

**Jobs and growth**  
***– can the gas industry be part  
of the answer?***

**JCIPP, March 2019**

## Issues to be addressed in this presentation:

- Federal context
- Opposition agenda
- International context
- Western Australia
- Upstream gas
- Further investment
- Jobs and growth
- Global leadership
- Export skills
- Relevance beyond WA

*“Jobs and growth”* –  
Coalition election  
slogan in 2016



13 May 2016

- Reality may have been a little different

**Australian economy** **Turnbull declares 'jobs and growth' a reality as employment surges**

In a streak not seen since 1994, job numbers grow for 14th consecutive month, with greatest gains in Victoria and NSW

**Gareth Hutchens**  
@ghutchens Email  
Thu 14 Dec 2017 18:00 AEDT  
158 746  
This article is over 1 year old



▲ Starring role: prime minister Malcolm Turnbull says jobs boost is due to his government's policies. Photograph: Mick Tsikas/AAP

Malcolm Turnbull is claiming credit for another surge in the number of Australians finding work, as economists label 2017 a "stellar year" for the labour market.

New data shows another 61,600 jobs were created in November, lifting the number of new jobs this year to 383,300.

It was the 14th consecutive month of employment gains, a streak not seen since 1994, prompting some economists to predict the economy may reach "full employment" next year.

"At the last election, you will all remember, we campaigned on jobs and growth," Turnbull said in Sydney on Thursday. "Well, it was a slogan then but it is an outcome now. Our policies are restoring confidence to business

14 December 2017

MENU SEARCH Wednesday 6 March 2019

POLITICS >

## Australia slides further down the global rankings on jobs and growth

By Alan Austin | 21 May 2018, 8:00am | 26 comments

Malcolm Turnbull ought not be so braggy. Australia's jobs and growth situation is nowhere near as strong as he wants voters to believe.

In response to Thursday's jobs figures, Prime Minister Turnbull [claimed](#):



"There are one million more Australians in work than there were when we were elected."

Put away the champagne Malcolm, things aren't as rosy as you pretend (image screenshot video @TurnbullMalcolm)

That is true. But it slides over the fact the adult population has increased by 1.4 million. One million jobs are not enough.

### Global growth surge ignored

Turnbull further claimed:

21 May 2018

- Opposition lining up jobs as a key election issue
- Focusing on wages, local content, regions

The screenshot shows a news article from 9NEWS. The main headline is "Local focus in new Labor procurement plan" by AAP, dated 12:05pm Jan 24, 2019. The article text includes: "Opposition Leader Bill Shorten has promised to supercharge jobs growth in regional towns by changing the rules around government contracts." "Mr Shorten has committed a future Labor government to giving local companies much more support to win Commonwealth contracts and work on major projects." "He said the power of government spending to back local business and industry could not be underestimated and insisted the message to those vying for contracts was clear. "No local jobs, no contract," Mr Shorten told reporters in Queensland on Monday.

"We want to make sure local communities and indeed Australia gets priority when we spend our taxpayer dollars."

Mr Shorten accepts talk of procurement rules does not dominate kitchen table discussions.

"I get that talking about procurement, it's not the sort of word you use across the top of a pub or in the local sports club or down at the school gate when you pick up the kids," he said.

**RELATED ARTICLES**

- Big loss for subsidised WA wave power firm
- Compensation crawl for Vic abuse victims

There is also a sidebar advertisement for a "Local Catch-ups Sale" for CAIRNS, featuring a "\$124 Jetstar" offer.

24 January 2019

## Business alarmed as Shorten flags 'living wage' to replace minimum wage



Phillip Coorey

Updated Mar 6, 2019 — 3:56pm, first published at 10:23am



The small and medium business sectors have expressed concern after Opposition leader Bill Shorten all but confirmed he will boost the minimum wage to a "living wage" should he win the next election.

