

Response to question taken on Notice from Senator Canavan.

Question:

Senator CANAVAN: The problem is the perception. I've got no idea how you operate internally, but when something like that happens it obviously affects perceptions. I believe you've also released a report recently into—at least there were some conclusions—the different wage levels of salaries. There's an article by your acting chief engineer, published on LinkedIn, titled 'Engineers can unlock net zero, but there's a catch'. She writes:

Engineers working in coal, oil, and gas industries typically earn higher salaries than their peers in renewables ...

Is it true that engineers in the fossil fuel sector earn more than those in renewables?

Mrs Madew: I would like to take that one on notice. On that one, though, we have done a piece of work that I think you'll find interesting on the transferability of engineering skills. We're very conscious we need the engineering skills in our energy market, making sure that all engineers have the opportunity in the future to work in the different energy markets.

Answer:

Engineers Australia's report [Transferability of engineering skills for the clean energy transition](#) shows how engineering skills can be adapted for the clean energy transition. The report highlights the essential role engineers will play in helping Australia achieve net zero. It includes a review of existing literature, interviews, case studies, innovative skills mapping, and gap analysis based on job advertisement data, as well as an evaluation of current policy tools.

This report shows engineers in the coal, oil, and gas industries generally receive higher pay than those in the renewable sector. This disparity is partly due to the higher wages typically found in the mining industry, which typically makes up for fly-in, fly-out arrangements. To encourage more engineers to transition to the renewable energy sector, the report recommends offering non-monetary incentives like better work-life balance, improved job security, and roles that provide a sense of purpose. For many people, the opportunity to contribute positively to the environment is a strong motivator to transition to the renewable sector. Promoting this aspect could help close the salary gap and attract a workforce that's more driven by purpose than pay.

This is supported by Jobs and Skills Australia's *The Clean Energy Generation: Workforce needs for a net zero economy* report which shows at Figure 3.14. *Average annual personal income for critical occupations by segment*.¹

The skills engineers possess will be required to enable Australia's future energy sector. By providing opportunities in both traditional and renewable energy sectors, we can leverage their skills to drive innovation and adaptability, ultimately supporting a seamless transition towards a sustainable energy future.

¹ 'The Clean Energy Generation: Workforce needs for a net zero economy' Australian Government Jobs and Skills Australia (2023) <https://www.jobsandskills.gov.au/publications> (page 80)