

## **ASU Submission**

# Department of Climate Change, Energy, the Environment and Water

## **Consultation on the National Energy Workforce Strategy**

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Date:	12 September 2024

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### The ASU

The Australian Services Union ('**ASU**') is one of Australia's largest unions, representing approximately 135,000 members. ASU members work in a wide variety of industries and occupations in both the private, public and community sectors. Our members in energy work in a variety of classifications across electricity generation, distribution, retail and transmission.

#### Introduction

The ASU welcomes the opportunity to make a submission on the National Energy Workforce Strategy. Australia's energy sector is undergoing a massive transformation, with the National Energy Workforce Strategy aiming to develop the skills and capabilities required for Australia to achieve net zero emissions by 2050.

The National Energy Workforce Strategy must deliver tangible benefits for workers, including job creation, skill development and improved working conditions. One of the most pressing issues is the current state of uncertainty amongst workers transitioning from traditional energy sectors such as coal and gas.

Many of these workers are at crossroads, unsure of the specific training and upskilling required to move into clean energy roles. This uncertainty is compounded by the current lack of career pathways and supportive programs for retraining. We welcome the recent passing of the Net Zero Economy Authority Bill, which will establish a dedicated body to oversee the transition and will help provide clear guidance on job creation and skill development.

In addition, it is imperative to tackle the broader skills gap that hampers the growth of the clean energy sector. The rapid expansion of renewable energy technologies has outpaced the availability of workers with the necessary expertise, which has been exacerbated by the disconnect between current training programs and industry requirements. To bridge this gap, a coordinated effort is required by government, unions, educational institutions and other stakeholders.

A successful energy transition requires a workforce that is skilled, secure and well-paid. This means investing in professional development and training, job security and decent wages. It also means that workers are provided with a strong voice in shaping the industry's future.

Government must ensure the expertise and knowledge of highly skilled energy workers is not lost from the local energy industry through the transition to net zero, and that these workers are provided with the opportunity to transition into good secure jobs.

#### Main barriers to growing the clean energy workforce

#### Workers are in limbo

The energy workforce is currently in a state of transition, as many workers who have long been employed at coal and gas fired power stations find themselves at crossroads. While the global shift towards clean energy is gaining momentum, a significant portion of the workforce has not yet fully transitioned to the clean energy sector (and some will not do so until final closure).

This creates a sense of uncertainty for these workers, who are unsure about the specific training and upskilling they should undertake to remain relevant in a rapidly changing industry. The lack of clear pathways for transitioning from traditional energy jobs to clean energy roles adds to their hesitation and concern, leaving many in limbo.

Government must implement comprehensive and targeted programs that focus on retraining and upskilling workers. Additionally, government should provide financial support to these workers, to make retraining more accessible and affordable.

The National Energy Workforce Strategy should task the Net Zero Economy Authority to develop programs and pathways by: mapping the skills of the existing traditional energy workforce to properly recognize prior learning; mapping and creating a register of required skills as the region transitions; and mapping existing and needed training capacity in existing regions.<sup>1</sup>

Furthermore, Government should invest in regional development plans to ensure that areas heavily dependent on coal and other traditional energy sources are not left behind. Current training capacity limitations present a significant challenge in regional areas. Many regional areas lack specialised educational institutions or training centres equipped to provide the necessary skills for the green economy. This can drive workers to seek opportunities in metropolitan areas and may lead to them relocating to cities where training capacity is more abundant. This migration not only depletes the regional talent pool but also undermines efforts to build a sustainable clean energy sector in these areas, perpetuating a cycle of skill shortages and economic disparities between regions.

By investing in clean energy projects and jobs in regional areas, government will be able to meet its emission reduction targets as well as drive economic growth and job creation. By implementing these regional-focused plans, Government can ensure that no community is left behind and that new opportunities are distributed fairly.

