

Mr. Daniel Lee
Chamber of Commerce & Industry WA
cc: Mr. Lee Harding
Bechtel HR Manager

RE: Pluto II Greenfields Agreement

In July last year, the construction unions party to the Laing O'Rourke Pluto 2 Project Agreement wrote to you with concerns about the upward pressure on skilled labour wage rates & skilled labour mobility, among other matters pertaining to the proposed replacement agreement (letter attached). Included with that letter was a flyer of NW electrical trades wage rate from the ETU at the time - an updated one is attached to this email too.

Since then many issues on a local, national and global level, have not alleviated those concerns, in fact they've grown on the prospect of being able to engage a productive and secure workforce to complete the project on time and within budget.

Historically the Burrup trains, and other large NW petrochemical projects, have attracted skilled labour throughout Australia, mainly due to the generous employment terms contained in the NW Greenfield agreements. The percentage of interstate workers on those projects varied depending on the availability of similar work in the Eastern States, but often made up more than a third of the projects' workforces.

The ETU believes this will not be the case for Pluto 2.

As you would be aware, there are several large infrastructure projects taking place in the Eastern States during Pluto's construction phase; Victoria & Queensland in particular. Reports from our counterparts in those states suggest they will not have sufficient local skilled labour for the duration of those projects and will need to supplement with labour from elsewhere. Therefore, given those projects are paying up to 20% more in remuneration than the Pluto EA, not only do I believe there will be little to attract the usual amount of interstate labour, but there could well be an exodus of WA skilled labour to those better paying projects over there (Queens Wharf in Queensland and the Metro Tunnel in Melbourne project agreements attached for comparison).

Moreover, the pandemic induced global economic downturn may well lead to a need for many industrialised countries to retain their workforces to help in their recovery so temporary skilled migration (of which Australian business has relied on far too much in recent years, rather than long term objectives in training enough of our own people) may not be the panacea some predict.

In conclusion, I therefore urge Bechtel and the CCIWA to engage in further discussions with the unions to open-up the project agreement and change the commencement wage rates back to the 2022 rates contained in the original Laing O'Rourke agreement.

I look forward to your prompt response.



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