

TRANSCRIPT

LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Nuclear Energy Prohibition

Melbourne—Thursday, 25 June 2020

MEMBERS

Mr Cesar Melhem—Chair

Mr Clifford Hayes—Deputy Chair

Mr Matthew Bach

Ms Melina Bath

Mr Jeff Bourman

Mr David Limbrick

Mr Andy Meddick

Dr Samantha Ratnam

Ms Nina Taylor

Ms Sonja Terpstra

PARTICIPATING MEMBERS

Ms Georgie Crozier

Dr Catherine Cumming

Mr David Davis

Mrs Beverley McArthur

Mr Tim Quilty

WITNESS

Mr Daniel Walton, National Secretary, Australian Workers Union (*via videoconference*).

The CHAIR: I declare open the Environment and Planning Committee public hearing for the Inquiry into Nuclear Prohibition. Please ensure all mobile phones are turned to silent and that background noise is minimised. Otherwise if you are joining us via Zoom, please make sure that you have got the mute button on unless you are speaking when you are called by the Chair to speak.

I would like to welcome Mr Daniel Walton, the National Secretary of the AWU. Thank you, Daniel, for making yourself available, and we are looking forward to your contribution. All evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and is further subject to the provisions of the Legislative Council standing orders. Therefore the information that you provide during the hearing is protected by law. However, any comments repeated outside the hearing may not be protected. Any deliberately false or misleading evidence given to the committee may be considered a contempt of Parliament. All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing. The transcript will ultimately be made available and posted on the committee's website.

We have allowed about 5 to 10 minutes for opening remarks—we have got your submission—and then we will go to questions. I apologise that we are running behind schedule, so we have got close to about 45 minutes—over to you.

Mr WALTON: No trouble at all. Thank you very much, and again thanks for the opportunity to present today. Obviously since we put in our submission a few things have changed, so I will try to keep my introductory remarks as brief as possible and give the committee ample time to ask any questions, as warranted. Again I apologise if there are any background noises that come through.

For those of you who are not aware, the Australian Workers Union was set up around 134 years ago in your fair state down at what was once the Fern's Hotel in Ballarat. Our union has been formed off the back of that to become a union which is mixed in terms of resources—from resource extraction to construction materials, through to construction, through agriculture and through a whole variety of other industries—to become quite a diverse and general union. I say these comments today on the back of acknowledging that our union does look after those that work in resource extraction, but our comments are focused on opportunities that can provide enormous benefits to all Australians right across the board.

Our members, by and large, were facing a predicament pre COVID pandemic, which is one of extraordinarily rising energy costs for base load power generation, particularly for those whose work is reliant upon electricity and those that rely upon gas to be able to create the products or the services that they undertake. That has been a backdrop which no doubt you have already heard of and a backdrop which has caused enormous concerns for our members for some period of time.

We have, for quite a while, been big supporters of exploring the options around nuclear energy development in this country. We say that off the back of many, many issues facing our members who are end users who are looking for affordable and reliable power but also acknowledging that as time moves on we are looking to reduce our emissions footprint and our carbon footprint and trying to explore ways that can guarantee energy certainty for business and therefore provide opportunities for our members to have stable employment but to also to do so in a way that reduces our carbon footprint.

Those comments in our submission that were put in were put in pre COVID, and post COVID the threat to our nation—and undoubtedly so, obviously, to a lot of you in Victoria at this point in time going through this pandemic—is that we need to find opportunities to create jobs, opportunities that can create stable and long-term jobs and opportunities that can provide ways to reduce our carbon footprint into the future but that do so in a way that is responsibly managed and that helps people transition through the various forms of power generation that exist at the moment into hopefully reliable and cleaner generation going forward.

I certainly appreciate the opportunity to speak to the committee today. I might leave my introductory remarks there, and I am happy to take any questions.

Ms BATH: Interesting. Just looking at your submission, one of your recommendations talks about commissioning the department of industry to develop a scoping study that will assess economic, environmental and regional benefits to fully realise a nuclear lifecycle industry. I guess just overlaying that, we are a state parliamentary investigation. At a state level, what would a state government, the Victorian government, need to do and what are some of the parameters that you would like to investigate in that?

