# **QUEENSLAND** ENERGY AND JOBS PLAN

Power for generations

# **Queensland Energy Workers' Charter**

## Parties

Parties to this Charter include:

- Australian Manufacturing Workers' Union
- CleanCo Queensland
- Construction, Forestry, Maritime, Mining and Energy Union (Mining and Energy Division)
- CS Energy
- Electrical Trades Union
- Energy Queensland
- Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement
- Powerlink Queensland
- Premier and Minister for the Olympics
- Professionals Australia
- Queensland Hydro
- Stanwell Corporation
- The Services Union.

# Background

- a) The energy sector is undergoing a transformation that will bring about change for the industry, its workforce and the communities and regions it operates in.
- b) The Parties wish to take a positive approach to the energy transformation and are working together to navigate the strategic challenges and opportunities that decarbonising the energy sector presents.
- c) The Parties have agreed to capture some key areas for alignment within this Charter and acknowledge a range of outstanding issues and implementation considerations yet to be resolved (as outlined at Appendix A). The intention is to prepare legislation for Government consideration that will support key provisions in this Charter, and provide certainty for the industry, impacted workers and their communities.
- d) The Charter reflects the Parties intent and goodwill and sets the framework for how the Parties will work together to realise the benefits and mitigate the impacts of the energy transformation.
- e) The Parties understand the community impacts of the energy transformation require separate arrangements and funding.
- f) The Parties note that this Charter is independent of existing industrial instruments relating to energy industry employees.

## Understanding

### 1) Guiding principles

The following guiding principles are agreed to by the Parties and put people first:

- a) **Respect and recognition** recognise the Queensland energy sector is changing and that the Parties are committed to securing positive outcomes for the energy industry workforce, their families, and communities. Respect the contributions of workers in traditional fossil fuel industries.
- b) **Partnership** work together to provide leadership and partner to deliver a smooth transformation for the Queensland energy sector and the communities it operates in.



- c) **Genuine ongoing engagement** committed to consultation with genuine influence on the outcomes on matters that impact people's futures, and to provide greater certainty to workers, communities, and regions about what is changing, when and why.
- d) **Options and choice** empower people to act early and make informed choices; and ensure the right support and assistance is in place to help impacted workers pursue their preferred pathways including supporting the workforce in their personal transition plans.
- e) **Safe, reliable and affordable** support the continued provision of safe, reliable and affordable electricity supply for Queensland.
- g) **Create opportunities** the Parties are invested in Queensland's ongoing success and will work together to identify and create opportunities to make that happen.
- h) **Strong communities** work together positively to articulate what the future looks like for the sector and the communities that support it.

#### 2) Process

- a) The Parties recognise that the best outcomes for the energy industry workforce, the community and for Queensland's energy industry will come from a consultative and connected process to plan and deliver a smooth transformation.
- b) This will rely on good working relationships, open communication and coordination between the workforce and their unions, industry stakeholders and all levels of Government.
- c) An Energy Industry Council (EIC) will be established with tripartite representation from unions, industry, and Government to identify opportunities to support a smooth transformation for workers and their communities.
- d) To assist in effectively planning for a smooth transformation, the Parties agree that:
  - i) energy Government Owned Corporations (GOCs) and their subsidiaries will share information with unions as early as practicable about fleet modernisation and critical skills needs
  - ii) the Parties will work together to support skills development, training programs and future job pathways, so individuals can plan with confidence, and are supported to shape their own destiny and make the right decision for them
  - iii) there will be early alignment between energy GOCs and relevant unions on key communication strategies, noting existing consultation requirements established in relevant industrial instruments
  - iv) energy GOCs and relevant unions will have the opportunity to engage in, and provide input to, the development of a Future Energy Workforce Roadmap
  - v) other parties, including private sector participants, will be encouraged to join the Charter once established
  - vi) funding committed to support this Charter is intended to be applied to reflect and support individual employee pathways
  - vii) current industrial instruments may need to be adapted to meet transition requirements including a requirement for energy GOCs and unions to develop transition plans in consultation with the workforce, as a consequence of the work carried out during the planning phase
  - viii) skills development will be aligned through close collaboration between the Parties and key training partners, including TAFE, and guided by the Future Energy Workforce Roadmap (to be developed)
  - ix) to support skills development, energy GOCs will provide annual critical skill lists to provide visibility to workers on future skills needs.
- e) In establishing the EIC, Government will provide for a secretariat within the relevant department and initial funding to undertake planning to implement the Charter. Within 12 months of formation, the EIC will:
  - (i) provide planning phase advice to Government on the implementation of the commitments contained in this Charter and the Queensland Energy and Jobs Plan, including:
    - 1. advice on costings required to implement this Charter based on initial transition sites
    - 2. options for mechanisms to ensure ongoing funding sufficiency including how the private sector may contribute
    - 3. advice on initial workforce transformation steps, including the effectiveness of the process, timing and key barriers and opportunities, and other implementation-related matters, including any relevant matters outlined in Appendix A
  - (ii) at the completion of the planning phase, consideration will be given to the extent to which other instruments need to be reviewed or modified to ensure consistency with the outcomes of the planning phase including standardisation across the GOCs for transition matters
  - (iii) make recommendations to Government on options which may include the creation of power station-based working groups and community consultative groups to provide feedback and ideas on the support mechanisms that may be required
  - (iv) ensure initial funding is made available for relevant workers who may be impacted first to identify and commence training opportunities where that training or reskilling requires long lead times
  - (v) ensure the first element of implementation is determining appropriate options for individual pathways and the support required, with the involvement of individual workers.
  - Other functions of the EIC will include:

