

SUBMISSION No. 6
Inquiry into Bills referred 25 May 2011



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President Gerardine (Ged) Kearney
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Committee Secretary
House of Representatives Standing Committee on
Agriculture, Resources, Fisheries and Forestry
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Via email: arff.reps@aph.gov.au

**Offshore Petroleum and Greenhouse Gas Storage Amendment
(National Regulator) Bill 2011**

**Offshore Petroleum and Greenhouse Gas Storage Regulatory Levies
Legislation Amendment (2011 Measures No. 2) Bill 2011**

**Offshore Petroleum and Greenhouse Gas Storage (Registration Fees)
Amendment Bill 2011**

Offshore Petroleum (Royalty) Amendment Bill 2011

The Australian Council of Trade Unions (ACTU) welcomes the opportunity to comment on the above *Bills*. The ACTU is the peak union body with more than 50 affiliated unions, representing the interests of around 2 million workers. The membership of several of the ACTU's affiliated unions extends to the workers in the offshore oil and gas industry that will be affected by amending these *Bills*.

Single National Offshore Petroleum Regulator

The ACTU supports the expansion of functions of the National Offshore Petroleum Safety Authority (NOPSA) to include well-integrity, safety and environmental planning. The ACTU believes there is a definite nexus between these functions. Having one regulatory body should result in greater coordination and linkage of these areas of concern providing greater safety outcomes. The ACTU supports the re-naming of NOPSA to National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

Perceived time and cost savings relating to any matter impacting upon well control should be subjected to rigorous safety assessment.

As a general principle the ACTU believes that before any change at the workplace takes place the workforce needs to be consulted and health and safety implications need to be considered. Therefore, the ACTU submits that safety case guidelines issued by the proposed NOPSEMA specifically require consultation with the workforce before any change at the workplace takes place. This requirement should be emphasised where the change taking place is to implement procedures that are designed primarily to save costs or time.

Objective or Prescriptive Regulations

The Montara Inquiry found that the *“pendulum has swung too far away from prescriptive standards”* and recommended that some minimum standards be set. The ACTU strongly supports this recommendation. However, the ACTU share the concern of the Maritime Union of Australia (MUA) that this recommendation will not be adopted in full by the Government.

The ACTU supports the MUA’s previous call for a taskforce that includes representatives from the relevant government departments, unions and industry to identify high risk and hazardous operations that may require minimum enforceable standards through regulation.

NOPSEMA Advisory Board

The ACTU contends that, in line with other statutory authorities, the Act provide for the ability if the ACTU to nominate at least one member to the NOPSEMA Board and further that it is similarly appropriate that unions are represented on any other NOPSEMA Advisory bodies.

I can be contacted on (03) 9664 7333 to discuss these matters.

Yours sincerely

Michael Borowick
Assistant Secretary