Australian Government

Net Zero Economy Authority

OFFICIAL

Hunter Delivery Program

The NZEA's workplan for how it will support industrial transition in the Hunter



October 2026

Acknowledgement of Country

The Net Zero Economy Authority acknowledges the Traditional Owners and Custodians of Country across Australia. We recognise that First Nations peoples have cared for these lands and waters since time immemorial and that their stewardship has sustained the environmental, cultural, and economic fabric of this continent for over 65,000 years. We pay our respects to Elders past and present and extend that respect to the generations who will lead us into the future.

About the Hunter Delivery Program

The Hunter Delivery Program provides **a practical roadmap for the NZEA's work for the next 12-18 months**. It identifies priority actions as a starting point for longer-term effort, building on initial actions already underway.

- The Delivery Program marks **a shift from planning to action for the NZEA**. It has been informed by analysis and engagement with stakeholders to understand the issues, opportunities and priorities for action.
- The Delivery Program **aims to support industrial and jobs growth**. It identifies industry growth opportunities and enablers of growth that the NZEA will focus on. It also recognises the need to support workers impacted by the transition into these new opportunities.
- The Delivery Program has been developed **based on a methodology and evidence** set out in more detail in the Annex and an accompanying *Hunter Transition Report*.
- The Delivery Program **builds on work already underway** across the region, by federal, state and local governments, and others. It seeks to bring NZEA contributions in alongside that work, and support coordinated effort.
- The Delivery Program reflects **a starting point**. It establishes foundations for increased ambition over time. It will be adaptive and be reviewed and refined as priorities, opportunities and transition conditions evolve. Progress will be reviewed and reported annually, and the approach evaluated periodically.

NZEA Value Proposition

Translating national policy into local action
Identifying how national industry growth objectives can be brought to life in industrial regions.

Making the case for action
Helping to surface and amplify needs, and finding pathways for government supports.

Multiplying impact
Coordinating action to deliver greater impact than individual actions (a ‘force multiplier’).

Fostering collaboration
Championing and supporting cooperation and ensuring regional expertise helps shape government efforts.

Building confidence and understanding
Showing communities how the transition is being managed in practical and local terms, by telling the story.

Executive Summary

The Hunter has good industrial growth opportunities, backed by comparative advantages, real commercial interest and nascent investment
(see slide 6)

- Clean Energy Supply Chains
- Rail & Rolling Stock Manufacturing
- Defence & Aerospace
- Circular Economy, Recycling & Low Carbon Liquid Fuels
- Value-Add Agriculture

Importantly, the opportunities provide pathways to offset coal industry decline and its impacts on workers, businesses and communities in the region
(see slide 5)

- **28%** of $100B economy concentrated in mining & energy (Remplan, 2025)
- **11,200** jobs at risk by 2035 (OEA, 2026)
- Approx. **half** of Hunter's 20 coal mines may close by 2035
- **By 2033** **3** coal fired power stations will close

A range of federal, state and local government measures are available to support industrial growth, with many important commitments already made

- Tomago Aluminum Smelter agreement
- Hunter-Central Coast REZ and transmission development
- Clean energy manufacturing project supports
- Rail and rolling stock manufacturing facilities and procurement
- Defence and aerospace procurement
- Hunter Valley Hydrogen Hub supports
- Port of Newcastle Clean Energy Precinct supports
- Industrial land master-planning and rezoning projects

This Delivery Program sets out actions the NZEA will take to help these and other measures come together effectively to drive industrial growth and transition in the Hunter.
(see slides 8-12)

- Activate industrial precincts as a catalyst for new industry growth (slide 8)
- Proactively secure investment, and help local supply chains to develop (slide 9)
- Meet growth industry workforce needs including pathways for fossil fuel workers (slide 10)
- Support First Nations peoples to participate and benefit (slide 11)
- Build collaboration and understanding (slide 12)

