



MEDIA RELEASE

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SKILLS IN DEMAND: THE UPPER SPENCER GULF

Between 2006 and 2010 the major manufacturing and mineral resource processing industries in the Upper Spencer Gulf – comprising Whyalla, Port Augusta, Port Pirie and Roxby Downs – will require an additional 480 tradespersons and 1,800 new employees.

In releasing a new report compiled on the Heavy Industry sector of the Upper Spencer Gulf Region, the Director of the South Australian Centre for Economic Studies, Michael O’Neil said that “the strong demand for skilled labour was due to economic growth in the region, recent population growth and retirement rates of older workers out to 2010.

“And these new jobs do not take into account the massive expansion of Olympic Dam by BHP Billiton or an estimated workforce of 400 persons at Prominent Hill commencing in 2007,” he said.

The Centre for Economic Studies is currently completing a further report on the economic and employment impact of the expansion of the mining sector in South Australia.

Unemployment in the Upper Spencer Gulf region has fallen, employment has increased and there is already evidence of a skills shortage. With fewer younger people entering the labour force, and as the existing workforce ages, then strong demand for young employees is already evident.

Mr O’Neil said “even before students in pre-vocational courses had completed their studies, they were being offered jobs by employers in the region. Recruitment is increasingly competitive with several companies looking off-shore for skilled workers.”

In the conduct of this study, the Centre found evidence of a shortage of university-trained metallurgists, geologists and engineers. There is also considerable evidence of skill shortages for specific trades, namely electrical and electronic engineers, boilermakers/welders, fitters, instrument technicians and mechanics (diesel).

The demand for skilled tradespersons is expected to grow as the mining sector expands their construction and operation workforce.

But even without this expansion the estimated additional demand in the number of trades and related workers required each year and then for the five-year period to 2010 was estimated at:

- Electrical Instrumentation 30 per year (150 over 5 years);
- Mechanical 27 per year (135);
- Construction 24 per year (120); and
- Automotive 19 per year (95).

The study was undertaken for the group of companies clustered under the title Global Maintenance Upper Spencer Gulf (GMUSG) specialising in heavy engineering and an array of maintenance services. GMUSG sought to examine issues related to workforce development, skill requirements into the future and how these could be addressed.

The Centre for Economic Studies noted the initiative of industry in planning for any future workforce needs and the commitment of the heavy engineering sector and the Whyalla Economic Development Board to train and employ local young people in the area.

MEDIA CONTACT:

Mr Michael O'Neil, Director, South Australian Centre for Economic Studies,
Tel: +61 8 8303 5555; Mobile: 0408 812 032.