

# BUSINESS HUNTER

25 June 2025

Engagement Team  
City of Newcastle

By email: [engage@ncc.nsw.gov.au](mailto:engage@ncc.nsw.gov.au)

## **SUBMISSION: Future of the Newcastle Airport Precinct**

Business Hunter welcomes the opportunity to comment on Astra Aerolab and Newcastle Airport Masterplan as part of City of Newcastle's community consultation on the Future of the Newcastle Airport Precinct.

Business Hunter is the peak business group in the Hunter region. We serve more than 4,400 member and affiliate businesses operating across the region, representative of industries spanning all sectors and all sizes of business, from start-ups through to leading regional organisations and corporations, many with national and international profiles.

Business Hunter supports the development of Astra Aerolab as an important initiative in realising the potential of the Newcastle Airport precinct as an aerotropolis supporting the growth of aviation, defence, commercial and logistics industries. The Hunter region continues on a path of economic diversification that will continue in coming decades as new opportunities in future-focused industries arise. To be in a position to maximise those opportunities, the region needs to build on its competitive advantages.

Defence and aerospace are widely recognised as key industries in the Hunter, with Defence alone contributing more than \$1 billion annually to the region's economy. There is huge potential for the region to grow these sectors, with Newcastle Airport gaining new international capability through upgrades to its runway and terminal and the Federal Government's ongoing commitment to Williamstown as the country's premier fighter pilot training base and home to the F-35A Joint Strike Fighter fleet. The NSW Government's [Invest Regional NSW](#) website recognises this potential, noting that the airport upgrades will "open up the Hunter region to global opportunities, including new markets for tourism and air freight" and promoting Astra Aerolab as "Australia's newest defence and aerospace precinct".

Growth in the Defence and aerospace industries will bring new skills capability to the region, which is important to our economic diversification and competitive strength. Astra Aerolab is expected to create 5,500 new jobs for the region in high-tech fields including aerospace engineering, avionics and IT. The creation of a world-class commercial precinct supporting manufacturing, education, training and research and development in these industries will help attract the world's leading aerospace companies and best new talent to the Hunter.

Major defence companies will play an important role in bringing these new skills to the region, with their market-leading expertise in manufacturing and cutting-edge technologies. The commitment by Defence Primes BAE Systems and Kongsberg to establish within Astra Aerolab will create hundreds of new jobs for the region in highly skilled roles. While some in

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the community have expressed concern about the expansion of the region's military support capability, Business Hunter takes the view that Australia's Defence Force is essential to national sovereignty and security and an important economic contributor to the Hunter.

We believe the development of Astra Aerolab will also build on the good work already being done in the region to introduce students to employment and study pathways in defence, aviation and critical support industries, strengthening the region's workforce capabilities and providing our young people with exciting new career opportunities.

The development of Astra Aerolab is important to the long-term financial sustainability of Newcastle Airport. Most major metropolitan and midsize airports in Australia, and globally, have a property portfolio that delivers additional revenue to the aviation business and can provide up to 50 per cent of total revenue. A diversified portfolio is important for an airport – as demonstrated during the pandemic when air travel diminished by 95 per cent – as it helps diversify revenue streams and maximises the use of land available around the asset.

In summary, Business Hunter supports the development of a defence and aerospace precinct on the Astra Aerolab site as a significant opportunity for the growth and diversification of the regional economy, supporting existing and new industries. The use of the 76-hectare site is consistent with the 2013 rezoning of the land as a Defence and Airport Related Employment Zone (DAREZ) and the [land use strategy](#) envisioned by the NSW Government when this rezoning was undertaken.

Thank you again for the opportunity to comment. Should you wish to engage further on this matter, please contact me at [bob.hawes@businesshunter.com](mailto:bob.hawes@businesshunter.com) or on 02 9466 4665.

Yours sincerely,



Bob Hawes  
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