

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into the Closure of the Hazelwood and Yallourn Power Stations

Traralgon—Wednesday, 2 March 2022

MEMBERS

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Mr Bernie Finn—Deputy Chair

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Mr Lee Tarlamis

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PARTICIPATING MEMBERS

Dr Matthew Bach

Mr Andy Meddick

Ms Melina Bath

Mr Craig Ondarchie

Dr Catherine Cumming

Mr Gordon Rich-Phillips

Mr David Davis

Ms Harriet Shing

Mr David Limbrick

Ms Kaushaliya Vaghela

Ms Wendy Lovell

Ms Sheena Watt

WITNESS

Mr Tony Cantwell, Chief Executive Officer, Committee for Gippsland.

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 respects to their elders past, present and emerging. I wish to welcome any members of the public that are here in the gallery today.

My name is Enver Erdogan, and I am Chair of the committee. I would like to introduce my fellow committee colleagues here today: Ms Harriet Shing, Mr Rod Barton and Ms Melina Bath.

To witnesses appearing today, all evidence taken is protected by parliamentary privilege as provided by the *Constitution Act* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing 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 proof version of the transcript following today's hearing. Ultimately the transcript will be on the committee's website.

We welcome your opening comments and ask that they be kept to a maximum of 5 to 10 minutes to allow plenty of time for discussion and questions with the committee. Could you please begin by stating your name and the organisation you are representing for Hansard and then start your presentation. Over to you, Tony.

Mr CANTWELL: Thanks very much. My name is Tony Cantwell, and I am from the Committee for Gippsland. I will try and be brief in my opening remarks so that there is enough time for good discussion and questions as well.

To provide you with a brief background as to the Committee for Gippsland, we are the peak industry body for the region, with members just under 100, that stretches as far west as Pakenham and as far east as Metung. We are a diverse entity of organisations and industry, from agriculture through to resources through to education and training and smaller sole traders as well. We are really pleased to be able to have this opportunity to engage with you today and discuss the inquiry into Hazelwood and Yallourn. It is a really important discussion to be having that can help shape the next five, 10, 15, 20 years and really the future of Gippsland, looking at the learnings from the Hazelwood closure: what we have done well, what we can do better, but also when we look forward to the Yallourn closure and then beyond, what the opportunities are both for industry but also for the community.

So in looking forward we need to look back and see what was done well and what could have been done better through Hazelwood. The economic stimulus that was provided at the time of Hazelwood was really quite welcomed and really provided some certainty around those pathways and that transitioning of a workforce from Hazelwood into subsequent power stations but also into future opportunities, and that will only become more difficult once Yallourn closes, and then AGL will inevitably close as well. So that transition pathway to subsequent energy generators will be not as straightforward as what it was with Hazelwood. So we are really keen to be engaging with Parliament but with the government as well around those opportunities as to the skills and training requirements and then a pipeline of projects that will help facilitate that transition for Yallourn power station.

You will note that in the submission that we have provided there are a range of projects and opportunities that industry has considered and put forward as opportunities for government contribution but also support, whether it is through policy or through a financial contribution as well. So there are some clear opportunities for government and industry to partner in looking at future projects to not only look at new energy, whether it is around hydrogen or energy from waste, but also in terms of key infrastructure around education and more physical connectivity infrastructure around networks, whether it is the Gippsland renewable energy zone and that piece of infrastructure or the Marinus Link in terms of connecting Tasmania to the mainland of Victoria.

So there are some clear opportunities for governments at local, state and federal levels to engage with Gippsland in really planning the next five, 10, 15, 20 years of our region, and I think if we begin that planning process now, given that we have had the notice period for Yallourn, we can make sure that there are optimised outcomes for the region and it is really a region-led future that we are seeking to achieve.

So I might leave my opening address there, but I really welcome the discussion and any questions that you may have. If there is any further information that might be required from me, if I can take that on notice and perhaps come back to you if that is appropriate, I would be happy to do so.

The CHAIR: That would be very helpful, Tony. Thank you to you and the Committee for Gippsland for your submission and your presentation today so far. I will pass over to Ms Bath, then to Ms Shing and then Mr Barton, and then I will go last myself. If each committee member can have initially, say, 8 minutes, and then from there, if there is any additional time, members can ask additional questions. Over to you, Ms Bath.

