OXFORD ECONOMICS AUSTRALIA

Regional Economic Forecasts – Economic Outlook for Latrobe Valley

Final report

December 2025

Disclaimer

The modelling and results presented here are based on information provided by third parties, upon which Oxford Economics Australia has relied in producing its report and forecasts in good faith. Any subsequent revision or update of those data will affect the assessments and projections shown.

To discuss the report further please contact:

Emily Dabbs

Head of Macroeconomic Consulting, ANZ

edabbs@oxfordeconomics.com

Level 6, 95 Pitt St Sydney, Sydney, 2000, NSW

Tel: +61 424 389 909

EXECUTIVE SUMMARY

KEY FINDINGS

Slow population growth and the continued decline in the industrial sector is expected to slow the pace of employment growth.

The Latrobe Valley is expected to add between 3,000 to 6,000 jobs over the next 10 years depending on regional investment in the energy transition.

Latrobe Valley's population has grown at an average rate of 0.7% over the last decade which is roughly half the rate of Victoria and Australia.

Growth in the service workforce is expected to outpace industrial sector growth. The age distribution in Latrobe Valley is older compared to the national average and demand for health services will continue to increase as the population ages.

Public services will continue to underpin workforce gains, while logistics and renewables are expected to emerge as key employment drivers.

Traditional industries in Latrobe Valley are in gradual decline, with industrial and retail employment easing as a share of the workforce. The decline in industrial jobs is predominantly due to weaker mining activity and does not take into account industrial growth opportunities identified in the *Regional Investment Analysis* report.

The workforce is expected to continue to shift towards public services, expand the business services sector and increase the role of transport & warehousing, underpinned by a few key projects currently in development.

Considerable opportunities in industries relating to renewable energy exist if there is strong renewable deployment in the region.

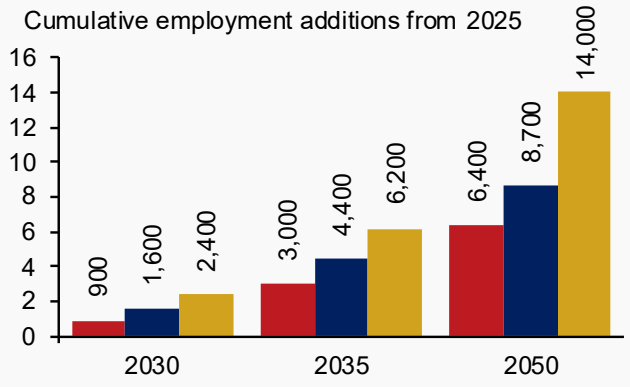
Strong vocational attainment may be a potential comparative advantage for industrial investment.

Fossil fuel workers and workers in affected industries have higher vocational education attainment levels, potentially supporting industrial investment in the region.

Fossil fuel roles are overwhelmingly full time, with nearly 90% of workers in full time jobs, well above the broader workforce. Incomes are concentrated in higher brackets, so transition out of the sector risks reduced earnings.

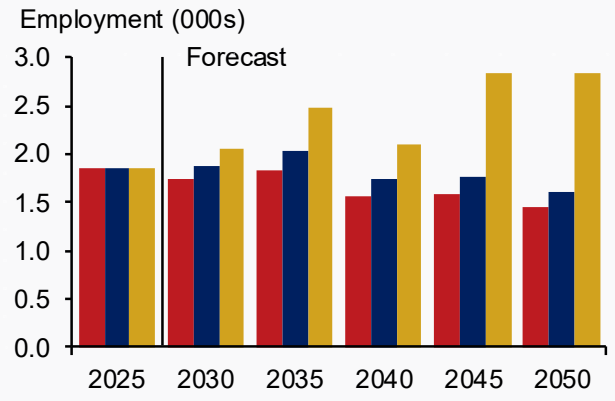
The age profile for fossil fuel and other affected industries is older than the regional average with a higher share in the 55 to 64 bracket. This suggests that there will be some attrition through retirement over the next decade which may soften the immediate impact of asset closures.

Latrobe Valley workforce outlook by scenario



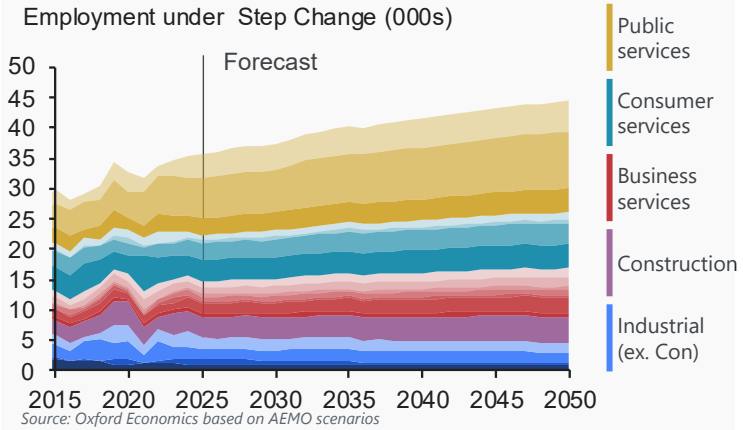
Source: Australian Bureau of Statistics

Utilities workforce outlook under central Step Change scenario



Source: Oxford Economics based on AEMO scenarios

Employment outlook under central Step Change scenario



Source: Oxford Economics based on AEMO scenarios

** Fossil fuel workers include those employed in coal mining, fossil fuel based electricity supply and gas supply.*

*** Affected includes industries that have a declining share of regional employment - Agriculture, Mining, Manufacturing and Utilities*

INTRODUCTION

NZEA has engaged Oxford Economics to support evidence-based action in transition-affected regions.

Project Overview

The Net Zero Economy Authority (NZEA) commissioned this project to understand how the net zero transition will materially reshape key regional economies. There are a number of regions central to Australia's energy system and industrial base that face disproportionate exposure to structural shifts as emissions-intensive activities decline. The Hunter, Central Queensland and Latrobe Valley were prioritised for this project due to the size and complexity of their region and economies, but the analytical framework can be deployed in other regions. These regions also present opportunities to lead in clean energy generation, advanced manufacturing, and resource-based value-adding, provided that the right policy, investment and workforce conditions are in place. The project seeks to inform strategic planning and intervention by forecasting how regional economies will evolve under different decarbonisation scenarios.

Oxford Economics was engaged to deliver a structured, scenario-led analysis across three core domains. These include forward-looking forecasts of industry and labour market change, an assessment of each region's comparative advantages and investment potential, and a detailed examination of transition pathways for fossil fuel and related workers. The analytical framework integrates AEMO's 2025 transition scenarios with regional planning assumptions, closure timelines, and infrastructure settings to ensure alignment with real-world transition drivers. Regional priorities and economic exposures have been informed by the NZEA's own statistical framework, which identifies both downside risks and economic opportunities across Australia's key regions.[1] The analytical framework used within this project can be deployed across other NZEA priority regions beyond the Hunter, Central Queensland and Latrobe Valley.

The project aims to generate region-specific insights that can support practical decision-making across multiple levels of government. By quantifying the scale and timing of industrial change, identifying investment barriers, and mapping reskilling needs, the work creates an evidence base that links long-term economic modelling with near-term policy and program levers. This enables a more coordinated approach to managing transition risk while positioning each region to attract and retain high-value activity.

This work provides a foundation for coordinated, place-based action across governments, industry and communities. Outputs will support the NZEA's role in shaping policy, allocating resources, and engaging stakeholders on transition risks and opportunities. By identifying emerging demand for labour and skills, sectoral growth trajectories, and enablers of investment readiness, the project aims to assist in sequencing investment, workforce support and infrastructure development. Ultimately, the analysis will help ensure that transition efforts are locally grounded, forward-looking, and capable of delivering resilient and inclusive economic outcomes.

Project Components

The project was structured into three core analytical components to align with NZEA's transition objectives. Each stream was applied consistently across the Hunter, Central Queensland, and Latrobe Valley regions. Separate reports were developed for each component in each region to ensure depth, comparability, and regional specificity. In addition, a summary report has been developed synthesizing the key insights across all three project components.

Regional Economic Forecasts

This stream provides scenario-based projections of industry composition, employment, and skills demand across 5, 10, and 25 years. These forecasts are based on AEMO's 2025 transition scenarios and represent regional futures based on current trends and industrial structures within the region. Outputs include identification of sectors likely to decline, grow, or emerge, the timing of major structural shifts, and profiles of key workforce cohorts.

Regional Investment Analysis

Focusing on each region's strategic position, this stream identifies comparative economic advantages, evaluates barriers to investment, and highlights opportunities to attract net zero aligned industries. It also outlines region-specific enablers such as infrastructure, workforce capability, and resource availability that could support long-term industrial development beyond what is identified in the *Regional Economic Forecasts* report.

Worker Transition Analysis

Centred on transition-affected workers, this stream delivers occupational pathway mapping, retraining requirements, and an assessment of local training system capacity. It also provides targeted support strategies to address cohort-specific barriers and enable workforce mobility within the regional economy. The analysis considers both the likely future economic structure of the region as identified in the *Regional Economic Forecasts* report and opportunities identified in the *Regional Investment Analysis* report.

This report provides scenario-based projections of industry composition, employment, and skills demand including profiles of priority cohorts.

Purpose of this Report

This report provides an integrated assessment of probable economic futures in a priority region. It forms part of the Net Zero Economy Authority's (NZEA) regional economic forecasting stream and supports its broader mandate to coordinate an orderly, inclusive and place-based transition to net zero. The focus is on understanding the timing, scale and nature of structural economic change at a regional level, and the resulting implications for industries, workforces and communities.

The report draws on a wide range of data to construct detailed 5, 10 and 25-year forecasts under three energy transition scenarios developed by the Australian Energy Market Operator (AEMO). These forecasts incorporate information on fossil fuel facility closures, regional industry plans, labour market dynamics, and projected demand for jobs, qualifications and skills. The analysis identifies region-specific tipping points for economic transition, and highlights industries that are likely to grow, decline, or newly emerge.

Findings from this report will help inform regional program and policy development, support strategic planning across governments and industry, and guide local engagement and communication. The outputs are designed to help NZEA and its partners anticipate the pace and impacts of economic change, better understand the risks and opportunities facing key community cohorts, and respond with targeted supports such as workforce transition planning or infrastructure investment. These findings are intended to be validated by NZEA with regional stakeholders.

The structure and methodology are consistent across all NZEA priority regions. While the pace and pattern of economic transition varies by place, each report follows a shared framework to ensure comparability and provides a basis for validation with local communities. The analysis is forward-looking and designed to inform decision-making over a medium and long-term transition horizon.

Report Structure

The report is structured around four core components: a high-level economic overview of Latrobe Valley, an outlook for future labour demand based on projected industrial shifts, an assessment of the region's future skills and qualification needs, and an analysis of impacts on priority community cohorts to inform targeted policy and program responses.

ECONOMIC OVERVIEW OF LATROBE VALLEY: In this section, we provide a high-level economic profile of Latrobe Valley including industry and occupation composition, recent labour market trends, income distribution and demographic characteristics.

OUTLOOK FOR LABOUR DEMAND: In this section, we assess the future industrial composition of Latrobe Valley and the subsequent demand for labour over the next 25 years. This analysis includes an assessment of the outlook for current core industries in structural decline as well as existing and emerging industries which may contribute to future labour demand.

DEMAND FOR SKILLS: In this section, we assess the current and future skills and qualifications required to support the industry needs of Latrobe Valley over the next 25 years.

