



Mega-deal plan a lifesaver

**PETER MILNE
AND NICK BUTTERLY**

The resources industry has welcomed Labor's plan to help Australian mega-projects compete for global capital by providing greater industrial relations certainty.

Opposition Leader Bill Shorten said yesterday that, if elected, a Labor government would consider allowing so-called greenfield enterprise agreements to last the life of a project instead of three to four years.

Currently, greenfield agreements, which specify employment conditions for a specific project, often expire before the work is finished, leaving companies exposed to uncertain costs and possible industrial action.

Both of Chevron's LNG projects, Gorgon and Wheatstone, took more than seven years after project approval to be fully operational.

Speaking at The West Australian's Leadership Matters breakfast, Mr Shorten said he would work towards amending the Fair Work Act.

"Let's get the unions ... and the companies together saying: 'How do we create longer-term certainty for the mega resource projects which the West is so justifiably proud?'" he said.

More than 1200 greenfield agreements were approved in Australia in the four years to mid-2017, about 500 of them

in WA.

Steve Knott, chief executive of resource industry employers' group AMMA, said life-of-project agreements were critical for Australia to secure the next wave of resources and energy projects.

His organisation had argued for them for more than a decade.

Woodside Petroleum, which is weighing final investment approval next year for its \$US20.5 billion Browse and \$US11 billion Scarborough LNG projects, applauded the plan.

Woodside chief executive Peter Coleman said it was a pragmatic change.

"It would provide certainty for both employers and the workforce, and help protect Australia's competitiveness," he said.

Business Council of Australia chief executive Jennifer Westacott said it was a step in the right direction.

"Certainty about the future is critical for employers so they can plan long-term investments, lock in future projects and create more jobs," she said.

Chamber of Minerals and Energy chief executive Paul Everingham said the flow-on effect could encourage more investment and help create jobs.

"In the resources sector, certainty and competitiveness are vitally important and this proposal could help bring both," he said.

An ACTU spokesman said it

would be happy to work on the proposal provided there were appropriate safeguards for workers.