Ms BATH: Thanks, Chair. And thanks, Mr Cantwell, for appearing before us today. I think you are a very important peak body—you said almost 100 members of industry and the like. Can you just unpack who some of your members are so that we can get a feel?

Mr CANTWELL: Yes, sure. In terms of energy there are EnergyAustralia, AGL and Star of the South—the offshore wind proponents in the south—through to education and training in Federation University, TAFE Gippsland and Community College Gippsland. In relation to agriculture there is Radfords, which is a meat-processing facility at Warragul, through to Australian Sustainable Hardwoods up at Heyfield. And then right across to Metung there is Metung Hot Springs, which is a really innovative project out in the east, and then there is Patties Foods in an advanced manufacturing capacity. So there is a full spread of industry from where we are today in Latrobe Valley down to South Gippsland and Bass Coast and from Baw Baw or Cardinia shire through to East Gippsland shire.

Ms BATH: And there are many more tucked into that almost 100 as well. Thank you. You spoke in your submission about many things, but one I will pick up first is:

Feedback regarding the LVA's role within economic development at a local level has been varied with some concerned that the separation of the LVA and RDV Gippsland has caused some confusion in relation to who and how to engage ...

This feedback prompts the recommendation that the LVA be incorporated into the RDV Gippsland to coordinate and deliver economic ...

progress and maximise positive outcomes.

This is your submission. Is that still your position, and would you like to unpack that for the committee?

Mr CANTWELL: Yes, sure. Thank you. I think the LVA plays an important role, as does RDV, and at times there can be confusion around who to engage with and how to do that engagement. Whether you are looking at investment or other business and economic development opportunities, there can be that view that the LVA, sitting as an outside entity, is a duplication of that process that might be already within RDV. I feel like it is not an uncommon consideration, given that when I have looked at other submissions to this process as well it is a fairly common piece of feedback around where the LVA sits within that relationship with the RDV. I know that the LVA, with a new CEO, and RDV, with a new regional director, are doing some work together on how they can be better aligned, so I think that is a really constructive piece of work that they are perhaps undertaking. But from the outside looking in, having those two entities, where they sort of sit physically outside of each other, can create another level of duplication and uncertainty as to who is the best person to go to, and perhaps it can make Gippsland look uncoordinated. If you approach the LVA and they are not the right person, then you have got to go to RDV and then they are the right person, or vice versa. I think greater alignment could mean that Gippsland has a greater level of coordination in terms of economic development but also that new investment attraction into the region.

Ms BATH: Thanks on that one. Following up on that, what a business needs—I am putting it to you—is a vision about how to expand its business or some of the entities that it needs, whether it is planning or the like. They need to be able to go to a desk, have a conversation, meet all the criteria and be successful in their grant and their proposal and then hopefully increase their business and create employment in Gippsland or, say, the valley in this case. Is the Latrobe Valley Authority and that nuance with RDV not achieving that?

Mr CANTWELL: I think just on that, business owners and industry leaders' time can be consumed in running their business, so they do not often have that time to be able to go to perhaps the wrong place. They are looking for the cleanest way to invest or the clearest path for their investment or that job growth. So I think perhaps, as I said before, with that duplication and that uncertainty around the approach, if you approach the one entity that is the right organisation, maybe that is a pretty clear and smooth transaction and can hopefully lead to good outcomes, but if you are engaged with the wrong entity, through no fault of anybody's but just that that was the first entity that was approached and it was not the right one, it can perhaps lead to time loss but also the feeling that another region may be better coordinated.

Ms BATH: A perverse outcome rather than the required outcome?

Mr CANTWELL: Yes.

Ms BATH: Thanks, Mr Cantwell. You talk about various projects that you are endorsing—the HESC project, which we heard about from J-Power this morning—but also connectivity; you speak about rail and freight and the importance of that. How important do you see it is to have good rail connectivity and good freight passageway for—I mean, C4G covers off on all of Gippsland—particularly the Latrobe Valley?