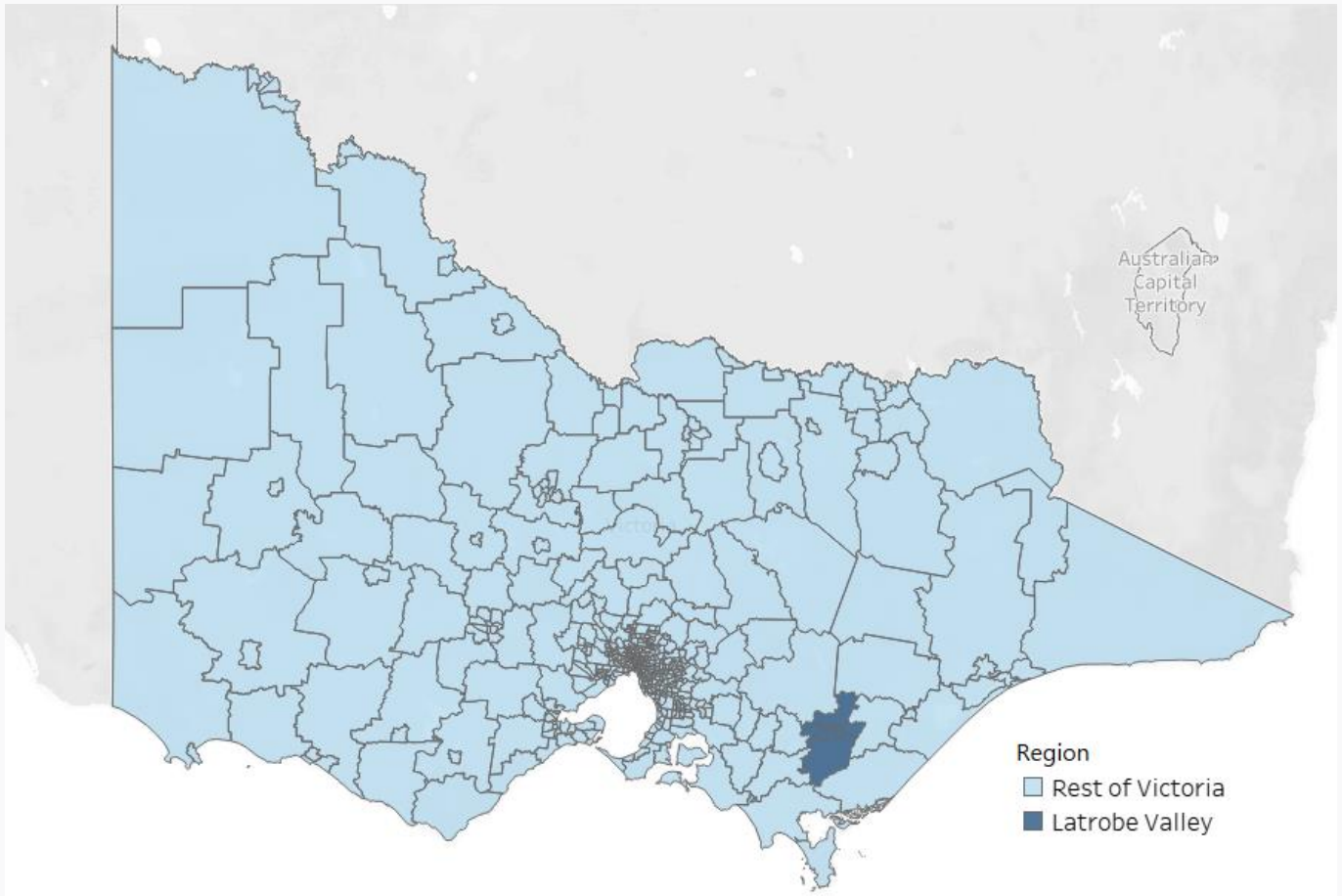
PRIORITY COHORT PROFILES: In this section we assess the impact of changes in the demand for labour, skills and qualifications on priority cohorts to support communications, policy and program planning/delivery in Latrobe Valley.

TECHNICAL APPENDICES: Appendices include a full list of major employing businesses, forecasting approach, key assumptions and references.

*The transition scenarios produced by Deloitte Access Economics as part of AEMO's Draft 2025, Inputs, Assumptions and Scenarios Report outline possible demographic, economic and decarbonisation pathways for Australia. These scenarios focus on the pace of the transition, particularly in the energy sector, to support AEMO's long-term energy consumption forecasts. While the forecasts do not explicitly capture the method of decarbonising, the net zero pathway constraint means that emissions-intensive industries are most affected.

The analysis in this report is focused on the Latrobe Valley which is defined as the combination of six SA2 regions.

Latrobe Valley map



Latrobe Valley SA2 listing

State	Working Zone Name	SA2 Name	SA2 Code
VIC	Latrobe Valley	Churchill	205041094
VIC	Latrobe Valley	Moe - Newborough	205041095
VIC	Latrobe Valley	Morwell	205041096
VIC	Latrobe Valley	Traralgon - East	205041493
VIC	Latrobe Valley	Traralgon - West	205041494
VIC	Latrobe Valley	Yallourn North - Glengarry	205041098

Source: Net Zero Economy Authority, Australian Bureau of Statistics
Note: *All analysis in this report is for the Latrobe Valley region. Gippsland (the area to the South of Latrobe Valley down to the coast) is considered a different Working Zone and is not covered in this report. Where Gippsland is mentioned throughout this report, this is in reference to specific projects that may be outside of the Latrobe Valley region but have impacts on the employment outlook for Latrobe Valley. All employment figures refer specifically to Latrobe Valley.*

The forecasts in this report align to AEMO's scenarios which capture key uncertainties and material drivers of a range of possible futures.

The scenarios presented in this report are grounded in the Australian Energy Market Operator's (AEMO) *Draft 2025 Inputs, Assumptions and Scenarios Report* (IASR)[2], which is currently in its final consultation phase.

The three scenarios – *Progressive Change, Step Change and Green Energy Industries* - are designed to encompass a broad spectrum of plausible futures for Australia's energy sector, capturing key uncertainties and material drivers in an internally consistent manner. They reflect the policies that Australian governments have committed to for transitioning the economy to net zero emissions by 2050. Each scenario delineates a distinct pace of transition to net zero, influenced by global, national, and sectoral factors, leading to variations in future energy system requirements while aligning with Australia's emissions reduction policy objectives. The scenarios consider the growth trajectory of the Australian economy, including population trends and economic activities across industrial, commercial, manufacturing, mining, transportation sectors, and emerging commercial loads such as data centres. They also identify opportunities for emerging energy technologies that could impact Australia's decarbonisation pathway and export economy, including hydrogen production, green iron and ammonia products, and biomethane.

AEMO's scenarios are aligned with the International Energy Agency's (IEA) 2024 World Energy Outlook (WEO) scenarios to anchor them to global narratives on developments and commitments to the Paris Agreement. This alignment ensures consistency with global economic settings and temperature goals, providing context for Australia's share in meeting various temperature outcomes and guiding multi-sectoral modelling regarding fossil fuel export projections, energy efficiency, and electrification uptake rates and limits across scenarios.

AEMO has engaged in extensive stakeholder consultation to develop these scenarios, incorporating feedback from a diverse range of sectors to ensure the scenarios are robust and reflective of various perspectives. The final 2025 IASR, incorporating insights from this consultation process, was finalised during the preparation of this research report, however as analysis was already underway this report utilises the draft scenarios.

An overview of the high-level narrative for each scenario is provided below and detailed assumptions are included in the technical appendix.

Low scenario - Progressive Change

- Low economic demand and industrial transformation
- The transition proceeds more slowly and reactively under current policy settings, reflecting only existing federal and state commitments without major new initiatives.
- Fossil fuel industries decline due to market and technological pressures rather than policy direction. There is limited economic diversification or new clean industries in regional areas, and minimal development of emerging fuels like hydrogen or biomethane.

Central scenario - Step Change

- Moderate economic demand and industrial transformation reflecting long term average trends
- Australia follows a coordinated and firm transition to net zero emissions by 2050, with electricity playing a central role in decarbonisation and significant deployment of renewable energy, storage, and electrification across sectors.
- Fossil fuel industries decline in a planned manner, with regional opportunities emerging through transmission expansion, Renewable Energy Zones (REZs), and moderate development of hydrogen to support industry and domestic use.

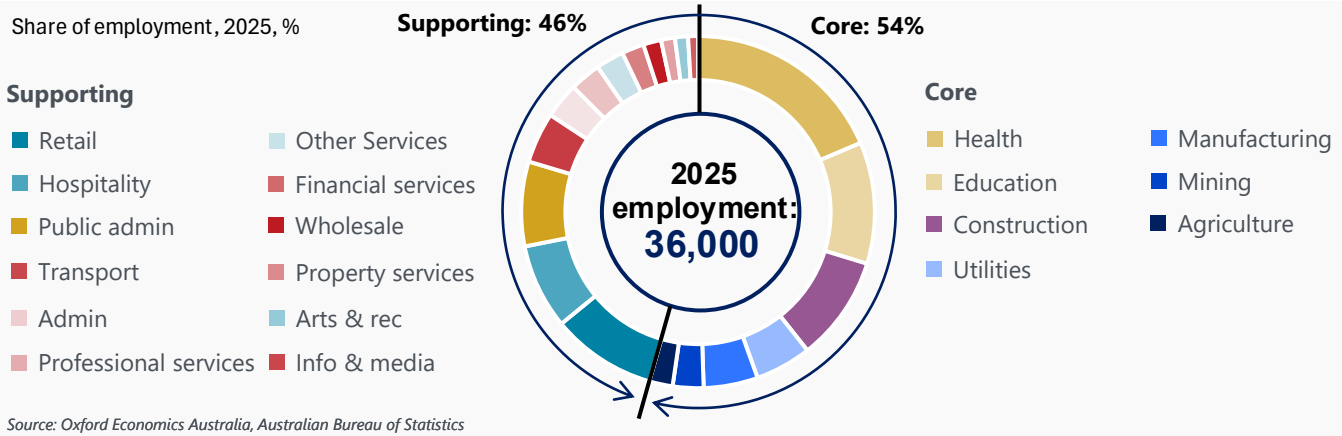
High scenario - Green Energy Industries

- High economic demand and industrial transformation.
- Australia undergoes a rapid and coordinated transformation to become a clean energy economy, underpinned by strong global and domestic climate ambition aligned with a 1.5°C pathway.
- Large-scale renewable energy and hydrogen production are co-located in regional Renewable Energy Zones, supported by major transmission investment and value-added clean exports (such as green iron and ammonia), though this shift brings significant disruption for fossil fuel communities.

ECONOMIC OVERVIEW OF LATROBE VALLEY

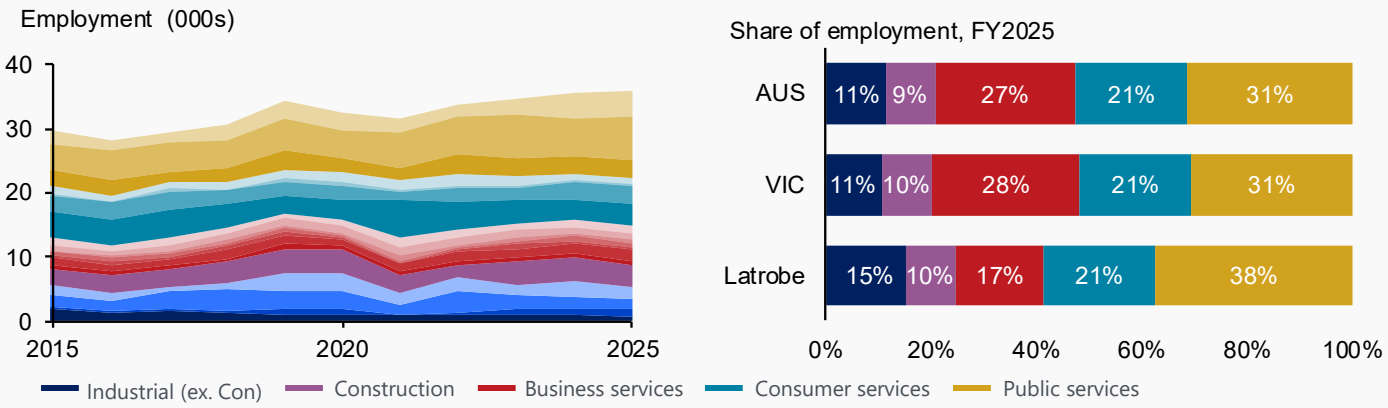
Latrobe Valley's workforce is still shaped by heavy industry, though growth is increasingly driven by public services.

