



TRANSPORT AND RESOURCES COMMITTEE

Members present:

Mrs MF McMahon MP—Acting Chair
Mr LL Millar MP
Ms JC Pugh MP (virtual)
Mr LA Walker MP
Mr TJ Watts MP
Mr PT Weir MP

Staff present:

Ms M Telford—Acting Committee Secretary
Mr Z Dadic—Assistant Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE ENERGY (RENEWABLE TRANSFORMATION AND JOBS) BILL 2023

TRANSCRIPT OF PROCEEDINGS

Monday, 22 January 2024

Brisbane

MONDAY, 22 JANUARY 2024

The committee met at 8.47 am.

ACTING CHAIR: Good morning. I declare open the public hearing for the committee's inquiry into the Energy (Renewable Transformation and Jobs) Bill 2023. My name is Melissa McMahon. I am the member for Macalister and acting chair of the committee. I would like to respectfully acknowledge the traditional owners of the land on which we meet today and pay our respects to elders past and present. We are very fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander peoples, whose lands, winds and waters we all share.

With me here today are: Lachlan Millar, member for Gregory; Les Walker, member for Mundingburra; Trevor Watts, member for Toowoomba North; Pat Weir, member for Condamine, who is substituting for Bryson Head, member for Callide, who is the deputy chair; and Jess Pugh, member for Mount Ommaney, appearing via videoconference and substituting for Joan Pease, member for Lytton.

This hearing is a proceeding of the Queensland parliament and is subject to parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the hearing at the discretion of the committee.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and my direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website or social media pages. I remind all members to please turn mobile phones off or to silent mode.

RYNNE, Mr David, Director, Policy, Economics and Trade, Australian Sugar Milling Council

ACTING CHAIR: Welcome. I invite you to make a short opening statement of one to two minutes, given the time period that we have, just to highlight maybe the key point or any additional information you have from your submission, which we have in front of us. After this, committee members will have some questions for you.

Mr Rynne: Thank you for the opportunity to meet with the committee today on this very important bill. I would like to make some very brief comments, as you suggest, just to make it clear that the Australian Sugar Milling Council is highly supportive of policies that assist the transition to a cleaner energy Queensland future. Indeed, the milling sector already has 440 megawatts of renewable electricity generation capacity. Under the right settings, we could expand that to over 1,000 megawatt hours. This power is synchronous and would help to improve the reliability and security of the network.

However, sugar production is a unique form of agricultural production because of its specific locational requirements. Sugar cane must be milled within 16 hours after it is harvested to minimise deterioration and loss of sugar content. To accommodate the need to get cane rapidly from field to mill, the sugar industry is comprised of multiple mills strategically close to the sugar cane growing areas, rather than large consolidated mills servicing entire regions. The most significant consequence of this dispersed nature of sugar milling is that fixed costs associated with milling are comparatively higher than the fixed costs of other agricultural production processes, meaning that the more throughput of cane a mill can achieve the more financially viable a mill will be.

The state introduced good quality ag land and important agricultural land protections because agriculture plays a critical role in supporting regional economies, and agriculture cannot always compete with competing land uses. It is essential that these protections continue to be reviewed and refined as new policies and priorities, like renewable energy zones, are pursued to ensure the policy intent remains.

Equally, we feel it is essential that there are adequate checks and balances in the proposed new REZ management and assessment processes. This is to ensure that the impact of REZ developments, including impacts of land use on local industry, are fully understood and that there will be net economic benefits to regional economies from REZ development. We have provided a number of suggestions in our draft submission on how this can be achieved.

Mr WEIR: I am interested in the land use issue you were talking about. How would you see that? Would that be under the Planning Act or the regulations? Where do you see those protections coming in?

Mr Rynne: I think it is at a dual level. We have to make sure the planning laws continue to adequately protect important agricultural areas and good quality ag land as it was known. We have suggested that government continue to make sure the planning laws adequately do that in the face of changing demands and requirements on land use. The REZ is a new and emerging change to how we are going to use land in Queensland, so what we are asking is: are the planning laws going to be adequate going forward in ensuring we have REZ development where it should be occurring but we are also managing the other competing land uses that will occur inevitably over time? We have made some suggestions that maybe the planning law could be improved or tweaked in certain areas to ensure good quality ag land continues to be protected when it really is that good quality ag land.

Mr WEIR: Essentially, you are saying strengthening the Planning Act to cover the prime ag land?

Mr Rynne: Yes.

Mr WEIR: Some of the feedback we get is regarding—particularly in sugar, I suppose—reef regulations and vegetation management. Are you talking about that as well under the Planning Act? Of course, the REZ is the infrastructure side of it that you have alluded to as well.

Mr Rynne: I think what we are saying is: if you have a REZ and there is good quality ag land within that REZ, depending on the nature of that good quality ag land it is either prohibited or impact assessable under the planning regulations. If it is downgraded land or it is not being utilised for example, it might receive a different status under the planning regulations. For example, it could be code or accepted development, depending on the nature of the land itself.

Also, under the Planning Act you might get into a situation where a proponent is going through the process and does not have their development authority going through the normal planning process, but it could be given impetus because it is considered a relevant matter. What we are saying is: maybe we do not give REZ projects relevant matter status under the Planning Act, just to make sure it does not get a leg up through the process. It is two completely different processes: it is considered on its own merit under the planning law and it is considered on its own merit under the REZ management and assessment processes.

Mr WATTS: You said that it may not be being used. I am just curious: in terms of prime agricultural land, if it may not be being used that does not necessarily mean it is not prime agricultural land. For me, its current usage is not relevant; it is its potential use. Would you agree with that?

Mr Rynne: I think that could be one definition. At the moment, if cane land is the case in point, 95 per cent of cane land is category A. It is absolutely prime ag land. We can convert more prime ag land to cane land if the economics are right, for example. We know that there are another four million tonnes of cane out there on land in and around mills that could be developed, but it is just marginal land. It is either going to need cane rail or it is going to need water distribution infrastructure built on it and the economics of it get a bit iffy because it is actually quite costly to bring it back into production.

Mr WATTS: I guess that is partly my question. The reverse also is true. If the economics at a particular point in the cycle are driving it down, you would not want that land necessarily to then be withdrawn and used for an alternative purpose such that it cannot come back online again, because eventually your mill is not going to be able to sustain itself.

Mr Rynne: True. There could be times when that land that we know is there, that is currently being used for grazing or whatever—the economics may never work and we will get to it, but there will be times when we know, if we are confident in the price cycle, that we will get to it and we will develop it. I think we are happy for the land to be used within the agricultural—if it is prime ag land, it should go to different agriculture purposes—

Mr WATTS: In other words, it can be switched?

Mr Rynne: It can be switched, yes.

Ms PUGH: As the acting chair said, I am substituting today for the member for Lytton. I wanted to ask a question about your submission, noting your comments on the overlap of solar farms being also suited to your (inaudible) land. You also note potentially farms being less competitive with your (inaudible). Can you expand on that a little bit and how you see that that might potentially produce—from what I am reading into your submission—I do not want to say ‘synergies’ but how they might be well suited to working together? Are you able to expand on that at all?

Mr Rynne: Could you please maybe just reframe the question? I am just not grabbing the question.

ACTING CHAIR: If I am right, Jess is asking whether the sugar industry and, say, wind farms can coexist.

Mr Rynne: It is unlikely we will get a wind farm, I think, in sugar country. The latitude where the cane farms are is probably much more aligned to solar developments. I think we can coexist, but what we are really stressing in our submission—and there are synergies. We have renewable energy and we can actually help firm up that intermittent supply. If there is a solar farm down the road that is not producing because the weather is not great, we can actually help bring on our energy as a complement to firm up the grid. We are complements here. We are synchronous and the intermittent solar is not synchronous. That is really important. We can actually work together to firm up the system.

A case in point is the Mirani solar development up in Mackay. The proposal was on prime ag land. It was actually on a cane farm that had been laser levelled. It had cane rail infrastructure and water infrastructure built. There was land 10 kilometres up the road that was also prime ag land that was not being utilised. The proponent said, ‘Can you move up the road and not touch this prime cane ag land, this prime cane land?’ They did not win that argument in the Planning and Environment Court. That is what we are worried about.

Queensland is a very vast state. Cane farms have been there for 120 years. They are established. They are servicing a mill that is servicing regional economies. Let’s make sure we can mutually find those benefits for each other and coexist. That is what we are after—selective management during the assessment phase and the management phase to make sure the regional economy is being well looked after from all the interests that exist.

ACTING CHAIR: Mr Rynne, thank you very much. I think that summarised your submission quite well. Thank you very much for appearing before the committee.

BARGER, Mr Andrew, Policy Director, Economics, Queensland Resources Council

LINNETH, Ms Eloise, Communications Assistant, Queensland Resources Council

ACTING CHAIR: Welcome. I invite you to make a short opening statement of one to two minutes, after which time committee members will have some questions for you.

Mr Barger: Thank you for the opportunity to come and talk to our submission today. I would like to start by acknowledging the traditional owners on whose land we meet today. Queensland is blessed to have the two oldest living cultures in the world, and I offer my respects to their elders past and present and extend that respect to any other First Nations people in the room today. As well as acknowledging the traditional owners, I would like to briefly acknowledge the loss of Luke O'Brien at the Saraji mine last week. Tragically, Luke went to work and was fatally injured. That failure to return him back to his family, colleagues and work friends reflects poorly on the whole industry and I offer my condolences to his family, friends and work colleagues.

I do have a standard 'what is the QRC' spiel. A lot of you have heard it before and I have to say I am quietly pleased with myself because I have noticed that I have handily got the infographic on the back of my page of notes so that you can kind of peer at it as I am hopefully not droning on too much about reading it to you. The context of QRC is important because we are the peak industry body for resources—a not-for-profit industry association representing energy and mining developers in the state. That experience is relevant because, much like the renewable energy and the transmission infrastructure that we are trying to build at the moment to decarbonise the Queensland economy under the Energy and Jobs Plan, much of that infrastructure is going into communities and, as we heard from the earlier speakers, farms have not previously hosted that infrastructure. The issues of coexistence, local benefit, building social licence, how the costs and benefits locally and at the state level are assessed and weighed up—the transparency around that—is a journey that the industry has been on for 40 or 50 years. It was interesting, looking at the other submissions, how many other stakeholders referred to the experience of the coal seam gas industry most recently as in, 'How do you, as a new industry, coexist with the existing operations?' I would echo the messages of a lot of the other submissions that there are some really clear lessons that I think the bill has already learned from that experience, but I think there is perhaps more that we could pick up from that.

QRC's submission is a walk through what is a really big, complicated bill. It is an omnibus bill in that it makes complex amendments, tweaks and fine-tunes, and in some cases erects a whole new regulatory structure around the electricity market, which is itself quite complex. The bill is a difficult one to grapple with. In skipping through all of the sections of the bill, we have distilled out six recommendations that are the backbone of the submission. I was pleased to see some of the other stakeholders echo some of those sentiments. I will not run through the six recommendations. The one I would probably call out the most is, I think—and looking at the department's brief to the committee back in November, they called out rightly the quality and breadth of their consultation. One of the three messages they took from that consultation was a real focus on the social licence of this new renewable and transmission infrastructure.

One of the areas where we think the bill could be strengthened a bit is in the link between local content and social licence. I was encouraged to see submissions from the Local Government Association of Queensland and CHDC talking about what is the legacy, what is the enduring economic benefit, of this new infrastructure. I think one of the opportunities the bill has that perhaps it has not grasped firmly enough is local content. Queensland has quite a developed local content procurement system which is basically geared around purchases: if you are looking to buy something as the Department of Education or the department of transport, what is a transparent process to run through to make sure that if there is a local supplier you have given them a fair chance to supply that contract? That is a really important set of policies, but I think what the bill needs is something that takes that next step. That is, you not only run the ruler over what are the local opportunities, but if there are not local opportunities, if there are not local suppliers, you see that as a challenge: 'Is there a capability to develop that supply locally? Can I work with the local supply chain and create jobs?'

It was interesting to see the way some of the other submissions called out the change in our energy system. Once the new Queensland energy and jobs generation fleet is built, the renewable fleet is built, there are very few jobs associated with the operation of those plants, unlike our existing fleet where you have host communities with stable, well-paid jobs. That is why the jobs guarantee is an important part of the bill. The flip side of that is: you risk not creating a legacy if, in constructing that fleet, you have not worked with local suppliers to build their capacity and create local jobs. When you look at the modelling that the state government did around the Energy and Jobs Plan, a lot of the

local and regional benefit of the Energy and Jobs Plan hangs off getting that procurement, that local supply chain development right. That is recommendation 5 in our submission. I have probably well and truly exceeded my two-minute introduction time so I will draw breath.

ACTING CHAIR: For first questions I will turn to the deputy chair.

Mr WEIR: You talked about the social licence, and there were comments that there is not enough emphasis on that in the bill. I note as part of the government's proposal they are talking about the GasFields Commission becoming involved. I can see that there are similarities, but there is also a huge difference in what the GasFields Commission has been doing and what it may be asked to do on this. What are your thoughts on that?

Mr Barger: You are right. It is very different to the nature of the work they have done, but I guess their core focus in terms of being an independent voice in those communities is looking at ways to identify coexistence. To me, if the GasFields Commission has its remit widened and is properly resourced—I think it would be a recipe for disaster if you just took the existing commission and said, 'Okay, go and solve all of these new problems as well,' because they are already eating their own elephant in terms of gas coexistence.

Going back to my opening comments, I think they have been at the forefront of understanding how to engage with communities, how coexistence problems occur and constructive ways to solve them. I think the expansion of the GasFields Commission, as well as having the renewable jobs—and we would suggest a local content ombudsman. Two independent voices in those community conversations could be quite useful. You would need to make sure the GasFields Commission had some pretty serious resources about it so that it could be out and about on the ground in the region, hearing those concerns at the farm gate.

Mr WEIR: There is definitely going to be a difference, as you just highlighted, between their role and the ombudsman. You talked about a jobs guarantee. That would be of interest to your members, particularly those who are working at the mine at Callide or Kogan or Millmerran, because obviously it does not include them. What are your thoughts on the jobs guarantee and how does that affect your members and your workers more specifically?

Mr Barger: You are right: the way the jobs guarantee has been constructed is to try to narrow the coverage down to basically the government owned workers or people largely involved in that government owned work. The three layers the bill sets up—of the different categories of workers between prescribed and contractors—is a bit complicated, but I think the intention is to try to throw the net as widely as it can over the workers in the publicly owned existing generation and perhaps not push it further than that. I did see that some of the other submissions were saying it should be a generalised transition across the whole economy. I think the cost and the complexity of that would be enormous. It would be very difficult to unpick the cause and effect, I think, if you were trying to apply that across all thermal coal mineworkers in the state, whereas if I am a coalmine worker at Meandu Mine, which is a mine gate, a mine running a power station, that is a much simpler kind of cause-and-effect conversation for the fund to unpick and make sure those workers are protected.

Mr WALKER: The QRC submission notes that some QRC members are committed to decarbonising their operations. Can you elaborate on this further and explain why your members are taking these actions?

Mr Barger: Thank you for your question. I guess it is an interesting thing. They spend an inordinate amount of time talking about what QRC members and the industry are doing to decarbonise, because the starting point in a lot of these conversations seems to be, 'This is a massive threat to you guys. You are terrified. You are violently opposed to any change.' The reality is probably that global decarbonisation represents one of the greatest opportunities for Queensland's resources industry that we have ever seen. The amount of demand for metals and minerals to power all of these renewable energies and the infrastructure that serves them is extraordinary. Three hundred to 400 per cent over a decade or two is like the China boom on steroids.

The reason that operations, mines and companies are looking to decarbonise—there are a couple of things. There are policy drivers at the federal level and in some cases market drivers. For some commodity types, if you can demonstrate that you are in the bottom quartile of carbon emissions there is a premium for your product. In other cases, it is just a straight qualification so that, for some commodities and some materials, if you do not meet a certain standard then they are not interested in buying your product. There are a range of drivers. In some cases it is investment driven. We have seen major companies set global emissions targets, so what we are seeing is the Queensland manifestation of that share of the emission reduction.

Mr WALKER: You are saying that the miners, to meet their clients' expectations, have to decarbonise some of their operations to sell their product around the world?

Mr Barger: That is right.

Mr WALKER: It is market driven because the rest of the world expects that?

Mr Barger: Yes.

Mr WEIR: You made a number of recommendations in your submission. In recommendation 1 you suggest the act be amended to include the provision of 'a safe, secure and reliable supply of affordable electricity'. You believe there is not enough emphasis on the word 'affordable' in this bill; is that right?

Mr Barger: In that purpose section of the act, yes; I thought it was interesting given that the Energy and Jobs Plan was about green, reliable, affordable energy. They are the three legs of the tripod that it was built on, but when you look at the purposes of the act it seemed as though 'affordable' was tucked away in the fine print a little bit. I do not think that was perhaps the intent, but it would seem sensible, given the purpose of the act, to have that very clear focus on affordable energy, because that has been one of the arguments for decarbonising our electricity supply. If it is cheaper, if you can have more electricity generated at a very low or zero price, then you are pushing down the electricity price and there is a whole range of benefits for the whole economy that flow from that.

