

**ECONOMICS AND INDUSTRY  
STANDING COMMITTEE**

**INQUIRY INTO THE ECONOMIC IMPLICATIONS  
OF FLOATING LIQUEFIED NATURAL GAS OPERATIONS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
FRIDAY, 1 NOVEMBER 2013**

**SESSION SIX**

**Members**

**Mr I.C. Blayney(Chair)  
Mr F.M. Logan (Deputy Chair)  
Mr P.C. Tinley  
Mr J. Norberger  
Mr R.S. Love**

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**Hearing commenced at 3.25 pm****Mr IAN BRAY,****Assistant National Secretary, Maritime Union of Australia, examined:**

**The ACTING CHAIR:** On behalf of the Economics and Industry Standing Committee, I would like to thank you for your appearance before us today. The purpose of this hearing is to assist the committee in gathering evidence for its inquiry into the economic implications of FLNG. You have been provided with a copy of the committee's specific terms of reference. At this stage I would like to introduce myself. I am Shane Love, member for Moore and the acting Chair of the committee and this is my colleague, Peter Tinley, the member for Willagee.

The Economics and Industry Standing Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of Parliament and therefore commands the same respect due to proceedings in the house itself. Even though the committee is not asking witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament. This is a public hearing. Hansard will make a transcript of proceedings for the public record. If you refer to any documents during your evidence, it would assist Hansard if you would provide the full title for the record.

Before we proceed to the specific questions we have for you today, I need to ask you the following questions. Have you completed the "Details of Witness" form?

**Mr Bray:** I have.

**The ACTING CHAIR:** Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

**Mr Bray:** I do.

**The ACTING CHAIR:** Did you receive and read the information for witnesses sheet provided with the "Details of Witness" form today?

**Mr Bray:** I did.

**The ACTING CHAIR:** Do you have any questions in relation to being a witness at today's hearing?

**Mr Bray:** No.

**The ACTING CHAIR:** We have some questions for you but I would like to give you the opportunity, if you like, to give us a statement about your views.

**Mr Bray:** Okay. Firstly, I would just like to thank the committee for the extended invitation to address the committee into the inquiry into FLNG for the Maritime Union. The MUA submits that there are many factors involved with FLNG operations and its impact on the Western Australian and, indeed, Australian economy. Our submission concentrates on employment, state income, energy supply and safety.

The MUA position on FLNG operations: the introduction of FLNG technology will undoubtedly affect employment opportunities and job creation across a multitude of industries and the maritime industry is no exception to that. Port services, stevedoring, harbour surveys, port expansion projects, trench digging, dredging, pipe-laying, diving, pilotage, towage and all associated ancillary work will drastically be reduced or even diminish as a consequence of FLNG as opposed to land-based construction. The introduction of FLNG technology will have a negative impact on economic

sustainability in the maritime industry that will affect companies and workers alike. A lot of these companies are of a competitive tender nature and if there is not enough of that work around, companies will disappear; therefore, jobs will disappear, training opportunities will disappear and long-term skills will disappear. The MUA position is that onshore processing must be the norm if we are to maximise the economic benefit for WA and the Australian economy and job retention and employment opportunities for Australian workers.

I guess the other part—it is pretty close to our hearts, to not only myself from a self-serving point of view, but also our union—is the impacts on the Indigenous communities and the lack of opportunities and prosperity in terms of these gas projects moving offshore. We honestly feel that by moving to FLNG and moving offshore, this is seriously going to erode the prosperity of those local communities. We just want it on the record that that is an absolute crying shame considering that we have a view that that wealth is there to be shared by all. It is the Australian people's wealth and everybody has a right to have some kind of prosperity coming out of these projects. We see that that is now disappearing or a consequence in the negative for Indigenous communities throughout the north west.

[3.30 pm]

We believe that the significant impact on the WA economy is going to be the government revenue base—obviously, the loss of jobs, small business opportunities and the taxes et cetera that go with it, the gross state product and uncertainty of energy supply to high-energy users and industry such as Alcoa and those kinds of companies. They are dependent on long-term sourcing of energy contracts, and if they cannot guarantee those long-term energy sources, obviously, everything becomes uncertain for them. It is no secret that Alcoa and other companies are looking to offshore if they cannot lock down and secure those kinds of resources. Rio Tinto in the Northern Territory is an example where they negotiated with the NT government up there for a gas pipe to be built into Gove to guarantee that that plant would remain open. We do not see that there is going to be any difference or we do not see that the risks are going to be alleviated, if we cannot lock down long-term energy supply. I raise this now because with the concept of FLNG, obviously, the gas reserves will disappear—you know, the 15 per cent et cetera—but also, too, most of the gas is sold pre-project. So, there is no guarantee that domestic use is going to be a benefactor of these projects. We see that that is a flow-on effect, if you like—not a domino effect, but rather a flow-on effect—in terms of the risks that need to be considered by this committee and indeed the government.