Latrobe Valley current employment makeup, FY2025



Source: Oxford Economics Australia, Australian Bureau of Statistics

Latrobe Valley employment share and makeup relative to VIC & Australia in FY2025



Source: Oxford Economics Australia, Australian Bureau of Statistics

Latrobe Valley economic structure

Core* employment sectors account for 54% of jobs in Latrobe Valley, with the remaining 46% in supporting sectors, those interconnected with the core sectors and servicing local households. Overall, the labour market is more heavily oriented toward public services than it has been historically, with a smaller but still material industrial base.

The largest employing industries—health, education and construction—have all increased their workforce share in the past decade. Health has seen the strongest growth, from 13% to 19% by 2025, driven by demographic change and public investment. Public services overall – which also includes education and public administration - have risen from 30% to 38% of the current workforce.

Latrobe Valley's workforce composition has shifted markedly over the past decade. Industrial employment (excluding construction) has declined from 19% to 15%, driven by declines in the agricultural workforce (from 6% to 2%), in line with national trends away from farming. Retail employment has also fallen, from 13% to 10%, reflecting limited population growth. This has contributed to a broader reduction in consumer services, whose share of the workforce has dropped from 27% to 21%.

Key sub-industries supporting current employment include electricity supply, construction services, public administration, preschool and school education, hospitals and social assistance. Manufacturing is a smaller employer at an estimated 1,800 workers in 2025, with a more specialised base in pulp and paper product manufacturing and food product manufacturing which each employ around 500 workers.

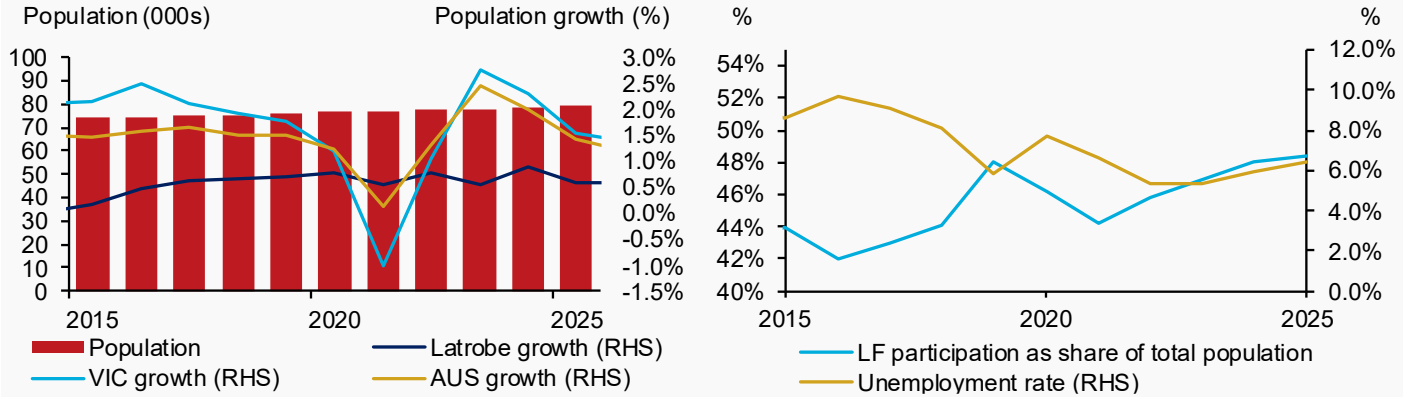
Relative to Victoria and Australia, public services make up a larger local share of the workforce and exposure to mining is over eight times the Victorian average. Business services are underrepresented, with professional services at 3% of local employment compared with 10% in Victoria, and financial services at 2% compared with 4% in Victoria. This reflects a more homogenous and concentrated workforce compared to the state more broadly.

**Core sectors refers to Mining, Agriculture, Construction, Manufacturing, Utilities, Health, Education and Public Administration.*
Public services includes Health, Education & Public Administration & Safety.
Consumer services includes Retail Trade, Accommodation & Food Services, Arts & Recreation and Other Services.

Business Services includes Wholesale Trade, Transport & Warehousing, Information & Media, Financial Services, Property Services, Professional Services and Administration Services.
Industrials excluding Construction includes Agriculture, Mining, Manufacturing & Electricity, Gas, Water & Waste Services.
***Note:** Employment figures are rounded to the nearest thousand.*

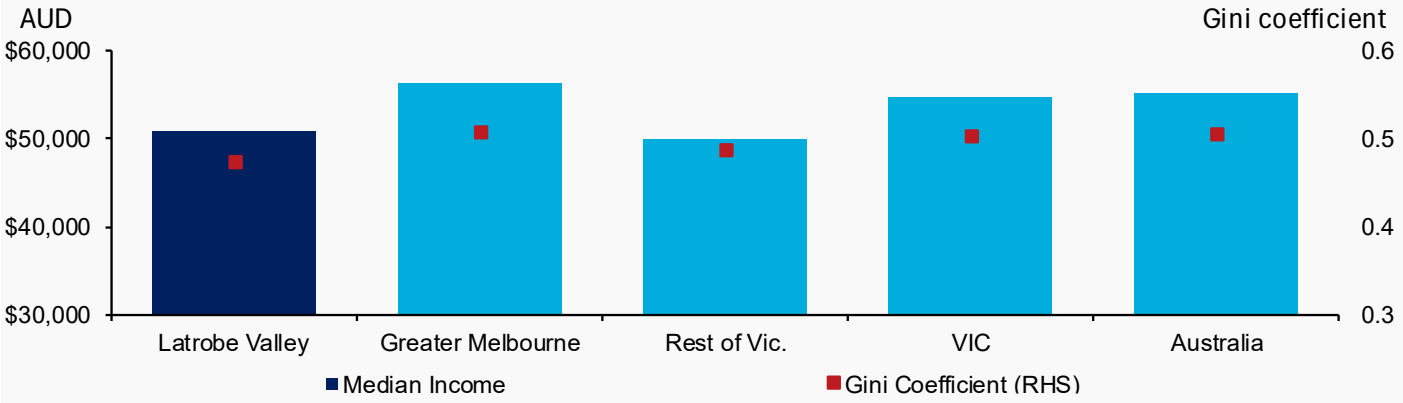
Growing labour force participation in Latrobe Valley has supported workforce expansion, even as population growth remains slower than the state.

Population, unemployment and labour force participation



Source: Australian Bureau of Statistics

Median income and Gini coefficient, Latrobe Valley, VIC and Australia, 2022



Source: Australian Bureau of Statistics, Oxford Economics

Latrobe Valley labour market and income

Latrobe Valley's population has grown at a cumulative average rate of 0.7% over the past decade to an estimated 80,000 residents in 2025 which is roughly half the pace of Victoria and Australia. Population growth held relatively flat through the pandemic when regional areas were less affected by border closures than capital cities, and then reverted to the longer run trend as metropolitan inflows resumed.

Unemployment is typically higher in Latrobe Valley compared to Victoria and Australia more broadly, but has been declining relatively steadily over the last decade to sit at around 6% over the last few years. This reflects the relatively robust employment growth of 1.9% on average which is nearly three times the average population growth in the region.

This employment growth has also driven a rise in labour force participation, increasing from 44% in 2015 to 48% in 2025. Despite recent increases, the level of participation still sits well below wider Victoria and Australia which both have a labour force to population ratio of about 55% to 56% in 2025.[1] The gap reflects an older age profile, with a median age of 42 compared with 38 for Victoria and Australia, and lower participation among people of working age.

The median total income in Latrobe Valley as of 2022 (the latest available data) was $51,000, around 7% to 8% below the Victorian and Australian medians but about 2% higher than regional Victoria. Although mining and utilities account for a small share of total jobs, they likely support slightly stronger income outcomes than regional Victoria overall.

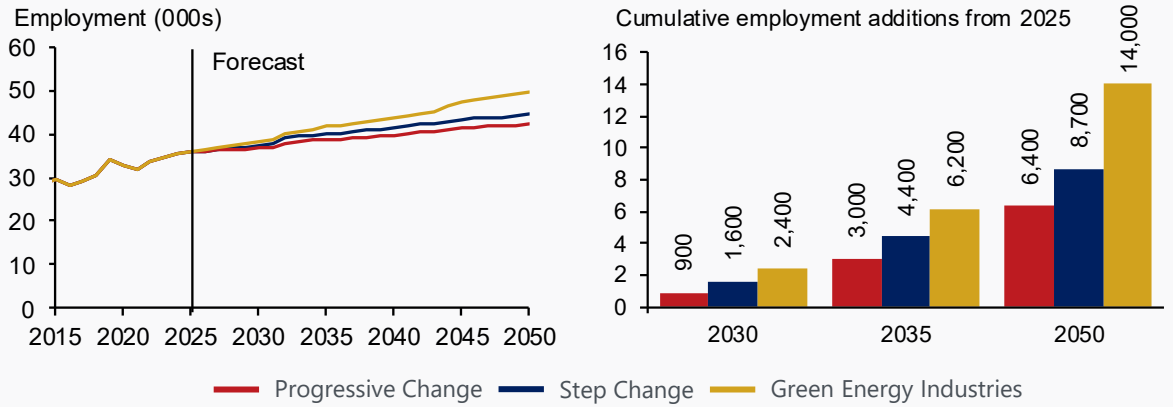
Inequality, as measured by the Gini coefficient is relatively low at 0.47.[2] This reflects a level of inequality well below both Victoria and Australia and is in the lower third of sub-regions across Victoria as a whole. This in part reflects that the workforce is concentrated in a smaller number of industries relative to other regions as well as the more diverse state and national labour markets.

[1] *Labour force participation is presented as a share of total population rather than as a share of working age population due to data availability.*
[2] *The Gini coefficient measures inequality in the distribution of incomes across people, with 0 representing perfect equality where each person has the same income and 1 representing perfect inequality with one person receiving all the income.*
Note: *Gini coefficients are sourced from Australian Bureau of statistics Personal Income in Australia and should not be directly compared with other ABS published Gini coefficients. Methodology available here.*

OUTLOOK FOR LABOUR DEMAND

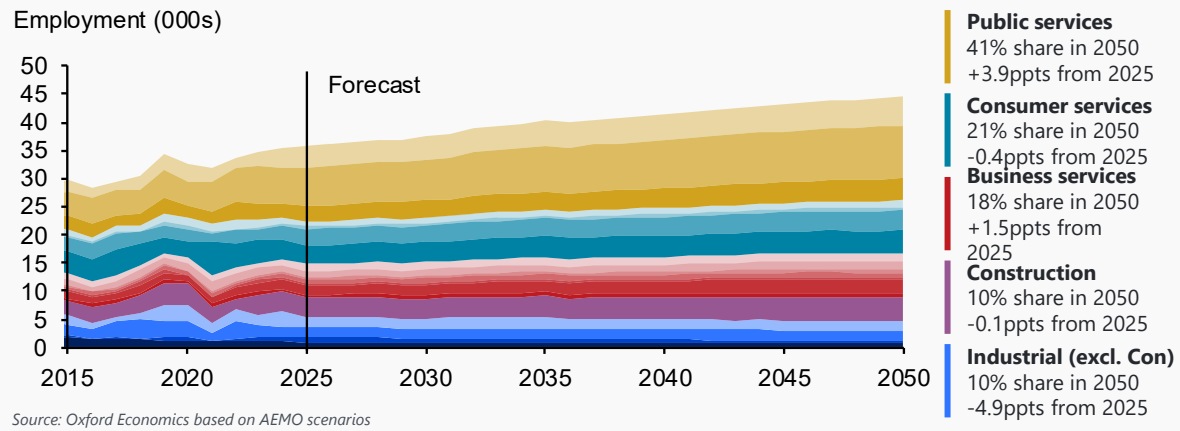
Latrobe Valley's workforce will continue to grow, albeit at a slower pace, as it becomes less reliant on traditional heavy industry and increasingly anchored in public services.

Latrobe Valley workforce outlook by scenario



Source: Oxford Economics based on AEMO scenarios

Latrobe Valley employment make-up under Step Change



Source: Oxford Economics based on AEMO scenarios

Latrobe Valley workforce outlook

Latrobe Valley's workforce growth is expected grow over the next 25 years though at a slower pace than the last decade. Low population growth and the shift away from traditional heavy industry drive a slow down in employment growth. This outlook does not include future industrial growth opportunities identified in the *Regional Investment Analysis* report.

