

## *Social and Economic Justice*

### 10. A SAFE CLIMATE WITH GOOD UNION JOBS

#### **Climate change is a threat to workers**

1. The world faces a climate crisis. The world has already experienced 1.2°C of warming since the pre-industrial era<sup>1</sup>, and warming is increasing by 0.2°C per decade<sup>2</sup>. The last decade, from 2011-2020, was the warmest on record.<sup>3</sup>
2. We are already seeing severe impacts of climate change both in Australia and internationally with significant increases in the frequency and intensity of climate-related disasters such as drought, flooding, bushfires, water scarcity, heatwaves, disruption to food production, inundation of low-lying areas and the loss of coral reefs globally.
3. Global warming presents a major threat to the health and safety of Australian workers, their families and communities, and to Australia's continued economic prosperity. Without urgent national and global action to limit emissions, Australia will be hotter, drier and poorer and subject to more frequent and more dangerous weather events.
4. Workers internationally and in Australia are already being displaced and impacted by climate change. Exposure to extreme heat and bushfire smoke and declining windows in which to carry out bushfire hazard reduction, the declining viability of some agricultural regions with business closures, for instance Victorian dairy closures, and the loss of highly visited coral reefs are already having an impact on Australian workers, with climate change causing job losses and deteriorating working conditions in some industries.

#### **Unions support the Paris Agreement**

5. The international community, through the Paris Agreement, has committed to limiting the rise in temperatures to below 2°C above preindustrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C degrees.
6. Under the Paris Agreement nations are expected to develop short and long term emissions reduction targets and budgets consistent with the Agreement's temperature targets. The Paris Agreement also commits signatories to pursuing a just transition.
7. ACTU supports the Paris Agreement and therefore supports emissions reductions targets consistent with limiting temperature rise to well below 2 degrees and as close as possible to 1.5 degrees. Current IPCC science reports suggest that this is likely to require Australia and other wealthy nations achieving net zero emissions before 2050 and supporting developing countries to reduce their emissions and to adapt to climate change.

---

<sup>1</sup> World Meteorological Organisation, The State of the Global Climate 2020, April 2021

<sup>2</sup> <https://climate.nasa.gov/evidence/>

<sup>3</sup> WMO, *ibid*,

8. Globally there is increasing momentum for nations to adopt net zero emissions targets by 2050 and earlier. In addition, many of our allies and trading partners are adopting targets to cut emissions by around 50% by 2030. The earlier nations reduce emissions and reach net zero emissions, the greater the chances of meeting the Paris Agreement's temperature targets.
9. Australia has not committed to net zero emissions by 2050 and the Coalition Federal Government's target to reduce emissions by 26-28% by 2030 is not consistent with Paris Agreement temperature targets.
10. Congress notes that all of our major trading partners have committed to achieving net zero emissions. The Coalition Government's failure to adopt a net zero emissions target and stronger interim targets jeopardises the future of our export industries as global demand will increasingly favour low or zero emissions sources.
11. Australia has lacked national leadership and policy on climate and energy since the Federal Coalition was elected in 2013. We need much stronger national leadership and policy from the Federal Government on this issue. Through expanded public ownership, improved procurement policy, trade policy, properly resourcing government departments and developing comprehensive industry policy, government has the levers it needs to decarbonise Australia's economy.
12. It is in the best interests of Australian workers that Australia and the rest of the world act with urgency to reduce emissions and ensure a just transition in accordance with the Paris Agreement. Doing so will both reduce the damaging impacts of global warming and ensure that Australia is not left behind by our trade partners and competitors as the world shifts to low emissions goods and services.
13. The costs of inaction are profound compared to the cost of effective action on climate change. Congress affirms that climate change action must be delivered in a way that ensures the cost is shared fairly in the Australian community and economy. Workers and families in the regions and industries that will be disproportionately impacted must be able to secure good jobs and opportunities in new industries which will emerge as part of our response to climate change.

#### **The Paris Agreement requires a national Just Transition plan**

14. The Paris Agreement recognises the need for a just transition for workers and communities. 46 nations have committed to developing a national plan for a just transition and decent green jobs<sup>4</sup>. Australia has made no such commitment and the Coalition Federal Government has no plan to support workers and communities in the transition to net zero emissions.
15. Australia is in the midst of a rapid energy transition that lacks national planning or oversight and is failing to deliver maximum benefits for workers and communities. The Federal Coalition Government's failure to develop and implement coherent energy policy has made Australia's energy transition more painful and less successful than it should be for workers and communities.