Safety: I have submitted for the committee a letter that the Maritime Union has written to the Australian Maritime Safety Authority CEO Mr Graham Peachey in regards to International Maritime Organization regulation of floating liquefied natural gas. This is an untested technology; it has not been used anywhere in the world as yet. There are no regulations that cover it. So, there is a degree of uncertainty about the safety and the regulatory requirements, whether it be AMSA or NOPSEMA. There does not appear to be any certainty and we do not believe that anything around at the moment would cover this type of operation given the high technology, high demand, isolation of work et cetera. A whole host of other questions have not been answered in terms of the guarantee or the minimising of risk to workers on these FLNG plants.

The other concerns we have are stated in the letter as well. I will not go through them all; it is all there to be seen. The main ones are the presence of high-pressure LNG and high-pressure gas, and the proximity of arriving shuttle tankers. One of the things that has not been considered is the actual interface, if you like, of vessels coming alongside these big floating facilities. My understanding is that Prelude will be approximately 488 metres in length. If a big gas tanker comes alongside, there is a tie-up, so there is a high-risk task, if you like, in tying up these tankers. Then there is the risk of loading from the facility to the gas tanker out at sea. What happens if an event occurs such as an explosion? These facilities will be in very isolated areas, so what about evacuation procedures? Firstly, before evacuation procedures, there will be emergency responses et cetera. A whole host of

other questions need to be considered. I understand, and I get, that this is about the economic impact, but I also believe that other factors need to be considered. If there is a massive explosion that leads to the loss of life, obviously, to some extent, that will have some impact on the economy and it needs to be considered in that context.

The last thing I want to raise—I do not want to go into detail—is a letter that the Western Australian branch of the Maritime Union of Australia received in the mail shortly after the announcement by Woodside to shift from James Price Point to FLNG. I do not want to go into the entire detail of that letter, but I want it noted that the MUA sat on it and we have not done anything with it on the basis that we were wondering what to do with it in the first place. But, secondly, it is anonymous, and we felt that we knew there was still a lot of debate and a lot of angst and a lot of discussion around the shift from James Price Point to FLNG, so we sat back and watched and we felt that this was the appropriate forum to release that information for the committee to do with it what it will.

**The ACTING CHAIR:** I see that we have got some correspondence from you. I have not had a chance to read it myself at this stage.

You stated that your members look to be losing opportunities because of the change to FLNG. This inquiry is really about the implications of that change. In your submission, you say that your members work in a variety of occupations in the oil and gas industry already. Why do you believe there will be a lack of opportunity for your membership coming out of this change when I would have thought that maritime activity would have been greatly increased with the need to service these large communities on these large factories, if you like, out on the water. Given the complexity of actually manoeuvring some of the vessels around—some of the tug requirements et cetera that might be out there on station all the time—you would see an increase in membership and it would be an opportunity for your members. Would you like to expand on why you think —

**Mr Bray:** Certainly. There is no doubt that the MUA will be a likely benefactor in terms of some job creation in the servicing aspects of FLNG. There will more than likely be towage. We do not understand yet the mooring systems on these things and how that would be done. But, overall, when we take an analysis of the gross jobs in terms of construction of a land-based facility versus the introduction of FLNG, the long term is, even with a shore-based gas production facility, there is still servicing done by our members and we do not see that there would be any growth in terms of FLNG. In fact, we probably say it would be the same as any other facility in terms of its requirements for providing, the shipping movements et cetera, maybe an emergency standby vessel, if that was deemed to be necessary or whatever the case, which is pretty much the norm. Where we have the negative is in terms of the construction, like the shore-based unions, in terms of the infrastructure that is required to be put in place for a land-based gas production facility.

**Mr P.C. TINLEY:** The terms of reference for this committee are around the economic impact. You brought up a safety issue in relation to what you do not know, and nobody really knows yet. On the economic impact of that, do you anticipate a different safety architecture? By that I mean a shore-based infrastructure that is required to support not just one but three or more? We are currently looking at Browse with three, and Prelude, and then there is talk of up to 15 of these vessels in production at Samsung. What shore-based infrastructure do you think would be required, if it is required at all?

