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26 APR 2007

BY: MIG

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| Submission No. 79 |
| Date Received |

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INTRODUCTION

Baker Hughes Australia Pty Limited (the Company) welcomes the opportunity to reply to the Joint standing committee on Migration's *Inquiry into Temporary Business Visa's*. The following will outline Baker Hughes Australia Pty Limited's recommendations to the committee in relation to the impact the current temporary business visa's has on its business.

BAKER HUGHES INCORPORATED BACKGROUND

The Company is a subsidiary of the U.S. global oil and gas services company Baker Hughes Incorporated, which has approximately \$9 billion in revenues annually and provides employment for more than 33,000 people around the world.

In Australia the company employs approximately 380 staff, both Australians and other nationals, who provide essential services to the country's oil and gas industry.

The nature of much of the Baker Hughes business is primarily that of service, with particular focus on the provision of highly skilled, specialist technical labour to meet the varied needs of oil and gas operations. Individuals with the requisite skills are few in number, are generally scattered around the globe in oil and gas locations, and of varied nationality.

Part of the Baker Hughes business is the provision of emergency call-out services which involves a technical expert visiting a drilling rig for the purposes of solving specific problems. These individuals may remain on the rig for anywhere between a few days to a number of weeks. It is not clear in advance how long they will be needed for by the client nor when they are likely to be required to leave the rig site. Baker Hughes' commitment to the customer implies an almost immediate response to their needs and the flexibility of labour to bring in skilled personnel at short notice and remove them as soon as the problem is solved.

BAKER HUGHES RECOMMENDATIONS

The Company is committed to hiring local Australian employees where possible. This is cost-effective, convenient and in line with the Company's commitment to the locality in which it does business. However, due to the specialist and highly technical nature of the business, it is frequently impossible to obtain these skills in the local market. As such the Company seeks skills in the global market.

To meet the requirements of customers, The Company needs to be able to routinely bring non-Australians into the country for the purpose of short-term call-outs. While these employees are engaged in core operational work during these call-outs, and hence are theoretically working in Australia, the duration of their stay implies that they are not residents, and will leave within a very short period of time. The current visa structure system does not accommodate the needs of this specific aspect of the Baker Hughes business.

1. These employees are not proposing to become temporary residents and undertake any extended employment in Australia
2. Baker Hughes cannot predict the clients needs in respect of this labour and the customer requires that Baker Hughes has optimal flexibility in provision and removal of the labour
3. The cost of providing 457 visas to the numbers involved (which includes the outsourced agents fees) is considerable and hence prohibitive
4. The length of processing is far too great to warrant obtaining 457 visas for all our specialists worldwide on the chance we may require their services. At times a simple 457 application is taking up to 10 weeks

Therefore, the company would be most grateful if the committee considers adding a new visa category to cover the "grey" area that exists between the 456/956 and 457 visa's. To allow such specialists to come into Australia for the purpose of work to complete specific projects only and exit Australia on completion of this "work". We would anticipate the time frame for the specialist and emergency work would in all cases be less than a 6 week period.

The company believes that this type of Visa will be of benefit to the booming resources industry in Australia and will even help to further skill those Australians already in the industry. Having highly skilled individuals to learn from in Australia, Australia even for a short period of time, will be a positive step towards resolving the skill shortage we are currently facing.

CONCLUSION

The Company would like to thank the Committee for considering its recommendations and invites the Committee to contact the Company if it has any further queries regarding what has been covered.

The Company supports this review and hopes the outcome will improve the existing system, and that the final outcome will help streamline the structure, and not hinder Australia's current schemes to repair its current skills shortage.