

**If you want to get ahead, get into mining****By: Rhona O'Connell**

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At Mining Communications' Mines and Money Conference in London in late November a particularly interesting session focused on the skills shortage in the mining industry, the ramifications thereof and the potential solutions. Mr. Errol Muir, the Global Practice Leader for recruitment for Rio Tinto, set the scene.

His opening comment was that it is very hard to get either experienced staff or new graduates in the mining industry and that this is a global phenomenon.

In a recent survey conducted by Macquarie Bank of 1,300 mining executives, a primary conclusion was that the skills shortfall is the key issue affecting profitability.

Furthermore, The Economist publication pointed out recently that in 2006, the first of the "baby boomers" generation are coming towards their sixties and are in some cases heading towards retirement; and that in the United States over the next ten years there will be a 50% increase in the 55 – 64 age group. Of course not all of these are retiring and this of itself is not a global issue, but it serves to highlight that retirement is one of the issues facing the mining industry. It is estimated that in Canada between 14% and 17% of the mining workforce will retire in the next five years, and that the local tar sands industry alone will need another 100,000 workers, while Australia is expected to need another 70,000 in the mining industry over the next decade.

Add this to the rapid recent expansion in the industry, which over the past eighteen months has brought on 62 projects with another 90 committed or under construction, and the scope for talented young miners is considerable. Companies are already poaching staff from one another and, as another speaker, Brian Hosking, pointed out when discussing remuneration levels (q.v.), a recent survey of undergraduates found that two-thirds of respondents believed they would need to change employers to further their careers.

This perception is perhaps part of the other primary problem that faces the industry - that of ignorance. Mr. Muir pointed out that mining is perceived as an "Old World" industry with operations located in unattractive or forbidding areas, and that there are alternative careers for those groomed in traditional mining disciplines, notably in finance.

But the industry can, and does, contain elements of attraction. It can offer global careers with challenging work and some stimulating technical challenges. Levels of remuneration are rising and the increasing focus on intern arrangements between mining companies and undergraduates means that graduates can leave university with minimal amounts of debt.

All is not black, however; there has been an increase in the number of students reading mining engineering in the past two-years albeit from a very low base and the labour pool is starting to widen. High quality graduates are also appearing from India, China and Latin America. Meanwhile Australia has eased its immigration laws with respect to the mining industry in an effort to ameliorate the situation, but this has yet to happen in North America.

Given the attitude of undergraduates in a recent survey held in Australia, it is perhaps not surprising that the government has eased its immigration rules. Among first-year students, less than 10% of geologists and 15% of metallurgists plan to go into mining, but – and this is potentially more significant – 15% of mining engineers plan to go elsewhere.

Mr. Muir concluded by listing the seven attributes that drive attraction and commitment to employment in an industry. Two drive just attraction; i.e. compensation and organisational stability. Two drive just commitment, notably managerial quality, and a collegial approach. Three underpin both: development opportunity; future career opportunities; and respect.

This is a sellers' market; now the universities need to turn out the graduates with the wares to sell.