

COMMENTARY

OFFSHORE BILL WILL HURT OUR ECONOMY

*Stop pandering to
union demands*

STEVE KNOTT

AMONG the legislation being rushed through parliament is the government's attempt to extend Australia's migration zone to capture foreign-flagged vessels servicing our nation's offshore resource projects.

The Migration Amendment (Offshore Resource Activity) Bill has come under little public scrutiny but would be highly damaging to our economy, jobs and international standing.

All foreign nationals on foreign-flagged ships in international waters off the Australian coastline would be deemed to be in our migration zone and regulated under our workplace laws.

Masquerading as another of our union-friendly Immigration Minister Brendan O'Connor's efforts to "protect Australian jobs", this is completely at odds with international practice and how offshore resource projects are regulated anywhere else in the world.

These changes are based on union demands that are wrong in policy and law, and blind to consequence.

In pursuit of total control over offshore resource projects, the Maritime Union of Australia seeks coverage of all vessels in international waters within Australia's exclusive economic zone.

But international maritime law dictates that Australia is unlikely to have any legislative foundation to extend our migration zone in this way.

In 1982, our nation signed the UN Convention on the Law of the Sea.

This meant Australia's jurisdiction over the natural resources of our exclusive economic zone was recognised, but we could not regulate matters such as migration or work conditions in international waters.

In this context, union campaigns about "Australian jobs" are even more misguided than usual. While resting on unstable legal foundations, the proposed legislation is not even in Australia's interests. In a global market, resource projects compete for both skilled labour and investment capital.

This bill would add further unnecessary costs to building offshore resource projects in Australia, making it harder to attract resource investment and secure more jobs in this country.

International vessels need the flexibility to come in and out of international waters in Australia's exclusive economic zone, about 370km offshore, for short-term operations.

Targeting them would be yet another unnecessary blow to an industry already suffering the world's highest costs, most restrictive red tape and lowest productivity.

O'Connor's proposals also threaten to further harm Australia's reputation in the global marketplace as a good place to do business.

Ironically, the government is 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. Only rank politics could drag the legal definition of our

national territory in such contradictory directions.

Steve Knott is the chief executive of the Australian Mines and Metals Association.