Mr CANTWELL: Yes, in terms of industry and business, freight is essential. We will be undertaking a Gippsland freight infrastructure master plan starting next week and then over the next three months, and I think that is really important work that will help feed into opportunities for government to invest in whether it is rail, freight or other opportunities to help ensure that we are getting our products into and out of Gippsland in the most efficient and economical way but also one that will improve road safety for regular Gippslanders. But freight and rail are really pivotal in terms of industry in Gippsland.

Ms BATH: Thank you. And, Chair, if I may, we have heard the comment around, 'We need a plan'. Yallourn is going to close in 2028 as specified by the company, and then we see AGL by 2045 potentially there. What does C4G want to be at the table with this plan? What would you see as some key performance indicators that you need around the plan so that everybody is brought along on the journey or that everybody has input into? What are some of the key parts of that plan?

Mr CANTWELL: Yes, I think from a Gippsland-wide perspective there is opportunity for, I suppose, a Gippsland transition task force that is industry, business and community, so there is that full level of connection and engagement across the region.

Ms BATH: I am just going to challenge you on that: wouldn't LVA say, 'We're it; we can be it'? Are they it, or are there other elements to that?

Mr CANTWELL: No, I think there are other elements. I think if we were really looking at a region-led transition, it should not come from a government agency or a government body. I am thinking more along the lines of where it is a table like this with key stakeholders sitting around. Certainly LVA could be a part of that, but I do not think it is necessarily going to be reflective of community and industry for it to be managed by the one entity. I think it is about having those discussions at all levels through community, industry and business and identifying what the opportunities are that we as a Gippsland region see for the future in terms of jobs but also attracting investment and retaining that investment. So I think in Gippsland we have got some really great skilled people in the region that can articulate the opportunities, and I think they would be best placed with a task force that was Gippsland led and included industry, business and community.

Ms BATH: Gippsland Regional Executive Forum, for example, as well.

Mr CANTWELL: Yes. I suppose it is similar to what the Committee for Gippsland and our role are really bringing—bringing together industry and business as well as community—and if we can have those discussions and have a task force that really is able to articulate our interests and what we see as the future of Gippsland, I think that will lead to the best outcomes for the future.

Ms BATH: Thank you, Chair.

The CHAIR: Thank you. Ms Shing.

Ms SHING: Thank you very much for your submission and for attending here today. I would like to unpack a little the demographics of your membership, because we know that an overwhelming majority of workers are in small to medium enterprises. So how does that fit? You have listed a number of the really big employers across the region, but obviously we can confine that to the Latrobe Valley region for the purposes of this inquiry. What is the scope and coverage that you have for small to medium enterprise within your membership or more broadly in the positions that you take?

Mr CANTWELL: Yes. We have a number of small sole traders and small businesses that are looking to scale up. So one of them would be GippsTech, who you are certainly familiar with, and what we really appreciate through our dealings with GippsTech is that sometimes those smaller and medium enterprises have the opportunity to scale up and then create those jobs through those pathways as well.

So our membership varies. They are not all big employers, like Opal Australian Paper through to Esso; they range all the way down. And there is good diversity through the smaller organisations, like Dyers transport, which is still a significant employer, and ViPlus down in Toora, which is quite a remote area of South Gippsland, so it is always good to get their engagement and input into the opportunities because they will have a different perspective to a larger organisation perhaps in the spine of Gippsland from Warragul through to Sale. So our membership is diverse, from individuals through to five to 10 employees up to the really significant and international companies like Esso and obviously AGL and others.

Ms SHING: So one of the things that we have heard this morning in evidence from RDV and from the Latrobe Valley Authority specifically has been that RDV engages in investment attraction and that piece around bringing levels of interest and appetite to the region to encourage that economic investment across a range of different sectors but the Latrobe Valley Authority, beyond the work of RDV, noting that there is an overlap, in fact focuses on a wraparound approach to multifaceted transition and development. So I would like to get your views on the extent to which that latter category of activities which the LVA does, including in conjunction with local councils—the business concierge services, the cutting of red tape in terms of grants and systems that are available, including for community and for education—in that piece is actually part of delivering on long-term transition, because of the fact that it is different to what RDV does.

