

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into the Closure of the Hazelwood and Yallourn Power Stations

Traralgon—Wednesday, 2 March 2022

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Ms Harriet Shing

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WITNESS

Mrs Jane Sultana.

The CHAIR: The Economy and Infrastructure Committee public hearing for the Inquiry into the Closure of the Hazelwood and Yallourn Power Stations continues.

I wish to acknowledge the traditional owners of the land, and I pay my respect to their elders past, present and emerging.

My name is Enver Erdogan, and I am Chair of the committee. I would like to introduce my fellow committee members: Ms Harriet Shing, Mr Rod Barton and Ms Melina Bath. To any members of the public that are watching via the live broadcast or in the gallery, welcome to you.

To witnesses appearing, all evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act* and the Legislative Council standing orders. Therefore anything you say is protected by law. However, any comment repeated outside the hearing may not be protected. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a transcript following today's hearing. Ultimately transcripts will be made public and put onto the committee's website.

We welcome your opening comments, but we ask that they be kept to a maximum of 5 to 10 minutes to allow plenty of discussion with the committee. Jane, if you would like to state your full name for Hansard and then start your presentation. Over to you.

Mrs SULTANA: Okay. Thank you very much. My name is Jane Louise Sultana. Now, I have lived, worked and volunteered in the Latrobe Valley since 1990. I am a teacher, a Scout leader, a bush reserve volunteer and the secretary of the Latrobe Valley Sustainability Group. My husband is a senior technical officer at the Yallourn power station, where he has been in continuous employment for 41 years. However, he is very soon retiring from that role. We have two teenage sons.

During our time living in the Latrobe Valley my husband and I have seen huge changes occur. The most disruptive and impactful change occurred when the SEC was privatised, resulting in thousands of jobs and apprenticeship opportunities being lost. Sadly, the Victorian government failed to help the Latrobe Valley community cope with the impact of privatisation. The effect was long lasting, with social, physical and psychological impacts flowing throughout the entire community. It is imperative that this sense of abandonment does not repeat itself with the closure of the Latrobe Valley's coal-fired power stations. Substantial ongoing government assistance will be required for years to come to help the community transition away from coal and to reap the benefits of the renewable energy revolution.

There is no doubt that the world is experiencing a climate crisis. Yesterday the IPCC released yet another frightening report on the state of the earth's climate. The world's climate scientists and governments have declared climate change is already threatening human wellbeing and warn we are about to miss the window to secure a livable and sustainable future for all. Yesterday's report found the scale of the impacts from climate change threatened to overwhelm Australia's ability to adapt in coming decades. Immediate actions aimed at stopping warming at 1.5°Celsius could reduce many of the most severe impacts to society and ecosystems but will not stop all of them. Regardless of our actions now, the report says regional and urban areas will face irreversible changes that will impact people's lives. However, current global policies put the world on a course of at least 2.1°Celsius of warming by 2100 and possibly as much as 3.9. This degree of warming would have disastrous consequences for human society and devastate many other forms of life on earth.

The Latrobe Valley power stations must close, but our community desperately needs a just transition. It is important that we confront the shift to a low-emissions economy proactively rather than wait for the negative impacts to be felt. We need a plan, a plan that details and supports a rapid Victoria-wide transition to renewable energy, while recognising that the Latrobe Valley, with its infrastructure and its skilled workforce, is well suited to adapting to and hosting the development of renewables. Here in the Latrobe Valley we could be leading in renewable energy production from wind and solar with battery storage.

The plan must also help workers to train and reskill where necessary, and it is not only the power industry workers who will need support throughout the transition. The Latrobe Valley community as a whole is already suffering. They are disadvantaged when compared to Victoria as a whole. A just transition plan would address this disparity and help to create a fair, equitable and inclusive society. The establishment of the Latrobe Valley Authority following the closure of the Hazelwood power station has been very beneficial. This entity has made a great start in providing workers, businesses and the broader community with support. However, this support needs to be ongoing throughout the transition period. To minimise destructive climate change the transition must be swift, but even a swift transition will take at least a decade to complete. I urge the Victorian government to commit to funding the Latrobe Valley Authority for at least the next 10 years.