f)

- (i) supporting opportunities for movement across the energy GOC workforce
- (ii) providing insights on the skills and capabilities required to deliver on our future energy infrastructure pipeline
- (iii) providing advice to support the delivery of a Future Energy Workforce Roadmap

- (iv) providing advice on supply chain opportunities with local communities
- (v) providing advice to inform Government consideration on the ongoing allocation and use of the fund
- (vi) reporting to the Minister on an as needs basis or quarterly on the implementation of the Charter and workforce transition.
- g) The Government funding contribution will be held in a dedicated fund and will be open to voluntary contributions from the private sector. The Parties agree to work towards a stand-alone arrangement for the fund.
- h) The role of a Queensland Renewable Energy Jobs Advocate will be created with the function of directly advising the Minister on the implementation of workforce transformation, investigating issues raised by stakeholders and making recommendations to the Minister for resolution.
- i) Expenses related to supporting the work of the EIC, for example funding research, staffing and the role of the Advocate, will be covered through the fund.
- j) To facilitate the commitments in this Charter, including in other clauses of the Charter, it is intended that legislation will be prepared for Government consideration that provides for the establishment of the EIC and its functions, the associated funding, funding to support workers, the Job Security Guarantee, Queensland Renewable Energy Jobs Advocate and provision of certainty for critical skills incentives.

### 3) Certainty

- a) The Government commits to keep all its existing power stations sites open and, during the transformation, to invest in the modernisation of these power stations.
- b) This modernisation will convert these power stations into regional energy hubs, providing ongoing public ownership via renewable energy generation, storage and/or system services and creating ongoing job opportunities.
- c) The existing energy workforce will have the first opportunity for jobs in these regional energy hubs.
- d) From 2027, Queensland's publicly owned coal-fired power units will gradually have their status changed and be repurposed into regional energy hubs in accordance with the Queensland SuperGrid Infrastructure Blueprint.
- e) Ongoing advice to the energy workforce will be provided to confirm changes to the operating status of coal-fired power units once changes have been approved.

