# 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 1.3°C of warming since the preindustrial era, and warming is increasing by 0.2°C per decade.<sup>1</sup> The last decade, from 2011-2020, was the warmest on record, and 2023 has been confirmed as the warmest single year on record,<sup>2</sup> with the annual temperature average exceeding 1.5 C above pre-industrial levels in some global datasets.<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. Climate change 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. Climate change presents a monumental threat to the global and national economies. At current warming trajectories, climate change is expected to cut global GDP as much as 20% by 2050.<sup>4</sup> Achieving the goals of the Paris Agreement would significantly limit the economic fallout.
- 5. 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, the direct and indirect impacts of climate change on the health workforce, service delivery and supporting infrastructure, disruption of transport and logistics supply chains, the loss of highly visited coral reefs, and many other climate-driven trends are already having an impact on Australian workers, with climate change causing job losses and deteriorating working conditions in many industries.
- 6. Climate change has a range of psychosocial impacts on workers, including stress, anxiety, grief, and depression related to climate disasters, increased socio-economic precarity, and fears around the future. Extreme heat has been clinically associated with post-traumatic stress disorders, anxiety disorders, and dementia.<sup>5</sup> These psychosocial impacts are most acute among vulnerable populations including Aboriginal and Torres Strait Islander Peoples and low-income families—and fall most heavily on women, who disproportionately serve as carers for elderly and disabled relatives most vulnerable to climate impacts, and for young children whose futures are most at risk.

### Unions support the Paris Agreement

7. 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.

<sup>&</sup>lt;sup>5</sup> "Mental Health Impacts of Climate Change Among Vulnerable Populations Globally: An Integrative Review." Annals of Global Health. October 2023; 89(1): 66.



<sup>&</sup>lt;sup>1</sup> "State of the Climate: 2023". Carbon Brief. January 2024.

<sup>&</sup>lt;sup>2</sup> "2023 will be the warmest year on record." European Commission Climate Change Service. November 2023.

<sup>&</sup>lt;sup>3</sup> "State of the Climate: 2023". Carbon Brief. January 2024.

<sup>&</sup>lt;sup>4</sup> "The Global Economic Costs of Climate Change Inaction." Oxford Economics. December 2022.

- 8. 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.
- 9. The First Global Stocktake under the Paris Agreement, adopted by all countries at the UNFCCC COP28, emphasizes the urgent need to keep the 1.5°C goal within reach, recognizing that the impacts of climate change will be much less severe at a temperature increase of 1.5°C than at a temperature increase of 2°C.<sup>6</sup>
- 10. The First Global Stocktake recognizes that meeting the 1.5°C goal with no or limited overshoot requires global greenhouse gas emissions to peak by 2025, reduce 43% below 2019 levels by 2035, reduce 60% below 2019 levels by 2035, and reach net zero by 2050.
- 11. To meet the goals of the Paris Agreement, all unabated fossil fuels must be phased out by 2050, with accelerating action in this critical decade, and abatement used only as a backstop.
- 12. Congress notes the transition away from unabated fossil fuels is underway. Closure timelines for thermal generators in Australia are being brought forward as the grid decarbonises in line with emissions reduction targets set by businesses and governments. Some states have begun to ban gas in new homes, in line with state-based decarbonisation goals.
- 13. 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. 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.
- 14. Australia has adopted a goal of 43% emissions reduction below 2005 levels by 2030 and net zero by 2050. Independent analysis from Climate Action Tracker concludes the current 2030 goal is not aligned with limiting warming to 1.5°C.<sup>7</sup>
- 15. Under the Paris Agreement, Australia is required to submit its 2035 emissions target and Nationally Determined Contribution (NDC) in 2025. The First Global Stocktake concluded that global emissions must fall 60% below 2019 levels by 2035, or approximately 68% below 2005 levels. This global average does not reflect any "fair share" analysis taking into account individual countries' respective economic capabilities and historic and per capita emissions profiles. Australia should adopt a 2035 emissions target that exceeds the commitment already made at COP28.
- 16. Congress notes that several States have already set 2035 emissions reduction targets. Victoria has set a target to reduce emissions 75-80% below 2005 levels by 2035; Queensland has set a target of 75%; and New South Wales has set a target of 70%.
- 17. Congress welcomes the creation at COP28 of the UNFCCC Just Transition Work Programme, and its inclusion for the first time in COP history of language recognising the importance of "social dialogue, social protection, and the recognition of labour rights," as well as "social protection so as to mitigate potential impacts associated with the transition." Australia must engage in the Just Transition Work Programme with the goal of making just transition planning a mandatory component of all NDCs, not an optional add-on. Congress calls on the Australian government to lead by example by incorporating just transition into the NDC it submits to the UNFCCC in 2025.
- 18. Congress calls for the UNFCCC's New Collective Quantified Goal to reflect the levels of climate finance needed by developing countries to adapt to climate change and transition to net zero, and to embed just



<sup>&</sup>lt;sup>6</sup> Outcome of the First Global Stocktake. United Nations Framework Convention on Climate Change. 13 December 2023.

<sup>&</sup>lt;sup>7</sup> Australia: Country Summary. Climate Action Tracker. 11 December 2023.

transition principles to ensure those finance transfers benefit workers and communities on the ground in those countries.

- 19. Congress notes that under the previous Federal Coalition government, Australia lacked national climate leadership, with Climate Action Tracker rating Australian climate policy as "Highly Insufficient" over the decade of Coalition government. The current ALP government has made significant progress catching up after a decade of delay and denial, improving Australian climate policy to a current rating of merely "Insufficient."<sup>8</sup> The coming years represent an opportunity to increase ambition and align Australian climate policy with the goals of the Paris Agreement. Through expanded public ownership, improved procurement policy, trade policy, properly resourcing government departments and developing comprehensive industry policy, government must leverage the tools at its disposal to accelerate the decarbonisation of Australia's economy and should use them to their fullest potential.
- 20. Congress notes that all of our major trading partners have committed to achieving net zero emissions. Failure to plan and invest accordingly could jeopardise the future of our export industries, as global demand will increasingly favour low or zero emissions sources.
- 21. 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.
- 22. Congress notes that the rewards of ambitious climate action are equally significant, with the potential for nation-building economic prosperity and wealth generation, improved public health and quality of life, and the creation of hundreds of thousands and potentially millions of new jobs. The rewards of a successful transition to a net zero economy must be shared equitably across Australian society.