Mr WALTON: I think above all else there is an enormous opportunity for the state to work alongside the federal government, who have now undertaken two separate rounds of inquiries looking at opportunities for the nation in exploring nuclear energy development. Whilst prohibitions sit in place across most states and federally, we will never really see the true benefits and opportunities available to us. What we have found is a number of people over a period of time have said, 'Well, there's no real interest or engagement from the nuclear community. Those people haven't come and expressed any sorts of views about what's available'. The simple reason is: I think you would struggle to find any real proponents of any business coming to try and sell their wares in a nation where, effectively, the work they do is banned. And that is what we have found that sits in place at the moment.

What we know is through our experience. We are not the experts; I should have probably premised that. Some of my predecessors have been experts in all things. With nuclear energy, I do not profess to be one. I know Dr Mark Ho and others have spoken to you already today. I am sure, no doubt, they were able to answer all of those technical questions. We just see that there is enormous opportunity for your state to be able to explore this and work in a sensible way of trying to explore these technologies if and when they become available—be it small modular reactors or others. Where you are transitioning out of brown coal generation, you need to find ways of having baseload power generation in the state and you want to reduce your carbon footprint—all those things to us seem to stack up to an argument that says, 'Let's explore nuclear energy development'. At least remove the bans and see whether a viable industry could exist in the state.

Mr LIMBRICK: Thank you, Mr Walton, for appearing today and for the very detailed submission that you put in. This morning we heard from the CFMEU about some of the impacts within the energy industry and the impact on their workers, and you are mentioning the impact on your members that work in industries that rely on plentiful energy and reliable energy. Could you please outline some of the impacts on the industries that your members work in, on new ways of managing energy, such as demand management, which we heard about earlier today, where power operators will request that factories or certain large consumers of energy would have to shut down part of their consumption for a while. What sort of impact would that have on the industries that your members work in?

Mr WALTON: Thanks very much for the question. For a lot of our members—the CFMEU talked about this—being able to get in place reliable and consistent power generation is something that certainly heavy industry requires and needs. One of the impacts that have happened for us around the nation in recent years is a lack of gas supply coming into the market, which is putting enormous pressure on those who use gas as a feedstock in terms of making products but also use gas in terms of powering their businesses. We have also seen an incredible ramp up of costs for electricity, and what you find—be it for the likes of the Geelong refinery, be it for Portland, be it for Western Port steelworks, be it for a bunch of operations which are in your backyard—is that those prices and the cost of doing business have been going up extraordinarily over a period of time. For a long time in manufacturing the pressure has been put and the spotlight has been put on workers, in terms of their wages making businesses uncompetitive. What we have found right around the country is that that narrative is now switching into energy—that energy is fundamentally the break in the nexus of whether or not we can have a viable manufacturing industry going forward.

Most of you who have operated in this space, including the Chair of this committee for some period of time, understand as well that most of these industries were set up off the back of a competitive advantage, being cheap energy. That competitive energy has disappeared. We are paying some of the world's highest prices, and so we need to find solutions that can reduce the cost of production for our operations, which means for us our members have got decent viable jobs, they have good paying jobs and they can contribute back to the economy and provide for their families.

What we have seen happen recently is that businesses are starting to transition into ways to try and manage peak loads. I can give you examples. Up in Tomago, in northern New South Wales, there is one where they monitor the price of electricity on a minute-by-minute basis. At certain intervals throughout the day, when the

prices go in peak demand they start curtailing operation and production so that they can reduce their operating costs, because effectively operating through that 10-minute block, that half an hour block, hour block, makes them uncompetitive. And that story is being replicated out across the board in a range of others where effectively production is cutting back because our energy prices are so high.

All of that being said, we need to work out what a transition is as people start moving away from coal-powered generation, which is happening around the place. We need to do that in a sensible and steady way. We have long been proponents of saying gas provides that solution stepping in, but we would also like to think that we should be using all the tools at our disposal to see that if nuclear energy can become an option for our country we have got the resources at our back door. We have got a stable and sensible democracy—99 per cent of the time—we are good proponents and we are a very good country to be able to develop this industry and to be able to safely operate in this country. That being said, I understand there are a huge amount of hurdles to get through. But the simple point out of all of this is at the moment there is a big issue for manufacturers in particular in this country, heavy manufacturing in particular, to get cheap and affordable power, be it through gas, be it through electricity. We think that unless we get some certainty around there we are going to see more and more jobs disappear. We think that nuclear energy could be a viable long-term solution for our nation if we had, I guess, the guts to really remove these bans and let the market decide whether or not it can have a future here.

