

Production Manager (Mining)		New South Wales (NSW)
ANZSCO Code: 1335-13	June 2009	
Labour market rating	Shortage	
Comment: <i>Shortages are evident for experienced mine managers and production managers in underground and open-cut coal mining.</i>		

Occupational demand

Demand for this occupation in NSW has been strong over the past two years, with raw coal production (which accounts for more than 75 per cent of NSW mining production) increasing by 4.6 per cent in the year to April 2009, following growth of 2.1 per cent the previous year. Employment across all occupations in coal mines in NSW grew by 11 per cent over the year to April 2009 following growth of 14 per cent the previous year. Although the contract price for thermal coal fell by 44 per cent in March 2009 it remains the second-highest since 1986. The consensus of employers contacted for this report was that activity levels in the thermal coal sector remained steady as mine closures in some areas had been offset by the opening or expansion of other mines. Metalliferous mining activity has been mixed as the price of copper and zinc in the first half of 2009 was well below 2008 prices while the gold price has remained strong.

Occupational supply

Supply to this occupation comes almost exclusively from experienced mining engineers who have completed a relevant certificate of competence. The number of persons gaining such certificates was 21 in 2008, which was well above the average of 14 for the previous five years. Several mining companies contacted for this report stated that they had devoted more resources to internal training in recent years in order to increase the number of engineers with relevant statutory qualifications. The supply rate (annual certificate completions as a percentage of employed mine managers) is 1.6 per cent. While not all persons who gain a certificate of competence work in the relevant statutory position, some mines employ several mining engineers with the statutory qualification so that they can undertake mine manager duties when required.

Employer and industry comments/current labour market

A DEEWR survey of employers and recruitment agencies who had recently advertised for mine managers (including mine production managers) found that 43 per cent of vacancies were filled within six weeks of the surveyed advertisements. Coal mining employers generally experienced the most difficulty in recruiting for this occupation with a number of surveyed vacancies remaining unfilled in the Hunter, Western Coalfields and Gunnedah Basin. Residential positions based in inland towns proved particularly difficult to fill as suitable applicants were sometimes unable to reach agreement with employers over relocation issues. In cases where employers did fill their vacancy they sometimes had to compromise on the experience level they were seeking in order to recruit a qualified person. Employers in metalliferous mining were more successful in filling vacancies. A number noted that the response to advertisements had improved considerably compared with the previous year, with a noticeable increase in experienced applicants from Western Australia. Nevertheless, the consensus was that most applicants did not have sufficient experience in the employer's industry sector and in some cases employers had to recruit promising applicants seeking to step into a management role for the first time, rather than experienced mine managers.

Labour market outlook

The Australian Bureau of Agricultural and Resource Economics (ABARE) expects Australian thermal coal production to fall by five per cent in 2009-10 due to weak demand from Asia. While this may lead to some easing in demand for mine production managers, the training rate for the occupation remains low relative to other engineering professions and supply shortfalls are likely to continue in some areas.