#### Skills gap

The clean energy sector is facing significant skill gaps<sup>2</sup>, as the rapid expansion of renewable energy outpaces the availability of workers with the necessary expertise. This shortage of skilled labour is becoming a critical challenge for the industry. Many of the workers in traditional energy sectors do not possess the specialised skills required due to a lack of targeted training programs that could bridge this gap.

The evolving nature of clean energy technologies demands continuous learning and adaptability, which complicates the ability to quickly equip the workforce with the skills required. As a result, the current skills gap crisis hinders the growth of the clean energy industry, as well as slowing down the broader transition to a sustainable energy future.

In addition, as current training and education programs are not fully aligned with the specific needs of the sector there is a significant mismatch between the skills being taught and the actual requirements of the industry.

Many existing upskilling programs are rooted in traditional energy paradigms or are too general in nature. This disconnect means that even when workers seek to retrain or upskill, they often find the education they receive does not fully prepare them for the demands of the clean energy workforce.

There is an opportunity for recognition of prior learning (RPL), particularly for those who have worked in the sector for a long time. For example, if a worker has eight years in a role and has undertaken professional training and development, then they should not need to undertake a university degree

<sup>&</sup>lt;sup>1</sup> Australian Council of Trade Unions, Submission to Consultation on the National Energy Workforce Strategy <sup>2</sup> Australian Government, Jobs and Skills Australia, The Clean Energy Generation: workforce needs for a net zero economy [Online] Accessed at: <u>https://www.jobsandskills.gov.au/publications/the-clean-energy-generation</u>

to enter the clean energy sector. Options such as micro-credentials or "earn and "earn" models should be investigated as opportunities that allow workers to earn an income while acquiring new and necessary qualifications.

Government should undertake a detailed national stocktake and mapping of existing post-secondary education and training for clean energy occupations as currently there is no nationally consistent approach to tracking training program pathways (commencements, completions, and transitions between qualifications). This mapping exercise should thoroughly outline the current infrastructure and the number of clean energy professionals that the training system produces and graduates annually across each relevant skill and professional category.<sup>3</sup>

#### Attracting underrepresented groups

To attract more underrepresented groups, such as women, culturally and linguistically diverse (CALD) individuals, and First Nations people to the clean energy workforce, it is critical to recognise the enormous opportunity that this transition presents in creating a more inclusive workforce.

For women and those who are considering mid-career changes, flexible education and training that takes into account family responsibilities is essential. Offering on the job education and training, part-time courses, online learning options and childcare support can make it easier for these individuals to acquire the necessary skills without compromising family responsibilities. Government initiatives such as Women in Energy and Equal by 30 can offer ideas and solutions on how to attract and retain more women in the energy sector.

For First Nations communities, local government initiatives that have successfully supported apprenticeships can be replicated in the clean energy sector. In the 2022 Local Government Workforce Skills and Capability Study, 31% of local governments said they have at least one Aboriginal or Torres Strait Islander trainee or apprentice.<sup>4</sup> Additionally, funding to cover the costs of attending TAFE courses and accommodation for First Nations Peoples who need to travel for training can remove significant barriers to participation.

Another initiative Government could consider is Energy Queensland's scholarship program that offers substantial financial support (\$20,000 per year) and valuable work experience for undergraduate electrical engineering students. The first cohort of 100 students included 37 females, 6 First Nations students and 1 student who identified as non-binary.<sup>5</sup>

By considering these initiatives, government can tap into this broader talent pool and increase representation for these underrepresented groups of the workforce.

#### Ensuring safety skills and competencies

To ensure the clean energy workforce is adequately equipped with safety expertise, a multi-faceted approach is required. Developing and implementing comprehensive training programs focused on clean energy specific safety standards and best practice is paramount. These programs should cover the unique risks and safety challenges associated with renewable energy technologies and ensure safe operations in a diverse energy industry.

https://alga.com.au/app/uploads/LG-Workforce-Skills-and-Capability-Survey-National-Report.pdf <sup>5</sup> Energy Queensland, Queensland's energy future in safe hands [Online] Accessed at: https://www.energyq.com.au/media/releases/2023/queenslands-energy-future-in-safe-hands

<sup>&</sup>lt;sup>3</sup> Australian Council of Trade Unions, Submission to Consultation on the National Energy Workforce Strategy <sup>4</sup> 2022 Local Government Workforce Skills and Capability Survey [Online] Accessed at:

This could be coupled with the potential establishment of certification requirements to guarantee a baseline level of safety competency.