Over the next 10 years across all transition scenarios the region adds jobs. Employment lifts from 36,000 today to 39,000 under Progressive Change and 40,000 under Step Change by 2035, and to 42,000 under Green Energy Industries. These paths translate to net gains of about 3,000, 4,400 and 6,200 jobs by 2035. The scenario shapes timing and composition rather than direction, since each pathway delivers growth from a stable base supported by ongoing activity outside coal. Public services - including health, education and public administration - increase their share from 38% of the workforce in 2025 to about 41% by 2035, driven predominately by health and public admin. This reflects the influence of the aging population, with Latrobe Valley having a relatively older population compared to Victoria and Australia.

Beyond 2035 the mix of jobs changes more significantly as coal assets reach closure dates and renewable deployment scales at different speeds under each scenario. Mining and utilities stepdown from roughly 8% of jobs today to about 4% by 2050. This decline in industrial jobs is predominantly driven by decreases in mining as demand for thermal coal falls with the closure of power stations and weaker overall demand. The decrease in coal power station jobs is partially offset by renewables under Step Change and more than offset under Green Energy Industries. Construction employment remains relatively stable at close to 10%, supported by infrastructure and clean energy projects even as new housing demand eases with slower population growth.

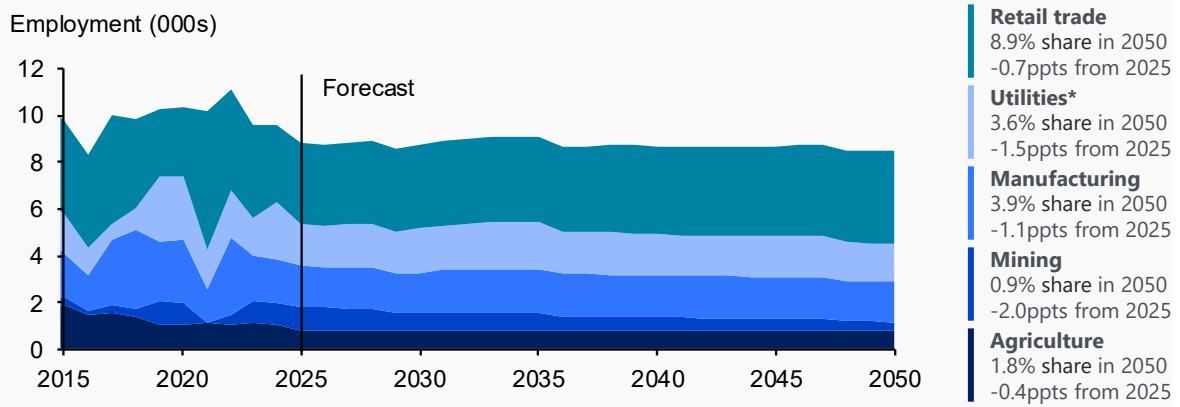
Unemployment is expected to move back toward the pre-pandemic baseline of around 7% by the end of the decade, then hold broadly steady through to 2035. Output tracks a similar profile to employment. Lower value added from coal is expected to be offset by employment and productivity gains in the rest of the economy, reflecting deeper services activity and a lift in investment aligned with the transition pipeline.

The scale and pace of change depends on how quickly clean energy industries are established and scaled as well as the extent to which the Latrobe Valley workforce can capitalise on opportunities in the wider Gippsland region.

Public services includes Health, Education & Public Administration & Safety.
Consumer services includes Retail Trade, Accommodation & Food Services, Arts & Recreation and Other Services.
Business Services includes Wholesale Trade, Transport & Warehousing, Information & Media, Financial Services, Property Services, Professional Services and Administration Services.
Industrials excluding Construction includes Agriculture, Mining, Manufacturing & Electricity, Gas, Water & Waste Services.
***Note:** Employment figures are rounded to the nearest hundred*

As coal phases down, major offshore wind and solar projects could increase the Latrobe Valley's long-term utilities workforce.

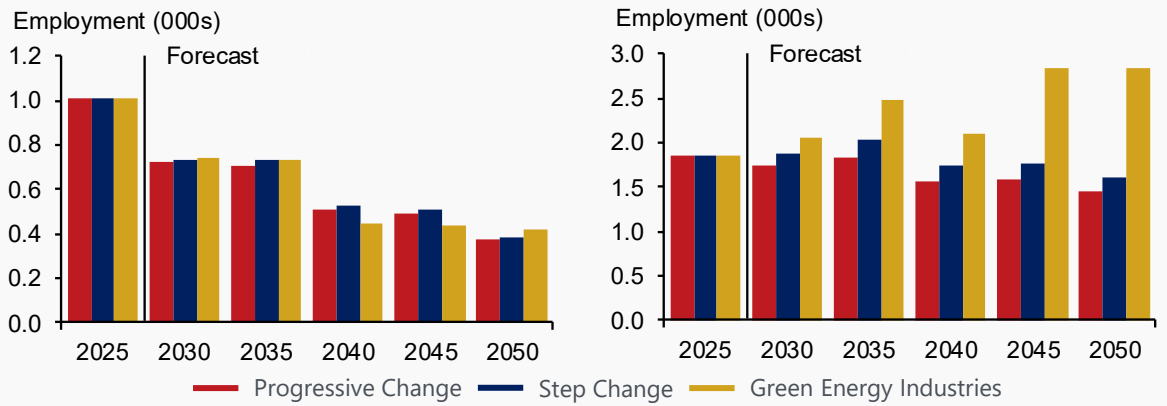
Industries in decline under Step Change



Source: Oxford Economics based on AEMO scenarios

Mining workforce outlook

Utilities workforce outlook



Source: Oxford Economics based on AEMO scenarios

Outlook for industries in decline

Traditional industries in Latrobe Valley are in gradual decline, with industrial and retail employment easing as a share of the workforce. Retail, a major regional employer, has contracted in line with limited population growth and historic trends. Considerable opportunities in renewable energy exist under scenarios where there is strong renewable deployment in the region. This results in industrial jobs under Step Change and Green Energy Industries sitting much higher than under the Progressive Change scenario where renewable deployment is limited.

Coal and gas assets are scheduled to close progressively from 2028, with utilities employment rising to2035 through renewables investment and the continued operation of Loy Yang and Jeeralang. After2035, job losses from closures are partly offset by renewable energy growth across the Gippsland and Gippsland Coast Renewable Energy Zones.

Renewable capacity is set to expand materially over the next five years. By 2030, Latrobe Valley is expected to add 800 MW of renewable generation and 320 MW of battery storage under Step Change. Under Green Energy Industries, additions reach 3,700 MW by 2050, led by large-scale projects such as the 2,200 MW Star of the South offshore wind farm and the 500 MW Hazelwood North Solar Farm. Further onshore wind, solar, offshore wind and related transmission projects will support utilities employment across all scenarios as coal retires. Offshore wind presents a more complex regional employment picture. While many specialised operations roles are likely to be filled locally, most construction activity will be deployed out of the Port of Hastings. Latrobe Valley is estimated to account for only 7% of the wider construction workforce. Of nearly 10 GW of proposed offshore wind projects, only two are expected to proceed in the next decade and only under Green Energy Industries, though broader expansion beyond 2035 is expected, providing ongoing employment opportunities in the utilities sector.

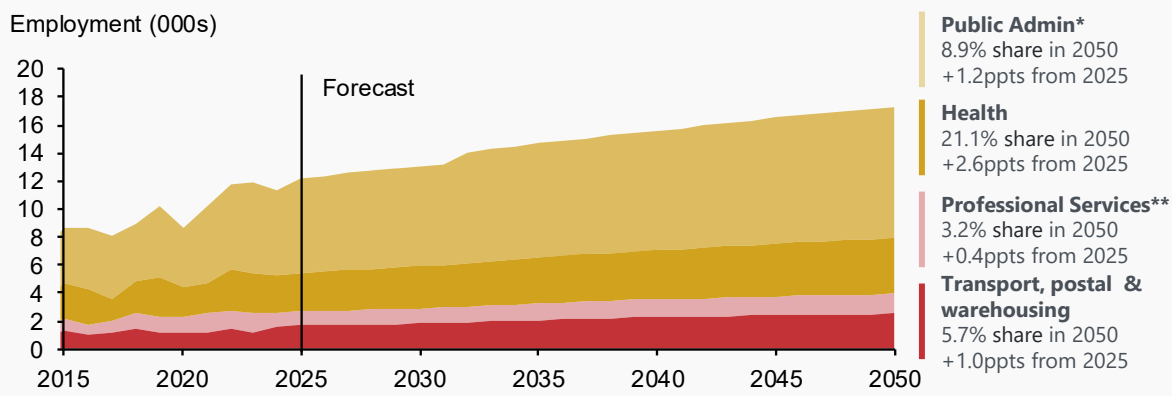
While employment in utilities is expected to decline under Progressive Change and Step Change, it is forecast to grow quite significantly under Green Energy Industries. This represents a strong opportunity for workers in Latrobe Valley, particularly those currently employed in industries most impacted by the transition. Total employment in utilities could reach 2,800 by 2050 under the Green Energy Industries scenario compared to 1,800 today. The Gippsland and Gippsland Coast REZs are expected to have 22.5GW of power capacity by 2050 under the Green Energy Industries scenario, double what is expected under the Step Change and Progressive Change scenarios, predominantly driven by a larger roll out of solar assets, reaching 9 GW by 2050.

**Utilities includes electricity and gas supply activities as well as water and waste services.*
***Note:** Employment figures are rounded to the nearest hundred.*

***Note:** The impact of employment from the renewable rollout on transmission operation and construction is captured through interlinkages between sub-industries.*

Public services will continue to underpin workforce gains, while logistics is expected to emerge as a growing area of employment for Latrobe Valley.

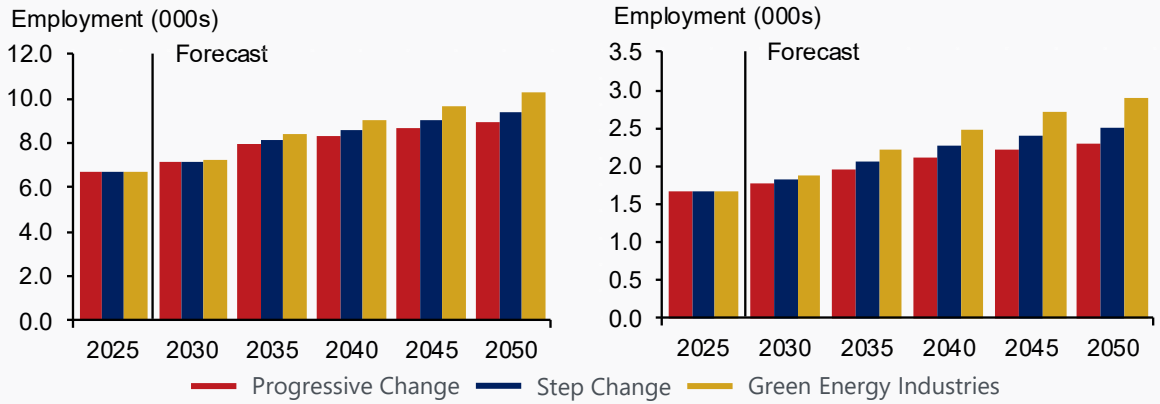
Growth industries under Step Change



Source: Oxford Economics based on AEMO scenarios

Health workforce outlook

Transport, postal & warehousing workforce outlook



Source: Oxford Economics based on AEMO scenarios

Growth industries workforce outlook

Latrobe Valley's workforce is expected to continue shifting towards public services, expand upon the currently underrepresented business services sector and increase the role of transport and warehousing, underpinned by a few key projects currently in development.

The health sector is expected to add the largest number of jobs in Latrobe Valley - 1,500 additional jobs over the next 10 years – driving its workforce share to 20% by 2035. Growth will be fueled by the planned expansion of health infrastructure - notably the $675 million New West Gippsland Hospital, expected to support a further 500 direct jobs in the health sector when completed in 2031. In the longer-term, demand for health services will continue to increase as the population ages. The age distribution in Latrobe Valley is particularly older compared to the national average which will continue to drive the pace of growing employment in the health industry.

