

News

## INFRASTRUCTURE DEMAND STAGGERING

By [Jamie Wade](#) on 2 April 2008 [0 comments](#)

0 [tweet](#)

A key industry consortium has described as “staggering” the impending demand for infrastructure in South Australia and deemed essential that its early development proceeds if the State is to fuel the prospective mining boom for at least the next two decades.

In a major high-level study commissioned and released recently by the South Australian Chamber of Mines and Energy (SACOME), the organisation warned that the State’s burgeoning hard rock and energy sector needed “crucial decisions now — not in the future” on the necessary infrastructure to service the expected massive resources growth.

Initial estimates suggest a minimum of \$25 billion in private infrastructure expenditure has already been flagged by South Australian explorers and mine developers as necessary for crystallising the State’s lead mineral projects, or the expansion of existing mining operations.

The study found that the massive expansion planned for the Olympic Dam copper, gold and uranium mine would be pivotal in influencing infrastructure decisions impacting the whole of South Australia’s mining fraternity.

Furthermore, many of the other projects combined will require infrastructure rivalling the needs of the Olympic Dam expansion, and in some cases, in a much shorter timeframe.

“The South Australian resources sector is at a crucial point in infrastructure development and the seriousness of this situation should not be underestimated,” SACOME’s Chief Executive Jason Kuchel said.

“While the challenges and opportunities for the mining sector in South Australia have never been greater, we face for the first time as a whole economy, an unprecedented decision making opportunity.

“How well and how soon we make those decisions will determine the effectiveness with which we bring South Australia’s rich mineral potential to reality over the next 20 years.

“With the proposed BHP Billiton Olympic Dam expansion set to be one of the world’s biggest open cut mines, and a range of mining operations coming on stream or expanding, the impending demand for a whole range of infrastructure needs is staggering,” Kuchel said.

SACOME has endorsed the warnings outlined by the study’s authors. Such is the importance of the survey outcomes, that they are being revealed in Adelaide today before more than 200 industry peers at a formal launch function for the study.

SA Minister for Infrastructure Patrick Conlon will also be present to formally respond on behalf of the Government to the infrastructure findings.

The study’s consortium member, Professor Richard Blandy, said the demand for skilled employees in a range of industries and services as a result of developments in the South Australian mining industry would more than double — from an estimated 340,000 in the past year or so to 690,000 by 2027. This direct labour requirement, when coupled with the related family numbers, would provide an enormous challenge for the State to meet over this period.

Professor Blandy said cross-sector “collaboration” would be fundamental to evolving an efficient mining infrastructure across South Australia, a sentiment echoed by the other consortium members - lead



**SIGN UP TODAY**  
to get Mining Australia delivered to your inbox

Email

Subscribe    

Submit your content to Mining Australia

**FREE:** 

**The Forex Success Blueprint**

*"How to Achieve Financial Freedom Trading Forex"*



[Download Now](#)

RECENT COMMENTS

*"Treasury modelling shows the Australian coal sector more than doubling its output by 2050 with a carbon price in place." What does it..."*

Paul Buddery on [Combet hits out at Coal Association](#)

*"Even if you believe in AGW, I fail to understand how the proposed Carbon Tax scheme can be considered as "responsible action to lower..."*

Peter on [Combet hits out at Coal Association](#)

*"I watched the 4 Corner program and was incensed at the attitude of Kerry O'Brian. I've lived and worked with indigenous people in and..."*

John on [Twiggy refuses cash for Pilbara Aboriginal community in "social breakdown"](#)

*"The only arrogant ones are the unions. "*

daniel on [Possible 24hr strikes at Bowen Basin mines](#)

*"I wonder if we're approaching the point where we can use Lasers to directly cut out the mineral/element without having to remove tonnes of..."*

Laser Safety on [Straightening out laser scans](#)

infrastructure engineering company, Connell Wagner and supply chain advisory specialists, SCM.

"Many small to medium exploration companies wanting to move into mining and working alone will be unable to meet the high costs of their infrastructure," Connell Wagner's Principal Ron Ely said.

"Effective collaboration by South Australian companies will provide the economies of scale necessary for them to compete for some of the new and expanding mine operators' plant and equipment works - thereby reducing the extent that is sourced and preassembled offshore," he said.

