



Committee on Environment and Planning  
NSW Parliament  
Sydney, 2000 NSW

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1 October, 2020

## **Inquiry into the sustainability of NSW's energy supply and resources**

### **Response to Questions on Notice**

***Question 1:** I will flag that on the first day of our hearings we heard from some government agencies about some of the work that they said they had on the way. It might be just a yes or no answer from each of you about whether your members have been involved in some of these. One was the Liddell Task force and the report, and the other was the coal-reliant communities transition work in the Upper Hunter we were advised was underway with another agency. Can you let me know to what extent you may or may not be involved with that?*

The Maritime Union of Australia Division of the Construction, Forestry, Mining, Maritime and Energy Union has not been approached by any agency with regards to either the Liddell Task Force Report or the coal-reliant communities transition work.

With regards to the Liddell Task Force Report, we note from Attachment C of the Report that no union or other organization representing the coal-fired power workforce or electricity sector workforce was consulted. It is well known that the energy transition will have a significant impact on workers and on regional economies, and it is not acceptable that they are not included in discussions about this transition.

We note Recommendation 7 of the Liddell Task Force report, which was supported by the Australian government, which says "Governments should continue to work closely together on a response to Liddell's planned closure, and in the longer term options to address Tomago's viability and manage future coal closures, based on updated projections from the market operator." We ask that the unions representing the workforces of the relevant coal-fired power stations, of the electricity sector, and of Tomago are consulted and included in these longer term considerations.

We note Recommendation 2 of the Liddell Task Force report, which was supported by the Australian government, which says "Governments should provide as much certainty as possible and address other non-market barriers to enable replacement projects to be delivered on time. This could include encouraging regulators to work proactively with proponents of new investments." We note that one significant non-market barrier which the Australian government could address is the slow progress of the Offshore Clean Energy Infrastructure Bill, which was originally scheduled to come to parliament in mid-2020. No timeline has been given for when the Bill will be introduced.

As we described at the hearing, we know that one operator proposing a very substantial offshore wind project off Newcastle applied to the Commonwealth Department of Energy for an exploration licence that would allow them to begin taking the required two years of wind measurements in January 2020. They have been told that the Department will not be issuing any further exploration licences until the legislation has passed through parliament.

Offshore renewable energy resources are highly relevant to the discussion of the replacement of the capacity of Liddell and other coal-fired power stations, and the future viability of Tomago. This is because wind offshore is more stable and consistent than onshore wind, has been described by the International Energy Agency (IEA) as having a 'value proposition potentially comparable to that of baseload technologies such as nuclear power and coal-fired generators.' The IEA say that 'even as the share of offshore wind increases, its energy value remains relatively stable, because offshore wind produces energy across all hours.' The reliability and consistency of offshore wind 'reduces the need for investment in other dispatchable capacity, including investment in combined-cycle gas turbines (CCGTs).'<sup>1</sup>

The location of the existing grid, heavy industry and population of NSW near the coast is another reason to ensure that offshore renewable resources are incorporated into future planning of the NSW energy system.

**Question 2:** *The Committee has heard that skills are crucial for transitioning jobs in communities that are likely to be affected by changing energy and resource markets. Can you provide some detail on the role that the Maritime Union of Australia could play in training and reskilling its members?*

Members of the Maritime Union of Australia are in an enviable position in that current jobs, skills and qualifications in the offshore oil and gas industry and in ports are directly transferable and applicable to work in renewable energy. This includes:

1. Bulk and general stevedoring workers currently handling imports of delicate wind turbines in ports including Newcastle, Port Kembla and Eden. No further training is required for this.
2. Seafarers who work in the oil and gas industry being able to work on offshore wind construction vessels and in ongoing jobs in maintenance vessels. The same basic seafaring qualifications would apply, although there may be some further short modules required from OPITO or the Global Wind Organisation.
3. Seafarers in coal export ports on tug boats, lines vessels, and pilot vessels being able to carry out those same roles in relation to offshore renewables vessels. These vessels would continue their same function but in relation to a different set of vessels. These workers could also work in vessels carrying out maintenance on offshore wind farms, which may require some short modules required from OPITO or the Global Wind Organisation.
4. Workers in coal export terminals being able to work in stevedoring roles in offshore renewables port hubs, loading and discharging vessels and operating port machinery. They may require further training in crane work.

As a union, our role would be advocating to ensure that the relevant skills and qualifications are available and accessible to our members, that workers in the fossil fuel industry can transition to

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<sup>1</sup> International Energy Agency, [Offshore Wind Outlook 2019](#), p.12, 21, 44.

these jobs, and that jobs in renewable energy are on good union agreements that continue to ensure good quality jobs into the future. We have already raised with Australian Industry Skills (who manage maritime skills packages) the need to incorporate renewable energy skills into their future skills planning. We are also in discussions with offshore renewable energy developers about the quality of jobs on their projects.

As part of the broader union movement, we advocate for strong Just Transition measures for all fossil fuel workers and their communities, with job guarantees and the ability to transition to good secure jobs, as articulated in the following documents:


MUA and others, [Putting the Justice in Just Transition: Tackling inequality in the new renewable economy](#), November 2019.

Australian Congress of Trade Unions, 2016, [Sharing the challenges and opportunities of a clean energy economy: A Just Transition for coal-fired electricity sector workers and communities](#).

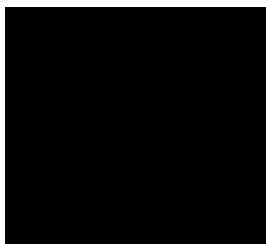
Peter Sheldon, Raja Junankar, Anthony De Rosa Ponello. [The Ruhr or Appalachia? Deciding the future of Australia's coal power workers and communities](#), October 2018. IRRRC Report for CFMMEU Mining and Energy Division.

IndustriALL, [Just Transition – An idea whose time has come](#), 16 May 2019.

Commission on Growth, Structural Change and Employment (Germany), [Final Report](#), January 2019.

Please feel free to contact our National Research Officer Penny Howard to discuss these matters further, at .

Yours Sincerely,



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**Maritime Union of Australia Division**  
**Construction, Forestry, Maritime, Mining and Energy Union**

Cc: Tony Maher, Mining Division, Construction, Forestry, Maritime, Mining and Energy Union  
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