

**Submission  
No 12**

## **INQUIRY INTO 2024 ANNUAL REPORT OF THE NET ZERO COMMISSION**

**Organisation:** Hunter Jobs Alliance

**Date Received:** 12 February 2025

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## Inquiry into the 2024 Annual Report of the Net Zero Commission

### Submission from the Hunter Jobs Alliance (HJA)

Date - 12th February 2025

Submitted via - Parliament of NSW Website

Thank you for the opportunity to make a submission. The Hunter Jobs Alliance is a collaboration of unions and environment organisations in the Hunter region, working together to create a future for our region with full employment, good union jobs, a thriving and healthy living environment, an equitable society, a stable climate, and renewable prosperity. The members and supporters of our organisations are workers, conservationists, local businesses people with deep ties to the Hunter region and a shared commitment to its fair and sustainable future.

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#### **Hunter Jobs Alliance affiliate member organisations:**

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

- Nature Conservation Council of New South Wales (NCC)

The Hunter Jobs Alliance submission focuses on the critical social and economic issues arising from the deficiencies in both federal and state authorities tasked with supporting coal-dependent regions like the Hunter through the energy transition. As the region faces significant changes due to the shift away from coal, gaps in the Australian Government's **Net Zero Economy Authority Bill 2024**, the proposed **NSW Future Jobs and Investment Authorities**, and implementation of the **Climate Change (Net Zero Future) Act 2023** leave communities and workers exposed to substantial risks.

These deficiencies threaten the economic stability of the Hunter region, put workers and communities at risk of disorderly energy transition and will also hinder the Commission's statutory responsibility under the **Climate Change (Net Zero Future) Act 2023** to achieve NSW's emissions reduction targets. In order to have confidence in New South Wales' climate change response, workers, businesses and community members in the Hunter need to see that action on climate change comes along with comprehensive worker protections, regional investment, and transitional planning. Without robust and well-coordinated support, the transition away from export coal will be disorderly, and will lead to unemployment, regional decline, and delayed climate action, undermining the state's ability to meet its net zero commitments and leaving affected regions in the lurch.

## Deficiencies in the Net Zero Economy Authority Act 2024

There are limitations in the Commonwealth Net Zero Economy Authority Act that will affect workers and communities in the Hunter region particularly because of the export-oriented nature of the mining industry in our region. We urge the parliament to review these deficiencies with a view to recommending ways for New South Wales to fill the gaps.

### 1. Protection Gaps for Export-Oriented Coal Workers:

- The NZEA Act provides protections for workers in coal-fired power stations and their supply chains but **excludes workers in export-oriented coal mines**, which make up the majority of the workforce in the Hunter region. This gap leaves these workers vulnerable to sudden global market changes, exposing them to job losses and economic insecurity without adequate retraining, transition planning, or safety nets.
- **Social Impact:** Workers in these mines face unemployment, leading to social unrest, poverty, mental health crises, and community fragmentation.





- **Economic Impact:** Without protections for these workers, the region faces economic instability, reduced consumer spending, and a widening gap in regional economic inequality.
- 2. **Lack of Transitional Support:**
  - The Bill does not provide comprehensive transition support for affected workers in export-oriented industries, leaving a significant portion of the region's workforce unprepared for the shift to a net-zero economy.
  - **Social Impact:** Communities that rely on coal exports may face population decline and social dislocation if workers and businesses are forced to relocate.
  - **Economic Impact:** The absence of retraining and job creation programs exacerbates regional unemployment and hinders the development of alternative industries.

### Deficiencies in the proposed NSW Future Jobs and Investment Authorities:

1. **Lack of Statutory Powers and Funding:**
  - The NSW Future Jobs and Investment Authorities lack sufficient statutory powers and dedicated funding to effectively manage the transition. They are expected to support regional communities but may not have the resources or authority to deliver on this promise.
  - **Social Impact:** Without clear leadership, regions like the Hunter may experience a poorly managed transition, deepening social disruption, loss of local services, and eroding community cohesion.
  - **Economic Impact:** Without adequate funding and powers, these authorities may be unable to attract necessary investment for regional diversification, leaving coal-reliant areas economically stagnant.
2. **Lack of support for Export-Oriented Coal Workers**
  - The NSW Government Issues Paper<sup>1</sup> states the Hunter coal mining industry employs 14,919 & supports around 37,000 indirect jobs. It also states that 90% of coal from the Hunter region is produced for export trade.
  - The NSW Future Jobs and Investment Authorities proposal provides no protections for workers in export-oriented coal mines and their supply chains i.e. 13,427 direct workers, 33,000 indirect workers unsupported.
3. **Equity in Regional Support:**
  - The potential for inequitable distribution of resources across NSW coal regions poses a risk. Some regions may receive more support than others, leading to disparities in economic recovery.

