

Pathways Call for Evidence Submission

18 July – 14 August 2026

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Net Zero Commision: Decarbonisation Pathways for NSW

Submission from the Hunter Jobs Alliance (HJA)

Date - 14 August 2026

Thank you for the opportunity to make a submission. The Hunter Jobs Alliance is a collaboration of unions and environmental organisations in the Hunter region, united by a shared commitment to securing a fair, sustainable, and prosperous future for our communities. We work to advance full employment, good union jobs, a thriving natural environment, an equitable society, and a stable climate powered by renewable energy. Our members and supporters include workers, conservationists, and local businesspeople, individuals with deep roots in the region and a common vision for an orderly transition in the Hunter.

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Hunter Jobs Alliance affiliate member organisations:

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| <ul style="list-style-type: none">• Australian Manufacturing Workers' Union NSW & ACT Branch (AMWU)• Electrical Trades Union NSW & ACT Branch (ETU)• United Workers Union (UWU)• Australian Municipal, Administrative, Clerical and Services Union NSW & ACT Services Branch (ASU)• Community and Public Sector Union (CPSU)• National Tertiary Education Union (NTEU) | <ul style="list-style-type: none">• New South Wales Teachers Federation (NSWTF)• Independent Education Union of Australia NSW/ACT Branch (IEU)• New South Wales Nurses and Midwives' Association (NSWNMA)• Labor Environment Action Network (LEAN)• Lock the Gate Alliance (LTG)• Hunter Community Environment Centre (HCEC)• Nature Conservation Council of New South Wales (NCC) |
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Question 4

What are the likely economic effects on NSW of different emissions pathways to net zero, relative to NSW's current level of ambition?

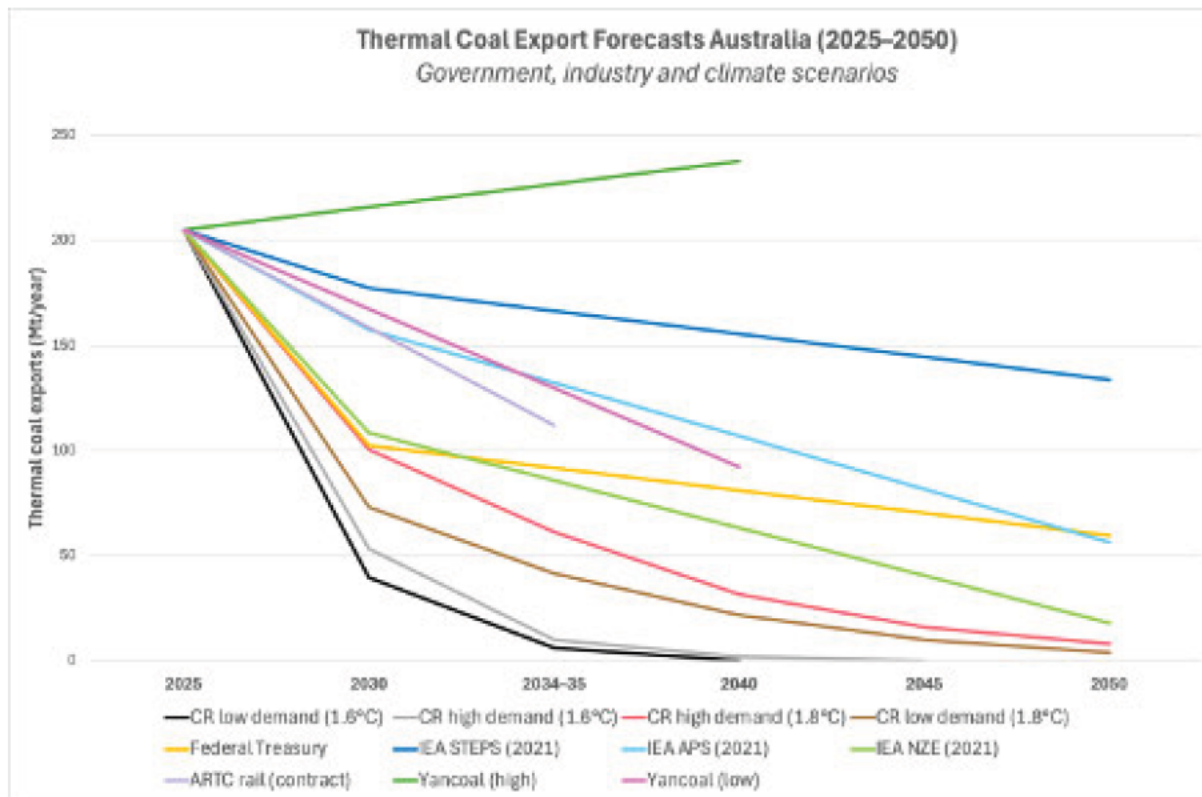
NSW's current ambition is its legislated targets: 50% emissions reduction by 2030, 70% by 2035, and net zero by 2050. All three Commission pathways - Balanced, Delayed and Fast-tracked - reach net zero by 2050; they differ in pace, not destination. For the Hunter and NSW's other coal regions, the Delayed pathway carries the greatest economic risk - not because delay is safer, but because it assumes the state can set its own pace when demand for its main coal export markets cannot.

