



Offshore Update - 17/04/2020

Offshore Members,

This is the latest report and update for workers in the Oil and Gas sector. Please read through and share with your email contacts.

Industry Rosters begin to take shape

As you are aware, the industry discussions broke down as a result of poor leadership by AMMA. Since the breakdown we have been speaking with various operators on a case by case basis with the view of meeting the members and industry needs. We can report that we are beginning to make some positive progress with some of the operators.

One operator has moved to put their crew into isolation for 14 days (paid as dead days) before joining their vessel for their normal on duty swing. This operator has also moved into a Norwegian Style Roster.

We have other operators that have agreed to have their crew put into isolation for 14 days (also paid as dead days) before extending their vessel swings from a 4 week to 5-week cycle or a 5 week to 6-week cycle. In other words, they have agreed to extend their swings by a week (without penalty) as we had previously suggested.

In addition to the above we are in discussions with other operators and are close to getting a deal done.

We still have more work to do and hope that the rest of the operators take note and come on board with what we have been suggesting since the beginning. Members working for Employers that haven't yet worked out an arrangement with the MUA need to ensure that the EBA continues to apply unless otherwise agreed.

Federal Government support Virgin & Qantas Airlines

As a result of the Airlines holding the country to ransom, both Virgin and Qantas will get financial support from the Federal government to keep flying domestic routes. Whilst their industrial thuggery has paid off for them, it is also a massive win for those airline workers engaged by both Virgin and Qantas. The Mining Sector along with the Oil and Gas Majors will also be pleased given that their profits will continue to grow.

As result of the financial support Virgin Australia will now operate 64 Australian return services between various cities and regional towns. This will roll out across the country for the next 8 weeks before being reviewed.

Oil War appears to come to an end

The war in the price of oil resulted in the price of Oil taking a significant drop in worth. We have all seen this at the petrol bowsers. It appears that Russia and Saudi Arabia may be calling a truce.

Reportedly, part of the deal states that Russia and Saudi Arabia will cut oil production by approximately two and a half million barrels per day. This outcome will mean that these two countries will produce about the same amount of Oil as each other.

Oil has bottomed out to the lowest rate since the crash in the 80's and may go lower because supply may not hold, and the US shale producers may also fall.

Both the volatility and weakness in oil prices caused by significant supply and demand side issues continues to wreak havoc on our industry and put pressure on service operators and the majors to cut costs at the expense of our members conditions and ongoing employment.

Employers push back on over cycle payments

Dof and Solstad have recently pushed back on having to pay double bubble. The 2 operators are blaming the airline companies stating that their flights were cancelled and that they were not at fault. They refer to the EBA which states – *“Where a relief was about to join the vessel but is prevented from doing so by failure/delay of commercial airline connections”*. To be clear this doesn't give them the right to keep people on board their vessels for weeks on end.

We will be pursuing these claims for the membership with each of these companies and I will report back in due course.

In unity,

George Gakis || M: 0412 310 686
P: 08 9335 0500 || E: george.gakis@mua.org.au

“Australian Democracy was built on Civil Disobedience”

Maritime Union of Australia || WA BRANCH
Construction, Forestry, Maritime, Mining and Energy Union
2-4 Kwong Alley, North Fremantle WA 6159