

# BUSINESS HUNTER

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Department of Regional NSW  
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## **Submission on the Future Jobs and Investment Authorities Issues Paper**

Business Hunter is pleased to have the opportunity to consider and contribute to the Future Jobs and Investment Authorities Issues Paper.

Business Hunter is the peak business group for Australia's largest regional economy. We serve more than 4,400 member and affiliate businesses operating across the Hunter region, representative of industries spanning all sectors and all sizes of business, from start-ups through to some of the nation's most prolific organisations.

As the representative body for businesses in one of Australia's most coal and energy production-intensive areas, we recognise the significant impact these changes will have on our local economy, workforce, and community.

As the Issues Paper outlines, the communities of the Hunter Region are poised for unprecedented change. The Authorities' role is critical in managing this transition effectively and equitably, addressing the multifaceted challenges posed by the closure of energy and coal facilities, including economic diversification, workforce retraining, new industry development, and environmental and community considerations.

### **Responses to key questions**

These responses address the principal matters of concern and interest to Business Hunter and its membership. We will be happy to expand on any of the matters if required.

#### ***Question 9. How should the timeline of planned mine consent expiry and indicated power station closure dates across each region inform the allocation of the Government's resources to support the Authorities?***

We recognise it is challenging to plan a response to a situation where key variables and outcomes remain uncertain. At this point in time, the task is not yet clear.

The exact timing for levelling off or the foreshadowed decline in the coal industry is dependent on a range of factors, many of which are beyond the control of the state government, business and the community at large. Any plans developed now would be tentative at best, requiring continuous adjustments and contingencies. Therefore, the response will need to be iterative, and have the flexibility to evolve. The structure,

framework and scope of tasks around the Authority will need to reflect and accommodate this.

Certainty is more apparent around the change in the power industry, with known closure dates for coal fired power stations. This can, and should, be reflected in the ambit and scope of the Authorities. Impact in this sector is already apparent and should be a precursor for the experience yet to be felt in the coal industry.

It is not a given that all the workers and businesses involved with the coal fired power industry can or will pivot to renewable energy or other sectors and this should be flagged as a concern for the Future Jobs and Investment Authorities also.

***Question 1. What other impacts should the NSW Government consider in preparing for a decline in coal demand?***

In preparing for a decline in coal demand, the NSW Government should consider not only the direct and indirect employment impacts but also the broader implications for the businesses operating within coal-intensive communities.

While there are well-established estimates of the number of people employed in the coal industry, these figures alone do not capture the full scope of the challenges and opportunities facing the businesses that employ these individuals.

Businesses in the Hunter region, for instance, are at the forefront of this transition and play a crucial role in the economic fabric of our communities. It is imperative to delve deeper into the business perspective to understand their capacity, capability, interest, and ability to adapt to change. The resilience and adaptability of these businesses are vital to ensuring a smooth transition away from coal dependency.

An early priority for the NSW Government should be to conduct comprehensive research that includes:

- **Assessing Business Resilience:** Understanding the financial health and adaptive capacity of businesses that are directly and indirectly reliant on the coal industry.
- **Identifying Skills and Training Needs:** Collaborating with businesses to identify the skills and training required to transition the workforce into new and emerging industries.
- **Supporting Diversification Efforts:** Providing incentives and support for businesses to diversify their operations, invest in new technologies, and explore alternative markets.
- **Infrastructure and Investment:** Evaluating the infrastructure needs to support new business ventures and attract investment to the region.
- **Engaging with Business Leaders:** Facilitating ongoing dialogue with business leaders to gather insights, address concerns, and develop tailored strategies that align with their unique needs and circumstances.

By prioritising a deeper understanding of the business landscape, the NSW Government can better define the scope of the transition task and implement policies that not only support workers but also empower businesses to thrive in a changing economic environment. This holistic approach will be essential to fostering a resilient and prosperous future for coal-intensive communities in the Hunter region and beyond.

***Question 6. Do the proposed principles to govern the Future Jobs and Investment Authorities align with your region's vision for how the Future Jobs and Investment Authorities should work?***

While the principles align, the method of implementation must be efficient and where possible, leverage existing agency skills to maximise efficiencies and expertise, reduce duplication and complication of structures, and limit overlap.

The Issues Paper acknowledges the potential for overlap with other initiatives such as the Beneficial and Productive Post-mining Land Use Inquiry. In our region, a successful transition is utterly reliant on thoughtful and strategic post-mining land use. Our submission to the Inquiry is attached for further context.

***Question 5. What else could the NSW Government consider as part of the strategic work program to support the objectives of the Future Jobs and Investment Authorities?***

The context, operation and setup of the Commonwealth Net Zero Economy Authority (NZEA) is rightly referenced and of significance. The situation with the NZEA is now more clear and it would appear, will be functioning with a heavy reliance on agency driven activity at the local and regional level, and board level governance at a much higher level.

It will be very important for the state Authorities to be synergistic with the work and activity of the NZEA and the outcome of this review process must reflect and demonstrate this. From the agency or public service viewpoint, there is merit for consideration of a model similar to the operation of Regional Development Authorities that were co-funded by State and Federal governments. This could provide a framework that ensures coordination and collaboration rather than conflict and competition, which won't be welcomed by anyone.

***Question 11. Is there anything else that should be included in the proposed operating model for the Future Jobs and Investment Authorities?***

Business Hunter understands the government is not about to hand over full delegation of decision making or the keys to Treasury to locally based authorities established and operating under a terms of reference that will change over time. The ultimate responsibility of the performance of the Authorities and its actions must rest with the elected representatives.

The outlined structure will achieve this, but there is a question mark on whether this can be achieved more efficiently. The concept of an advisory board with limited delegations, reporting to the Minister, supported by an agency or special purpose entity, which reports to a Secretary or Deputy Secretary is sound and has precedents.

Establishing a 'new' agency structure seems extravagant when there is perhaps existing operational frameworks that could be utilized. In this context, the proposal should be cautious to establish new roles when for example, the jobs and skills landscape is already littered with experience and expertise across existing portfolios and government agencies.

How can existing frameworks be used efficiently and effectively to support or deliver on the initiatives of the Authority? This may well be intended and implied and if so, we are supportive of this approach.

We thank you for the opportunity to comment and would be happy to expand on these matters if required.

We look forward to the Authority progressing and the release of further documentation that articulates the government's strategic priorities and intentions to support transition.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bob Hawes', with a stylized, cursive style.

**Bob Hawes**  
**CEO**  
**Business Hunter**