Additionally, providing ongoing education opportunities is crucial, as safety regulations will continue to evolve with advancements in technology and change in industry guidelines. It is crucial to avoid bad actors by ensuring safety training is provided by reputable, accredited organisations that adhere to established standards and best practices.

By providing ongoing education opportunities, workers can stay informed about the latest safety developments which in turn will help prevent accidents and maintain a safe working environment across the clean energy sector.

#### Ensuring attractive pay and conditions

To ensure clean energy jobs are appealing to workers they must be linked to full-time, secure employment with competitive wages. Conducting regular benchmarking against industry standards and providing additional perks would also help attract and retain top talent.

Ensuring a stable source of employment is important, especially in rural and remote areas, where local secure jobs contribute to economic growth by providing residents with consistent income and purchasing power.

Retention strategies should focus on continuous professional development and job satisfaction. Offering clear pathways for advancement, along with ongoing education and training opportunities, can help workers see a long-term future in the industry. Additionally, recognising and rewarding workers contributions can significantly enhance job security and reduce turnover.

Government must also consider other flexibilities and initiatives for workers, such as a 4-day work week. The 4-day working week model should be based on the Select Committee on Work and Care recommendation of 100:80:100, whereby employees retain 100 percent of their salary while reducing their hours to 80 percent while maintaining 100 percent productivity.<sup>6</sup>

#### Addressing training capacity in regional areas

#### Renewing Regional and Metropolitan TAFE

Due to privatisation, reduced funding, and the loss of students to private providers, TAFE is no longer the centrepiece of VET in many areas. It is time for Government to refocus and reassert the importance of VET to help build the vocational skills of the nation. Recent policy directions have placed increased emphasis on a market driven approach to the provision of VET services which has resulted in a range of problems including revelations of deteriorating quality standards, aggressive marketing behaviour by some training companies (particularly in vulnerable communities) and practices which have left many students demoralised, in debt and left with inadequately training or an inability to complete their chosen course work.

A recent report by The Centre for Future Work 'Fragmentation & Photo-Ops' presents comprehensive evidence of the continued erosion of the vocational education system in the COVID era, including the closure of many TAFE institutes, particularly those in regional and non-metropolitan locations.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> Select Committee on Work and Care, Final Report

https://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Work\_and\_Care/workandcare/Report

<sup>&</sup>lt;sup>7</sup> The Centre for Future Work at the Australia Institute, Fragmentation & Photo-Ops The Failures of Australian Skills Policy Through COVID [online]

https://australiainstitute.org.au/wpcontent/uploads/2022/03/Fragmentation-and-Photo-Ops-final3.pdf]

Government investment must focus on supporting real, genuine qualifications that offer initial qualifications and opportunities for continuous education. Investment should be directed towards enhancing infrastructure, resources, and most importantly relevant curriculum. Stamping out dodgy TAFE providers requires stringent government oversight and accountability measures to ensure all educational institutions deliver genuine, high-quality qualifications.

Government must commit to creating and funding more regional and rural TAFE facilities and ensure no more TAFE institutes close.

#### Women in Energy

VET is crucial for women in the energy industry as historically the energy industry has been male dominated. VET can help address gender imbalances by equipping women with the skills and confidence needed to enter and thrive in these traditionally male-centric roles.

The energy industry has a growing demand for skilled workers. VET programs help ensure that there is a steady supply of well-trained professionals, including women, to meet the industry's workforce needs.