## Paris-aligned climate policy requires ambitious industry policy

- 23. Congress recognises that the energy transition to net zero is the central policy challenge of our generation and the most significant economic and jobs opportunity since the Industrial Revolution. Decarbonising Australia's economy offers a chance to grow sovereign capabilities, reindustrialise the nation, boost development in our regions and take cost of living pressure off households and businesses. Ensuring that the energy transition and accompanying industrial transformation fulfills this potential and benefits all Australians will require the active involvement of government to drive and coordinate economic development.
- 24. Neoliberal, "free market" policies have for decades failed to deliver a transition at the scale and pace necessary to avert dangerous warming. With only two and a half decades left to decarbonise the economy, government must marshal unprecedented ambition and play a strong role setting policy, driving innovation, generating markets, investing in key industries, and collaborating on equal footing with the private sector, unions, and other stakeholders. Government can no longer afford a hands-off, direction-agnostic economic approach. To achieve net zero by 2050, tackle the climate challenge, and realise the opportunities before us, we need a mission-oriented approach that embraces bold climate industry policy.
- 25. Successful climate industry policy requires historic levels of public investment, outcomes-based budgeting, and clear, ambitious policy frameworks to "crowd in" and guide private investment. It should also actively support state and territory governments to increase their share of public ownership and control of critical assets to ensure they are managed in the public interest.
- 26. Successful climate industry policy requires strong conditionalities to ensure the advent of new clean industries delivers genuine social benefit—including safe, secure, and well paid jobs to the Australian



<sup>&</sup>lt;sup>8</sup> Ibid.

public. This principle applies to all areas net zero policy and investment support outlined in subsequent sections of this document.

- 27. Governments around the world are passing ambitious climate industry policies and making historic investments in the transition, including the United States through the Inflation Reduction Act, the E.U. through its Green Deal, and Canada through its 2023 clean energy tax credits. These policies are equivalent to around 2-3 per cent of GDP over a number of years. These climate industry policies contain strong conditionalities, including on wages, fair labour conditions, apprenticeship utilisation, low-income and Aboriginal and Torres Strait Islander peoples benefit, local manufacture. and just transition. Australia's conditionalities must meet or exceed those already in place in analogous economies.
- 28. In order to compete in this "race to the top", seize the natural advantage inherent in our abundant sun, wind, and mineral resources, and realise our potential as a "renewable superpower", Australia needs an ambitious, proportionate, and uniquely Australian response. Failure to develop a suitably ambitious climate industry policy risks seeing Australia not only fall short of its own climate targets, but increasingly get left behind as other countries secure the bulk of investment, jobs, and supply chains necessary for the transition.
- 29. Congress notes the transformative power of workers' capital in delivering high returns for members' while investing in the renewable energy transition required by the climate crisis. Workers' capital is well placed to invest in long term sustainable finance initiatives as these generate sustainable high returns and mitigate climate-related financial risks while helping to ensure a just transition for workers and a stable environment for workers to retire into. Australian climate industry policy must incorporate and harness the power of workers' capital to drive the net zero transformation.
- 30. An effective and comprehensive Australian climate industry policy requires a step-change in government policy and investment support in at least five major areas:
  - a. Clean exports and manufacturing industries.
  - b. Electrification, decarbonisation and efficiency for buildings and transport.
  - c. Renewable energy generation and storage.
  - d. Climate adaptation and resilience.
  - e. Fire, rescue and emergency preparedness and response to emergencies related to climate change and renewable energy.

### Good climate policy creates good union jobs

- 31. 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.
- 32. 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.
- 33. 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.
- 34. The transition to net zero in Australia is projected to create as many as 1-2 million new direct jobs by 2050.<sup>9</sup> The Sunshot reports that 400,000 new jobs could be created by 2040 in clean exports alone<sup>10</sup>,

<sup>&</sup>lt;sup>10</sup> "Sunshot in 2023: Accelerating towards Australia's renewable exports opportunity." Accenture. March 2023



<sup>&</sup>lt;sup>9</sup> "Pathways to Industrial Decarbonisation." Australian Industry Energy Transitions Initiative. February 2023.

while Jobs and Skills Australia has found that demand for critical clean energy occupations will grow by the hundreds of thousands in the coming decades.<sup>11</sup>

- 35. 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 reafforestation and bioenergy with carbon storage.
- 36. Congress notes that over 100 years of union organising in coal mining and decades of organising in the oil and gas sectors has led to the development of good union agreements in these industries. As these industries begin to phase down in line with decarbonisation goals, Australia must phase in clean energy jobs with pay and conditions that match. 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.
- 37. Congress is concerned at the proliferation of low paid, insecure work mainly delivered through casual and 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.
- 38. Government has a role to play in direct investment in renewables and storage as well the provision of employment through ongoing public ownership and must work must work to ensure fair labour standards both in publicly owned facilities as well as the private renewable sector.
- 39. Fair labour conditionality must be attached to all net zero investment and policy support vehicles and funding, including the Capacity Investment Scheme, the National Reconstruction Fund, the Powering the Regions Fund, Hydrogen Headstart and projects financed by the CEFC, ARENA, and other special investment vehicles. Conditionalities must ensure that support goes to projects and industries that pay fair wages, ensure fair labour conditions, strengthen local supply chains, and invest in training and apprentices, especially for women and Aboriginal and Torres Strait Islander workers. This is critical to ensuring the energy transition does not result in a systemic drop in labour conditions, which would not only hurt workers and their families, but seriously jeopardize the social license required to carry out the transition.
- 40. 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.
- 41. Congress calls on all governments to adopt procurement policies that promote local production of low carbon goods and services.

