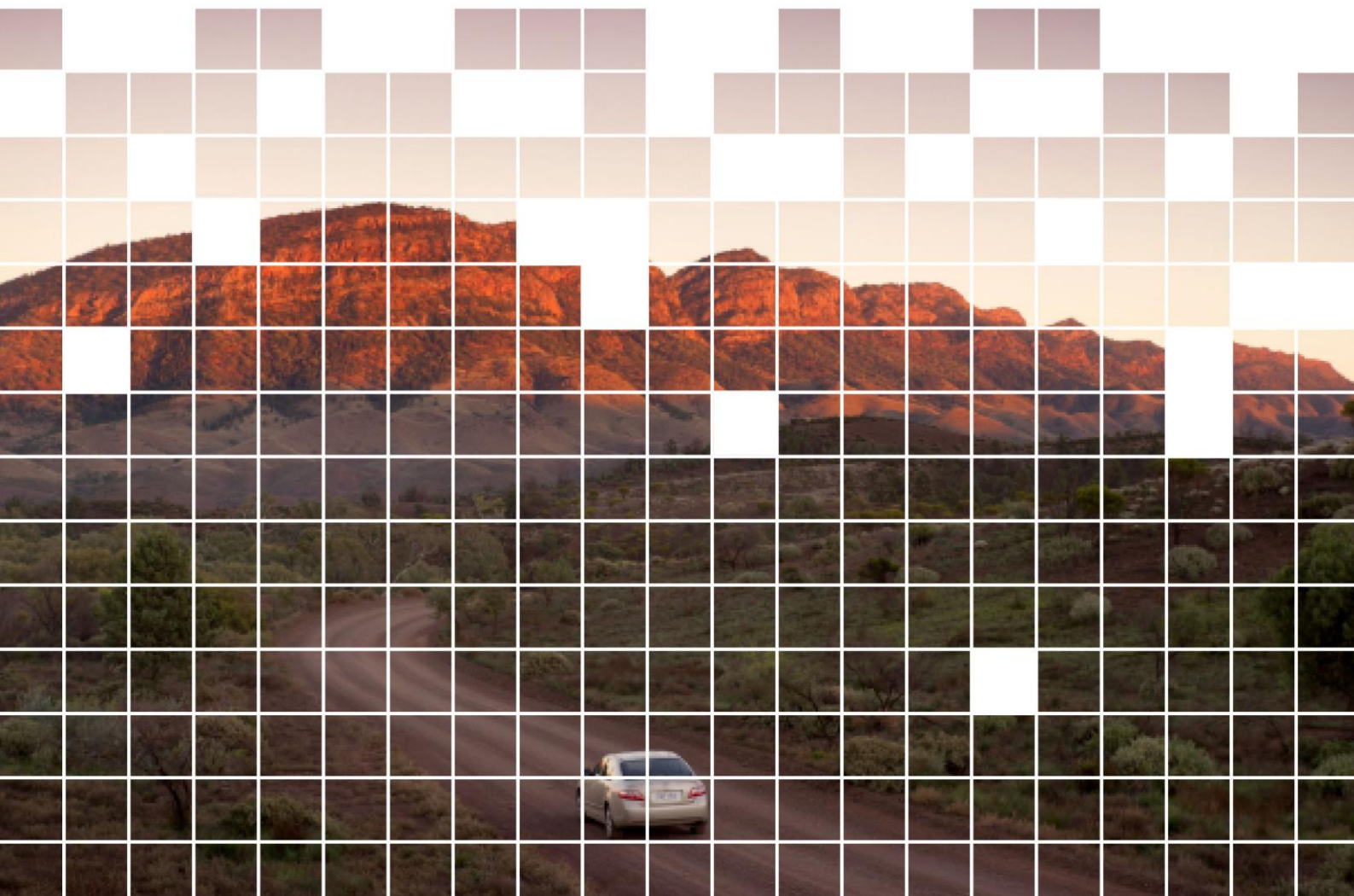


RESA

Capability Solutions

South Australian Resources Sector Hiring Intentions

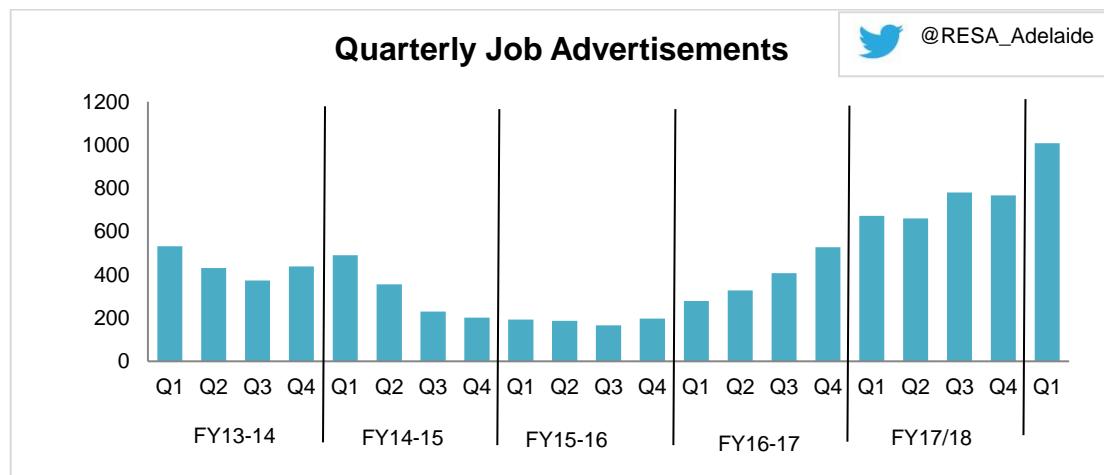
FY 2018-2019: Q1



EXECUTIVE SUMMARY

The [RESA South Australia Mining and Resources Sector Hiring Intentions Report](#)¹ provides a leading indicator of hiring intentions and labour market sentiment. This is the summary for quarter in the 2018 – 19 financial year. In this quarter 767 mining and resources job advertisements were placed for roles in South Australia. In the same period