Mr CANTWELL: Yes. I think you raise a really good point around the business concierges at the local government level, and I really appreciate those subtleties around the differences between the LVA and RDV. I think, from a personal perspective, when I look back at the beginning of the LVA, its footprint really was Latrobe Valley—and then Baw Baw and Wellington, it spread to there. Now with the business concierges, they are in each of the six local government areas as well, so I think that can add in some ways that level of perhaps confusion as to what the breadth is. And it is not a bad thing in terms of where LVA is connecting, but it can create that confusion from a Latrobe Valley sort of exercise to Bass Coast and to East Gippsland, in terms of those business concierges. The work that the LVA undertake is important work in terms of that transition, but it is just a matter of where it sits, I feel, and how it connects with the work that RDV does and industry as well.

Ms SHING: So it is not just RDV with whom the LVA works. They work across a range of other government portfolios, and that includes everything from sports and rec Vic through to employment and industry, through to major projects and events et cetera et cetera. So it sounds to me like what you are describing is a challenge around communication and messaging perhaps as much or even more than substance around the work of the LVA. If you are talking about confusion associated with who does what and how to triage that in the best way and the most efficient way for your members, are we not talking about raising the level of awareness of what the LVA does rather than changing its remit?

Mr CANTWELL: Certainly communication can create problems, but it can also obviously solve problems. So I think you are right that better communication and understanding of the role that the LVA is undertaking, and particularly with those business concierges, would be a good step forward. Having that understanding of the work that the LVA does beyond the valley or beyond the regular key stakeholders, I think, is really important, because there will be a lot of people, whether it is in industry or within community, that do not really understand the machinations of an LVA and an RDV, but when they do need to engage they need to be able to understand the pathways of where to go. Whether it is a business—and perhaps that is more around RDV—or whether you are a worker that is looking to transition out of your workforce, whether it is timber or within energy, you know, those pathways are really important. So it may be that it is a communication issue, but it is still, I guess, an issue.

Ms SHING: What does a best case outcome look like for C4G on behalf of members as far as economic support is concerned from all levels of government to transition, to diversify economies and to move away from that large single-employer model that we had in the valley until privatisation to something which contemplates Yallourn closures and then AGL down the track?

Mr CANTWELL: It is not always that financial contribution that state and federal governments can—

Ms SHING: Let us start with financial and the perhaps move outwards from there.

Mr CANTWELL: Sure, sure. I think in looking at the projects, the priorities that we have identified in our submission, that if there is financial support, whether it is through partnering with industry on particular projects—you know, the economic stimulus or economic growth work that was implemented around Hazelwood, that was quite welcomed.

Ms SHING: Do you mean the \$266 million fund?

Mr CANTWELL: Yes, the \$266 million, yes. That was really well received and welcomed. But I think in terms of going forward and looking at Yallourn's closure and then obviously the subsequent closure beyond that, there will be a pipeline of projects that may need government assistance in terms of being financially viable or to get across the line in terms of being developed. So I think at a state level if there was that level of engagement with industry to understand perhaps the financial ask that industry may be requiring in terms of partnership. But then there is also that opportunity at the federal level, where the federal responsibility lies and where there can be that—whether it is a three-way split between state, federal and the private entity.

Ms SHING: Well, we know that in Germany that was met overwhelmingly by the federal jurisdiction as far as transition was concerned.

Mr CANTWELL: Yes, sure. But I think from a Gippsland perspective there will be a pipeline of projects, and significant projects, whether it is in construction or in other areas, that people can look at their career now and plan out where they might be in five, 10 or 20 years in line with these projects, whether it is a transmission line and working on that construction or whether it is an offshore wind turbine or if it is within the hydrogen sector. If people can have that confidence that government will provide financial assistance or support in terms of getting those projects across the line, then they will have confidence as well that they will see—

Ms SHING: That business transition planning is in fact a lot of what the LVA has been doing around assisting businesses in transition to develop plans for what their medium- and long-term vision looks like, so it is good that your views and priorities on behalf of members are in fact aligned with a lot of the work that the LVA has been doing.

Mr CANTWELL: Yes, and I think that might go to the point around communication and in sharing that information. I think that sometimes in Gippsland we can be working in silos and things can be being undertaken but not shared more broadly. So I think if that work is being undertaken, it is really important, and that needs to be communicated and engaged with for that wider audience so that people can see those opportunities and see that the planning is underway.

Ms SHING: See that they might also become involved, yes. Thank you very much for that. I appreciate it. Thanks, Chair.