### Aboriginal and Torres Strait Islander Peoples' justice and the energy transition

- 42. Congress recognises Australia's Aboriginal and Torres Strait Islander Peoples have sustained themselves through climate variance over millennia with their ability to work with nature and their deep knowledge of natural systems. Congress respects this knowledge and lived experience and advocates for the need to embrace Aboriginal and Torres Strait Islander Peoples knowledge in creating effective climate adaptation and resilience strategies across the country.
- 43. Congress notes that the relationship with Land, Water, Country remains fundamental to the identity and way of life of Aboriginal and Torres Strait Islander Peoples, which they have maintained despite the devastating impacts of colonization and forced removal. Given the impacts of climate change are increasingly challenging the ability to protect and maintain land and water systems, utilizing Aboriginal and Torres Strait Islander knowledge systems in climate adaptation and resilience is essential for



<sup>&</sup>lt;sup>11</sup> "The Clean Energy Generation." Jobs and Skills Australia. October 2023.

protecting Aboriginal and Torres Strait Islander peoples' identity and culture, and informing Australia's broader climate adaptation and resilience strategies.

- 44. Congress calls for incorporating longstanding scientific knowledge traditions and developed experiences of Aboriginal and Torres Strait Islander Peoples into Australian school curriculums. While broadening climate knowledge and skills, this will also provide an opportunity for teachers to engage all students in respect and recognition of the world's oldest continuous living cultures.
- 45. 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 Aboriginal and Torres Strait Islander peoples to have rights to land and sea and responsibility for leading the rehabilitation and management of their traditional country. The majority view of relevant Traditional Owners needs 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. This requires informative, iterative, and substantial consultation with Aboriginal and Torres Strait Islander communities. The Free, Prior, and Informed Consent of Aboriginal and Torres Strait Islander peoples and communities is essential for the development new energy projects.
- 46. To supercharge Australia's clean energy ambitions by building partnerships with Aboriginal and Torres Strait Islander peoples, Congress calls on government for a well-drafted and ambitious Aboriginal and Torres Strait Islander peoples Clean Energy Strategy that prioritizes Aboriginal and Torres Strait Islander peoples benefit through access, equity, and participation in the clean energy transition. The strategy should be aimed at prioritising the incorporation of Free Prior and Informed Consent into law and policy to facilitate Aboriginal and Torres Strait Islander peoples' self-determination and autonomy in clean energy development while creating monitoring and legal frameworks for the strategy's implementation that ensure equitable benefit-sharing for Aboriginal and Torres Strait Islander peoples. The strategy should:
  - a. Maximise the opportunities to develop community-driven, decentralized renewable energy systems that capitalize on Aboriginal and Torres Strait Islander peoples skills, experience, and energy needs.
  - b. Provide financial support for increased Aboriginal and Torres Strait Islander peoples ownership of clean energy infrastructure and to enhance the Aboriginal and Torres Strait Islander peoples capacity to negotiate partnerships and benefit-sharing agreements.
  - c. Remove structural barriers to Aboriginal and Torres Strait Islander peoples participation in the clean energy workforce by investing in enhancing cultural safety and new career transition pathways.
  - d. Be based on the pillars of Respect and Recognition of the ongoing connection of Aboriginal and Torres Strait islanders towards the land and waters of the country while promoting environmental values that define Aboriginal and Torres Strait Islander peoples Identity.

## Net zero by 2050 requires a step-change in support for skills and training

- 47. As Australia develops low carbon industries, we need to ensure workers have the skills these industries need, in most cases building on workers existing skills. This requires a significant increase in industry and workforce planning and training, and investment in vocational education providers with TAFE at the centre, as well as industry-led not for profit industry training centres to ensure we foresee and address current and projected future skills shortages.
- 48. 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.
  - a. Including targets for Aboriginal and Torres Strait Islander peoples;
  - And opportunities for economic and employment growth for remote and regional Aboriginal and Torres Strait Islander communities.



- 49. Jobs and Skills Australia's clean energy capacity study found critical shortages among many of the occupations required to deliver the energy transition. For example, an additional 32,000 electricians and electrical workers will be required by 2030, with a further 85,000 required by 2050. Current skills shortages are already jeopardizing Australia's emissions targets and the roll out of renewables, and if not addressed may render them impossible to achieve. The mandatory and absolutely necessary 4-year apprenticeship requirement for many of these trades, increases the urgency of the issue. For example, we only have until 2027 to recruit around 55,000 new apprentice electricians if we are to meet the 2030 target at current completion rates.<sup>12</sup>
- 50. This shortage is global, as countries around the world race to decarbonize their electricity networks. We will only deliver our clean energy future by massively expanding and transforming our approach to workforce training and development. Governments at all levels must take an ambitious approach, which could include:
  - a. Urgently mapping the capacity of existing industry to expand and scale their apprentice uptake, to inform supportive Government policies.
  - b. Building on the National Skills Agreement with expanded investment in TAFE as the central provider of vocational education, and not for profit industry training centres, with the level of investment calibrated to meet or exceed projected future workforce demand highlighted in the Clean Energy Capacity Study.
  - c. Conditionalities on public support for clean industry employers, including apprenticeship utilisation benchmarks, and contributions to public net zero training funds.
- 51. With regard to the transitioning energy workforce, Jobs and Skills Australia notes that "while some transitioning workers will move into clean energy jobs, this isn't the only (or necessarily the best) outcome", and that targeted local and individual support will be needed for these workers and their communities. Workers displaced by the energy transition must be supported with skills and training that prepares them for the quality jobs in their communities, whatever those may be.
- 52. Unions must play a central role in the delivery of training for careers in the net zero economy, both by leveraging their significant industry and skills expertise and by educating trainees on their rights as workers—critical to the creation of a stable, long-term, and growing workforce that can power an industry and maintain social license through the transition.

