

Submission to the Finance and Public Administration Legislation Committee regarding the provisions of the Net Zero Economy Authority Bill 2024 and the Net Zero Economy Authority (Transitional Provisions) Bill 2024

I am a member of the Australian Environment Grant Makers Network and take a keen interest in the work of those NGOs, unions, energy infrastructure developers, and governments trying to ensure that Australia's essential and urgent energy transition is both fast and fair.

Just transition principles for all

In terms of a fair transition, I note that there is a brief mention in the draft legislation of helping First Nations and people in general participate in, and benefit from, the transition, i.e:

- supporting First Nations persons to "participate in, and benefit from, Australia's transition to a net zero emissions economy".
- education, awareness raising, and promotional initiatives to improve "understanding of, and enabling participation in, Australia's transition to a net zero emissions economy"

Indeed, the energy transition will undoubtedly entrench and perhaps deepen social and economic inequalities, as well as hasten biodiversity loss, unless it is at the top of mind of all stakeholders to embed just transition principles in the very design and execution of the transition. There is an ethical mandate to ensure regional communities (not just the most closely impacted workers), and the most disadvantaged in those communities, experience a just transition. And there is the pragmatic mandate – unless the transition is experienced as just by regional communities (not just the most closely impacted workers) then Australia's rapid decarbonisation ambitions will be undermined.

The draft legislation does not give the Authority an explicit enough mandate to work within a just transition framework, or hold the Authority accountable for ensuring that just transition principles are enacted by all stakeholders.

As an example, below is just transition framework developed by the Institute for Sustainable Futures:

Just Transition	Just outcomes: distributional dimension			Just process: procedural dimension
Key stakeholders	Decent work	Environment	Equity in Cost and Benefit Sharing	Social Dialogue
Fossil Fuel Sector Workers	Workers rights	Safe and healthy workplace environment	Mechanisms to minimise the costs on displaced workers and support their transition	Workplace representation and voice
Other local workers and broader community	Diversifying the economy to provide employment opportunities	Improving the local environment	Measures to share access to the economic opportunities of clean energy technologies	Mechanisms for community participation
Vulnerable or Disadvantaged Groups <i>(Recognition)</i>	Mechanisms to improve access to work for vulnerable and disadvantaged groups		Measures to widen access to clean energy technologies to vulnerable or disadvantaged groups	Participation mechanisms that include vulnerable or disadvantaged groups

Institute for Sustainable Futures

<https://theconversation.com/what-would-a-fair-energy-transition-look-like-107366>

The draft legislation is very thorough in mapping out a just process and just outcomes related to affected workers. However, it pays scant attention to the other very significant stakeholders of just transition (including other workers, the broader community, vulnerable and disadvantages groups, and the environment) the distribution of costs and benefits of transition related to these stakeholders; and the mechanisms needed for just processes in relation to these stakeholders.

I recommend that the draft legislation be revised to explicitly include a more detailed description of just transition principles outside of supporting closely affected workers and employers, to guide the Authority, and to which the Authority is held accountable, beyond those related to affected workers.

Geographic presence

The draft legislation should also make provision for a geographic presence of the Authority in the regions. It has been widely documented by journalists, NGOs, thinktanks, and academics, that the lack of good quality information has allowed wild conspiracy theories to flourish. In addition, many community members are being left frustrated, confused and anxious with their interactions with renewable infrastructure developers (see the Dyer report). This is slowing down the transition. Context relevant, independent, trusted information and advice via regional Authority staff, would significantly improve the prospects for a fast and fair transition.