---

<sup>4</sup> ILO, [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_721144/lang-en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_721144/lang-en/index.htm)

16. Congress notes that some other national governments, such as Canada, have established Net Zero Advisory Committees with representation from unions, business, environmental organisations, First Nations and academics guiding the nation's climate policy planning. Australia would benefit from a multi-stakeholder approach to setting climate policy and programs, overseeing our nation's journey to zero emissions, and building bipartisan support for action. In Australia there are some regional examples where workers have been properly engaged in policy development, for instance in the development of a Just Transition plan for Collie in Western Australia.
17. It is critical that workers and unions play a leading role in developing a vision for the future of their industries, and that their voices and perspectives are incorporated in climate and energy policy as it is developed by governments and business.

### **Good climate policy is good jobs policy**

18. Congress calls for concerted national and international agreement and investment, both public and private, to avoid catastrophic climate change and to reduce emissions to levels consistent with the Paris Agreement.
19. Congress recognises that Aboriginal & Torres Strait Islander communities, along with Indigenous communities globally, are the most severely impacted communities when it comes to climate change. The union movement supports the continuing struggles of First Nations people to have rights to land and responsibility for leading the rehabilitation and management of their traditional country. The views of Traditional Owners need to be fully considered with respect to new energy projects and consideration given as to how they will share in the benefits of these projects.
20. Congress supports the proper resourcing of Australia's public services and publicly-funded research organisations to enable their critical contribution to improving Australia's environment and tackling climate change.
21. Climate change will impact every sector of the Australian economy, and therefore we need sectoral plans developed by workers, government and business to plan and maximise the benefits of the shift to net zero emissions.
22. Australia should achieve net zero emissions domestically, to maximise job creation that will come from the development of zero emissions industries and industries that draw down emissions such as reforestation and bioenergy with carbon storage.
23. As Australia develops low carbon industries, we need to ensure workers have the skills these industries need, in some cases building on workers existing skills. This will require industry and workforce planning and training and investment in vocational education providers including TAFE to ensure we foresee, and act to address, any future skills shortages.

### **Carbon pricing**

24. Congress notes that during the brief period that Australia had a carbon price, emissions fell, the economy grew strongly, and the revenue raised was used to protect households, workers and industries that were vulnerable to the impacts of a carbon price.
25. Congress notes that Australia's lack of an economy-wide carbon price means that Australia's exports may be targeted by countries that have carbon pricing through the imposition of a carbon border adjustment mechanism. Unlike a domestic carbon price in Australia, any revenue raised through a carbon border adjustment mechanism would be paid to overseas nations, and would not support Australia's transition to net zero emissions.
26. Congress notes that many investment decisions are already being made with a 'shadow carbon price', demonstrating that industry is anticipating, and can see the value in, pricing carbon.

### **Energy planning and policy unlocks new industries and emissions reductions in other sectors**

27. Congress notes that, while all sectors of the Australian economy need to contribute to emissions reductions, decarbonising the electricity system as quickly as possible is critical to meeting commitments under the Paris Agreement.
28. This is particularly important when considering the energy sector has mature technology and a lower carbon abatement cost compared with most other sectors, and that we are likely to need more electrification to reduce emissions in other sectors such as transport and heavy industry.
29. Due to our abundant world class renewable energy resources, Australia should be at the forefront of the global clean energy industry, reaping the significant social, economic, employment and environmental benefits that are on offer and capitalising on our outstanding renewable energy resources.
30. Congress notes that the only remaining national policy driving energy investment- the national Renewable Energy Target- is now fully subscribed and there is no stable national policy framework to continue to drive renewable investment and deployment. In the absence of national leadership state governments are stepping in with their own programs, though this lacks both the resources and coordination that could be achieved with national leadership.
31. Congress notes that the Coalition scrapped many energy programs that were working to reduce emissions and encourage investment in the energy sector, including a price on carbon, national energy efficiency programs and funding to support workers and communities in transition.
32. The Coalition Government's Technology Investment Roadmap, while a step towards industry policy, is not a plan to decarbonise Australia's economy. It is no substitute for a genuine plan to reduce carbon emissions, while supporting industries, communities and workers in the process.
33. Congress calls for a workable emissions reduction mechanism for the electricity sector that will allow Australia to meet its commitments under the Paris agreement whilst equitably distributing benefits and costs of the mechanism.