#### 4) Supporting the workforce – Job Security Guarantee

- a) The Parties are committed to a transformation program which will:
  - i) assist energy employees to engage early to shape their own destiny and to plan with confidence
  - ii) ensure individual employees are supported to make the right decision for them
  - iii) provide appropriate levels of support to assist individual employees along their chosen transformation pathway.
- b) For this approach to be successful, the Parties recognise that:
  - i) the program will require adequate levels of funding and, as such, Government has set aside both initial funds and a process to identify early any further funding requirements to support energy industry worker choices and promote strong communities
  - ii) funding should be administered as a pooled arrangement as some workers will use more and some less, not a 'use it or lose it' arrangement
  - iii) individual employees will need to be motivated and supported to engage early to make the right decision for them
  - iv) it will be necessary to leverage and coordinate with broader community support programs and available resources including those of other Queensland Government departments and agencies.
- c) The Parties acknowledge Government, unions, and energy GOCs are undertaking best efforts to create sustainable ongoing jobs in Queensland's publicly owned energy businesses as they reposition to clean energy activities. The Job Security Guarantee is underwritten by the Government's investment (including through GOCs) in the energy industry and its people, including sufficient funding for training, relocation and job extension opportunities.
- d) The Job Security Guarantee, for affected energy GOC workers, is as follows:
  - i) Every energy industry worker is guaranteed a job within the Government owned energy sector as it transforms.
  - ii) Every energy industry worker will be offered agreed financial support and options to support transition to their new career.
  - iii) Workers whose existing job no longer exists, and who do not wish to accept the offer of an alternative job in accordance with that commitment, will have access to other options in accordance with this Charter.
  - iv) Every energy industry worker will be encouraged to pursue the options and pathways that best suits their individual circumstances.
- e) The Parties will support the Job Security Guarantee program to ensure affected energy GOC workers have a job pathway option available to them and that workers are encouraged to choose a pathway that best meets their personal circumstances.
- f) Parties recognise that for a successful transition for both workers and for new facilities to be sustainable, the transition package must contain reasonable compensation for benefits that will not apply in the new role. This will ensure a just transition to new work and will represent an end of the transition process.

- g) Energy GOC businesses will assist industry workers to identify the pathway that best suits them, whether that be:
  - exploring available options to continue their energy job within Queensland's energy GOCs supported by: a. establishing options for transfer of salary and accrued benefits and length of service, where appropriate, for any movement across energy GOC businesses or appropriate compensation prior to new role
  - b.accessing additional skills and training support in future energy areas (i.e. a training subsidy for each employee will be available for eligible courses and activities)
  - c. accessing secondments to other employment where available
  - d.providing financial assistance to voluntarily relocate to continue an energy job within Queensland's energy GOCs
  - e. leaving the sector, those employees will be given access to training to pursue opportunities to continue employment outside of the energy sector
  - ii) transitioning to voluntary early retirement or to take up the option of voluntary redundancy
  - iii) the Parties agree that access to and the timing of voluntary redundancy needs to be conditional and subject to mutual acceptance and the need to retain critical skills.
- h) For associated mines, for example Meandu and Kogan Creek, that do not have export capability or alternative markets, (or can demonstrate significant decline in capacity or volumes), the relevant mine's workers will have available to them at least two years prior to scheduled station modernisation:
  - i) access to skills and training support (i.e. a training subsidy will be available for courses and activities) to pursue opportunities to continue their chosen career
  - ii) financial assistance to voluntarily relocate.

i)

#### 5) Power station operations - critical skills

- a) The Parties recognise that the power stations play a critical role in the provision of safe, reliable and affordable electricity to the State. The way this is done is a source of considerable pride to the Queensland Government and energy GOCs and their workforces.
- b) The Parties are committed to safe plant operations and the obligations under the *Work Health and Safety Act 2011*. The safe operation of plant must be at the forefront of resourcing discussion in this process.
- c) The Parties are committed to continuous improvement in operations throughout the transformation.
- d) A focus on risk-based decisions for critical skills will be required, to balance safety, reliability and availability to manage a plant through change.
- e) Compensation will be put in place, where required, to retain power station workers with the critical skills required for the safe operation of plant to the end of asset life.
- f) Where critical power station workers are required to remain but want to access early retirement, transition to retirement programs will be developed to facilitate upskilling of workers wishing to stay and transfer of knowledge between workers including:
  - i. provision for those workers deemed to be critical power station workers to move into training and/or mentoring roles in the workplace and across the industry where available
  - ii. facilitating transition to retirement plans including through reduction in hours/days worked
  - iii. facilitating skills transfer between workers who want to move out of the business and those who want to stay.
- g) The Parties recognise the real need for both stability and consistency for the workforce, so employees can focus on their individual pathways as well as the need for employers to work to proactively provide flexibility to workers where they request access to opportunities in line with their industrial entitlements and/or this charter.

### 6) Improving the sustainability of Queensland's electricity generation

- a) The Parties acknowledge they have a mutual interest in supporting the State's energy future and will continue to explore ways to work collaboratively to shape the future energy system and the implications on the energy industry, their workforces and their communities.
- b) The Parties understand the importance of the energy industry and their workforces to remain successful through building a sustainable long-term business.

