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Good times but expect challenges

Kalgoorlie Miner, Kalgoorlie

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PAUL EVERINGHAM

Next week will mark my third visit to Kalgoorlie-Boulder in the past three months and I expect again to encounter an air of excitement around the mining and resources sector.

You only need look at the projects in the pipeline to see why, from the Saracen-Northern Star merger and Super Pit expansion to Norton Goldfields' Paddington Mill expansion, Mincor's nickel-mining restart in Kambalda, Ramelius Resources' Penny Gold project, and progress towards the Lynas rare earth processing facility.

With continued strong gold prices driving economic growth and forecast high demand for nickel from the battery sector, those projects are just a sample of what's to come.

But opportunity also comes with challenges — and I'm keen to hear from our members and other Goldfields stakeholders about some of those challenges at the What's Down The Track conference in a week's time.

I know that a tightening labour market and growing skills demand have been a key concern for our Goldfields-based members in the past few months.

I suspect that is the case in other industries and regions as well.

Evolving management of the COVID-19 pandemic may

increase worker mobility and help provide access to a wider skilled labour pool.

But those changes will not provide all the answers in an environment where competition for skilled workers is heating up.

For the mining and resources sector, competition and the need to be cost-competitive are themes that will continue to play out in the immediate future.

This includes the cost of regulation and government approvals.

Gold and nickel are capital-intensive commodities, and while a high gold price is helping make investment an attractive proposition right now, our Goldfields compete against low-cost jurisdictions in Africa and South America.

If WA cannot remain cost-competitive, then there is a danger in the future of us losing out on new projects and the jobs which go with them.

That said, the current issues facing our sector in the Goldfields are comparatively good ones to have.

We are potentially creating employment opportunities faster than we can fill them.

Given the global economic damage wreaked by COVID-19, that is an exciting challenge to be tackling.

Paul Everingham is the Chamber of Minerals and Energy WA chief executive



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