The reason I think it is important to have affordable delivered energy prices in the purpose of the bill is that that then cascades through to the advice the energy board and the other advisory groups that the bill sets up will provide to the minister. With the bill and the Energy and Jobs Plan, there is a risk that it gets too fixated on the targets of what is the share of renewable energy at any particular point in time. I would argue that if you are not meeting those targets and you are also not delivering affordable energy and you are not creating local content opportunities in the communities that are hosting that then you are probably not succeeding on any of those criteria: green, affordable or reliable. I think it is just about reflecting in the purpose of the act that focus on the delivered price of electricity.

Mr WEIR: In the reporting that is to be done going forward, do you think it should include how this is going to reduce the price of electricity or make it affordable? Are you worried that we might be going towards a target without taking into account the actual affordability for the consumer?

Mr Barger: Yes, that is right. You really are trying to hit three targets at once. If you de-emphasise one of those targets then there is a risk that it drifts off and you end up with a system that perhaps meets the renewable energy target earlier but at a higher cost than perhaps you could have done.

Mr WATTS: Just to clarify, you are saying that to ensure affordability is not lost in this it should be explicitly spoken about on equal terms with the target?

Mr Barger: I am probably not quite going that far, because the targets are legislated into black-letter law. I think having affordability on the same standing in the purpose of the bill in section 3 would probably cover that adequately.

Ms PUGH: I refer to the part of your submission that talks about new minerals, not the recommendations. I note that you said there is a potential for demand for new minerals like copper, cobalt, bauxite and vanadium to be growing by up to 400 per cent. Can you talk us through what that might look like in the context especially of electric vehicles and so on? Can you talk us through what that might look like in terms of future job opportunities for Queenslanders and people who might want to move here, because obviously that sounds very exciting and I would imagine that is a huge focus for your organisation right now?

Mr Barger: That is a great question, Jess. The answer to your question perhaps goes back to the question of the member for Mundingburra about one of the purposes for decarbonisation. How that demand growth manifests in Queensland is kind of the question that we are grappling with today, because if we get the energy transition right and if we have reliable, affordable, green electricity then what you enable is to add the value to that raw mineral ore that we have in Queensland.

Probably the best known example is bauxite. You can dig up bauxite and export it. You can run it through a refining process, a smelting process, with a fair bit of electricity and know-how and create alumina, which is more valuable. You can run that through another process to make aluminium or you can go the next step that we are starting to see more and more of in Queensland around high-purity aluminium. Each time you do that value-adding there are more jobs, there is more economic value and we retain more of the benefit here in Queensland. The ideal state, I think, for Queensland

in 20 or 30 years, looking back on this transition period, is that we have the energy settings right so that investments can be made in that value-added infrastructure and local communities have a framework where they have captured the benefit of the jobs and supply opportunities that those investments will create.

ACTING CHAIR: Thank you very much, Mr Barger and Ms Linneth, for your attendance today. I do not think any questions were taken on notice.

CORBELL, Mr Simon, Chief Executive Officer, Clean Energy Investor Group

ACTING CHAIR: Mr Corbell, I invite you to make a short opening statement of one to two minutes, after which committee members will have some questions for you. We have your submission in front of us.

Mr Corbell: Thank you very much, Acting Chair. My name is Simon Corbell. I am the CEO and chairperson of the Clean Energy Investor Group. I would like to thank the committee for the opportunity to appear this morning. The Clean Energy Investor Group is a not-for-profit national industry association that represents 20 renewable energy companies investing in the clean energy transformation in Australia. Collectively, CEIG represents the generation of about 40 per cent of all clean energy generation in the NEM at this point in time.

We would like to commend the minister, his department and this committee for engagement and consultation on this important bill. It has been a really effective and proactive process. The CEIG welcomes this bill with the very clear clean energy generation targets of 50 per cent by 2030 and 80 per cent by 2035. Strong legislated targets means clear and positive signals to investors about the investment and jobs opportunities in Queensland in the clean energy sector. In particular, we would like to acknowledge the legitimate public policy choice inherent in the 54 per cent public ownership targets in the bill. We welcome the practical approach outlined in the bill to assessing achievement of this target in the target year of 2035 rather than on a year-by-year basis.

We would like to encourage a couple of further provisions to further strengthen the legislation. Firstly, we would encourage the adoption in the legislation, or indeed by a public statement by the minister, committing to public consultation on the development of the proposed public ownership strategy as outlined in the bill. We would like to recommend the development of a statewide investment mandate as part of this strategy which outlines the scope of government owned corporations' and other entities' interests in the acquisition of clean energy assets and the time frames and objectives associated with those acquisitions. We think it is important that the government and this committee give consideration to the importance of stating a commitment to transparent and competitive procurement for both power purchase agreement and equity positions in clean energy projects so as to ensure value for money for Queensland taxpayers and energy consumers as well as to maximise competitive tension.

Finally, we would like to reaffirm the importance of a commitment from the government to competitive neutrality principles so that publicly owned and privately owned projects can compete in the market on a level playing field. Further detail on our submission is available in front of you, obviously. We would like to thank you very much for the opportunity to present this morning.

Mr WEIR: You have touched on a couple of the things that stood out to me in your submission. Firstly, what is your view around compulsory acquisition? You obviously have concerns that there are some assets that might be compulsorily acquired.

Mr Corbell: No, we do not have those concerns, but we think it is important to restate, in an environment where there is a clear commitment to public ownership, that public ownership is achieved through negotiated and competitive processes where the private sector can choose to participate or not. We think it is important to restate the importance of that and to remind the government that compulsory acquisition of assets is not in anyone's interests.

Mr WEIR: Thank you; that clears that up. You made comment about how this will work with the federal government's Capacity Investment Scheme. What are your concerns there?

Mr Corbell: It is important when you look at the Queensland government, through government owned corporations or otherwise, procuring or taking an interest in clean energy assets, to have a very clear view around how they will participate potentially in the Capacity Investment Scheme. The Capacity Investment Scheme is basically a program that is offered by the federal government in conjunction with each of the states. It is designed to provide some form of subsidy, effectively, or offtake of generation associated with clean energy assets. It is designed basically to provide some sort of revenue floor for projects.

In an environment where the government is already effectively supporting the development of clean energy projects by either paying for uptake themselves or taking an equity position in those projects and, therefore, contributing to the financial viability of them, we think it is important that there is clarity around how those projects will potentially participate in seeking support under the Capacity Investment Scheme. The whole point of the Capacity Investment Scheme is to drive further commitment or additionality in terms of clean energy project deployment. If the government is already

procuring, you have to ask: do they also need access to the Capacity Investment Scheme? I think it is that sort of issue that is important for the government to elaborate upon when it develops its public ownership strategy.

Mr WEIR: Federal projects such as that are going to have an impact on the rollout through Queensland?

Mr Corbell: Yes. The Capacity Investment Scheme is a very beneficial mechanism designed to speed up more final investment decision in clean energy projects. That is important nationally as well as what we see in Queensland. In the context where you already have the state providing support, either in terms of equity or in terms of offtake from clean energy projects, it is important that the state clarify whether it also believes those projects should be eligible or allowed to seek support under the federal scheme.

ACTING CHAIR: Mr Corbell, in relation to the public ownership target of 54 per cent, can you outline to the committee why setting a particular percentage in relation to public ownership is a positive approach? What are the specific benefits of setting a target in relation to public ownership and why that percentage number?

Mr Corbell: The Clean Energy Investor Group represents private investors in the clean energy space, but we do recognise that governments around the country are choosing to take a more proactive position in terms of supporting and managing the energy transition. As the government has said, here in Queensland the purpose of that public ownership provision is to protect jobs, it is to enable a more timely and coordinated transition and it is designed to reflect the existing government interest in energy generation in the state.

ACTING CHAIR: To clarify, even though your organisation represents the private sector, it welcomes the public ownership target of 54 per cent?

Mr Corbell: We accept that that is a legitimate public policy choice. What we would say is that, in having regard to that, it is also important that there is clarity around how that public ownership target is achieved and the accountabilities and transparency of that process. I think that is most important and that is what we have sought to emphasise in our submission.

Mr WATTS: I am interested in trying to understand the balance between affordability to the consumer, government supported investment in renewables and a 54 per cent public ownership target. Could you comment? The one I am interested in is the affordability to the consumer in terms of receiving energy.

Mr Corbell: The first and most important consideration when it comes to affordability is what is the lowest cost form of new generation available in the market at the moment, and the lowest cost form of new generation available in the market is onshore wind and utility-scale solar. Inherent in that choice to support more of those projects is that you are achieving a greater level of affordability over time because you are having lower cost new generation entering the system at a time when you are planning for the exit of other forms of generation that are being phased out for a range of reasons, including environmental reasons. That is the first consideration.

In terms of the development of this legislation, we would say that a commitment to new renewable energy generation means a commitment to lower cost for consumers overall and it means the maintenance of a system that delivers what is required for a competitive economy. I think the important issue to have regard to when it comes to affordability is that, because there is new investment coming into the system and because there is a commitment on the part of the state to acquire some of those assets or to purchase the generation from those assets, there should be a competitive process that allows the most cost-efficient forms of new generation to win when it comes to procurement on the part of the government owned corporations, or when it comes to procurement or offtake from the state itself. If you have a competitive process, you have competitive tension. You have the best projects bidding against each other to win that support from the state, and that means the lowest cost new-build generation wins out and consumers benefit.

Mr WATTS: To clarify, on some of that new build you are saying, unsubsidised, it should be able to compete?

Mr Corbell: Yes, that is correct. Wind or solar on its own is the cheapest form of electricity generation available globally when you consider new technologies.

Mr WALKER: With regard to wind and solar, there is a consistent price on that resource and it is free; is that fair to say? Wind and solar are free. Mums and dads can generate from the sun and the wind as well. Does the price of coal and gas fluctuate?

Mr Corbell: It is the case that the input costs for wind and solar are free because your fuel is, as you say, a resource that is available through sunlight or through wind. The costs associated with renewable energy generation are up-front capital costs which are associated with the procurement of the equipment and the installation of the relevant plant, but your input costs are free. It is the case for fossil fuel generation that you have significant up-front capital costs, as you do for wind and solar, but you also have input costs associated with the cost of fuel, whether that is gas or coal or whatever else.

Mr WALKER: It is fair to say that it is inconsistent in that the price could fluctuate over time so your cost for purchasing energy will fluctuate as well; is that a fair comment?

Mr Corbell: Yes, and we have seen that most recently in the last few years with a very significant price disruption associated with coal and gas, and that has led to market interventions on the part of the state and the federal government to manage some of those input costs.

Mr WALKER: That is why we get to the point of saying that green energy, sustainable energy, is more affordable, because we know what the givens are?

Mr Corbell: The absence of any input costs is a very significant advantage for renewable energy generation. The key issue is managing the up-front capital cost and recognising that, in the context of an economic transition, you are looking at capital costs for new generation versus written-off costs for incumbent thermal generation.

Mr MILLAR: Looking at renewable energy, you also have to take into account the replacement of that infrastructure over time.

Mr Corbell: Which infrastructure do you mean?

Mr MILLAR: Such as solar panels. For how long do they last?

Mr Corbell: The economic life of renewable energy varies. Generally, a project in terms of its economic life is around 20 years, for both utility-scale wind and solar. However, there are opportunities to repower those projects and to allow them to continue beyond 20 years. We are starting to see repowering happening for utility-scale wind, for example. Some of those projects in Australia are now reaching the 20-year life and they are being repowered with larger turbines, larger blades and so on, and the same is the case for solar.

Mr WEIR: In amongst a number of submissions, and in our conversation just now, it has been suggested that the conversation is all around generation and not the associated transmission that comes with it. We say that wind and solar are a cheap form of generation, but we have to get it to the household as well. Perhaps the next part of the big build is batteries and hydros. There is considerable money to be expended here, not just generation; would you agree?

Mr Corbell: I agree that those other costs are very important considerations, and I would highlight that the Australian Energy Market Operator, in its most recent integrated system plan, which was released late last year, reaffirmed that, even with that balance of plant cost and the associated transmission build-out, utility-scale wind and solar, along with distributed energy resources through rooftop panels, for example, on households and businesses, is the cheapest option open to the Australian economy as a whole.

ACTING CHAIR: Thank you very much, Mr Corbell. We have come to the end of our time with you. There were no questions taken on notice.

BRIER, Mr Andrew, Chief Operating Officer, Queensland Renewable Energy Council

MULDER, Mrs Katie-Anne, Chief Executive Officer, Queensland Renewable Energy Council

ACTING CHAIR: Welcome. I invite you to make a short opening statement, after which committee members will have some questions for you.

Mrs Mulder: I will make a short statement and then I welcome your questions. We are pleased to see this legislation in the House today. It represents a huge milestone for Australia's and indeed Queensland's history, legislating renewable energy targets to redesign our state's energy generation to meet our broader national and global commitment to pursue an enduring clean energy system. On a global scale, Queensland's renewable energy development potential hits superpower status that our trading partners can only dream about. Renewable energy development also represents an incredible regional economic development opportunity with projects like CopperString up in the north, as well as the proposed RAPAD Power Grid having the potential to be part of this generation's nation-building infrastructure. We heard earlier from our colleagues at the Queensland Resources Council about what that industry means for critical minerals up in the north.

Prior to establishing the Queensland Renewable Energy Council only some months ago, I worked in mining, oil and gas in Queensland. I have seen firsthand the challenges that new, intense development can present for regional Queensland if not planned for properly. Conversely, I have also seen the wonderful benefits it brings regions, one example being Western Downs—a truly diversified and prosperous area, now with the proud earned title of the energy capital of Australia.

We acknowledge that this bill is not an instrument to manage competing land use and coexistence matters. However, we are aligned with our colleagues representing the ag sector and other submitters, like LGAQ, on our support for expanding the remit of the GasFields Commission to include the renewable energy industry and encourage the committee to support a recommendation to fast-track the GasFields Commission Act within this bill. I would welcome the opportunity to provide more details on this recommendation and any other contents within our submission. Thank you.

Mr WEIR: Going to the previous conversation around the GasFields Commission—obviously you both have involvement in that area—I would be interested in what you would see within the GasFields Commission and what that remit should be widened to?

Mrs Mulder: The GasFields Commission has played an integral role with the coal seam gas sector in the last decade with regard to information sharing, stakeholder management and really being that honest broker between community and industry. They do not play a regulator role; however, we have seen how effective they have been in trying to have an eye as to what are the issues on the ground: 'Is this a company-specific issue? Is it turning into a broader, systemic issue within the industry or within the community that needs to be looked at from an industry point of view or a government point of view?' Having that separate, independent point of truth is very important, particularly in the development of a new industry in Queensland. It is not a new industry overall globally—it is very mature—but certainly in Queensland it can be quite different. Andrew, would you have anything to add?

Mr Brier: I think for me with regard to the GasFields Commission, what we will see with the renewable energy industry is an expansion of industrialisation of regional areas of Queensland, which we have seen before with coal seam gas, regardless of the generation sourced. The GasFields Commission, I think, has proven its worth in dealing with exactly that—an honest broker as a statutory authority that actually works within the regions and holds government, industry and community accountable and plays its base in the middle. I think hats off to the current CEO. It is probably the best format the GasFields Commission has been in, and the expansion of that role to coexistence for renewables would seem highly beneficial.

Mr WEIR: The GasFields Commission really is a shifting surface because there is talk of expanding it into a carbon capture and storage role as well. Are you seeing different personnel or different skill sets that will need to come on to deal with the energy transition as to CSG, as to carbon capture and storage?

Mrs Mulder: That is an excellent question. Absolutely. We have not seen that just yet, but I suppose the format of the GasFields Commission has not yet gone through that adaptation process. Representing the renewable energy industry, we feel that the industry is quite different to how the resources sector, including carbon capture and storage, is regulated and operates, and we would like

to see some more resourcing particularly devoted to renewable energy. The question before was around transmission. Including that within the remit is important because communities will see it as one and the same.

Mr WEIR: I note that in your submission you talk in the REZ about connections between public and private entity. What did you mean by that? Do you mean competing?

Mr Brier: Probably more around the way the bill structures the renewable energy targets and then restructures the public ownership targets as well. I think having the renewable energy target set in legislation makes a lot of sense. Interestingly enough, the legislation as it stands has a review function for the renewable energy targets but then also sets targets for public ownership that does not have a review function set in legislation for that. To our minds, it would make more sense to have the targets as targets for renewable energy generation and then have a process whereby you are reviewing public ownership of assets and the time by which that will occur to see if you are assisting or not in achieving those targets and allowing that to be adapted over time.

Mr WEIR: Are you suggesting that that be included in the act or as part of the review process going forward?

Mr Brier: It is interesting the way it is structured. At the moment it is unusual, I would say, to see a review period for legislation set into the act itself. We would suggest that one of the boards that are being established under the legislation could have as a function to annually report against the public ownership targets and review whether they remain appropriate.

ACTING CHAIR: I have a question in relation to the competing interests within REZs. We had the Australian sugar industry in earlier and they have concerns around REZs that include prime agricultural land. What are your thoughts on the competing interests within REZs and how that should potentially be managed?

Mr Brier: As you say, it is absent from the bill at this point, and we make that point in our submission. We realise that the energy and jobs bill is not for that purpose. That is one of the reasons we are supportive of the GasFields Commission's expansion of remit. We see that one of the key challenges to the development in regional Queensland will be competing land uses—agriculture, pressure on existing council utilities and different community functions that exist in that area. We would like to see the REZ delivery bodies expanded in function to consider these issues and coordinate across government departments to drive this sort of activity for REZ delivery as a whole.