[3.40 pm]

**Mr Bray:** I am uncertain, to be honest. Again, a lot is not known. I think more questions come out of these kinds of things than answers as we go along. I guess that is probably the nature of new technology being introduced. I guess we are really in the hotspot because it has not been introduced anywhere else in the world. We do not have the answers. We have plenty of suggestions and plenty of questions.

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**Mr P.C. TINLEY:** Do you think it will be different from the safety architects that we currently have on the north coast of Western Australia?

**Mr Bray:** I think potentially it will be. In terms of the safety architecture, could you expand on what you are referring to?

**Mr P.C. TINLEY:** For example, you are talking about first responders and then second responders. We saw from Montara and other offshore disasters, the scale of things that needed to be deployed to stabilise and then recover the situations. We are talking up to 10 plus of these vessels. Surely that will have an impact on what we as a province, a jurisdiction, are required to provide for the protection of the environment.

**Mr Bray:** I see what you are saying. In terms of the recent events and what occurred up in the north west with West Atlas et cetera, we have only dealt with Prelude in terms of emergency response because that seems to be the first one that is going to be in operation. That was the geographical position. When you think about the potential of this thing being more than 200 miles off the coast or thereabouts, the average vessel probably does 10 or 12 knots. That is a long way from land in terms of any vessel assistance. It is okay in the normal run of the mill where you are servicing and providing ship stores or equipment but in an emergency response, as was shown in recent events up north, it is not just one vessel that attends to an emergency response; it is pretty much any vessel you can get your hands on because you are trying to protect your life, equipment and the environment. We have not seen or had any discussions about any potential safety cases around those risks or unplanned events. I would imagine that some serious consideration would need to be given by the regulators and the government to ensure that life, equipment and the environment are protected in a very efficient and almost immediate capability of response in any emergency situation.

**Mr P.C. TINLEY:** Given the paucity of infrastructure in the north west and the fact that most of it is committed—I am talking about port capacity and that sort of stuff—for us to be able to establish the infrastructure required to provide an extremist response, that would have to be new infrastructure. If you accept that as a premise, who would you think would be the ones to bear the cost of construction and maintenance of further shore facilities for supporting the offshore industry?

**Mr Bray:** Firstly, I think it needs to be workshopped to work out exactly what we need that should be tripartite. I think there is equal onus on government as well as on industry. If there are any jobs out there and there are Australian people or any people working out there, and there is a risk to life, governments have an obligation. Equally in terms of new technology, the majority of the onus is on the industry itself that wants to introduce the technology to make sure that if it wants to work this technology, it has the capabilities to respond to an emergency.

**Mr P.C. TINLEY:** I wonder whether the cost factors in the project have been included in that. It is not something you can probably speak to.

**The ACTING CHAIR:** You have spoken about your union's opposition to floating liquefied natural gas development. Is that something that has come about in response to the James Price Point position and the Browse Basin decisions specifically? Prelude was around as a concept before that. Did you have a view then that you opposed FLNG?

**Mr Bray:** We did. Our opposition to FLNG was pre the James Price Point decision or, if you like, April rather than pinpoint anybody in particular, for the very nature that we did not understand. We have an obligation to ensure that we fully understand any new technologies in our industry and we understand the consequences of those jobs as well as the economic impacts and also the safety implications. Working at sea is a high-risk occupation. You cannot consider anything in terms of economics without attaching the safety case to it. We took a very conservative approach towards FLNG on the basis that it was not tested; it was largely not understood. There had pretty much been no dialogue with working organisations such as the Maritime Union of Australia or other unions,

not just ours, in terms of this new technology and what safety enhancements would be brought in with it. When you then go back to the economic impacts, as I say, whether it be a Gorgon or a Pluto, dependent on how much marine spread is required for each of these projects and the amount of work that has been done, we also see the long-term benefits from these projects in terms of other expansions to port work and those kinds of things. We know that there is a residual benefit for maritime workers and, indeed, Western Australian ports, in particular, because they become the benefactors of those expansions et cetera and improve services.

**The ACTING CHAIR:** The initial use of FLNG was put forward in smaller and stronger gas fields where development would be unlikely to be undertaken in an onshore development. At that stage your opposition was not based purely on a general presumption against FLNG but rather as a concern for the safety of your workers on those isolated gas fields.