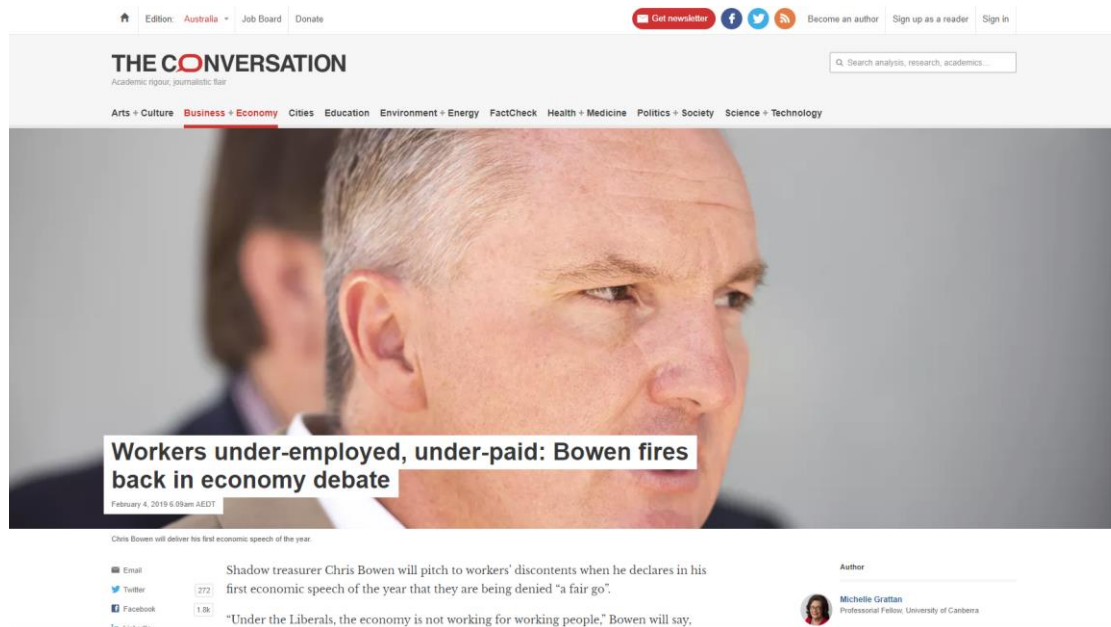
Speaking to The Australian Financial Review Business Summit at which he declared the election to be a referendum on wages, Mr Shorten said the current minimum wage of \$18.93 per hour failed to cover the basic costs of living and was consigning people to poverty.

The Opposition leader said the minimum wage did not take into account modern living expenses such as mobile phones, paying for water, the internet and energy costs. "The minimum wage is nowhere near a living wage," he said.



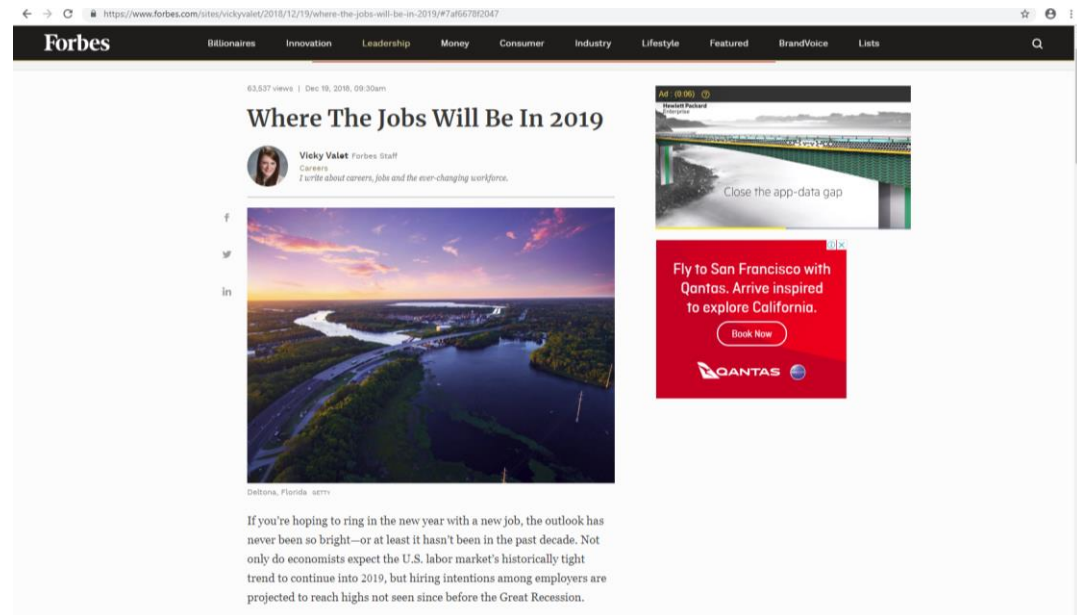
6 March 2019

- Debate is heating up, despite the fact that an election has not yet been called



