

Energy (Renewable Transformation and Jobs) Bill 2023

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**Submission to the
Transport and Resources Committee**

**Energy (Renewable Transformation
and Jobs) Bill 2023**

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Introduction

The Queensland Council of Unions (the QCU) is Queensland's peak union body representing 25 affiliated unions and almost 400,000 Queensland union members. The QCU has a proud history of advocating for industrial, political, and social rights, and has played a leading role in improving the lives of Queensland workers since 1885.

The QCU supports the introduction of the Energy (Renewable Transformation and Jobs) Bill 2023 (the Bill). This Bill will help to support a structured and planned transition and transformation of the energy industry across Queensland, which is critical to the future of Queensland's economy, both state-wide and regionally.

A structured and balanced approach as envisaged by this Bill will also underpin the required transition to a future energy industry that balances the competing demands of decarbonisation, investment in renewable energy and energy infrastructure, and ensuring the maintenance of secure well paid jobs in regional communities.

The QCU and our affiliates have continuously opposed the privatisation of energy assets from any type of Government. We continue to advocate for a high level of public ownership in the energy system through ongoing public investment in the renewable energy sector and maintaining current levels of public generation into the future, as a minimum floor for ongoing public sector generation investment.

Public sector ownership and public investment in electricity generation in Queensland to date has been critical to ensuring that all Queenslanders have been provided with affordable, reliable, and secure sources of energy, with an ability of Government to keep downward pressure on energy prices for both commercial and domestic users.

Importantly, a structured transition managed through predominantly government owned assets and businesses will ensure all Queenslanders will be able to be protected and buffered from the increasing impacts of cost of living through subsidisation of energy costs and bills, which other states are currently bearing.

The QCU's support for this Bill is therefore contingent on this Government's ongoing commitment to the public ownership of energy assets across the generation, distribution, and transmission networks.

The energy transition, workers, and regional communities

It has been the longstanding position of Queensland Unions that a transformation of the energy industry to include more reliance on renewable assets also means that no worker or community is to be left behind. For affected energy workers and the communities

they live and work in, that means ensuring that all efforts are made to mitigate the adverse effects of the changes by ensuring workers will continue to have ongoing secure jobs in public sector owned energy assets, as well as access to alternative, secure and meaningful employment opportunities through add-ons like manufacturing of renewables and other sources of energy like the hydrogen industry.

This means that with ongoing private investment in the energy sector, there is a need to ensure that the transition does not undermine existing secure jobs and conditions of employment for regional workers and regional communities.

The new Renewable Energy Zones are an opportunity to ensure that new jobs created in either the construction of projects, or ongoing commissioned projects, are underpinned by fair, safe and decent conditions of employment, strong work health and safety laws and compliance, minimum levels of ongoing employment and support for trainees and apprentices, commitments to local jobs, and other important conditions that are applied to all areas of new investment subject to Government investment.

Importantly, there is also a need to ensure that the pathways to a new energy future are not undermined by becoming a political football when significant government investment has already occurred and the energy transition is also significantly underway. Queenslanders cannot simply afford future changes that might undermine the current direction and investment from the industry and parties.

The QCU therefore supports the implementation of strong laws to support the energy transformation. The roadmap set out in the Bill is nation-leading for the energy sector, and importantly Queensland can continue to showcase how that transformation can occur with public sector investment, public sector secure jobs, and by providing support for regional communities to ensure the transition will continue to occur in an orderly transition.

Within this framework, the QCU makes the following comments and recommendations with respect to specific aspects of the Bill.

Clauses 3 & 4 – Main purposes of Act

Clause 3(c) of the Bill is aimed at addressing the needs of workers in the energy industry and the communities in which they live and work. However, it does not clearly commit to minimising the adverse effects of the transition on workers and communities. The Bill would therefore benefit from explicitly stating this.

This could be achieved by stating it is a purpose of the Act 'to minimise the adverse effects of Queensland's renewable transformation on affected workers and

communities'. This purpose could be achieved by *inter alia* 'ensuring that the benefits of Queensland's renewable transformation are shared with workers and communities through creating secure local jobs and maximising the use of locally produced and supplied goods and services' which could be reflected in clause 4 of the Bill.

3 Main purposes of Act

The main purposes of this Act are—

- (a) to increase the amount of electricity generated in Queensland from renewable energy sources; and*
- (b) to facilitate and support the efficient and coordinated augmentation of the national transmission grid in Queensland to accommodate the increased generation of electricity from renewable energy sources in a safe, secure, reliable and cost-effective way; ~~and~~*
- (c) to provide for support and advocacy for workers in the energy industry and communities affected by the increased generation of electricity from renewable energy sources; and*
- (d) to minimise the adverse effects of Queensland's renewable transformation on affected workers and communities*

Clause 4 How main purposes are primarily achieved

The main purposes of this Act are to be achieved primarily by—

- (a) setting renewable energy targets for Queensland; and*
- (b) providing for the identification and construction of priority transmission investments; and*
- (c) providing for the declaration of renewable energy zones, the development and operation of transmission networks in renewable energy zones and coordinated and streamlined connection and access to transmission networks in renewable energy zones; and*
- (d) establishing the Job Security Guarantee Fund, including for the purpose of implementing the job security guarantee;*
- (e) ensuring that the benefits of Queensland's renewable transformation are shared with workers and communities through creating secure local jobs and maximising the use of locally produced and supplied goods and services; and*
- (f) establishing the following entities—*
 - (i) the Queensland Energy System Advisory Board;*
 - (ii) the Energy Industry Council;*
 - (iii) the Queensland Renewable Energy Jobs Advocate.*

Clause 8 – Optimal infrastructure pathway objectives

As part of their functions, the various entities in the Bill must consider the optimal infrastructure pathway objectives (the objectives). However, the Bill fails to prescribe that these entities must also consider the way in which the objectives may be implemented to minimise the adverse effects, to the greatest extent possible, on workers and regional communities. The QCU submits to the Committee that this ought to be a fundamental principle prescribed in the Bill.