34. Energy policy should plan for and incentivise new electricity generation and storage in regions that have traditionally powered the nation. These regions, with significant employment in coal and gas electricity generation, have relevant skills and experience, are ideally located within the electricity grid, and will need new jobs and economic activity as fossil fuel electricity generation declines.
35. Congress notes that the nation is in the midst of an energy storage boom and believes that increased energy storage is critical for transitioning to a reliable, modern, and sustainable energy system. Affordable and reliable clean energy will be provided through the use of renewable energy with energy storage technologies including batteries, pumped hydro, demand management and, potentially, hydrogen.
36. Energy markets should serve the needs of the Australian community, not deliver profits to a few large companies. Australia's domestic energy needs, whether from renewable energy or fossil fuels, should be prioritised over the needs of export markets or private investors.
37. Congress considers that the privatisation of electricity generation, distribution and retail is a failed neoliberal experiment that has resulted in rising electricity prices, critical job losses in regional areas and diminished government capacity to invest directly in clean energy production.
38. Energy companies need to be, where necessary and appropriate, restructured and reclaimed to the public sector to allow for such democratic involvement of those affected with public oversight, including greater workers' participation.
39. Congress calls for governments to democratise the energy market and to rebuild publicly owned capability in the generation of renewable energy and storage. Government policy should also support household and community investment in renewables, encourage cooperatives and other local modes of energy production.

### **Secure new energy jobs**

40. Congress notes that over 100 years of union organising in coal mining and decades of organising in the oil and gas sectors have led to the development of good union agreements in these industries. Congress commits to support unions organising to improve the quality and security of jobs in renewable energy, and calls on governments, investors and the renewable energy sector to facilitate and support these efforts.
41. Congress is concerned at the proliferation of low paid, insecure work mainly delivered through labour hire practices that are currently present in the private renewable sector, particularly in the large scale solar sector. Making these jobs well paid, decent, safe and secure must be a priority.
42. Government has a role to play in ensuring new energy jobs are secure through both direct investment in renewables and storage as well provision of employment through ongoing public ownership. Government must also work to ensure minimum labour standards in the private renewable sector.
43. Energy projects receiving public funding or loans, through contracts for difference, power purchase agreements, support from the CEFC, or other emerging arrangements should be

required to directly employ their construction and operations workforces in secure jobs and offer apprenticeships.

44. Any energy projects receiving public funding, loans or other forms of government support should be subject to local content requirements to support Australian manufacturers and local suppliers and installers.
45. Congress calls on all governments to adopt procurement policies that promote local production of low carbon goods and services.

### **Energy Planning**

46. Investing in electricity transmission upgrades and new transmission lines will support Australia's energy transition, maintain energy security and deliver high quality regional jobs. As important as investing in extensions to Australia's current transmission system is investing in upgrading, maintaining and servicing transmission networks
47. Congress recognises the rigorous planning process carried out by AEMO to plan the future electricity network. However, under current processes AEMO does not consider the broader economic benefits that should be realised in planning the future of the network, such as maximising new jobs or the protection of employment in fossil fuel regions if new energy projects are located in these areas. The future electricity system should be planned and built to deliver good employment, social and just transition outcomes, alongside affordable zero-emissions electricity. Full implementation of such measures will require amendments to the National Electricity Law and associated regulations and Rules.
48. AEMO Integrated System Planning should be based on clear emissions reduction targets and incorporate social and economic objectives to address inequality and ensure a just transition. Such measures will require amendments to the National Electricity Law and associated regulations and Rules.