Both Katie and I, and several members of your committee, lived through the expansion of the coal seam gas industry in regional Queensland. I think one of the learnings from that is the need for strong coordination across government departments, strong consultation and strong community engagement with regard to that. We would like to see a mechanism which would encourage that to occur.

Mr WATTS: One of the things I am interested in, and I alluded to this with the millers, is that if a certain percentage of land gets turned over to an alternative use all of a sudden, whether it be a cotton gin or a sugar mill—a critical piece of infrastructure that other land users all need to use—how do you see that being managed and is that the sort of thing that you are anticipating a section of the GasFields Commission could manage or do you think it needs a legislative structure? If that piece of infrastructure becomes unviable then everybody else is out of business and it just switches over to this one land use.

Mr Brier: That is a very good question. I think it is important to get that right. I do not think it would be the function of a renamed GasFields Commission to manage that activity directly. I think they would identify the issue. They would probably assist in resolving that issue across services.

To actually manage that itself is going to take some further legislative amendment or at least some further thought in that space. We have seen the declaration of priority agricultural areas for the resources industry and how they are applied. They are there to deal with exactly that, so you do not have an impact on another industry to the point where it is no longer viable. I do not think a straight translation of the existing RPI Act to renewables would work in that area. What we do have is competing priority land uses. We have identified that renewables development is a priority. We need energy. We know that prime agricultural land is a priority. What we do not have at the moment is an established framework for dealing with that.

Mrs Mulder: If I can add to that just to be really clear that we do not think the GasFields Commission has a role in regulating land use outcomes, rather information sharing and understanding what the issues are on the ground.

Ms PUGH: My question goes to your feedback in your submission around the Renewable Energy Jobs Advocate and, in particular, the importance of building local capability for providing local jobs as a part of the transition. I also note your comment about people. I am interested to hear any comments that you have about how we can better ensure as a government that we are getting a good number of local jobs as part of this transition. Do you have any feedback or have you seen any departments do it really well? Do you have any ideas you would like to provide at this point in time in that specific policy area?

Mrs Mulder: That is a great question. It goes to the broader community benefit that the renewable energy industry provides to regional Queensland as part of that larger regional economic development question. It is certainly something that we see our members really leaning in on. With the Queensland government owned corporations public ownership strategy, it is certainly something that I think Queensland has an advantage on, ensuring that local people have local jobs. We have plenty of examples where our members have really leaned in on in particular regions.

One of the things we are working with members on and we are really excited about is how we broaden that then further into local businesses. For instance, we are organising a study tour to either Europe or North America, hopefully this year or next year, to showcase how communities have done it in another region and what we need to be alive to here in Queensland. We want to ensure that our local businesses and our local people have access to those opportunities, and that includes First Nations businesses as well. Andrew, did you have any other thoughts?

Mr Brier: I think one of the key enablers for local content and local skills is visibility of the project pipeline. We saw that as consistent feedback from local governments and businesses during the CSG expansion—actually knowing what level of work there is going to be and where that work will be. I think that brings us back to the earlier point around coordinating the delivery of this activity within REZs across the state.

What we do not want to see is a big boom-and-bust cycle where we overinvest in certain things and then all the brakes come on at the end once it is built and everyone is looking for a job. The ability to phase development across REZs across Queensland in a coordinated manner and having some form of authority or coordinating entity that enables that would be one of the greatest things I think which would assist in building local skills and local opportunities.

ACTING CHAIR: Excellent. Thank you very much for joining us, for your submission and for appearing before the committee today.

BOXALL, Ms Dana, General Manager, Community and Delivery Services, Powerlink Queensland

BRIDGE, Ms Jacqui, Executive General Manager, Energy Futures, Powerlink Queensland

MONTIEL, Mr Frank, Project Director, Strategic Renewable Developments, Powerlink Queensland

ACTING CHAIR: Good morning. I invite you to make a short opening statement of one to two minutes, after which time the committee members will have some questions for you.

Ms Bridge: Thank you to the committee for allowing Powerlink to present on the Energy (Renewable Transformation and Jobs) Bill. I am Jacqui Bridge, the Executive General Manager of Energy Futures at Powerlink Queensland. Today I am joined by Dana Boxall, our General Manager for Community and Delivery Services, and Frank Montiel, our Project Director for Strategic Renewable Developments.

Powerlink is a leading transmission network service provider. We provide electricity to more than five million customers across Queensland and 253,000 businesses. Our existing transmission network extends 1,700 kilometres, from Cairns to the New South Wales border, and it includes more than 15,000 kilometres of transmission line and 147 substations.

The Energy (Renewable Transformation and Jobs) Bill 2023 gives legislative effect to several elements of the Queensland Energy and Jobs Plan and it provides a legal framework for Queensland's renewable energy transition. Under this legislation, and in implementing the QEJP, Powerlink will have an enhanced role in several areas: firstly, in developing new renewable energy zones as the REZ delivery body; in connecting the firming resources—in particular, the pumped hydro energy storage; and, thirdly, in upgrading the transmission backbone network with the construction of the 500kV SuperGrid.

In the last 20 years Powerlink has built more network connections on a commercial basis for customers than any other transmission company in Australia. However, we recognise that delivering the QEJP will require a step change in our activity and increase our impact on communities and landholders across Queensland. The step change further increases the importance of developing and maintaining a positive social licence to operate as well as delivering strong social performance in impacted communities.

Powerlink continually reviews and improves our approach in this space. We have recently introduced the new SuperGrid landholder payments framework, which significantly boosts payments to the landholders that will be hosting the transmission infrastructure on their properties. The framework also introduces payments for adjacent landholders—the first transmission entity in Australia to do this.

The department of energy consulted with Powerlink in the development of the bill, which also provides suitable regulation-making powers to clarify specific arrangements for the energy sector. We expect that we will continue to work with the department on these regulations as they are developed.

We support the Energy (Renewable Transformation and Jobs) Bill and we are confident that it will facilitate a successful energy transformation in Queensland. Once again, we thank the committee for this opportunity and we invite your questions.

Mr WEIR: The whole bill revolves heavily around, I would suggest, the delivery of the hydro projects. I note that we are expected to break the energy use record today—and I am sure you are very aware of what we are going through. I think it was broken on Friday as well. I noted last night that 90 per cent of our energy came from coal and gas. At one stage our price was \$16,600 a megawatt hour. We are a long way away from our targets. Are you confident we can achieve those targets?

Ms Bridge: I think we have a very good plan in place. The Queensland Energy and Jobs Plan looks at that holistic system transformation which will require not only transmission upgrades but also building of significant amounts of new renewable energy. The third very important component is the firming and storage that is required to support the variation in renewable energy availability. We believe that the Queensland Energy and Jobs Plan gives an excellent plan to achieve that future reliable renewable electricity supply for Queenslanders.

Mr WEIR: The percentage that is to come from renewables is 26 per cent. Is that the state at the moment?

Ms Bridge: That is the most recent, yes.

Mr WEIR: How is that calculated? On those figures I just read out, hydro was two per cent and wind was three per cent. That is a very low percentage. How do you reach 26 per cent and over what time frame? How do you arrive at that figure?

Ms Bridge: As the transmission network service provider, we do not buy or sell energy into the market. The figures that you are talking about will be calculated based on the energy that has been traded in the market, and the targets are annual targets. I cannot give you any more detail background on that. I would stress that the 26 per cent that you are talking about is an average over a one-year period. Obviously that fluctuates depending on the availability of renewables in the market at any one time.

Mr WEIR: For the hydro projects, we are hearing about conflicting land use and so forth. It must be very difficult to put a time frame around those. I do not think the EBC has approved a wind project for well over 12 months. We have problems there federally. It must be very difficult to hold time frames for things like Pioneer, Burdekin and Borumba, surely.

Ms Bridge: Again, the pumped hydro projects are being delivered by Queensland Hydro. They are an important component of the overall plan. The time frames for those projects have been announced and are being studied by Queensland Hydro. Our job is to deliver the transmission network connections that will be required to support that new system. In terms of the planning approvals specifically to do with the transmission network approvals, I can ask my colleague Dana to expand upon that, but there are a range of planning approvals and environmental approvals that we seek as we design and deliver new transmission lines across Queensland.

Ms Boxall: Part of our continuous improvement approaches that we have been working on at Powerlink has been the development of a new transmission easement engagement process. Through that new process we have made sure we step out very clearly the steps that we engage and look to understand land uses and those priorities for communities. Our priority is to determine that transmission corridor based on the least overall impact, and that considers various factors across social, economic and environmental factors. While we do have those various approval processes through both state and federal legislative frameworks, the land use consideration is a really important factor for us to consider and we look to get out information and work with communities right throughout the process.

Mr WALKER: The Powerlink submission refers to the development of the Queensland Energy and Jobs Plan and that the bill proposes to legislate that as policy. Does Powerlink expect to have a smaller or larger workforce as a result of the energy and transformation policy?

Ms Bridge: The Queensland Energy and Jobs Plan requires us to deliver more than 2,000 kilometres of new high-voltage transmission lines. We are already growing our workforce and we expect that we will need to continue to grow the workforce. We also have obligations to support the transition of affected workers in the energy sector. We are a party to the Queensland Energy Workers Charter and are also represented on the Interim Energy Industry Council. The short answer to your question is that we expect that our workforce will grow.

Mr WALKER: CopperString 2032 is part of that vision. It is currently underway. Do you think the CopperString project, as part of this overall policy, is going to leave some legacy along the way with this from start to finish?

Ms Bridge: Absolutely. The CopperString project is a component of the Queensland Energy and Jobs Plan. It will stretch from Townsville across to Mount Isa. One of the legacy items, together with the transmission lines, is that there will be improved internet and telecommunications facilities for the regions that the line passes through. That is being developed as part of the design of the project in conjunction with our subsidiary QCN.

Mr WALKER: That means agriculture will be a big beneficiary in these big regional areas, be it cattle or sugar. We have a great industry in Hughenden. That will enhance the farming practices of that sector, do you think? Having access to the internet will mean more efficiencies for that sector as a legacy?

Ms Bridge: Yes, I do, but I will ask Dana to comment on that as well.

Ms Boxall: I think what you are referring to is the SuperGrid telecommunications program that has been announced recently. As part of that program we are looking to partner with our subsidiary QCN Fibre to leverage all of the new infrastructure that is being built throughout the decarbonisation of the industry to improve internet services and internet speeds to our regions. The CopperString project is the first project that is being piloted through it and will be rolled out.

Mr WALKER: That would be great for our all government agencies like health, education, police, safety and communication, ambulance, fire and emergency. There are so many legacies—is that fair to say?—that come out of this as a value-add.

Ms Boxall: Absolutely. It is really about leaving those legacy and sustainable outcomes for regions and looking to build that economic development also for our regions. It certainly has benefits across education, like you say, safety for communities and also through businesses and helping to enable them to compete and thrive on all levels.

Mr WATTS: As you expand the network you have to get these new easements and they have to go through particular regions. I want to understand the process of that and what that might do in terms of land use. I am also interested in the financial model of that, because obviously you are not earning any income from those easements for some considerable time from when you start making payments. Once the easement is established there are payments being made but there is no income coming in, until such time as the transmission is flowing down that easement. I am trying to understand the modelling around that.

Ms Bridge: I will start with the last part of the question. The model for investing in the transmission network begins with the acquisition of easements and then we can build and construct the transmission infrastructure. Our revenue for that usually begins when the asset is complete and is rolled into our regulated asset base for whichever revenue stream it will come from. There is a mismatch in timing. That is no different to the way that transmission has been developed over time. However, the quantum of this investment will require us to look at our models for revenue and investment.

Mr WATTS: Is it just a cash flow management?

Ms Bridge: It is. We are working with government on how that will work. Further investigation is required.

Mr WATTS: Do we know what sort of quantum that might be yet, over what time?

Ms Bridge: There are estimates of the overall cost of the transformation that were included in the Energy and Jobs Plan. We deal with each project and the costing for that as the time lines continue, so I am not able to give you an overall estimate of that. The Queensland Energy and Jobs Plan did include some cost estimates at that point in time. In terms of the second part of your question, which was to do with the easement acquisition, I might ask Dana to speak about the process of easement acquisition.

Mr WATTS: I am particularly interested in land use transformation because of an easement if that exists.

Ms Boxall: I just might add on to Jacqui's comment that was referring to the regulated projects. With the non-regulated projects, all of those costs are negotiated with and borne by proponents or developers as well. The payment streams are a different mechanism for regulated projects. With the easement acquisition process, I just referred to our new transmission easement engagement process that we have developed, and that certainly steps out those key processes for communities to engage with us along the various steps throughout the process to help build their understanding and acceptance of those processes as well, rather than a focus on the legislative frameworks alone. As we go through we have our criteria for assessing corridor options. There are several criteria we have under social, environmental and economic objectives across the projects, and land use is an important consideration throughout that process. We work closely with our communities. We also have desktop analysis and then when we get down to determining compensation arrangements we have independent property valuations on each property to determine those impacts and negotiate that compensation with landholders. Land use is certainly a very important factor for us to consider as we build the transmission easements and infrastructure throughout the state.

Mr WATTS: Is that an ongoing payment on a per annum basis or is it a 'purchase the easement and we are done'?

Ms Boxall: Under the new SuperGrid Landholder Payment Framework we now have the ability to offer flexibility to landholders for payments. They can choose to have an up-front payment or an annual ongoing payment.

Ms PUGH: My question links back to the line of questioning from the member for Mundingburra around jobs. In particular, I am interested in the training opportunities that this might present in regional communities. Would you expand on what this legislation will mean in terms of being able to offer additional jobs and, in particular, the kinds of jobs they will be and the training opportunities this will present for our young people?

Ms Bridge: As I said, Powerlink has already begun to increase our workforce and we expect that will continue. We have also recently established two regional training and transmission hubs. One is in Gladstone and the other is in Townsville. The intention is that we will be able to offer training initially that is relevant to the delivery of the infrastructure that Powerlink is charged with delivering. Last week we had the influx of new apprentices and graduates into our business which caused a flurry of excitement. There were about 30 in total. We have these new people this year and we expect that we will continue to have an increased number of apprentices and graduates coming into the business. The opportunity there is that we will be able to offer training in those regional centres. The training initially is likely to centre around the building of transmission lines, which is one of the major components that Powerlink is charged with delivering.

Mr WEIR: For clarity, in your submission you talk about the infrastructure blueprint and the priority transmission investment. Could explain that to me a bit more? You say—

The Priority Transmission Investment (PTI) framework provides a way to retain the cost-benefit approach of the Regulatory Investment Test for Transmission (RIT-T) under the NER ...

Could you explain to me what they are and why that is needed?

Ms Bridge: I will direct this question to Frank Montiel, who has been particularly focused on the priority transmission investment framework.

Mr Montiel: The regulatory investment test for transmission is the framework under the National Electricity Rules for doing a cost-benefit analysis and comparing credible options when we are looking at meeting an identified need for a transmission augmentation. That test was developed under a different era. It was really around where you have some load growth in a local area and you are looking at different options for meeting reliability to that local area. It really does not stand the test for developing the scale and pace that you need for an energy transition of this magnitude.

The priority transmission investment was aiming to move away from that in as minimal a way as possible—so retain the robust, efficient cost-benefit analysis under the rules but make it consistent with what is the optimal infrastructure pathway under the blueprint where there has already been a whole-of-system analysis about where transmission might offer value. You have the renewable energy, you have the firming resources and you have to tie it all together and determine what timing it needs to be. The priority transmission investment framework is a way of reshaping that regulatory investment test but making it consistent with the state's intentions to deliver on the optimal infrastructure pathway.

ACTING CHAIR: Thank you for joining us here in the committee today. I know there would have been several more questions if we had more time.

HEANEY, Mr Leigh, Manager, Government Relations, Smart Energy Council (via videoconference)

SMITH, Mr Wayne, Manager, External Affairs, Smart Energy Council (via videoconference)

ACTING CHAIR: I invite you to make a short opening statement of one to two minutes, after which time committee members will have some questions for you.

Mr Heaney: Good morning. The Smart Energy Council is grateful for the opportunity to provide a submission and to appear before the Transport and Resources Committee today to discuss the Energy (Renewable Transformation and Jobs) Bill 2023, which is part of the Queensland Energy and Jobs Plan.

The Smart Energy Council is Australia's peak body for renewables including solar, batteries, wind, utility-scale generation and storage, finance, renewables manufacturing, green hydrogen and really everything in the Australian renewable ecosystem. The Smart Energy Council has over 950 members and we have been around for a little over 65 years, having come from the PV of the 1950s and 1960s who designed some of the world's first solar panels and solar hot-water systems.

Some of our most prominent members in Queensland you may have heard of include companies such as Redback Technologies, Mathers Hydraulics, Planet Ark Power, One Stop Warehouse, AET Technology, Yurika, Chile and Australia, Axion Energy, Redflow, AusPac and of course Supply Partners, who are a very large renewables solutions provider with a significant footprint all over Australia and based in Queensland.

The Smart Energy Council in general is a very strong supporter of the Queensland Energy and Jobs Plan and the planned \$62 billion in investment that the government has announced. The announced SuperGrid and the energy storage plan we think offer Queensland a viable road map to decarbonise the economy and to reduce power costs ultimately for energy consumers.

In general, the Smart Energy Council very strongly welcomes the renewable energy targets in the bill. The stated goal of 50 per cent renewables by 2030 is well supported by the Smart Energy Council. The targets of 70 per cent by 2032 and 80 per cent by 2035 are also well supported by the Smart Energy Council.

