

FACT SHEET Collie's just transition:

A blueprint for the world's 8 million coal workers?

Summary

- Collie is a small town in Western Australia (WA) that has been at the heart of coal energy production in WA for over a century, **powering the state's main electricity grid since 1931.**
- Around 1,300 of Collie's population of 9,000 work in the coal industry a number closer to 1,800 when you include contractors and generations have relied on the industry for their livelihoods.
- In 2022 the WA Government announced the timeline for the phased shutdown of Collie's state-owned coal-fired power plants by 2029.
- Well ahead of this, the **town designed its own 'just transition' plan**, bringing together the affected workers and unions together with employers and government and wider community through a dynamic co-creation process.
- So far, Collie has successfully attracted close to A\$700 million in investments into closure support and re-training, tourism, and new green industries.

Australia

SOUTH AUSTRAL**I**A

WESTERN AUSTRALIA

Perth Collie



Coal has remained integral to Collie's economy since the town's inception in the 1880s. (Credit: Griffin Coal)

Collie's just transition timeline to date

2006: The Australian Manufacturing Workers Union (AMWU) first initiated discussions about transforming Collie's economy in preparation for a future without coal.

2006-18: This proceeded informally for years, bringing together the workers and unions, employers, government, and wider community.

2018: Dialogue was formalised with the establishment of a Just Transition Working Group (JTWG) coordinated by a state-run secretariat - the Collie Delivery Unit (CDU) – part of the WA Government's Department of Premier and Cabinet (DPC).

2020: The JTWG and the WA Government published Collie's Just Transition Plan, which the CDU tracks with an action register against measurable goals and regular reviews.

2022: The WA Government committed to a phased shutdown of Collie's stateowned coal-fired power plants by October 2029.

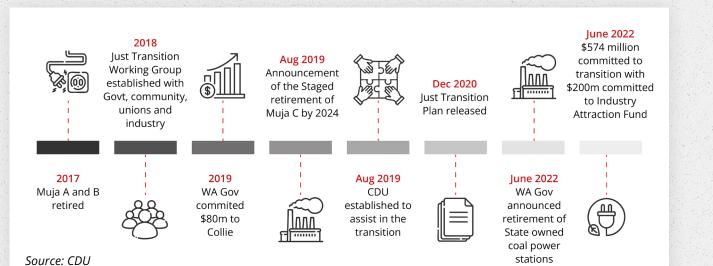
2022: Muja C unit 5 closed in October 2022.

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2025: Muja C Unit 6 set to close fully in April 2025.

2027: Collie Power Station set to close in October 2027.

2029: Muja D Unit 7 and Muja D Unit 8 set to close in October 2029.



Co-creating the foundations

- Collie's transition approach is built on a number of principles including collaboration, shared responsibility and collective action.
- The WA Government spearheaded the formation process through the Department of Premier and Cabinet (DPC), which through the **Collie Delivery Unit** (CDU) is held **accountable to the Just Transition Working Group** (JTWG) ensuring decision-making considers the affected workforce and broader community.
- The **JTWG brings together all the stakeholders in the transition** the community, the employers, the government, the unions. The group meets physically in Collie itself, to avoid having to go back and forth to Perth. Subcommittees tackle specifics, from job creation to retraining, ensuring every worker has a personalised plan that meets their needs and balances any adverse impacts as best as possible.
- The JTWG's position within the DPC allows it to cut across departmental silos, to help ensure visibility at the highest levels of government and enable cross-agency collaboration.
- According to interviews conducted by IHRB with those involved in Collie's transition, fundamental to its success so far has been the JTWG's members balancing their individual expertise with a shared commitment to the transition, which is reflected in Collie's guiding principles for the transition.

Collie's Just Transition Plan

Guiding Principles



Encourage sound investments in low emission and job-rich sectors and technologies that attract and maintain local employment opportunities.



Recognise, promote and celebrate the history, cultural heritage and invaluable contribution the town of Collie and associated coal and power generation industries have made and continue to make to the State of Western Australia.



Respect the rights of those affected by transition to be treated with justice and dignity.