**Mr Bray:** Yes, very much so.

**The ACTING CHAIR:** How do you see where those concerns would be assuaged in the future? Is there a process that you think should happen which is not happening in discussions between government regulators, your union and the proponents in ensuring that all your concerns about safety are addressed?

**Mr Bray:** Most definitely. There is no doubt about it. There needs to be ongoing discussion. If FLNG is going to be a concept for the future and that is the way the industry goes, there needs to be a lot more dialogue in a short time in terms of what kind of regulatory capacity is required et cetera. On that basis, we extend the hand of cooperation in terms of ensuring that the safest procedures possible are worked through and agreed in a tripartite manner between government, industry and the unions or the workers' representatives. We just do not see it happening quickly enough. I will talk about one of the things that concerned us. I was in a meeting with the Australian Maritime Safety Authority on 18 September this year and we raised the issue of marine regulation for FLNG. The answers coming from the safety authority were a little skinny. It is certainly not a criticism of the safety authority; it just goes to show how immature this industry is in terms of the thought around that safety process. It has all been about the economics, not about the safety consequences around the industry and what we need to think about.

**The ACTING CHAIR:** Given that Australia and Western Australia has a great concern for the safety of workers in its mining and gas industries, how do you think that should be improved? I understand your concerns but what specific things would you see as being positive actions that could reduce this gap between your safety concerns and the elements of design that concern you?

[3.50 pm]

**Mr Bray:** I think particularly in the offshore oil and gas industry as a whole. Not just targeting FLNG and those that seek to use that technology, but the industry as a whole, I think, would be benefited by greater integration of discussion between the HSRs on board the various facilities that are off the Western Australian coast but also with their workforce. There does not appear to be a great deal of employer–employee working groups. It seems to be you have legislation, you have regulation and then you have a couple of people that work in an office for a company that manages the HSR side of things. You will have elected HSRs on board —

**Mr P.C. TINLEY:** Maybe just for the benefit of Hansard, what is HSR?

**Mr Bray:** Safety reps—health and safety reps. So, you will have all those things in place but the actual interface and the interaction between the representatives at the workplace and those that are responsible at management are not at a capacity that it should be; that would be one of the biggest criticisms that I have, and I think one of the greatest areas in which we can improve the safety standards within the industry.

**Mr P.C. TINLEY:** Just for clarification, you mentioned that the union had written to AMSA. Did you also write to NOPSEMA?

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**Mr Bray:** I believe we will have. I have not received a copy of that letter. As the official responsible, particularly for the maritime, not so much the offshore oil and gas, I have a relationship with AMSA. There is another national official that has the responsibility for NOPSEMA, and I believe that they were following up, and it would have been pretty much a verbatim letter that went to the other regulator as well.

**Mr P.C. TINLEY:** Just moving around to the nature of employment or the nature of where workers will come from, your submission expressed your concern that under current laws unregulated overseas temporary labour is likely to be used on FLNGs. Why do you say such an outcome is likely, and what type of labour would be involved? Are we talking about skilled or unskilled?

**Mr Bray:** I think, depending on the requirements again, this is something that we are yet to fully understand, and it is due to a very complex issue, a legislative issue, in terms of if you take an FPSO, for example—a floating production facility—when they are attached to a riser that is attached to the seabed, they no longer are classed as a ship; therefore, the Navigation Act is disappplied.

**Mr P.C. TINLEY:** Really?

**Mr Bray:** Yes, but once it has to leave the riser for any event whatsoever, hey-presto, it magically reappears and it is a ship and therefore comes under AMSA regulations. So, we have this crossover of safety jurisdiction between NOPSEMA and AMSA on FPSOs. We would anticipate that a lot of that will be eradicated on FLNG on the basis that the concept of FLNG is to bring them down more than for 25 years or 40 years and —

**Mr P.C. TINLEY:** Never uncouple.

**Mr Bray:** Never uncouple. Therefore, we would be assuming that it is NOPSEMA that will be the safety regulator. However, the question that we have asked to AMSA is if there are maritime functions and operations and tasks that will be required. And there is no avoiding that by industry or anybody on the basis that these things will be miles and miles out at sea; there will be mooring of vessels and unmooring of vessels; there will be tender operations; there will be supply operations. So there is a crossover, and we need to get that understanding of what it would look like and what changes need to be made. Again, I think this is something that we have views on but until we actually understand the operational concept of FLNG, I would be a bit loath to put anything forward because I am really shooting in the dark as to what the operation would be.

