

MEDIA RELEASE

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Unnecessary changes to migration zone another blow to Australia's oil and gas industry

THE federal government's decision to extend the coverage of the Migration Act to target vessels servicing Australia's offshore oil and gas activities is yet another unnecessary blow to an industry already suffering the world's highest costs, most restrictive red-tape and lowest productivity.

AMMA (Australian Mines and Metals Association) has been a key stakeholder in this matter and a vocal opponent to the MUA's misleading campaign against foreign vessels doing critical work on Australia's offshore mega-projects.

"We are already seeing key resource projects scaled back or delayed and this move will add to the increasing cost and difficulty of doing business in Australia," says AMMA executive director, industry Scott Barklamb.

"The Australian government needs to be in the business of doing more to attract and retain investment in this country, not discouraging investment just to deliver on yet another trade union demand prior to September.

"This week international resource industry leaders told our government that Australia needs to improve the operating environment and incentives to bring mega-investments to this country. The government should be listening to these global decision makers, not to the MUA and its self interest in extending its power."

In <u>an interview</u> with Resource People magazine, subsea construction company Allseas Australia explained how its vessels create six Australian jobs for each international crew member.

"These specialist vessels need the flexibility to be able to enter and exit Australian waters for short time periods and in doing so they regularly employ hundreds of Australian workers," Mr Barklamb says.

"For example, the Allseas' vessel *Lorelay* has just 25 non-Australian crew members who are required to operate the ship right around the world. Once it enters Australian waters, up to 150 Australian workers are employed onboard to complete the vast majority of tasks.

"Tying these vessels up in red tape through a manipulation of our migration laws leaves nothing to gain for anyone other than the MUA. This move is also inconsistent with Australia's international obligations and it doesn't reflect the global nature of resource industry operations.

"Our policy makers need to consider the reputational damage to Australia as a modern and flexible place to do business. We cannot afford to be the only country in the world that makes it so difficult and expensive for these foreign vessels to complete vital short-term contracts.

"It is also telling that the government is unnecessarily extending Australia's legal reach and responsibilities in relation to regulating offshore activities, at the same time as it excises the mainland from our migration zone for humanitarian migration."

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