### Renewable energy, transmission, and storage

- 53. 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.
- 54. 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, heavy industry, clean exports, and household electrification.
- 55. Congress notes that the former Coalition government 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.
- 56. Congress welcomes the commitment made by all countries in the First Global Stocktake adopted at COP28 to triple renewable capacity and double energy efficiency by 2030.
- 57. Congress notes the recent expansion of the Capacity Investment Scheme (CIS), projected to add 32 new gigawatts of renewable energy to the grid by 2030. The expanded CIS currently contains no fair labour conditionalities for private bidders in reverse auctions. If unaddressed, this poses a significant risk

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<sup>&</sup>lt;sup>12</sup> Ibid.

that the renewable generation industry will continue to evolve in a low-road direction on labour, resulting in a marked drop in wages and conditions from legacy energy industries. Congress further notes that the expanded CIS is important but likely not in itself sufficient to reach the goal of tripling renewable generation by 2030, and that further policy support will be needed to reach this goal.

- 58. 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 overall fossil fuel electricity generation declines.
- 59. 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.
- 60. 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.
- 61. 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.
- 62. 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.
- 63. Congress supports the democratisation of the energy market and to rebuild publicly owned capability in the generation of renewable energy and storage. Support is needed for household and community investment in renewables, encourage cooperatives and other local modes of energy production.
- 64. 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, and creating the domestic skills and industry capacity to respond to cable faults.
- 65. 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.
- 66. Congress welcomes the inclusion of emissions reductions in the National Energy Objective (NEO), however, these reforms do not go far enough. The NEO must be reformed to ensure the electricity system delivers against three fundamental elements:
  - a. Protecting the interests of consumers by delivering affordable, reliable, and secure electricity supply.
  - b. Meeting Australia's decarbonisation objectives while ensuring climate resilience.
  - c. Achieving social license by delivering broader social and economic benefits and upholding Aboriginal and Torres Strait Islander peoples' rights.
- 67. Congress notes with alarm the findings of the "Inquiry into Price Gouging and Unfair Pricing Practices" with regard to the rampant practice by generators of gaming of the National Electricity Market (NEM) in order to influence prices, and of insider trading of energy derivatives. Government must conduct a



review, chaired by independent expert with input and resources from the AER, AEMO, and ASIC, to evaluate the design and operation of the wholesale market, and consider whether it requires refinements or a fundamental change in the form of a 'capacity market' as in North America and in Western Australia. ASIC should further be provided with a Ministerial Direction to investigate and curtail insider trading in the energy derivatives markets.

- 68. Congress notes with the alarm the documentation of worker abuse in the international solar supply chain and emphasizes the need to develop solar panel supply chains free of forced labour. One solution is to pursue the possibilities raised in recent analyses of the potential for and necessity of the development significant solar PV manufacturing in Australia.<sup>13</sup>
- 69. Congress notes regulatory and planning approvals processes particularly between local and state government and the Commonwealth remain a significant barrier to a rollout at the scale and pace required. Governments must work to simplify, streamline, and enhance staffing and resourcing for regulatory and planning approvals for clean energy, in order to decrease project development timelines while enhancing outcomes on Aboriginal and Torres Strait Islander peoples Rights and environmental protection. Congress notes the need to minimise any risks to ecosystems and endangered species posed by the development of renewable generation and storage, while balancing this imperative against the recognition that climate change poses a grievous risk to all ecosystems. Nature and renewables are both important climate solutions, and the rapid and responsible scaling of renewable generation is necessary to limit the impacts of climate change on nature.

### Offshore renewables

- 70. 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, with higher capacity factors, strong generation at evening peak demand times, and the possibility of serving as variable baseload power sources for large industrial facilities.
- 71. Congress calls for full harmonization of the WHS provisions in the Offshore Electricity Infrastructure Act with the onshore WHS regime, and the adoption of domestic occupational licencing standards.
- 72. To maximise the development of an Australian offshore wind industry, Congress calls on the Commonwealth to develop a comprehensive national Offshore Wind Industry Growth Strategy, and the use of the offshore renewable licencing system to ensure projects deliver good outcomes on jobs, training, apprentices, procurement, manufacturing and Aboriginal and Torres Strait Islander peoples benefits. The government should ensure the use of Australian-made steel in OSW projects and Australian flagging and crewing of specialist vessels for offshore wind construction and operations.
- 73. Congress supports the declaration of offshore renewable energy areas in Gippsland and the Hunter, and upcoming Declarations in western Victoria, the Illawarra, West Australia, and Tasmania. These Declarations must be tied to clear local benefits and delivery of good jobs outcomes for each region.
- 74. Congress rejects the far-right mobilisation to oppose the development of offshore renewables, based largely on misinformation and a desire to delay and disrupt the development of large-scale renewable energy, a non-negotiable prerequisite to achieving our national emissions targets and avoiding climate disaster.

### Clean exports and manufacturing

- 75. 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.
- 76. Creating new industries that take advantage of Australia's world-class renewable energy and minerals industries to produce zero emissions metals, mineral products, and other clean supply chain feed-ins

<sup>&</sup>lt;sup>13</sup> "Silicon to Solar: Foundations for Solar PV Manufacturing in Australia." Australian PV Institute. February 2024.



can create hundreds of thousands of jobs in regional Australia according to the Sunshot report and position our nation at the forefront of low-carbon economic activity.

