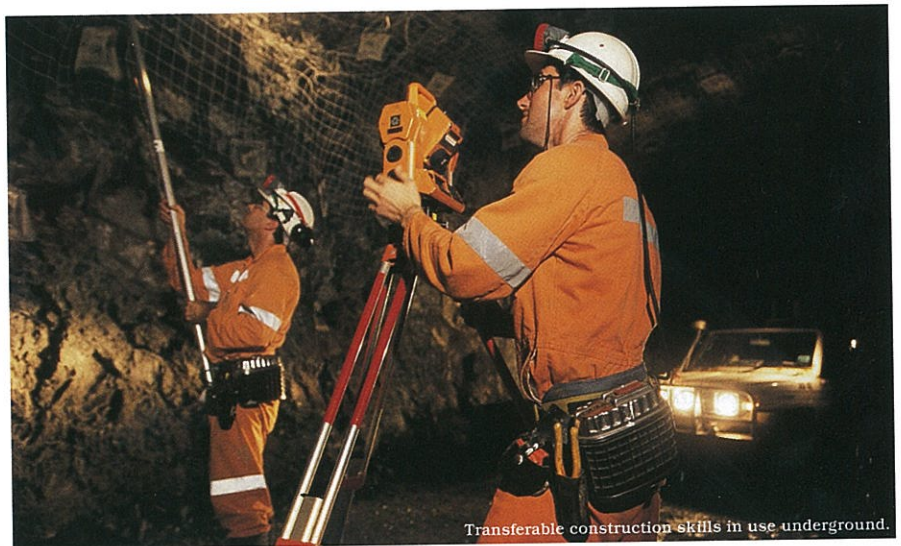


People puzzle far from solved

BY TARA DIAMOND, AUSTRALIAN MINES AND MINERALS ASSOCIATION (AMMA), DIRECTOR OF GROUP SERVICES



There has been great change in the industry's jobs market in the 18 months since national employer group AMMA penned 'The people puzzle' for *Australian Resources and Investment*. Here, Director Of Group Services Tara Diamond provides an update, and says that despite skills challenges easing, the people puzzle remains far from solved.



Transferable construction skills in use underground.

The array of economic commentators buying into the 'doom and gloom' of the resource industry would have us believe that our sector's great period of employment growth has come to an end.

Those within Australia's mining, oil and gas sectors never bought into the 'boom or bust' dichotomy in the first place, and we must not lose sight that our resource industry still contains a record \$446 billion worth of committed projects in the pipeline. Another \$282 billion awaits final investment decision.

In the past five years, the industry has doubled its direct workforce numbers to about 270,000 people, and only in February, the Reserve Bank of Australia estimated 1.1 million people were in employment thanks to the flow-on effects of our resource activities.

Nonetheless, there is no escaping the fact that shifting market conditions have brought an easing of new project investment, and new challenges are

emerging as many construction projects move into the operational phase.

This changing economic climate has diminished the once-insatiable demand for skilled labour, but as your national resource employment experts, AMMA sees the market as merely presenting different challenges and opportunities for both employers and jobseekers.

Skill shortages have become more concentrated

At the end of 2011, AMMA detailed in this publication the skills shortages across every Australian state, particularly for technical trades, engineering and professional roles.

The deferment of \$150 billion of investment capital over the past year has since changed the dynamic of these skills shortages. Rather than a simple easing of skills demand across the country, the effect has concentrated shortages in particular pockets around Australia.

The 'AMMA-Pit Crew Labour Market Index' collates data based on capital investment, project density and labour demand in a state-by-state report.

Highlighting demand against availability, the Index shows that Western Australia and Queensland are no longer choked by formidable skills shortages, despite remaining challenges in bringing top talent to the Pilbara and other remote resource hotspots.

With 35 resource projects in the investment pipeline and the lowest state population, the Northern Territory has emerged as the prime region for mining employment growth. Skills demand is expected to peak at about 5700, but the Territory's availability is likely to be just half of that.

Clearly, the Territory is where opportunity abounds, but our data shows that people seeking a resources career tend to reside elsewhere.

In New South Wales, South Australia, Victoria and Tasmania, the forecast availability of skilled workers is expected to surpass the demand by a collective total of approximately 3500 workers, making these states the ideal market for tapping into surplus talent pools.