Mr LIMBRICK: Thank you very much for that response. You bring up something that has not been discussed a lot yet. Lots of the discussion around nuclear energy is all around electricity. But you brought up the very good example of gas, which is used for industrial heat in a lot of applications, and it is quite difficult to replace that at the moment. Do you see that there are possibly opportunities for replacing industrial heat that is currently generated through fossil fuels or other means with things like SMRs and things like this that you cannot easily replace with electricity?

Mr WALTON: I would probably defer to the experts on that. What I do know is if we are going to have a nuclear industry in this country, it is not going to be large-scale reactors. It is going to be some scalable small modular reactors that provide the future. There are a number of proponents around the world who are working on those solutions. Is there an exact model I can point to at the moment? No, but I have had a number of people say there are a lot of well-advanced solutions. I do not see us going down the path of doing large scale. Gas has a long-term future, whether we like to accept it or not. Gas is a product in terms of creating our chemicals that go into a huge amount of products—that go into creating our fertilisers, our plastics and others. Gas is used both as a feedstock, but it is also used for heating purposes. Whether that can be substituted, I would probably defer that question to the experts.

The CHAIR: Just to follow up on some of the comments you mentioned earlier in relation to jobs and manufacturing, and I agree with your comments there about maintaining that sort of stability in the absence of coal being phased out, what would you say to address the concern of people in relation to nuclear energy and safety—you know, the theory of ‘I don’t want it in my backyard’? What do you do with the waste at the end of the process? What are your thoughts on that?

Mr WALTON: So the research that has been undertaken shows that nuclear energy development is one of the safest in the world. Throughout the life span of baseload power generation, where you can compare brown coal, black coal, gas and others it is one of the safest in place. I know that there is a lot of hysteria and rhetoric that plays out around nuclear energy, and frankly, I think it is disappointing. I am fortunate enough to live literally a couple of kilometres—from where I am now, as the crow flies—from the only nuclear reactor we have in the country. I know the enormous opportunities it provides in terms of job creation in a range of different skills, in terms of right up to some of the smartest people we have in the country working there.

I think if we are going to make a decision on whether or not nuclear energy should operate, it should be based on science and based on fact—not based on hysteria and on the unsupported emotions of some groups who are trying to purport that nuclear energy is going to be used as Australia starting to build a nuclear weapons arsenal or that we cannot safely store nuclear waste in this country. I think both of those notions are completely ridiculous and should be called out for what they are.

Dr BACH: Look, Mr Walton, again, thanks so much for coming along and for your submission. As has been noted, we already heard from officials from the CFMEU this morning, and they made some similar

comments to you about workers. I am sure every single member of this committee and indeed every single member of our house of Parliament—and I am sure both houses of Parliament—shares your deep concerns about especially working people in one particular area of the state and working people in coal, as you have discussed, and exactly where we go there. This is something, Mr Walton, that officials from the CFMEU spoke about this morning. Is there a particular reason why you seem to think that a transition to nuclear would be better for workers than, for example, a transition to other forms of energy? That is something that we heard about from the CFMEU this morning. I wonder what your views are on that question.

Mr WALTON: The short answer is I do not really discriminate on technology selection, I think. Australia should be blessed and should have the world's lowest energy prices, and we are paying some of the world's highest. The reality is we have got an abundance of natural resources at our doorstep, and we call ourselves the Lucky Country. But for goodness sake, we have been absolutely terrible at being able to use our resources to provide enormous benefit and wealth for our nation. I am not saying here that nuclear is the only solution that we have going forward. What we are saying is we should remove the bans and explore whether or not there are opportunities for an industry to be created in Australia. What we do know is while there are bans in place—in any industry—there would not be a single proponent that would come to your country and say, 'We can build this here' or 'We can do that'. Why would they waste their time? Why would they waste their energy? We think if the ban is removed and if there is some work done between the Victorian government, the federal government and working with other states, there is an opportunity to explore whether or not a nuclear industry could exist here—again one that is based on the science and one that has got the right environmental protections in place for it to do so. So whether it is brown coal, black coal or whether it is gas, what we think is gas is the ultimate transition vehicle away from coal at this point in time; however, nuclear could provide that baseload power solution with a lower carbon footprint than gas has, and therefore I think it would be mad if we do not explore it.