During the transition period the creation of secure longer term jobs must be a priority. There are many sectors in which I believe employment opportunities could be created. Rehabilitation work would be one of them. A large workforce will be needed to decommission the existing power stations and complete mine rehabilitation work, and in repairing the damage done by the mining industry the Victorian government should demand global best practice. I believe we are custodians of this land, and it is only fair to expect that the process of rehabilitation will create a landscape that can support future uses of the land for agriculture, recreation and of course native habitat. For this mammoth task to be completed ethically, as I believe it should be, many skilled workers will be required. Independent scientific studies must guide the rehabilitation effort to ensure that safety, stability and water availability issues are tackled in an environmentally sensitive way.

Education and training is another area where I believe we could create more employment opportunities. There is a need for more tertiary education facilities in the valley. It is sad to see so many of our young people leave the area after completing secondary school to study elsewhere. As the Latrobe Valley workforce transitions to new and different occupations there will be a big demand for retraining. My hope is that most of this retraining can be undertaken locally.

Tourism—another economic opportunity I would love to see further developed is tourism. The Latrobe Valley and surrounds have many national parks, beaches, lakes, rivers, bush reserves, botanic gardens and rail trails. However, more funding and manpower is desperately needed to properly care for these natural treasures. Invasive weeds, litter, graffiti and vandalism are constant problems spoiling the beauty of these unique places. We need more park rangers, gardeners, caretakers and environmental sustainability workers. Taking better care of our natural environment holds huge potential for employing many more people, but it requires government commitment and funding. If our natural assets are sensitively developed and well cared for, this will help bring tourism, and tourism brings many more jobs and increased economic prosperity. Even the mine rehabilitation sites could become future tourist attractions. In coming decades tourists might flock to the valley to learn about the history of power generation and to view the local mine rehabilitation works. Could they be fine demonstrations of global best practice?

In conclusion, the Latrobe Valley must undergo a fast and fair transition toward clean power from the sun and the wind with battery storage. It should be a just transition, one that addresses social inequality as well as tackling the climate crisis. Government support will need to be substantial and ongoing during the transition period. If this occurs, I believe the Latrobe Valley can look forward to a bright future with many and varied employment opportunities. I do not want, and many others do not want, toxic polluting industries here anymore. We want and need clean, green, healthy industries that respect the natural world which we all enjoy and which we all depend upon. Thank you.

The CHAIR: Thank you, Jane, for that impressive presentation.

Mrs SULTANA: Thank you.

The CHAIR: On that note I might pass on to committee members. I might start with Ms Bath, then Ms Shing, in that order, and then Mr Barton.

Ms BATH: Thank you.

The CHAIR: If each committee member could have maybe 7 minutes.

Ms BATH: Yes. Beautiful. Thank you. Mrs Sultana?

Mrs SULTANA: Mrs Sultana.

Ms BATH: And your husband has been working for decades in Yallourn power station.

Mrs SULTANA: He started as an apprentice—yes, that is right—and has worked until this very day, but he is officially retiring on Friday.

Ms BATH: So there will be some celebrations and reflections on that, I am sure.

Mrs SULTANA: Yes, most definitely.

Ms BATH: I jotted some notes down as you were speaking and presenting to us. You spoke about, ‘We need a plan—we need a plan going forward’.

Mrs SULTANA: Yes.

Ms BATH: We have had Mr Dodd from trades speak about the closure of Hazelwood so rapidly, you know, in the period of time of only a few months. We will say governments have the luxury at the minute of some time, but the cliff is coming if the plan is not there. I am not verballing you. I am seeking if that is your opinion.

Mrs SULTANA: Yes, that is—

Ms BATH: I would like to understand what you think are the key elements of this plan that we need. Who is involved? Who needs to be involved? What are the major milestones of that plan? Can we unpack that? And there is no wrong or right answer. It is your opinion, Mrs Sultana.

Mrs SULTANA: Yes, okay. Let me just refer to my notes here. Sorry, I cannot find what I was looking for.

Ms BATH: That is all right.

Ms SHING: Take your time.

Ms BATH: And as I said, literally you are a person who has lived in the area for many decades. What is your opinion? What do you think are some of the key factors that need to be in this plan? And it is a whole-of-region plan, I am assuming, with government entities involved and business and industry as well as workers. What does it look like, and how would community know that it is here?