Why the Hunter is a priority region

- The Hunter has a historically strong coal industry with three coal-fired power stations and around 20 coal mines. However, over the next decade these power stations and some coal mines will close, displacing jobs and economic activity. This includes compounding impacts on supply chains and the wider economy.
- These impacts may be particularly focused in some communities, especially in the Upper Hunter where mining and manufacturing makes up a larger share of jobs, and there is lower adaptive capacity.
- At the same time, the Hunter has strategic advantages and good industrial growth opportunities. Many of these opportunities are already beginning to emerge. This includes clean energy production and manufacturing, defence industries, rail and rolling stock manufacturing, hydrogen production, and the circular economy.
- More information on why the Hunter is a priority for the NZEA is in the accompanying *Hunter Transition Report*

The Hunter's strategic advantages

Industry
Established, export-focused industrial sector with strong ties to Asia

Connectivity
Deepwater port, international airport, rail network and energy infrastructure

Location
Strategic location, at the nexus of arterial highways & three REZs

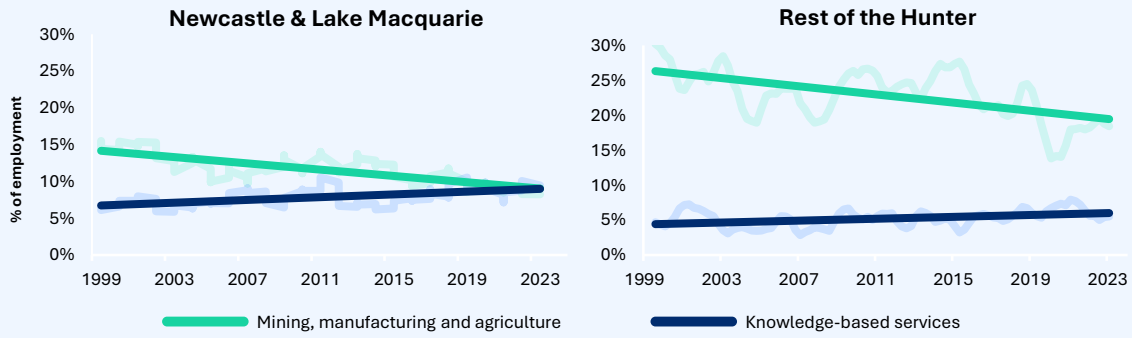
Natural Assets
Abundant renewable resources - solar, wind and water

Research
High-quality research institutions with embedded industry links

Workforce
Large, skilled workforce highly compatible with renewable energy industries

Accounting for sub-regional differences

The Upper Hunter has lower adaptive capacity than the Lower Hunter, aligned with national trends on the unique challenges faced by regional and rural communities. It also has less opportunity and economic diversification than the Lower Hunter. In Newcastle & Lake Macquarie, (knowledge-based) services have grown steadily and converged with the mining, manufacturing and agriculture sectors as a share of jobs.



Source: Institute of Regional Futures, University of Newcastle, 2023 using ABS Detailed Labour Force Survey data

Priority industries for focused effort

- The NZEA considered a range of industry growth opportunities for the Hunter region and identified the sectors below as priorities for our work at this time.
- These sectors present good near and medium-term opportunities that draw from the region's comparative advantages, align with NSW Government priorities, and provide transition pathways for workers and businesses impacted by closures, including responding to the different needs of the Upper and Lower Hunter.
- In addition, green metals are a particular priority for the Commonwealth and NSW governments, with significant commitments to the future of Tomago Aluminium Smelter. NZEA's clean energy supply chains work will also support development of green metals production in the Hunter.
- Health, construction and tourism are also priorities that others are supporting.
- More detail on the NZEA's analysis of industry growth priorities is provided in the *Hunter Transition Report.*



CLEAN ENERGY SUPPLY CHAINS

Clean energy-related manufacturing and supply chains in the Hunter are in their infancy, with some committed investment. The Hunter has comparative advantages, such as proximity to Renewable Energy Zones, a skilled workforce, supply chains and land. But supports are needed to bring this opportunity to scale.



RAIL & ROLLING STOCK MANUFACTURING

Rail and rolling stock manufacturing has strong potential for the region. The building of two new production lines in Lake Macquarie, the NSW Future Fleet Program, and high-speed rail can all support future growth.



