

Department of Resources, Energy and Tourism – Submission into the Senate Inquiry on the Migration Amendment (Offshore Resources Activity) Bill 2013

Background to Submission

The following submission is made by the Department of Resources, Energy and Tourism in response to the inquiry into the Migration Amendment (Offshore Resources Activity) Bill 2013 (the Bill).

The Department advises Government on policy options for Australia's resources sector and works closely with industry stakeholders and State and Territory Governments.

In 2011-12, Australia exported 19.3 million tonnes (mt) of LNG, valued at around A\$12 billion, an increase in value of 14 per cent from the previous year. The Australian Bureau of Resources and Energy Economics (BREE) forecasts that the value of LNG exports for 2012-13 will increase to A\$16.3 billion. Australia is currently the fourth largest LNG exporter behind Qatar, Indonesia and Malaysia. Australia's LNG export capacity now stands at around 24 mt per annum (mtpa) following the start-up of the 4.3 mtpa Pluto Train 1 in May 2012, and should exceed 80 mtpa by 2016-17 as the seven projects currently under construction come online.

Impact of the Proposed Amendments on the Offshore Petroleum Industry

The Department notes the importance of ensuring Australia's migration and visa regime provides certainty and clarity for the offshore petroleum industry.

Given the technical nature of the offshore resource industry it is critical that it has an appropriately skilled workforce. Noting the skills shortages within the Australian offshore petroleum industry and resources sector as a whole, it is important to ensure arrangements deliver access to the specialist skills required by the sector. The Department notes the importance of multiple-entry arrangements for foreign offshore resources industry workers, and flexibility and timeliness in terms of visa processing and pre approval.

Finally, the Department also notes the benefits of appropriate industry consultation. Industry is a vital player in being able to source, collate and assess detail on activities being undertaken offshore and the extent to which foreign offshore resource workers are necessary to ensure ongoing industry competitiveness in the global marketplace. Given global labour mobility, Australian migration arrangements must facilitate the flexibility required to attract the appropriate skills to the sector, whether from the domestic or international pool.