Mrs SULTANA: Okay. Well, just talking a bit about perhaps the just transition, because the just transition is part of having a plan—a just transition plan—a just transition can mean things like this: that workers are offered counselling, compensation, retraining and alternative jobs, for example, in closure demolition and rehabilitation and proper rehabilitation obviously of the mine sites; we do not want to be left with great holes in the ground. A just transition can also mean that local businesses and education facilities continue to supply goods and services during change and that inducements are offered to attract new businesses and industry and develop innovative ideas. A just transition also means that the community is not abandoned. They are all sort of elements of what I would want to see in this plan.

Ms BATH: And if we unpack that and the inducements or incentives for new industry, who are some of the stakeholders? I do not want to put words into your mouth; I just want to workshop this. You mentioned the LVA. What about other peak industry groups? We are hearing soon from Committee for Gippsland, which is a right across Gippsland industry group. There is the regional executive forum, so people of knowledge who have lived in the area. We have also got many community groups.

Mrs SULTANA: Yes.

Ms BATH: What do you see as being involved in this? We have got councils.

Mrs SULTANA: Yes. Well, councils definitely; the Gippsland Climate Change Network, groups like that, yes; probably some degree of consultation with the smaller groups, like with Latrobe Valley Sustainability Group. Yes, the various industries that are interested in setting up in the area, involve them also. I mean, I may not be an expert on this—

Ms BATH: No, no. Thank you. It is important. Appreciate it. Thanks, Chair.

The CHAIR: Thank you. Ms Shing.

Ms SHING: Thank you. Thanks, Mrs Sultana. The family name is spread quite far and wide across the valley. Now, I would like to firstly thank you for your submission, and the passion with which you speak around the valley and making sure that needs are taken care of in the right way and for the long term is very, very clearly understood, so thank you for that.

I want to take you to a couple of comments you made about being a fast transition. I want to flesh that out a little bit, because we know, for example, through the German experience in transition that it was planned out for many decades. You pegged out a 10-year time frame, but in Germany, for example, we are talking about 50 years, and we are talking about making sure that there is a transition to diversifying the economy, which has previously, as you referred to earlier, been significantly and seismically changed by privatisation—they were some of your opening remarks, to paraphrase you. But in terms of talking about a rapid transition, you talked about renewable energy, you talked about social inequality and you talked about funding to be provided. How does that work across all three levels of government—because the LVA is obviously Victorian government funded, and we have spent in excess of \$2 billion over the Latrobe Valley region since we were elected in 2014? But what does it take, in your mind, for all levels of government to come together to bring about the sorts of outcomes that you have talked about which indicate a successful transition or a transition which is not as bad as it would otherwise have been without it? What do you think the commonwealth needs to do—

Mrs SULTANA: It needs to do a lot more.

Ms SHING: to partner with the state government and also with councils?

Mrs SULTANA: I think the commonwealth government needs to set much higher targets by 2030—we need really strong 2030 targets—for emissions reductions.

Ms SHING: And back to the Latrobe Valley Authority and the work that it is doing and the terms of reference for this committee around industry support for change and particularly EnergyAustralia and Yallourn, what does that support look like in terms of adding to what the state is already working on with industry and the state is already delivering through the LVA? What do you think is needed from Canberra?

Mrs SULTANA: From Canberra?

Ms SHING: The feds, yes.

Mrs SULTANA: A lot more communicating to the public that we are in a climate crisis and that we need to act now.

Ms SHING: And how does that translate for the Latrobe Valley and support for worker transition and change, support for industry development and decentralising that economy and the transition challenges that we are seeing and living through here? What does that look like around those different levels of government working together?

Mrs SULTANA: Working together, I guess, to help fund this change, which must happen. Look, I do not have all the answers by any means—

Ms SHING: No, no, that's okay.

Mrs SULTANA: but I just know that the climate crisis is worsening. I am frightened for my children's future and for any grandchildren I may have in the future. We need to act. We need all levels of government coming together; I definitely agree with that. The feds definitely need to lift their game. They do not seem to feel that it is a crisis at all. I respect what this state government is doing; the state seems to be working a lot harder towards this transition that we all need.