Public administration* (+500), transport, storage & warehousing (+400) and education (+400) will also be key contributors to growth to 2035. Public administration stands to gain from the aging population, driving demand for social services and assistance. The growth rate of employment in education is expected to slow due to subdued population growth. However, given the current size of the education industry in Latrobe Valley, 11% of the total workforce, it will continue to create additional jobs in the region. Conversely, professional services, which only represents 3% of current employment (1,000 workers), is expected to grow relatively rapidly, continuing historic trends as the economy shifts towards services. Although smaller in absolute scale transport, storage & warehousing is expected to represent a significant growth area for Latrobe Valley supported by the development of the Gippsland Logistics and Manufacturing Precinct (GLaMP) and the Icon Morwell precinct.

Beyond 2035, health and public administration are expected to continue driving growth, adding 2,800 and 1,200 jobs respectively by 2050 compared to today. By 2050, public administration, health, and professional services will all expand their share of the Latrobe Valley workforce. Together, they will increase their workforce from around 29% today to over 33% of the Latrobe Valley's jobs by 2050. Strong growth in these sectors will offset the impacts of fossil fuel industry decline to drive overall growth in the Latrobe Valley workforce.

This outlook does not include future industrial growth opportunities identified in the *Regional Investment Analysis* report.

**The Public Administration industry includes government legislative, executive and judicial activities as well as military defence.*
*** Professional Services includes scientific research, architecture, engineering, computer systems design, law, accountancy, advertising, market research, management and other consultancy, veterinary science and professional photography.*
***Note:** Employment figures are rounded to the nearest hundred.*

OUTLOOK FOR SKILLS DEMAND

Higher levels of competency will be demanded across almost all core skills while in health, renewables and logistics growth will underpin the in-demand fields of education.

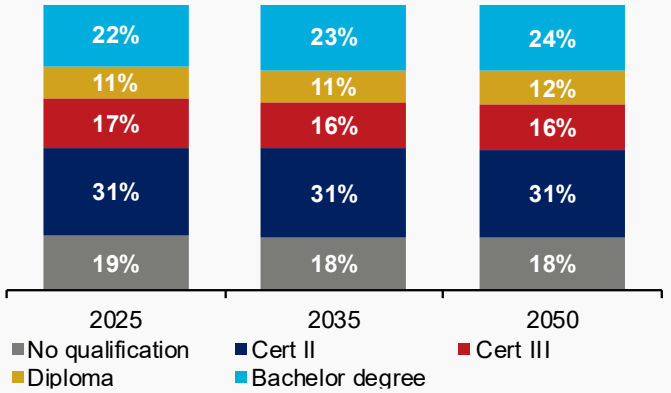
Additional skill and qualification demand by 2035 under Step Change

Increasing share of workforce -1.3% to +1.3%; Increasing level of skill 1 to 9

Skill level required*	1-2	3-4	5-6	7-9
Digital engagement		-0.2%	0.2%	
Initiative and innovation			-0.2%	0.2%
Learning			-0.2%	0.4%
Numeracy		0.5%	-0.5%	
Oral communication			-1.3%	1.3%
Planning and organising			-0.2%	0.2%
Problem solving			-0.4%	0.3%
Reading			-1.1%	1.1%
Teamwork			-1.1%	1.2%
Writing			-0.2%	0.4%

Source: Oxford Economics

Minimum skill level equivalent qualification required for jobs in Latrobe Valley**



Most common field of education in additional jobs by 2035	
1 Nursing	530
2 Human Welfare Studies and Services	410
3 Business and Management	280
4 Teacher Education	280
5 Building	100
6 Electrical and Electronic Engineering and Technology	100
7 Automotive Engineering and Technology	60
8 Computer Science	60
9 Other Education	50
10 Medical Studies	50

Skill and qualification demand outlook

At present, 51% of jobs in Latrobe Valley require a skill level equivalent to Cert III or above. Employment is expected to increase by 4,400 by 2035. Of these, 700 will not require a qualification and around 3,700 will. Within the qualified roles the split is expected to be about 1,500 at Certificate II, 250 at Certificate III, 600 at diploma, and 1,400 at bachelor level or above, aligning with the steady move toward health and professional services.

The most common fields of education within these additional roles are nursing (+530 jobs), human welfare studies and services (+410), business and management (+280), and teaching (+280). These fields of education account for a significant share of net additions and are consistent with a labour market that is continuing to become more service intensive. The expansion of the transport and warehousing industry alongside the significant rollout of renewables to 2035 is also expected to support strong demand growth for Electrical and Electronic Engineering and Technology (+100) and Automotive Engineering and Technology (+60).

The labour market is expected to demand more advanced capability across almost all core competencies. Numeracy is the only major competency that does not show a similar upward shift. The largest single movement is in oral communication where about 1.3% more of the workforce will require advanced proficiency. Reading and teamwork show a similar pattern with a 1 percentage point increase in the share of workers requiring high proficiency, driven by the general shift towards more service-oriented industries.

These trends are similar across all transition scenarios, though the scale of demand varies. The *Green Energy Industries* pathway generates the fastest workforce growth, amplifying the need for high-level skills compared with the more gradual shift under the *Progressive Change* scenario. While aggregate figures highlight a broad shift toward more complex and adaptable skill sets, they also mask the challenges of transitioning specific cohorts between roles. These transition challenges are examined in detail in the *Regional Economic Transition Analysis – Worker Transitions in the Latrobe Valley* study.

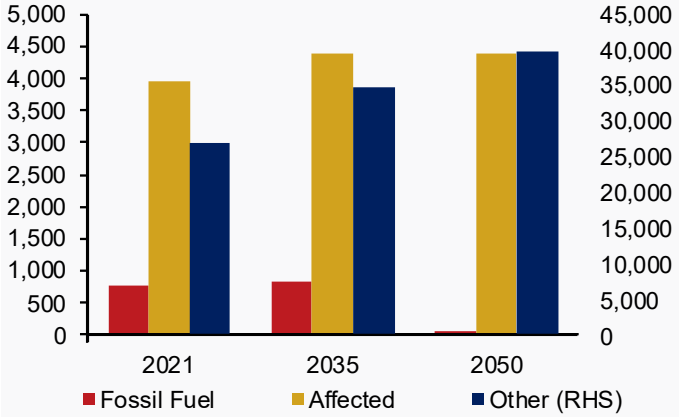
**The Australian Skills Classification (ASC) provides a common framework for describing skills across jobs, categorising them into core competencies, specialist tasks, and technology use.*
*** These qualifications refer to the minimum qualification equivalent to skill levels 1-5 required to perform a role rather than the qualification levels that are actually held by the workforce and so not all qualification levels are shown. E.g. Cert III is equivalent to skill level 3 and bachelor degree is equivalent to skill level 1. The correspondence of skill level to AQF level can be accessed here.*
***Note:** Employment figures are rounded to the nearest ten.*

PRIORITY COHORT PROFILES

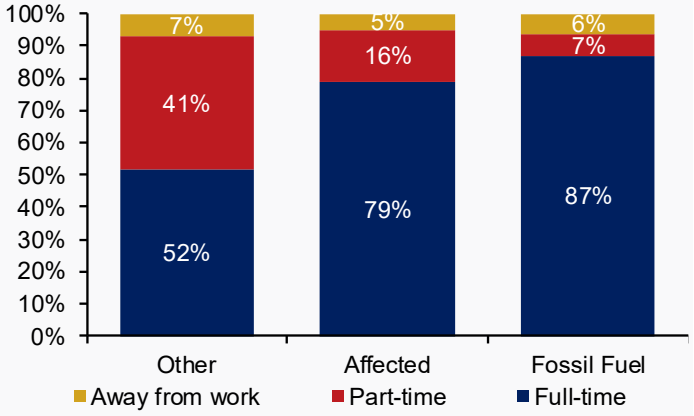
A strong vocational education attainment level in fossil fuel and affected industries may be a potential comparative advantage for industrial investment into the region.

Latrobe Valley worker cohort profile

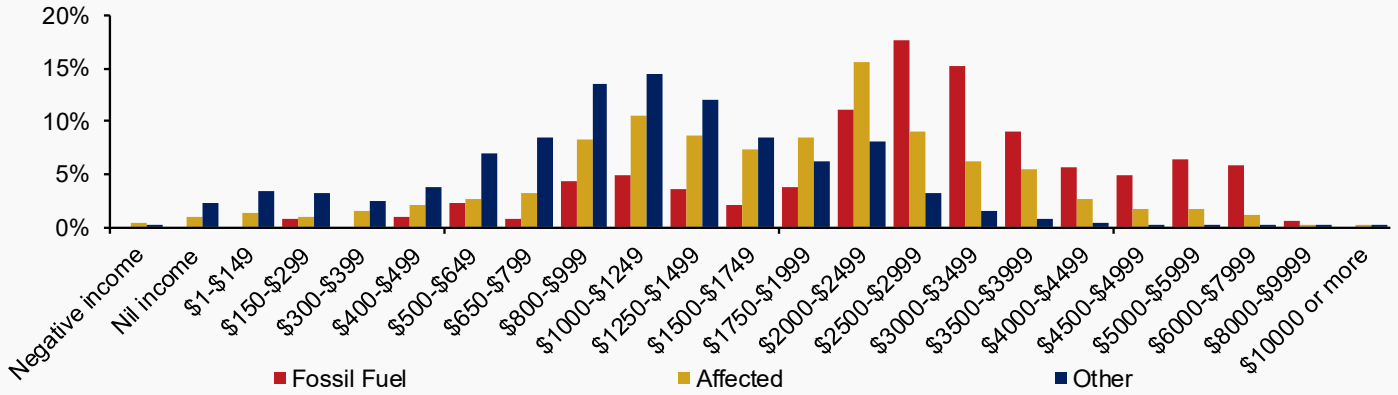
Employment outlook



Employment status



Total personal weekly gross income



Source: Australian Bureau of Statistics

Latrobe Valley is estimated to employ 1,250 fossil fuels workers as of 2024, noting the 2021 census and labour force detail recorded a lower number of fossil fuel workers (773) likely driven by pandemic disruptions and the relatively large fluctuations in employment numbers in small area data. This cohort makes up 3.5% of the local workforce and is concentrated in electricity supply and coal mining, with very few in gas supply.

Beyond fossil fuels, industries in Latrobe Valley that are facing structural declines as a share of employment include: Agriculture, Forestry and Fishing, Mining, Manufacturing and Electricity, Gas, Water and Waste Services.

The age profile for fossil fuel and other affected industries is older than the average of the wider Latrobe Valley workforce with a higher share in the 55 to 64 bracket. This suggests that there will be some attrition through retirement over the next decade which may soften the immediate impact of asset closures.

Workers in fossil fuel industries are predominantly employed full time, with nearly 90% in full-time roles, significantly higher than the broader workforce, where only around 52% are employed full time and 41% work part time. Furthermore, there is higher concentration in upper income brackets for fossil fuels workers indicating that transition out of this sector may result in reduced income and employment security.

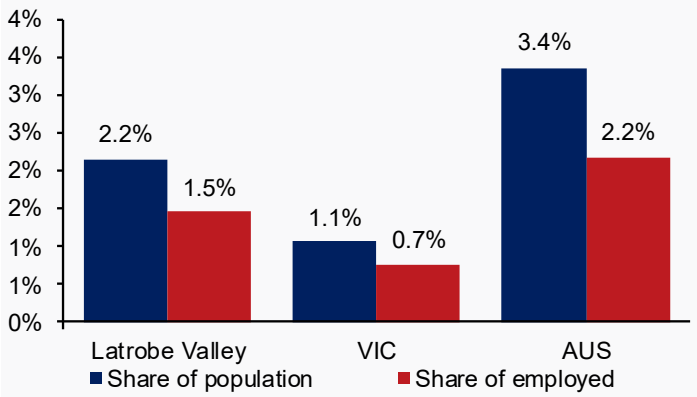
Qualifications for fossil fuel workers skew toward vocational pathways. About 67% hold a diploma or certificate as their highest qualification which reflects the technical and trade-based entry routes that have historically supported coal and electricity jobs. This profile indicates that effective transition planning should build from existing competencies with recognised prior learning and short, targeted upskilling into adjacent roles. This educational footprint may support industrial investment into the region, as highlighted in the *Regional Investment Analysis* report.

