

MINING & ENERGY UNION



Select Committee on Nuclear Energy

Inquiry into nuclear power generation in Australia

Mining and Energy Union Submission, November 2024

The Mining and Energy Union (MEU) represents more than 24,000 members working across Australia's mining and energy industries, including in underground and open cut coal and metals mining, coal-fired power generation, coal ports, and iron ore mining and transportation.

As the principal union for workers in Australia's coal industry, we have long sought to engage constructively with governments, industry, and civil society on climate and energy policy issues. Our primary interest guiding this policy advocacy has always been the wellbeing of our members and their communities, ensuring that they are not left behind to bear all the costs of change while seeing few of the benefits.

Our members in coal-fired power stations will see their worksites close in succession over the next fifteen years or so. These closures will profoundly impact them and their local communities, who stand to lose their major source of economic activity and hundreds of well-paid, secure jobs.

The development of a nuclear power industry, with nuclear plants located in coal communities, is not a solution to this problem. Workers and communities in energy regions need and deserve investment in economic diversification and new opportunities *now*, not in an unlikely future, decades away.

Nuclear power cannot provide jobs in time to transition coal power workers

Over the next five years, five coal-fired power stations in Australia are scheduled to close, with a further five expected to close between 2030 and 2035:

- Eraring NSW (2027)
- Collie WA (2027)
- Yallourn VIC (2028)
- Callide B QLD (2028)
- Muja WA (2029)
- Bayswater NSW (2033)
- Loy Yang A VIC (2035)
- Gladstone QLD (2035)

But AEMO expects that coal power closures will occur much faster than currently announced. In AEMO's Step Change scenario (considered the most likely scenario for the future of the National Electricity Market system in the 2024 Integrated System Plan), 46 per cent of coal generation will be withdrawn by 2030, 90 per cent by 2035, and all by 2038.

Estimates of the amount of time it will take to construct even one nuclear plant in Australia exceed 15 years¹ – not to mention the layers of legislative change that will be required, likely cost blow-outs, and delays in construction and approvals. Proposals for the development of small modular reactors (SMRs) are similarly unlikely. SMRs are not yet commercially available, and a flagship SMR development in the US was cancelled late last year.²

By the time a nuclear plant, whether traditional or an SMR, could provide jobs, it is most likely that all of Australia's coal power stations will have closed, with workers settled into other work or retirement, or having relocated. And investment in coal communities like Lithgow, Collie, and the Latrobe Valley, is already urgent today, with the impacts of past coal power closures over the last ten years keenly felt. Affected regions are also concerned that proposals for nuclear energy will introduce uncertainty and deter other critical investment in their local economies.

Proposals for nuclear plants in coal communities are a distraction from the important work of the Net Zero Economy Authority

The energy transition will be hugely challenging for our members and their communities. They deserve considered and serious policy that meets these challenges. Unclear and oversimplified proposals for nuclear energy are a distraction from good policy and the important, difficult work of an orderly transition. The new Net Zero Economy Authority has a critical role to play in ensuring the future economic wellbeing and job prospects of coal regions, facilitating diversification into industries which can provide jobs long into the future, like manufacturing and critical minerals processing.

Coal workers and communities need an orderly transition, and we note approvingly that the NSW and Victorian state governments have reached agreements to safeguard the continued operation of some coal-fired power capacity due to energy security challenges. However, the overall trajectory is clear, and governments must focus on realistic pathways for affected workers. The Net Zero Economy Authority is the most appropriate policy to assist transitioning coal workers and communities, with its Energy Industry Jobs Plan and investment coordination remit providing support for economic diversification and tangible pathways into new, good quality jobs for affected workers.

The Authority's work will be difficult, but it has the tools for genuine job creation and to support the development of new industries that have a far greater chance of success.

¹ CSIRO 2024, <https://www.csiro.au/en/news/all/articles/2023/december/nuclear-explainer>.

² <https://www.theguardian.com/australia-news/2023/nov/09/small-modular-nuclear-reactor-that-was-hailed-by-coalition-as-future-cancelled-due-to-rising-costs>

Annexure: MEU Policy on Nuclear Energy

Endorsed by the Mining and Energy Union National Convention, October 2024

As coal-fired power generation declines, governments of all levels need to invest in Australia's energy security for the future. Australia's energy transition is best served by policy that is transparent, evidence-based and economically viable.

There are a range of well-documented obstacles to the development of a nuclear energy industry in Australia. These include legislated national and state bans, the high cost of nuclear compared with other forms of energy and the realistic timeline required to build multiple nuclear power stations being far longer than the announced closure dates for coal-fired power stations. The lack of interest from investors in developing nuclear energy is a sign that nuclear is not an economically viable or preferred option.

If nuclear energy were developed, we would seek secure, well-paid jobs, opportunities for displaced coal workers and coverage of new roles.

However for the above reasons we believe that nuclear energy is unlikely to be developed in Australia, regardless of political claims. We do not believe nuclear power offers a realistic pathway into on-going jobs for our current members in coal-fired power stations. Coal-power workers need job pathways far sooner than the timetable for development of nuclear power which extends into the 2040s and beyond.

We call on all sides of politics to end the 'energy wars' which treat energy policy as an opportunity to score political points; and to get on with the job of securing Australia's energy future and supporting workers and communities affected by transition.