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AGL Response to the Victorian Energy Jobs Plan Consultation Paper

AGL Energy (AGL) welcomes the opportunity to respond to the Victorian Energy Jobs Plan Consultation Paper (Consultation Paper).

Proudly Australian since 1837, AGL delivers around 4.3 million gas, electricity, and telecommunications services to our residential, small, and large business, and wholesale customers across Australia. We operate Australia's largest electricity generation portfolio and have the largest renewables and storage portfolio of any ASX-listed company, having invested \$4.8 billion in renewable and firming generation over the past 20 years and added more than 2,350 MW of new generation capacity to the grid since 2003.

Building on this, AGL is transitioning to a lower emissions and smart energy future in line with the goals of its [Climate Transition Action Plan](#) (CTAP), which states AGL's updated ambition for decarbonisation. AGL has also committed to repurposing its large thermal generation sites into low carbon industrial energy hubs. These energy hubs aim to support reinvestment into local communities and economies, reduce costs by repurposing existing infrastructure and assets, ensure productive future use of land and existing electrical infrastructure post closure, and provide future jobs for the workforce and next generation as well as local communities.

The energy transition is an industry-wide transformation that will involve significant changes to the way AGL operates. In our CTAP, we set out our approach to supporting workforce transition, acknowledging that labour and skills required to operate our generation assets will change over time. AGL is committed to working constructively with employees and their representatives, as well as state and federal governments, in relation to workforce and site transitions.

AGL strongly supports the Victorian Government's ambition to meet its long-term ambition of net zero greenhouse gas emissions by 2050. We commend the government's focus on developing a Victorian Energy Jobs Plan to support the development of the workforce required to enable the energy transition and help deliver on this net zero ambition.

Increasing awareness of energy transition opportunities

In order to develop the workforce required to enable the energy transition, it is crucial that Australians understand the requirement for the transition, and the opportunities that it presents to workers, as well as more broadly to society.

There is a lack of clarity around what career opportunities exist in the energy sector, what particular jobs entail, and the pathways for entering these jobs. Students may not be aware of the career opportunities that



exist and lack relevant experience, while existing workers from other industries may lack the knowledge of how their skills translate into a career in energy.

AGL recommends the following to promote the energy industry and help raise awareness of job opportunities:

- Industry, government and education providers working together to map out career and training pathways for particular jobs and workers, as well as driving awareness of non-STEM careers in the sector. The CEC and EEC jointly launched the Careers for Net Zero campaign in 2023¹ to help fill Australia's skills gap and encourage job seekers to pursue a clean economy career, of which AGL was a sponsor for its launch.
- Working more closely with industry and skill and education providers to develop industry-led competencies and short courses for transition training (including recognition of prior learning for previous qualifications). For example, plumbers could help meet the expected surge in demand for electricians and/or tradespeople with electrical licences, as restricted electrical licence could be added to the Certificate III in plumbing.
- Distributing information about careers in schools and communities. For example, programs targeted at high school students would help raise awareness of various options available to students, providing multiple skill/education pathways to jobs within the industry and assisting in influencing their career choices.
- Providing students with internships, allowing them to work part-time in a related employment area prior to graduation to build their skills, while also providing the possibility of ongoing work opportunities. For example, AGL's Loy Yang A sponsors undergraduate students with part-time work opportunities whilst they undertake their studies as part of Federation University's Cooperative Education Model.
- Consideration of incentives such as HECS-style relief for relevant courses to encourage uptake in education and skilling in in-demand professions.
- A government-led national advertising campaign to help raise awareness and promote the need for the energy transition, as well as associated job opportunities. The campaign could focus on rebranding the industry as something to be proud of and being part of the energy transition.

Employers will have a large role to play in increasing awareness of energy workforce opportunities. As the Clean Energy Council (CEC) noted in their 2022 report², employers should: ensure that they are meeting high ESG standards; show and promote diversity and inclusion; offer portable entitlements, present to school-aged children living near clean energy projects to drive interest in a career in clean energy; and look to understand and recognise international qualifications and experience.