- 77. 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.
- 78. 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, renewable manufacturing and critical minerals processing, and that these industries are developed in a manner that creates secure, high quality jobs for Australian workers.
- 79. Congress notes that Australia has top five reserves globally of many of the critical minerals key to renewable supply chains.<sup>14</sup> Currently, however, Australia operates primarily on a "dig and ship" model that sees much of the economic and jobs value of these immense natural resources harvested by other countries. To capture this value the Commonwealth must implement bold industry policy to ensure significant and growing onshore processing of critical minerals. The Commonwealth is also responsible for ensuring critical minerals mining operations abide by principles of environmental responsibility and Aboriginal and Torres Strait Islander peoples' rights. The Commonwealth's \$4 billion Critical Minerals Facility is a promising start, but a significant expansion in public investment and policy support will be needed to realise Australia's enormous potential to become the leading global exporter of value-added critical minerals.
- 80. Congress notes that Australia is the largest producer of both iron ore and bauxite in the world.<sup>15</sup> With its superabundance of solar and wind resources, Australia is well placed to become the world's "green forge", producing decarbonised metal products for domestic use and export to global markets, where demand for green metals is slated to increase exponentially. The Commonwealth must undertake a step change in policy and investment support for the green metals sector in order to seize this opportunity. This could include a mixture of grants, loans, and offtake agreements to help decarbonise current iron and steelworks and aluminium smelters, and changes in everything from procurement policy to federal tax incentives to encourage movement up the value chain from iron ore to steel, and from bauxite to alumina to aluminium.
- 81. Congress notes that Australia's superabundance of wind and solar resources also positions us to play a leading role producing green hydrogen for domestic and international markets, with the International Energy Agency and the World Energy Council identifying Australia as a potential hydrogen production powerhouse. The Commonwealth's \$2 billion Hydrogen Headstart program is an important start in achieving that ambition but lacks any fair labour conditionalities. There will need to be significant expansion in the scale of support for green hydrogen, with fair labour conditions, if Australia is to achieve the potential highlighted by the IEA in a way that sees value creation reward Australian workers and communities, not just foreign multinationals.
- 82. Congress notes that Australia has significant opportunities to manufacture key components in the renewable energy supply chain, reindustrialising the nation while ensuring sovereign capability that will ease supply chain bottlenecks currently delaying the pace of transition. Energy analysts have identified opportunities to develop manufacturing capability in battery cells and packs; solar cells, framing, and ingots; wind towers and bases; EV batteries; double and triple glazed windows; and high voltage cables. To onshore these manufacturing facilities, the government must leverage bold industry policy, including the creation of government-owned "common-user facilities" that are leased to the private sector. To reliably incubate new clean industries, CUFs should feature common-use R&D and prototyping facilities, training and skills development for building specialised workforce capabilities and capacity, and institutional frameworks that maximise industry-academic collaborations.
- 83. Noting the importance of electrification of households, and the policies already developed to move houses in the direction of all-electric appliances, Congress emphasizes the need to revitalise Australia's domestic appliance manufacturing industry by encouraging and planning for the manufacture of electrical appliances for domestic use. Opportunities exist in particular for the domestic manufacture of

 <sup>&</sup>lt;sup>14</sup> "Australia's Identified Mineral Resources 2023." Geoscience Australia. March 2024.
<sup>15</sup> Ibid.



large appliances with high foreign import/shipping costs, including electric stoves, hot water heaters, and heat pumps.

- 84. Congress notes that Australia will need to go toe-to-toe with the historic green industry policies being passed in other countries—including the U.S., E.U., Japan, Korea, and Canada in order to effectively compete and fulfill its potential as a leader in clean exports and manufacturing. Australia's "comparative advantage" in and of itself will not be sufficient to compete in fast growing clean energy supply chains. The government must be an active driver and shaper of this mission, in partnership with civil society and the private sector.
- 85. Congress notes that by maximising the growth of its clean exports industries, Australia has the ability to drive up to 8% of global decarbonisation, an enormous contribution for a country representing only 0.1% of the global population. Congress notes further that this is ability is also a responsibility to Australia's Pacific neighbours who are on the front lines of climate change, and given Australia's relatively high sovereign capability and outsize historic contribution to the emissions driving climate change.

## Electrification and efficiency to decarbonise the built environment

- 86. Congress notes that reaching net zero by 2050 will require the electrification of essentially every building and most vehicles in Australia, including homes as well as commercial and industrial properties, and private vehicles as well as heavy and commercial transport vehicles. Energy efficiency will play an important role in reducing the total amount of electricity required to do this. To meet Australia's emissions reduction targets, government must develop a comprehensive plan to decarbonise the built environment and capture the benefits for workers and businesses.
- 87. Congress notes that electrification and efficiency are anti-inflationary and have the potential to save households and businesses money and significantly reduce cost of living pressures by lowering energy bills and reducing their volatility.
- 88. Congress supports appropriately scaled policies to close upfront cost gaps for consumers and businessowners so they can electrify their homes and businesses. Policy support should focus primarily on Aboriginal and Torres Strait Islander peoples' communities, public housing, renters, and low-SES families, along with SME's.
- 89. Congress supports ensuring the reduction of emissions from the construction and use of commercial and industrial buildings through electrification and energy efficiency measures. Congress advocates policy measures to encourage energy efficiency in commercial and industrial buildings and training to enable construction industry workers to benefit from commercial building decarbonization.
- 90. Congress supports Governments playing a lead role investing in electrification and efficiency upgrades for government-owned buildings including public schools, TAFEs, and government owned early childhood education facilities, which in turn will create larger markets for electric appliances and efficiency upgrades, helping to drive down prices.
- 91. Congress supports governments at all levels introducing minimum 'smart' appliance standards that mandate appliance capacity to talk to metering for two-way power flow and time management.
- 92. Congress supports increasing and enforcing building code standards, in line with Australia's sectoral decarbonisation plans.
- 93. Congress supports ensuring that suppliers and installers of energy efficiency and electrification upgrades are suitably qualified and appropriately trained, to keep workers and consumers safe and maintain broad social licence. The rollout must be managed through an appropriate accreditation and licensing regime that delivers fair and ethical employment practices for workers, while ensuring that workers are properly trained to the highest possible standards of safety. Congress notes that many relevant trades are not licenced in most states and territories, and calls on the Australian government to facilitate the extension of a comprehensive trade licensing scheme to all relevant trades, as part of this rollout. A unionised workforce is the best way to maintain high safety standards, prevent against mistakes that could quickly erode social licence, and guard against an influx of 'cowboy contractors'.



