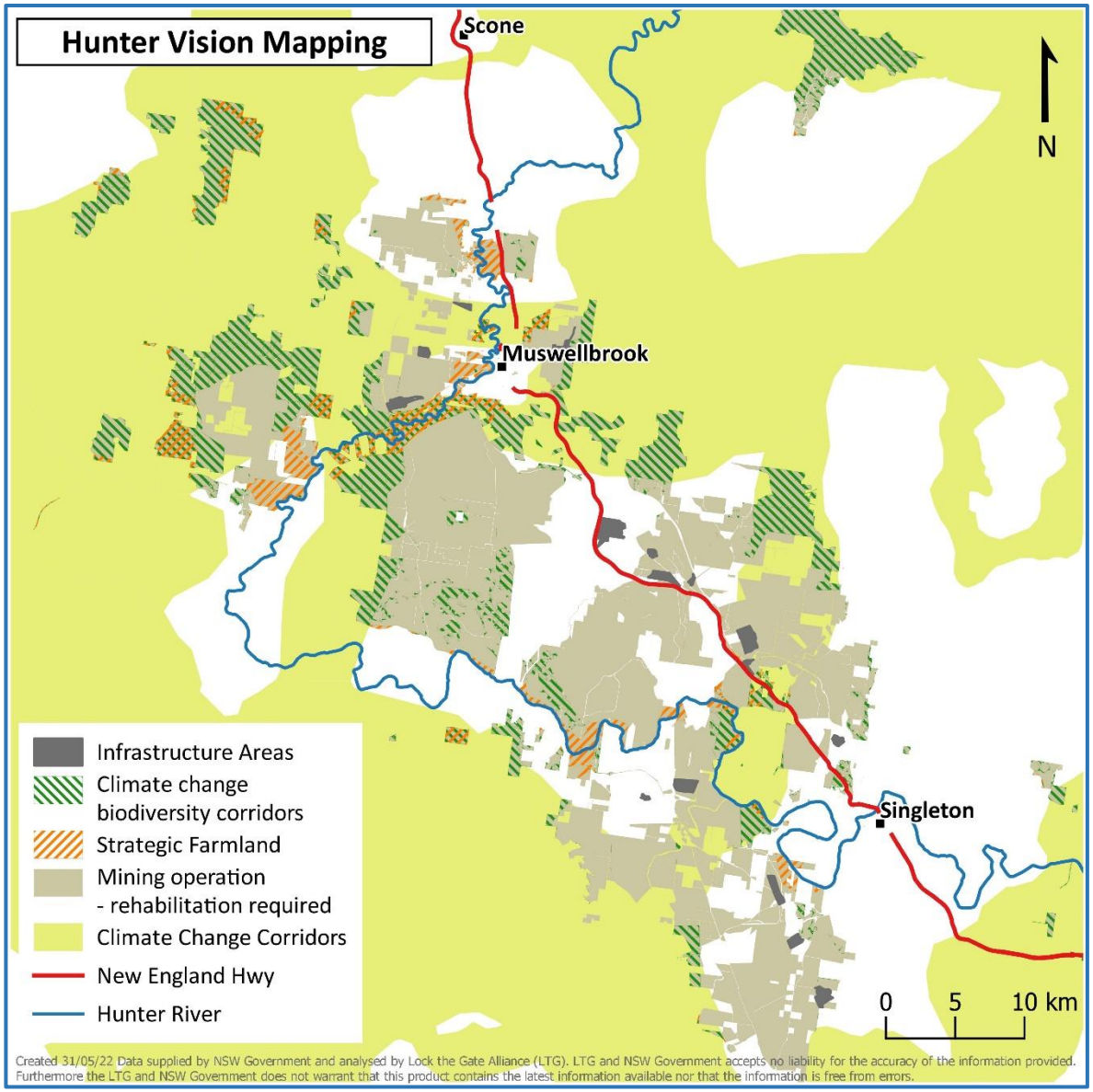
Diversification and growth: transforming mining land in the Hunter Valley



New mapping identifies lands owned and used by mining companies in the Hunter could be repurposed for job creation as mines close according to their existing planning approvals. EY developed three scenarios to investigate the economic potential of transforming mining land.

1. **The "core scenario" which would see rehabilitation restricted to mining titles as per current statutory obligations.**
2. **The "maximum conservation scenario" would expand biodiversity restoration and agricultural productivity investment into the extensive buffer lands owned by mining companies beyond the mining titles.**
3. **The "Renewable energy precincts" scenario includes maximum conservation and adds strategically-located heavily-impacted land on mining titles for clean industrial development.**

Key economic indicator	Core transition pathway	Maximum conservation pathway	Renewable energy precincts
Land area (ha)	79,716	130,609	132,239
New investment (CAPEX NPV*)	$12.2 million	$24 million	$1,333.1 million
Industry output (NPV*)	$239.7 million	$500.4 million	**$**6,968.5 million
Aggregate economic output (GRP NPV*)	$95 million	$200 million	$3,700 million
Average annual employment (FTE)	320	670	13,600

Key findings:

- 17 mines are expected to close in the Hunter over the next 20 years.
- The scheduled closure of Hunter coal mines will release 130,000 ha of land for rehabilitation either directly affected by these mines or held by mining companies in buffer lands around them.
- Extending biodiversity restoration and conservation as well as agricultural investment beyond mine sites and onto the "buffer lands" owned by mining companies could increase the economic output of mine closure processes.
- Under this "maximum conservation" scenario economic output and employment in the Hunter could more than double over the next 25 years, compared with the status quo.
- Setting aside small areas of heavily-impacted land on mine sites for clean industrial development could enable the creation of 13,600 jobs across 10 different industries.
- Manufacturing which supports renewable energy and agricultural industries could grow to $3 billion over the next 25 years.
- Just 1,630 hectares of strategically located infrastructure areas on existing mine sites would be needed to generate this jobs and investment expansion.
- As well as restoring biodiversity and encouraging clean energy investment, there are opportunities for agriculture to expand over the former coal mining sites.
- Other industries that will benefit include food processing, hydrogen, beef and dairy, as well as land conservation, construction and energy. Jobs created include farm workers, electricians, boiler makers, mechanics, chemical engineers, builders and conservation scientists.
- The modelling shows that employment in these industries could ramp up between 2027 and 2041, when several large mine closures are expected.