

Regional Jobs Deals Needed for Bowen Basin, Upper Hunter, Pilbara as Export Markets Shift to Net Zero

- *Up to 300,000 current Australian jobs - about two percent of the labour market - exposed to declining export demand for fossil fuels by 2050, with impacts concentrated in a few key regions*
- *Local Government Areas of Isaac in the Bowen Basin, Singleton in the Upper Hunter and Ashburton in the Pilbara predicted to be among most impacted by changing global demand*
- *Decarbonisation is a manageable, long-term industrial transition that will also create jobs and projects in diverse industries including manufacturing, services, mining, hydrogen, wind and solar*

31 January 2022 - Australia must pursue targeted job deals for key regions affected by changing export demand for fossil fuels so local economies can shift gear to lead the race for projects and jobs in emerging industries, new research from the Centre for Policy Development has found.

The report [*Who's buying? The impact of global decarbonisation on Australia's regions*](#) modelled the impact of locked-in and likely 2050 decarbonisation commitments by export partners onto Australian output and employment at a local government level. The analysis does not consider domestic energy policy - it is restricted to the industries that rely on the international export market.

The report finds between 100,000 and 300,000 jobs could be exposed if Australia faced the predicted 2050 levels of demand today - up to two percent of the Australian labour market. While modest at a national level, the effects will be heavily concentrated in areas such as central Queensland's Bowen Basin, the Hunter region in NSW, and the Pilbara in Western Australia.

Australian regions exposed to waning export demand for fossil fuels can benefit from the significant opportunity decarbonisation creates for new jobs and projects in hydrogen, manufacturing, wind, renewables and services. Between now and 2050, other major trends are also changing the global economy – eg. digitisation, automation, and shifting patterns of globalisation – presenting other opportunities for Australia to diversify.

The research proposes “laser-focused” local jobs deals between industry, government, investors, workers’ representatives and community leaders to make sure the people, businesses and communities most affected by waning exports are also best positioned to secure jobs and projects in emerging industries.

Centre for Policy Development Program Director Toby Phillips said the time for Australian policymakers to respond to this global trend is now.

“Global decarbonisation has already started, and it is accelerating. Our export partners have been very clear through their words and actions that they will be changing the way they make energy and what they buy to do it. We have the opportunity today to choose how we respond to this fact.”



“We have seen all too recently the consequences of failing to prepare for clearly predictable global events.

“The world will be a completely different place by 2050; and we must set ourselves up for success in that world. The choices we make today will determine our ability to benefit from the opportunities presented by decarbonisation in areas like mining, hydrogen, manufacturing, services and transport.

“These next few years are the time to bring government, investors, industry, community leaders and workers’ representatives to the table so the people and places most affected by changing export markets are leading the pack when it comes to new projects and opportunities.”

Centre for Policy Development Economist and Wellbeing Lead Warwick Smith said the modelling reveals clear priorities for further action.

“The implications of global carbon transition are highly concentrated in Australia. It will not crash the whole economy, but there are a handful of local government areas, half a dozen or so, which will be profoundly affected. This is where we must focus.

“New industries are emerging that will replace jobs lost in fossil fuel industries, but targeted industry and workforce transition planning, including skill matching and training, will be required to ensure that the regions and workers most impacted by decarbonisation are best positioned to benefit from opportunities.”

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