Well-paying jobs in the clean energy industry can contribute to closing the gender pay gap. As women gain skills and qualifications, they become more competitive in the job market and are better positioned to negotiate equitable compensation. By acquiring industry-specific skills through VET, women can enhance their career prospects and open doors to higher-paying and more senior roles within the energy sector.

Please refer to our submission to the Department of Employment and Workplace Relations -*Supporting women to achieve VET-based careers* for suggested initiatives and supports to assist women to achieve higher-paying careers in the clean energy sector.<sup>8</sup>

#### Worker retention concerns

Worker retention, particularly in the context of manufacturing onsite roles for solar and wind projects in a concern. During the infrastructure build phase, a significant number of workers are involved in the manufacturing, installation, and commissioning of solar panels and wind turbines. However, once the infrastructure is complete, the demand for these on-site roles diminishes, leaving only the operators and project managers to oversee ongoing operations.

This limited time span can lead to challenges in retaining skilled workers, as they may face uncertainty regarding future employment opportunities. Addressing this concern requires long term workforce planning to ensure that workers are supported through transitions.

#### Proactive workforce planning

We believe the Australian Government should be responsible for workforce planning as it has the broadest perspective and the ability to align workforce development with national economic, social and environmental goals. Government has the resources and authority to coordinate efforts across industries, regions, and States, creating a more cohesive and effective strategy for developing the skilled workforce needed to drive the clean energy transition.

The National Energy Workforce Strategy should call for the establishment of a Clean Energy Jobs Commissioner to collaborate across all levels of government and agencies to coordinate energy

<sup>&</sup>lt;sup>8</sup> ASU Submissions, Supporting women to achieve VET-based careers [Online] Accessed at: <u>http://www.asu.asn.au/resources/submissions</u>

workforce policy and to advocate for secure, well-paid clean energy jobs. The Clean Energy Jobs Commissioner would play a key role in supporting the government and industry through the net-zero transition by overseeing the planning and coordination of critical workforce programs.<sup>9</sup>

Government has already taken a proactive role in projecting and estimating the future workforce needs of the clean energy sector in the 2023 study undertaken by Jobs and Skills Australia (JSA).<sup>10</sup> However, the JSA study whilst valuable, was limited in scope as it focused on a select group of critical occupations expected to generate the highest number of employment opportunities. This narrow focus makes the report inadequate for accessing the potential and projected gaps in many emerging and essential clean energy occupations. It is therefore essential to develop a systematic national framework for measuring and monitoring clean energy jobs over time.<sup>11</sup>

This national framework can be modelled on the Clean Energy Workforce can be modelled on the U.S. Energy and Employment Report (USEER), widely regarded as the global gold standard. Further information on the important factors that should be included in the national framework can be found in the Australian Council of Trade Unions submission.<sup>12</sup>

In addition, workforce planning can be strengthened by understanding the importance of soft skills in the clean energy sector. Soft skills such as communication, teamwork, problem solving, adaptability and leadership are critical for success in any professional environment. By prioritising the development of soft skills alongside technical expertise, government can ensure a workforce capable of navigating the complexities of the clean energy sector as well as driving innovation in a rapidly evolving global economy.

Finally, the ASU is aware that several other unions and affiliates are making submissions in response to the proposed Bill. The ASU supports those submissions and the recommendations contained within. In particular, we support the recommendations made by the Australian Council of Trade Unions to strengthen the Strategy.

<sup>&</sup>lt;sup>9</sup> Australian Council of Trade Unions, Submission to Consultation on the National Energy Workforce Strategy <sup>10</sup> Australian Government, Jobs and Skills Australia, he Clean Energy Generation: workforce needs for a net zero economy [Online] Accessed at: https://www.jobsandskills.gov.au/publications/the-clean-energygeneration

<sup>&</sup>lt;sup>11</sup> Australian Council of Trade Unions, Submission to Consultation on the National Energy Workforce Strategy

<sup>&</sup>lt;sup>12</sup> Australian Council of Trade Unions, Submission to Consultation on the National Energy Workforce Strategy