



Natship09
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Preparing for the Future!

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Outline of Presentation

1. About AMMA
2. Current and Projected Offshore Projects
3. Skill Shortages and Training
4. Future Challenges
5. Employee Engagement
6. Leadership
7. Questions



AMMA the Organisation

- Established in 1918
- Largest and most representative national resource sector employer association
- Six offices across Australia – over 300 members
- Actively lobby State and Federal Governments

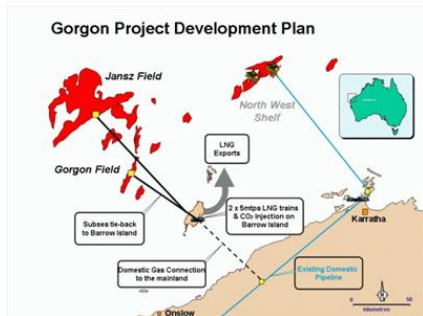


Significant Offshore Oil & Gas Projects

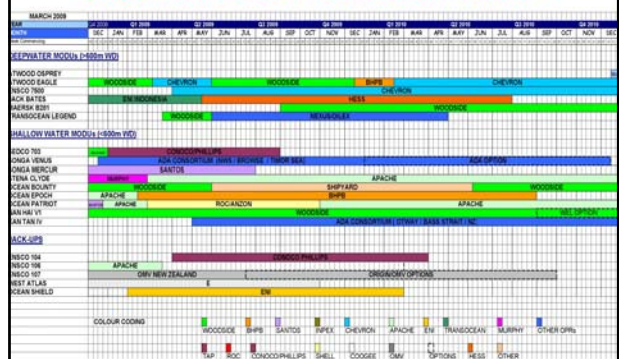
	Schedule
ENI Australia Blacktip Field Development	H2 2008
Coogee Resources Montara Development	Q2/3 2009
Woodside Pluto Pipelay 750	Q2/3 2009
Woodside Pluto Jacket Installation & ASV	Q4 2009
Santos Henry	Q4 2009
Apache Reindeer	H2 2010
Exxon Mobile Kipper / Turrum Project	2010/11
Woodside North Rankin "B"	2011
Exxon Mobile / BHP Scarborough	2011
INPEX / Ichthys	2011/12
Chevron - Gorgon	2012/13?
Woodside Browse	2014



Gorgon Project Development Plan



OFFSHORE RIG AVAILABILITY - AUSTRALIA & NEW ZEALAND



Offshore Skill Shortage March 07

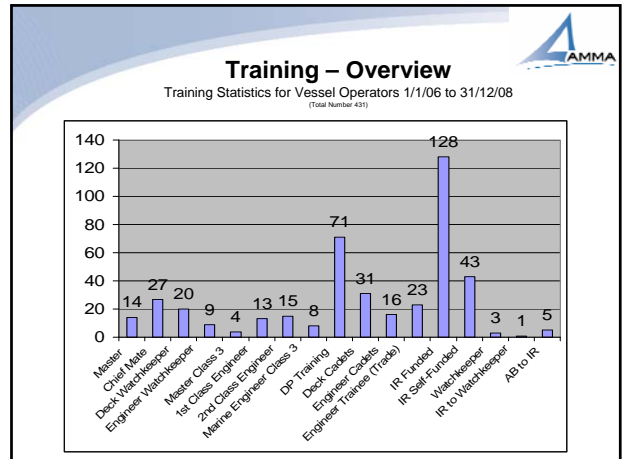
Projected Staffing Requirements March 07

	Officers			Engineers				RIS			Catering	
	Master	Chief Mate	Second Mate	Chief Engineer	First Engineer	Second Engineer	Electrical	Crane Op.	IR	AB	Cook	Steward
Total Proj Berths @ Mar07	115	88	87	98	88	78	6	4	412	18	70	72
Required@1.5	172.50	133.50	130.50	147	132.00	117.00	9	6	618	27	105	108
Required@2	230	178	174	196	176	156	12	8	824	36	140	144
Required@2.1	241.50	186.90	182.70	205.80	184.80	163.80	12.60	8.40	865.2	37.8	147	151.2
Required@2.153	247.60	191.62	187.31	210.99	189.46	167.93	12.92	8.61	887.096	38.704	150.71	155.016

Staffing Availability March 07

	Officers			Engineers				RIS			Catering		Total
	Master	Chief Mate	Second Mate	Chief Engineer	First Engineer	Second Engineer	Electrical	Crane Op.	IR	AB	Cook	Steward	
Available Mar07	170	112	109	94	137	118	20	24	547	55	80	89	1521
Shortage@1.5	-2.50	-21.50	-21.50	-53.00	-5.00	1.00	-5.00	-18.00	-71.00	-12.00	-23.00	-19.00	-184.50
Shortage@2	-60.00	-66.00	-65.00	-102.00	-38.00	-38.00	12.00	16.00	-317.00	-21.00	-60.00	-55.00	-753.00
Shortage@2.1	-71.50	-74.90	-73.70	-111.80	-47.80	-45.80	11.60	15.60	-318.20	-22.80	-65.00	-62.00	-866.70
Shortage@2.153	-77.60	-79.62	-78.31	-116.89	-52.46	-49.93	11.06	15.39	-340.04	-23.75	-68.71	-66.02	-926.96

Total Available Officers 391 Total Available Engineers 373 Total Available RIS 586 Total Catering 171



- ### Offshore Challenges
- Increasing labour costs
 - Industrial Relations showing stress signs
 - Project uncertainty and varying lengths
 - Difficult predicting labour and training needs
 - Competition for Investment \$