In general, we now know that Queensland has around 50 large-scale renewable energy projects worth around \$11 billion to \$12 billion of investment and around 8,000 or 9,000 construction jobs. Those are elements of the plan that are very well supported by the Smart Energy Council. Combining that with the one-third of Queensland households that have solar on their rooftops means there is around 10 megawatts worth of renewable energy capacity in the state. Again, that is a very well supported measure by the Smart Energy Council.

We are particularly happy with the framework around renewable energy zones that is included in the bill. We are very happy with that. We are very happy to work with the state government in the regulation phase for the southern, central, north and far north REZ areas as they arise. We are also very happy with the Job Security Guarantee Fund—the \$150 million commitment for that fund. The Queensland Energy Workers' Charter is best practice and something that we are very happy with within the bill.

Aside from what is in the bill, more broadly around the Energy and Jobs Plan we are very happy with Queensland's place in making Australia a renewable energy superpower. We think there are a lot of renewable manufacturing jobs coming into Queensland. We think that is off of the back of the Energy and Jobs Plan in general. We are very supportive of the bill and very supportive of the Energy and Jobs Plan.

Mr WEIR: Your submission talks a lot about the need for more local manufacturing in this area around solar panels. I would suggest batteries. I quoted some figures of the situation we are going through at the moment. Storage is going to be absolutely crucial. Why isn't that happening? What are the impediments? Why aren't we doing that now?

Mr Heaney: I think Queensland is very much leading the country in the race for developing local batteries. The Battery Testing Centre hosted by the Queensland University of Technology is extraordinary. If you ever get a chance to go out and see some of the work that they are doing, it is amazing.

Mr WEIR: I have been there.

Mr Heaney: In terms of getting new products into market, that Battery Testing Centre is an absolute world leader. Australia has its challenges in terms of market. In building these products you really do need an offtake partner. Depending on what the product is, there is certainly a place for government to play in becoming an offtake partner with some of the manufacturers. Some of the companies I listed a little earlier are already building batteries—not just lithium ion batteries but vanadium batteries—and some of the larger, longer duration batteries are currently in production. Some of these countries have contracts within the US, particularly within the US defense department, to provide off-grid solutions within the US. There are a lot of opportunities with Australia now being at the place we are at in our transition to pick up from Queensland companies, and there is very much the potential to make building batteries at scale a reality.

Mr Smith: Leigh Heaney is absolutely right. It is also important to have a strong partnership between the Queensland government and the Australian government. I know that there is a lot of work happening in this space. The federal Treasurer has stated that there will be a strong focus on what we call smart energy manufacturing in the May federal budget. We are doing a lot of work around that. I know that the Queensland government is obviously looking at that as well. We would hope and expect that there would be a strong partnership between the Queensland government and the Australian government focusing on this area.

Mr WEIR: You talked about the facility at Banyo. I have visited that facility. I am aware there are still some fairly significant challenges around the volatility of some of those batteries, particularly the ones being imported. You mentioned rooftop solar earlier. How much focus do you think should be on retaining some of that energy that we are generating right now, because tonight most of that will be gone? Should we have more household or community batteries? There is a lot of energy being wasted in rooftop solar at the moment.

Mr Heaney: Definitely. The Queensland Battery Booster program is a step in the right direction. I think 2,500 batteries were going to households as a result of that program. The Smart Energy Council has been calling for around a million batteries in households towards 2030. We think putting more batteries behind the meter and smart solutions which we really do lead the world on—our software solutions that go into inverters and battery management and demand management are absolute world beaters—is a huge part of the next step that we need to take.

Batteries in households unlock private capital. If government invests in unlocking that private capital, they get the benefit of having a huge essentially virtual power plant sitting behind the meter. At the same time, the people who do not have the batteries in their household will get a lower power bill because when those batteries discharge during peak demand, if they sell back into the market, they can help reduce the duck curve, which is essentially the peak demand point when everybody comes home at about five or six o'clock in the afternoon and turns on their air-conditioners, toasters and everything else all at the same time. Batteries are a huge part of the solution. From the Smart Energy Council's perspective, there is no particularly good reason why Australia cannot manufacture a lot of those batteries here and be an absolute world leader in that space.

Mr WATTS: I am curious to understand how much we are manufacturing solar panels or inverters in Queensland and what the potential is or otherwise what we should be doing in that space and, more importantly, when it comes to the reprocessing of these panels as they come to end of life, what we do with them. What is happening in that space? In my estimation, starting in a few years we are going to have a lot of solar panels coming off roofs that need to be reprocessed. Could you speak to that?

Mr Smith: In terms of solar panel manufacturing, I am not aware of any manufacturing that is occurring in Queensland at the moment. I know that there are a number of companies looking at the opportunities to do so. Again, in the federal budget we will see, I would hope, a strong focus on that. One of the things the Smart Energy Council is pushing for—and we are doing so in partnership with a range of other organisations—is a production tax credit through the federal budget, so we will see if that is delivered in May. That will provide a mechanism, if you like, for investment in this area.

In terms of end of life of the solar panels, the Smart Energy Council is doing a lot of work in partnership with the Queensland government. We have been really pleased. We are currently doing a solar panel recycling and re-use project in Queensland—the Solar Stewardship Scheme. We are very pleased. We have received some funding from the Queensland government in the past to do that. That has been particularly focusing on a trial looking at residential solar and what happens to those solar panels. We are looking to do a lot more in this space. I know that the Queensland government is looking to do a lot more work in this space. I would expect that there will be a strong focus on that. You will hear more in the very near future, I am sure.

ACTING CHAIR: Thank you very much, gentlemen. Unfortunately, we have reached the end of our time here with you today. I do not believe there are any questions on notice. Thank you for joining us.

BEGANOVIC, Ms Irma, Director, Government Relations, National Electrical and Communications Association

ROBERTS, Mr Neil, Director, Policy, Technical and Safety, National Electrical and Communications Association

ACTING CHAIR: Good morning. I invite you to make a short opening statement of one to two minutes, after which time committee members will have some questions for you.

Ms Beganovic: We wish to acknowledge the traditional custodians of the land on which we meet today and pay our respects to their elders past and present. We extend that respect to Aboriginal and Torres Strait Islander peoples here today.

The National Electrical and Communications Association, or NECA for short, is a not-for-profit industry association. We represent over 6,700 member businesses nationally. We would like to use this opportunity to acknowledge the Department of Energy and Climate on the achievements under the Queensland Energy and Jobs Plan to date, including the release of this bill.

On behalf of our members, we will continue working with the Queensland government, with industry and with the wider community to support the state's energy transformation. Our submission reflects the key priorities for both the sector and the communities that our members serve. To help inform this inquiry today, we look forward to responding to questions on any matters the committee determines are of importance. We thank the committee for this opportunity.

Mr WEIR: You mentioned the Job Security Guarantee a few times. What are your specific concerns? Do you know if anything like the Job Security Guarantee happens elsewhere?

Mr Roberts: I do not know of any current ones that exist. I have been through processes in the past where there have been job securities offered in the New South Wales jurisdiction but not in the renewable space—more in the government owned corporation space.

Ms Beganovic: In our submission we made a couple of recommendations in terms of, for instance, part 7, subclause 85(1), which states that it is the 'intention' of parliament to provide security. We feel that that wording, if legislative drafting requirements allow, could be changed to something stronger like a 'commitment', which is more aligned to a guarantee rather than the 'intention' of parliament or the 'intent' of parliament. We have put that in our submission. Additionally, we feel that private sector businesses should also have the opportunity to opt in or to voluntarily apply to be part of the fund and be given the opportunity to be considered by the government to ensure private sector workers are not forgotten throughout the transformation process and have the same opportunities as government owned.

Mr WEIR: In the submission of the association that you represent, you quote that there will be up to 35,000 additional electricians required.

Ms Beganovic: Yes.

Mr WEIR: Where are they going to come from?

Ms Beganovic: We have quoted the reference in our submission. That figure is from the October 2023 report titled *The clean energy generation: workforce needs for a net zero economy* from Jobs and Skills Australia. It is suggested that 35,000 additional electricians will be required to deliver on the ambitions for the renewable agenda of the federal government and state governments generally, I believe. That is by 2030. Therefore, we provided recommendations relating to workforce development and training and other opportunities that are needed to meet those targets or those numbers. Some of it includes female participation and greater support for First Nations people as well and the affected communities. I will stop there.

Mr WEIR: How long will it take to train that number? We have a labour and skills shortage right now. You are saying that we are going to have to find 35,000 additional people, train them up and have them working to reach these targets?

Ms Beganovic: Yes.

Mr WEIR: That is just electricians.

Ms Beganovic: Just electricians, yes.

Mr WEIR: Is that doable?

Ms Beganovic: This is why we would like to take the opportunity to work closer with the state governments, not only in Queensland but also across the country, to make sure there is a closer partnership between industry and government in the training of apprentices, especially electrical apprentices, and tap into the half of the workforce—that is, females—in this country who would make excellent electricians. Yes, it is a four-year apprenticeship for an electrician.

Mr Roberts: To a large extent we are running behind as a country, yes. That is why we are also involved in negotiating the opening of new training centres, collaborations with unions and local governments and state governments, and to find ways to deliver in regional areas as well.

Mr WEIR: So I clearly understand this, we have had a cyclone up north, we have had storm damage down south and we have to get ready for the Olympic Games. We have a lot of things happening. You are saying that, above and beyond what we have today, we need another 35,000 electricians?

Mr Roberts: Yes. That was basically the response from the federal government, from their inquiries and consultations. They did reach out to some in the university sector to do research in this area. That is the figure they came up with and that is the figure they started talking to us about as well.

Mr WATTS: For clarity on that, it is a four-year apprenticeship and we have six years to deliver the 35,000 people, so we have 24 months to recruit 35,000 people into apprenticeships in Queensland; is that what you are saying?

Ms Beganovic: That is a national figure; the 35,000 is across Australia.

Mr WATTS: Do we know what Queensland's figure will be?

Ms Beganovic: I am not sure of that, but I do know that the government has released a future energy workforce road map—or at least it is being worked on. I am not sure where it is at at the moment. That will look at the training and skills that are needed for the future energy system, but we still recommend that the government commits to continue working with the industry to ensure these future workforce needs can be met to support the delivery of renewables.

Mr WATTS: Am I right when I state that in 24 months 35,000 people need to be recruited to an apprenticeship and all of them need to then pass and finish the apprenticeship on time?

Ms Beganovic: I really cannot comment on those figures as such, but that is the target that has been published by the Jobs and Skills Australia Council in the report that we mentioned. I agree with the Smart Energy Council and the comment made earlier about the need for closer collaboration between state and federal governments. The Powering Skills Organisation was launched nationally to look exactly at these issues. They will develop training packages, they will map career pathways, they will act as a source of intelligence on issues affecting the sector and they will identify the skills and workforce needs, but that federal and state collaboration will need to occur. I know it is happening at the Energy and Climate Change Ministerial Council. Yes, there need to be closer alignments in addressing workforce needs.

Mr WALKER: The NECA submission makes a recommendation regarding increasing the number of women in the electrical trade. Does the NECA have statistics on the number and percentage of women currently employed in the electrical industry? What part is private and what is government investment?

Ms Beganovic: We can speak generally about women in trades, say, on tools. From an electrical point of view, I think there is only two per cent female participation on tools, which is a very low percentage, and I think roughly 13 per cent of women in construction in other jobs as well. We are very strong advocates for female participation in trades generally. What was the second part of your question?

Mr WALKER: In that space, how much is private sector engagement and how much is government? I ask that question because, as a government, we have worked very hard for more women in the construction sector as well as the electrical sector. Just recently, we engaged a lot of young women in the electrical engineering sector. We have invested strongly in the whole electrical sector, be it on the tools or in the engineering phase. Under previous state governments, for example, TAFE colleges were slashed and training was slashed. This government has introduced free TAFE courses and made more investment in training. We have built a new hydrogen centre in Townsville to get more people into the hydrogen sector. What investment is the private sector making in this space compared to government? What is the breakup?

Ms Beganovic: In terms of the completion rates, for example, of apprenticeships, I believe that publicly funded institutions deliver around 50 per cent completions in trades whereas through our training colleges—and unfortunately we do not have one yet in Queensland, but one day we will—in New South Wales or the ACT our completion rates are at 90 per cent. The private sector apprenticeships have a more personalised and, I guess, successful recipe for completions. I can only speak for NECA. We also have a strong commitment to female trainers and female apprentices. I think there needs to be, again, closer collaboration between government and industry to utilise perhaps some existing facilities, Queensland TAFE facilities, and see how the industry can help better the completion rates from state funded.

Mr WALKER: You do not have the percentages, but you can have a 19 or a 90 per cent success rate in the private sector where you could be dealing with 100 students whereas TAFE could be dealing with 1,000—

Ms Beganovic: Correct.

Mr WALKER:—and have a 50 per cent output, which is still more than the private sector is pushing through. Do you have percentages of what that looks like?

Ms Beganovic: No, but if we can get the specific question on what percentages are sought then we can come back to you. We can take this question on notice and provide a response.

Mr WALKER: That would be great, thank you, Acting Chair.

ACTING CHAIR: Thank you.

Ms PUGH: Thank you for those comments about getting women into trades. I attended your awards ceremony last year. I remember you featuring women very heavily in those presentations. I remember that very clearly. My question is around the procurement aspect of your submission and, in particular, the Buy Queensland procurement approach that you have spoken about in your submission. You have talked about how this plan will be governed by the Buy Queensland policy. You have recommended a strong framework. I want to get an understanding of what that might look like. Under Buy Queensland, for example, Transport and Main Roads are sitting at over 90 per cent local procurement. I want to understand what stronger mechanisms you would see as being useful and if you have any feedback on why that might be required.

Ms Beganovic: The Buy Queensland procurement approach, as we said in our submission, supports local businesses. We understand that, under the Queensland Energy and Jobs Plan, procurement by government owned corporations will be in accordance with the government's Buy Queensland policy. We think that government, as a significant purchaser of goods and services, could have more influence on its spending beyond GOCs, government owned corporations. For instance, consider through tendering processes the greater empowerment of First Nations people, for recruitment or female workers and so on. Neil, is there anything you would like to add to that?

Mr Roberts: No. I am not that familiar with the procurement processes in Queensland.

Ms Beganovic: That is okay. Again, just referring to the submission: committing through the bill to increasing the number of women in the trade and including a sharp focus on recruiting apprentices as well.

ACTING CHAIR: Thank you very much for joining us today. The secretariat will be in touch to confirm the detail of the question taken on notice. That response will be due by 12 pm on Monday, 29 January. Thank you very much for joining us.

BAKER, Ms Crystal, Manager, Strategic Policy, Local Government Association of Queensland

BRADLEY WOODS, Ms Millicent, Central Highlands Regional Council (via videoconference)

HAYES, Mr Kerry, Mayor, Central Highlands Regional Council (via videoconference)

RUHLE, Mr Nathan, Manager, Intergovernmental Relations—Advocate, Local Government Association of Queensland

ACTING CHAIR: We will start with opening statements of one to two minutes, first from the LGAQ and then from the council.

Mr Ruhle: Good morning and thank you for inviting the LGAQ to participate in today's public hearing as part of your inquiry into the Energy (Renewable Transformation and Jobs) Bill 2023. Firstly, I acknowledge the traditional owners of the land on which we gather and pay our respects to elders past, present and emerging. My name is Nathan Ruhle. My role is manager of intergovernmental relations at the LGAQ. Joining me today is Crystal Baker, our manager of strategic policy. Our CEO, Alison Smith, extends her apologies. She would like to have been here but, unfortunately, she is on the ground with our members, supporting the disaster recovery effort in Far North Queensland. I also acknowledge that we are joined here today by one of our members, Mayor Kerry Hayes, from the Central Highlands Regional Council.

The LGAQ is the peak body for local governments across Queensland. We are a not-for-profit organisation established to serve the state's 77 councils and the local communities they represent. It is important to note that the LGAQ's submission and our advocacy more broadly is always evidence led and derived from feedback from our member councils. This includes resolutions endorsed by the majority of delegates who attend the LGAQ annual conference each year. Supported resolutions from our annual conference automatically become binding policy positions and ensure that our views are truly representative of the local government sector in Queensland.

Following the release of the draft bill for consultation in June 2023, the LGAQ appreciated the focus on ensuring a thorough public consultation process in developing this legislation before it was introduced into the parliament on 24 October last year. The LGAQ does not have a formal position on the entire Queensland Energy and Jobs Plan. However, communities that host these developments are looking for a guaranteed share in the benefits that they bring, not simply bearing the burden of hosting the clean energy transformation. This is a view firmly held by our member councils and supported by the association.

Beyond what is covered in the bill, the three most significant issues as outlined by our members in resolutions at the 2022 and 2023 annual conferences primarily relate to: No. 1, transformation planning, particularly for the most impacted communities; No. 2, the social licence of industry; and No. 3, the need to condition projects under an approved regulatory framework. Despite the explanatory notes identifying that 'stakeholders wanted a greater focus on social licence' as one of the three key themes of feedback on the consultation on the draft bill, we believe there are still improvements that can be made to address these concerns which are currently missing from the bill. In response to that the LGAQ has prepared 10 recommendations which we believe would improve the bill and policy framework, primarily addressing the issues relating to social licence.