94. Congress notes that improvements in electrification technologies increasingly obviate the need for the use of gas in homes and SME businesses, with some states already phasing out gas hookups in new homes. Congress notes further that the use of gas in homes has established and deleterious effects on human and particularly paediatric health, and that the phase out of gas in homes will result in improved public health and cost savings in the medical sector.

#### Sustainable transport

- 95. Congress notes that transport emissions have been increasing at a faster rate than emissions in other sectors. In 2022 the transport sector made up 19% of Australia's emissions and at the current trajectory is projected to be Australia's largest source of emissions by 2030.<sup>16</sup>
- 96. Under the previous Coalition Government there was 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, viewed Australia as a dumping ground for their least efficient vehicles, increasing fuel costs and emissions for Australian households and businesses.
- 97. Congress calls for significant increases in funding for active and adequately staffed public transport, including passenger rail, tram, bus and ferry networks including measures to encourage modal shift and decrease private vehicle relative to public transit use as a means of reducing emissions, improving public health and creating secure public sector jobs.
- 98. Congress welcomes local and state governments' move towards funding and supporting electric and hydrogen vehicles in public passenger transport and calls for government procurement practices to reflect a commitment to develop Australia's capacity to fuel the transition. This means supporting local manufacturing and jobs when sourcing electric and hydrogen powered buses, to ensure that the workforce is properly skilled and trained throughout the supply chain.
- 99. Planning for freight transport and development of freight infrastructure must include the need to reduce emissions from freight transport. Congress welcomes the Government's push to decarbonise freight networks. 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.
- 100. Australia should be investing in the electrification of our transport systems and in the development of new low emissions fuels including hydrogen and renewable diesel for those heavy transport and road freight sectors like long-distance which cannot be electrified using current technology. The safety of workers, consumers, and communities must guide the development of any new fuels.
- 101. Congress supports the roll out incentives to encourage the decarbonisation of heavy vehicles, including in the private road freight sector, where business models typically rely on very low margins. This must be combined with regulatory uniformity regarding zero emissions heavy vehicles across all levels of government. Government incentives to decarbonise heavy vehicle freight must include transport supply chain accountability that ensures employers at the top of the supply chain pay their fair share in decarbonisation efforts.
- 102. Congress supports the creation and enforcement of ambitious and attainable aviation decarbonisation targets and investment in other aviation decarbonisation technologies including the opportunity to develop a Sustainable Aviation Fuel (SAF) sector in Australia.
- 103. Congress welcomes the new national fuel efficiency standards as a means of catching Australia up to the rest of the world, cutting vehicular emissions, and ending the era of Australia as a global dumping ground for high-emissions vehicles. Congress notes that the new standards will save new car owners

<sup>&</sup>lt;sup>16</sup> "Transport and Infrastructure Net Zero Roadmap and Action Plan." Department of Infrastructure, Transport, Regional Development, Communications and the Arts. 2023.



thousands of dollars over the life of the car through avoided fuel costs while significantly improving public health by reducing vehicular air pollution.

- 104. Congress supports policies and incentives to help low- and moderate-income families close the upfront cost gaps in order to purchase electric vehicles, and to invest in a rapid expansion and standardisation of public EV charging and hydrogen infrastructure, including public provision free of charge.
- 105. Congress supports increasing the procurement of electric vehicles in Governments own fleets, with the goal of rapidly transitioning to an all-electric public vehicular fleet.
- 106. 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.

### Climate resilience and adaptation

- 107. Congress urges greater public and private investment in climate resilience and adaptation to reduce the human and economic costs of the climate change impacts already "baked in" by emissions to date. Congress notes that the Department of Treasury estimates that \$1 of spending on resilience now produces \$8.10 in returns by 2050.<sup>17</sup>
- 108. Congress notes that ecosystem management and restoration is a key component of climate adaptation. Healthy ecosystems can play a buffering role, mediating and moderating climate hazards like storm surge, extreme heat, and bushfires. When an ecosystem is degraded, its ability to perform this function is significantly reduced.<sup>18</sup>
- 109. Congress notes that successful climate adaptation requires climate-proofing existing infrastructure, including roads, bridges, power lines, and hospitals, as well as building new adaptive infrastructure including seawalls, drainage systems, community cooling centres, and urban forests. It also requires building and maintaining resilient supply chains, to minimise the impacts of climate change on food and fuel security. Government infrastructure procurement processes must consider climate resilience when comparing competing bids, by accounting for costs over the asset lifetime under alternative scenarios.
- 110. Congress notes that the agricultural and land sector are deeply implicated in climate adaptation. Government must work with communities to develop and implement a comprehensive plan to reduce the agricultural sector's exposure to extreme temperatures, climate disasters, and increasingly volatile growing seasons, while reducing the sector's greenhouse gas emissions.
- 111. Congress calls for the funding and building of a robust national disaster response capability that seeks to mitigate, prepare for, respond to and recover from extreme weather events associated with climate change. That includes a properly resourced, secure, trained, and fairly paid workforce to deliver all four of those elements. As climate disasters worsen and grow more frequent, relying primarily on volunteers to respond is no longer adequate.
- 112. Congress notes that it is essential to ensure employers, unions and communities have access to consistent information, research and recommendations on climate adaptation so that they can plan and prepare for future climate events.
- 113. Employers along with government should be compelled to contribute financially to the long-term climate resilience of their operations, both through government conditionality and union bargaining.
- 114. Congress will campaign and advocate for paid disaster leave to be enshrined under the National Employment Standards (NES) as a standalone provision, noting existing carer's leave can be taken for an emergency necessitating care of another person. Workers should not be forced to risk their safety by going to work during a bushfire, flooding event, hurricane, or other climate disaster. Additionally,

<sup>&</sup>lt;sup>18</sup> "Ecosystem Restoration for People, Nature, and Climate." United Nations Environment Programme, 2021



<sup>&</sup>lt;sup>17</sup> "2023 Intergenerational Report." Department of the Treasury. August 2023.

community service leave—already provided for unpaid under the NES - should be amended to allow for payment. Community members taking time off work to help their neighbours during a disaster should be rewarded, not penalised, for strengthening Australia's adaptive capacity. Industry awards, enterprising bargaining agreements, and government procurement regulations provide other avenues for enshrining paid disaster and community service leave.