Ms TAYLOR: Thank you so much for your submission. Certainly, you want viable and sustainable work into the future for your workers. We all want that; no-one is disputing that. I would not say that people opposing nuclear are therefore hysterical though. I think that is an unfortunate angle to take. Nevertheless, I know that with the South Australian royal commission into the nuclear fuel cycle, the small modular reactors and generation IV nuclear power concepts were rejected on the premise that they are unlikely to be feasible or viable for the foreseeable future. I do not want to go on for too long, but it would have high commercial and technical risk; there is no licensed, commercially proven design; development to that point would require substantial capital investment; and electricity generated from such reactors has not been demonstrated to be cost competitive with the current light water reactor designs. So working on the premise that renewables are here and now, are being invested in significantly with long-term investment and job projection, whereas I am wondering how many employment contracts have been delivered through these MSRs for your workers to date—I mean, how many are promised?

Mr WALTON: I do not understand the last part of the question, sorry. The MSRs?

Ms TAYLOR: Fair enough too, with where you are coming from. This is a hypothetical industry that just is not—the SMRs, you are saying, have none of the major investment, but it will still require major investment. So where is the guaranteed employment? How can you guarantee that, and the numbers of employment?

Mr WALTON: Again thank you for the question and you are right—not everyone who opposes nuclear energy is hysterical, absolutely not. It is just that a lot of the hysterical ones have a way of tracking and finding me.

What I would say is, in terms of what does it mean, yes, it is a hypothetical question, but the question for you is: should the Victorian government be the ultimate ones to decide whether or not the market would support the development of a nuclear industry? At the moment the answer is yes. The governments have said that 'We want to ban it; therefore we are the ultimate decision-makers on it'. All the previous studies, like any science and any technological development, they change rapidly. What we are seeing is major companies like Rolls Royce and others investing huge amounts of money in trying to develop scalable small modular reactors that could be placed alongside heavy industry, like for us down in Portland and in other locations right around the country, to provide that reliable baseload power at low cost and lower emissions. Whether or not that industry could generate one job or a thousand jobs is entirely dependent on whether or not you keep a ban in place. What we think is that if we put in place a nuclear industry—and undoubtedly work is going to be transitioning

out of those industries, be it from brown coal, black coal, into gas and potentially into nuclear, and we know that the members that we look after are extremely well paid for the work that they do, working in continuous 24-hour shifts in dangerous environments working to try and create the work that they do. They get paid well for it and we know that there would be decent jobs down the end of the line for those workers. When the CFMEU talks about a just transition, that is what they are talking about. They are talking about providing workers a future, and for those regional economies to transition into decent, reasonable like-for-like jobs. I certainly think that nuclear could provide that solution, albeit there are a lot of things that have to happen for us to get to that point.

Ms TAYLOR: So therefore we might agree to disagree on the ban element and to the projected jobs, because at this point when you are looking at the cost competitiveness of this industry—anyway, that is just a comment. The other issue I was going to say is, bearing in mind that when you store the waste, every hundred years you have got to repackage it. To date, however long nuclear has been around, there is still no solution for the waste; all they want to do is bury it and it has an inordinate half-life. How does that sit with you?

