

Submission
from
the Great Latrobe Park Inc. group
to the
Inquiry into the National Energy
Transition Authority Bill 2022
by the
Economics Legislation Committee
of the
Senate

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1. Background:

1.1 The Great Latrobe Park Inc. group

Great Latrobe Park Inc. is a voluntary community group which is seeking to ensure that Victoria's Latrobe Valley brown coal mines are repurposed in an appropriate and beneficial manner. The group, which was established in 2018, includes people with considerable experience in areas such as mining, engineering, regional planning, health and community services, agriculture and education.

1.2 The Latrobe Valley Region

The Latrobe Valley is a regional area in the south-east of Australia, about 150 km east of Melbourne. Most of the region is a plain area in the valley of the eastward flowing Latrobe River, one of Victoria's larger rivers. The region is about 50km in length and about 25km in width which is sandwiched between the foothills of the mountains of the Great Dividing Range on the north side and parts of the South Gippsland hills on the south side.

The Latrobe Valley has a very complex pattern of land uses and resources. The major urban areas are Traralgon, Moe and Morwell. Other smaller towns and villages in the region include Churchill, Yallourn North, Tyers, Yinnar, Glengarry, Boolarra. The municipality of the City of Latrobe, which covers most of the central Latrobe Valley area, had a total population of 73,099 people in the 2021 census.

Most of the non urban areas of the region are used for various primary industries including dairying, cattle grazing and forestry plantations. There are also some significant protected high conservation value areas.

The Latrobe Valley has one of the largest deposits of brown coal in the world. These readily open cut minable resources, together with the ready availability of water, have been used to develop massive industrial

developments within the region. The largest of these are 3 huge electrical power generating power stations and their associated gargantuan open cut mines at Yallourn, Morwell/ Hazelwood and Loy Yang. Australian Paper also has the largest pulp and paper mill in Australia in the region. In addition, only about 60 kms to the east of the Latrobe Valley, Gippsland also contains the Bass Strait oil and gas fields which have been a tremendously important provider of both oil and gas for Australia.

The needs of the of the Latrobe Valley and the broader Gippsland communities and the region's resources and industries has resulted in the existence of a substantial array of linear infrastructure features, including roads, highways, railways, pipelines, electrical transmission lines, which pass through and across the region

1.3 Patterns of Change in the Latrobe Valley

Major coal mining and power generating development activities have been occurring in the Latrobe Valley for almost exactly 100 years. In that period:-

- Nearly 3,000 million tonnes of coal have been mined
- Approximately \$200 billion has been contributed to Victoria's economy through electricity generated from the coal mined in the Latrobe Valley, and
- The 3 gargantuan open cut mines (Yallourn, Hazelwood and Loy Yang) have been developed which cover a total area of approximately 50 sq. kms. (about the same size as Sydney Harbour).
- The population of the Latrobe Valley has increased from about 10,000 people to about 73,000 people.

All these developments, activities and changes have had substantial social, economic and environmental effects on the Latrobe Valley and its community. During this 100 year period, the Latrobe Valley has experienced several major "boom" and "bust" periods all of which have been accompanied various types of difficulties and "pain" for the regional

community. Most of these major changes have been imposed upon the region by decision-making forces from outside the region. The region's capacity to influence and adjust to the changes has been very limited. To a considerable extent the regional community has had to just "lump" these externally imposed decisions and then do whatever it could to adjust to or ameliorate the difficulties which have been entailed.