Analysis released by the Commonwealth Treasury for the National Net Zero Plan in late 2025 revealed the starkest government assessment of the decline of export coal to date. Its modelling shows that, under all scenarios, the value of Australia's fossil fuel exports will fall by around 50% by 2030, and coal production will decline by at least 42% by 2035, including metallurgical coal used in steel production¹. Decarbonisation technologies for steel are progressing more slowly than replacement technologies for electricity generation, meaning thermal coal is projected to decline faster. Ninety percent of coal exported from Newcastle is thermal coal².

¹ Australian Government (September 2025), *Australia's Net Zero-Transformation: Treasury Modelling and Analysis*, 36-37.

² Port Waratah Coal Services, *Sustainability Report 2024 (2025)* ("PWCS") 10; Newcastle Coal Infrastructure Group, *Sustainability Report 2024 (2025)* 10.





Analysis produced by Hunter Jobs Alliance based on publicly accessible Australian thermal coal projections, 2026.³⁴⁵⁶⁷⁸

The Commission's own Coal Mining Emissions Spotlight Report (Finding 5) confirms the NSW Government must prioritise policies that systematically prepare for the decline of coal extraction and deliver a just, orderly transition. These risks are concentrated in four regions - the Hunter, Illawarra, Central West and North West - where coal underpins employment, local government revenue and regional economic activity. Sources differ on exact pace, but all point to significant decline over the next decade, with the second half of the 2020s as the critical bridging period between peak production and long-term decline.

³ Climate Resource, Australia's coal outlook in a warming world, Burdon et al., 2025.

⁴ Australian Government (September 2025), *Australia's Net Zero-Transformation: Treasury Modelling and Analysis*, 36-37.

⁵ Queensland Treasury, *Queensland's Coal Industry and Long-Term Global Coal Demand*, 2022

⁶ Australian Rail Track Corporation, *HVAU Explanatory Note*, 2026

⁷ Wood Mackenzie, *Moolarben Extension Market Analysis* (prepared for Yancoal), 2025

⁸ Yancoal Australia Ltd, *Half-Year Financial Report*, 2024





A Delayed pathway does not give the Hunter a slower, more manageable transition, it simply leaves less time to prepare. The pace of local economic diversification needs to be aligned ahead of the pace at which the export market is contracting, and the economic cost of a Delayed pathway in coal-exposed regions should be assessed against this realistic external demand trajectory, not a domestic policy counterfactual.

4(a): Workforce and community economic pressures

What are the most significant economic or workforce pressures the pathways should account for in your sector or community?

