

Skilled Jobs (Benefits from the Boom) Bill 2012

(Introduced by Mr Tinley, MLA)

Explanatory Memorandum

This bill will require the State Government to negotiate a skilled work agreement with proponents of major resource or energy generation or transmission projects within the state with a view to sustaining and expanding Western Australia's skilled workforce and improve the viability of local industries.

The bill will ensure local suppliers will have at least an equal opportunity as overseas counterparts to compete for work on each major project.

Clause 1 Short Title

Clause 2 Commencement clause - the Act comes into operation on receiving Royal Assent, or the following day depending on the section.

Clause 3 Describes the terms used throughout the Bill.

A major project is defined as any resource or electricity generation project or associated infrastructure with a projected carrying amount exceeding \$200 million.

The Minister responsible is defined as the Minister responsible for the *Government Agreements Act 1979*.

Services are defined as the range of skilled work categories that must be covered under the skilled work provisions of a skilled work agreement.

Clause 4 Future Government Agreements are to contain a requirement for a skilled work agreement to be executed before services for the project commence.

Clause 5 Requires the Minister to enter into a skilled work agreement with the proponents of major projects for any major project not subject to a Government Agreement.

- Clause 6** Outlines the principles the Minister must take into account when negotiating a skilled work agreement with a major project proponent. The Minister must use their best endeavours to negotiate and effect the agreement before the services for the project begin.
- Clause 7** Sets out the content of the skilled work provisions required in skilled work agreements.
- Skilled work agreements must specify—
- The preferred source of capital for the project as well as any global supply chain rebates that may accrue to businesses that do not operate in Western Australia;
 - which major project services will be carried out in the State and which region of the State they will be carried out in;
 - the number of person-hours required for each services category for the project;
 - the number of apprenticeships and traineeships required to supply the Western Australian skilled work positions;
 - which services will not be carried out in Western Australia and why;
 - the research and development investment in relation to the project in Western Australia;
 - the standards and specifications the project proponents will use when requesting tenders for the services, and to provide an explanation if Australian standards and specifications are not being used;
 - the quantity of fabricated steel required and how much of it will be produced in Western Australia; and
 - how and when compliance with provisions will be made available to the public.
- Clause 8** Specifies the timeframe and procedure the Minister must use to table each skilled work agreement in Parliament.
- Clause 9** The Government Department principally charged with administering the *Government Agreements Act 1979* must include information in its Annual Report on compliance with skilled work provisions contained in a skilled work agreement or relevant Government Agreement.