

DFP Mining and Resources Job Index

Introduction

Welcome to the fourth edition of the DFP Mining and Resources Job Index. The November results have shown an encouraging upturn in demand with the Index rising 3.56 points from October to sit at 95.98.

Western Australia continues to represent over half of all national job advertisements in the Mining and Resources sector, enhanced further through the continued decline in advertisements posted in Queensland.

There has been some stabilising of vacancies in the Exploration sub sector for the month of November, following sharp falls since August. The stand out sub sector continues to be Oil and Gas Operations, where roles are up 20% in 5 months.

We welcome all comments and observations. Our aim is to deliver research that is timely and useful to employers, job seekers and those with an interest in the Australian Mining and Resources job market.

National Job Index

DFP Mining and Resources Job Index

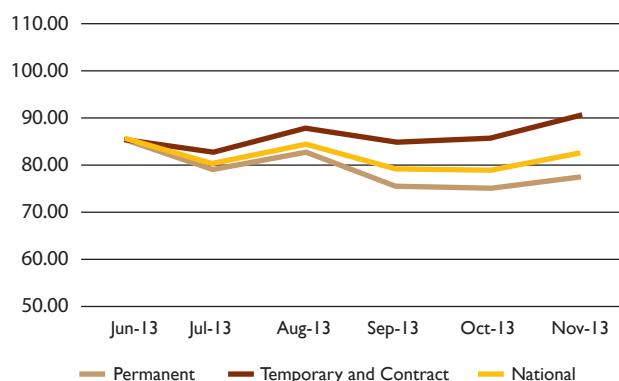


Chart 1: National Index and Job Type Analysis

November has seen an encouraging upturn in demand in the sector with the DFP Mining and Resources Index rising from 91.72 to 95.98. This is certainly a positive sign following a fall in September and a flat October; however the Index still sits 4 points lower than the benchmark of 100 set in June. It must be noted that whilst the data appears positive, Queensland has shown a considerable decline in job advertisements.

One clear outcome from our analysis is very apparent – the vast majority of the growth in vacancies is in temporary and short term contract vacancies where the Index rose from 100.76 to 107.14. This suggests that organisations are returning to the market, however are showing caution by appointing short term contractors ahead of increasing permanent head count. This indicates employers are opting for flexibility in their workforce in this current uncertain market.

State Analysis

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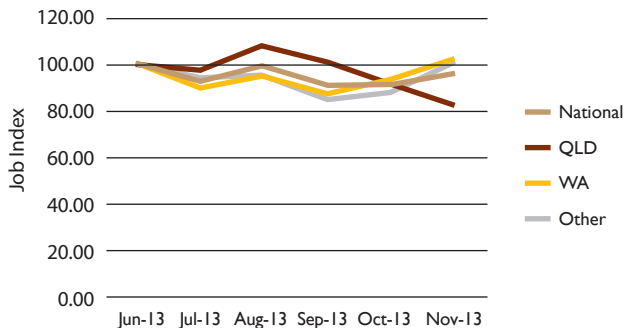


Chart 2: Comparison of State Job Indices against the National Norm

Our data shows the national increase in the Index was not shared evenly. Western Australia enjoyed a 6% rise for the second consecutive month and now sits at 101.76, which is an improvement of just under 2% over the last 5 months.

WA has been assisted with positive gains in opportunities within Oil and Gas extraction, coupled with non metallic mineral mining. In stark contrast, job advertisements in Queensland seem to be in freefall. The Queensland Index fell by 10 points to 82.84 which is 17% weaker than our June reference point. This is largely due to increasing job redundancies and decreasing employment opportunities within the Queensland coal sector.

The graph below provides a breakdown of the proportions of each state and territory:

State Proportions

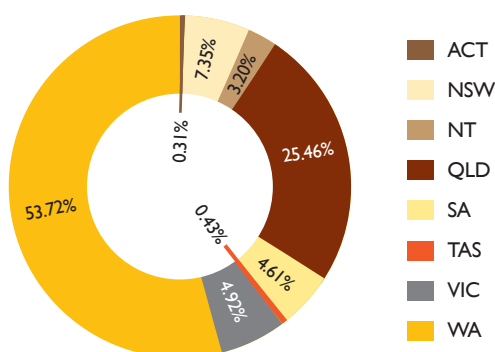


Chart 3: Analysis of Job Advertisements by State and Territory November 2013

In line with the divergence noted above, Western Australia's dominance over Queensland continued and, at 53.72%, sits comfortably at over half of all advertisements in the Mining and Resources industry.