As we say in our submission, communities should develop alongside industry. The livability of every Queensland community should be enhanced, not negatively impacted, from renewable energy projects. Critical to that success is the need for proponents to engage early with the community and also councils, and that engagement needs to be genuine and receptive to feedback and input. Host and supply communities should have specific benefits that are identified and tangible. These legacy benefits should also be responsive to the needs of that local community. That can only be identified through genuine engagement. A commitment to local and regional benefit sharing is important to the long-term success of any industry or specific project. Empowering local communities and building social licence can reduce costs with the time taken to develop a project. That has to recognise the impact on essential service delivery and enabling infrastructure, for example roads housing and water, and also on the local environment. Transparency of process will build trust and credibility with the community. That concludes my opening statement. We are more than happy to take questions. Thank you, Chair.

ACTING CHAIR: Thank you very much. Mayor Hayes, did you wish to make an opening statement on behalf of your council?

Mr Hayes: Yes, thank you. In relation to the introduction that Nathan has made, I would like to acknowledge the traditional owners of the land where we sit here today in the Central Highlands and endorse Nathan's acknowledgement more broadly. We thank the committee for inviting our council to attend. I notice our local member, Lachlan Millar, attending there today and we acknowledge him. We thank the committee for allowing us to make a submission today.

As you know, we sit at the southern end of the Bowen Basin, which is Australia's largest predominantly metallurgical coal reserve and it is home to 12 operating coalmines. The mining sector is the largest employer within our region, supporting almost 36 per cent of direct jobs, which is about 6,000. That is not accounting for the employment within those particular supply chains. It also provides and contributes \$790 million in local goods and services so is a significant contributor to our local government area.

Based on the average coal production over the previous seven years, 31 per cent of coal produced in the region is thermal coal and 69 per cent of the coal produced in the region is metallurgical. Several mines within the region produce significant quantities of thermal coal and some supply thermal coal exclusively to coal-fired power stations within the Central Queensland region. We state this because of the importance of the existing, I suppose you would say, energy source in relation to the proposed new bill. Those sorts of places are Glencore's Rolleston open-cut coalmine, which exclusively produces thermal coal and supplies to the NRG Gladstone Power Station for domestic energy production; Ensham coalmine, which produces predominantly metallurgical coal and 20 per cent of that production goes to Gladstone as well; and then the Curragh Coronado coalmine, which produces predominantly metallurgical coal and some thermal coal, which supplies Stanwell Power Station—and some of you would be aware of the time lines around power generation from that site.

We want to restrict our comments to some parts of the bill. Firstly, the bill disregards the supply chains for thermal coal power stations located in the Central Highlands and the Isaac regions; namely, the thermal coal mining workforce who too will be impacted by the Queensland Energy and Jobs Plan targets. The reason we say that the thermal coal mining workforce is excluded is that the bill does not include the thermal coal mining workforce as affected energy workers. We believe that is inconsistent with the purposes of the bill as expressed at clause 3, which is to provide for advocacy and support for workers in the Queensland energy industry as well as Queensland communities that are affected by the increase in renewable energy generation. I think the detail I have provided there would show the extent of that. Our concern is reinforced in terms of the membership of the government's functions proposed to be established under the bill.

Secondly, the extent to which the bill limits new renewable energy developments outside of the renewable energy zone is not clear to us. While we appreciate that the Central Highlands region is included in the broader REZ, we see renewable energy developments, as well as our other economic developments, to be central to the economic diversification of the region, capitalising on our existing strength in terms of an already well developed transmission network. One way that we have identified for our region to economically diversify is through pumped hydro from rehabilitated mine voids, which would represent a genuine transformation for our region. It is those concerns, some existing opportunity that we see, and these have been opportunities identified for some time now, and we do not believe it is necessarily clear how they might be something that can be actually created and actually transitioned into a network.

We are concerned about geographic limitations on renewable energy developments that may be imposed by the bill to the extent to which critical economic diversification can be achieved in the Central Highlands regions. To this end, the public ownership provisions of the bill may also stifle pumped hydro developments as part of mine rehabilitation and we say that this needs to be further considered within the bill. The members would be aware of the mine life stage that a lot of our large operations are at and obviously the extent of the possibilities and the opportunities that exist there to contribute to a REZ network of renewables, and certainly that is something we are concerned about.

Thirdly, we consider that gas should be recognised as part of clause 15 of the bill relating to the Queensland SuperGrid blueprint. We note that this is consistent with the implementation activity 1.5 under the Queensland Energy and Jobs Plan and it recognises that gas and hydrogen will play a role in the energy transformation and that the Queensland SuperGrid will be Queensland's modern electricity system. We note there that the proposed Bowen Basin gas pipeline and probably,

significantly, easements and certainly network corridors have become quite critical in other states and obviously the sensible, I suppose you would say, and the structured and coordinated approach to some of this future investment should be well planned so that it gives best network transferability across our region.

Fourthly, we were concerned about the narrow scope of the targets as presently expressed to only apply to renewable energy, excluding other potentially non-renewable but carbon neutral energy sources within the energy mix. This narrow scope could limit future developments and disincentivise innovation in power generation. We are aware that great innovation is happening across coalmining regions in the Bowen Basin to capture coalmine gas and create energy for both operational requirements and to feed back into the grid. This good work should be encouraged. To that extent, our council provided support to Kestrel Coal, who just in the last two weeks placed an application under the Low Emissions Investment Partnerships fund from state government to develop a 30-megawatt coalmine waste gas power plant. Obviously there are some incentives there.

Fifthly, the local government sector has long been advocating for the state government to support the local government sector to transition to net zero emissions, including through the provision of targeted operational and capital grants programs that enable local government to invest in behind-the-grid renewable energy solutions to power its operations. It is proposed that such support is provided to the local government sector through the creation of operational and capital grants programs at a state government level in parallel with the bill to support the renewable energy targets.

Sixthly, the development and implementation of a public ownership strategy and blueprint will no doubt require significant investment of state government revenue which will inevitably be funded to a great extent through coal royalties. Significant revenue is currently derived from local government areas within the Bowen Basin through coal royalties equivalent to \$18.1 billion in the 2022-23 financial year, a \$10.62 billion increase from previous years. The bill is also unclear as to how revenue from private investment will be shared amongst all Queensland in a similar way.

We have been as a council, and through the leadership of Nathan Ruhle at LGAQ, advocating strongly for some transitional arrangements, which are not defined as yet, but we have certainly been participating in the strategic advisory groups, the local economic opportunity networks currently facilitated by the department of state development. I think this bill starts to highlight those sorts of things that we need to improve—the stakeholder engagement to give a better outcome. To that extent, I would add to the submission we have made that we are still very strongly in favour of more robust participation by more stakeholders so that this bill gives us the best outcome.

Mr MILLAR: My question is to Mayor Kerry Hayes of the Central Highlands Regional Council. The mayor and I have talked about this a lot. In your submission you note the potential conflict between protecting prime agricultural land and the development of renewable projects plus transmission lines. First of all, could you give some examples where that has raised concerns and can you outline how best to manage these competing interests?

Mr Hayes: Yes, we have. Thank you for the question. In our submission today I have spoken about potentially those corridors, but I have also raised the fact that because of the recognition or non-recognition of the Central Highlands region, particularly under that REZ, to a certain extent we have been a bit circumvented by some investment and/or proposals. Probably in the first instance we do not have the issues, but east of us, in Rockhampton Regional Council, access and transmission from wind farms is becoming an issue. We are just very mindful that a better outcome for us here in terms of the other fossil fuel generation or power generation as a mix will require a connectivity, certainly from a pipeline perspective and an access perspective. We have seen the examples in other states, certainly in Victoria, where accessibility is an issue to the extent of the grid or transmitting the mix across the network. With the greatest respect, all we are highlighting here is that, as you well know, Lachlan, the next biggest industry in our business here is agriculture and obviously transmission and access and corridors across extremely high quality, good quality agricultural land is definitely potential for conflict. It has happened before and we just want to make sure that does not happen again.

Mr MILLAR: As an example for the committee, we had a solar farm put on prime agricultural irrigation country in Emerald, taking that prime agricultural country out. That is something we have to be aware of as we progress down this line.

Mr WEIR: This question is probably to Nathan. When I leave Brisbane to go home, I get to the Bremer River and I think, 'We have a bit of a roadblock here if anything unloads in the port.' I understand there are significant works to happen on the Cunningham Highway and obviously there will be an impact from that. How widespread is it? The Trucking Association talks to me all the time about bridges in Queensland. How big of an impact will that have?

Mr Ruhle: Probably one of the biggest impacts that our members raise with us is obviously the transport and logistics effort needed, particularly for wind farm development, to transport the large wind turbine blades from the ports out through the regional road network. It has an impact on the bridge capacity or the load capacity of some of the bridge networks we are talking about, and that is not just through southern Queensland, obviously, as you mention in your example, but through central and northern Queensland, when you are looking at the three REZ regions I refer to—northern, southern and central. As I mentioned, it is a significant issue that is constantly raised with us and our members—not only capacity and the bridge network but also the impact on those roads, the wear and tear on the infrastructure, and obviously the logistical effort that is needed to manage that in terms of the impact on other traffic that is using those roads as well. It is an issue that has been raised with us and we have raised with the state and have been working with the Department of Transport, as well as other departments—energy and state development, in particular—in looking at these challenges, and I understand there is a report that has been released today and some work that has been done by the Transport and Logistics Council, looking at these challenges and recommendations for governments. Broadly speaking, from our perspective, the Energy and Jobs Plan was released by the state government in September 2022. Since that time there has been a lot of work, and it is still ongoing, looking at some of these operational challenges or what the delivery of this infrastructure looks like on the ground and the impact on communities and existing infrastructure.

Mr WEIR: Is this report particularly aimed at where the REZ areas are proposed, as in access to them for this heavy equipment, or is it broader?

Mr Ruhle: I have not seen a copy. I was at a Central Queensland ROC meeting last year in Rockhampton where we were briefed on a draft, but I understand the focus, without seeing the report, is addressed to that purpose around the renewable energy developments in particular.

Mr WEIR: As far as local council areas where these developments happen—and not far from me is Southern Downs where we have had the Macintyre Wind Farm and there have been a number of issues there regarding roads and water—and with regard to social licence more broadly, how do you feel that conversation is going and is there enough focus on social licence?

Mr Ruhle: As I mentioned in our opening statement, it was one of the three key issues of feedback identified by the state in consultation on the draft bill and it is referred to under the consultation section in the explanatory notes. As I mentioned in my opening statement, we believe there is still a fair way to go in particular in this space, in providing assurances. There is an opportunity to partner with industry, which our members are certainly keen to do, but I guess it is establishing a regulatory framework to give confidence to communities that are hosting these developments that when things go wrong, and they occasionally do, where can they turn and who is overseeing that process from a regulatory perspective. A number of our recommendations go to that point specifically around how to best build social licence and regulate social licence for the industry, and I draw your attention to those in our submission. I am happy to speak to any of those further if you would like.

Mr WALKER: My question is in relation to page 14 and I leave it open to whoever wishes to respond. Page 14 on the LGAQ submission states that the communities that host major renewable energy generation should receive their fair share of the economic and social benefits that will come from these large-scale projects. That is brilliant because that is what we did with the coal royalties—reinvested back in the communities, in Moranbah, in Toowoomba—\$1.3 billion. We have the Royal Flying Doctor Service benefiting from the royalties. LifeFlight is benefiting. I think it is great that the LGAQ supports that principle. The Miles government does. The Deputy Premier has been very strong on this, to make sure that the money goes back into those communities that generate that income. Can you elaborate on this and how you see this might be achieved?

Mr Ruhle: As you rightly pointed out, there has been a concerted effort in other industries, particularly coal and gas developments in Queensland over a number of years now, and that framework has matured significantly. I would refer to particularly the development of the Strong and Sustainable Resource Communities legislation that I think came into effect in 2016-17. A lot of that work is looking at what tangible benefits can be locked in, and that is around local workers, supporting local businesses, and also, where there are other particular issues that often the local council has identified as a challenge for that community, where there can be a genuine partnership with that council in helping to address those specific challenges. Crystal, do you have anything further to add?

Ms Baker: Recommendation 9 of our submission really talks to that community contribution fee with place-based solutions purposely being designed to have a much greater likelihood of achieving good outcomes. Local community leaders, like Mayor Hayes and other elected members from across Queensland, really want to ensure that there are benefit shaping outcomes from those renewable projects. One of the things that we have identified is the New South Wales government

has introduced an access scheme to enable efficient investment in generation storage and transmission infrastructure in the long-term interests of consumers, while delivering positive outcomes for local and First Nations communities. Do you want to add to that, Nathan?

Mr Ruhle: As I mentioned earlier, we are bound by our members putting resolutions forward for the annual conference, and one such resolution that was endorsed at our 2023 annual conference suggested a Queensland scheme could be established where a community contribution fee of, for example, \$1,000 per megawatt is paid into a fund that generates a community benefit fund, if you like. That is an example. As Crystal mentioned, there has been some work done in New South Wales around access schemes and community benefit schemes over the last 12 to 18 months as well. We are suggesting something similar in Queensland. That is an example of a dollar figure, but that will give you some guidance from the feedback of our members.

Mr WALKER: As a supplementary question: Councillor Hayes has made some very good points and one of the things that Powerlink made very clear on the CopperString example is the social benefits and economic benefits that will come out of that as a value-add. It is not the pure intent of CopperString, but the high-speed internet access will enhance government services, as well as the private sector and agriculture. What sort of value do you think that would produce? You talk about dollars, but from my perspective that is big money invested in big networks all the way to Mount Isa. How do you weigh that up as a local government association when you compare the cost being so much per megawatt to what the social and economic benefits are?

Mr Ruhle: It is hard to quantify it, but I guess the best way to answer that question, I would say, is that that example is derived from feedback from those local councils. I know that the Coordinator-General was up there last year and met with the councils along that line where CopperString is to be developed and they spoke about some of the opportunities that the project would provide, but also some of the challenges that would be in play—for example, the impact on local housing and where workers are going to be derived from and stay and whatnot. I am confident that that example you pointed out would have come from feedback from our members and, as we stated in our submission, that genuine and ongoing engagement with local councils will help to match, if you like, some of the needs and expectations of local communities with what is on offer from the particular proponents who are looking to develop these large-scale projects. In some communities, it will be the largest investment they have ever seen. While I mentioned that communities are supportive of development, what they want to see is that those communities are supported and get some benefit from being host to these large developments.

ACTING CHAIR: Councillor Hayes, did you have anything else you wish to add in answering that question?

Mr Hayes: Thank you for that opportunity. I acknowledge what Nathan just said. I speak probably as an example of one of those very interested authorities into that feedback that in the context of major investment in a region, there used to be—and in some cases it still exists—the opportunity for infrastructure agreements would actually contribute directly back into those communities. That is not something that is available now. You will find that my colleagues that Nathan refers to now are looking for the opportunities of having the right investment come back into their communities as local government does not have that capacity. They are not the regulator here; they do not get that opportunity. I can speak from experience of the contributions and the infrastructure agreements that exist with resource companies 30 and 40 years ago to now where those companies used to provide the water treatment plants or wastewater treatment plants or road infrastructure. They do not provide that anymore.

When we talk about the Resources Community Infrastructure Fund and how some of those royalties come back to our communities, it is not for that sort of infrastructure, that really good, solid, local infrastructure renewal that needs to happen. They are, quite frankly, the most significant investments, as Nathan put it, out there that the communities have to make in an environment where we just do not have access to that sort of subsidy. To replace a water treatment plant that was built in 1970 in Blackwater at a cost of probably \$5 million, will now cost \$25 million. That is not an amount of money that we can extract from the Resources Community Infrastructure Fund. Make no mistake, we are very grateful for those royalties coming back into our communities, but I think the concern that communities have when they see wind turbines travelling through on local roads is that there is no opportunity for them to renovate those local roads, and it is a lack of agreements and coordination and obviously the money not coming back to communities which is causing that concern. The nature of how we can be adequately compensated for that or how companies can partner to make sure that

there is a more appropriate arrangement is another thing, and there are those soft social things that they contribute to and should be part of as well, and that is why we keep talking about transformation plans. We still think this there is a level that we are not at but that we should have.

ACTING CHAIR: Excellent. Thank you very much for your contribution and for joining us online. Thank you to the LGAQ for your attendance and submission. The committee will now adjourn for a break. The hearing will recommence at 11.30 am.

Proceedings suspended from 11.13 am to 11.29 am.

BRODNIK, Ms Kate, Special Counsel, Legal Policy, Queensland Law Society

FOGERTY, Ms Rebecca, President, Queensland Law Society

SIVARAMAN, Mr Giri, Chair, Industrial Law Committee, Queensland Law Society

ACTING CHAIR: We will now resume the hearing. I welcome representatives from the Queensland Law Society. I invite you to make a short opening statement of one to two minutes after which time the committee members will have some questions for you.

Ms Fogerty: Thank you for inviting the Law Society to appear today. In opening, we respectfully acknowledge the traditional owners of the land on which we meet. The Queensland Law Society is the peak professional body for the state's legal practitioners. We represent over 14,000 solicitors. We are an independent and apolitical representative body. We support a legislative framework that sets a clear pathway for the transition to a more sustainable energy system. We also support providing meaningful assistance to workers, communities and regions affected as this transition occurs.

There are some issues with the bill that we draw to your attention. We first acknowledge and endorse that the bill now requires engagement and consultation with First Nations peoples. We urge that any implementation of the plan include provision for ongoing meaningful consultation with First Nations peoples.

