

# Vegetation labour statement

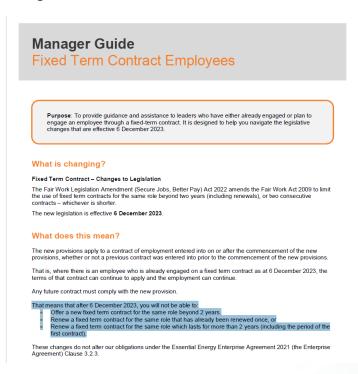
- ▶ This document summarises the reasons why the dedicated Vegetation team labour supporting Essential Energy's vegetation transition is required, and why the decision was made to recruit Full-Time Employees (FTEs) compared to other employment terms.
- ▶ The Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 amends the Fair Work Act 2009 to limit the use of fixed term contracts for the same role beyond two years (including renewals), or two consecutive contracts whichever is shorter. The new legislation is effective 6 December 2023.
- ▶ Essential Energy's Vegetation team is an aging workforce with 21 FTEs over the age of 60, and therefore eligible for entering the 'Transition to Retirement Plan' by FY33 when the project finishes.
- Essential Energy also observes a significant attrition rate and skill transfer rate internally within the business.
- It is well understood that more workers that are experienced and skilled will be required to enable the energy transition into the future.

## Why can't the requested vegetation staff be put on as temporary contract / labour hire staff?

The Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 amends the Fair Work Act 2009 to limit the use of fixed term contracts for the same role beyond two years (including renewals), or two consecutive contracts – whichever is shorter.

The new legislation is effective 6 December 2023.

See below excerpt from our internal Guide for Managers - Fixed term contract employees. This summarises the Fair Work Legislation Amendment, Dec 2023.



#### **OFFICIAL**



- What is the exit strategy for the additional vegetation staff after the 8-year transition? Essential Energy's workforce data shows four key patterns that will influence the long-term plan for the additional ten full time employees required to deliver the vegetation transition. These are:
  - i. The age profile of the existing workforce highlights the future replacement needs:

## Count of "Vegetation Officer", who are > 60 years of age, with forecast out to 28/02/2033

	Sum of 60+ @			
	28/02/2025	28/02/2028	28/02/2030	28/02/2033
Grand Total	7	12	19	21

## Count of "Vegetation Officer", who are > 65 years of age, with forecast out to 28/02/2033

	Sum of 65+ @ 28/02/2025	Sum of 65+ @ 28/02/2028	Sum of 65+ @ 28/02/2030	Sum of 65+ @ 28/02/2033
Grand Total	1	3	7	12

- ii. The current rolling 12-month attrition rate (headcount) is:
  - a. 5.28% for Essential Energy
  - b. 5.66% for Vegetation Operations
- iii. The mobility trend (internal transfers, secondments etc.) for the 12 months to 28/02/2025 is 20.1% for Essential Energy.
- iv. The Energy Transition is resulting in the need for experienced and skilled labour at Essential Energy. In September 2024 Essential Energy engaged an external consulting group to help understand future demand. The findings showed overall growth across Essential Energy's critical workforce segments is likely to be required by FY34, with each segment showing distinct growth requirements driven by the unique demands of the energy transition.