Ensure all consutations and negotiations are honest, open and transparent and work towards achieving consensus on goals, timelines and pathways. 5

Recognise that "we're all in this together", and thus share the challenges and opportunities transition brings. The objective is to see that no-one is left behind.



Strive to ensure that all those affected by transition are given comprehensive information, opportunity and choice to retrain, reskill/upskill or take and alternative pathway within a reasonable timeframe.



Organise local, long-term economic diversification plans that support worthwhile occupations and foster continuous improvement in local living standards for current and future generations.

Provide policy, social support and linkages to community and government services for the benefit of all those affected by transition.

Multi-stakeholder transition planning

- <u>Collie's Just Transition Plan</u>, published in 2020 by the JWTG and State Government, is built on four interconnected pillars: committing to a just transition as defined in the Paris Agreement of 2015; maximising opportunities for affected workers; diversifying the local economy; and celebrating Collie's history and promoting its future.
- To ensure accountability, the CDU implements a rigorous **action register** with measurable goals and regular reviews.
- Collie's transition system depends on a number of actors:
 - The unions the Australian Manufacturing Workers' Union (AMWU), the Australian Services Union (ASU), Electrical Trades Union (ETU) and the Mining and Energy Union (MEU) – played an essential role embedding just-transition language into the initial planning efforts, and lobbying for worker-centric metrics like skills assessments, paid retraining, and support packages.
 - The Shire Council ensures an open line of communication to and from the community.
 - The state-owned utility Synergy initiated a robust worker transition programme that became the blueprint for the Collie Jobs & Skills Centre's ongoing approach with the wider community.
 - And the private mine operators, Griffin Coal and Premier Coal, will need to rehabilitate thousands of acres of old mining land – an opportunity to help new industries move in and provide job stability beyond the 2029 closure dates.



Investment results and confidence building

TOURISM

- In 2019, the State Government pledged A\$115 million to Collie support initiatives, including the establishment of the <u>Collie Small Grants Programme</u> and the <u>Collie Future Industry Development Fund</u> for grants up to A\$2 million for companies to invest in Collie.
- **A\$38 million of this supported new tourism initiatives** including investments in adventure trails, recreation sites and the high street. The Collie Mural Trail features over 40 public artworks and the world's largest dam mural.



Investment into adventure trails, recreation sites and the high street have boosted Collie's tourism industry whilst celebrating the town's mining heritage. (IHRB/Oliver Gordon)

TRAINING, SKILLS AND WAGE INCREASES

- Synergy, the state-owned utility, set up its <u>Workforce Transition Programme</u> to provide individualised pathways for affected workers, offering options like retraining, redeployment, voluntary redundancy or retirement.
- In 2022, the Government announced a training support package to expand the <u>Collie Jobs and Skills Centre</u> (JSC), a dedicated facility on the Collie high street mandated to provide on-demand tailored career and training assistance to residents. In its first year, the centre helped over 800 people, developed 265 training plans and enrolled 172 workers in courses. Since then, it reports holding over 2,000 support appointments annually.
- Underpinning this are **immediate results in peoples' pay packets.** For example, maintenance workers at Griffin Coal have received a 43% pay rise, paid-time training, a 25% uplift to their redundancies, a A\$30,000 retention package and the establishment of paid-time 'work councils' as a direct result of the just-transition process. Synergy workers have agreed wage increases of inflation plus 1.5% guaranteed until 2029, paid-time training and a 3-month uplift to their redundancies.