Ms SHING: You talked about compensation. I want to take you very quickly to—there is a comparison with the German government, right, so we know about transition that occurred there. It is a mouthful, but the Kohleausstiegsgesetz was a law reform package which was announced around compensation, and that was

about \$4.35 billion in euro for a payout for investments and inducements, including commitments around renewables. How do you think it is that that long-term plan could be translated from the German experience on the one hand through to Australia, given that we know what they have learned around the size of the payout, around the time frame—that 50-year period—and around what this looks like, around 1000 workers losing their jobs when closure occurs within the notice period for Yallourn in 2028? What does that look like? How do you see what has happened overseas translating, in a best-case scenario, for you here in the valley?

Mrs SULTANA: Well, I think what I see is that a 50-year period is too long now. We have not got that time anymore. Germany obviously started planning a lot earlier than we did. We are looking at a 10-year period now, not a 50-year period, to keep global warming to 1.5°Celsius.

Ms SHING: Well, that is the climate change piece, but what about the socio-economic piece, the community development piece and the economic piece on the ground here in the valley? So what do you think is needed for communities, based on your experience—teacher, scout leader, community member? How does that fit to your mind around making sure that we have got a long-term plan, which you have referred to as being needed here across the valley, in a way that brings our communities along on the journey?

Mrs SULTANA: I wish I had all those answers.

Ms SHING: No, that is okay—just your thoughts in terms of what you think makes for good communities when and as we see closures occur, putting to one side the global warming and climate change issues.

Mrs SULTANA: Yes, what makes for good communities? Having community involvement and respecting people's views but also talking about the science and not letting views that are totally unscientific prevail, which has happened a lot in the past. That is why we are in this critical situation at this point in time. Respecting the traditional owners too—I should have, when Melina asked me which groups should be consulted, said the traditional owners in our area. They very much deserve a say in what is going on.

Ms SHING: So it sounds to me like you are talking about community involvement and co-design, you are talking about community ownership of local solutions and you are talking about long-term funding and resourcing but also engagement to make sure that these issues and challenges are implemented for the better at a local level. Is that a fair statement, to summarise what you have just said?

Mrs SULTANA: Yes, that makes sense. But also when you have community involvement you have got to look at the science too. You cannot have a big vocal group saying, 'We don't want to close the power stations down. We want to do all this stuff with the coal', even if it is different uses for it that rely on carbon capture storage, which is not a climate solution. We have got to look at the science, we have got to look at the IPCC reports and other reports, like from the Australian Climate Council.

Ms SHING: And the LVA has a role to play in that, you think?

Mrs SULTANA: I hope so, yes.

Ms SHING: All right. Thanks so much, Mrs Sultana. I really appreciate that.

The CHAIR: Thank you. Mr Barton, over to you.

Mr BARTON: Thank you, Chair. Thank you, Mrs Sultana. You are working as a primary school teacher?

Mrs SULTANA: Yes—or I was. I am actually working as a teacher aide at the moment, but yes, I am a trained primary school teacher.

Mr BARTON: Well, thank you, as a grandfather of kids in the primary school system. You are wonderful.

Mrs SULTANA: Thank you.

Mr BARTON: You raised education—that there need to be more tertiary education campuses to prevent young people leaving the area. Do you get any idea of the numbers, what is happening there?

Mrs SULTANA: No, I am not really sure.

Mr BARTON: It does not matter if it is not accurate. But there are a significant amount of people, young kids, moving into Melbourne or—

Mrs SULTANA: There are. My own son is down in Melbourne studying at the moment. It would be wonderful if there were more university opportunities here in the valley. I mean, there is Fed Uni, but they only offer a very limited number of courses. Just to decentralise our tertiary education would be a good thing, I feel.

Mr BARTON: Yes, and it would certainly encourage kids from other areas to come down here, and there are opportunities as they get qualified and all these new—hopefully—projects get off the ground and get running.

Mrs SULTANA: Yes.

Mr BARTON: Just on education—I have not got a lot of questions—what kind of education and training will be required for the ex-coal-fired power station workers to transition? What sort of training?

Mrs SULTANA: I am not sure; I am really not sure exactly. But just to work in the renewables industry, I guess. My husband would be much better at answering these questions than I am. But there will be—

Mr BARTON: Well, we do not know exactly how things are going to land just yet either, do we? But there are certainly some big projects—I mean now.

