projects."

Being an attractive residential region with a high unemployment rate, the Gold Coast has been earmarked by industry as a future fly-in, fly-out destination for Queensland mining projects. According to Ms Knight, identifying prospective mining recruitment hubs is an excellent place for other states to start.

"Once the areas that will supply the workers are identified, there needs to be greater coordination between those providing the skills training and tertiary education and organisation's that can place these newly-skilled workers straight into mining jobs," she said.

"Policy and taxation mechanisms should be implemented from all tiers of government that will foster and encourage training and workforce development in every level of resource employment. With 60,000 job vacancies predicted by 2013, government policymakers can no longer take the economic gains arising from Australia's resources projects for granted. Without immediate intervention, some of these projects will simply run out of workers."

Minna Knight is available for immediate media interviews, a high-res image can be emailed on request.

MEDIA CONTACT

Tom Reid, Media & Communications Adviser
M: 0419 153 407 or E: Tom.Reid@amma.org.au