### **Offshore renewables**

49. Congress recognises the potential for offshore renewable energy to contribute to the decarbonisation of the electricity grid and to create jobs and re-use the transmission grid in areas where coal-fired power stations are scheduled to close. Offshore renewables could reduce the need for expensive transmission and storage. Offshore renewable resources have so far not been properly incorporated into AEMO's planning processes or research and planning carried out by the CSIRO, ARENA and the CEFC. This needs to be rectified immediately.
50. Large and viable offshore wind projects are not currently able to proceed due to a lack of legislation allowing projects to be built in Commonwealth waters. Congress calls for legislation that harmonises offshore renewables into the WHS Act and prioritises the allocation of licences according to the social benefit of projects.

### **Skills and Training**

51. As Australia moves towards a clean energy future, we will require additional measures to assist the transition of people and skills between sectors and into emerging technology sectors, including through industry and workforce planning, development, skills and

training. Care should be taken to mitigate skills shortages that might otherwise emerge as a barrier to investment in new industries.

52. In consultation with unions and business, Governments at all levels must significantly increase training opportunities for existing workers and develop a comprehensive 'workforce development plan' for a low carbon economy. This plan must include investment in TAFE as the public vocational education provider, to deliver this training, particularly in regional and remote communities.

### **New Energy manufacturing**

53. Investment and policy support to reduce emissions and improve energy efficiency and productivity across our economy will create jobs while reducing energy bills for businesses and households.
54. Creating new industries that take advantage of Australia's world-class renewable energy and minerals industries to produce zero emissions metals and mineral products can create thousands of jobs in regional Australia and position our nation at the forefront of low-carbon economic activity.
55. Shifting away from being just a supplier of raw materials to insecure global markets towards being able to value-add and manufacture low emissions products will drive new technologies, skills and job creation.
56. Congress calls on governments to ensure that Australia is at the forefront of industries that are emerging to solve the climate crisis such as hydrogen, green steel and renewable energy powered manufacturing and minerals processing, and that these industries are developed in a manner that creates secure, high quality jobs for Australian workers.

### **Ensuring a Just Transition for workers and communities**

57. Congress calls for the establishment of a national Energy Transition Authority to oversee the orderly and equitable transition of the energy sector to net zero emissions.
58. Communities that are facing transitions should flourish, not just survive. If we manage the transition well, we can have a structured and equitable approach that could apply to any industry undergoing similar change in the future.
59. Congress calls for a Just Transition in the energy sector that:
  - a) ensures equitable sharing of responsibilities and fair distribution of the costs: no-one should be forced to bear a disproportionate burden of the transition costs;
  - b) includes institutionalised formal consultations with relevant stakeholders at national, regional, remote and sectoral levels, including trade unions, employers and communities;
  - c) promotes clean secure job opportunities and the greening of existing jobs and industries through public and private investment in low carbon development strategies and technologies in all nations and the appropriate educational qualifications that enhance workers' capacity;

- d) works collaboratively with vocational education and training providers, including TAFE, to further develop programs to support the education, training, retraining and life-long learning for workers, their families and their communities;
  - e) organises and invests in economic and employment diversification initiatives within sectors and communities at risk;
  - f) encompasses social protection measures (active labour market policies, access to health services, social insurances, among others); and
  - g) is grounded in respect for and protection of human and labour rights.
60. The delivery of these objectives needs to be proactively coordinated and planned at national level. Congress calls for the establishment of a national Energy Transition Authority to oversee and support the orderly and equitable transition of the energy sector. The key foci of the authority would be to minimise negative impacts of power plant closures on workers and their communities and maximise the potential positive impacts of the energy transition
61. For workers, we see the Energy Transition Authority as having the following main responsibilities initially:
- a) Overseeing the orderly retirement of Australia's coal-fired power plants, by ensuring a Just Transition for workers, their families and communities.
  - b) Overseeing an industry-wide multi-employer pooling and redeployment scheme which provides workers from closing sites with the opportunity to transfer to roles with remaining fossil fuel, renewable or low emission generators and other industries, including the provision of education and training where required. The ETA should avoid forced redundancies.
  - c) Administering and developing a labour adjustment package that supports workers transition into new, decent and secure jobs.
  - d) Coordinating social and economic planning for affected regions, including industry planning, as well as the distribution of government services of all kinds.
  - e) Assisting with the development of new industries and employment opportunities for workers in affected communities and targeting investment in renewable energy and energy storage projects in affected communities
  - f) Ensuring that new clean energy projects and industries deliver secure and safe jobs with desirable employment conditions
62. The Just Transition framework should be explicitly outlined in Australia's domestic policy measures and our just transition initiatives must form part of Australia's Nationally Determined Contribution submission to the Paris Agreement.
63. Australian unions are committed to driving the shift to a clean energy economy by ensuring workers in carbon-intensive, trade-exposed industries are supported in the



energy transition through the development of new low carbon industries, retraining and economic diversification of affected regions.

