

Wednesday, 24 January 2024

## Submission – Jobs and Skills Australia's 2024-25 Work Plan

The Clean Energy Council (CEC) and the Australian Hydrogen Council (AHC) welcome the opportunity to make a submission in response to Jobs and Skills Australia's (JSA) 2024-25 work plan consultation.

The CEC is the peak body for the clean energy industry in Australia. We represent and work with more than 1,000 businesses operating in Australia across renewable energy, energy storage, and renewable hydrogen.

AHC is the peak body for the Australian hydrogen industry. AHC connects the hydrogen industry and its stakeholders in building a secure, clean and resilient energy future that sustainably produces and uses hydrogen within the energy mix. AHC's members are from a range of sectors, including energy, transport, consulting, banking and technology.

The Clean Energy Generation (2023) (the Report) was a landmark analysis of the clean energy workforce. It contributed a systematic treatment of the incumbent problems experienced by the industry and advocated for comprehensive reforms across multiple sectors to ensure Australia has the workforce required to achieve net zero. The task is urgent and immediate, with substantial growth in worker demand required to achieve the Commonwealth's target of 82% renewable electricity in the National Electricity Market by 2030. To quote the Report, "Ambitious net zero targets will need to be matched with ambitious workforce and skills policy."

These sentiments have been echoed in a joint statement calling for the Commonwealth to grow the clean energy workforce by acting on the Report's recommendations. It has been signed by a broad coalition of 78 organisations representing industry and professional associations, education institutions, local governments, and civil society organisations. A full list of signatories is included in the below <a href="Appendix">Appendix</a>. Specifically, the joint statement:

 Reiterates earlier industry calls for government to determine baseline employment figures across the clean economy, including a fully funded, designed and delivered

<sup>&</sup>lt;sup>1</sup> Jobs and Skills Australia, 2023. *The Clean Energy Generation: Workforce needs for a net zero economy*. URL: https://www.jobsandskills.gov.au/sites/default/files/2023-10/The Clean Energy Generation 0.pdf

- Australian Energy Employment Report that includes energy management work across the whole economy, and is repeated periodically;
- Calls for the National Energy Workforce Strategy to support the wider clean economy workforce following The Clean Energy Generation report's definition of clean energy, which includes workers across energy supply, energy demand, clean energy enabling, carbon lifecycle, emissions-intensive and transitioning sectors; and
- Urges government to rapidly fund and deploy an implementation plan alongside the National Energy Workforce Strategy that outlines a clear pathway to bridging the gap between the numbers of clean economy workers we have now, and what we need to realise our 2030 and 2050 emissions reduction goals.

To support the development of the National Energy Workforce Strategy, we urge JSA to build on the work of the Report and prioritise Roadmap Opportunity 9 in their 2024-25 work plan:

Supporting the net zero transition challenge by charting a roadmap for education, training and migration to make that transition successful, in partnership with the new Net Zero Authority.

The transition to net zero will necessarily have an outsized impact on regional Australia. While regional Australia may benefit from an influx of clean energy jobs through the transition, there is persistent uncertainty regarding the capacity and the capability of the regions to capitalise on these benefits in the short- and longer-terms.

There is an enduring knowledge gap about the capacity of regional Australia to meet the growing demand for clean energy workers. Capacity analysis has historically been treated as an afterthought in Renewable Energy Zone (REZ) planning. Siting determinations typically occur prior to any analysis of workforce and infrastructure readiness to accommodate job growth. The Queensland Energy and Jobs Plan anticipates creating up to 100,000 direct and indirect jobs across twelve REZs, some of which are up to 400km away from major population centres.2 Just one study has examined localised worker capacity to deliver the renewable project pipelines in detail, which projected insufficient supply in three of the four REZs studied.3

The absence of rigorous regional capacity analysis affects capability planning. The Report documents numerous barriers concerning training and education that need to be addressed for regional Australia to realise the benefits of new clean energy jobs. For education and training, these include thin markets, the availability of training providers, lack of trainers and facilities. It also

<sup>&</sup>lt;sup>2</sup> The State of Queensland (Department of Energy and Public Works), 2023. 2023 Queensland Renewable Energy Zone

Wright, S. and Nagrath, K., 2022. Employment, Skills and Supply Chains: Renewable Energy in NSW - Final Report. Sydney: University of Technology Sydney and SGS Economics and Planning. URL: https://www.uts.edu.au/sites/default/files/2022-09/employment-skills-and-supply-chains-renewable-energy-in-nsw-final-report.pdf

catalogues the numerous barriers to participation to First Nation communities. If these challenges are not resolved, regional and First Nations communities may be locked out of new jobs, which would then be filled by domestic or international migration. This poses a pressing risk to social license and the delivery of clean energy projects that is poorly understood by governments. We therefore recommend that Roadmap Opportunity 9 is best tackled in conjunction with Roadmap Opportunities 11 and 12:

- 11. Develop a regional Australia jobs and skills roadmap to identify the key steps in enhancing regional Australia's human capital in ways that will ensure success in meeting regional employment opportunities.
- 12. Co-create a First Nations workforce roadmap in partnership with First Nations people and with key partners in the national skills system.

A regional jobs and skills roadmap should also grapple with Australia's ambitions of becoming a clean energy superpower. While these ambitions depend on a swift transition to net zero, early planning for emerging industries such as clean hydrogen would match skill supply with growing demand. There has been limited treatment of the future workforce and skill demands of the hydrogen industry across the supply chain. The National Hydrogen Strategy (2019) promised nationally consistent training materials, but deferred action pending an analysis of skill demand over time. This work remains outstanding, having been passed back and forth between state and commonwealth governments. A roadmap of regional jobs and skills could address this gap and enable a nationally consistent approach to hydrogen training development.

JSA is to be commended for their efforts in delivering *The Clean Energy Generation*. The Report outlined a comprehensive reform agenda necessary to secure Australia's transition to net zero. JSA's 2024-25 Work Plan should build on this work and prioritise the Roadmap Opportunities that accelerate this transition. We look forward to working with and supporting JSA to achieve this.

Yours sincerely,

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## Appendix: Signatories to the Careers for Net Zero joint statement



Source: Careers for Net Zero