



Mining equipment and technology services – sector overview

Northern Adelaide has many significant strengths on which to build, from high-end engineering capabilities, hubs of health, defence and technology, centres of research excellence and a growing horticulture, food processing and distribution sector. All of these and more will be crucial to the region's continued economic prosperity through investment and jobs growth. The Northern Economic Plan aims to prioritise, accelerate and promote projects in these sectors in response to the short-term impact of the automotive industry closure and longer-term needs for businesses to transform to target new markets and to meet increasing global demand for our products and services.

The Northern Economic Plan identifies six key growth sectors that will be pivotal to the region's future.

-  Mining equipment and technology services (METS)
-  Health, ageing and disability
-  Defence
-  Agriculture, food and beverage
-  Construction and urban renewal
-  Tourism, recreation and culture

Resources and energy activity in South Australia

Globally, South Australia is a significant supplier of copper, uranium and zircon from our mineral sands and remains the second largest exporting state for iron ore. Our Cooper Basin is a major supplier of oil and gas.

Examples of recent resources and energy activity include:

- The \$20 million PACE Copper initiative announced as part of a long-term comprehensive Copper Strategy for South Australia. The Plan to Accelerate Exploration in South Australia's Copper Belt will generate new geophysical imaging to identify new targets and support for drilling programs to fast track new discoveries. Bringing forward new discoveries is a key element of the Copper Strategy that aims to triple copper production within 15 years. PACE Copper aims to generate more than \$400 million in private spending on mineral exploration and create and retain up to 1,000 jobs in the resources and mining services sectors.

- South Australia remains Australia's largest onshore producer of oil and supplies gas from the Cooper Basin to customers across eastern Australia. The Government continues to support the oil and gas industry through its Road Map for Unconventional Gas Projects and is working to establish Moomba as Australia's second gas trading hub. Renewed interest in offshore exploration in the Bight Basin by major energy companies such as BP, Statoil and Chevron is also expected to create future opportunities for service suppliers.
- South Australia's resources and energy sector supports more than 500 METS companies that collectively contribute \$2.4 billion to the State's economy and employ 17,000 workers.

Mining equipment and technology services (METS) in northern Adelaide

Northern Adelaide is increasingly become home to specialist mining services companies.

Australian Bureau of Statistics data shows that in 2012-13 there were 24 METS businesses in northern Adelaide, supporting coal mining, oil and gas production, iron ore and non-ferrous mining, non metallic mineral mining and exploration and mining services.

What's next?

South Australia has emerged as a key mining services hub on the back of its growing importance as a global supplier of key commodities such as copper, uranium, iron ore, oil and gas. All South Australians have the opportunity to benefit from a strong resources sector, which can continue to generate long-term investment and jobs in the State beyond the current commodity price cycle.

Unlocking the full potential of South Australia's resources, energy and renewable assets is an economic priority for South Australia with the government committed to policies that drive further investment and jobs growth and position South Australia as a mining services hub for the nation and the region.

Northern Adelaide has a role to play in delivering this objective through its capacity to provide these services and technology to the resources and energy sector linked to strategic logistics hubs at Penfield and Port Adelaide. Northern Adelaide's location on major transport routes connecting to the rest of South Australia, interstate and overseas makes it a prime destination for investment

in transport, logistics and service centres as well as support for remote area infrastructure such as deep-sea exploration using the Port of Adelaide.

These strategic locations have the capacity to expand quickly to meet further increases in demand for mining and renewable energy generation equipment and technology services. Advanced manufacturing businesses in northern Adelaide and research capabilities at UniSA's Mawson Lakes campus and the University of Adelaide will also be important contributors to further innovation and expansion in the resources and energy sector.

You can read more about the State Government's priorities and objectives at <http://economic.priorities.sa.gov.au>

Future directions and opportunities

A number of programs are available to support the development of our resources supply chain capabilities and improve the overall performance of the resources and energy sector. These include the Mining and Petroleum Services Centre of Excellence, the Industry Capability Network and the Mining Industry Participation Office. The Government is also driving efforts to realise the benefits of our resources, energy and renewable assets through innovative programs such as PACE, the Road Map for Developing Unconventional Gas Projects, the South Australian Copper

Strategy, the Low Carbon Investment Plan and the Magnetite Marketing Strategy for South Australia.

The PACE Supply Chain Development Program, designed by the Mining Industry Participation Office (MIPO) in partnership with Austmine and the Resources and Engineering Skills Alliances, is building and strengthening the mineral and petroleum resources supply chain by growing existing companies' capabilities and capacities, and transition companies from other sectors into the resources sector. PACE Supply Chain Development aims to create up to 200 jobs in the next three years, many of them in Northern Adelaide, by helping South Australian companies tap into an international market worth more than \$250 billion.

The South Australian Regional Mining and Infrastructure Plan acknowledged that Northern Adelaide has a significant role to play as a services base for the State's resources and energy sector, leveraging its accessibility, research capability, transport and logistics hubs and supporting manufacturing and services businesses. The Resources Infrastructure Taskforce has begun implementing the findings of the Plan and published its first report in September 2015 on a business case for bulk mineral export infrastructure for the Spencer Gulf, which is available online at <http://rit.statedevelopment.sa.gov.au>





An indicator of the potential directions in the mining equipment and technology sector is the Advanced Modular Solutions Project, an industry-led alliance that proposes to innovate, design, produce, supply, install and maintain modules used in mineral resource and energy production. This project, currently in its pilot phase, can contribute significantly to achieving expansion and export business for South Australia and northern Adelaide. This high-tech, prefabrication construction facility would leverage skilled labour in northern Adelaide during construction; use the rail link between northern Adelaide and the Port of Adelaide and road links to regional South Australia; and take advantage of South Australia's existing resources and energy sector supply chain.

Skills in demand

Some of the jobs that will be in demand in northern Adelaide as the mining, equipment and technology services sector grows:

- Truck drivers
- Fork lift operators
- Welders
- Steel workers
- Research positions
- Module designers
- Fitters and turners
- Geologists

Source: ABS Census for 2011, Department of State Development

If you would like to find out more information about the skills needed in South Australia, and training options available, call the Skills and Employment Infoline on **1800 506 266** or visit www.skills.sa.gov.au

Find out more

Plan for Accelerating Exploration (PACE)

is based on four key work programs that have been specifically designed to drive forward mining development, build South Australia's international profile and strengthen investor confidence in the State's resources sector. Visit www.minerals.statedevelopment.sa.gov.au/geoscience/pace

Mining Industry Participation Office (MIPO)

has been established to help build South Australia's mineral and energy resources supply chain capability and assist local companies to capture opportunities from major resources projects. Visit www.statedevelopment.sa.gov.au/resources/mining-industry-participation-office-mipo

Renewables SA is a Government initiative to help position South Australia as a leader in renewable energy by promoting innovation in a diverse range of technologies, fast tracking demonstration plants, minimising regulatory impediments and securing industry investment.

Visit www.renewablesa.sa.gov.au

The Resources Infrastructure Taskforce works with mining proponents, communities and government agencies to plan infrastructure to support South Australia's world-class resources sector. Visit <http://rit.statedevelopment.sa.gov.au>



**CONTRIBUTING
\$2.4 BILLION
ANNUALLY**



**EMPLOYMENT
17,000
WORKERS**





Northern Economic Plan

For further information about the growth sectors and projects being undertaken in northern Adelaide, to learn more about the Northern Economic Plan, or if you have a new idea or want to partner in an existing project, visit www.looknorth.com.au

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