



MINING & ENGINEERING

ANTON FERREIRA

ANYONE who entered mining a decade or two ago, when the industry appeared to be in terminal decline, might have been regarded as slightly eccentric.

Today those engineers, geologists and technicians are laughing all the way to the bank.

Mining pay packages have tripled or quadrupled in the past two years as companies scramble to hire talent, according to Sandra Burmeister, chief executive officer of the recruitment agency Landelahn Business Leaders.

"At every skill level salaries have increased significantly," said Burmeister, whose company released a skills survey of the mining industry this week.

The survey found the number of blacks in top management posts had more than doubled from 12.5% in 2001 to 30.6% in 2006.

But the industry faced a serious challenge in finding enough engineers of any race to meet demand sparked by the global commodities boom.

Burmeister said that while the number of engineering graduates in South Africa had picked up in 2005 and 2006, "the numbers entering mining-specific disciplines are low". Two years ago, 428 mining engineers graduated.

"One must question whether the industry can support its growth objectives on 428 mining graduates a year. The answer clearly is 'no'," Burmeister said.

She said the industry needed to do all it could to lure more students into engineering faculties.

"If you can really start to push that pipeline, it will balance supply and demand in the future.

"The choices we make today about pipeline are going to influence, in five to 10 years, what you pay for scarce skills... the less you invest today, the more you're going to pay later," she said.

"Those skills will just become scarcer and scarcer and scarcer.

"The reason we're paying the salary premiums today is because we didn't invest 10 years ago."

Burmeister said that all around the world engineers who had hung up their slide-rules were being pressed to come out of retirement.

"It's definitely a trend and it's definitely picked up here. In the last year we've seen a significant



RESURGENT: Mining once seemed close to death but the global commodities boom has revived it

Picture: REUTERS



SOUNDING A WARNING: Sandra Burmeister, CEO of the recruitment agency Landelahn Business Leaders

Scarce mine engineers hitting pay dirt

increase of retired individuals coming back into the market."

She said that in recent years mining had done much to cast off its "staid, old-school, top-down" image and was attracting a new wave of recruits.

"You had a clash of cultures," Burmeister said. "When we did our first survey in 2001 and again in 2003 we spoke to a handful of black individuals working in mining and

every one of them was complaining bitterly about having to stay in roles for 10 years before they could possibly move up to the next level.

"In part it was brought on by the fact that the mining industry hadn't grown substantially for a number of years and had stayed quite stagnant. I think there are a lot more career opportunities now and young professionals are recognising it as an environment

with a lot more opportunities."

Burmeister said globalisation should provide an added incentive for would-be engineers by offering the chance of overseas assignments.

"All young people want to work offshore for a year or two. Engineers globally have become mobile, project-based commodities. That's just the nature of the work." South Africans were in

particular demand because of the rand/dollar exchange rate.

"SA engineers are effectively a source of cheap labour... You're a cheap hire compared with a German who's earning in euros."

Burmeister said many young SA engineers were going abroad to earn dollars but then returned to the country, bringing back valuable experience in a range of project types.