#### 7) Towards net zero

a) The Parties note that a range of strategies will be required to achieve net zero economy-wide by 2050. This includes renewable energy, hydrogen, pumped hydro storage, new battery technologies, carbon capture use and storage, and bioenergy.

# In establishing this Charter, the Parties have identified some early key issues which will require further consideration once the Charter commences.

#### Appendix considerations will recognise that:

- the guiding principles will inform the approach to all matters captured below
- deliberations on workforce are respectful of long-term contractors.

#### The parties agree to work to clarify several funding and process considerations, including:

- EIC:
  - » membership
  - » funding methodology and mechanism
  - » local/site-based committees
  - » terms of reference, including reporting arrangements and deliverables
  - » interaction with Jobs Advocate
  - » interaction with existing GOC processes (no duplication)
- funding provided by:
  - » State Government
  - » GOCs

»

» other sources/participants.

# The parties agree to develop a work plan to prioritise and then develop detailed solutions to the following implementation issues:

- job guarantee and benefit package
  - components of benefit package
    - > retraining
    - > relocation expenses
    - approach to salary compensation (fixed-term, one-off payment, with opportunity to review as transformation process evolves)
  - » explore opportunities for worker transfer to other businesses and industries
  - » application to affected workers (including contractors) employed after signing and/or legislating Charter
  - » application to apprentices/trainees still in their training at point of transition
  - » treatment of Enterprise Bargaining Agreement (EBA) 'no forced redundancy obligation'
  - » treatment of accruals at point of transfer
  - » treatment of defined benefit superannuation
  - » approach to salary continuance expectations for those being re-employed by other GOCs
  - » approach to individuals who reject Charter package and remain with EBA terms
  - » interaction with EBAs
  - » approach to GOCs receiving transferred workers and implementation of pooling arrangements
- process to communicate transition package/Charter to workforce
- funding and maintenance of employee benefits accruals
- treatment of contractors and affected workers
- obligations to apprentices and trainees
- interactions beyond energy GOCs (e.g. water, ports) and public and private sector
- supporting families and communities, including arrangements separate to the Charter.

In addition to the above implementation issues, the Parties will incorporate into the work plan other implementation issues that may be raised by the Parties from time to time as well as determine the details and timing of amendment to other instruments that may be necessary to facilitate these.

#### Process to engage

Further consultation and engagement will occur on the process to resolve the issues listed above.



# Queensland Energy Workers' Charter

## Our commitment

Our commitment is to help form the bridge between our proud energy history and our bright energy future. Energy workers within our publicly owned energy businesses have been the backbone of Queensland's secure and reliable energy system. Generations of workers in our traditional power generating assets have helped keep the lights on in Queensland and helped to build our great state. We respect their efforts and contributions while looking ahead to the future and the next generation of energy workers. Our commitment is to put people first and to support workers, their families, their communities and regions to continue to deliver a lasting legacy and prosperous future for Queensland. The signatories are committed to the spirit, principles and actions contained in the Queensland Energy Workers' Charter.

Amtau Polino

Annastacia Palaszczuk MP Premier and Minister for the Olympics

**Stephen Smyth** District President Mining and Energy Union Queensland (a division of the CFMMEU)

**Sean Kelly** Queensland Director Professionals Australia

Signed on 28 September 2022 by:

Mick de Brenni MP Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement

**Neil Henderson** Secretary The Services Union

Peter Ong State Secretary Queensland and Northern Territory Electrical Trades Union

ROWRQ\_

Rohan Webb State Secretary Queensland and Northern Territory Branch Australian Manufacturing Workers' Union

Tom Metcalfe Chief Executive Officer CleanCo Queensland

Michael O'Rourke **Chief Executive Officer** Stanwell

**Prof. Paul Simshauser AM** Chief Executive Officer Powerlink Queensland

Chief Executive Officer CS Energy

Andrew Bills

**Rod Duke Chief Executive Officer Energy Queensland** 

**Chris Evans** Interim Chief Executive Officer Queensland Hydro

#### QUEENSLAND ENERGY AND JOBS PLAN

Power for generations