The Hunter's 22 coal mines employed around 15,000 people in 2025, the majority export-oriented, with around half of these mines projected to close within a decade. Mount Arthur (around 2,000 workers) is the region's largest single closure, occurring in 2030. 11,200 fossil fuel job losses are projected by 2035, of which 8,620 workers would need an active transition - only 48% into similar roles with minimal support, the rest needing active reskilling.⁹

The single largest workforce risk is the absence of a funded, statutory transition mechanism for export coal. The Commonwealth's Energy Industry Jobs Plan (EIJP) does not extend to coal mines unless they are significantly impacted by a domestic power station closure. As HJA put it in our July 2025 submission to this Commission: The Net Zero Economy Authority Act 2024 "fails to protect the majority of workers in export-oriented coal mines, leaving thousands of Hunter region workers vulnerable to market-driven closures without adequate transitional support."¹⁰ With around 90% of Hunter coal tied to export markets, this is not a marginal gap, and because the coverage decision sits with the Commonwealth, NSW pathways should not assume it will be resolved on any particular timeline. This is why expedited passage of the Future Jobs and Investment Bill through the NSW Legislative Council is paramount.

Experience demonstrates that comprehensive workforce transition support cannot be left to the discretion of individual mining companies and must be a legislated obligation. A requirement imposed on Hunter Valley Operations (HVO) more than twenty years ago to develop a mine exit strategy - including measures to minimise the adverse socioeconomic impacts of significant job

⁹ Oxford Economics, Regional Economic Transition Analysis –Worker Transitions in the Hunter, 2025

¹⁰ Hunter Jobs Alliance, Submission to the Net Zero Commission 2025 Consultation, 2025





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losses - was allowed to effectively disappear. HVO is not an isolated case: Dartbrook closed without comprehensive workforce transition arrangements, and Mangoola has no comprehensive workforce transition plan ahead of its 2030 closure.

Mine approval expiry dates should not be treated as reliable transition timelines. Recent Hunter experience demonstrates that commercial, geological and market factors can result in mines closing well before their approved end dates, reinforcing the need for workforce and regional transition planning to commence while workers remain employed.

The Net Zero Economy Authority provides enforceable transition obligations for workers affected by power station closures. But these protections do not currently extend to export coal mineworkers. Supply-chain workers need the same coverage. In its Fair Work Commission application on the Eraring power station closure, the Commonwealth Net Zero Economy Authority identified 17 supply-chain businesses whose workers also required transition planning. HJA recommends the same principle apply to coal mining. HJA is advocating for the Commonwealth to close that gap.

At the NSW level, HJA is calling for the Future Jobs and Investment Authority legislation to be passed and strengthened so mining companies must plan early, contribute financially and be held accountable for supporting workers and affected supply chains. The Future Jobs and Investment Bill - introduced November 2025, passed the lower house, second reading passed in the Legislative Council in March 2026 but stalled since. HJA recommends the Commission treat the Bill's passage, the key amendments required, and it's adequately funded as paramount in addressing the economic and workforce pressures of decarbonisation.

HJA's specific recommendations to strengthen the Bill:

- **Recommendation 1** – Workforce transition plans: workforce transition plans should be a legislated requirement, with mining companies required to fund and facilitate their workforce's transition — not simply prepare a plan. Plans should cover retraining and skills development, paid training leave, individualised employee support and career planning, assistance securing new employment, and financial support for training, extending explicitly to workers in export coal mining and supply chains currently excluded from Commonwealth support mechanisms.



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- **Recommendation 2** – Implementation and enforcement: mine operators must be legally required to actually implement their workforce transition plans, not simply write them. HVO's mine exit strategy shows why a requirement on paper is insufficient without an effective mechanism to ensure implementation.
- **Recommendation 3** – LESAPs: the Local Economic Structural Adjustment Plans (LESAPs) required for each coal region should include environmental objectives — covering biodiversity, rehabilitation and post-mining land use — and a skills audit of the regional workforce. These requirements should be prescribed in the FJIA legislation itself, not left to regulations. Minister Houssos's office has indicated these matters could be addressed through regulations; HJA's position is that embedding them in the legislation provides greater certainty that every LESAP must address them.
- **Recommendation 4** – Future Jobs and Investment Fund: increase resourcing of the Fund to at least \$150 million per annum, or 5% of the \$3Billion the NSW government receives in annual royalties with funding allocated across the four NSW coal mining regions broadly commensurate with the proportion of coal royalties paid by coal mines operating within each region.