Affected industries share similar characteristics, including high full-time employment rates, a greater concentration in higher income brackets and a significant role of vocational education. Although, the contrast to the average of the region is less stark than it is for fossil fuel industries.

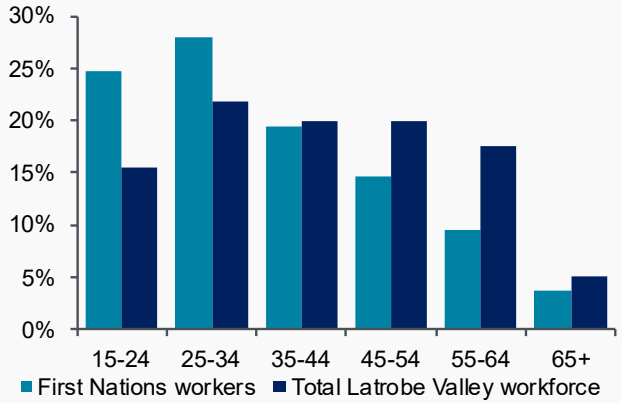
Latrobe Valley's First Nations workers may benefit from the continued growth of the public services industry and are relatively less exposed to the most affected industries.

Latrobe Valley First Nations worker profile

First Nations people in Latrobe Valley



Workforce age distribution

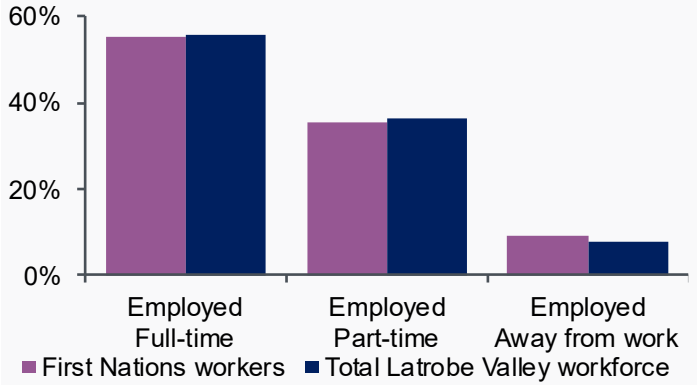


There is a greater share of First Nations people living and working in Latrobe Valley than in Victoria but less than compared to Australia as a whole. There are around 450 First Nations workers, and the cohort is young with more than half aged 34 or younger.

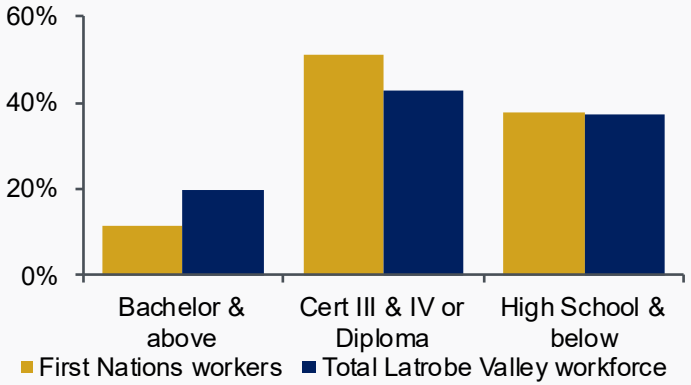
Latrobe Valley's 450 First Nations workers are significantly more likely to work in public services, particularly public administration and social services, than the general Latrobe Valley workforce and less likely to work in all other sectors. This suggests they are relatively less exposed to industrial shifts from the transition compared to the overall workforce with public services growing in importance in the region over the forecast period.

First Nations workers are about half as likely to have a Bachelor's degree or above, with a higher proportion holding a Cert or diploma. This suggests a stronger reliance on vocational education pathways for First Nations workers.

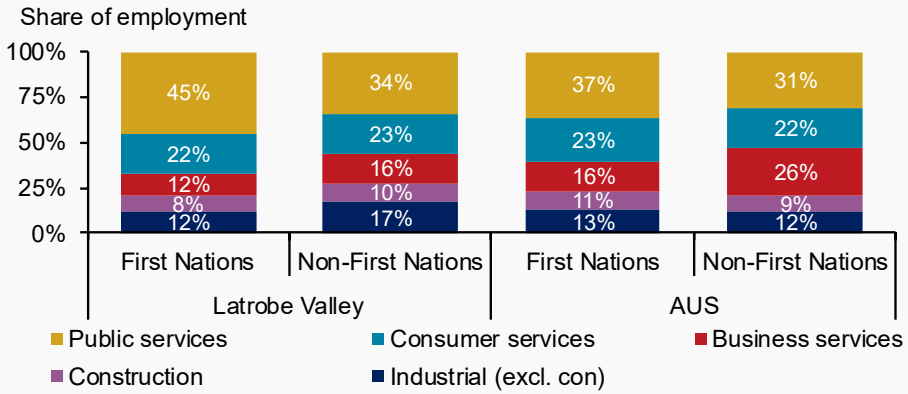
Employment status



Educational attainment (% highest level)



First Nations Industries of employment



Source: Australian Bureau of Statistics

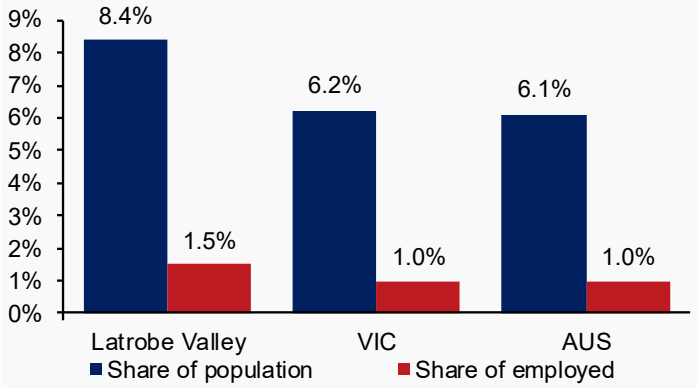
Public services includes Health, Education & Public Administration & Safety
Consumer services includes Retail Trade, Accommodation & Food Services, Arts & Recreation and Other Services.

Business Services includes Wholesale Trade, Transport & Warehousing, Information & Media, Financial Services, Property Services, Professional Services and Administration Services.
Industrials excluding Construction includes Agriculture, Mining, Manufacturing & Electricity, Gas, Water & Waste Services.

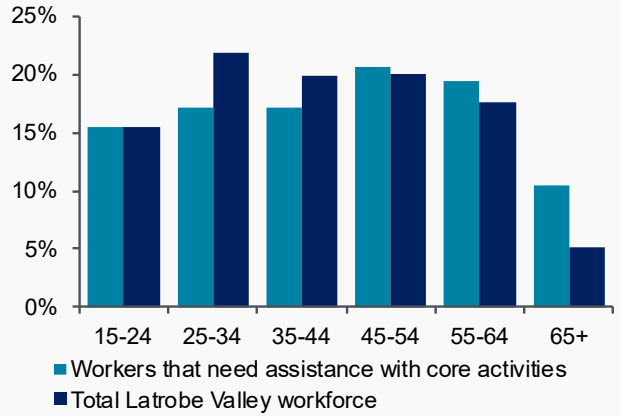
Disabled workers in Latrobe Valley have a similar exposure to transitioning industries as the broader workforce but are twice as likely to be in the older age cohorts.

Latrobe Valley profile of workers with a disability

People with a disability in Latrobe Valley



Workforce age distribution

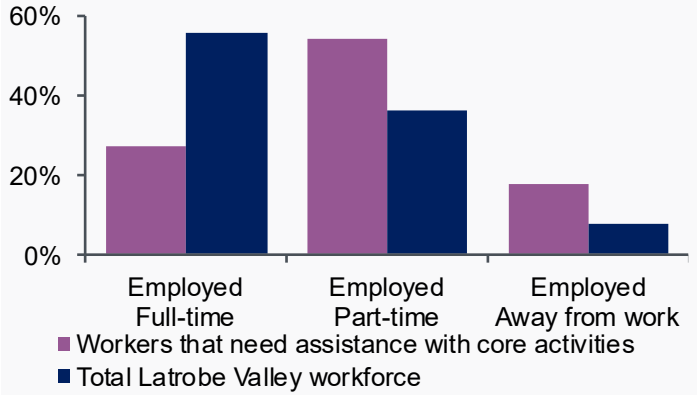


Latrobe Valley has a larger share of residents with a disability participating in the workforce. Although, employment to population rates are similarly low and their age profile is relatively older compared to the rest of the Latrobe Valley workforce, being twice as likely to be over 65.

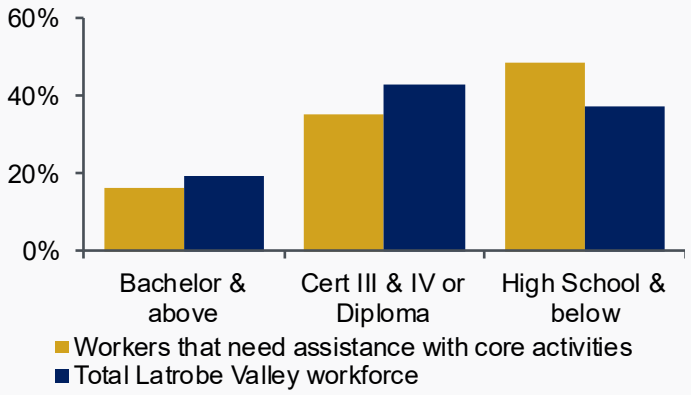
In total, around 480 people with a disability are employed in the region. They are employed in relatively similar industries compared to the total Latrobe Valley workforce, with a slight underrepresentation in construction and a slight overrepresentation in public services. However, they are less than half as likely to hold full-time employment, with the majority holding a part-time job.

Educational attainment levels also differ from the broader workforce. A smaller proportion hold a tertiary qualification (Cert, Diploma or bachelor and above) while 48% have high school or below as their highest level of education compared to 37% for the total Latrobe Valley workforce.

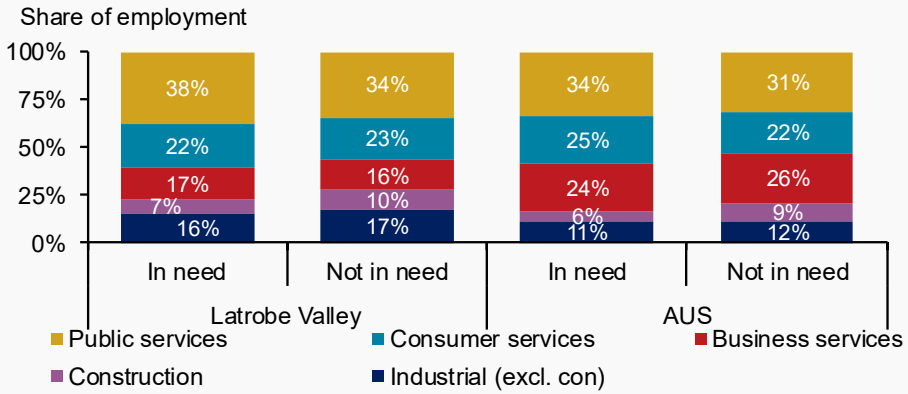
Employment status



Educational attainment (% highest level)



Workers in need of assistance by industry of employment



Source: Australian Bureau of Statistics

Public services includes Health, Education & Public Administration & Safety
Consumer services includes Retail Trade, Accommodation & Food Services, Arts & Recreation and Other Services.

Business Services includes Wholesale Trade, Transport & Warehousing, Information & Media, Financial Services, Property Services, Professional Services and Administration Services.
Industrials excluding Construction includes Agriculture, Mining, Manufacturing & Electricity, Gas, Water & Waste Services.

TECHNICAL APPENDICES

MAJOR EMPLOYING BUSINESSES

Latrobe Valley - Largest employing businesses.