We express concern about the wideranging regulation-making powers in the legislation. For instance, clause 33(4) is an example of how the bill authorises the making of regulations that could lead to amending an act and this is in contradiction to fundamental well-established legal principles that provide that proposed legislation should have sufficient regard to the institution of parliament and that an act should only be amended by another act.

We support the establishment of the Job Security Guarantee Fund. We caution and highlight the need for further investment to be proactive and ongoing so that the fund can be effective. We would like to see more detail in relation to how the fund is meant to operate, including how it can be accessed and the categories of costs it will include.

We think that further details about the process to be undertaken by workers should be included in the legislation. We also want to see specific funding allocated to affected workers to access legal advice.

I am joined today by Giri Sivaraman, who is the chair of our Industrial Law Committee, and Kate Brodnik, who is special counsel in our policy team. Due to the timing of the hearing, we have been unable to have feedback from lawyers with experience in planning and energy law. We are unable to answer questions on those topics today but are more than happy to take such questions on notice. Thank you.

Mr WEIR: You talked about clause 33 and mention a few other clauses in your submission. What is your main concern with clause 13 in relation to public ownership? In your submission you say—

Clause 13 requires the Minister to prepare a public ownership strategy.

You believe that should be in legislation and not in regulation; is that correct?

Ms Brodnik: Yes. As in our submission, our position with respect to those clauses is that they may contain provisions that affect people's rights and obligations, and it is proper that, in doing so, those provisions should be brought before parliament, maybe go before a parliamentary committee hearing such as this and really allow for proper consultation with the public. We believe that we have good working relationships with all of the government departments and there can be consultation at the regulation-making stage, but it is not mandatory and it might not allow the fulsome consideration of the provisions. Provisions are rightly founded in primary legislation. The Office of Parliamentary Counsel has guidelines that are produced to identify what types of provisions should rightly be placed in primary legislation and what types should be left to regulation. If you consult those materials, clause 13 is an example of something that should be in a primary act.

Mr WEIR: That is a significant part of this legislation, that 54 per cent ownership. What would be the benefit? Why would it be moved into regulation instead of legislation?

Ms Brodnik: That is probably a question for the department. I understand that the idea behind placing those details in the regulation is to allow flexibility. For example, if it was a scientific explanation or something that was more practical, in those circumstances it might rightly find itself in

a regulation. I would not want to speak for the department but that might be a reason—for agility and flexibility. However, as much as that might benefit the department, there are proper processes in place and it is right that that should be in a primary act.

Mr WEIR: Another significant part of the bill relates to the REZ and the delivery body. I note that clause 76 is in that same category, going through regulation and not legislation.

Ms Fogerty: This is something that the QLS has, for many years and across all types of government, called for—to ensure that regulation-making powers are not overused by governments to reduce oversight and scrutiny.

Mr WEIR: Obviously there are a number of others that you have identified. Your recommendation is that those should be moved into legislation.

Ms Fogerty: That is our submission. It is also important for substantial topics to be subject to appropriate scrutiny so that any possible unintended consequences can be realised before enactment. That is less likely to occur under the regulation-making mechanisms.

Mr WALKER: Can the Queensland Law Society elaborate on any issues regarding the Job Security Guarantee and the Job Security Guarantee Fund?

Mr Sivaraman: What is it that you want to know in the sense of elaboration?

Mr WALKER: We heard earlier that some want the private sector to be covered as well in relation to the transitioning. What is your position and how do you see that working, in your submission?

Mr Sivaraman: To the extent that we can comment on that, I think what you are getting at is—and tell me if I have this wrong—in terms of the employment conditions and the extent to which government can influence those conditions; is that right?

Mr WALKER: Do you have a position on the Job Security Guarantee and the Job Security Guarantee Fund? How do you see that working?

Mr Sivaraman: No, I do not think we have a position on how the fund itself would be operated or the funds distributed. I think that went beyond the scope of our submission.

Mr WATTS: One of the things I am particularly interested in is the REZ zones and potential conflict and how a body might oversee that to ensure we are getting the best outcomes for Queensland. That feeds into whether that should be regulatory or whether that should have a legislative framework and whether it should be able to inform government or control the destiny. I know you said you have not had time, given the time line we have been given, to get some of those expert opinions. I am curious as to your body's recommendation as to how that authority might look and to what extent it might be able to aid government in dealing with those problems. Is there any comment that you can make or is that something that you would need—

Ms Fogerty: I would like to take that on notice. Our experts are all volunteers and given the time of year it simply was not possible to get our planning committee, to the extent that we would like, to assist. It is an excellent question. If we could take that on notice we will have a response as soon as possible.

Mr WATTS: That is certainly up to the chair. Chair, to clarify, is it okay if that question is taken on notice?

ACTING CHAIR: Yes. I have a question in relation to the consultation on the draft proposal. You note the suggestion that meaningful engagement with Aboriginal and Torres Strait Islanders be incorporated. We now do have that, particularly in relation to the renewable energy zones and priority transmission investments. Could you talk to the importance of this engagement and comment on how effectively those changes have been incorporated following the consultation?

Ms Brodnik: I am aware, Chair, that it was a positive change that there was an express amendment from what was proposed in the consultation paper into the bill. Our reason for seeking that it be included further is that, as we already pointed out, there is so much of the detail that is yet to be developed. Therefore, while it is commendable that it is in the bill and then, hopefully, it will start a framework and a process for further consultation as the laws are implemented and as the REZ zones are brought up and as the Job Security Guarantee Fund is put in place, we would like to see that engagement continue with that policy implementation. In terms of where it needs to occur, in our submission it needs to occur every step of the way following the passing of this legislation, if it is to pass.

Mr WEIR: Going back to the Job Security Guarantee Fund, are you aware of a system like that operating anywhere else in Queensland or elsewhere in Australia?

Mr Sivaraman: We have not made inquiries as to where it is operating so we could not meaningfully answer that question, I do not think.

Ms Brodnik: I believe it is somewhat novel and maybe something that is being looked at in some other jurisdictions but it is in its infancy. I would say that the other areas to look for are when you have had private corporations in regional areas that have supplied the employment in that area and where those companies have shut down, like in the car manufacturing industries, there have been some ad hoc things put in place. However, we are not aware of anything that is more overarching and as holistic as this.

Mr WEIR: Are you aware of any part of the bill that would work in with federal legislation such as NEM or any of the regulators?

Mr Sivaraman: In terms of regulators, I do not think we can speak to that. The interaction with federal legislation would be, as I understand it, if the bill provides for government owned corporations to be employing people then those GOCs would probably fall under the remit of the Fair Work Act rather than state IR legislation so you would have to see some involvement. There are federal regulators, of course, that are related to the Fair Work Act but I am not sure if that is what you are thinking of. I think you are thinking more in terms of energy regulators by the sounds of it. I do not think we can speak to that.

Ms Brodnik: In fact, the clause that Rebecca referred to in her opening statement as an example, clause 33(4), deals with whether or not a regulation may amend the national energy law. Obviously, Queensland has legislated that itself but there may be some changes required to how Queensland implements the national energy law. The QLS does not have a position on that insofar as it is a policy question for government. Our comment on whether or not the national energy law is to be altered was more about the process by which it is undertaken.

Mr WATTS: To seek a clarification, are you saying that the national energy law under this act could be changed by regulation without any oversight of parliament?

Ms Brodnik: I am saying that clause 33(4), as an example, provides that a regulation, for the purposes of progressing an objective of the act, may seek to make amendments as to how Queensland has implemented the national energy law. As I said, the QLS does not have an issue with that per se; it is more so the—

Mr WATTS: It was the process. What you are saying is that that can be done by the department without any oversight.

Ms Brodnik: It is in the form of a regulation. A regulation is a statutory instrument under the Statutory Instruments Act and it has its processes, including being tabled before committees such as this one.

Mr WATTS: But not parliament.

Ms Brodnik: It does not have the same oversight and scrutiny as it would be placed in primary legislation. The main point in that respect is that the national energy law is an act. It is a breach of the fundamental legislative principles in the Legislative Standards Act that a regulation can seek to override an act.

ACTING CHAIR: I have one final question. It is in relation to the Queensland Energy Workers' Charter. It is probably more an employment law type question. We have the Job Security Guarantee and we also have the Queensland Energy Workers' Charter. Could you comment, through employment industrial law, on how this Energy Workers' Charter operates in terms of guaranteeing employment? What is the legal status of a charter like this? How binding is it, particularly in relation to where decisions might be made around employment that go against the charter?

Mr Sivaraman: I have not read the charter, so I am not going to profess or pretend that I have. My understanding would be that it is an aspirational document because it cannot actually set the direct conditions of employment. I do not think there is anything wrong with an aspirational document in terms of parties wanting workers to be no worse off in terms of a transition. That is completely understandable. As to how their conditions would be made, particularly if they are through GOCs, I imagine they will be made through bargaining which is how they generally are made and then subject to the underlying protections of any award system.

ACTING CHAIR: Thank you very much. Our time has come to an end. We do have a question on notice. The committee secretariat will be in contact to clarify the question. Responses are due by 12 pm on Monday, 29 January. Thank you very much for your attendance today.

KING, Ms Jacqueline, General Secretary, Queensland Council of Unions

TOSH, Mr Nate, Legislation and Policy Officer, Queensland Council of Unions

ACTING CHAIR: I now welcome representatives from the Queensland Council of Unions. Thank you for joining us, Ms King and Mr Tosh. I invite you to make a short opening statement of one to two minutes, after which our committee members will have some questions for you.

Ms King: Thank you, Chair. My colleague with me today is Mr Nate Tosh. He is the Legislation and Policy Officer for the Queensland Council of Unions. He assisted in the preparation of the submissions. Thank you for the opportunity to be here today. I firstly acknowledge the country on which we are gathering—the Turrbal and Jagara peoples—and pay our respects to their elders past and present.

The Queensland Council of Unions is the peak union body for Queensland's unions, representing around 400,000 union members and 25 union affiliates. We welcome and strongly support the bill which is currently before the committee. This bill we believe is important to ensure the security of public sector energy jobs in the transmission, distribution and generation sector, as well as helping to transition Queensland's energy sector to a low carbon emissions and renewable future.

Queensland is extremely lucky to remain the only state operating within the national electricity market, which is principally owned and operated through government owned corporations, meaning that Queenslanders continue to have access to secure, reliable and affordable power. At the same time, Queensland energy workers have continued to maintain secure, well-paid and productive jobs and, because they are more often than not located within our regional communities, they have been able to continue to support our regional cities and towns. On that point I note that we should not underestimate the impact that regional jobs have—in particular, secure public sector jobs—within our regional towns and cities to make sure that they support those local economies and communities.

I am therefore very pleased to say that the QCU supports the commitment provided in this bill to maintaining 100 per cent ownership of the Queensland transmission and distribution network as well as its deep storage assets, as well as maintaining the current level of public ownership and density in Queensland generators. We note that this commitment must be backed by the ongoing significant public sector investment in those assets such as through the renewable energy and jobs fund as well to ensure that they remain at efficient levels of operation and are also able to transition to that renewable future. For generators in particular, it is important to maintain access to public sector funding to allow them to maintain their existing portfolios but build and invest in renewable portfolios as the whole sector transitions across to the renewable targets which are obviously outlined before you.

The QCU believes that a successful transition will only be possible while maintaining public sector ownership of these assets. We have the youngest fleet of power stations in the country run by government owned corporations and, with ongoing public sector investment, this will help Queensland transition more smoothly to a decarbonised energy sector.

The commitment contained in this bill to public sector ownership is also important for the many regional coalminers who work at those mines that supply coal to the coal-fired power stations and ensure that those coalminers also have continued access to security in their jobs and some knowledge of what their future holds during this transition. It is important that coalminers who have worked very hard all of their lives for Queensland are also not left behind in that transition. The QCU therefore supports the commitment to the \$150 million Job Security Guarantee and fund, which will be essential to help support new training and skills development and opportunities for affected workers and to ensure that that is available to all affected workers in the sector.

The creation of the renewable energy zones we believe will also ensure a more structured approach to building new energy assets throughout regional Queensland and enable the system and network to develop in a parallel fashion rather than in a piecemeal approach which seems to be the approach that has been adopted in some other jurisdictions. Security and reliability of our energy and our energy sector is critical for all Queenslanders. On this point we would refer the committee to our submissions where we recommend that affected workers are also consulted prior to the creation of a REZ to ensure that not just communities but also those workers affected who reside within those communities have the opportunity to have their say about the impact or potential impact of a REZ and what that means for them and their community and workplaces.

Finally, I would like to conclude by reflecting that it was almost a decade ago that Queensland's energy public sector assets were being readied for privatisation. This bill will ensure that that will not occur in future without the laws being repealed and a debate had in this parliament. We welcome this

as an added protection for energy sector workers and, in particular, also for regional communities who will be devastated by such a decision. Energy sector jobs provide an important service to all of our community from South-East Queensland to right across our regions which should never be placed at risk. We commend the bill to the committee.

ACTING CHAIR: Thank you. I turn to the deputy chair for the first question.

Mr WEIR: I note that a lot of your submission does go to community. I note that you have made a recommendation for clauses 3 and 41 to include 'communities'. As you have stated, it is not just the GOC workers. The workers at the mines at Millmerran, Biloela and Tarong are going to be impacted as well. I look at communities like Chinchilla. What would you like to see done there? Does job security go far enough or do you think there should be another process on top of that or another fund? How do you see us addressing that?

Ms King: I think the principle is that, if communities are going to be consulted about a REZ or the development of a REZ around them and what that might mean, workers who are going to be affected or potentially affected should also be consulted. We are just asking for what we would expect would happen. Affected workers—I agree with you—are not just those working within, for example, the coal-fired power stations but also those working in the mines that are adjacent to and feed the coal to those generators. They should also be consulted and have their views taken into account. They should also be part of the planning for that transition so that decisions are not made which shut down a coalmine overnight—which I do not believe the bill envisages. For example, they should be heavily involved in the consultation and planning for what might happen within their community, noting that a lot of those people will still live within their affected communities as these things might pan out.

Mr WEIR: The REZ will capture some of them, but I do not think it would capture all of them, would it?

Ms King: It currently talks about consultation to occur with the community. We are just saying that it should be with the community and with affected workers where that is appropriate. It is just basically trying to clarify that it is both. We acknowledge that a lot of those affected workers work within the community but not all do. There are some FIFO and DIDO type workers, but the majority do and their families also live there. It is about making decisions and having them fully involved in the opportunities to feed back about what that might mean for those people and their families and the community at large. It is not just about landholders, in our mind.

Mr WEIR: I am curious about your thoughts on the workforce that is going to deliver these projects across the state. We heard earlier that across the nation another 35,000 electricians are going to be trained up. That is just electricians. That does not include fitters and all the rest of the trades. In Queensland particularly, when we are getting ready for the Olympics, when we have cyclones, when we have other major projects and when we still have to build schools and hospitals, where is that workforce going to come from? You have obviously put a lot of thought into that, no doubt, as an organisation. Where do you see that workforce coming from?

Ms King: Obviously there has to be a lot of training. This is not going to happen overnight. We cannot just pinch workers from interstate because there will be other demands on those people. We might get a few from here or there. We cannot go overseas, in my mind. We should be investing in and skilling apprentices and trainees and cross-skilling the workers who will be affected by some of these changes out there.

For new builds it is the majority of the construction workforce, so it is making sure the construction workforce, major project workforce, is being skilled up, that we are paying them enough, that we have accommodation for them to come to. That is a huge issue, as you would be aware, in regional communities. What are the builder-operators and government doing in that space to make sure that we have appropriate, safe accommodation and that we are continually investing in our skills and training—whether that is through TAFE or through industry providers—and putting a higher focus on that.

One of the things that any industry is facing at this point in time, whether it is competition for construction for renewables or construction for the Olympics or just for domestic housing, is that it is a tight market. If you want to bring new people into that, the current channel is through apprentices by and large. Our organisation has a view that we need to revisit apprentice wages because many apprentices these days are not 15- or 16-year-olds. They are adult apprentices. To expect that they would live on 60 per cent or 70 per cent of an adult wage is not sustainable.

There is the same issue in the labour hire industry or the group training companies for apprentices who think that it is appropriate to employ people and pay them minimal award wages. You are not going to get them. People will not take those jobs when they have choices and they can

get paid the same or better working in hospitality. If we want to skill our people, we have to pay them. We have to create proper training pathways. We have to support them to go to work in the places where they need to work—that is, regional communities—so we have to provide that added layer of transportable housing that is appropriate for accommodation.

ACTING CHAIR: Thank you, Ms King. I turn to the member for Mount Ommaney for the last question.

Ms PUGH: I want to go back to your opening statement, and this follows on from the member for Condamine's questions about the importance of communities and good regional jobs that you talked about—in particular, the number of good jobs that energy providers will provide throughout regional Queensland. I want you to expand on the opportunities that this legislation and the REZs present. We have just heard about the challenges that we are going to see around training. I might leave that part of the question because I feel you have answered that. Could you expand on the benefits to the workforce in years to come as a result of this legislation?