Guided Question 5

What are the opportunities and barriers to addressing socio-economic priorities for a just transition, including equitable outcomes for First Nations peoples and rural, regional and remote communities?

Meaningful Indigenous engagement is a critical component of the NSW's decarbonisation. The Indigenous population in the Hunter is significant, comprising around 8 per cent of the population (excluding Newcastle) - more than double the NSW average (3.4 per cent)¹¹. In the Muswellbrook Shire, this figure rises to over 11%¹².

Section 8 of the Climate Change (Net Zero Future) Act 2023 requires appropriate consultation with affected communities, regard to the knowledge and perspectives of Aboriginal communities, and consideration of impacts on local employment. With the Hunter region declared a Renewable Energy Zone (REZ) by the NSW Government, this presents not only an opportunity but an obligation to improve socio-economic outcomes for First Nations peoples, by

¹¹ Australian Bureau of Statistics, 2021 Census QuickStats: Hunter Valley exc Newcastle, (2021)

¹² Australian Bureau of Statistics, 2021 Census QuickStats: Muswellbrook LGA (2021)





leveraging the transition to enhance opportunities and involvement of first nations communities, through employment, community and local business support.

As HJA put it in our July 2025 submission to this Commission:

- *First Nations communities should have clear and supported pathways into employment, training, procurement, and ownership opportunities across the clean energy sector. Self-determination must be central through the development and funding of First Nations-led clean energy projects, community energy plans, and long-term participation in the energy economy.*
- *A just and inclusive energy transition must be founded on genuine partnership with First Nations communities. This means embedding free, prior and informed consent at the heart of all renewable energy and transmission project approvals. First Nations people must be active partners in the co-design of projects and policies, not consulted after decisions have already been made.*

To support this, land councils, community organisations, and First Nations corporations must be properly resourced to engage meaningfully in policy development, land use planning, and benefit-sharing negotiations. These organisations must be able to represent their communities' interests from a position of strength, not scarcity.

Question 7

Beyond emissions reduction, what outcomes should be considered? For example, impacts on business, jobs, land-use, water and biodiversity.

The Hunter region supports a diverse employment base identified as a key contributor to its economic success. Yet coal mining remains a central pillar of the regional workforce. It is the top industry of employment in half of the regions Local Government Areas (Upper Hunter, Muswellbrook, Singleton, Cessnock and Maitland), directly employing 16,564 workers and indirectly supporting an estimated 25.7% of regional employment (104,775 jobs)¹³. The prevalence of drive-in drive-out (DIDO) work practices, combined with an extensive 'pit-to-port'

¹³ NSW Mining Industry Expenditure Impact Survey 2023/24, NSW Mining, (2025)





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supply chain, means the economic and employment impacts of coal mining - and, critically, its decline - are distributed well beyond the locations of coal extraction.

Coal's economic footprint in the Hunter extends well beyond mine-site employment, with 2,793 businesses in the Hunter's coal supply chain. The Port of Newcastle, the world's largest coal port, drew 95% of its trade from coal in 2024 and is targeting only 50% non-coal revenue by 2030¹⁴; the ARTC-managed Hunter Valley Coal Network, which connects more than 30 mines to the Port, forecasts a 35% reduction in rail volumes (170.5 to 112 million tonnes per annum) by 2034¹⁵. The trajectory is unambiguous from pit to port, and its effect on the wider Hunter economy should not be understated. HJA recommends extending the principle underpinning the Commonwealth Energy Industry Jobs Plan – which can impose transition obligations on closing employers and affected employers in their direct supply chains – to export coal mine closures and substantially affected businesses throughout their supply chains.

¹⁴ Port of Newcastle, *Port of Newcastle Development Plan 2023-2028* (2024) 13.

¹⁵ Australian Rail Track Corporation, *Hunter Valley Corridor Capacity Strategy: Consultation Draft*, 2025