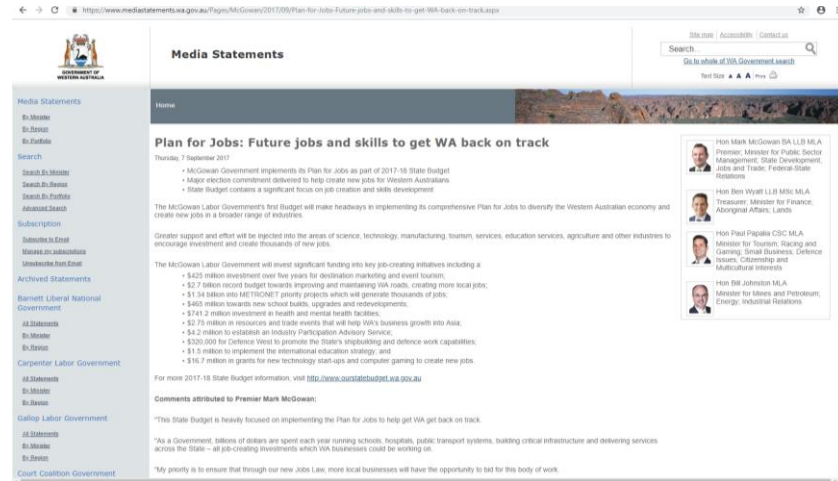
*4 February 2019*

- Positive signs globally
- US jobs market can have an impact on oil and gas in Australia