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

Mr BARTON: G'day, Tony. And thank you, Ms Shing, for asking all the questions I was going to ask.

Ms SHING: It is our psychic link, Mr Barton. It is working better than the broadband down this way, I can assure you.

Mr BARTON: Tony, I will just ask one question. With AGL there is a move on AGL for a new ownership model, and it has been made clear that they want to move the closure of their coal-powered power stations to 2030. What is that going to mean? We have got one plant shutting at 2028, and then if we have the others going at 2030 rather than 2045, that is going to be, I would imagine, a huge challenge for this area.

Mr CANTWELL: I do not think I can comment on the individual business relationships of particularly a member of AGL but also those internal workings of an organisation. I would not provide any commentary on that. But what I would say is I think it goes to the broader conversation around energy transition in the region: that we as a community, as a Gippsland community of business, industry and the community, need to be engaged and have a plan, as Ms Bath mentioned earlier; and that we can articulate what it is that we see as our future so that we do not come to a point where significant employers, whether they are within the energy sector or outside of the energy sector, are looking to exit from their industry and perhaps the region—so we are better placed to be planning our future and we are not getting to that point and thinking, ‘What are the opportunities?’. I think now is a really good time to be having those discussions, both with government but also with private industry, around what can be done so that the transition is smooth and it is not met with hurdles along the way from sudden changes or any changes to businesses.

Mr BARTON: Thank you.

The CHAIR: I wanted to touch on an issue that you talked about—government support for projects. Obviously you would be aware about the Energy Innovation Fund, the \$40 million that the government has already invested.

Mr CANTWELL: Yes.

The CHAIR: And probably some of those companies or beneficiaries are members of your organisation. Do you want to just explain how important that government support is, especially at that initial stage, and also the transfer of jobs and skills? I noticed in your submission you talked about the skills we have got in the region. Why is it so vital that government provides that support?

Mr CANTWELL: And I suppose a good example, a recent example, is for the offshore wind industry. I think that is a real opportunity for Gippsland to be a leading region in that offshore wind space. So the financial support from the state government in terms of Star of the South and Flotation Energy in the other realm—

The CHAIR: Yes, one of my colleagues told me that is the windiest place in Victoria.

Mr CANTWELL: It is.

Ms SHING: Save for state Parliament from time to time.

Mr BARTON: I thought that would have been Spring Street.

Ms BATH: No, Gippsland is definitely the windiest place.

Mr CANTWELL: Yes. The Ninety Mile Beach and the winds that can be generated off there really provide that good example of why we should be looking at creating Gippsland as the first region for offshore wind in Australia, and that is where that collaboration between federal government policy but also the state government financial support can really work hand in hand. We still have a lot of work to do in terms of at a federal level for that zone to be declared an offshore wind zone, and hopefully the first one for the region, but that is a good example of where government assistance in terms of that planning, in that mapping and scoping of the project, can really help lead to the project being viable further down the track once legislative measures are in place.

The CHAIR: Yes. And because obviously our inquiry is looking at the broader impacts as well, the economic impacts, we have heard a lot about, I guess, the state investment into the Latrobe Valley Authority, Regional Development Victoria and other agencies working with DJPR and other departments and the work of committees like yours. Is there a role for more direct federal support? Because what we are seeing is the Latrobe Valley Authority already has invested over \$260 million, and obviously there have been subsequent other projects as well in the region. Is there a role for greater federal support for the region?

Mr CANTWELL: Yes. I think certainly from a Gippsland perspective, if we are able to ensure that state government, local government and federal government are as committed to the region as each other, I think that is a really good—

Ms SHING: You should have been at the Gippsland Performing Arts Centre opening just before. It is exactly what happened.

Mr CANTWELL: Oh, really? Oh, great.

Ms SHING: Yes. Check it out. It is in Traralgon.

Mr CANTWELL: I think it is on Thursday as well. There is an official Latrobe city launch, I think, on Thursday night. So I will be there for that. But yes, I think that is a really good example of where that collaboration between state, federal and local government can really create some exciting opportunities for the region, and whilst Spring Street is closer than Canberra, it does not mean that there is any greater role to play from a state perspective or a federal perspective. I think we all want what is best for the region, and if we can have a more direct line to Canberra I think that will achieve some really good outcomes.

