



AIMPE/AMOU Submission
to the
Senate Environment and Communications Legislation Committee
in relation to the
Inquiry into the Offshore Electricity Infrastructure (Regulatory Levies)
Bill 2021 and Offshore Electricity Infrastructure Bill 2021.

Introduction

The Australian Institute of Marine and Power Engineers (AIMPE) and the Australian Maritime Officers Union (AMOU) represent ships' Masters, Deck Officers and Engineer Officers in Australia. Both AMOU and AIMPE are registered organisations and represent the industrial interests of members. Both organisations also look after the professional interests of maritime officers across all maritime sectors in Australia.

AIMPE and AMOU welcome the initiative of the Minister for Energy and Emissions Reductions Hon Angus Taylor and the Federal Government to introduce a comprehensive regulatory framework for the establishment of offshore electricity infrastructure in Australia's Exclusive Economic Zone (EEZ).

Law of the Sea

Australia has wide legal powers to regulate economic activities in our vast EEZ pursuant to the terms of the UN Convention on the Law of the Sea (UNCLOS). The production of energy from the water, currents and winds is explicitly recognised under UNCLOS article 56:

Article 56

Rights, jurisdiction and duties of the coastal State in the exclusive economic zone

1. In the exclusive economic zone, the coastal State has:



(a) sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether living or non-living, of the waters superjacent to the seabed and of the seabed and its subsoil, and with regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents and winds;

AIMPE and AMOU are aware of the rapid development over the last decade in the Offshore Wind industry – particularly in European waters.

Given the European example, it is highly likely that offshore electricity will be a sector that will have a rapid and sustained expansion over the decades ahead. This will involve investments in the billions and has the potential over time to become a primary contributor to Australia’s electrical power requirements during the 21st century.

Electricity based on renewable sources such as offshore wind is fundamentally different from extractive industries. Offshore electricity will have a much longer time horizon than extractive industries. A large proportion of the output of offshore electricity will feed directly into the domestic electricity grids and supply electricity to domestic, commercial and industrial users throughout Australia.

Jobs for Australian Seafarers

As the Minister said in his Second Reading speech on 2nd September 2021:

“Thousands of skilled regional jobs can be created, providing both direct benefits and indirect opportunities for regional businesses.”

AIMPE and AMOU are aware that there will be many vessels of different types required to be utilised in the various phases of offshore construction, operation, maintenance and demolition of offshore electricity infrastructure.

AIMPE and AMOU have represented Engineer Officers and Deck Officers on all manner of vessels which have been deployed over the last 60 years in these phases of various projects within the Offshore Oil and Gas sector. Australian Masters, Engineer and Deck Officers bring the vital local professional skills necessary for the operation of all commercial vessels of whatever type. Many of the skills and qualifications required to operate vessels involved in



offshore construction, operation, maintenance and demolition for the Oil and Gas sector will be transferrable to the Offshore Wind sector.

However, the draft legislation does not seem to have any provisions which secure jobs for Australian maritime professionals, including Masters, Engineer and Deck Officers on the vessels, which will be required for all phases connected with offshore electricity infrastructure.

AIMPE and AMOU submit that the jobs on these vessels should be secured by legislative provisions requiring Australian registered vessels to be deployed for any maritime activities greater than three months duration. A legislative requirement for Australian registered vessels would ensure the employment of Australian qualified personnel.

This would be an appropriate exercise of the sovereign rights that Australia holds as custodian of the enormous EEZ surrounding the Australian continent pursuant to the UNCLOS cited previously.

The COVID-19 pandemic of 2020-21 has demonstrated that Australia needs to improve its level of self-sufficiency especially in critical industries. It is not strategically prudent to divest the development of such an important industry to non-Australian contractors.

Ensuring that Australian maritime professionals are employed in the maritime jobs that will be associated with each phase of the development of the Offshore Electricity industry will also be good for the Australian economy because it will ensure that the income earned stays in Australia and is not remitted overseas. This can only be a positive for the Australian community.

AIMPE and AMOU request that the Committee recommend as follows:

“That the Offshore Electricity Infrastructure (Regulatory Levies) Bill 2021 and Offshore Electricity Infrastructure Bill 2021 be amended to include provisions which require licence holders to ensure the use of Australian registered vessels for any maritime activities in relation to offshore electricity infrastructure which are of greater than three months duration. Foreign registered vessels should not be permitted to be used for any maritime activities in relation to offshore electricity infrastructure which are likely to be of greater than three months duration.”



Training for Australian Seafarers

AIMPE and AMOU also note that there are no specific provisions relating to training for the Offshore Electricity industry. This may be an issue for separate policy consideration however it is a vital issue which cannot be left to the last moment. As with the rest of Australian society the current maritime workforce is ageing and a new generation of workers with the necessary seagoing skills is required. The Offshore Electricity industry is encouraged to undertake pro-active training to ensure the availability of sufficient personnel to help carry out every stage of the development. AIMPE and AMOU note that the process of obtaining the necessary qualifications and experience for the senior positions on major vessels takes a long period of time (up to 10 years for Masters and Chief Engineers).

The seagoing skills that will be required for the Offshore Electricity industry will need to be a combination of the broad general qualifications – Certificates of Competency issued by the Australian Maritime Safety Authority – and specialist skills particular to the Offshore Electricity Infrastructure installations.

The acquisition of seagoing skills requires extensive practical seagoing experience. This cannot be obtained ashore. It cannot be obtained online. It must be obtained on board vessels. The Offshore Electricity Industry participants should be required to assist in the training of the next generation of Australia's maritime workforce. There should also be Government policy support for this maritime workforce development. Existing vessel operators (say in the Offshore Oil and Gas sector) could facilitate training on board their vessels with Government financial support.

AIMPE and AMOU request that the Committee recommend as follows:

“That the Offshore Electricity Infrastructure (Regulatory Levies) Bill 2021 and Offshore Electricity Infrastructure Bill 2021 be amended to include provisions which require licence holders to require all participating companies to provide maritime training to ensure the availability of sufficient numbers of qualified Australian Masters, Engineer and Deck Officers to operate all vessels required for the foreseeable Offshore Electricity Infrastructure development.”

AIMPE



AMOU
Australian Maritime
Officers Union

Compliance and Enforcement

AIMPE and AMOU also submit that the exercise of Australia's sovereign powers to require Australian registration of all vessels involved in the offshore electricity infrastructure would allow for better compliance and enforcement of Australian maritime laws by Australian authorities.

There have been instances in the not too distant past where investigations into incidents on foreign registered vessels operating within the Australian EEZ in the oil and gas sector have been carried out by the overseas regulator.

Requiring Australian registration of all vessels deployed for greater than 3 months in any and all phases of the offshore electricity infrastructure will facilitate more effective compliance with and enforcement of all Australian requirements whether they are employment, environmental or otherwise.

Martin Byrne
Federal Secretary
AIMPE

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16th September 2021