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<sup>1</sup> Future Jobs and Investment Authorities Issues paper-<https://www.nsw.gov.au/sites/default/files/noindex/2024-05/FJIA-issues-paper.pdf>





- **Social Impact:** Communities that receive less support will suffer from job losses, reduced public services, and declining quality of life.
- **Economic Impact:** Unequal resource distribution could widen the gap between regions, leaving some areas, like the Hunter, economically worse off than others.

#### 4. Potential Role of NSW Future Jobs and Investment Authority in Supporting Export Coal Workers

- With the Net Zero Economy Authority already established but lacking support for export coal workers, the NSW Future Jobs and Investment Authority could play a critical role in bridging this gap, providing necessary transitional support and job opportunities for these vulnerable workers. We see this support as integral to meeting the goals of NSW's Climate Change (Net Zero Future) Act, as achieving the goals of the Paris Agreement will dramatically reduce demand for Hunter export coal in the coming decade and beyond.

### Commission's Concerns in the Climate Change (Net Zero Future) Act 2023:

#### 1. Urgency in Addressing Coal Emissions:

- The Commission has raised concerns about the role of the coal sector in NSW's emissions reduction targets. The expansion of coal mining could conflict with the state's efforts to meet its climate goals.
- **Social Impact:** If emissions targets are not met, there may be broader societal consequences, including reduced global credibility in climate leadership, potentially leading to a backlash from environmentally conscious groups.
- **Economic Impact:** Failure to meet emissions targets could result in loss of investment from industries focused on sustainability, as well as penalties under international climate agreements.

#### 2. Lack of Comprehensive Transitional Planning:

- The Commission recognises the importance of addressing the broader social and economic dimensions of emissions reduction but emphasises that current plans are inadequate. It stresses the need for **sustained and inclusive engagement with local communities**, particularly First Nations peoples, to ensure a just transition.
- **Social Impact:** Exclusion of First Nations communities and a lack of engagement with local leaders could lead to social tensions, marginalization, and missed opportunities for reconciliation.
- **Economic Impact:** Insufficient planning may delay the development of new industries, limiting economic diversification and stalling job creation, leaving the region economically vulnerable. There are real workforce, capital and material constraints that mean decisions need to be made about where these resources should be directed and this kind of planning and guidance is so far lacking.





# HUNTER JOBS ALLIANCE

## SECURING OUR FUTURE

### Key Concerns:

- **The Commonwealth Net Zero Economy Authority Act 2024** fails to protect the majority of workers in export-oriented coal mines, leaving a significant portion of the Hunter region's workforce exposed to sudden market shifts.
- **NSW's Future Jobs and Investment Authorities** as described in the initial Issues Paper lack the necessary statutory powers and funding to effectively manage the transition, leading to potential mismanagement, inequitable resource distribution, and limited infrastructure for new industries. This authority must provide necessary transitional support and job opportunities for export coal related workers.
- **The Climate Change (Net Zero Future) Act 2023** emphasises the critical need to balance emissions reduction with social and economic concerns but highlights the gaps in transitional planning and the engagement of local communities.

In summary, the deficiencies in these legislative and policy frameworks put the Hunter region at risk of **economic decline, social fragmentation, and failure to meet climate goals**. Without adequate protections, funding, and planning, workers and communities face deep uncertainties in navigating the transition to a net-zero economy.

The Hunter Jobs Alliance supports concerted action in New South Wales to achieve climate change goals because this is in the best interests of our community. We do not believe that our region has to choose between economic security, social wellbeing and climate action. We urge the parliament to consider how to embed the principles and goals of the Climate Change (Net Zero Futures) Act into all aspects of government to ensure a prosperous future for all.



*Securing our Future*

[WWW.HUNTERJOBSALLIANCE.ORG.AU](http://WWW.HUNTERJOBSALLIANCE.ORG.AU)