The CHAIR: And you are a local?

Mr CANTWELL: Yes, I am from South Gippsland.

The CHAIR: South Gippsland, yes. The reason I am saying that is we have talked about—and it is one of the biggest things that I have heard from the evidence in the hearings to date—the importance of the worker transition scheme, how important that is. In your submission you talk about preserving skills. Comparing, I guess, other transitions or lack thereof earlier during the privatisation of the energy sector and now, do you think the transition scheme is essential? Do you think it works? Do you think it is a good scheme, and do you think that it should be kept?

Mr CANTWELL: Yes, I think the transition scheme is really important. I think, as I mentioned earlier, that I suppose we were fortunate with the closure of Hazelwood in that there was Yallourn and then AGL to help with that transition of some workers from Hazelwood to Yallourn and then to AGL. I think the challenge will be, once Yallourn is closed, there is only AGL, and that maybe places a lot of pressure on AGL to take workers through a transition scheme. But certainly being a local and coming from Gippsland and wanting to work in Gippsland, plenty of people will want to stay and remain in the region, and it is really, I think, on industry leaders like Committee for Gippsland and but also on state and federal and local government to really map out that pathway for people, particularly young people as well, so that they see the future in Gippsland.

The CHAIR: And we heard earlier from LVA and other witnesses about—you are right—the transition of skills, because not everyone is going to necessarily go into a job in the energy sector. They might have to transition to get national accreditation for skills. That is why the local TAFEs and Federation University are so crucial. Do think that kind of relationship with the education sector is also key? Because, like you said, not everyone is going to be able to work in the energy sector. They will probably have to be retrained; some might have to be retrained to another role.

Mr CANTWELL: Yes. I think we are really fortunate in Gippsland to have a Federation University campus at Churchill. I am an early graduate of when it was Monash at Churchill, and I really see the value and the benefits of local education that can lead to greater connection with industry so that those employment pathways are much better and much more streamlined than what they would be at a Melbourne-based university into industry. So if we can connect better with education from TAFE and Federation University as well, whether they are a school leaver or a worker that is further on in their life looking to transition, I think they are best placed to help facilitate those pathways.

The CHAIR: Thank you. I have got time for a couple more questions from Ms Bath and Ms Shing if anyone has got a couple. So two questions to Ms Bath, and then a couple more to Ms Shing.

Ms BATH: Thanks, Chair. Look, Mr Cantwell, one of the key things, the key commodities, the key resources, is water. Thankfully we do not have deluges like they are experiencing in New South Wales and Queensland at the minute. However, we do certainly have flooding in the Traralgon area from time to time. But it is a very important commodity. There is the question around mine rehabilitation and what to do to make the mine safe, sustainable and stable, I think is the terminology. But it is also a vital commodity for irrigators for the ag sector. You would have members in your C4G that are linked to water.

Mr CANTWELL: Yes.

Ms BATH: What is your position on what we need to do with water? It is a very big question, but provide some feedback to us at the moment about water.

Mr CANTWELL: Yes. I think water is really a finite commodity not only for Gippsland but for around Australia, and I think the way that we manage and utilise water is something that governments at all levels—

I suppose for Victoria we are fortunate, and for Gippsland more particularly, that we are a sort of water-secure region—but in terms of the opportunities for water and with the mine voids, I think each of them are looking at water as being the most preferred option as to how to rehabilitate the mines, and then that goes to the water resource, how is it utilised, but also how it fits in with agriculture as well. You know, Gippsland is a really proud agricultural region. So I think there is more work to be done from an industry point of view but also from a state government point of view around water. I know there is the sustainable water strategy that is underway, so there is that work that is happening, but in terms of Hazelwood mine having been closed now for some years and there is still the discussion on whether it is water or what the rehabilitation looks like, I think in terms of the water utilisation—‘industrial water’ I will say—for Gippsland it is about what are the opportunities to maximise the use of water from an industry point of view, so what are the new industries that we can attract to the region that will perhaps replace a heavy user of water that may have exited the region or the industry so the water authorities have that continuation of customers and they are able to project their water needs over the coming, you know, five, 10, 15 years. Water is a really challenging discussion, but it is a really important conversation to be having in terms of getting the best outcomes for industry but also residential, the environment and obviously the agricultural sector as well.