"It will be much better for the State and its economy to work together at keeping as much as possible of the industry work, local."

Kuchel said the industry was advantaged by its close working relationship with the SA Government, sharing common goals for a safe, prosperous and enduring resources sector.

The State Government has already formed the Resources and Energy Sectors Infrastructure Council (RESIC) in response to the preliminary findings and recommendations of the study.

The study was commissioned by SACOME and undertaken by a Connell Wagner-led consortium comprising; Professor Richard Blandy from AustralAsia Economics; Connell Wagner Principal, Ron Ely and SCM Advisor, Scott McKay.

n Ron Ely

0412 384 406

n Scott McKay

0411 042 130

n Richard Blandy

0411 257 228

Add a comment

2011 Energy Investments

Download Free Whitepaper Today. Research Gas & Oil Investments Now. [www.EmergingEnergy.ch](http://www.EmergingEnergy.ch)

Alan Kohler's 2011 Tips

Free Trial & Bonus Gifts, Start Now Expert Share Market Investing Tips [EurekaReport.com.au](http://EurekaReport.com.au)

Australian Stock Report

Our Team will show you which Shares to Buy & Sell Everyday - Free Trial [AustralianStockReport.com.au](http://AustralianStockReport.com.au)

Coal Price Report

What will the price of Coal be doing in the future? Free report. [MoneyMorning.com/Coal\\_Investors](http://MoneyMorning.com/Coal_Investors)



AdChoices



Posted in:

Bulk Materials Handling

Tagged with:

000, BHP Billiton, energy sectors, Government, Industries, Jason Kuchel, Mining, mining operations, mining sector, Olympic Dam expansion, open cut mines, SACOME, Services, Supply Chain, uranium mine

If you enjoyed this article, why not leave a comment, send it to a friend or subscribe to our free newsletter to have future articles delivered to your inbox.

"Interesting article."

Tony Martin on [Ausdrill wins drill and blast contracts](#)

"if you go to this website <http://ntn.org.au/> and download the breifing on CSG risks on pages 7 and 8 they give you proof of the extremely..."

rachel lee on [Ending CSG "cowboy regulation"](#)

"Hello, I have an international cashed up client who is looking to buy a Gold mine, what do you have for sale that would suit my..."

Greg Pearsall on [Ballarat gold mine for sale](#)

COMMENTS

ADD A COMMENT

No comments found, be the first to add one.

Name \* :

Required

Email address \* :

Required, but never displayed.

Website :

Optional, and linked if provided.

Comment \* :

Required and you can write upto 600 words for your comment.

Security code \* :

9e64bc

Required

Check this box to receive the latest updates in our email newsletter.

### Categories

Accommodation & Services  
Automation and Remote Control  
Bulk Materials Handling  
Computers, Software & Services  
Contract Mining, Services and Engineering  
Drill and Blast  
Dust Control and Mine Ventilation  
Environmental Management  
Maintenance and Monitoring  
Mapping and Surveying  
Mine Safety  
Minerals Processing  
Minesite Vehicles  
Mining Communications  
Mining Infrastructure  
Mining Personnel  
Motors, Drives & Transmissions  
Pneumatics & Hydraulics  
Power Generation & Distribution  
Process, Control & Instrumentation  
Processes  
Pumps, Pipes, Valves & Compressors  
Quarrying, Crushing and Screening

### Browse topics

A B C D E F G H I  
J K L M N O P Q R  
S T U V W X Y Z #

### Recently added topics

Western Coal LD Operations Margaret River  
Xstrata Copper North Queensland mining news  
Department of Mines and Petroleum  
Western Australia  
Western Australia Minister for Regional...  
Western Australia Minister for Mining Norman Moore  
Western Australia Premier Colin Barnett

### About

MiningAustralia.com.au complements *Australian Mining* magazine and provides an online space where the mining community can share ideas and upload news, products, company profiles and events information. [Register](#) today and start contributing.

Contact Us

Advertise with us

Media kit

Terms of Use

Privacy Policy

### Related sites

Cordell Projects - Construction Industry

Drilling & Blasting

HotFrog

Mine Vehicles

Minerals Processing

Mining Coal

Mining Safety

View all our sites