



## Media Release

# Mining growth to slow without strong leadership, warns LIW global consulting

(Sydney – 30 August 2011) – Mining growth in Australia and Africa could slow if their respective governments and mining industries continue to ignore the importance of the human capital needed to facilitate growth in this sector, said LIW global leadership consulting CEO Pia Lee in the lead up to this year’s Africa Down Under Conference in Perth.

Ms Lee said politicians and the mining industry appear focused solely on business links and investment at the potential expense of the human capital development needed to facilitate growth in this sector. She said the key question is how to effectively develop the leadership and existing human capital at all levels of a mining company’s operations and to work within a highly technical and evolving sector.

“ABARE states that the combined capital expenditure of Australia’s advanced minerals and energy projects was a record \$173.5 billion in April 2011. Treasury estimates the mining boom will produce a windfall of \$30 billion for the government in the current financial year. The Minerals Council of Australia estimates there are \$140 billion worth of projects underway or planned in the minerals sector alone. This is likely to expand past traditional supplies like iron ore and coal to include materials required by sustainable energy producers to manufacture products like batteries (solar) and turbines (hydro) and on into rare earths.

“While the volume of job opportunities in this sector has risen significantly over the last 12 months and the demand for skills exceeds the supply of professionals, there is a growing gap between the required and existing volume, composition and competence of the mining workforce”, according to

the Michael Page Mining and Resources Salary & Employment Forecast 2011. In Australia, this is exacerbated by local conditions such as a 'hot' labour market with inflated salaries and mobility.

"There is a complex inter-dependency between partners, competitors, suppliers and geographies in this sector. There is also the added pressures of meeting 'sovereign' issues like environmental legislation, carbon pricing and resources taxes."

Ms Lee said a significant part of the human resources strategy in the mining sector should be to ensure that the right leadership skills are in place at all levels of a mining organisation's operations.

"It is clear that the resources sector will continue to grow, largely driven by the needs of developing economies. However, consistent effort is needed to develop the necessary leadership to enable this growth.

"This is not just about skills shortage or building business links and investment. This is about working in a highly technical and evolving sector and developing effective leadership and existing human capital at all levels. This is the only way we can achieve sustained growth in this highly competitive sector," Ms Lee said.

See [www.liw3.com](http://www.liw3.com)

**For more information contact:**

*Karin Krueger, KDK Media*

*Ph: 02 9979 3718 or 0419 991 267*

*Email: [karin@kdkmedia.com.au](mailto:karin@kdkmedia.com.au)*

#### **About LIW**

LIW is a global leadership consultancy which supports companies, countries and communities to achieve success by building leadership at all levels. The consultancy's Organisational Leadership Architecture™ approach has been developed and refined from research and 15 years' experience of working with leading industry and government clients. LIW partners with organisations through three business practices: Consulting, Capability and Products.