last year 672 jobs were listed and 279 in Q1 2016/17. This result continues to represent consistent positive jobs growth for the sector, since Q4 FY 2015-16. The total job ads are 26% higher than those listed in the same period in FY 2012/13 before the downturn impacted on the sector.

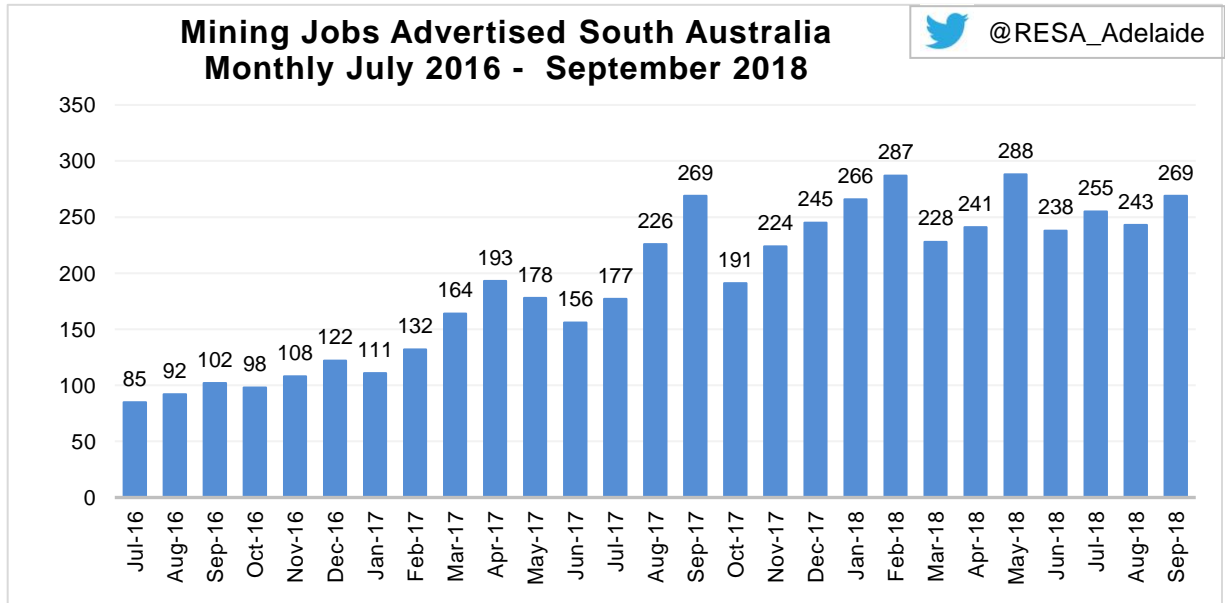
Graph 1



Graph 1 indicates that the hiring intentions of the resources sector in South Australia are increasing from the lows of mid FY15-16 which continues to translate into more jobs and opportunities for South Australians.