Mrs SULTANA: Yes, there are. I have got a bit of a list of them here. Yes, there are a lot of possibilities.

The CHAIR: Thank you, Mr Barton. I guess going back to the issue that Mr Barton talked about, about education, you also mentioned that you believe that education is key and we need more tertiary or higher skilled workforce in the area for the jobs of the future. You would have noticed that the Victorian government has invested in TAFE in Gippsland. Do you think that is helpful?

Mrs SULTANA: Yes, I think that is a very good thing.

Ms SHING: The high-tech school.

The CHAIR: Yes, I was going to ask about the high-tech school as well in Morwell.

Mrs SULTANA: Yes, that is good.

The CHAIR: That will be about those skills that you are saying that we will need in future or that we need probably even now. How about the new build of the schools? Has there been a lot of regeneration in terms of the primary and secondary schools in the area as well? You would have noticed over 1000 schools have been either, I guess, rebuilt or refurbished in the last seven years or so.

Ms SHING: Not all of them in the valley.

The CHAIR: Not all in the valley; that is across the state. But do you think that will help as well in terms of training people up for, I guess, the higher skilled jobs of the future?

Mrs SULTANA: Yes, I think it is all good. Any money spent on education is money well spent.

The CHAIR: I did have a question about the Latrobe Valley Authority and a bit about their work. You have said in your submission that you believe they need to be supported for at least the next 10 years, and you believe that it is crucial.

Mrs SULTANA: I do, yes.

The CHAIR: Do you believe they have been a positive impact in the area? That is I guess because you have lived in the area for a long time.

Mrs SULTANA: Yes. Yes, I do.

The CHAIR: And a question I asked earlier today: you would have experienced the SEC privatisation, which you touched upon, and the loss of jobs and apprenticeships during that period. How would you compare the transition scheme since the Latrobe Valley Authority started in 2016? Was there a transition scheme in the initial SEC privatisations? Was there any that you recall?

Mrs SULTANA: I do not believe there was, no.

The CHAIR: And obviously in 2016 there was.

Mrs SULTANA: Yes, and I believe it really helped to soften the blow and provide employment for people in the area, provide money for little groups in the area to make improvements. It was a good thing.

The CHAIR: We also heard from the Gippsland Trades & Labour Council earlier that it is obviously about jobs and the economic prosperity, but they said that part of this transition also was the emotional and mental health support for workers. Do you think that is a big impact on the community here as well?

Mrs SULTANA: I think it definitely is a big impact on the community, but we have also got to remember that it is not just the power station workers who we are trying to help with this transition. The community as a whole needs help. There has been a lot of disadvantage in the community, and in fact the power station workers, our family included, are fairly well off overall, and I would like to see wealth within our community more evenly distributed in the future. I do not think it has actually been very fair over the last decades.

The CHAIR: And we have heard that from previous witnesses about the two-tier economy, how there is certain well-paid permanent work and then there is a lot of insecure work as well.

Mrs SULTANA: Yes, that is right.

The CHAIR: And you would like to see, I guess, a better distribution of the benefits to the whole community?

Mrs SULTANA: Yes.

The CHAIR: Thank you for that. It has been really good to hear from your perspective. Do committee members have any additional questions? Ms Shing.

Ms SHING: No. Just if you do have any further thoughts on what makes for a good and effective just transition—

Mrs SULTANA: Community.

Ms SHING: and community and how that fits within the terms of reference for the inquiry, feel free to send that through to the secretariat. It is sometimes intimidating to be put on the spot like this, so if you do have anything to add not only to Melina's questions but also those to those which others have asked, feel free to send that on.

Mrs SULTANA: Thank you very much.

The CHAIR: Yes, sometimes an idea will come. On the spot can be tough, and sometimes even for committee members. We sometimes think of questions we would like to ask that come to our mind afterwards, and we will send them through. So if you have got any other additional points to make, please feel free to pass that through.

Mrs SULTANA: No worries.

Ms SHING: Thanks, Mrs Sultana.

Mrs SULTANA: Okay. Thank you very much, everyone.

Witness withdrew.