Part 6 – Renewable energy zones

The introduction of the Renewable Energy Zones (REZ) are an important component of the Bill and will help coordinate a pipeline of new renewable energy projects into local regional areas. However, while the current Clause 35 of the Bill outlines the need to consider the impact on current communities, it does not outline specific consideration of the impact of the declaration of a REZ on workers and local communities, including any adverse impacts.

For example:

- a) Clause 35(b) of the Bill makes a reference to communities only and no reference to affected workers;
- b) Clause 41 of the Bill states that a REZ management plan must be consistent with section 3(a) and (b) which only refers to increasing the amount of electricity generated from renewable sources and to facilitating and supporting the efficient augmentation of the national grid. It does not prescribe that a management plan for a REZ must:
 - i. be consistent with the purpose of the Act relevant to supporting affected workers and local communities; and
 - ii. contain information that identifies the impact the REZ will have on workers and local communities and how, or the processes for identifying how, the relevant adverse effects will be addressed and how workers and local communities will be consulted and their views taken into consideration;
- c) Clause 49(b) of the Bill does not include a reference to analysing the impact that the development and operation of a transmission network in a part of Queensland has, or is likely to have, on local workers and communities.

<i>35 Purposes of part</i>

<i>The purposes of this part are—</i>

- (a) to provide for parts of Queensland that are suitable to be renewable energy zones to be declared to be renewable energy zones; and
- (b) to ensure the impact of the declaration of renewable energy zones on *and the views and concerns of Queensland affected workers and communities are* is appropriately considered; ...

41 Content generally

(1) A management plan for a REZ must—

- (a) be consistent with achieving the purposes of this Act ~~mentioned in section 3(a) and (b)~~; and
- (b) state the objectives of the REZ; and
- (c) identify—
 - (i) the geographic boundary of the REZ; and
 - (ii) the renewable energy sources in the REZ; and
 - (iii) the REZ transmission network for the REZ; and
 - (iv) the REZ controlled assets for the REZ; and
- (d) include the following information—
 - (i) information stated in section 42 about the REZ transmission network for the REZ;
 - (ii) information stated in section 43 about the REZ controlled assets for the REZ; and
 - (iii) *information about the impact the REZ will have on workers and local communities and how, or the processes for identifying how, the relevant adverse effects will be addressed and how workers and local communities will be consulted and their views taken into consideration; and*
- (e) include any other matter prescribed by regulation.

(2) Subsection (1) does not limit what may be included in a management plan.

49 Meaning of REZ assessment

A REZ assessment is an assessment of 1 or more of the following matters for a part of Queensland—

- (a) the suitability of the part to accommodate the development and operation of a transmission network in the part;
- (b) the impact that the development and operation of a transmission network in the part has, or is likely to have, on particular matters, including, for example—
 - (i) infrastructure and land use; and
 - (ii) Aboriginal peoples, Torres Strait Islander peoples ~~and other communities~~; *and*
 - (iii) *workers, their families and local communities.*
- (c) another matter prescribed by regulation.

Part 7 – Job Security Guarantee Fund

Clause 85 of the Bill prescribes that the State is to provide security and support to affected energy workers by means of training and access to employment opportunities within the energy or other sectors, and also in effect for affected workers in coal fired power stations.

Clause 85(1)(b) of the Bill should be clear in prescribing that the ‘other benefits or opportunities’ are provided to affected energy workers for the purpose of minimising the adverse effects of a change in operations by amending the clause as following –

85 Job security guarantee

- (1) *It is the intention of Parliament that the State will provide security and support to affected energy workers in relation to employment matters, including, for example, by—*
- (a) *providing training for, or access to, employment opportunities within the energy sector or another sector; and*
 - (b) *providing other benefits or opportunities ~~in relation to~~ **minimise the adverse effects of the change in operations mentioned in section 86(2)(b), (3)(c) or (4)(d).***
- (2) *The provision by the State of the security and support mentioned in subsection (1) is the job security guarantee.*

Clause 86 could also benefit from defining what ‘directly and adversely affected’ means. The QCU understands our affiliates have made submissions regarding this matter and we support those submissions.

We understand our affiliates have also made submissions about amendments that would ensure workers at privately owned coal mines and coal-fired power stations are not left behind and provided with the opportunity to access the Job Security Guarantee Fund under relevant circumstances. The QCU supports those submissions.

Review of renewable energy targets

The Bill proposes that renewable energy targets are to be reviewed at least every 5 years after the day of commencement (i.e., most likely in 2029 and 2034), and that the objects of the review are to decide whether the renewable energy targets remain appropriate having regard to the purposes of the Act, the progress made towards achieving the renewable energy targets, and advice from the Board. However, given the three renewable energy targets are prescribed to be met within a 5 year period (by

2030, 2032, and 2035), the QCU submit that the Bill would benefit from prescribing a more frequent review period so that a review occurs prior to each target. For example, a review at least 2 years prior to each target would more appropriately allow the Minister to have regard to the progress made towards achieving the targets, including whether they remain appropriate having regard to *inter alia* the impact on affected workers and communities.

Conclusion

The QCU commends the Bill, and we encourage the Committee to carefully consider the improvements recommended above and in the submissions of our affiliates.