



The Hon Dr Anthony Lynham MP
Minister for Natural Resources, Mines and Energy

Your ref A530024
Our refs MO/20/6876, CTS 01015/20

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Mr Neil Laurie
The Clerk of the Parliament
Parliament House
Cnr George and Alice Streets
BRISBANE QLD 4000

Dear Mr Laurie

Thank you for your letter of 12 February 2020, concerning e-petition no. 3169-19 received by the House on 4 February 2020, regarding the coal industry and jobs in the emerging renewables industry.

In response to the petition, I can advise that the energy sector is undergoing transition through the adoption of new technologies and changing market dynamics (energy economics). We know the future of work is also changing rapidly, and we need to equip Queenslanders with the right skills and capabilities for the jobs of the future.

It is important to note that the Queensland coal industry is focussed on metallurgical coal and that metallurgical coal will remain a valuable commodity. Metallurgical coal is essential to the steel-making process and consequently a key input to the critical infrastructure of Queensland's major trading partners. The export value of the state's metallurgical coal exceeds \$35 billion annually. This compares to a thermal coal production export value of \$6.2 billion. The majority of the state's nearly 30,000 coal workers are associated with mines producing metallurgical coal. The royalties from metallurgical coal production will be used to benefit Queenslanders for years to come.

Steel will also play an important role in building Queensland's renewable future. For example each new steel wind turbine will require more than 200 tonnes of metallurgical coal for production.

Queensland's 50% Renewable Energy Target has already led to unprecedented levels of renewable energy investment in Queensland. Since 2016, there has been around \$5.5 billion in investment in large-scale renewable energy projects, with more than 5000 jobs in construction upon completion. Once all committed and under-construction projects are complete, Queensland will have almost 3,500 megawatts of large-scale renewable energy capacity.

The national energy market bodies and state governments are considering zones to target renewable investment to areas of network strength and capacity through the integrated system plan. These zones would support jobs growth through unlocking investment in the transmission

and distribution network, to bring forward a mix of renewables into areas with renewable potential. These zones also present an opportunity for Queensland to coordinate this investment with other economic development and transition opportunities.

As we expand our portfolio of renewable energy assets and work to meet our target of 50 per cent renewables by 2030, the workforce will need to be prepared for new roles and new ways of doing existing roles. The petitioners have rightly identified skills development as central to this effort. In 2019-2020, the Government is investing almost \$1 billion in training and skills outcomes. So far more than 16,000 students have taken advantage of free training through our free apprenticeships for under 21s and free TAFE initiatives since August 2018.

The government established the Just Transition Group in 2018 to further develop policy and advice on the skills, training, employment and community aspects associated with achieving the 50% Queensland Renewable Energy Target. This process is being informed by wide-ranging consultation including key representatives of industry, community and workers, along with experts from academia and government.

Along with the increased deployment of renewable generation, the energy transition will also create additional economic opportunities, including the production of clean hydrogen. Queensland is ideally placed to take part in the hydrogen industry, and the Government is implementing our \$15 million Queensland Hydrogen Industry Strategy, including the Queensland Hydrogen Industry Development Fund, to ensure we can take advantage of this exciting prospect.

Many of the potential jobs and opportunities in the hydrogen industry could be located in regional areas where resource extraction and export has been a traditional strength. The Queensland Hydrogen Industry Strategy takes a particular focus on developing skills and training programs, to ensure Queensland workers are ready to make the most of these opportunities and that existing resource export regions benefit from the industry's development.

There will also continue to be strong global demand for Queensland's resources. The Queensland Government is investing \$13.8 million in exploration and science to help industry develop our rich endowment of new economy minerals in Queensland's north – these are the metals and mineral elements used in low-emissions technologies and advanced electronics. Manufacturers throughout the world will need secure and predictable supplies for these fast-changing, emerging technologies.

Against this economic backdrop, the Government is further enhancing skills development through *Skills for Queensland - Great training for quality jobs*. This plan includes additional funding for the Regional Skills Adjustment Strategy, which is being delivered by TAFE Queensland to support regional workforces to navigate economic change.

Skills for Queensland also includes the creation of six Regional Jobs Committees that will drive job growth in their regions and plan for the future by developing strategies that address local workforce and skills issues, identifying new skills opportunities and ensuring local workforces have the skills needed to fill future jobs.

The work of Jobs Queensland will be an essential reference point as we work together to map our path to prosperity in a low emissions future. Its report *Supporting workforces during industry transition: Key elements for success* helps us to better understand the impacts of industries undergoing transition and strategies needed to support affected workforces. In addition, the data available from the *Anticipating Future Skills* project and insights from the *Future work, future jobs: Preparing Queensland for the evolution of work* report will enable us to look ahead and plan for emerging opportunities.

I provide you with this response for tabling in accordance with Standing Order 125(3). Any enquiries regarding this response can be referred to Mr Simon Zanatta, Chief of Staff, on telephone 3719 7360.

Yours sincerely



Dr Anthony Lynham MP
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