



5 April 2024

## **Submission: Victorian Energy Jobs Plan**

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure, connecting natural and renewable gas production to demand centres in cities and other locations across Australia. Offering a wide range of services to gas users, retailers and producers, APGA members ensure the safe and reliable delivery of 28 per cent of the end-use energy consumed in Australia and are at the forefront of Australia's renewable gas industry, helping achieve net-zero as quickly and affordably as possible.

APGA welcomes the opportunity to contribute to the Victorian Government's consultation on the Victorian Energy Jobs Plan. The transition to a net zero economy will require a similarly large shift in the workforce that supports it – at the same time as the rest of the world is similarly making these workforce investments. Victoria will need to be agile in workforce planning to be able to ensure it can deliver energy system transition on the ground.

APGA supports a net zero emission future for Australia by 2050<sup>1</sup>. Renewable gases represent a real, technically viable approach to lowest-cost energy decarbonisation in Australia. As set out in Gas Vision 2050<sup>2</sup>, APGA sees renewable gases such as hydrogen and biomethane playing a critical role in decarbonising gas use for both wholesale and retail customers. APGA is the largest industry contributor to the Future Fuels CRC<sup>3</sup>, which has over 80 research projects dedicated to leveraging the value of Australia's gas infrastructure to deliver decarbonised energy to homes, businesses, and industry throughout Australia.

The purpose of the Victorian Energy Jobs Plan consultation paper is to support the development of the Plan to outline workforce development and transition planning. In light of this, it is important that the Plan consider all pathways.

APGA has advocated a vision for a renewable gas pathway to the Victorian Government. Renewable gas can play a role in Victoria's energy transition, both for commercial and industrial consumers who cannot electrify, as well as any consumer for whom it's either cost effective or simply their choice to decarbonise using renewable gas.<sup>4</sup> Alongside electrification, the Victorian Energy Jobs Plan must consider a renewable gas pathway and associated skills needs, development, and contribution to the clean energy workforce.

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<sup>1</sup> APGA, *Climate Statement*, available at: <https://www.apga.org.au/apga-climate-statement>

<sup>2</sup> APGA, 2020, *Gas Vision 2050*, <https://apga.org.au/gas-vision-2050>

<sup>3</sup> Future Fuels CRC: <https://www.futurefuelscrc.com/>

<sup>4</sup> APGA, 2023, *Submission: Victorian Renewable Gas Consultation*, <https://apga.org.au/submissions/victorian-renewable-gas-consultation>

## **Critical clean energy workforce shortages ahead**

Whether or not Victoria can deliver on its transition targets will largely depend on whether it has access to the necessary workforce. These skills needs also encompass many other areas of the economy which are experiencing strong demand – residential and civil construction, for example, will be a strong competitor for skills in clean energy.

Jobs and Skills Australia’s examination of the future clean energy workforce considers the current and future clean energy workforce constraints. A focus on electrification presents a particular challenge. To meet Australia’s current renewable generation targets, for example, between 26,000 and 42,000 additional electricians are required by 2030 – outpacing current supply of a critical occupation that is already in shortage.<sup>5</sup>

This is acknowledged in the consultation paper, and these are not new issues. Challenges in addressing engineering professional and trade shortages were considered by the Federal Government in 2014<sup>6</sup> and separately for the resources sector in 2013,<sup>7</sup> and the issues encompassed have largely not changed in the intervening decade. What has changed is that competition for these skills globally may mean that migration is will not be able to meet shortages where they may have previously or for other occupations.

Electrical and engineering occupations, for example, have features on the Skilled Occupation List since it replaced the Migration Occupations in Demand List in 2010, signalling that electrical and engineering tradespeople and professionals are consistently in regional and national shortage. State and Federal governments have made strong efforts to address these shortages domestically through investment in tertiary training, however this pipeline is not enough to meet current shortages, let alone future shortages.

## **Skill opportunities for the gas workforce**

The consultation paper does not consider workforce transition planning for Victoria’s cohort of plumbers, gasfitters, and other workers in natural gas. There will necessarily be a need for transition planning Victorian government policy further incentivising residential and commercial shifts away from gas use.

Jobs and Skills Australia’s examination of the future clean energy workforce presents an alternative vision, noting ongoing skills needs in renewable hydrogen production and transport:

*Australia will be able to leverage its large and skilled natural gas workforce to support these types of infrastructure works. The Minerals Council of Australia noted that a successful clean hydrogen industry will require similar skills to those already required by mining, oil and gas, meaning significant re-skilling won’t be needed.<sup>8</sup>*

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<sup>5</sup> Jobs and Skills Australia, 2023, Clean Energy Capacity Study, <https://www.jobsandskills.gov.au/studies/cleanenergycapacity-study>

<sup>6</sup> Australian Workforce and Productivity Agency, 2014, *Engineering workforce study*.

<sup>7</sup> Australian Workforce and Productivity Agency, 2013, *Resources sector skills needs*.

<sup>8</sup> Jobs and Skills Australia, 2023, Clean Energy Capacity Study, <https://www.jobsandskills.gov.au/studies/cleanenergycapacity-study>

Importantly, as biomethane is chemically identical to natural gas, reskilling or upskilling may not be necessary for all of those workers. There will also be additional skill opportunities in biomethane production and related work.

An increased focus on a renewable gas pathway in Victoria – alongside electrification, particularly for the residential and commercial sectors – would provide an alternative skills stream. More importantly, a viable renewable gas industry in Victoria would reduce the anticipated pressure on skills related to electrification, while simultaneously assisting Victoria in meeting its decarbonisation targets.

To discuss any of the above feedback further, please contact me on +61 422 057 856 or [jmccollum@apga.org.au](mailto:jmccollum@apga.org.au).

Yours sincerely,

A handwritten signature in grey ink, appearing to read 'JM', is positioned above the typed name.

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