CIRCULAR ECONOMY, RECYCLING and LOW CARBON LIQUID FUELS

There are opportunities in areas such as recycling and innovative use of industrial and mining waste products. Hydrogen and low carbon liquid fuels also have potential, with three large hydrogen projects developing in the region.



DEFENCE & AEROSPACE

The Hunter is a defence and aerospace hub, home to the F-35A Joint Strike Fighters, large defence contractors ('primes') and a new defence and air precinct in Astra Aerolab. Greater planning and coordination can help expand the industry locally.



VALUE-ADD AGRICULTURE

Drawing on its strong reputation in primary production, the Hunter could grow value-add agriculture, such as food processing and manufacturing.

Priority areas for action

- For each priority industry, the NZEA assessed barriers and enablers of growth in the Hunter region to identify priority areas for attention and specific actions the NZEA can take to help.
- The slides that follow provide more information on what these action areas involve, including specific actions the NZEA will implement, and areas where the NZEA will work with others, seeking to generate complementary and/or more ambitious actions.
- Slide 14 shows the impacts (outcomes and intermediate outcomes) the actions are intended to support.
- More detail on the analysis is in the *Hunter Transition Report*.



Activate industrial precincts and enabling infrastructure	slide 8
Secure investment and business development	slide 9
Facilitate workforce transition and development	slide 10
Empower First Nations participation	slide 11
Build understanding, engagement and collaboration	slide 12

Activate industrial precincts and enabling infrastructure

- Industrial precincts provide a foundation to drive industry growth and develop industrial ecosystems.
- As well as providing the land and infrastructure industries need to grow, they provide a focus for crowding-in investment.
- Several sites are under development across the Hunter, at varying stages. Additionally, the region has a large amount of mining and power-station land that will become prospectively available for new uses over time.
- The NZEA will work with others to support the activation of potential industrial sites and precincts where they can support priority industry growth.

IMMEDIATE ACTIONS

Things the NZEA will do

- 1.1 Work with the NSW Government, local councils and site owners to develop **site reports,** to support consideration of ways to activate industrial precincts.
- 1.2 Develop **master plans** for the BHP Mt Arthur and Glencore Macquarie Coal mine sites with site owners, NSW Government and local councils.
- 1.3 Capture lessons learned from the BHP Mt Arthur and Glencore Macquarie Coal mine site master-planning projects to inform **legislative reform** processes aimed at enabling mine site reuse.
- 1.4 Support work by NSW Government agencies and local councils, with the CRC-TiME, to scope a strategic approach to **Upper Hunter post-mining land use**.
- 1.5 Work with Infrastructure Australia and other agencies to undertake analysis to improve understanding of **enabling infrastructure needs** for growth industries and potential solutions.

BUILDING AMBITION

Areas the NZEA will seek to generate complementary and more ambitious actions with others

- 1.6 Explore options to mobilise funding supports **to help activate sites from a range of prospective public and private sources –** e.g. capital costs for infrastructure, planning and development costs.
- 1.7 Collaborate with Commonwealth and NSW agencies to support activation and maximisation of local opportunities from the planned **rail and rolling stock manufacturing precinct** at Teralba.

Secure investment and business development

- There is a need to proactively attract investment to drive growth of priority industries, including:
  - » securing anchor tenants that can play a catalytic role in new industry development
  - » tailored assistance to 'pull through' projects in targeted industries and precincts.
  - » improving local businesses' visibility of, and ability to pursue, emerging supply chain opportunities
  - » commercialisation supports to help turn more good ideas into investment and industry growth.
- For some very early-stage industries, there's a need for economic analysis of market potential and pathways in order to generate investor interest and inform industry growth strategy.

IMMEDIATE ACTIONS

Things the NZEA will do

- 2.1 Develop and support delivery of **an investment prospectus and attraction campaign** for the Hunter, including emerging industries and industrial precincts.
- 2.2 Deliver **regionally focused information products and supports** to help project proponents understand and apply for public funding opportunities.
- 2.3 Support work that builds understanding of emerging **supply chain opportunities and local capabilities**,to position local businesses for opportunities in transmission and REZ development, defence industries, and rail and rolling stock manufacturing.
- 2.4 Work with industry bodies and other organisations to mobilise supports for local businesses to **uplift capabilities** to pursue new opportunities – e.g. develop new business models, tender for work, apply for funding supports.
- 2.5 Work with local councils and others to scope the potential role of industry-specific **innovation hubs and accelerators** as a driver of industry growth and investment
- 2.6 Collaborate with others to undertake analysis to better **understand market potential** and pathways for potential growth sectors, such as Low Carbon Liquid Fuels, circular economy and recycling.

