

# Industry joins government to strengthen oil and gas sector



Minister Logan and the honourable members of the Western Australian Oil and Gas Industry Coordinating Council.

**The past year has seen the total value of Western Australia's petroleum sector increase by 11 per cent, a record high of AUD\$16.4 billion, which shows that it is driving the Western Australian economy along with the mining sector.**

These exceptional figures and the AUD\$53 billion worth of oil and gas and condensate projects currently under development, has raised the question of how the State's local oil and gas services industry can play a significant role in the sector.

One of the answers is the re-formation of the Western Australian Oil and Gas Industry Coordinating Council.

The Council brings together leaders from the petroleum sector, unions, government, research and services, to help steer the development of the State's oil and gas sector.

The re-convened Council has met twice in the past few months to discuss the Council's direction in developing opportunities for the State's local industry.

Chairman Minister Francis Logan said Western Australia had the potential to become a world-leading centre for oil and gas engineering, production, fabrication and research capability.

"One of the Council's main goals will be to ensure our local industry has the opportunity to work on some of the exciting projects that are currently taking place in the State," Minister Logan said.

"Western Australia has world-leading infrastructure and an experienced industry that consistently shows they can compete with the best in the world on quality, service and, most importantly, whole-of-life cycle costs."

The Australian oil and gas industry will see unprecedented growth in the next 15 to 20 years, due to major projects off the North West coast including Pluto, Pilbara LNG, Gorgon/Janzslo, Ichthys, Browse Basin and Sunrise.

The Council plans to develop a strategic plan to assess the technology and infrastructure requirements of the major projects, with a view to possible cost-savings from the sharing of resources.

The Australian Petroleum Production and Exploration Association's (APPEA) Western Australian Chair, Colin Beckett, said the Council would set a plan for the sustainable future of the industry and complementary services.

"Currently, operators are working on oil and gas projects independently and there is no clear picture of their combined infrastructure requirements or the service capabilities that will be needed to construct and maintain these projects," Mr Beckett said.

"A road map will identify opportunities and challenges for the industry and look at ways to maximise infrastructure investment and capitalise on the State's service capabilities."

As well as local content, the Council's other four other distinct priorities are to promote the establishment of an Asia-Pacific subsea engineering and service industry in Western Australia, address skills shortages, communicate with industry locally and globally and research and development.

Western Australian: Energy Research Alliance (WA:ERA) CEO Dr Ian Finnie, said research and technology development was vital for the oil and gas industry.

"Projects such as Chevron's Gorgon and Woodside's Browse developments are situated in remote deep water, with natural gas with high carbon dioxide contents," Dr Finnie said.

"Technological advancements are taking place in this State all the time and the Council will undoubtedly support our growing research and development capacity, promoting it locally and globally.

"Western Australia has never known a more exciting time for the petroleum industry and the research that WA:ERA and other fellow collaborators are undertaking is already reinforcing Perth's position as a technology hub for the Australasian region." ■