

20 August 2008

Derek Abbott, The Secretary,
Senate Standing Committee on Environment, Communications
and the Arts,
PO Box 6100 Parliament House,
CANBERRA ACT 2600

**RE: Submission to the Senate Inquiry – Renewable Energy ,
Feed in tariff Bill 2008.**

Dear Mr Abbott,

The Electrical Trades Union (ETU) is aware that currently different feed in tariff schemes are in operation among various states of Australia. To ensure certainty for businesses and employees within the renewable industry, a nation-wide scheme is essential. As such the ETU supports the *Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008* as a mechanism to provide consistency and certainty to the solar industry.

Our Union covers members working as registered electrical contractors. It is these electrical workers who predominantly install renewable technologies. Generally they are self employed and/or run small enterprises.

As we outlined within our submission to the Save Our Solar inquiry, many of our members have recently invested in up-skilling. This is occurring as a direct result of recent growth within the renewable industry, particularly solar (prior to the introduction of the means test). Many of our members, who are registered electrical contractors, have personally invested in expanding their training and skill base. This investment has included sacrificing additional work, income and time with their families to attend classes.

If this Bill is passed, it will facilitate a greater uptake of renewables. This in turn will help tackle climate change while providing more certainty for the renewable industry, in particular for those that are currently or working towards being employed in this sector.

Ref: 4434dm



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UNION OF AUSTRALIA
SOUTHERN STATES BRANCH**

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Electronic, Energy, Information,
Postal, Plumbing and Allied
Services Union of Australia

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Every member who was questioned about their opinion on a gross national feed in tariff supports the objectives of this Bill.

Robert, a member who runs a business in Alfredton, said, 'This industry has been a roller coaster for the last 10 or so years. I cannot see any stability until the Government decides if it will commit to a national Feed in Tariff. If it did, it could get rid of the rebate and it would fund itself and give people the incentive to do it. If we had a Feed in Tariff included, businesses would be booming, I would probably have ten people working for me.'

Nicholas from Blackburn is a member who has been working as an electrician since 2002. He told us 'I think the way to go is gross metering. I don't see how you can run a whole industry on government rebates. It should be based on the German system and the way that they have it. It must be gross. It's pointless if it is net. Not many people produce more than what they use.'

Nick, an electrician of fifteen years, also supports a gross tariff. His comments included; 'If it [a feed in tariff] is done properly it would be gross. It should not be limited to residential, it should also include commercial. It needs to be national, so it is for everybody and we are all on a level playing field. It is important to know what the payback is.'

An experienced installer of solar who has been sub-contracting to a number of employers at various inner Melbourne locations reinforced this support for the gross scheme. Russell said, 'Every state is doing it differently, in my mind that is ridiculous. I have been doing interstate work. It changes in every state. I have been working in the ACT where the uptake is greater. Out of 47 counties world-wide that do a feed in tariff, 46 do gross. Australia is the only one doing net. Australia is clearly lagging from the rest of the world. If we don't try to catch up it will take even longer to catch up. We are the back end of the field. We have a long way to catch up.'

ETU member Austin is a common example of a business owner who wants to move permanently into installing renewables, in this case solar. When asked about his thoughts on a feed in tariff he speaks strongly about the recent Victorian announcement. Austin said, 'I think it should be gross metered because then you can use it as a marketing tool and quantify a return on your investment. Limiting to 2Kw is ridiculous, it is an anti incentive. I am very disappointed. It is just smoke and mirrors. They [the Victorian

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Government] have not done a great deal despite acting like they have. I don't care about the rebate if a feed in tariff is implemented correctly. If it is 60cKW then you would not need the rebate. The cost of solar would be distributed throughout the community. Other parts of the world know that gross works.'

It is essential that we support mature renewable technologies that can replace our dependency on coal. We already know that some technologies can contribute to a stable electricity grid. In addition research¹ indicates that more jobs exist within the renewable sector than in polluting coal-fired electricity generation.

As we move to increase our uptake of renewables, it is essential that investing in up-skilling occurs concurrently. The ETU recently surveyed employers of electrical workers to investigate current skills needs. Responses indicate that over 18% of our members who are employers urgently seek electrical workers with advanced renewable skills. Support for skill transitioning for electricians was reported in 'Industrial Constraints and Dislocations to Significant Emissions Reductions by 2050.' This report was commissioned by WWF Australia and undertaken by Climate Risk. It was released earlier this month.

If the Rudd Government is serious about tackling global warming, it must pass this Bill to provide for a gross national feed in tariff. The tariff should not have a system size restriction, be constrained to one type of technology or be limited to the domestic market.

The ETU supports the objectives of this Bill. It is hoped that if it is passed, employment in renewables will be stimulated and climate change can be effectively tackled.

Yours sincerely,

DEAN MIGHELL
STATE SECRETARY



¹ Greenpeace Australia Pacific & European Renewable Energy Council. *Australia's energy revolution* (2008).
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