BUILDING AMBITION

Areas the NZEA will seek to generate complementary and more ambitious actions with others

- 2.7 Work with the Investor Front Door and relevant agencies to support **a 'no wrong door' approach** in the Hunter, joining up NSW and Commonwealth project and investment facilitation and funding agencies.
- 2.8 Mobilise commercialisation supports, such as **innovation incubators / accelerators**.

Facilitate workforce transition and development

- Growth industries have skilled workforce needs that will constrain investment if not met.
- At the same time, the Hunter region has around 12,000 workers directly employed in coal-related roles, exposed to coal industry decline.
- The Energy Industry Jobs Plan (EIJP) ensures workers impacted by power station closures receive appropriate supports and facilitates worker redeployment.
- A range of skill and employment supports are being designed and delivered by federal and state agencies:
  - » TAFE NSW and the University of Newcastle
  - » The Hunter Regional Workforce Transition Plan and Transitioning Workforce Fund.
  - » Short-term structural adjustment supports for sudden restructures and closures.
- The NZEA will support these efforts by generating better information on how workers' current skills are transferable to other industries, including by profiling the skills needed by new industries.
- This can help people understand career and training pathways, and inform education, skills and training program design.

IMMEDIATE ACTIONS

Things the NZEA will do

- 3.1 Administer **the EIJP and associated supports** in the lead-up to Eraring and other power station closures, including grant incentives for employers hiring transitioning workers (pending Fair Work Commission decision).
- 3.2 Support development of a **Hunter Regional Workforce Transition Plan** and **Transitioning Workforce Fund** (led by the Dept of Employment and Workplace Relations) to provide regionally responsive supports to workers and communities impacted by the transition.
- 3.3 Generate information on how the current skills of power station workers can be utilised in other existing and future industries, and training pathways.
- 3.4 Develop **Industry Workforce Plans**, profiling future jobs, skills required and training pathways in select priority industries such as defence industries, clean energy manufacturing and value-add agriculture

BUILDING AMBITION

Areas the NZEA will seek to generate complementary and more ambitious actions with others

- 3.5 Partner with the Future Jobs and Investment Authority, DEWR and NSW Department of Education on **workforce planning and delivery** to support regional workers & meet industry needs, ensuring existing skills & workforce programs factor into planning.

Empower First Nations peoples to participate in the transition

- The NZEA has a legislative function to support Indigenous persons to participate in, and benefit from the transition.
- Our First Nations Action Plan commits us to provide practical supports for self-determined planning and action by First Nations people.
- The NZEA has held discussions with Hunter First Nations groups and will continue to engage to define and progress practical actions, such as:
  - » analysis of emerging net zero transition economic and employment opportunities
  - » building capability of Hunter First Nations communities and organisations to effectively engage with emerging industry opportunities
  - » cross-regional knowledge sharing on best practice First Nations participation and benefit sharing

IMMEDIATE ACTIONS
Things the NZEA will do

- 4.1 Continue to engage with the Hunter's First Nations people and communities to **build culturally appropriate ways of working** together, and to understand and support priorities.
- 4.2 **Analysis of the emerging economic opportunities** in the region and their potential intersection with First Nations rights, interests and aspirations, as a foundation for identifying priorities for action.
- 4.3 Work with First Nations organisations and others to deliver supports to **build capabilities and capacity to engage** with and pursue transition-related economic opportunities.
- 4.4 Support **knowledge exchanges across regions** among First Nations peoples navigating transition and its opportunities.

BUILDING AMBITION
Areas the NZEA will seek to generate complementary and more ambitious actions with others

- 4.5 Identify and take forward **additional actions** based on ongoing engagement and analysis.

