



MEDIA RELEASE MINERALS COUNCIL OF AUSTRALIA

STRONG INCREASE IN MINERALS SECTOR JOBS BY 2020 – NEW RESEARCH

Employment in the already buoyant minerals sector is set for even stronger growth with a 70 percent increase forecast by the year 2020, in new research commissioned by the Minerals Council.

Professor Sue Richardson, Director of the National Institute of Labour Studies at Flinders University today reported that the minerals industry in the year 2020 will need to employ an additional 90,000 people – a 70 percent increase on current employment levels.

Commissioned by the Minerals Council as part of its new flagship *2020 Vision* project, the report forecasts 6 percent annual employment growth in the minerals sector to 2012 - double the Federal Government's estimate of 3 percent and far higher than previous industry forecasts.

The greatest demand will be in skilled trades with an additional 31,000 people required. Demand for semi-skilled operators will increase by 30,000 and demand for mining professionals will grow by 9,000 or 70 percent on current numbers.

Minerals Council Chief Executive Mitchell H Hooke said the report's findings showed the strength and longevity of the current minerals sector expansion was defying a whole range of predictions and underscored the view that the strong global growth was due to a profound underlying structural adjustment in the economy rather than a traditional commodity boom.

"Australia is expected to largely weather the current uncertainty in global financial markets resulting from the sub prime mortgage problems in the United States and this is because of the strength in global demand for minerals and energy from especially developing countries such as China and India.

"We are confident we are three years into a 'super cycle' of global demand for our products – a decade and more of sustained demand – which some consider could even last twenty years.

"This super cycle of demand is driven by an underlying structural adjustment in the global economy and the global industry, more so than the traditional drivers of the commodity cycles and is like nothing like we've experienced in a generation.

"The strong growth in employment to the year 2020 has the potential to benefit local communities and Indigenous communities in remote and regional areas, where many of our new minerals projects are planned.

The report found that more than half the growth in jobs will occur in Western Australia, Queensland's minerals industry labour force will grow by 50 percent and South Australia's demand for minerals workers will more than double", Mr Hooke said.

The minerals industry already employs 128,000 people directly, with more than 200,000 people employed indirectly in related industries.

The latest ABARE figures show that the industry is set for further expansion with a record \$70.5 billion committed to 97 projects either under construction or in an advanced stage of planning and a further 244 projects planned.

While welcoming the report's findings, Mr Hooke sounded a note of caution.

"The report's findings will place added pressure on an already tight labour market, particularly in the skilled and professional areas of employment. The labour market is already running at capacity and this extra demand will mean it is even more critical that Australia's chronic skills shortages are addressed.

"While the Minerals Council welcomes recent Federal Government initiatives to increase the number of skilled training places and streamline temporary visa applications for skilled immigration, more must be done to expand and reform the vocational education and training system, lift funding for earth science courses in the higher education sector and further increase skilled migration.

"We must make sure that we are able to fully capitalize on the opportunities for all Australians presented by the enormous growth in global demand for minerals and energy", Mr Hooke said.

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