¹ RESA monitors online job advertisements for vacancies for occupations in the resources sector based in South Australia. Where a single vacancy is for multiple positions it is counted as one vacancy.

Graph 2



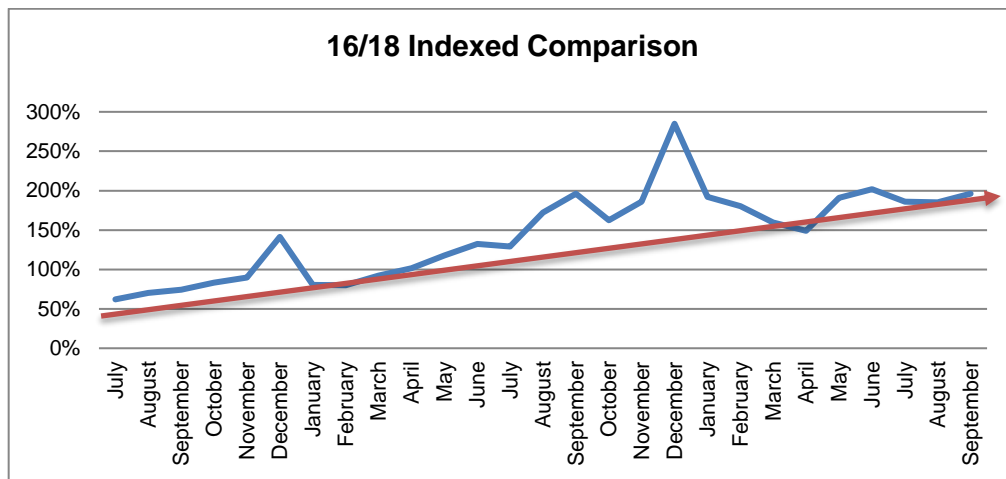
Graph 2 demonstrates strong growth in the numbers of job vacancies from July 2016 to September 2017. In September 2019 the total number of advertisements was equal to the same period last year. This indicates strong ongoing demand for the resources sector.

INDEX DATA

Job Ads analysis for Q1 FY2018-19 indicates that, when indexed in a simple comparison against the corresponding month in the previous year, jobs growth remains positive. Consistent positive growth provides a leading indicator of employment intentions (labour demand) in the South Australian Mining Industry. Although September vacancies this financial year were equal to the same period last year the quarterly results indicate moderate ongoing growth.

When the current FY year vacancies are compared to the FY 2013 – 2015 index, which encompasses the peaks of 2013 and the beginning of the downturn, the number of advertisements has consistently been higher - with September 2018 showing double the vacancies.