Attracting and retaining workers in regional areas

To deliver on its renewable energy ambitions, the Victorian Government will need to attract and retain workers in the regions. AGL believes that it is particularly important to focus on *retaining* workers in the regions, given that people who grow up in regional communities may already have established relationships and prefer to stay local. Providing local training and education opportunities, as well as careers, will assist in

¹ <https://careersfornetzero.org.au/articles/the-careers-for-net-zero-fair-26-october-2023>

² CEC [Skilling the Energy Transition 2022](#) report, page 29



retaining local talent. More locally grown skills will also result in less need to compete internationally and may be cheaper than trying to attract city-based workers.

The forthcoming Victorian Worker Training Centres (Wind Worker Training Centre and a Hydrogen Worker Training Centre) offer a major benefit in that they allow Victoria to grow the skills needed locally, leading to less need to compete for those skills both nationally and internationally. Furthermore, if these training centres are located in the regions, especially in areas undergoing a transformation as part of the energy transition, then they would also offer the additional benefits of ensuring that the workers are already in the locations where they are most needed. This would minimise the need to try and persuade people from the major cities to move to regional areas, while also ensuring that those workers displaced as part of the energy transition are given an opportunity to learn new skills that will enable them to make the most of the work opportunities offered by the energy transition.

It is broadly accepted that there are a range of structural barriers to attracting and retaining workers in regional and remote areas. These include, but are not limited to, infrastructure shortages (transport, healthcare, schools etc) and scarcity of affordable housing. Lack of efficient public transport is a significant barrier, especially for apprentices and students who may not be old enough to hold a driver's licence³. Victoria's Housing Statement goes some way to addressing what is required to ensure sufficient affordable housing, particularly in regional areas⁴.

There are also barriers to attracting international workers. According to research by Engineers Australia, migrant engineers perceive a number of barriers to employment in Australia, including the importance that Australian businesses place on Australian experience, the lack of recognition of foreign qualifications and that international experience is not valued⁵. Industry, government and education providers should work together to better understand and recognise prior international learning and experience.

Attracting workers from diverse and underrepresented backgrounds is also important and may require more targeted measures. For example, if people from underrepresented groups are given the opportunity to commence employment as part of a group to support one another and build a network, they may feel more confident to join the industry. Engaging indigenous groups early through school-based learning with a plan for longer-term sustained relationships, and collaborating on opportunities for employment and economic participation, will assist in attracting and retaining workers to the industry.

Furthermore, provision of a workplace culture built on equality, diversity and inclusion, offering flexible training and jobs (e.g., job sharing, part-time work, work-from-home), competitive compensation packages, and opportunities for growth and development, can help the sector compete for skilled workers.

Policy settings to provide market confidence

The government should provide a clear long-term vision for the energy industry, supported by detail underpinning how transitional challenges from the journey to net zero will be identified and overcome.

³ <https://nycinquiry.org.au/addressing-transport-disadvantage-could-be-the-great-job-enabler/>

⁴ [DTP0424_Housing_Statement_v6_FA_WEB.pdf \(content.vic.gov.au\)](https://content.vic.gov.au/DTP0424_Housing_Statement_v6_FA_WEB.pdf)

⁵ <https://www.engineersaustralia.org.au/sites/default/files/resource-files/2021-10/barriers-employment-migrant-engineers.pdf>



Certainty of long-term policy settings, for example through energy targets and support mechanisms, provides a more stable environment for investment in the energy workforce and the energy industry as a whole.

For a whole-of-society focus to ensuring that workers and communities are supported through Australia's transition to net zero, it will be important that the Victorian Energy Jobs Plan links with the aspirations of the Federal Government's Net Zero Economy Authority.

If you would like to discuss any aspect of AGL's submission, please contact Casey Barkla-Jones at cbarkla@agl.com.au.

Yours sincerely,

AGL Energy