Build understanding, engagement and collaboration

- The NZEA is committed to building relationships in the region as part of a place-based way of working.
- We will grow our regional footprint and have established the Hunter Advisory Committee to support this.
- Regional stakeholders consistently identify better coordination across government as a priority. The Delivery Program aims to help build this over time.
- Surveys suggest that there is varied understanding in the region of the transition, what it means for people, how it is managed, and how people can get involved. We will develop and deliver a communications strategy to help with this.
- Place-based industrial transition is a new approach that will take time to mature. The NZEA will support this by sharing insights from across regions and overseas.
- The NZEA will review its ways of working as the NSW Future Jobs and Investment Authority is established, to support a joined-up approach.

IMMEDIATE ACTIONS

Things the NZEA will do

5.1 Actively work with our **Hunter Advisory Committee** to help define, drive and oversee efforts to manage the transition.

5.2 Strengthen **the Authority's presence in the region** with locally-based staff in the Lower and Upper Hunter.

5.3 Develop and deliver a Hunter **regional communications strategy** to increase awareness, understanding and engagement with the transition, in coordination with other government agencies.

5.4 Support **Net:Zed's Transitioning Economies – Your Say** education program to raise awareness of the transition and future career pathways among young people.

5.5 Support **knowledge sharing** on place-based industrial transition, across regions and internationally.

BUILDING AMBITION

Areas the NZEA will seek to generate complementary and more ambitious actions with others

5.6 Position the Hunter Advisory Committee as **the trusted point of contact** for Commonwealth consultation in the region, in order to minimise stakeholder fatigue and improve government coordination.

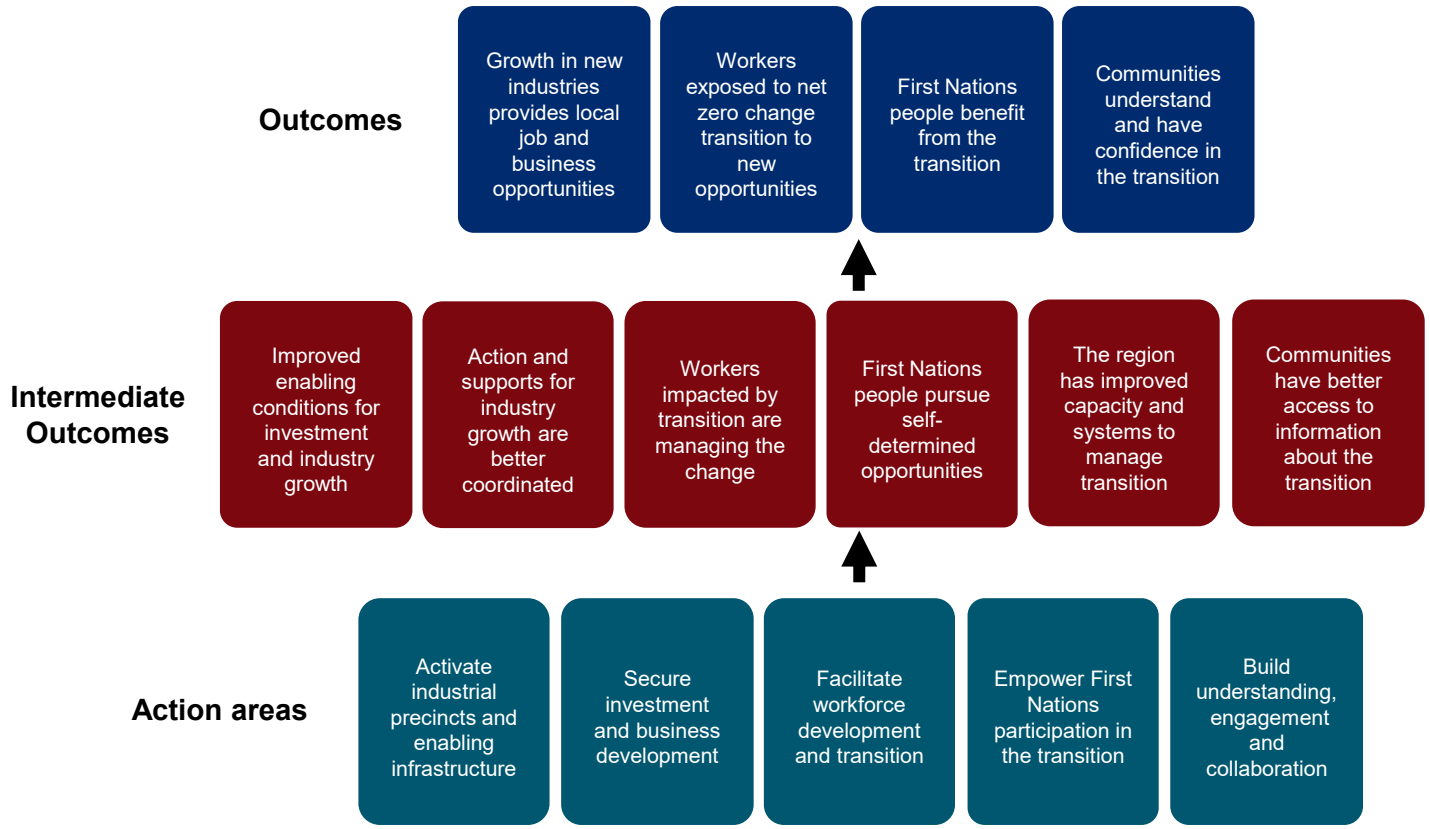
5.7 Explore opportunities to **connect or combine consultation arrangements** as the Future Jobs and Investment Authority's Hunter Local Division is established.

