

# Tackling labour challenges in the new resource era



AMMA director of group services, Tara Diamond



**A**FTER TWO DECADES of record investment and employment growth, the next chapter of Australia's resource story will involve easing labour demands as projects shift from construction to production. Australian Mines and Metals Association (AMMA) director Tara Diamond, however, says the skills challenge is far from over.

The latest figures from the Bureau of Resources and Energy Economics (BREE) may indicate that the nation's peak investment period is at an end, but

national resource industry employer group AMMA says Australia's mining sector is far more complex than a 'boom-bust' dichotomy.

Director of group services Tara Diamond describes the current climate as a transitional phase.

"Last month's BREE report revealed more than \$30 billion worth of committed projects had made the transition from construction into the production phase. Rather than call an end to the construction and investment boom, Australia can now expect to enjoy the economic benefits of

increased production and exports for years to come," she says.

"But while many major projects are nearing the end of peak construction, it's important to note that the committed pipeline of new resource projects is still harbouring \$240bn worth of capital investment and about \$210bn in capital is awaiting final approval."

Much of this investment pipeline is attributed to Australia's LNG potential, a sector still in the early days of development. With predicted employment opportunities in LNG alone upwards of 70,000, Diamond

believes Australia's resources landscape and the labour market are simultaneously evolving.

"The labour-intensive construction phase of Australia's new major resource projects has triggered significant change to the skilled labour market," she says.

"A number of workforce planning tools and initiatives have profiled these changes to help resource employers solve labour challenges, both current and forecasted for the near future."

One of these tools, the AMMA-Pit Crew Labour Market Index, collates data on capital investment, project density and labour demand. The latest report indicates that skills shortages have not eased in line with project transitions, but instead become concentrated in particular pockets around Australia.

"Despite being recognised as the bustling resource hubs of Australia, Queensland and Western Australia are no longer besieged by the skills shortages that existed just 12 months ago," Diamond says.

"Competition for skilled labour is still heightened in those states, but the real shortages are emerging in the Northern Territory, where skills demand will exceed 5,200 with availability likely to be just half that."

The data also shows that South Australia, Victoria and Tasmania will likely become prolific sources for skilled workers, where availability is likely to far exceed demand in those states.

AMMA believe this highlights the importance of labour mobility and the use of fly-in, fly-out (FIFO) work practices.

"The distribution of skilled labour can be interpreted as a critical need to stimulate greater labour mobility across the nation, and jobseekers, we have found, are eager to accommodate that," Diamond says.

In the latest 'Jobseeker Index' by resource industry recruitment website miningoilandgasjobs.com, the majority of candidates for skilled work indicated they would partake in FIFO arrangements to

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secure a position with a mining, oil or gas employer.

"In particular, we've found a two-weeks-on, one-week-off roster rotation has proven the most attractive to jobseekers," Diamond says.

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Another key strategy for a more mobile workforce is to facilitate greater involvement of women in a traditionally male-dominated workforce.

Diamond says the average resource industry jobseeker is a trade-qualified man of 42 years of age with 15 years' experience, but the miningoilandgasjobs.com data proves there is a mounting interest from women in a resource career, with a 30% female response rate to the website's survey.

"This strong interest from women marks a healthy direction for the mining, oil and gas sectors, not just for meeting skills gaps, but also for workplace culture," Diamond says.

"Gender diversity has escalated into a top priority for resource employers, for instance the Australian Women in Resources Alliance (AWRA) aims to increase women's participation from the current 15.5% to 25% by 2020."

"Many employers have already taken proactive approaches to women's

participation, establishing parent-friendly, flexible working arrangements, on-site childcare facilities and generous paid parental leave schemes to accommodate the female workforce."

Diamond adds that AWRA's national education campaign, launched last month, is helping to expand the industry's portfolio of gender diverse workplaces with a top-down approach to women's recruitment.

"Having a gender diverse workforce means having a more productive workforce, a healthier workplace culture and a broader source of ideas, innovations and most importantly, skills, which together tackle the challenges currently faced by the resource industry," she says.

"It has become a business imperative to raise women's participation in the workforce, and the opportunities available to both resource employers and jobseekers cannot be ignored."

Like the economic conditions that drive the cyclical nature of the industry, the workforce challenges affecting Australia's resource employers will be forever shifting.

Though a number of major resource projects are moving into the less labour-intensive production phase, the brimming investment pipeline still requires a steady flow of highly skilled, motivated and mobile workers to come to fruition.

As highlighted by AMMA, targeted recruitment strategies that break down geographical barriers and get more women involved in our burgeoning sector is the best place to start.