Sub Sector Analysis

Sub Sector Analysis

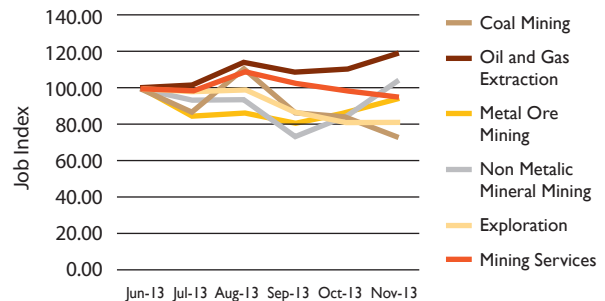


Chart 4: Analysis of Job Vacancies by Sub Sector Over Time

Two trends are starting to emerge within our time series analysis of the Mining and Resources sector. Oil and Gas Operations is the best performing sub sector with the Index standing at 119.28, a near 20% rise in 5 months on the back of continued expansion in the sector.

By way of contrast, opportunities in Mining Services have fallen dramatically, by over a quarter in the same period. It can be argued that this fall can be attributed to the vast transition from "Construction Phase" to "Production Phase".

Likewise, the exploration space remains very subdued at 80.67. The heavy falls of the previous two months were not apparent in November and we continue to be optimistic of increased opportunities within the Exploration segment as confidence returns.

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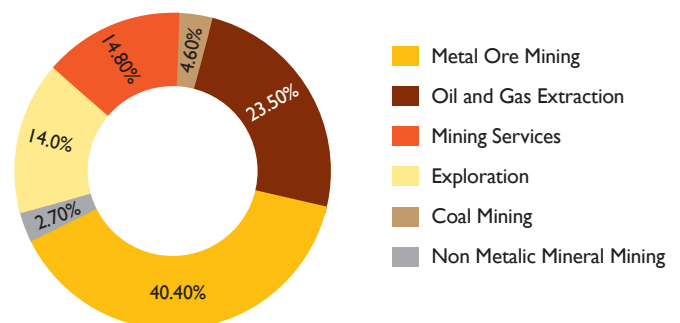


Chart 5: The Proportion of Job Vacancies by Sub Sector November 2013

Job opportunities in Metal Ore Mining enjoyed another increase in November with the Index rising from 86.82 to 94.52, with total opportunities in this segment representing over 40% of all Mining and Resources vacancies. Coal Mining has slipped from 6.1% to 4.6% in five months, which as stated previously had a downward effect on the overall number of job opportunities in Queensland.

High Level Occupational Analysis

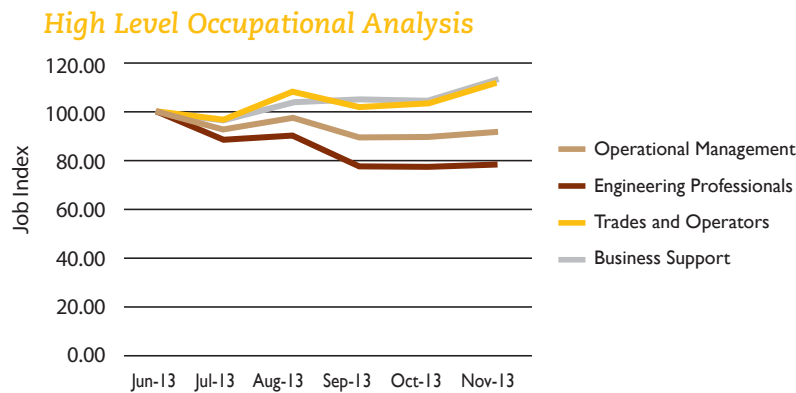


Chart 6: Analysis of Job Advertisements by Occupational Group

November has seen continued stabilisation in both managerial and engineering positions after steep declines between June and September. The recovery is slight, but at least some steadiness will be of comfort to job seekers.

Trade and Operator roles continue to perform very strongly with the Index rising from 104.00 to 112.37. Demand for semi skilled personnel remains strong.

Increases continued in Business Support roles which have risen to 113.01. It appears employers continue to strengthen these functions despite operational management opportunities increasing marginally. This increase may be attributed to job advertisements calling for end of year casual staff to provide leave cover for permanent staff, however we expect this impact would only be marginal.