- 115. Congress notes the importance of Local Government in responding to climate disasters and adaptation. Local Government should be funded and supported to fulfill this critical role.
- 116. Noting the severe public health impacts of climate change, including through increased air pollution, worsening risk of vector-borne diseases and pandemics, extreme heat stress, and fallout from climate disasters, Congress calls for higher health spending and better policy to increase community access to front line health professionals, therefore strengthening society-wide resilience. For example, expanding their scope of practice will ensure nurses and midwives can increase care provided, in an affordable and person-centred way. Additionally, embedding nurse practitioners in primary health care will help fill the GP shortage across Australia and utilise an existing workforce. Congress notes that health professionals themselves are regularly affect by and working in climate disasters.
- 117. Congress notes that education plays a key role in forging a climate resilient society. Governments have a responsibility to ensure quality climate change education (CCE) for all. Quality CCE is based on science, and addresses the ethical, cultural, political, social and economic dimensions of climate change, and appropriately recognises Aboriginal and Torres Strait Islander peoples' knowledge. CCE is critical to ensuring all students leave education climate-literate and equipped with the skills and knowledge needed to tackle climate change, adapt to uncertainties, and play their part in building a more sustainable future. To meet this challenge, teachers must be trained and supported to provide quality CCE.
- 118. Congress supports conducting a national-level climate risk assessment across all workplaces in the country, with the goal of creating a Climate Risk Rating to reflect the severity of climate health risks to workers at a given workplace and potential adaptive measures.

### Climate and gender

- 119. Congress notes that climate impacts fall disproportionately on women and girls, and that a just transition must take into account the well-documented interactions between climate change and gender inequality.<sup>19</sup>
- 120. Congress recognises that higher rates of casualisation and low pay exacerbate the impacts of climate change on women workers and female dominated industries.
- 121. Congress recognises that traditionally "feminised" sectors—including health workers, teachers and support staff, early childhood education, care workers, and community service workers—represent low-carbon work that strengthens societal resilience and will become more necessary as the social fabric strains under worsening climate impacts. Closing the pay and conditions gap for workers in traditionally "feminised" sectors, and encouraging unionisation and growth in those sectors, will strengthen Australia's adaptive capacity and secure a greater portion of pro-social, low-carbon labour in the economy.
- 122. Congress recognises that Australia's energy transition cannot be achieved without increasing women's participation in historically male dominated occupations in the energy sector and that there is an urgent need to implement evidence informed strategies to overcome the barriers to their participation. This includes hard-wiring pay equity and increased women's participation into workplaces, public investments, procurement and conditionality provisions of policy programs aimed at facilitating the energy transition, including all government investment vehicles such as the CEFC and statutory agencies such as the Net Zero Authority.
  - a. Workplace Barriers: At the workplace these include ensuring access to workplace amenities that are regularly serviced, accessible, suitable, and open for every worker, providing personal protective

<sup>&</sup>lt;sup>19</sup> "How gender inequality and climate change are interconnected." UN Women. February 2022



equipment designed for women, the eradication of gendered workplace and sexual harassment and assault, the implementation of mature industry standards for pregnancy, maternity leave, return to work and breastfeeding and the guarantee of employers to create inclusive workplaces to ensure energy sector workplaces are genuinely accessible to over 50% of the Australian population and attractive to an unconstrained future workforce.

- b. Systemic Barriers: Systemic barriers have ensured that energy sector employers of historically male dominated workforces fail to focus on the opportunities provided through genuinely inclusive workplaces. There is an urgent need for our education systems to encourage women, particularly young women, to contemplate careers in historically male dominated occupational industries, to expand the currently limited recruitment and training pathways designed specifically for women interested in entering the energy sector, and the implementation of conditionality in public investment and procurement targeted to increase women's participation.
- 123. Congress notes that facilitating women's careers in the construction and energy sectors, even when outside the explicit transition policy settings, is essential in meeting the workforce requirements for the transition to net zero. In particular, government must support women's roles in the higher skilled and paid trade and trade-adjacent roles.

## Ensuring a Just Transition for workers and communities

- 124. 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 jobs4. The establishment of the UNFCCC Just Transition Work Programme further enshrines just transition at the heart of the Paris Agreement, and should serve as an impetus for all countries to include just transition plans in all future Nationally Determined Contributions (NDCs).
- 125. 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.
- 126. 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.
- 127. 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;
  - 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);
  - g. is grounded in respect for and protection of human and labour rights;