Latrobe Valley - Largest employing businesses – 1 to 5

Business name	Description	Location	Est. Employment	Type of roles	Top Recent Job Postings
Latrobe Regional Health	Public hospital and mental health service providing acute and community care across the region. Website	Latrobe Valley	~2,600	Registered nurses and midwives, medical officers and specialists, allied health clinicians, mental health clinicians, administration and patient services	Registered nurse, community clinician, clinician, associate nurse unit manager, registered psychiatric nurse
Department of Education	Government department overseeing public schools, TAFEs, and educational programs. Website	Latrobe Valley	~2,000	Primary and secondary teachers, school leadership, education support staff, school counsellors and psychologists, policy and program officers	Classroom teacher, teacher, teachers aide, speech pathologist, mathematics teacher
Latrobe City Council	Local government responsible for infrastructure, planning, and community services in the Latrobe Valley. Website	Latrobe Valley	~850	Town planning and development, civil works and maintenance, water waste and environmental services, community and library services, finance human resources and IT	Maintenance employee, administration officer, coordinator, project officer, team leader
Opal Packaging Pty Ltd	Manufacturer of paper and packaging products operating the Maryvale Mill in Morwell. Website	Morwell	~800	Production and machine operations, maintenance and reliability, quality assurance and laboratory, supply chain and warehousing, sales and account management	Process engineer, electrical planner, internal auditor, delivery lead, mechanical reliability engineer
AGL	Energy company operating Loy Yang A power station and supplying electricity across Victoria. Website	Churchill	~700	Power station operations, electrical and mechanical maintenance, engineering and asset management, health safety and environment, projects and planning	Asset engineer, manager, technical officer, corporate affairs manager, finance manager

Source: Oxford Economics estimates based on Seek data

Latrobe Valley - Largest employing businesses.

Latrobe Valley - Largest employing businesses – 6 to 10

Business name	Description	Location	Est. Employment	Type of roles	Top Recent Job Postings
Latrobe Community Health Service	Delivers primary care, aged care, and NDIS services from its base in the Latrobe Valley. Website	Latrobe Valley	~650	Aged care and home care workers, allied health clinicians, community and case management, mental health and counselling, administration and client services	General practitioner, paediatric occupational therapist, dentist, occupational therapist, podiatrist
EnergyAustralia	Energy provider operating the Yallourn Power Station & mine, and supplying electricity across the state. Website	Moe - Newborough	~600	Power station operations, electrical and mechanical maintenance, engineering and asset management, health safety and environment, chemistry and water treatment	Technical officer, engineer, condition monitoring technician, structural engineer, energy consultant
TAFE Gippsland	Vocational education and training provider with multiple campuses across Gippsland, including in Morwell and Traralgon. Website	Latrobe Valley	~500	Teachers and trainers, education support and student services, curriculum and program design, campus operations and facilities, finance human resources and IT	Teacher, administration officer, enrolments officer, programme manager, engineering teacher
Kilcoy Global Foods Australia	Food processing and distribution company, though not currently operating within the Latrobe region. Website	Latrobe Valley	~400	Meat processing and packing, maintenance and reliability, quality assurance and food safety, supply chain and logistics, sales and customer service	Boner slicer, buyer, electrician, farmhand, information technology manager
Gippsland Water	Regional water corporation providing water and wastewater services across the Latrobe Valley. Website	Morwell, Traralgon - West	~400	Water and wastewater operators, engineers civil mechanical electrical, field crews and maintenance, environmental science and compliance, customer service and billing	Technical officer, multi skilled plant operator, technician, customer care consultant, engineer

Source: Oxford Economics estimates based on Seek data

Latrobe Valley - Largest employing businesses.

Latrobe Valley - Largest employing businesses – 11 to 15

Business name	Description	Location	Est. Employment	Type of roles	Top Recent Job Postings
Federation University Australia	Regional university with a major campus in Churchill offering higher education and research programs. Website	Churchill	~200	Academic teaching staff, research and laboratories, student services and admissions, facilities and campus operations, corporate services and administration	Early childhood educator, early childhood teacher, lecturer, coordinator, technical officer
Safetech Pty Ltd	Manufacturer of materials handling and lifting equipment based in Moe. Website	Moe - Newborough	~150	Production and assembly, mechanical and electrical engineering, maintenance and service, quality assurance and testing, sales and customer support	Boilermaker, cutter, industrial painter, design engineer, accounts receivable officer
Bega Group	Dairy manufacturer and operates a yoghurt facility in Morwell. Website	Morwell	~150	Brewing and production, packaging line operations, maintenance and reliability, sales and brand, warehousing and distribution	Quality technician, project engineer, safety and wellbeing adviser, packaging operator, automation engineer
Alinta Energy	Energy retailer and operator of Loy Yang B Power Station in the Latrobe Valley. Website	Churchill	~150	Power generation operations, electrical and mechanical maintenance, engineering and asset management, health safety and environment, planning and projects	Customer service representative, desktop support analyst, service operations manager, business analyst, operations manager

Source: Oxford Economics estimates based on Seek data

Latrobe Valley - Largest employing businesses.

Latrobe Valley - Largest employing businesses – 16 to 19

Business name	Description	Location	Est. Employment	Type of roles	Top Recent Job Postings
Park Lane Group	Operates holiday parks and accommodation under the Park Lane Holiday Parks brand, offering cabins, sites and family facilities across regional Victoria. Its network includes a Traralgon park serving the Latrobe Valley visitor market. Website	Traralgon - West	~100	Park managers and supervisors, housekeeping and cleaning, grounds and maintenance, guest services and reception, reservations and events	Groundsperson, housekeeper, guest experience officer, administration officer, housekeeping team leader
Tony White Group	Automotive dealership network with sites in Traralgon under brands like Traralgon Automotive Group. Website	Morwell, Traralgon - West	~100	Vehicle sales consultants, automotive technicians, parts and warehousing, service advisors, finance and insurance	Service adviser, automotive technician, receptionist, vehicle sales consultant, service technician

Source: Oxford Economics estimates based on Seek data

FORECASTING APROACH

The regional forecasting approach aligns to AEMO's scenario assumptions.

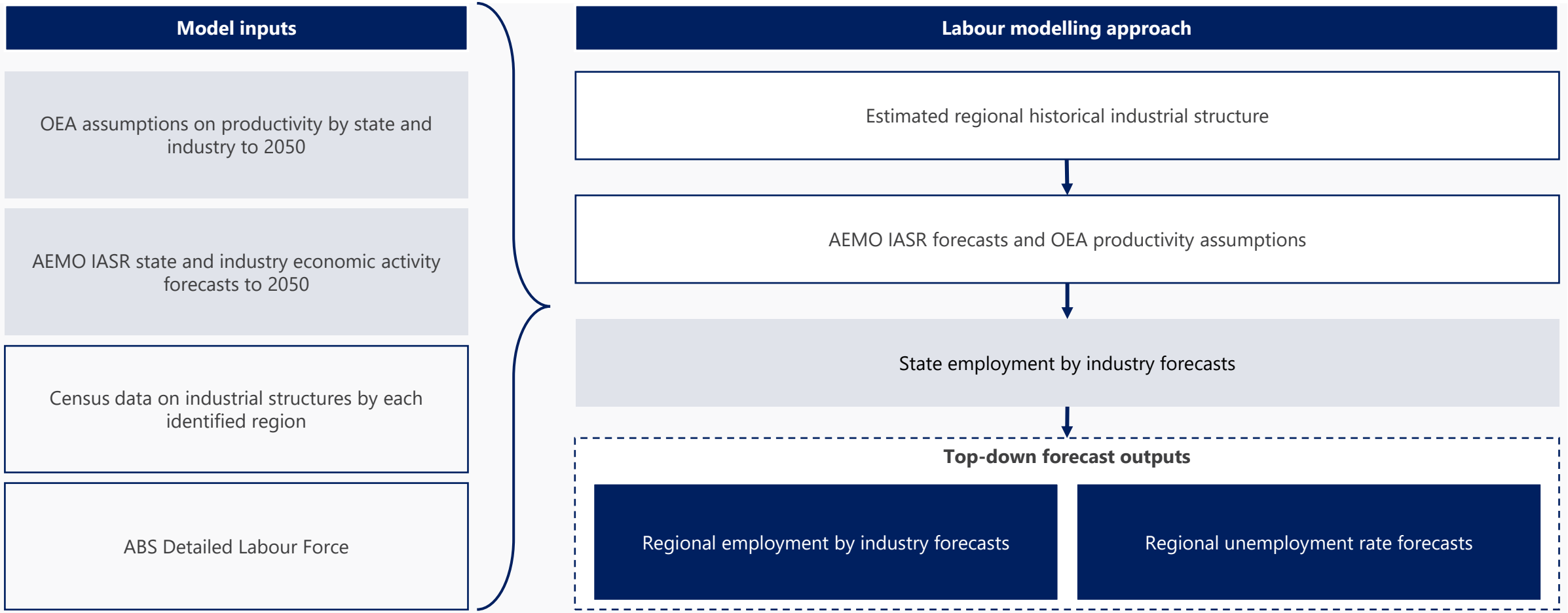
AEMO Scenario Features

	Progressive Change	Step Change	Green Energy Industries
Global export demand	• Aligned to IEA STEPS (Stated Policies). • Slower economic growth, less climate coordination.	• Aligned to IEA APS (Announced Pledges). • Moderate economic growth, stronger climate coordination.	• Aligned to IEA NZE (Net Zero). • High economic growth, stronger climate coordination.
Domestic demand for high emission industries	• Slowest pace of fossil fuel phaseout. • Weak economy forces closures of costlier energy and industrial loads.	• Moderate pace. • Coal/gas retirements follow announced schedules.	• Fastest pace.
Emerging industries	• Limited new industries. • Minimal hydrogen uptake, slower renewables rollout; energy- and mining-related industries struggle under weaker demand.	• Strong growth of renewables (wind/solar, storage) and consumer energy resources • Some domestic hydrogen use largely in the transport sector	• Development of a hydrogen industry, focusing on transport and value-add hydrogen products such as green iron and steel, for domestic use.
Renewables & major projects	• Only committed or financially close projects proceed. Renewable projects slow due to policy uncertainty and limited investor confidence. • Little new infrastructure beyond current plans.	• Committed and anticipated projects go ahead leading to large-scale deployment of solar, onshore wind, and storage proceeds rapidly to meet 82% renewables by 2030 target.	• High growth leads to development of more speculative pipeline projects. • Processing hubs for green commodities.
Government policy	• All sufficiently developed government policies. • IASR economic forecasts exclude the Future Made in Australia policy.	• All sufficiently developed government policies • IASR economic forecasts include some impacts of Future Made in Australia.	• All sufficiently developed government policies • IASR economic forecasts include moderate impacts of Future Made in Australia.

Source: AEMO (2025)

AEMO's headline forecasts are downscaled to a regional level to give a high-level top-down view that serves as a base for the detailed bottom-up forecasting.

Downscaling approach



Source: Oxford Economics

AEMO's scenario assumptions are supplemented by Census, ABS data and OE's regional productivity assumptions to generate regional forecasts aligned to AEMO's scenarios.