Graph 3

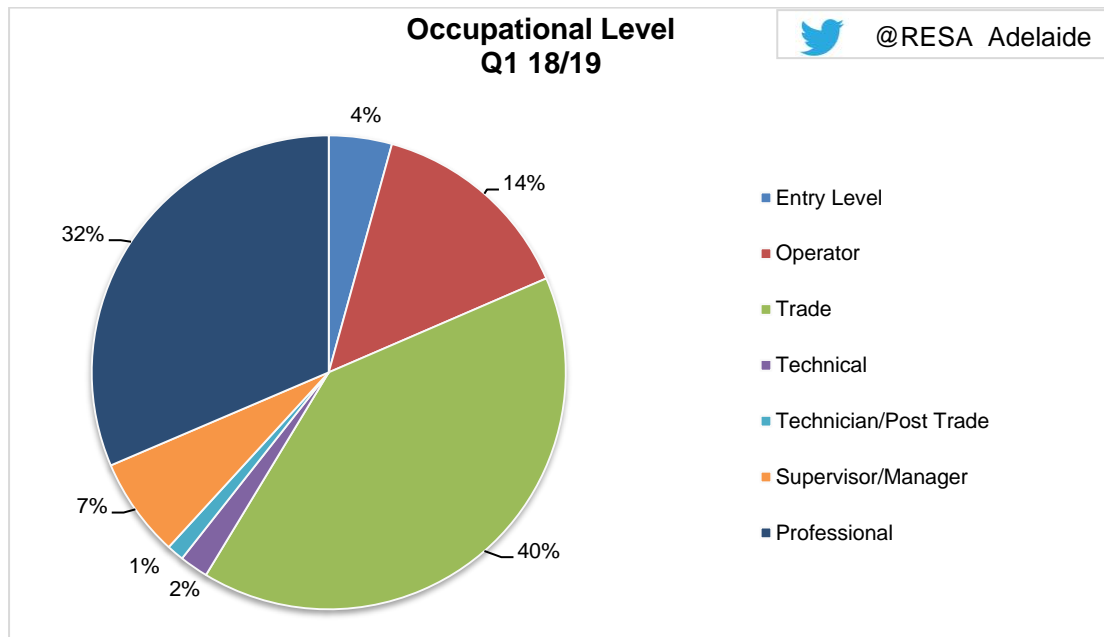


Indexed against 2013 - 2015 benchmark (3 year average)

JOB CLASSIFICATION

Graph 4 shows that in Q1 FY2018-19 trades and professional occupational experienced the greatest job demand. This has seen a shift from operator positions to trades. This is a continuation of earlier indicators that resources projects are moving from planning into construction and development stages and increasing operations, either from new projects or developing existing projects.

Graph 4

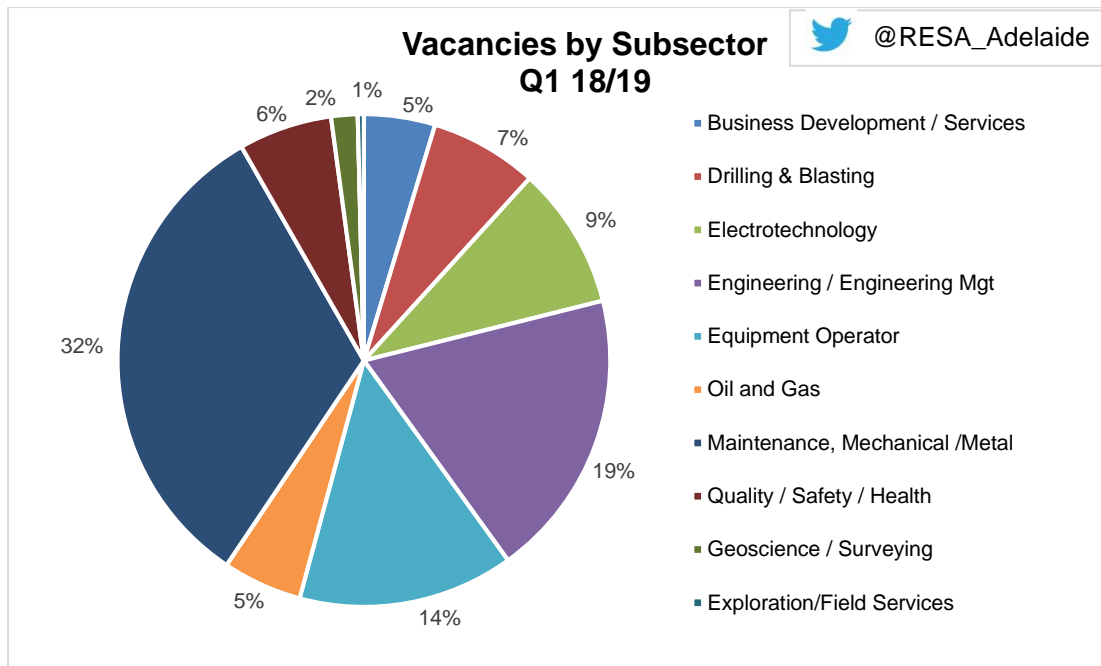


Professional occupations represented 32% of the job vacancies. The predominant subsector for this level occupation is Engineering followed by Business Development / Services and Quality/ Safety and Health.