**Mr P.C. TINLEY:** But again going back to the question around workers or temporary workers, why do you say it is likely?

**Mr Bray:** Given where they are, given the geographical position; you know, we are not that far away from the likes of Singapore, the likes of other Asian ports, Indonesia. It would be very, very easy to set up and arrange a fly in, fly out of workers; whether that be the seafaring or the trades assistants, if you like, and those kinds of jobs or whether it be the high-end, high-tech technical jobs remains to be seen, but it is not an impossibility and there is a reason for concern there on the basis of the recent Federal Court case which was put up last year by Allseas. If you read that one, Allseas took the commonwealth government to the court and the decision found in their favour that they could use foreign labour in the offshore oil and gas industry under certain circumstances. So given that that particular court case gave a decision in favour of companies, we do not see that there are any assurances to say that it will not happen.

**Mr P.C. TINLEY:** So, given the Allseas experience, what about that in your opinion has parallels with FLNG, particularly as you are saying “in certain circumstances” Allseas could do it? What are those circumstances you think might apply in the FLNG case?

**Mr Bray:** My view would be, again, depending on where they position them. A lot is going to come down to position. I mean, 200 miles is getting pretty close to the Australian territorial water borders for a start. I mean, you have only got to be one mile either way or the other and you are into

a technical argument. That is the first one. The second one is depending on how the job was set up, how they are connected to the seabed, how the hydrocarbon is being extracted. They are all circumstances that would need to be considered in terms of whether local labour or Australian labour or in fact international labour could be used. And this is something that we need to be very careful of.

**Mr P.C. TINLEY:** Have you had anything from the proponents that would give you an indicator either way?

**Mr Bray:** No, we have had nothing from the proponents to say what labour they would intend to use. But I would suspect that that is on the basis that an FLNG facility will not have a propeller and therefore those proponents will have deemed that the MUA has no constitutional coverage on an FLNG facility. So I would say that they believe that they do not have to engage with the Maritime Union on the basis that we do not have the constitutional coverage on the facility, but they will have to engage with us in terms of the other marine parts of the operation. The other thing it alludes to, and I will say this because it is in the letter that I handed up, and that is part of what was said in that letter was the discussions around setting the project up for a fly in, fly out workforce by Singapore utilising a Singaporean-registered labour hire company. So, I mean, it is there; it is always going to be in our face. We are not scared of it, but we also have the right to confront it if we do not believe it is right.

**Mr P.C. TINLEY:** Picking up on that then, your organisation, along with other international organisations, would be very successful in the ships of shame campaign. What guarantees do you have that those sorts of practices are not going to be operated in our waters?

**Mr Bray:** We cannot give any guarantees, and if you listened, and I most certainly did, to Steve Price from the AWU—we worked closely with the AWU in terms of the Filipino workers that were found on an oil rig in Australian waters working for \$3 a day. I mean, the minimum wage in this country is probably three, four times that, and yet this kind of exploitation occurs. We cannot offer guarantees that that will not occur. All we can offer is a guarantee that we will be monitoring it and where those situations arise we will be screaming from the rooftops, I guess.

**The ACTING CHAIR:** So, when we are talking here about the labour that might be brought in to operate these vessels, your concern is that the low-paid workers that might be brought in from overseas would be doing perhaps the less skilled jobs on the vessel. What about the more highly skilled jobs? Given that these vessels are built overseas with overseas technology, is it anything but extraordinary to believe that the overseas people that build the equipment will be the ones who will be providing the labour to actually do the specialist tasks on the vessel?

**Mr Bray:** I understand what you are saying. I have drawn no conclusions on any company and what their intentions are in regard to local versus international labour. Quite often there is a mix and no case ever seems to be the same when you come across these things. We do not know whether they are intending to introduce a complete international crew on these facilities, or whether it is going to be the lesser skilled jobs or whether it is going to be the high end.

[4.00 pm]

What we will say is through dialogue we have always engaged with companies, and the diving industry in particular, which is a very, very high-risk industry and highly qualified, highly ticketed and highly accredited, with lots of training. From time to time they experience shortages in terms of particular dive classifications, and in those circumstances we have always engaged with the companies and where they cannot find appropriate qualified labour within Australia, we have always agreed, supported and worked cooperatively with bringing in temporary labour on the basis of filling those gaps to make sure the operations can go on. In some aspects where the skill is not available, we work with the company, but we always attach to that some guarantee to make sure that there is training being conducted by their existing workforce to make sure that those gaps are



closed and therefore eventually they will be able to hold those positions with an Australian workforce.

