

RESOURCE CONTRACTS — LOCAL EMPLOYMENT

Statement by Minister for Commerce

HON SIMON O'BRIEN (South Metropolitan — Minister for Commerce) [10.03 am]: I am pleased to provide the house with an important update on significant new developments that will go a long way in ensuring new resource contracts and jobs for Western Australians. Last July I announced a 10-point plan to maximise the amount of work that local businesses win from major resource projects. Since that time, more than \$15.5 billion worth of resource contracts have been won by, amongst others, local fabricators, local software companies, local caterers, local medical providers, local transport companies and local logistic firms. At its core, this means jobs for Western Australians.

A few weeks ago I visited RCR Tomlinson, a company that has just won a \$600 million contract from Fortescue Metals Group for fabrication work that will be done in Western Australia. This contract will result in 500-plus jobs. This is why Western Australia has the lowest unemployment rate in Australia. We are already achieving 80 per cent-plus local content on onshore resource projects, but work still needs to be done on offshore projects. To that end, two weeks ago I announced a new initiative that will focus on the potential for the local engineering and design industry to become more involved in the early phases of offshore energy developments. The Liberal-National government believes that the capabilities of WA's engineering and design industries are internationally competitive and have the capacity to work on major energy projects. The advantages of utilising local engineering and design expertise include the increased potential for other areas of the state's economy—for example, manufacturers—to become suppliers.

I will be signalling to oil and gas proponents that use of the local engineering and design industry is a priority. The government will fund industry associations, such as Engineers Australia and the Association of Professional Engineers, Scientists and Managers Australia, to identify future opportunities to supply. In this context, I am very happy to announce that Perth-based WorleyParsons has just confirmed that it has won a multimillion-dollar contract to provide front-end engineering for the giant prospective Hess Equus offshore project. Hess has confirmed that this contract was won because of the demonstrated high-level technical expertise of Western Australian engineers. Again, I emphasise the fact that if we are successful in winning engineering work, the flow-on will be more wins for our fabricators. This is simply because our engineers are familiar with the expertise of our companies and workers. It is a win-win situation.

I look forward to informing the house on a regular basis of the progress of this initiative and the number of jobs being created through the resource projects that we have attracted to Western Australia.