JOB SECTOR ANALYSIS

Graph 5 provides a breakdown of the industry sub-sector of advertised vacancies in Q1 FY2018-19. The highest demand during this quarter has been in Maintenance/Mechanical job roles, which corresponds with the demonstrated demand for trade level occupations. Engineering occupations and equipment operators were also prominent.

Graph 5



The subsector breakdown below provides some insight into the highest demand occupations within the subsectors of Trades, Drilling and Blasting, and Engineering.



Engineering Breakdown:

142

- Project 15%
- Reliability and Integrity 12%
- Mining 11%



Mechanical/ Metal Breakdown:

173

- Diesel 79%
- Fabrication 21%
- Auto Electrical 9%



Trade Breakdown:

255

- Diesel Mechanics/Fitters 54%
- Electricians 15%



Drilling Breakdown:

45

- Drill Fitters 49%
- Drillers 51%

Engineering represents 19% of total vacancies for the quarter. Project engineers are most in demand, followed by Reliability and Integrity and Mining engineers. Electrical engineers made up 8% of Engineering vacancies.

Mechanical/Metal vacancies remained steady at 32% of total vacancies. Within this subsector the greatest demand was for diesel mechanics/fitters (over half) followed by Electricians (15%), other engineering trades and drill fitters (9%).

Drilling and Blasting demand slightly increased to 8% of overall vacancies. Drillers made up 51% in this subsector, of which most were exploration drillers. It is noteworthy that a vacancy for drillers will usually represent more than one job opportunity.

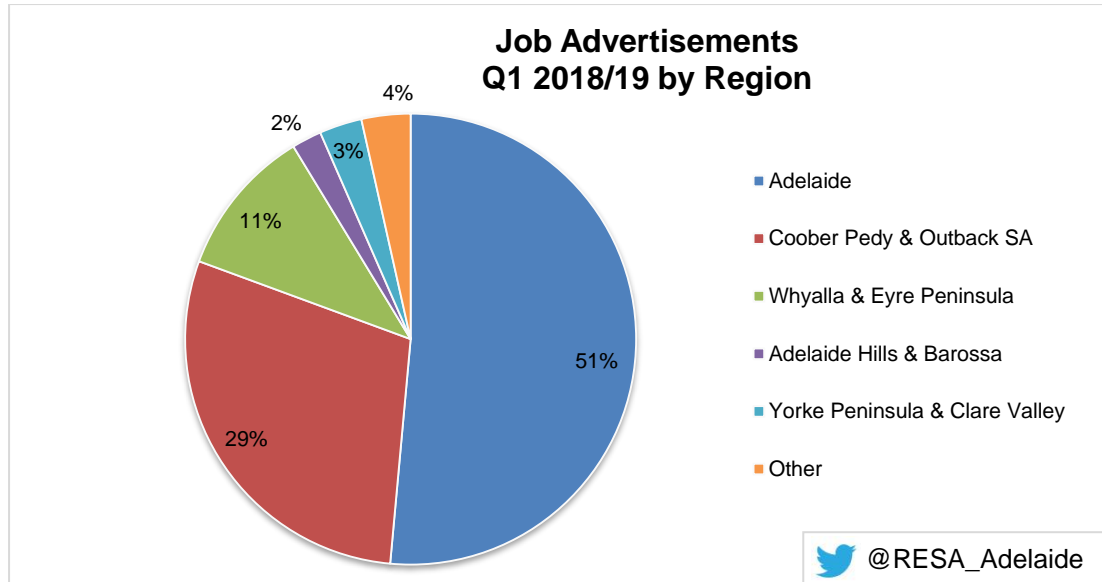
The trade breakdown is based on the job level classification and combines subsectors. In trades the highest demand continues to be for diesel mechanics/fitters followed by auto electricians then other engineering trades (fabrication and welding).

As vacancies continue to be at current levels it will be important to monitor to pre-empt potential skills shortages resulting from the increase in demand. It is also an important consideration in company workforce planning to understand difficult to fill occupations.