Mr WALTON: I am immensely comfortable about it because I know that we have got both a stable democracy and a stable geographical footprint. I think there are plenty of opportunities for us to be able to build storage, not just storage for Australia but potentially be a place to consider storage for other nations and partners around the world. Again I just want to reiterate: I think the opportunity here is one which achieves a lot of things that everyone wants. Everyone wants to keep decent jobs and blue-collar jobs here. People want to keep the manufacturing industry, more so now through the pandemic than they ever did before. Companies are screaming out for reliable baseload power generation and everyone wants to reduce their carbon footprint. All of those could be solved with nuclear energy development in this country. Again none of that can be possible, none of that can happen at all whilst bans remain in place on anybody being able to explore it. We are suggesting that you open it up, you remove those bans and test its feasibility and do so with some smart and sensible scientific and environmental rigour around it. Like all of our industries where our members work in major hazard facilities, every day of the week they can do so and manage it safely and sensibly because they work within the right protocols and use the right technology, and we certainly think the same could apply in Australia.

Mrs McARTHUR: Thank you, Daniel, for your presentation today but also your incredibly comprehensive submission. Like Ms Bath, I am from rural Victoria, particularly western Victoria, where we need reliable, sustainable, affordable and good energy. Many of our dairy farms currently cannot even get that source of energy, so they are producing milk for this country and for the world using diesel generators. If anybody thinks that is a good idea in this climate-concerning area, I will go for it. You have said we have got abundant energy resources in this country. We once had the cheapest power; now we have got the most expensive. We do need a mix of energy, and in many of the industries in my area gas is required to dry the milk powder and to kiln-dry timber. Electricity is not the source of energy that they can use in those areas.

Like you, I would consider myself technology agnostic. I want a mix of power to bring about the best opportunities and outcomes that we can have. Given that we once had a problem in the urban areas of congestion and overpopulation, Ms Bath and I would think that it was a very good idea that we move people and industries out to rural Victoria, and in order to do that we need to have reliable energy. We currently do not have that. We need a whole lot of other qualifications as well, but energy is critical. We could do all sorts of extra things, especially in the manufacturing area, much better than you can do it in the urban environment. So I am glad that you are promoting the idea that we can have energy that is affordable and reliable, because that is exactly what we need in country Victoria.

So what I would ask you to comment on is how you think your union can assist members of Parliament like Ms Bath and I, who want industry and our agricultural community to flourish in rural and regional Victoria, with just opening up the discussion about nuclear energy. We are not actually saying that nuclear energy will start online tomorrow; this is about lifting a moratorium, just as we lifted last week a moratorium in a year's time on onshore conventional gas exploration—lifting this moratorium on nuclear exploration so we can actually explore the opportunities and the benefits, especially for rural and regional Victoria.

Mr WALTON: I mean, I think there is a lot of heavy industry and a lot of resource extraction that works in the regions at the moment. I mean, clearly there are going to be a lot of jobs in densely populated areas, but I actually reckon post-pandemic that big city clusters are going to start to change and that people are going to

look for more sort of spread and regional spread as time rolls on. The only way that you can do that properly is by making sure that there are jobs in those communities. I think the big misconception out there is that it is only heavy industry that are the big users of electricity and gas. There are many, many, many different types of businesses that need continuous and reliable power. Unfortunately renewables do not provide that solution right now. In the long term undoubtedly they will. But they cannot provide 24-hour generation, stable generation. They cannot provide generation to a level that can keep most industry going, let alone any heavy industry. So we need to be really sensible about: how do we make sure that we can keep these industries here, that we do not lose them forever, and make sure that when people are heading out into the regions, into rural communities, there are decent jobs available there to them?

If the cost of electricity and the cost of gas are higher than any other nations around us—higher than Asia, higher than Europe, higher than America—if we are paying the world's highest prices for gas whilst being the world's largest exporter of gas, that for me says there is a problem and that we need to explore opportunities. I welcome the government's announcement of starting to look at conventional gas development. If I had my say, I would say it should start tomorrow. But that being said, I certainly think it is a step in the right direction. I think that, again, this whole narrative is built around the basis of how do we provide reliability for business and for jobs. At the moment you have got a big stake in the ground that says in no way, shape or form are you going to consider nuclear energy. If you take a step back and say, 'All right. let's just have a look and see. What would it actually look like for our nation? What would it look like for the state of Victoria? What benefits could it provide?', if they do not stack up in the end, if it cannot operate safely within environmental standards that you set, then it should not exist. But if it can—if it can tick those boxes and it can deliver cheap and affordable power and reliable power and reduce our carbon footprint—why would you not do it?