Ms BATH: Sure, sure. So part of this plan, this 10-year, 20-year plan, my question is: do there have to be those certain milestones and points where we solve some of these problems, where government and industry solve some of these conundrums that are water?

Mr CANTWELL: Exactly. I think it would be a really good outcome if government were to engage with Gippsland’s water sector but also the industry side of Gippsland as well to really articulate what do the next 10, 15 years look like in terms of industry attraction, so what is the industry that we are able to really attract or bring to the region that may fill the gap of some of those significant industries, like a power station, that may be exiting and then leaving a water utilisation that can be maximised with a new business or a new organisation that is able to generate jobs and create a product that is proudly Gippsland.

The CHAIR: Thank you for that. Ms Shing.

Ms SHING: Well, on the subject of water, as the Parliamentary Secretary for Water, it has been an interesting discussion here today, noting that the Gippsland SWS—the sustainable water strategy—is currently out for consultation.

There is a challenge associated with mine rehabilitation in the context of this partial-fill challenge and what that means for safe, stable and sustainable on the one hand, the use of recycled water on the other and the availability of the resource for environmental water holders, primary producers and irrigators, traditional owners and communities. One of the things that I would like to get your take on is the extent to which water, as part of a general discussion—water is an enabler—on the commodities markets and opportunities for the Latrobe Valley region, can form part of the work that the LVA does across Regional Development Victoria, across employment and industry and across the environmental, climate change and energy portfolios. It really is a whole-of-government issue, which is why the five-year reporting plan. It is harder to have a horizon longer than that given the volatility in climactic conditions. But what is your take on the work that the LVA might be able to do within that subject matter that you have just touched on?

Mr CANTWELL: I think there is opportunity if the LVA were to look at the water uses or the water opportunities around. We were, as a Gippsland region, looking to attract new business to the region that perhaps workers could transition into or so that you could transition within Gippsland into the water sector. We were looking the opportunities to attract investment into Gippsland that would utilise our really well-regarded water security. When you compare Gippsland to New South Wales and Queensland and the rest of Australia, Gippsland is in a really well-placed position around water security and just the green hills that we do have here. So I think the LVA could play a role in really looking at are what the opportunities for—

Ms SHING: So you mean working alongside water corps and CMAs and users, there is a customer focus there for large industry around engaging with the authorities and with the state. Are you saying that there is an opportunity there to open up discussions around water availability and use?

Mr CANTWELL: Yes, and investment as well. So it is that water availability, that it is used, but also how we do attract investment to maximise the value on that commodity.

Ms SHING: So that is really a whole engagement piece, isn't it, beyond what RDV does. Again talking about that wraparound approach, which the LVA talked about in their evidence today, and taking it that step further to be able to broaden the discussion available for industry and for businesses, including by virtue of what you do through your assistance as a peak to be able to have more matured conversations, more complex and nuanced conversations, around transition. Is that something that you see as being a viable opportunity to bring people together and move them away from those silos?

Mr CANTWELL: I think anything that can bring people together and take them out of silos is a really good outcome. Whether that is the LVA leading that piece of work, I think RDV—

Ms SHING: I am not necessarily saying leading that piece of work, but at the table, to go back to your—

Mr CANTWELL: Yes. Sure. I think they would be a key person to be at the table, and the same with RDV because of their different focuses and the subtle differences to the work they are doing. I think they would be part of that discussion, and I suppose that is looking at the water entities across Gippsland as a whole, so it is not just the Central Gippsland water authorities, it is the Westernport Waters, the South Gippsland Waters and the East Gippsland Waters as well as Gippsland Water and Southern Rural Water in Maffra.

Ms SHING: Excellent. That is great. Thank you very much.

The CHAIR: Thank you, Mr Cantwell. Thank you to the Committee for Gippsland. On that note, we will conclude this session of the hearings. On behalf of the committee I wish to thank you for your submission and the presentation. It has been very informative. Not all committee members could attend today. If we have any additional questions, are you happy for us to put them on notice and get the secretariat to email them through to you?

Mr CANTWELL: Yes, certainly. Happy to.

The CHAIR: Great. Thank you very much.

Witness withdrew.