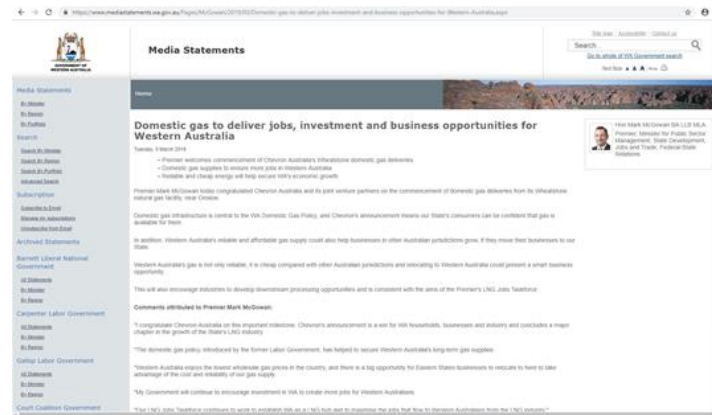


19 December 2019

*“Local content, local jobs, local gas”- McGowan’s mantra*



*7 September 2017*



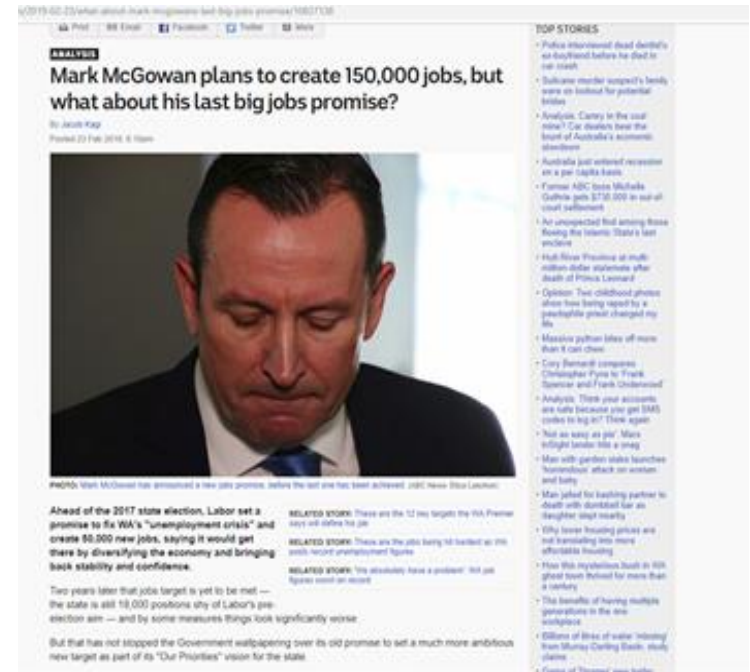
*5 March 2019*



- Again, reality hits



20 April 2018

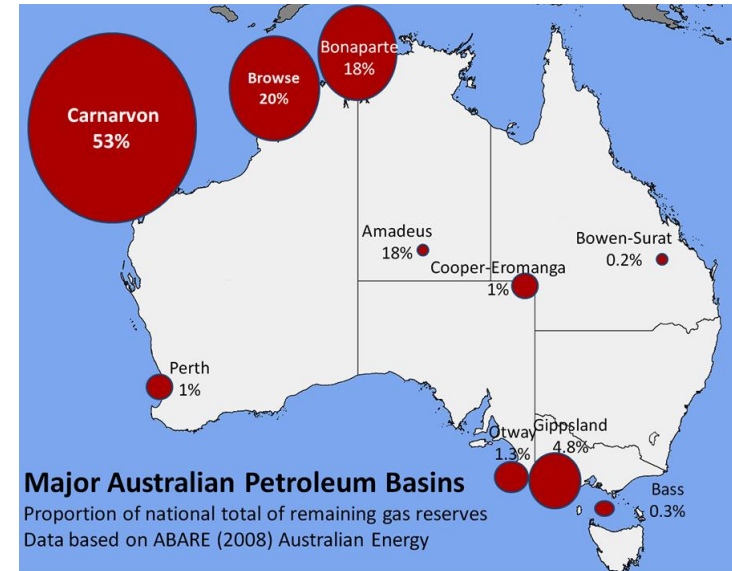


23 February 2019

- We now have 10 LNG liquefaction plants around Australia
- 7 of these were constructed in past decade
- Australia is now the world's largest LNG producer
- We have the world's first large scale Floating LNG
- We are the only country to convert Coal Seam Gas (CSG) to LNG



- There are huge, world scale gas reserves located offshore WA
- Recent projects such as Gorgon, Wheatstone, Ichthys and Prelude are producing some of these reserves
- There is plenty of gas still to be developed



# Plenty of undeveloped gas

There are plenty of gas fields still to be developed offshore WA:

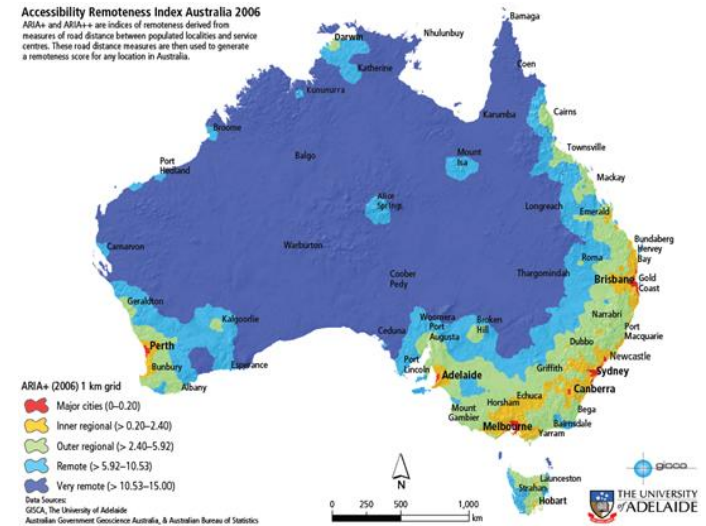
- Browse
- Scarborough
- Crux
- Burnside
- Crown
- Poseidon
- Equus
- Dorado



- All of these have the potential to be major gas projects
- The installed base of LNG plants along the coast enables tiebacks and third party processing

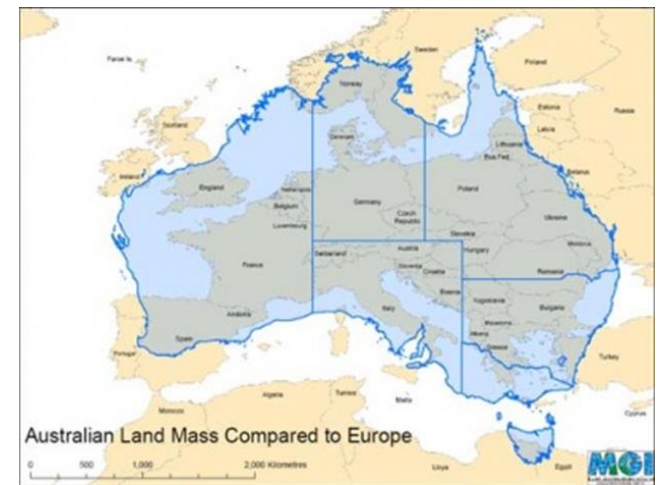
The gas fields are:

