

Resources End of mining boom a challenge for 'entitled' young workers

Reality check for WA's Generation Y

Natalie Gerritsen

Unskilled young West Australians will no longer be able to walk into highly paid jobs as the end of the mining construction boom switches demand from blue- to white-collar workers.

The warning comes as employers claim WA's Generation Y, having never known economic hardship, have a "sense of entitlement" when it comes to jobs.

Years of low unemployment have seen the non-mining parts of the WA economy drained of skilled and unskilled workers, as workers chased the big dollars up north.

Blackburne Property Group managing director **Paul Blackburne** said he was seeing a jump in job applications from those fleeing the resources sector, but many lacked the experience he was looking for.

He said it seemed many young West Australians had a sense of entitlement, born from never experiencing tough

economic times. "We just want people to stay for three to five years, come in every day and work their minimum hours," he said. "We see that as brilliant now, when it used to be just normal."

Mr Blackburne has resorted to sponsoring Irish workers to fill administration roles, and said it was still difficult to find experienced project managers.

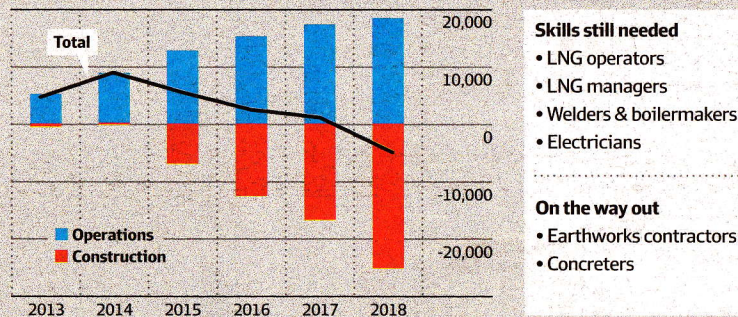
WA's unemployment rate rose to 5.2 per cent in April, according to the Australian Bureau of Statistics – its highest level since February 2010.

The state's labour market has cooled to the extent that mining magnate **Gina Rinehart's Roy Hill** project will likely no longer need the 1700 foreign workers allowed under its controversial enterprise migration agreement.

A number of project deferrals and cancellations, like **Woodside Petroleum's** \$45 billion Browse natural gas project, mean the end of the labour-intensive construction phase of the resources boom has come earlier than previously anticipated.

What's in, what's out

Mining workforce breakdown (headcount above/below 2012 level)



SOURCE: CME

WA Chamber of Commerce chief economist **John Nicolaou** said the resources sector slowdown was a direct result of labour shortages driving up costs. He said the transition from construction to operation would see a shift away from the blue-collar domination

of previous years.

"You'll now see a trend away from blue collar to a more balanced profile," he said.

Labour forecaster **Peter Dyball** said while opportunities in concreting and earthworks would shrink, demand

would grow for higher-level skills.

"Where it's going to get interesting is the need for liquid natural gas operators and managers, which take a high level of experience," he said.

"There's only seven LNG trains in operation right now. In five years that will grow to 21. The pool is not that deep."

Mr Dyball's company Pit Crew is used by major miners such as Rio Tinto to plan their future labour needs.

He said some trades, like boiler-making and welding, would remain in high demand over the next few years.

"Most of the major LNG and minerals projects that are continuing are at the same phase, so the demand for those workers will happen at once."

WA Housing and Mines Minister Bill Marmion told *The Australian Financial Review* last week that he hoped construction workers would return to work building houses in Perth, to help take some heat out of the residential market.