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15 September 2021

**To:** Committee Secretary

Senate Standing Committees on Environment and Communications

PO Box 6100

Parliament House

Canberra ACT 2600

Via submission portal

Dear Committee,

I am writing on behalf of the Hunter Jobs Alliance to offer support for the expedient passage of the *Offshore Electricity Infrastructure Bill 2021 (Cth)* and *Offshore Electricity Infrastructure (Regulatory Levies) Bill 2021 (Cth)*, and to offer constructive suggestions to ensure economic and employment outcomes of this important legislation can be maximised.

The Hunter Jobs Alliance is a locally-based alliance formed in late 2020, and comprises 9 unions and 4 community environment groups.<sup>1</sup> Our organisational focus is the Hunter community's shared interest in diversifying and strengthening our economy. We work collaboratively to deliver practical activities that support workers and communities, maintain prosperity, and protect our environment through an accelerating period of structural economic change in key regional industries – particularly resources, energy production and manufacturing.<sup>2</sup>

In relation to the bill at hand, there is a clear opportunity for offshore wind to contribute to these goals in the Hunter region. Prospective offshore wind investment offers a very large power

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<sup>1</sup> Affiliate Member Organisations of the Hunter Jobs Alliance: Australian Manufacturing Workers Unions NSW Branch; Electricity Trades Union NSW & ACT Branch; United Workers' Union; The Australian, Municipal, Administrative, Clerical and Services Union NSW & ACT Services Branch; Community and Public Sector Union; National Tertiary Education Union; Teachers Federation NSW Branch; The Nature Conservation Council of New South Wales; Lock the Gate Alliance; Hunter Community Environment Centre; Labor Environment Action Network; Independent Education Union of Australia NSW/ACT Branch.

<sup>2</sup> More information is available at [www.hunterjobsalliance.org.au](http://www.hunterjobsalliance.org.au)

generation output, sufficient to enhance security and reduce prices while utilising existing infrastructure. It offers substantial local employment opportunity. With the appropriate industry policy, skills development, pipeline coordination and local content requirements, there is also significant opportunity to develop manufacturing, supply chain capability and downstream and upstream jobs.

In a region with restricted access to capital for diversification, investor interest in offshore wind is a critical opportunity that needs to be grasped, both as a discrete opportunity and a signal to the investment community regarding regional competitive advantages, project opportunities and receptiveness to clean energy investments.

As the committee would be aware, opportunities to directly facilitate investment in projects that respond to regional competitive advantages and establish new industry sectors are extremely rare. We note that offshore wind developers are 'ready, willing and able to immediately commit further significant expenditure into...priority projects off the coast of Newcastle and the Illawarra'<sup>3</sup> and note that the rapid passage of legislation is the next critical step in enabling investment and seeing projects progress.

We note that there are substantial lead times and significant complexities in developing these projects and the opportunities therein. We would also note issues of investment, manufacturing and skills capability development, grid stability, power pricing, emissions, regional structural change and worker transitions are (somewhat unpredictably) time sensitive.

In this context, we strongly and respectfully encourage finalisation and passage of this bills so that these important projects have the chance to progress and enabling activities undertaken.

Please see below some brief commentary on the bills, including implementation of the Act.

- **Local content and community benefits criteria are essential for maximising supply chain, manufacturing and regional jobs.**

Effective local content and supply chain development criteria are required as part of the permitting processes to incentivise the development of local downstream manufacturing capacity. Offshore wind construction and maintenance provide substantial job opportunities, but this can be multiplied with the right policy interventions. Significantly, the prospect of large-scale wind offers a

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<sup>3</sup> Oceanex submission.

consistent pipeline and demand scale to support investment and development of manufacturing supply chains. This has been effectively done at state level, and overseas.

Employment criteria for locals, Aboriginal and Torres Strait Islander, and apprentices and trainees, as is commonly deployed in other sectors, should also be including in permitting criteria. Moreover, workers transitioning from specific energy structural change-affected sectors should be prioritised for employment and training opportunities.

In relation to criteria implementation, these employment, energy worker transition and local content requirements should be incorporated in Purpose and Merit Criteria for Feasibility, Commercial and Transmission. These criteria should then be included in explicit detail through the permitting/Licensing scheme to be created subsequently by regulation, specifically incorporating 'binding minimum targets' as a condition of permitting.

In the spirit of maximising social and economic benefits, rather than financial offers for equivalent Feasibility licence applications, this should be replaced with decision-making based on social, environmental, and economic criteria.

An area for future attention in relation to local content and employment is integration between requirements implemented through state government renewable energy zone schemes, and any related licencing obligations at a Commonwealth level.

- **Skills programs and training hubs should be established to ensure availability of skilled workers**

Specialist construction, maritime, and operational skillsets are required to support the establishment, maintenance and operation of offshore wind. In line with investments made to support other sectors with skills needs, specific workforce and qualifications development is required.

Training hubs should be established in specific locations (for example Newcastle, Illawarra, Gippsland) to ensure timely availability of skilled workers and maximise regional, resident employment opportunities.

Training hubs and recruitment pathways should also prioritise workers that are impacted by structural changes in resource and energy production, for example coal fired power and depleted offshore gas. While the timing of individual career transition needs is somewhat unpredictable in

terms of structural change and wind development timelines, it is important both for individual workers and regional skill retention that these opportunities are made available.

- **Work Health and Safety consistency**

The application of the Commonwealth WHS Act under Licence is a welcome inclusion, however its application means the older *Occupational Health and Safety (Maritime Industry) Act* (OHS(MI) Act) will apply between a port and the licence area.

In addition, the OEI Bill switches off a number of important sections of the WHS Act: the provision for a tripartite body that allows for consultation between the Regulator, employers and workers' representatives (s.241), union and employer participation in development of safety codes of practice (s.240), and some other worker and union rights. WHS Act Regulations will be only selectively applied (s.243). It does not apply the enforcement provisions of the WHS Act but adopts enforcement processes from the *Regulatory Powers (Standard Provisions) Act 2014*, which were not designed for a participatory WHS system.

These inconsistencies create confusion and remove collaborative mechanisms that are particularly significant in the development of work health and safety practices for an emerging sector.

- **Investments are required in shared access environmental and social data**

Offshore wind is a new industry offering multiple social benefits that also interacts with marine environments of high public interest. In this context, baseline data on environmental conditions, impacts and mitigation; and social attitudes and community interests are important in building public understanding and eliciting feedback on implementation. This is a matter of shared community and business interest that would benefit from public investments in data collection through reputable agencies, with the aim of establishing a transparent and accepted knowledge base.

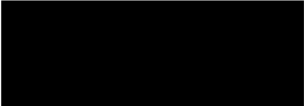
- **Specific NOPSEMA capacity**

Given the discrete needs around developing the regulatory and permitting environment for a new industry activity, we would encourage capacity building and expertise recruitment regarding specific areas such as WHS and environmental regulation for offshore wind.

We thank you for the opportunity to provide comment on this Bill through the Committee, and look forward to seeing the passage of this important Act in the immediate future.

Sincerely

Warrick Jordan



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Hunter Jobs Alliance