LOCATION

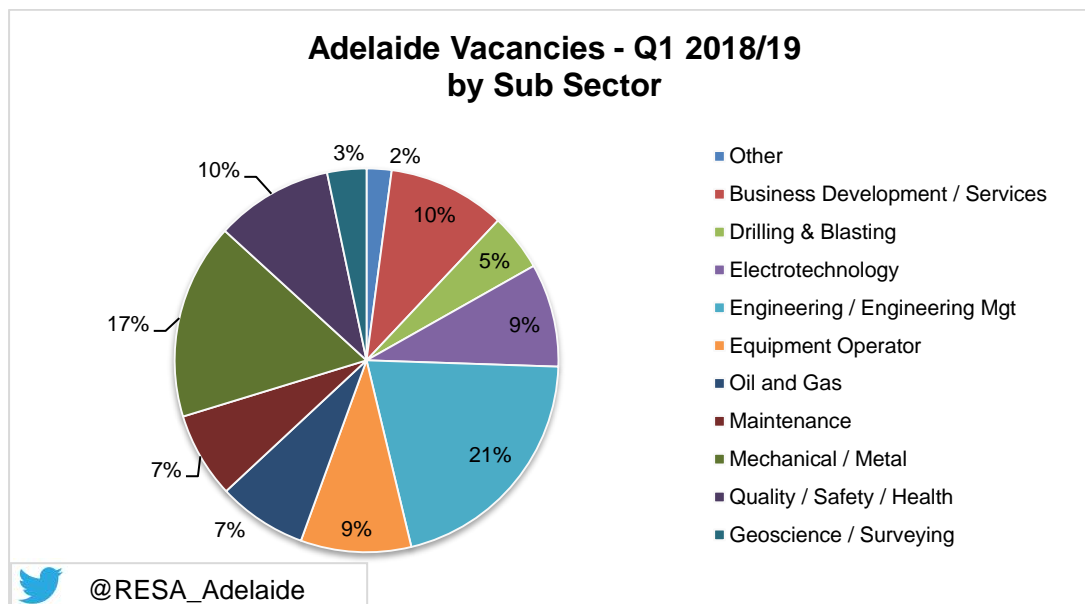
As indicated in Graph 6, in Q1 the majority (51%) of advertised roles were listed in the Adelaide region. Followed by 29% in the Coober Pedy and Outback region. Followed by 29% in the Coober Pedy and Outback region. Followed by 29% in the Coober Pedy and Outback region.

Graph 6



Graph 7 provides a breakdown of Adelaide vacancies by sub sector. Occupations advertised in Adelaide but likely to be undertaken in regional areas (Equipment Operator, Oil and Gas, Maintenance, Mechanical/Metal, Drilling and Blasting) make up just over one-third of the Adelaide vacancies. This reflects FIFO, interstate and intrastate opportunities for South Australians.

Graph 7



CONCLUSION

RESA vacancy data has captured a period of rapid job growth since Q4 2017-18 which has stabilised since mid-2017 at levels higher than at any other period since 2013 when our records commenced.

The highest demand is in the area of engineering, automotive (diesel) and electrical trades. Engineering vacancies have increased with greatest demand in the fields of Project Management, Reliability and Integrity and Mining. This is an important observation as Universities consider their offerings for students in 2019 and beyond as there is currently no pathway currently available for mining engineers in South Australia.

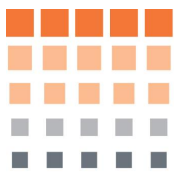
RESA has also observed greater demand for FIFO workers to interstate worksites and jobs requiring relocation, particularly in trade and equipment operator occupations. With wage rates ranging up to \$65 p/h and \$200K p/a this is likely to create pressure to meet the demands and maintain the South Australian workforce for both mining operators, METS companies and other suppliers.

Overall consistency in job demand indicates a robust industry well positioned to continue to provide a range of job opportunities for South Australians.

ABOUT THIS REPORT

The South Australia Mining and Energy Hiring Intentions Report is a quarterly indicator compiled by RESA based upon publicly available data. This report focusses on job advertisements as an indicator of employment trends rather than as a summary of total employment or economic activity in the sector, and as such is intended as a measure of market sentiment.

A monthly jobs report blog is posted at www.resa.org.au/blog. RESA also produce a month eNewsletter which includes a summary and link to the monthly jobs report blog. Subscribe to the eNews at www.resa.org.au/e-news.




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