1.4 Other Transition Affected Regions

Of course, the Latrobe Valley is only one of a significant number of important regions in Australia which are being, or will be, massively affected by the movement to transition our national economy to being greenhouse neutral. Most of these regions are going to be greatly affected economically, socially and environmentally by transitional arrangements. It is likely that many, if not all, of the regions will be affected, to a greater or lesser degree, by a number of similar, key impacts. These would be likely to include such matters as serious risks of:-

- the loss, or threat of the loss, of regional employment opportunities;
- regional out- migration;
- depression of housing prices;
- loss of public and private community services;
- diminution of community well being and depression of community morale;
- redundant industrial infrastructure;
- wasteland landscapes of disused, derelict, decaying mines and industrial premises.
- Inadequate or inappropriate provision of key resources (e.g. water) which are important for regional repurposing programs

Nevertheless, despite many similarities, it is also likely that there will be some significant differences in the nature, scale and intensity of the impacts of the changes in transition affected regions. Consequently considerable care should be taken to identify, and respect, the individual regional characteristics and the particular risks and needs of each transition affected region. A presumption of a “one size fits all” approach should be avoided.

Dealing effectively with massive impact of transition issues is going to require concerted, coordinated planning and work by local, regional, state and national government authorities as well as the involvement of individuals, communities and the private sector.

Different transition affected regions in Australia will have much to learn from each other and also from comparable regions in other parts of the world. Having already had many major transition experiences, the Latrobe Valley may be able to provide some valuable transition lessons for a number of other regions

2. The National Energy Transition Authority Bill

The National Energy Transition Authority Bill proposes the establishment of a national authority to guide energy transition in a way that protects workers and their communities and maximizes the opportunities and benefits stemming from a zero carbon economy. It places particular emphasis on the potential impacts on the social and financial well being of affected workers and on the economic effects on affected communities.

The Great Latrobe Park group applauds the initiative to establish a National Energy Transition Authority. The GLP group has been concerned for a long time by an apparent lack of national interest and care for the huge issues being confronted by many transition affected regions. Consequently, the GLP considers that this important Bill initiative is overdue.

The primary emphasis of the Bill is on social and economic impacts involved in regional restructuring. These are exceptionally important matters which it is absolutely appropriate that the Bill should encompass. Consequently, GLP is generally supportive of most of the proposed provisions of the Bill.

Nevertheless, GLP considers that the Bill should take a more “wholistic” perspective on transition impacts by also including physical and environmental matters within the proposed authority’s purview and responsibilities. There is virtually no chance that transition affected regions are going to be able to emerge positively from transition changes, if they continue to be blighted by a legacy of unattractive, environmentally unsafe, economically useless, un-repurposed mines and industrial areas. The repurposing of disused mines and industrial areas to become visually attractive, safe, and economically useful areas will be an essential precondition for enabling positive future transitions for all transition affected regions.

As a result of these considerations, GLP believes that the relevance and value of the proposed authority could be substantially increased by some additions to the Bill. In particular, it is recommended that the core functions of the proposed authority should be expanded to include a statement to the effect that:-

“to facilitate appropriate planning and works which are designed to ensure that disused mines and industrial areas are repurposed to become environmentally safe, visually attractive and economically useful areas in perpetuity.”

3. Conclusions

The Great Latrobe Park group considers that:-

3.1 the Latrobe Valley has a long history of experience with the difficulties and risks which are entailed in major changes to basic industries in the region.

3.2 The Latrobe Valley, and other transition affected regions in Australia, are very vulnerable to huge social, economic, environmental, and physical risks and difficulties as they seek to cope with the impacts of arising transitioning changes

3.3 the Australian Government should be significantly and directly involved in facilitating and coordinating planning and actions to enable transition affected regions to be able to transition in a manner which ensures that that potential adverse risks are avoided and also that regional social, economic and environmental well-being are enhanced in transitioning processes.

3.4 the provisions of the National Energy Transition Bill are generally appropriate, but that a few key additions would be appropriate.

3.5 the core functions of the proposed Bill should be expanded to include consideration of physical and environmental matters as well as social and economic matters.

3.6 an additional statement should be added to the statement of core functions in the Bill. This statement should be along the lines of :-

“to facilitate appropriate planning and works which are designed to ensure that disused mines and industrial areas are repurposed to become environmentally safe, visually attractive, and economically useful areas in perpetuity.”