5.8 Collaborate with the **Australian Energy Infrastructure Commissioner** and others on Hunter-specific initiatives to engage communities and industry on energy transition matters.

Annex – Monitoring, evaluation, learning and review

- The Delivery Program reflects a starting point and basis for growth over time. It is intended as a dynamic workplan that will be periodically reviewed and updated.
- Every 12 months, the NZEA will publish a report:
  - » outlining progress on the actions in the Delivery Program
  - » outlining new or changed context relevant to the Delivery Program
  - » identifying any new or revised actions
- The NZEA will also develop an approach to monitoring the impact of the Delivery Program, and progress on the regional transition more generally, working with others.
- The Delivery Program approach will be evaluated after 2 years to understand its effectiveness and opportunities for improvement.

Draft program logic for the Delivery Program



Annex - NZEA methodology for supporting regions in transition

The NZEA uses this methodology to understand where to focus effort. The approach aims to ensure action is well directed and impactful in supporting industrial growth and job creation.

1. Identify regions warranting a place-based approach

Exposure to transition
Consider regions' exposure, adaptive capacity, urgency & readiness to transition

Capacity to benefit
Consider regions' capacity to harness potential economic opportunities from the transition

2. Identify industry growth opportunities in each region

- Contribution to national policy objectives
- Alignment with regional capabilities & advantages
- Contribution to regional structural adjustment needs
- Alignment to community priorities

3. Identify enablers and barriers needing attention to support growth of the identified industries in each region

- **Market Demand** — Sufficient market demand to support industry growth
- **Access to Capital** — Projects access capital at scale, on attractive terms
- **Industrial Land** — Sufficient suitably-zoned 'shovel-ready' land
- **Workforce** — Sufficient skilled workers & training pathways
- **Investment Attraction** — Healthy project pipeline, incl. anchor projects
- **First Nations** — First Nations rights and interests are supported
- **Planning & Regulation** — Support (or do not inhibit) industry growth
- **Competitiveness** — Production costs enable industry to compete
- **Innovation** — Sufficient supports from R&D to commercialisation
- **Enabling Infrastructure** — Required common-use infrastructure in place
- **Supply Chains** — Required supply chain capabilities are established
- **Social Licence** — Community sentiment supports the industry
- **Social Infrastructure** — Quality social infrastructure attracts & retains workers

4. Define and driving coordinated action

Work with Commonwealth & State agencies, local governments and industry, community and First Nations stakeholders to **define and drive actions.** Monitor, evaluate, learn and adapt as progress is made.

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