Operational Management

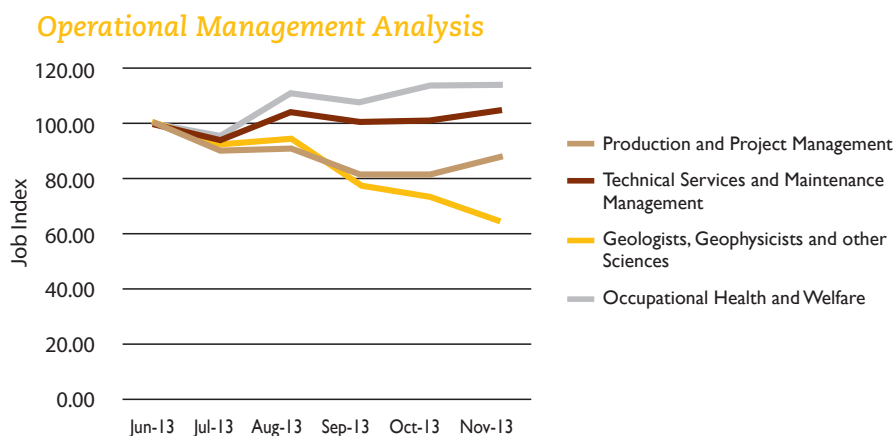


Chart 7: Analysis of Job Vacancies across Operational Management Occupations

The employment opportunities for Geologists and Geophysicists once again have fallen further, with demand for these professionals declining by a third in just 5 months. This trend mirrors the decline in the Exploration sector reported in our industry analysis. All other managerial occupations showed an increase in job postings with Project and Production Management enjoying its first rise since June.

Engineering Professionals

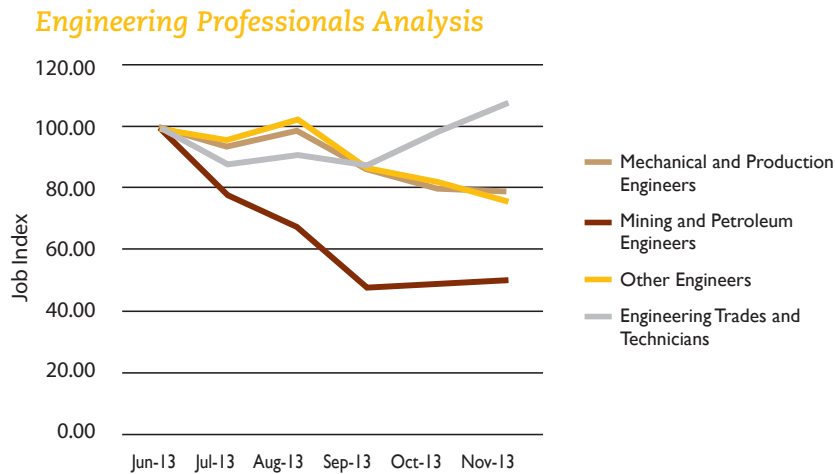


Chart 8: Analysis of Job Vacancies across Engineering Occupations

Last month we reported that the improvement in Engineering roles has been most pronounced in lower skilled trades and technician opportunities. This has continued and the Index sits at an improved 107.11. The other positive signal is another small rise in Mining and Petroleum Engineering roles, which had previously experienced significant decline in our first 3 months of measurement.

Trades and Operators

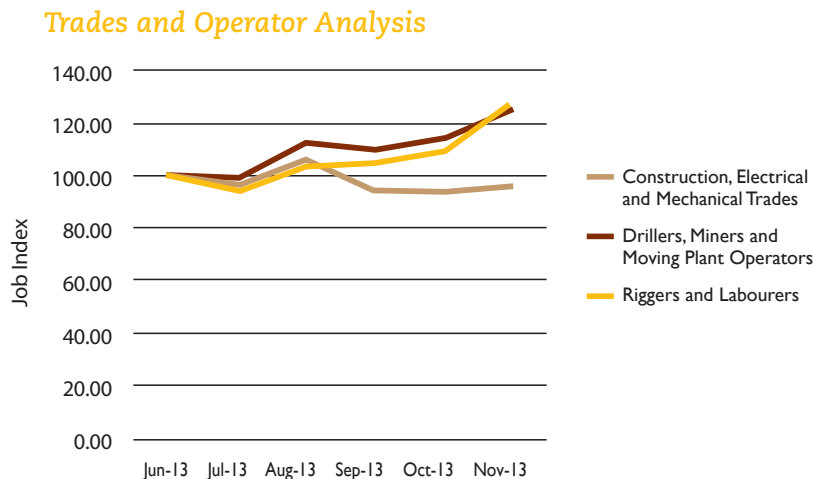


Chart 9: Analysis of Job Vacancies across Mining and Resources Trades and Operators

The DFP Mining and Resources Job Index once again identified job advertisements across Trades and Operator roles, Riggers and Labourers increased considerably for the second straight month. Demand for core operational staff – Drillers, Miners and Moving Plant Operators – rose another 11 points with the Index now at 125.11. This data is in line with increases in Metal and non Metal Mining. The demand for Drillers currently may lead to a flow on effect and an increase in Geology personnel moving forward.