## **Gas**

64. Congress notes that the price of gas has increased significantly since Australia began LNG exports from the East Coast without first introducing an east coast domestic gas reservation scheme. These cost increases are putting significant pressure on gas-reliant manufacturing businesses and increasing energy costs for households.
65. Congress is alarmed that Australia is one of the world's largest gas producers yet is unable to supply our own domestic gas needs in an affordable, reliable and sustainable way for businesses and consumers. It is absurd that Australia gas is being sold into overseas markets at cheaper rates than it is being sold in Australia.
66. Congress calls on the Federal Government to ensure there is adequate and affordable gas for Australian businesses and households by:
  - a) ensuring that domestic gas requirements are met as a priority over export arrangements;
  - b) investing in new policies and programs to electrify households and make them more efficient using Australian energy efficient products and services
  - c) providing assistance to industry to shift away from the use of gas for heat, pressure and power, for examples supporting steel forges to switch to electric arc furnaces
  - d) imposing a flexible minimum gas supply requirement to be applied to current and future projects, whereby the total expected future demand forecast by energy regulators for the East Coast is satisfied for the following year;
  - e) establishing a National Interest Test via an appropriate regulatory body (eg a Domestic Gas Review Board) to scrutinise future LNG projects to determine whether they are in the interests of all Australians.
67. Gas infrastructure should be capable of transporting and burning hydrogen as well as methane to future-proof the gas network and prepare it for a lower emissions future.
68. Congress rejects the argument that any gas supply shortfall is a result of some state government restrictions on the development of onshore gas, given the huge quantities of gas we are exporting.

## **Sustainable transport**

69. Congress notes that transport emissions have been increasing at a faster rate than emissions in other sectors.
70. Under the Coalition Government there has been no effort to support the transport sector to lower its emissions. As a result, carmakers who left Australia due to a lack of support from the Coalition, are now viewing Australia as a dumping ground for their least efficient vehicles, increasing fuel costs and emissions for Australian households and businesses.

71. Congress calls for significant increases in funding for active and public transport, including passenger rail, tram, bus and ferry networks, as a means of reducing emissions, improving public health and creating secure public sector jobs.
72. Planning for freight transport and development of freight infrastructure must include the need to reduce emissions from freight transport – this was not included in the 2019 National Freight and Supply Chain Strategy or the 2020 Productivity Commission Inquiry into National Transport Reform. Reducing emissions will require more efficient multi-modal freight infrastructure and services, including ports and coastal shipping, electrification of transport, as well as investments in the development of new zero carbon fuels and propulsion (such as hydrogen and ammonia) and heavy electric vehicles.
73. Australian unions support efforts to increase the efficiency of, and reinvigorate manufacturing for, Australia's vehicles fleet. As a major supplier of minerals required to build electric vehicles Australia should be at the forefront of electric vehicle manufacturing. Government procurement and policy should ensure that government vehicles are efficient, low emissions and manufactured in Australia to the greatest possible extent.
74. Australia should be investing in the electrification of our transport systems and in the development of new low emissions fuels including hydrogen for heavy transport that cannot be electrified.

### **Worker Engagement**

75. Congress supports workers acting collectively in their workplaces to minimise the workplace impacts of climate change and to drive emissions reductions and environmental improvements in their workplace.
76. The union movement is committed to empowering workers to participate in environmental campaigns and we are committed to representing workers' interest in our policy and advocacy efforts.
77. Workers have an inalienable and democratic right to participate in the decision-making related to environmental concerns in their workplace both through formal industrial mechanisms in general and specifically through their elected Health and Safety Representative.
78. Australian unions recognise the importance of unions leading by example and ensuring our own workplaces reduce their environmental footprint.
79. Congress calls on government to create new clean industries, new secure jobs, new investment and to seize on the opportunity for a more equal and just economy which must include removing all legal and practical barriers to workers bargaining on energy use and related matters.