- Far from Perth
- Far from Australia's major population centres
- Many of them are far offshore



# Geography remains our challenge

- By contrast, Europe has a far more extensive gas infrastructure
- But there are way more people, and the distances are much smaller



The next wave of investment is already under development:



**Santos**

**ConocoPhillips**



**INPEX**

- Woodside – Browse
- Woodside – Scarborough
- Shell – Crux
- Santos – Dorado
- Conoco Phillips – Caldita/Barossa
- Chevron – Gorgon Stage 2
- Chevron - Jansz lo compression
- Inpex – Ichthys 2B

All of these are major, world-scale projects

- Oil and gas is an international industry
- Global movement of people and skills is essential to success
- Government needs to understand and support this eg 457 visas

**Brunel**  
access to excellence

Jobs Available - Oil & Gas

UK | US | Canada | Australia | China | Japan | UAE  
Saudi Arabia

»Financial Operations Officer	»Mechanical Engineering Mngr	»Principal Process Engineer
»Data entry & Contracts Admin	»Maintenance Manager	»Construction Lead
»Principal Process Safety Eng	»Civil Inspector	»Occupational Health Manager
»PLC Systems Specialist	»Senior Reservoir Engineer	»E&I ECHA Inspector
»Head of Technical Deptmt	»Senior Reservoir engineer - Optns	»Reservoir Engineering Manager
»NACE Level 2 QA Inspector	»Director of Business Development	»Front desk Administrator
»Principal Environmental Eng	»Senior Manager , International Tax	»Shift Supervisor
»Office/Executive Assistant	»Associate Reservoir Engineer	»Commissioning Manager
»I&E Analyst	»Instrument Maintenance Engineer	»Senior Software Sales Executive
»Process Controls Engineer	»Senior Budget Analyst	»Senior Drilling Engineer
»Reservoir Engineer	»Field engineering Lead	»Rig Project Engineer
»Principal Mechanical Eng	»Lead Process Engineer	»Quality Assurance Engineer
»Maintenance Manager - Ele	»Corporate HSE Manager	»Drilling Supervisor
»Business Development Mgr	»Commissioning Engineer/Supervisor	»Technical Assistant
»Drilling Superintendent	»Associate Drilling Engineer	»Console Operator »Drilling Eng



- Upstream oil and gas is very efficient and technologically advanced
- The direct jobs are relatively few compared with other industries
- But the industry facilitates jobs growth throughout the wider economy and services sector

## WA's LNG taskforce

- This is a positive move
- But it needs to be backed up by action
- It needs to be backed up by resources in all senses of the word
- In particular it needs real funding

- Oil and gas provides the opportunity for well paid, highly skilled careers.
- It provides the opportunity for Western Australians to work all over the world
- And, importantly, it fuels growth in the wider economy, resulting in jobs in other sectors



- Oil and gas skills are international and globally mobile
  - They won't necessarily stay in WA, or even in Australia
  - Skills development policies need to start from the top, not the bottom.
  - We need world class skills to compete globally
- But does this matter?*

## Where can Australians lead the world?

- Construction on a grade A nature reserve
- The world's largest non-government quarantine operation
- Global mega-projects
- Remote construction and logistics
- Large scale FLNG
- World's largest floating facility
- CSG to LNG



- Need support to small medium enterprises (SMEs) and supply chain to develop their skills
- They need skills to export and access global markets
- Norway has been very effective with the establishment of Norwep in 1997
- But Norwep is supported and, importantly, funded by government and oil companies



## *The world is a big place:*

- SMEs/supply chain need export skills:
  - How to find customers
  - How to articulate their offering
  - Differentiation
  - Why me?
- Government can provide these skills
- It's teach a man to fish!

- If Western Australians have world class skills they can work all over Australia as well as internationally
- If the WA economy is stronger, we pay more tax
- More tax is still good for the rest of Australia (even after the GST distribution reforms)
- WA gas is available to the east coast gas market via LNG import terminals under development – eg Port Kembla





- Jobs and growth are current issues across the political spectrum
- In Western Australia, there is plenty of gas, much of it underdeveloped
- The next wave of investment is already underway

- Upstream gas provides direct jobs, and employment throughout the wider economy
- It enables Western Australians to develop world class skills
- It enables Western Australian businesses to access global markets
- It's good for Western Australia, it's good for Australia, and it's good for business.