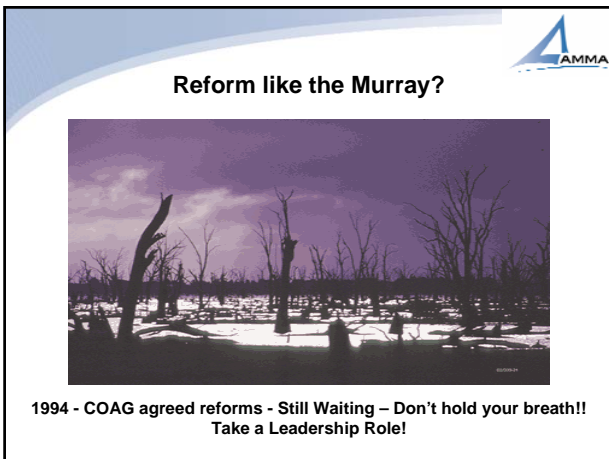
Shipping Reform

Quote


“Revitalising Australian coastal shipping will ultimately require cooperation between industry, the Commonwealth, states and the Northern Territory.”



Rebuilding Australia's Coastal Shipping Industry inquiry into coastal shipping policy and regulation




- ### What Can We Do Without Government Or Others Help?
- Focus on**
- Adding Value to your existing resources
 - Improving productivity of labour and capital
 - Taking costs out of your business
 - Preparing for future challenges and shocks





How?

Better Workforce Utilisation Through Employee Engagement and Leadership



Employee Engagement

- Increased employee engagement = improved business outcomes
- Higher engagement scores = better outcomes (Gallop) on:
 - staff retention (50%),
 - customer satisfaction (56%),
 - safety (63%),
 - productivity (38%), and
 - profitability (27%)

Employee Engagement Factors

Staff

- Know what is expected of them at work
- Have resources and authority to do their work right
- Have the opportunity to do what they do best
- Encouraged and given opportunities to learn and develop
- Trusted – various work methods, styles and patterns
- Honest and constructive feedback about their work
- Reward individual contributions and their achievements




To Improve Employee Engagement


You Need Leadership Skills and Training



AMMA Leadership Survey

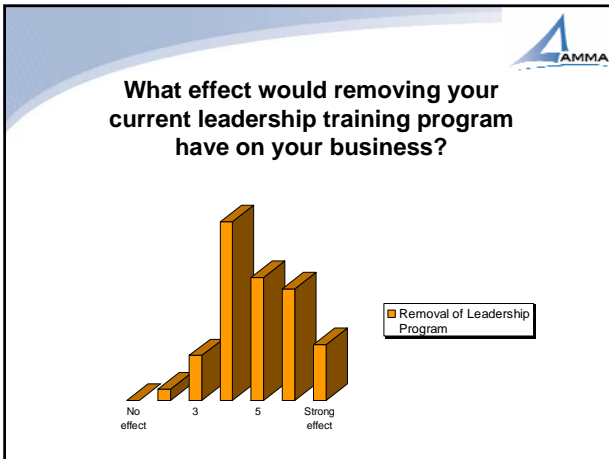
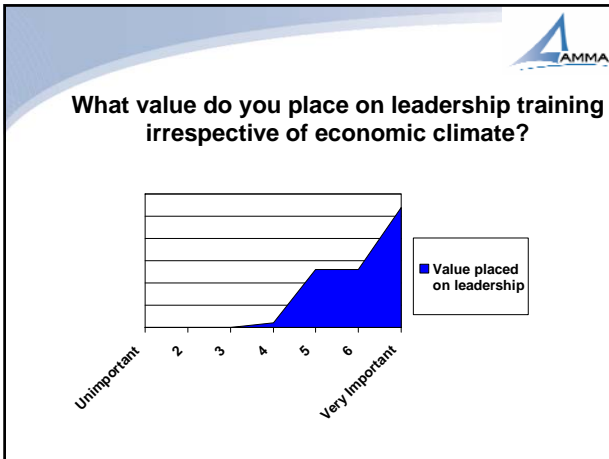


- Measuring attitude towards investment in leadership
- Mix of small, medium and large companies responded
- Not just Maritime



Overview of Results

- Acceptance success not only focuses on production but on people and strong 'visible' leaders.
- Not all people in leadership positions have the knowledge, skills or desire to be an effective leader.
- Skills can be learnt
- 77% saw leadership training as important as technical training
- 62% consider non-technical training necessary - even if economic conditions worsen



- What value does leadership possess for the resource sector?**
- "Important, very high value, invaluable, critical, central, extreme value, significant impact, vital
 - Provides direction, clarity and resourcefulness
 - Key ingredient to task completion and staff motivation
 - It's everything! Without it organisations' will fail
 - Leadership - at the heart of culture - is critical
 - AMMA survey, supported by IBM Global Human Capital Study 2008 - *Unlocking the DNA of the Adaptable Workforce*

- The effect if organisations withdraw support for leadership training?**
- Results generally fell into the following categories:
1. Increased turnover
 2. Decrease in production
 3. Third party interference/disputes
 4. Increase in safety incidents
 5. Economic cycle (Boom) comments
-

- Current Activity on Leadership Training**
- AMMA currently delivering workshops ranging from one day to several days - around the country
 - Focusing on
 - The frontline leadership,
 - People management,
 - Effective communication,
 - Coaching and mentoring; and
 - Managing performance gaps
-



Conclusion

- Offshore Projects - if they all come on stream?
- Offshore employers are and have been training
- We have responsibility to address challenges
- We should invest in what we can influence – our people
- Don't wait on Government assistance or effective action



Any Questions?