GREEN INDUSTRIES AND NEW JOBS

- In 2022, the WA Government announced A\$200m investment in the <u>Collie</u> <u>Industrial Transition Fund</u> to support new large-scale industrial projects in priority sectors, such as green manufacturing, minerals processing and clean energy.
- The town will also benefit from the state's A\$3.8 billion programme for renewable energy projects, including the A\$1 billion battery energy storage system in Collie. The Synergy-run project will be operational in 2025, providing 500 megawatts of power with 2000 megawatt hours of storage to the South West Interconnected System.
- **Investments have attracted new companies, like Magnium whose green magnesium pilot plant opens in 2025.** The company is aiming for full-scale production by 2030, when it is expected to create over 1,000 construction jobs and 400 permanent positions.
- **Green Steel WA is another business looking at Collie**, with plans to build a 450,000-metric-ton electric arc furnace, powered by renewable energy. The aim is to generate 217 direct jobs in Collie, and potentially hundreds more in supporting roles.
- The WA Government is also investing an estimated A\$300 million for decommissioning Collie's state-owned coal assets, Muja Power Station and Collie Power Station, immediately after each asset closes - creating an ongoing pipeline of local work.



Magnium's green magnesium pilot in Collie (IHRB/Bill Code)



Green Steel plans to build an electric arc furnace, powered by renewable energy in Colle (Green Steel WA)

Voices of Collie



"Coal is in my blood," says Chad Mitchell, a third-generation coal miner at Griffin Coal. "The unions have stepped in as a wedge, making good decisions and helping us get a solid plan. The guys at work can do courses within or outside their trades – knowledge is nothing to carry."

"People thought, 'It won't happen, it won't happen'. But gradually, it dawned on people that it was inevitable," recalls Ian Miffling, current President of the Shire of Collie. "Growing up here, I remember feeling the tremors every evening from the underground explosions."









"Honouring Collie's history and legacy as a provider of energy and development for the region has been incredibly important. We are a very proud, very parochial, town." explains Collie Jobs and Skills Centre manager Nat Cook. "It's that honouring of the individual path that – creates the most work, don't get me wrong – but is the real reason why we should be here."

"If we don't empower local people when we're trying to create wholesale change inside their communities, then we're in the wrong game," said Steve McCartney of AMWU. "We wanted training to happen while people were still working, so they didn't fall behind."

"I've nearly been made redundant five times as mines have shut and reopened," says Sean Rinder, an earthmoving mechanic. He plans to retire when Premier Coal shuts down, but is anxious about the futures of his two sons, who work with him. "They've both got 30-year careers ahead of them."

"Just transition should change people's lives right now, not sometime in the future; that is how you start to make the connection in a worker's mind between climate action and their life changing for the better," says Darcy Gunning, AMWU's campaigns organiser, reflecting on improvements to pay and conditions as a result of just transition negotiations.



WITTER

"You have to plan and act early, iterate, and prioritise a people-first, co-creation approach," said Liz Baggetta, Synergy's head of transition. Synergy's programme is steered by a 40-strong committee of employees. "It means the process takes longer, but the results are worth it and no-one is left behind."

"In the past, discussions in Perth didn't involve people from Collie. The state government is doing it really well now, but we need more perspectives from those who usually don't get a voice, like Traditional Owners and people with other lived experiences of vulnerability and marginalisation," said Collie resident Leonie Burton

"Who better than us? We've managed a climate transition before. It was 10,000 years ago and called the Ice Age," says Phil Ugle, a Wiilman Noongar Elder, advocating for the unique Aboriginal knowledge of the land and its ecosystems.

FURTHER READING:

- <u>Collie's just transition: A blueprint for the world's eight million coal workers?</u> (Multimedia long-read feature) (JUST Stories/IHRB)
- <u>Collie's just transition: A blueprint for the world's eight million coal workers?</u> (Short documentary) (JUST Stories/IHRB)
- <u>Collie's Just Transition: Diversifying a coal economy.</u> (Government of Western Australia)
- <u>Collie's Just Transition Plan (2020).</u> (Government of Western Australia)
- <u>Collie Just Transition Podcast.</u> (Collie's Just Transition Working Group/Collie Community Radio)
- <u>Muja Workforce Transition Program.</u> (Synergy)
- <u>Collie Jobs and Skills Centre.</u> (Government of Western Australia, The Department of Training and Workforce Development)

Collie's story is being featured by **JUST Stories** - a project from the Institute for Human Rights and Business dedicated to finding and telling stories of people working together to advance just transitions. To read Collie's full story and for more information please visit <u>www.just-stories.org</u>.