- h. actively seeks to increase gender diversity, including specific pathways for women entering the sector as well as retraining women once they enter the industry; and
- i. actively seeks to increase representation of Aboriginal and Torres Strait Islander workers in the sector, including specific pathways for Aboriginal and Torres Strait Islander workers entering the sector as well as retraining Aboriginal and Torres Strait Islander peoples workers once they enter the industry.
- 128. Congress welcomes the government's commitment to legislate a new national Net Zero Authority (NZA), tasked with supporting a just transition for workers, coordinating investment in the net zero transition, and driving economic diversification in the transitioning regions. Congress recognises that this policy milestone was the result of over a decade of union and worker advocacy.
- 129. Congress emphasizes that in order to fulfill its mandate, the legislated NZA must:
  - have regulatory power and the ability to place obligations on employers. This includes mechanisms to move displaced workers to other worksites as part of pooled redeployment schemes, while ensuring comparable pay and conditions;
  - support genuine job creation in energy communities set to be affected by major closures, well in advance of those closures occurring, so that displaced workers have good quality jobs to reskill for and eventually move into;
  - c. have the ability to broaden its remit over time to ensure the scope of the supports offered by the NZA can expand as the scope of the transition expands.
- 130. Congress urges the passage of NZA legislation in line with the above and the establishment of the Authority by July 1, 2024.
- 131. The Net Zero Authority and its just transition mandate must form part of Australia's next Nationally Determined Contribution submission to the Paris Agreement.
- 132. Oil, gas and coal companies take full responsibility for the removal, recycling and disposal of their disused infrastructure, and remediation of sites onshore and offshore, including thermal generation sites. The existing workforce at a given site must be given first opportunity to perform this work safely and under good union working conditions. Waste must be recycled to the fullest extent possible. Government must also take steps to secure the long-term safety and security of wells and mines. The existing industry-wide offshore oil and gas levy should be expanded to pay for the required shared infrastructure to build an Australian decommissioning industry.
- 133. Congress notes that the implementation of a just transition is necessary in all sectors and industries undergoing decarbonisation and experiencing the impacts of climate change, including transport, agriculture, health care, construction and many more.
- 134. 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.

### Carbon pricing

- 135. 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.
- 136. Congress recognises the advent of the safeguard mechanism as a central component of Australia's emissions abatement and carbon pricing framework for the industry sector. The mechanism reconciles high-emitting facilities' decarbonisation obligations with their need for a certain and managed transition. Congress recognises further that as emissions 'baselines' under the safeguard decline, trade exposed facilities will be increasingly vulnerable to unfair competition from imports not subject to carbon pricing. A 'carbon border adjustment mechanism' (CBAM) for such imports is a direct and proportionate means of addressing this issue and supporting a level playing field for clean domestic manufacturing.



- 137. Congress notes that Australia's current 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 CBAM, as is slated to happen with the European Union's CBAM. Unlike a domestic carbon price in Australia, however, revenue raised through a CBAM would be paid to overseas nations, and could not be invested in Australia's transition to net zero emissions.
- 138. 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.

#### Gas

- 139. 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.
- 140. Congress notes that after years of failed interventions by the Coalition government, the Mandatory Gas Code of Conduct is the most effective policy to support affordable, reliable supply of gas to domestic users implemented to date. The Government should commit to the code as Australia's long-term market setting policy. Nonetheless, the code's ongoing efficacy should be closely monitored, particularly to ensure it continues to support adequate supply of gas at fair prices.
- 141. Congress is alarmed that Australia is one of the world's largest gas producers yet remains unable to supply our own domestic gas needs in an affordable, reliable and sustainable way for businesses and consumers. It is absurd that Australian gas is often sold into overseas markets at cheaper rates than it is sold in Australia.
- 142. Congress calls for action 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. The use of electricity as opposed to gas as a power source in homes will improve public health and emissions outcomes.<sup>20</sup> The banning of gas connections in new home builds in some states represents a positive first step in this direction.
  - c. providing assistance to industry to shift away from the use of gas for heat and cooking, as well as pressure and power, for example by supporting steel forges to switch to electric arc furnaces. Initiatives such as the Powering the Regions Fund represent a positive initial step in this direction, though ultimately much greater support will be required.
  - 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.
- 143. 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.

### Worker engagement

<sup>&</sup>lt;sup>20</sup> "Health Risks from Indoor Gas Appliances." Australian Journal of General Practice. Volume 51, Issue 12, December 2022.



- 144. Congress supports workers acting collectively in their workplaces and communities to address and minimise the health and safety workplace impacts of climate change and to drive emissions reductions and environmental improvements in their workplace.
- 145. The union movement is committed to empowering workers to participate in climate and environmental campaigns and we are committed to representing workers' interest in our policy and advocacy efforts.
- 146. Workers have an inalienable and democratic right to participate in the decision-making related to climate and environmental concerns in their workplace both through formal industrial mechanisms in general and specifically through their elected Health and Safety Representative.
- 147. There must be genuine and frequent consultation and engagement with affected workers and unions at facilities closing due to the energy transition. Workplace consultation processes should be formalised. Workers must be empowered to plan their own futures. Worker views on work practices should be sought, including for any operational changes made during the transition to closure.
- 148. Australian unions recognise the importance of unions leading by example and ensuring our own workplaces reduce their climate and environmental footprint.
- 149. 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.
- 150. The definition of "allowable matters" must be expanded to include and must not be used to restrict the ability to bargain collectively on climate and environmental issues and embed climate and environmental policies into collective agreements. Climate change effects all workers in all workplaces barring it from consideration in the bargaining process represents an infringement on workers' rights.

### COP31

- 151. Congress strongly supports Australia's bid to co-host the UNFCCC 31st Conference of the Parties (COP31) alongside our Pacific neighbours. Co-hosting COP31 presents several important opportunities for Australia, including:
  - a. elevating the voices of our Pacific neighbours and Pacific trade unions at the forefront of climate change, and strengthening our relationships in a crucial and contested region;
  - b. leading by example and securing bold new domestic climate industry policies worthy of the mantle of global climate leadership;
  - c. putting Australia's clean economy progress and potential on global display in a way that helps build momentum for successful transition here and around the world;
  - d. steering the negotiations on crucial matters such as the delivery of new national commitments, scale-up of climate finance, the centrality of labour rights to the Just Transition Work Programme, and growth of international cooperation in a way that helps move the world closer to the goals of the Paris Agreement and ultimately protect Australia from the worst impacts of climate change.
- 152. Congress emphasises that, if Australia secures the bid to co-host COP31, the union movement stands ready to help organise, host, and steer a successful COP and associated events that fulfills all the above goals.