Ms TERPSTRA: Thank you, Daniel, for your presentation this morning. I just wanted to, before I ask my question, echo Ms Taylor's sentiments: the idea that people who have concerns around nuclear energy or power are hysterical. It is actually not the case, and unfortunately there has been a bit of a theme running through the inquiry this morning that seems to pitch anyone that has real and genuine concerns around nuclear as someone who is some kind of tinfoil hatter, which is just unfortunate and not accurate. Because a lot of what I have been reading and certainly been reading in submissions and doing my own research around, much of the research I have been looking at and talking about, is something that has been done by experts. So I will ask this question to you because I asked the CFMEU this question this morning.

Now, I was reading earlier this morning a study of workers who worked in the nuclear industry—one of the largest, if not the largest, medical study of workers, some 400 000 nuclear workers around the world. It was looking at the rates of leukaemia for people who work in the nuclear sector. In that study it was stating that workers who are consistently exposed to low doses of radiation, such as those workers who work in nuclear power plants, have about a 10 per cent higher risk of death due to cancers, and then the risk of death due to leukaemia was found to be higher, at 19 per cent. Now, that is very concerning, and I would certainly think that you as a representative of the AWU would care very deeply about workers health and safety in that industry. That was actually published in the *British Medical Journal*, so it is not a crock or it is not some tinfoil hatter putting some scary thing out there; it is actually proven. So my first question to you is: what do you say to that and how do you propose that you could represent your workers in those industries to make sure that they are not getting unnecessarily injured due to the high risks of being exposed to radiation, which has been proven to increase higher rates of cancer? That is my first question.

Mr WALTON: Thanks very much for the question. I will start off by saying that looking after our members' safety at work is absolutely paramount, and we have got a very long and proud history of doing that at the Australian Workers Union, having been operating for nearly 134 years. Can I just say that under no circumstances would we look to deviate away from that.

Not being across the particular paper that you are talking about, I am not going to get drawn into the details, other than just giving you a few anecdotal experiences that I have seen. The first is: I am fortunate enough to live in an area where a number of the nuclear physicists and others live—in and around where I live—and I am fortunate enough that my son plays soccer with a kid whose father is the nuclear physicist and one of the hygienists at the reactor. I have had many conversations with them, with workers who have worked there for many, many decades, and I do not recall any study or any reference of any Australian workers working beneath the reactor growing any abnormal levels of leukaemia or cancer cells as a consequence of working there.

Second, I would say: if that was the case, why are the United States, the United Kingdom, France and many other developed nations around the world further investing into their nuclear energy development, rebuilding a number of their reactors in place and spending billions of dollars in providing reliable power through nuclear energy development and reducing their carbon footprint? If that paper was to be the absolute truth on nuclear energy development, it beggars belief that there would be a single nuclear energy facility, nuclear reactor, operating in the world.

Ms TERPSTRA: Well, Mr Walton, thank you for that answer. You can dismiss that study, but it was the largest study of workers—400 000 around the world. So, again, I am disappointed that you choose to dismiss it because you are not aware of it. I understand if you are not aware of it, but it is disappointing you choose to dismiss it.

I will move on to my next question, around jobs. Certainly as a Labor politician and someone who has worked in the union movement, I do care very deeply about jobs, and real jobs. What we have seen today throughout this hearing is a conflation of that, saying perhaps the only real jobs that will be available for people in rural and regional areas can only be provided by nuclear, which is actually not true. There are lots of opportunities for jobs through renewables, for example, and real jobs.

My concern is certainly around deregulation of the labour market as well. I have heard you say on a number of occasions today effectively, ‘Let the market provide a solution for nuclear power. We should let the market rip’, and then there has been discussion around the increasing cost of electricity. I would argue back with you and say that privatisation is actually one of the major drivers of why we have got high electricity prices. So in fact we need more regulation of the market—regulation to make sure that workers are safe, regulation to make sure that we have got fair and reasonable electricity prices. And in terms of jobs, you yourself would know very well that some of the problems we have with the *Fair Work Act* and EBAs and all those sorts of things are in fact a function of deregulation.