Ms King: I think for Queensland to transition to a renewable type future there is going to have to be a lot of investment. Currently, there are a lot of regional jobs that work in, for instance, all aspects of the sector, but in particular the generators are located regionally as well, along with coalminers who work in the adjacent coalmines. For those people, in my mind, it is a matter of the transition has to consider their needs in their local communities and also consider where is the placement of any of the new assets that will come in. Can they be co-located, for instance, at some of the coal-fired power stations where there is currently some activity that is occurring, where there is an existing footprint, there is an existing workforce? We are not asking for workers to be displaced or relocated. We are asking for them to be retrained to operate new assets or more renewable assets in the same location. I think there are a number of different answers to that, but I think the focus has to be consultation around what does this mean for local communities. The planning is really important. I think this bill does have a footprint to make sure that consultation does occur in particular with affected communities, but, as I said earlier, it should also be with affected workers to make sure they have been taken account of. This is about making sure that regional jobs are good, secure jobs, and we can do that with a public sector framework.

ACTING CHAIR: Thank you very much, Ms King and Mr Tosh, for your attendance today. There are no questions taken on notice.

GAULD, Mr Trevor, National Assistant Secretary, Electrical Trades Union

ACTING CHAIR: I now welcome the representative from the Electrical Trades Union. Thank you very much, Mr Gauld, for your attendance today. I invite you to make an opening statement of one to two minutes after which time the committee members will have questions for you.

Mr Gauld: Thank you and thanks to the committee for this public hearing on such an important topic. ETU members have been generating for generations. They know that this energy transition is well underway and, for nearly a decade, they have been consistently calling for four simple things: they want certainty about what the future holds for their communities; they want to know that there is a plan; they want a genuine partnership with genuine involvement in decision-making that impacts them and their communities; and they want recognition of the significant contribution their communities make and have made for those generations.

Australia has experienced 13 closures of coal-fired power stations in a little over a decade, none of which have occurred with any meaningful plan or support for impacted workers or their communities. Our union has consistently, along with other unions, advocated for a better approach through the development of plans, policies and laws which deliver significant economic and social benefits through the energy transition not only for our members but also for all workers and the communities in which they live.

The Queensland Energy and Jobs Plan implemented by this proposed legislation sets out a bold and achievable program to change the course of how Queensland workers in their communities experience the largest transformation since the Industrial Revolution. We cannot afford to continue squandering the enormous human capital and the tearing apart of the vibrant communities which are impacted by these changes. This bill can do much more than simply decarbonise Queensland's energy systems. It can create an unprecedented economic opportunity through building and operating clean, reliable, abundant and affordable energy infrastructure as well as through the development of new industries powered by that infrastructure and by sharing the benefits generated equitably with the essential workers and communities that have powered Queensland for so long.

Whilst the ETU is supportive of this bill and its passage into law, due to its importance to the economic future of all Queenslanders, and particularly regional communities, the ETU believes this committee needs to identify some additional enhancements to give certainty to critical elements within it and, importantly, to the communities that rely upon them to ensure maximum economic opportunity and benefits are not just promised but in fact delivered for all Queenslanders. Our submission focuses on several key areas where the bill could be improved to deliver maximum benefits around ensuring its passage provides for long-term certainty, guaranteeing the broadest possible economic benefits are delivered through the transition, maintaining majority ownership and control of essential public goods and imbedding appropriate governance arrangements to ensure the plan can adapt to and exploit the many challenges and opportunities that will arise over the course of its implementation. I look forward to assisting the committee in its deliberations.

ACTING CHAIR: Thank you very much for your opening statement. We do have the submission in front of us with your suggested amendments. I turn to the deputy chair for the first question.

Mr WEIR: My question is along the same lines as I asked earlier because you talk about it in your submission. Obviously you will have members that are not GOCs and they are going to be affected by this transition and the jobs guarantee fund, so it will not extend to all of them. How would you like to see that cover those members as well?

Mr Gauld: Firstly, the proposed bill does have some mechanism that contemplates coverage around the job security beyond direct government owned corporation employees and we welcome that and think that that is sensible because, as you say, there are service providers out there who work permanently in these locations and will be impacted. However, we have called consistently for some additional enhancement to this scheme that would allow for private entrants to participate in the scheme under some form of user-pays model, where should private entities choose to be involved in this, they could make a contribution, because obviously there is a cost in this, and by making that contribution, they could access the benefits of this system, accessing the retrained employees or employees who are looking to be relocated, access to some of the pooled training arrangements and things that are contemplated through that fund. We think that will be a sensible addition.

Mr WEIR: I note that you also suggested that progress reports should be annually. What is your reasoning behind that? Why would you like to see that?

Mr Gauld: I think transparency is important for community confidence. The explanatory draft of this bill that was put out initially had annual reporting, and we note in the bill that is before the parliament that that has moved to two reports at five-year intervals. We are unsure of that decision. We think the annual reporting framework would do a lot for confidence.

ACTING CHAIR: I know it is not in your submission, but we have had previous submitters, namely the LGAQ, make suggestions around employment and local targets. They went as far as to suggest a ban on a FIFO model to ensure that the jobs that are created are local jobs. Does the ETU have a position or can comment on the workforce that is needed for this and whether it would support local employment targets?

Mr Gauld: Yes, it is not an unusual concept. We see that playing out in Victorian frameworks, and we have seen it in New South Wales frameworks. There is obviously some interaction with trade law that you need to be mindful of around that, but that is not something that prevents you from doing it. We have made some suggestions around maximising that local opportunity that we think could focus the bill in some further expansion of the objects of the act and in section 8 around supply chain optimisation and expansion of manufacturing. I think through the implementation of those kinds of frameworks, you could reasonably put targets around all kinds of things, including local employment.

Mr WATTS: First of all, I would just like to say, if you can pass on to the members, thanks for being there as we go through cyclone and storm season because our lights have gone out several times and we appreciated the people out there working, making sure they come back on. My question is around the expansion of the workforce that is required for this transition to take place, particularly in those REZ areas as well. What I am interested in is what suggestions would you have as to how we get the state's proportion of the 35,000 that we are told we are requiring in six years' time?

Mr Gauld: There are obviously a lot of policy levers here and many of them sit outside this bill, but I think within the context of this bill, the public ownership provisions are deeply important, and we have made some suggestions about strengthening those further. We have seen currently QL, Powerlink et cetera massively expand their apprenticeship programs through the government of the day being able to encourage them to do that. That public ownership gives a level of control to expand that capacity. That is a significant piece. As I just mentioned, adjusting the objects of the bill to make sure that decisions made under this bill do provide for apprenticeship opportunities will be critical. The expansion of local supply chain and manufacturing opportunities in situ of closing facilities will be critical for that. Like I said, I think having the capacity for private entrants to be able to come in on user pays might give more confidence to some of those private companies around longevity to be able to commit. There is a whole lot of challenges.

The QCU have already touched on issues around wages. The recent minimum wage increases for the past two years did not flow to apprentices; they did not receive those minimum guarantees. There are challenges with the Australian Apprenticeships Support Network systems. They sit outside the bill; there is a role to play there. However, we think in the context of the bill, the bill does a lot to help promote and facilitate training. I think the biggest thing is the job security. You have a whole bunch of workers with high energy literacy. If we do not give them some security and some confidence and a transition pathway, why would we want workers with high energy literacy leaving the energy sector? Let's harness those opportunities.

Mr WATTS: As a supplementary question—it was mentioned before about wages—obviously someone who is currently working in a thermal coal situation needs retraining to be able to work in the proposed energy transformation. They are not going to do it on apprenticeship wages, are they?

Mr Gauld: No.

Mr WATTS: So it will have to be addressed, particularly in those REZ areas, to give a fair opportunity for people to transition; would that be fair?

Mr Gauld: Correct. I think that is what this bill attempts to do: provide a structure that creates individually curated pathways for workers to remain in the industry sector should they choose to, but also provide them support should they choose not to.

Mr WATTS: Finally, any comment on FIFO in and out of REZ areas versus transitioning local people who are already there?

Mr Gauld: We have seen the damage that FIFO and DIDO does to communities, and we have seen that it has been used as a business model by some corporations deliberately to break that nexus between community and the workplace and subsequently break down wages and employment

conditions in those locations. In the past, if a mine was operating and they were not employing any of the local kids into apprenticeships, they would have to be accountable to the community. If you replace the local community workforce with a FIFO workforce, you no longer have that accountability measure. Yes, addressing the FIFO and DIDO challenge is an important element.

Mr WALKER: The ETU submission states that the Queensland government should consider passing this bill in a manner that makes it more difficult to amend in the future. What do you mean by that? How would this be achieved? The third part of the question is: is there any precedence for this in Australia?

Mr Gauld: One of the biggest challenges with the energy transition that the whole world is facing—Australia has its own version of that—is policy uncertainty. These communities—the investors, the government, everyone that is needing to participate in this—need some long-term certainty about what we are planning to do here. We think that a sensible way of landing this bill would be to pass it in a manner that requires future amendment to the bill to require, for example, a two-third majority of the parliament, to ensure that it has that broad public support for any change that might occur. There are examples of this around the place. One that comes to mind, for example, is that the public ownership of the electricity networks in Tasmania have a super-majority type threshold for certain changes to their framework.

Mr WALKER: As we know, Queensland is one of the only states that still maintains majority control over generation and the network. Do you see it as critical—I think it adds on to what you just said—that the people of Queensland still maintain that shareholding?

Mr Gauld: Yes, 100 per cent. Globally what we are seeing now as a trend is that countries are trying to figure out how to renationalise their energy assets so they can maintain an orderly and controlled transition of energy simply because the private sector is not delivering. We have seen that states within Australia with high rates of privatisation are looking for more interventionist government legislation to switch off elements of the national electricity laws in order for their states to manage the energy transition. It is not any particular political party: it has been done under the former Kean government in New South Wales and it has been done under the Labor government in Victoria. Governments are recognising that without that control it is very difficult to maintain orderly, fair and equitable transitions.

ACTING CHAIR: Thank you very much, Mr Gauld, for your appearance. There were no questions taken on notice. Thank you for joining us.

KWONG, Ms Selvin, Research and Policy Officer, Queensland Council of Social Service

ACTING CHAIR: Thank you, Ms Kwong. I invite you to make a short opening statement of one to two minutes, after which committee members will have some questions for you.

Ms Kwong: I would like to thank the chair and the committee for inviting QCOSS to speak here today. I would also like to acknowledge the traditional owners of the land on which we are meeting and pay my respects to elders past and present.

QCOSS is the peak body for the social services sector in Queensland. With close to 500 members across Queensland, our vision is to achieve equality, opportunity and wellbeing for all Queenslanders. Our response to the bill is focused on ensuring an equitable energy transition and ensuring that the benefits of the renewable energy transition are shared with all Queenslanders. Low-income households are currently more likely to experience energy hardship and vulnerability. They spend double the amount of their disposable income on energy than middle-income households, partly due to renters being more likely to live in homes with poor energy efficiency. QCOSS's cost-of-living research has also found that the number of Queensland households in debt to their energy retailer has been increasing, with the number of customers entering hardship programs remaining high. We note the importance of public ownership in enabling government to deliver bill relief for consumers. Our submission also outlines other measures for facilitating benefit sharing, including consumer advocacy programs, energy literacy education, low-interest loans, and other financial innovation that supports all consumers to access new energy technologies. We recommend cohesive, ongoing programs for creating long-term impacts backed by the benefits of public ownership.

Regarding the governance and advisory functions of a publicly owned energy system, it is important for the Queensland government to consider recruiting skills more broadly than the energy industry such as environmental assessment, regional advocacy, business development and the community sector. We welcome the inclusion of a consumer advocate as part of the Queensland energy systems advisory board. We are supportive of the job security guarantee as a measure for an equitable transition; however, we recommend that community services are funded to work effectively with the jobs advocate to ensure there are sufficient supports for communities and individuals transitioning workplaces. We also urge the government to ensure social licence in renewable energy zones, maximise local opportunities and manage impacts from new infrastructure. This may include: taking into consideration social impacts on communities, cultural heritage and the environment; working towards shared value outcomes; and providing sufficient social infrastructure. Additionally, consultation must be informed by the needs of communities and traditional owners in each region. One opportunity for improving public consultation is to implement community power hubs as a one-stop shop embedded in communities to deliver advice on energy systems and transitioning opportunities. Energy is an essential service, and it is important that the benefits of the energy transition are shared with all Queenslanders.

Mr WEIR: You addressed something that is often talked about, because in this transition there is a fear that the less fortunate are going to be left behind. As you identified, how are renters going to benefit from this? You may not have been here, but earlier I asked a question about rooftop solar and the duck curve and whether it is possible to trap more of that energy and encourage landlords or investors to be part of that process. Do you have any thoughts on how that could be achieved?

Ms Kwong: Yes. QCOSS notes that Queenslanders are struggling with high power bills. We are a member of the Power Together, which seeks to ensure that no Queenslanders are left behind in the transition towards a cleaner energy future. With regard to renters, the alliance does have a policy platform that proposes 10 solutions for addressing both the cost of energy and the impacts of climate change. We note that more than 30 per cent of Australians live in rental properties. There are a number of policy solutions that the Power Together alliance is suggesting. They include a program that was run in 2019 called Solar for Renters, which proposed to support renters through access to renewable energy technologies such as virtual power plants in social housing, targeted financial supports for renters and vulnerable households, as well as improving housing and energy efficiency and climate resilience and for the Resilience Homes Fund to include apartments, not just houses.

Mr WEIR: That program has finished. Do you have any thoughts on whether it was working? Did it need remodelling? Did it incentivise investors or home owners to install solar for rental properties?

Ms Kwong: Yes, it definitely did. I was going to refer to the appropriate section of that scheme.

ACTING CHAIR: Perhaps you could take that on notice. You did indicate there were 10 agendas under that alliance.

Ms Kwong: There were 10 agendas. I believe that increased the uptake of solar on rentals with rebates of \$3,500 for landlords in northern parts of Queensland. It did provide for the successful installation of more solar panels and provided renters with access to renewable energy technology.

ACTING CHAIR: We might ask if we could get a copy of that document sent to the committee. The secretariat will be in contact with you.

Ms Kwong: Certainly.

Ms PUGH: Thank you for talking about Solar for Renters. I am also interested in the community power hubs you outlined in your submission. Some people in my neighbourhood have been having discussions about these. Can you expand on that a bit, please?

Ms Kwong: Certainly. Community power hubs are a one-stop shop embedded in communities that can deliver trusted advice on energy systems and transitions. Providing more accessible information is the key to building social acceptance for the energy transformation. They could provide information about how to read your power bill, energy efficiency in your home, how you can participate in large-scale renewable energy projects, applying for available government schemes and possibly access to a free auditing service on your electricity excess and usage at home for disadvantaged households.

ACTING CHAIR: In your submission you make reference to a consumer advocate and welcome that as being part of the Queensland Energy System Advisory Board. What active role do you see the consumer advocate having on that board and how would they best be selected? You also make reference to financial counsellors or financial resilience workers.

Ms Kwong: Our advice regarding that role is for the committee to consider a range of skills, not just from the energy sector but also regarding skills in financial counselling and resilience work. Calling on my previous experience working in a neighbourhood centre, it is very important for that person to have an understanding of referral pathways within the community sector as well as a broad understanding of the energy system so that, when they come across individuals or communities that are experiencing difficulties with their power bills, they are able to understand how all the pieces fit together and provide advice to the government and advisory board that is appropriate.

Mr WATTS: In terms of the Job Security Guarantee, you talked about other community services. I am just wondering what you mean by that. Are you saying that as the community goes through a transition from one form of employment to another that guarantee should include other kinds of jobs and social services in that region?

Ms Kwong: I think what we mean is that we would like there to be sufficient community services funded in the areas where there is going to be a REZ and changes in employment outcomes happening. As you can imagine, those transitions for families and communities are often quite difficult for the individuals and families involved. If we are thinking about the community services sector, there are a range of roles that support people who are in emotional or financial difficulties, and it is important that there is sufficient social infrastructure to support those transitions.

Mr WATTS: Would you see that as something that was done as the transition was happening, or is that something you think should be put in place permanently?

Ms Kwong: I imagine that ongoing, sustainable funding and programs and probably funding that is provided before the transition happens will likely provide the best outcome.

Mr WALKER: The QCOSS submission states—

Low-income households spend double the amount of their disposable income on energy than middle-income households.

What are the reasons for this and does QCOSS think that this bill will help address that situation?

Ms Kwong: The reference for that particular section is included in our submission. Regarding how this bill may have an impact on that situation, we note that Queenslanders are struggling with high power bills and we note that they are also struggling from the impacts of climate change. The Power Together alliance seeks to address both the cost of energy and the impacts of climate change. We note that high wholesale electricity prices are due to high global fossil fuel prices and the breakdown of aging coal power stations. Bringing online more renewable energy and storage, which have low operational costs, will bring down inflated wholesale prices and address that issue.

ACTING CHAIR: Thank you very much, Ms Kwong, for your attendance today. One question was taken on notice. The secretariat will be in contact to ensure we get the right details for that. The response will be due by 12 pm on Monday, 29 January.

BRUNKER, Mr Shane, District Vice-President, Mining and Energy Union, Queensland District

GOODWIN, Ms Alison, National Research and Policy Officer, Mining and Energy Union, Queensland District

HUGHES, Mr Mitch, District President, Mining and Energy Union, Queensland District

NEWMAN, Mr Chris, Senior Legal Officer, Mining and Energy Union, Queensland District

ACTING CHAIR: I now welcome representatives from the Mining and Energy Union Queensland. Thank you very much for your attendance today. I invite you to make a short opening statement of one to two minutes after which time committee members will have some questions for you.