**The ACTING CHAIR:** So you might accept more of a temporary arrangement for a greater number of foreign workers with the expectation that over time, if these vessels become established off the coast, that most of those jobs would actually be handled by Australian workers?

**Mr Bray:** Not necessarily in this particular case, and the reason we say that is that if the companies have been talking about moving to FLNG as a concept, to a technology, to an operation, it is over many, many years that these views, discussions and debates have occurred. They will know how these things need to be built, they will know what the technology is and they will know the tasks that need to be performed to make sure that that facility operates safely and efficiently. If they have had that much time to plan for that technology to be introduced as an operation, we do not see why they have not put the same amount of thought into training an Australian workforce to operate those facilities. In this particular case, because there has been so much lead-in and planning, why have we not been having discussion about the training for Australians to take those high-end jobs? It could quite easily have been achieved given the fact that they have spent this long developing the technology.

**The ACTING CHAIR:** Just on the position with labour on the vessels, at the moment the companies on shore-based facilities would presumably be covered by our acts in Western Australia to underpin work course relations and safety. Towards this self-regulatory regime that underpins the Offshore Petroleum and Greenhouse Gas Storage Act 2006, which would apply presumably on the vessel, can you explain the concerns you might have about the differences between the regulations that exist in the two regimes and in your opinion whether one is less rigorous than the other in promoting safety?

**Mr Bray:** Certainly. A classic example is that under the Western Australian legislation high-risk work must be ticketed. You must have a competency ticket and be able to display that you can do that job, so for instance forklift, crane operations and those kinds of things. In the offshore oil and gas industry that is not the case. No high-risk tickets are issued in terms of levels of competency. It is assessment based or competency based, based on in-house training on a lot of occasions, which is something that the unions have opposed for many, many years now. The other difference is obviously in terms of Western Australian legislation; it is there, it is enshrined and under the sections of duty of care of both the employers and the employees, there is a fair line in the sand on people knowing their obligations. Under NOPSEMA it is a case of a company submitting a safety case to NOPSEMA and there is no inspectorate within NOPSEMA that goes out to make sure that people are being compliant. They only really act on complaints. I understand that is slowly moving, but like everything else in bureaucracy, it is sort of moving at glacier speed at the moment.

**The ACTING CHAIR:** Given the numbers of people that this might push on the situation that would require them being covered by these safety facets, do you think that that self-regulation and the lack of anybody employed by NOPSEMA to actually follow up is something that needs to be addressed before the FLNG becomes reality?

**Mr Bray:** Most definitely, and I think in terms of when you are talking about the safety regulator in that particular case, that would apply not only to FLNG, but to offshore oil and gas as an industry. I would hate to sort of target FLNG as the basis for our concerns on that; we have had that concern for some time.

**The ACTING CHAIR:** Is there anything else you would like to bring to our attention that you have not covered yet?

**Mr Bray:** Not particularly; the only other thing I would like to note is that the concept of FLNG would probably have come at some time. It is here now, but it could have been in the future. The way that it was handled in terms of James Price Point was a little bit undignified, considering that

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everybody believed that James Price Point was going to go ahead, was going to be constructed and was offering opportunities in terms of jobs. The fact that the plug was pulled in April, and all the events in terms of land-based opportunities and the diminishment of opportunities for the Indigenous communities up there was poorly handled. In my view alone, the Premier was embarrassed and I think Woodside owes the Premier an apology for the way it was handled regardless of the political persuasion of the Premier. You just do not treat the government of the people from which you are extracting the resources from in that manner. That needs to be put on the record. The second thing I want to say is that Woodside and other companies have tried this with Timor-Leste, and Timor-Leste will not entertain FLNG. They are saying, "Come to us when you want to build the shore-based process." In hindsight, maybe we should have taken a leaf out of their book and said, "If you want to do business in this particular part of the world, that is the way it is going to be done", and I think we failed.

**The ACTING CHAIR:** Thank you for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If it is not returned within that period, it will be deemed to be correct. Any new material cannot be added via these corrections and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration to return the corrected transcript of evidence. I think we got through all the questions today, but if anything comes up, would you be happy to respond to any questions we put to you in writing?

**Mr Bray:** Not a problem.

**Hearing concluded at 4.08 pm**

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