One of the things both myself and Ms Taylor did was sit on the recycling inquiry, and we were very excited to hear about the opportunities that might be available for rural and regional workers through some renewable energy options like waste to energy, for example. That was something that was discussed. So can you talk to me about some of the other job creation or job opportunities for people that might exist? You yourself said that there are plenty of heavy industries around Victoria that exist other than just electricity generation. So has your union turned its mind to some of the real opportunities for your workers in renewables, such as things like working on wind farms or construction of renewable energy projects? I know there is a big one—the Star of the South, I think it is—off Gippsland at the moment. Have you turned your mind to those sorts of renewable projects with jobs for your members as well?

Mr WALTON: Thanks very much. I will just go through a couple of responses on that if I can. The first one is: I do not recall saying that nuclear energy is the only solution for the regions. If I did, I will correct the record. I think what I said is: in trying to provide all opportunities to get lower energy costs and create additional jobs, if nuclear is a solution to that, then we should definitely give it a go. In terms of your points around: ‘Is nuclear the only solution for the regions?’, I agree with you—no, it would not be the only solution—but at the moment you are not letting it even be one of the solutions. I think it could be a solution that could be looked at. But you are right: there should be a mix, be it of gas, renewables or coal. We should be utilising all of the energy mix at our disposal at the moment to try and provide reliable and cheap and affordable power. On your point in terms of privatisation—I agree with you. I do not disagree with that whatsoever. We are on a unity ticket, if you would like to say that, in terms of what privatisation has done around the place.

Have we looked at renewables? Yes. Keppel Prince is one of the biggest wind farm producers. That sits down in Portland. That is an AWU workplace. We are very proud to look after the members there. We are very proud of the work that they do in building wind farms. As I have said before, I hope no-one misconstrues the fact that being a big proponent and supporter of fossil fuels—in supporting a long transition to a point that renewables can provide a base load—certain future, which they cannot at this point in time, but they will into the future—I certainly think we should be using be it gas, be it coal or be it nuclear, to make sure that our members, workers and Australian workers right across the board are supported throughout that journey.

Our experience thus far—it might just be worth touching on, and I know this is shared by a number of other unions—is that the renewable industries, and particularly for those that work in the solar industry, are not

fantastic job creators in any way, shape or form. Unfortunately a lot of those that are installing and creating solar farms at the moment have been using a lot of backpack labour for a period of time, and once solar farms are set up, it requires very little labour to maintain them going forward. So I think maybe other forms of renewable technology will provide better job creators. But solar will be part of the mix in terms of providing that energy, and so we are certainly not standing in the way of that; that is definitely going to happen. Like development in terms of hydrogen and others where our members are working to create lithium and lithium batteries, there are lots of opportunities in the renewable space that we support.

The one bit which I disagree on is I think we are trying to have this fight with one hand tied behind our back. I think we should be swinging both arms: one in terms of a full renewables mix, and one using all the resources that are available at our disposal at the moment. Undoubtedly if the renewables mix is done right and it can be done such that it is providing that certain power generation 24 hours a day for all of industry and heavy industry, that will provide the cheapest power in the long term. However, the horizons for that say that it is unlikely to be delivered in the next decade. Some predict that it is likely to be longer.

The bit that I do not want to be responsible for, number one, as I said before, is creating an unsafe environment for our members; and number two, I am not prepared to sit idly by and watch their jobs disappear overseas because we have been too lazy to act on energy. So for both of those reasons we are motivated in trying to get a solution here.

Ms TERPSTRA: One final question—a quick one. Just in terms of regulation, Daniel, say if we were going to go to a nuclear industry tomorrow, would you support strong government regulation and strong regulators for the sector, or do you think the market should be allowed to rip there and not have regulation as well?

Mr WALTON: No, no. Like in every industry that operates, in terms of how it can operate safely, there are regulations that need to be put in place. Be it for aluminium, be it for steel, be it for producing coal, producing gas or whatever it is, there are regulations and parameters that industry needs to work in to make sure that it is done safely. We certainly think the same should happen if the nuclear energy industry is to get off the ground here.

The CHAIR: Thank you. On that note, Daniel, I want to thank you for your contribution as well as your submission and your evidence today. We really appreciate that. It has been a worthwhile exercise. Thank you.

Witness withdrew.