National Energy Transition Authority Bill 2022 Submission 5



25 November, 2022

Senate Standing Committee on Economics P O Box 6100 Parliament House Canberra ACT 2600

Email: economics.sen@aph.gov.au

Dear Committee,

Re: Inquiry into the National Energy Transition Authority Bill 2022.

The Australian Manufacturing Workers' Union (AMWU) welcomes the opportunity to make a submission to the Inquiry on the National Energy Transition Authority Bill 2022.

For 170 years, the AMWU has organised and represented workers in every city and region of the country. Our union is made up of people who build, maintain and repair mining equipment, as well as renewable energy infrastructure like wind turbines. Our members maintain Australia's coal fired power stations and it is us who will manufacture electrolysers for green hydrogen and batteries for renewable energy storage. We manufacture and service diesel buses, and it is our skills that will enable the transition to electric vehicles. We stand at the centre of many of the major structural shifts occurring in Australia's economy as we pursue the urgent task of shifting away from fossil fuels.

AMWU members are already affected by the movement away from fossil fuels to a renewable energy future. Members employed within the power industry in New South Wales, Western Australia and Victoria, for example, have already been informed of the planned closures of the Liddell, Muja and Eraring Power Stations in the next three years. In some instances, these planned closures have been brought forward, resulting in increased uncertainty about future employment opportunities.

The AMWU is already advocating on behalf of its members for targeted assistance in providing retraining, re-skilling and employment opportunities in those communities that will be hardest hit. It is an approach that requires support from all levels of government and the co-operation of local industry to both provide financial support as well as necessary infrastructure so that communities can transition to a renewable energy future.

While the AMWU supports the creation of a transition authority, the union has significant concerns with the current National Energy Transition Authority Bill, which we have outlined below. In light of these concerns, the AMWU opposes the bill and recommends that it be withdrawn until there has been proper consultation with all stakeholders, specifically, the unions representing workers impacted by the decarbonisation of the economy. Workers' views and experience must be at the forefront of decision making, rather than decisions being made for them by others.

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AMWU concerns with the Bill

a) The proposed role of the National Energy Transition Authority is advisory only

The National Energy Transition Authority ('NETA") appears to be framed as an advisory body rather than an organisation that can direct and implement change for affected workers and communities.

It is important that there is a Commonwealth body that can oversee and plan for a renewable energy future. It is recognised that there are Constitutional limitations on what the Commonwealth can do when mining, energy and planning are generally the responsibility of the States. However, there is also a need for the Commonwealth to be able to directly assist with projects that will deal with the immediate need to provide opportunities for those communities who are already undergoing such transitions or will be doing so sooner than what the Bill anticipates.

As such, there is a need for NETA to have a dedicated function of providing funding support for reskilling, industry policy, and targeted investment, working with relevant State, Territory and local governments to address these needs now, not just in the next decade.

b) Planning for a renewable future, not addressing pressing change

The Bill envisages NETA doing the work necessary to address transitions that will occur in the coming decades. What it does not appear to do is have any suggestion of the role that NETA can and needs to play right now in assisting those communities where the transition away from existing jobs in power generation will occur in the next few years.

The need for new investment that will generate jobs and the retraining of workers is urgent. For example, within the next three years both the Liddell and Eraring power stations will be closed. A co-ordinated approach from both the Commonwealth and NSW Governments will be required to support this transition, however the priorities and functions of NETA do not appear to support this role.

c) Involvement of workers in their own futures

While the NETA seeks to "guide" the energy transition, there is nothing in the Bill that suggests that workers or their representatives will be given any meaningful role in determining the future of their communities. The only form of consultation that is mandated by the Bill is with State and Territory Governments on law reform.

The Advice function anticipated within the Bill appears to be reasonably high level and focused on future industries and employment, rather than an analysis of existing workforce profiles and how to manage the transition of the existing workforce in the short term. It is also noted that the only support that is to be given directly to workers is for their transition to "a financially secure retirement."

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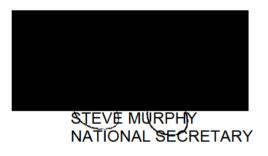
While planning for the needs of future industry is relevant and necessary, there is nothing in the Bill that considers the existing workforce and their needs to transition to new jobs; whether in the renewables sector or elsewhere. The only direct mention of workers in the Bill is in relation to the provision of a financially secure retirement. Some of these workers may have decades left in the workforce and a focus predominantly on retirement will not assist these workers.

As one of the fields of expertise for the selection of Board members is industrial relations, there is a possibility that one Board member could be appointed from the Union movement. While this is important symbolically, it might not be enough to ensure that workers' views and needs are adequately and consistently taken into account in carrying out NETA's law reform and advisory functions.

The Bill also allows the Minister to give NETA general directions as to how it carries out its functions.¹. This might lead to a requirement to consult with unions and workers as part of the planning and advisory process. However, this is not guaranteed, as it is solely within the Minister's discretion.

This contrasts with the creation of a tripartite Government, Unions and Industry Council that is part of the Queensland Energy and Jobs plan. This involvement ensures that workers' views and experience are at the forefront of decision making, rather than decisions being made for them by others.

Once again, thank you for the opportunity to make a submission. Should you have any questions or require further information, please contact



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¹ Section 13 of the Bill