Labour mobility will ease recruitment pressure

The dispersion of skilled workers in Australia highlights a need and an opportunity for the resource industry to encourage greater labour mobility.

The biannual AMMA miningoilandgasjobs.com Jobseeker Index recently broke down the traits and trends of potential candidates, including their motivations for seeking resource employment. Roster flexibility features prominently in their responses.

Fly-in, fly-out (FIFO) on a two-week-on, one-week-off roster was rated among survey participants as the most popular work format. This establishes the perfect framework for nurturing much-needed labour mobility on an industry-wide scale.

If our nation can facilitate greater interstate migration of skilled workers, recruitment pressures in Northern Territory and Western Australia resource industry hotspots can be eased, while high levels of unemployment or displaced workers in eastern states can also be addressed.

The Northern Territory in particular will need to draw skilled workers from the states where labour surpluses exist.

Operational roles remain in hot demand

Aside from commodity price fluctuations, the collective easing of labour demand has primarily come from our economy's transition from a great period of investment in new projects and related infrastructure, to the operational phase of our country's mining, oil and liquefied natural gas projects.

Technical trade skills, like specialist welders and boilermakers, will remain in demand, but engineers are still a precious commodity across all stages of the project life cycle.

According to the Australian National Engineering Taskforce, the national demand for engineers is around 13,000, while supply is closer to just 10,000.

In addition to competitive access to talent pools, the student interest in engineering has suffered a gradual decline over the past two decades, with the national participation rate in mathematics and science-based degrees falling from 90 per cent in the early 1990s to just 50 per cent in 2012.

Recent government initiatives to address this include the Australian

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Maths and Sciences Partnerships Program, launched to nurture engineering up-and-comers in secondary schools.

Industry's own upskilling and graduate intake efforts remain more effective for medium-term demand. It's clear that years spent developing cutting-edge HR and training strategies now leave resource industry employers in good stead to boost their skills gaps internally.

Industry training for the future

While the government embarks on an educational restructure, industry-based training is a substantial here-and-now opportunity that the current talent pool is very responsive to accommodating.

The AMMA miningoilandgasjobs.com Jobseeker Index found that information about career development, upskilling and training opportunities rates



Women offer fresh ideas, innovation and skills to the resource industry

very highly among active jobseekers compared to other non-salary benefits.

Our experience has found that employers who invest in workforce training experience higher rates of employee retention, stronger workforce engagement and substantial increases in organisational productivity.

That employers can be subsidised for workforce training makes this option a no-brainer.

Women are a source of fresh ideas, skills and innovation

Tapping into the female workforce is a warranted and shared objective across the resource industry. As Anglo American boss Seamus French recently pointed out at the Australian Women in Resources Alliance (AWRA) Conference, that women represent a valuable source of fresh ideas, innovation and, of course, skills.

In this context, the 30 per cent female response rate for our Jobseeker

Index survey was particularly encouraging. Not only does this response highlight an abundance of motivated women wishing to close the skills gap, but that employer efforts to raise female participation in the industry from 15 per cent to 25 per cent by 2020 are gaining momentum.

Tailoring recruitment campaigns to reflect the statistics

Despite the heat coming out of our industry's recruitment market in recent months, gaining access to a job-ready, ambitious and nationally mobile talent pool remains a complex task.


AMMA's latest workforce tools and surveys demonstrate that careful consideration of shifting market conditions and jobseeker trends is essential.

In addition to exploring emerging state-based recruitment hubs, taking the hunt online will likely yield results.

Jobseekers are tech-savvy, and use social media to seek opportunities, while half combine these efforts with the use of digital jobs boards.

As the only jobs board run by industry, AMMA's miningoilandgasjobs.com is recording around 50,000 visitors per fortnight, each tapping into the 1500 vacant positions on offer.

Indeed, the challenge of overcoming nationwide skills shortages may have recently taken a backseat to pressing economic and operational issues, but solving the people puzzle remains very much a work in progress for many resource employers.

With the ultra-competitive recruitment market of the past three years returning to more normal levels, a greater focus on labour mobility, gender diversity and training will aid the journey toward a more sustainable and productive workforce. 

When you need to find the right people,
we're the kind of people you need.



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