Mr Brunker: Thank you, Chair and committee, for the opportunity to make this brief presentation. The Mining and Energy Union is the principal union representing workers across the state of Queensland in mining and coal-fired power generation, with a proud history over 115 years. We welcome the opportunity to make this submission on the Energy (Renewable Transformation and Jobs) Bill 2023.

You have seen all of our submission points. The key areas are identified in there. One note that I will bring to the committee's attention today is that when we talk about the REZ there is no mention of the rehabilitation of existing coal-fired power stations once they are closed. We would also raise—and it might not be the forum here; it may be attached to another piece of legislation—that there is no mention in the bill of rehabilitation of any green energy projects in the REZ, once they are complete. For coalmining, the coalminers have to put up a levy for rehabilitation yet it seems that there is no such criteria for the renewable projects.

I probably should add that I am the district vice-president and have carriage of all the power generation in Queensland: hydro, hydrogen, gas and coal-fired. I am based in Emerald. I moved up there in 2020. I did 10 years in Dalby. I am currently doing three enterprise agreements for the GOCs.

Mr WEIR: Firstly, to all of your members I extend my sympathies on the tragic event at Saraji the other day. I know you have a miners' memorial service every year and, unfortunately, there will another name on that memorial next year. I have family members who work in the industry. I wanted to say that firstly.

Mr Brunker: Thank you.

Mr WEIR: The transition involves a number of mines: Millmerran, Callide, Tarong. What is your view of the jobs guarantee plan? How can we better protect those workers who will lose their jobs—and they are pretty good paying jobs? They will have to find somewhere else to go to. I would like to hear your thoughts around that.

Mr Brunker: We probably should place Millmerran and Gladstone separately because they are owned partly by the same company or consortium of companies and they are the privately owned ones. How we are doing it at our union is that in these enterprise agreement negotiations we are locking in. The current energy workers are guaranteed roles at the projects in the REZs that are attached to that power station. For example, we have just done the Kogan agreement. We have a hydrogen plant and a battery all but built. The battery is being commissioned as we speak, the hydrogen plant is coming online and we have a gas peaking unit that will be built in about 2½ years time. We have locked in the roles. Those plants will be done by the people at Kogan. They have first option of going there. They are locked into the enterprise agreement. Even though they are spread out a little bit, we have just put an area around the current coal-fired plant.

Mr WEIR: Does that include workers at the mines?

Mr Brunker: No, it does not. Their enterprise agreement is being negotiated now. We are trying to get the workers' charter attached to the enterprise agreement so that that would be called up.

Mr Newman: To add to that, the union's position is that all private companies in coalmines and other power plants should be covered by the job securities fund. It is our view that clause 86(3), the 'prescribed energy worker' and the 'prescribed facility', should give the government the ability to cover those people. If those things are considered to be prescribed facilities, we would assume that that is

what it takes. It seems to be that the explanatory memorandum for the bill caters for that. The fluid nature of commercial contracts means that you cannot lock those in entirely, but it would seem to us that 'prescribed facility' within that subsection could cover those private companies and it should do. If they do not, I think the union and its workers will certainly be making notice about why that has not occurred. That is what we say should be occurring.

Mr WEIR: But they are not guaranteed to be; that is not clear?

Mr Newman: It is not 100 per cent clear. One could make it clearer. When reading the explanatory memorandum there needs to be some flexibility and we can understand that. It could be made clearer but it could be picked up through 86(3) and 86(5) as a 'prescribed facility'. It is our position that if they are picked up through regulation then that would suffice, but it is incumbent on the government of the day to do that and we would expect the government of the day to do that and if they do not then you would be hearing from us.

Mr MILLAR: This is an observation from my electorate of Gregory. I know you know Shane very well. We see the solar farms being constructed. There are plenty of jobs when they are constructed, but once they are constructed it is usually a bloke with a whipper snapper and a rag to wipe down the solar panels. Does the Mining and Energy Union have discussions about that? Do you advocate that this is an issue?

Mr Brunker: I do not want to be a wet blanket on the committee but there are no jobs in renewable energy. People within government admit that now, too. There are jobs in construction. From talking to Mayor Springborg and my experience in Dalby, I know about the MacIntyre Wind Farm in Mayor Springborg's area. He tells me he had one local person get a job on the MacIntyre Wind Farm and he was a dogman for a crane company. At the Coopers Gap Wind Farm at Kingaroy they were all fly-in fly-out workers from New Zealand because that is where the generators or the builders of these wind farms come from and they had fly-in fly-out. There was no local employment.

Mr MILLAR: Does that make you nervous about the transition from a coal-fired power station into renewable energy?

Mr Brunker: Very nervous. That is why we are adamant and our union has been fighting tooth and nail to get these jobs locked in to enterprise agreements.

Ms Goodwin: I would add that, from a national perspective, something that we bring to our advocacy is that there are limited jobs post construction in renewable generation. In terms of looking for future industries for coal-power communities, there needs to be consideration of facilities that can employ a similar number of people such as manufacturing. So far, there are a lot of proposals and we would hope those proposals will come to fruition so that our members can feel a bit more confident about their future in the towns that they live in.

Mr MILLAR: As a quick follow-up, it is like a two pronged effect: you build the solar farms and then they are gone and you just have a bloke wiping down the panels and whipper snipping; but you are also taking energy supply from those solar panels into the grid and thermal coal jobs may not be there in the future. You are getting it from both angles. Would I be right in saying that?

Mr Brunker: Correct, yes.

Mr WATTS: You mentioned a bunch of New Zealand workers coming across for the construction side of things, when the wind farm is being built.

Mr Brunker: Yes.

Mr WATTS: In your opinion, is there an opportunity, at least in those construction jobs, for workers in the mines to transition over so that they learn the construction skills as we build more of these renewable facilities? That might not keep them in their location but at least it will keep them employed.

Mr Brunker: No. The problem is that we need to keep the current energy fleet running. That is going to run for a couple of years after the renewable projects are built. No-one is going to give up a job at the mine now to go onto a construction site that is only going to last six months. Poor old regional Queensland: every second sweatshop around Emerald or Dalby has a sign out looking for workers. The farmers cannot get shearers and musterers. I am unsure where the labour will come from to be able to do this construction work. It is going to be fly-in fly-out, unfortunately, or DIDO.

Mr WALKER: What are the concerns regarding this bill's possible impacts on regional Queensland economies?

Mr Brunker: Once the coal-fired generators start to close down, everyone will start to migrate. There is no work in town. We have identified there are very limited jobs in renewables. At the wind farm at Coopers Gap you have eight people. They will put in family friendly rosters and they will

commute back to the coast. It will have a massive impact. If you take the power station and the mine out of Chinchilla then you only have the farming left there, even though Chinchilla has thrived for years just on farming. Biloela is a real concern to us. It will be a basket case. A lot of our own members—and we are having a discussion with them soon about changing rosters—are already commuting out of Gladstone and Tannum Sands. Biloela will be a major concern there.

Mr WALKER: From your union's perspective on trainees, apprentices and engineers in this sector, there is a lot of investment now but how do you see us moving forward with the trades in the energy sector?

Mr Bruner: It is a priority. We definitely need more apprentices and more engineers. We have a GOC currently that is taking all the engineers from the regional areas and basing them in Brisbane, then they have to go out to site as required. They are in reverse to what the government is trying to put in place. We should have been doing the apprenticeship training and that sort of work probably five years ago before we entered into this. We have a fair bit of catch-up to do now.

Mr WALKER: Powerlink have announced over 71 new staff. A lot of them were engineers and they were not going to Brisbane they were going to Townsville. Do you see there is a benefit in major electrical infrastructure being built outside the south-east corner like CopperString 2032 which is nation building? Is there any upside in your mind to these sorts of projects?

Mr Bruner: For sure. The more we can get the infrastructure up into North Queensland and open up the gulf country the better Queensland will be. It is an untapped source up there. The CopperString project is definitely worthwhile.

Mr WATTS: You spoke about rehabilitation, certainly in these REZ areas but also in thermal coalmines and power generation. There is a lot of pressure on the thermal coalmine and the power generation to be rehabilitated back to a particular state. Is there an opportunity there for that with the renewable energy sector and should they fall under the same legislation?

Mr Bruner: Our position is yes. I have been through England and seen all the generators just parked up and broken. It is an eyesore. There are issues in the USA at the moment with what they do with the fan blades off the wind generators. They cannot be used for anything. They bury them in open cuts. We do not know what the impact on the environment will be down the track. We say there should be an even playing field. One industry has to do rehabilitation so why should not the next one do it. Solar panels are going to be a massive issue for Australia and the world in terms of rehabilitation. If you want to rehabilitate them properly at the moment my understanding is you have to still export them back to China. There is nowhere that you can recycle them. That may be an industry that could be built out in Biloela or Chinchilla where the big solar farms are. You only have about 20 years to get that happening because we are coming into the cycle at the moment that all the rooftop solars need to be recycled and we have not faced that problem yet.

Mr WATTS: In terms of the guarantees that are put in place by miners when they want to open a mine, you are saying we should have some guarantee like that over renewable projects if they are going to go into a REZ area?

Mr Bruner: I should clarify. I do not know if that is going to be addressed in a separate piece of legislation, but we just wanted to flag it to the committee that it does need to be looked at somewhere.

ACTING CHAIR: Thank you, Mr Bruner, and your team, for coming in today. There were no questions on notice.

SILCOCK, Ms Clare, Energy Strategist, Queensland Conservation Council

ACTING CHAIR: I invite you to make a short opening statement of one to two minutes after which time committee members will have some questions for you.

Ms Silcock: Thank you for the opportunity to present to the committee today. The Queensland Conservation Council is the peak environment body in Queensland. We represent over 50 member groups across the state: thousands of people who have been pushing for protections for their local environment and the climate for over 50 years. We have been pushing renewable energy urgently as a key way that we will have a chance of limiting climate change to 1.5 degrees. We often talk about the reef, but we are now seeing the impact of climate change on the lives of Queenslanders across the state. As we talked about earlier today, we are also seeing the complex interactions of extreme weather with the energy system. You mentioned maximum demand in the heatwave we are currently facing. There was the devastation of the grid at Mount Tamborine on Christmas Day and we had fires in the CSG fields late last year so the need to decarbonise our electricity system is only increasing in urgency, and renewable energy is the best way that we have to do this and to give our reef, our communities and our unique environment a fighting chance.

We were very pleased with the Queensland Energy and Jobs Plan charting a path away from carbon intensive coal-fired power stations through renewable energy that is backed by storage which will create stable, lower power prices for Queensland and also provide certainty for industry and the investment in renewables that we need to futureproof regional economies. We wholeheartedly support this bill setting up the legal foundations of the renewable energy zones and formalising the renewable energy targets and we urge both the government and opposition to move as quickly as possible to pass the bill and set up these frameworks because, as we have talked about today, delivering the renewable energy that we need is complicated, it is a big transition for Queensland economies around the state and we need to have this framework in place to start doing the planning reforms, the genuine community engagement and the strategic planning of renewable energy zones that we need to deliver renewable energy that will benefit nature, communities and the climate. Thank you.

ACTING CHAIR: Thank you very much for your opening statement. I turn to the deputy chair for the first question.

Mr WEIR: Thank you. You made comments in your submission about needing to move quickly. In your submission you talk about the need for more transparency, particularly around Pioneer-Burdekin and Borumba. Is that around the impact that they would have regarding the approval process? What are your concerns?

Ms Silcock: Our concerns around the transparency is about this being a big transition and we need to have engagement of the community in what is the best way to meet the aims of decarbonising our economy through renewable energy. The comments particularly around the pumped hydro are around the pumped hydro study that the Queensland government has done to identify those sites and also the energy modelling that sets out the amount of deep storage that we need. We know that deep storage is critical, but we want to be able to have a more genuine conversation about how we meet that need.

Mr WEIR: That is going to be one of the biggest challenges. I note when the department gave its briefing it stated that there would be 680,000 hectares of land that will be impacted by this transition in Queensland. That is an extraordinary figure.

Ms Silcock: Yes, but that is the entire land that will be under a wind farm, which is not the amount of land that would be needed to be cleared or levelled or anything like that. It is the land that you would not be able to put more wind turbines on. The direct impact on land is a lot lower, but we do need to be having that conversation about the coexistence of industries, particularly agriculture with wind farms, so that we can find the best places for them.

Mr WEIR: That is probably what I was alluding to. Solar farms, as we heard the member for Gregory say, like flat land and we need to make sure that they do not use too much agricultural land. I am sure that you would be in agreement with that. Wind farms are traditionally on hilly country and most of that is vegetation. There are two different impacts. Previous submitters talked about the need for a rehabilitation fund for those projects. What are your thoughts on that?

Ms Silcock: I think it is an issue that we have not addressed yet and I think that it is something that we need to be proactive about. We support a rehabilitation bond approach and think that that is something that government should consider, also the implementation and accountability of that because we know that there are a lot of mines that are defaulting on their bonds and not being rehabilitated properly. This is an opportunity to try to get that right.

Ms PUGH: You speak about the very real impacts of pumped hydro. Obviously it is a very powerful energy source and it is often co-located in locations that are potentially wonderful habitats for different species or have environmental values of their own. Do you have any thoughts about how we manage that ongoing tension, recognising that often fantastic locations for hydro also have environmental values as well and hydro is not something that you can put just anywhere?

Ms Silcock: Part of this is our call for increased transparency on why these two are the best projects in Queensland because they do have big impacts and we need to be sure that these are the best places to put them in. Queensland has had a long history of its nature protection laws not working properly. There is a lot of degraded land and degraded waterways around Queensland. There are lots of ways that the renewable energy industry can actually deliver positive outcomes for nature. We need to be moving beyond the flawed offset program that we have and thinking holistically for big projects and renewable energy zones about identifying areas of key biodiversity and projects that can really start to restore nature being done through renewable energy, whether it is downstream of hydro rehabilitating waterways or making sure that renewable energy projects that go into degraded and weed infested land actually improve the management of that. There is a lot of opportunity for creating positive outcomes for nature through this.

Mr WATTS: One of the impacts in these renewable energy zones is that this land will be turned over to generation for a period of time. We know that, whether it be a solar panel or a wind turbine, they have a lifetime. I am interested in what else we might need to put in place. Someone has to pay for the decommissioning, someone has to rehabilitate the land. At the moment there is no guarantee in place for that. The organisation can just go in and do it. What would be your view as to how we might get better outcomes for Queensland's landscape in the long-term as we go into these projects in these REZ areas?

Ms Silcock: I think that there is a piece of research, and it is something that the government should look into, into the design of the renewable energy technologies. The government has started to do that with the stewardship program, that the Smart Energy Council mentioned, of solar PV. There are ways that we can increase accountability for the actual materials that are used to generate energy. The state code 23 proposed amendments do include more detail on the decommissioning plans that will be required, which is a good first step, but our view is that that should be required as part of the assessment, not just a commitment to create a decommissioning plan, but the details of that decommissioning plan from the beginning. I also think that the economic life that people talk about with renewable energy projects does not necessarily dictate how long that project could exist for and there are ways that we could refurbish wind turbines and refurbish solar farms to promote their life. Once they are in, that is the most efficient way to do it. I think that we should not be thinking about this as something that is only likely to last for 20 years, but we do need to be putting in place those plans of how that is likely to happen with more scrutiny.

ACTING CHAIR: In relation to the overarching theme of your position to urge the government to accelerate the development and get to these targets—they are not seen as being achieved fast enough—you would have heard a number of submitters talk about some of the barriers that we are going to be encountering to be able to deliver these on time, namely the workforce and the construction of the transmission lines. There is almost no point creating these solar farms and wind farms if you have not got the transmission or the firming technology there. Are you able to comment on where you could see aspects of this plan being able to be expedited when all the other pieces do not necessarily line up in time? Where should we be looking at focusing on if we are trying to not only achieve these targets but preferably sooner than the target date?

Ms Silcock: Our urging for that is based on the climate science. That is the reason that we talk about this. I think that one area that is not the focus of this bill, but definitely an area that there needs to be equivalent focus on in other policy and legislation, is around consumer energy resources and engaging people more in their energy supply through energy efficiency, being flexible with how we use energy and increasing the amount of energy that we use inside cities and large load centres. That is a way that we can reduce the need for accelerating the large-scale transmission, although we still need to be making sure that we are meeting the targets in the Energy and Jobs Plan.

ACTING CHAIR: That is probably outside the scope of this bill, which is more statewide. Programs like the community batteries program is probably more for the end user and consumer. Are there any last questions?

Mr WEIR: I have one along the same lines. You made a comment that there is not enough focus put on rooftop solar. What do you mean by that?

Ms Silcock: We would love to see, as Selvin mentioned, the Power Together alliance extending the accessibility of rooftop solar to renters, social housing and people on low incomes, which is not what we are seeing. We would also love to see a specific small-scale renewable energy target set out. The Energy and Jobs Plan is based on modelling done by AEMO on what is likely to happen in the uptake of rooftop solar, which is likely to be high because it is a great financial idea for households. There are opportunities through things that increase the accessibility of solar to more people that would be able to accelerate that.

ACTING CHAIR: Thank you very much for your attendance today and for the submission. That concludes this hearing today. Thank you to everyone who has participated. Thank you to our Hansard reporters. A transcript of these proceedings will be available on the committee's webpage in due course. I declare today's public hearing closed. Thank you all.

The committee adjourned at 1.02 pm.