1. Compile AEMO average CAGRs to produce a full time series for state & national industry GVA

Industry	Scenario	Agriculture	Mining	Manufacturing	Utilities	Construction	Services
New South Wales	Progressive Change	0.3%	0.2%	-1.8%	-0.4%	0.8%	1.7%
	Step Change	0.6%	0.5%	-1.4%	-0.2%	1.1%	2.3%
	Exportless 1.5 Degrees	1.3%	0.8%	-1.1%	0.4%	1.8%	3.1%
	Green Energy Exports	1.3%	0.8%	-0.6%	0.4%	1.8%	3.1%

+

Table 3.1: Forecast summary for the Step Change scenario

	History 2022-23	Forecast 2027-28	2037-38	2047-48	2057-58	Forecast period*
GVA by industry						
Agriculture ($ billion)	$61.9	$63.6	$71.8	$77.3	$80.8	-
CAGR over previous decade	*1.4%*	*1.6%*	*1.2%*	*0.7%*	*0.5%*	0.8%
Mining ($ billion)	$321.0	$334.9	$394.3	$430.9	$459.9	-
CAGR over previous decade	*3.4%*	*0.9%*	*1.6%*	*0.9%*	*0.7%*	1.0%
Manufacturing ($ billion)	$124.0	$120.8	$120.1	$113.7	$105.1	-
CAGR over previous decade	*-0.4%*	*-0.3%*	*-0.1%*	*-0.5%*	*-0.8%*	-0.5%
Utilities ($ billions)	$45.2	$45.7	$47.6	$47.8	$47.4	-
CAGR over previous decade	*0.6%*	*0.3%*	*0.4%*	*0.1%*	*-0.1%*	0.1%
Construction ($ billion)	$158.6	$178.3	$200.5	$220.8	$236.2	-
CAGR over previous decade	*0.3%*	*1.3%*	*1.2%*	*1.0%*	*0.7%*	1.1%
Services ($ billion)	$1,345	$1,504	$1,909	$2,395	$2,942	-
CAGR over previous decade	3.1%	2.8%	2.4%	2.3%	2.1%	2.3%

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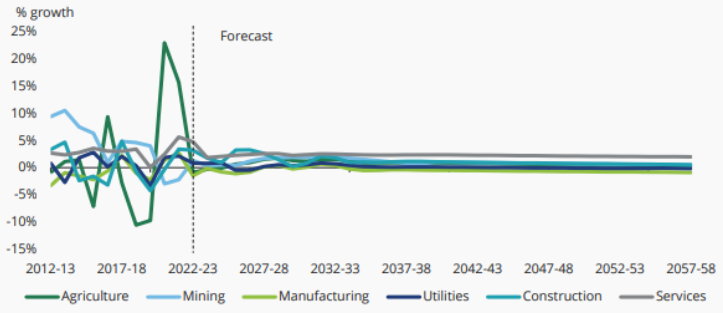
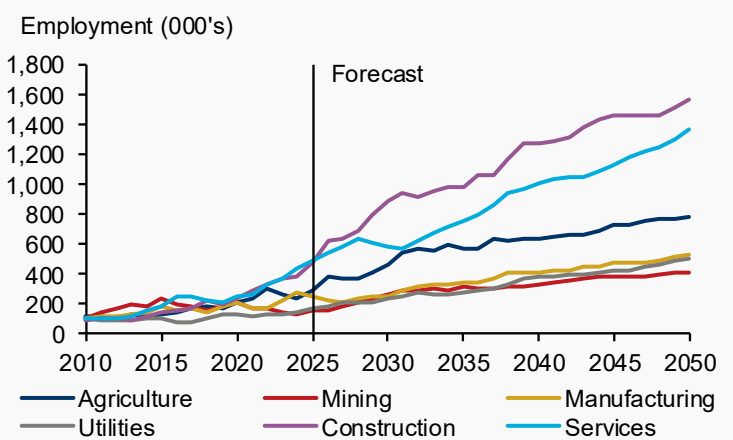
Chart B.1: Step Change industry GVA growth, Australia

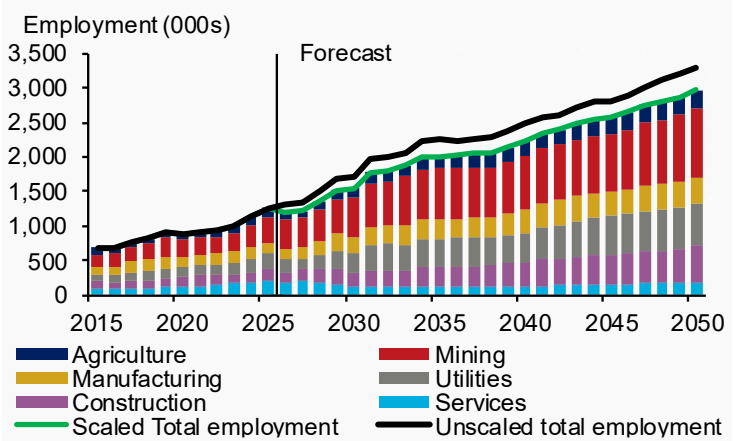


Source: Deloitte Access Economics (2024), AEMO (2025)

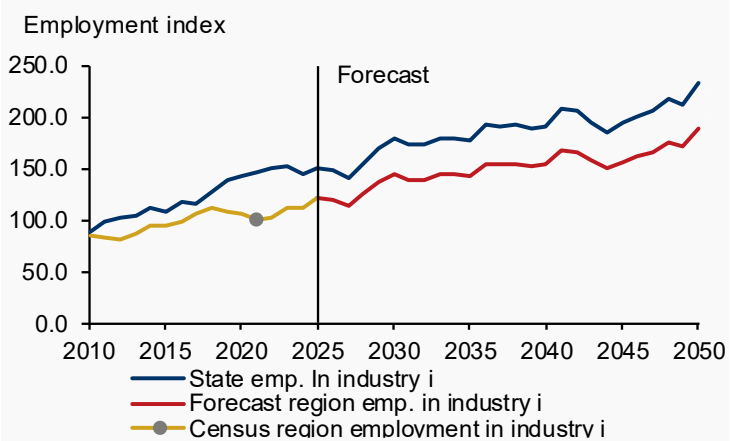
2. For each state industry pair, OE productivity growth is used to produce employment forecasts



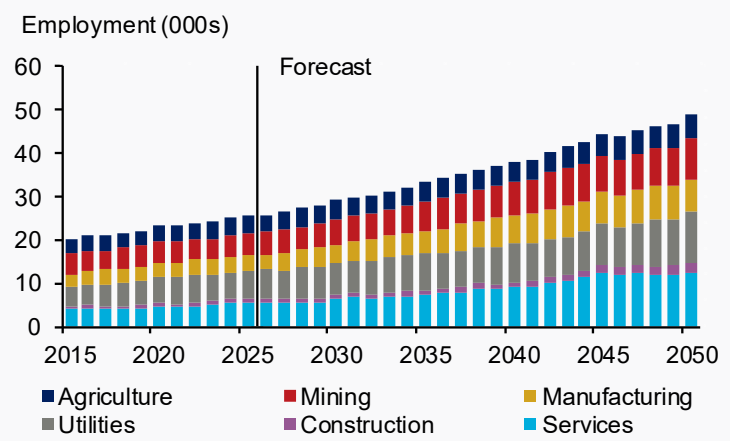
3. These employment forecasts are then scaled to align to AEMO's national productivity assumptions



4. Regional employment by industry (Census interpolated by ABS LF) grows with state industry



Regional industry employment forecasts are used to produce total employment & UR by region



Please note these charts contain illustrative dummy data

The top-down downscaled forecasts are supplemented with detailed bottom-up regional analysis to produce the final forecasts.

Bottom-up forecasting approach

Demographic implications	Regional changes to industrial structure
Analysis considers: • The current age, income and education profile of the region. • Current migration flows in region i.e. whether the region currently attracts workers or loses workers to other regions. • Whether labour supply is available to meet demand or whether regional population size will limit opportunities for industrial expansion. • Whether the decline in economic activity will result in population outflows as households look to capture employment opportunities elsewhere.	**Analysis considers:** • Closure of major industrial facilities due to changes to domestic and global demand for the regions output. • We consider core industries as the primary industries and public services if they represent a significant proportion of the regions employment. • The flow-on impact to other industries in the region due to structural decline of core industries are captured based on the supply and use of core industry output to and from supporting industries • Closure plans for existing electricity generation operations • Renewable energy projects aligned to AEMO's scenarios where the region is part of a Renewable Energy Zone. • Any benefits from the introduction or expansion of currently nascent industries (e.g. renewable energy).
Population & labour force impact	Employment by industry

Any currently proposed government policies or strategies to address impacts in these regions in which case we would assume these strategies are implemented with a degree of success based on similar policy interventions in the past.

Bespoke labour forecasts for each region including unemployment rates and employment by industry forecasts (which are then reapplied to Oxford Economics' skills framework model)

Source: Oxford Economics

Explicit assumptions are made for the closure date of existing sites, completion date of proposed sites and the affected employment of major projects in the region

Mining

- Assumed mine closure dates are based on government government documentation, mine operator disclosure and desktop research
- Under the Progressive Change Scenario, unless an explicit closure date is listed by mine operators, the explicit closure date is assumed to be when economically and technically extractable coal resources will deplete based on current rates of production.
- Beyond explicit mine closures, coal demand is expected to decline over the forecast period driven by declining domestic and global demand. Under all scenarios, employment in operating mines (those that have not hit their assumed closure date) responds to global demand for coal, decreasing over the forecast period.

Electricity supply

- Assumed closure dates of operating assets are based on AEMO 2025 Draft IASR *'Generator Summary - Existing, Committed and Anticipated generators'*.
- Proposed projects and completion dates are based on a combination of AEMO '*General Information*' and desktop research. Proposed projects are assigned to scenarios based on AEMO commitment status whereby committed projects are include in all three scenarios, anticipated projects are included only in Step Change and Green Energy Industries and ~~A~~a subset of proposed projects are included in Green Energy Industries for projects that are further along the development pathway.
- Beyond explicit project assumptions, electricity supply additions are assumed to follow the pathway from AEMO's Installed Generator Capacity by REZ from the 2024 ISP from 2030 through to 2050.
- Ongoing employment assumptions for each new entrant are estimated based on a combination of public employment disclosures where possible, estimates based on similar projects and AEMO's 2024 ISP employment factors.

Other major projects

- Other major projects that are expected to break ground over the near-term and are likely to drive an increase in employment above business-as-usual activity, are explicitly included in the regional economic modelling.
- These projects are identified from various sources including:
  - OEA Non-Residential and Engineering Construction Masterplans
  - RenewMap
  - Resources and Energy major projects
  - HyResource CSIRO
  - Critical minerals prospectus
  - NZEA regional profiles
  - Regional development strategies
  - Council project pipelines

Construction

- Employment in heavy & civil engineering construction is aligned to identified projects in mining, utilities and other key sectors.
- Employment numbers are based on a combination of public employment disclosures, OE estimates based on similar projects and AEMO's 2024 ISP employment factors for energy supply assets.

Latrobe Valley – Explicit mining assumptions (1)

Operating sites - Mining

Site	Assumed closure date			Employment	Notes
	PC	SC	GEI		
Loy Yang	2047	2047	2035	400	Linked to Loy Yang Power Station. Assumed remains open until 2047 to service Loy Yang B coal generator under PC and SC scenarios.
Yallourn	2028	2028	2028	335	Linked to Yallourn W Power Station

Source: Oxford Economics

Note: projects include those in close proximity to Latrobe Valley that are likely to have an impact on employment in the region.

Latrobe Valley – Explicit electricity supply assumptions (1)

Operating sites – electricity supply

Site	Assumed closure date			Type	Employment	Notes
	PC	SC	GEI			
Yallourn W power Station	2028	2028	2028	Coal	188	AEMO indicate planned closure in 2028.
Jeeralang power station	2039	2039	2039	Gas	62	AEMO indicate planned closure in 2039.
Loy Yang A	2035	2035	2035	Coal	286	AEMO indicate planned closure in 2035.
Loy Yang B	2047	2047	2035	Coal	150	AEMO indicate planned closure in 2047. However, AGL have announced closure of Loy Yang coal mine in 2035 so we assume Loy Yang B closes in 2035 under GEI.
Valley power station	2070	2070	2070	Gas	42	AEMO indicate planned closure in 2070.
Toora	2032	2032	2032	Wind	5	AEMO indicate planned closure in 2032.

Source: Oxford Economics

Note: projects include those in close proximity to Latrobe Valley that are likely to have an impact on employment in the region.

Latrobe Valley – Explicit electricity supply assumptions (2)

Proposed projects – electricity supply

Site	Assumed completion date			Type	Employment impact	Notes
	PC	SC	GEI			
Delburn Wind Farm	-	-	2027	Onshore Wind	24	AEMO Proposed status with approvals.
Frasers Solar Farm		2026	2026	Solar	8	AEMO Anticipated status.
Maryvale Energy From waste power station	-	2028	2028	Bioenergy	50	AEMO Proposed status with approvals.
Hazelwood North Solar Farm	-	-	2028	Solar	41	AEMO Proposed-Development status.
Hazelwood Battery	-	-	2026	BESS	18	AEMO Proposed-Development status.
Latrobe Valley BESS	2025	2025	2025	BESS	4	AEMO Committed status.
Wooreen (Jeeralang) BESS	2026	2026	2026	BESS	14	AEMO Anticipated status. Under Construction
Fulham Solar Farm (BESS)	2026	2026	2026	BESS	3	AEMO Committed status.
Fullham Solar Farm	-	2026	2026	Solar	10	AEMO Anticipated status.
Star of the South	-	-	2030	Offshore Wind	207	AEMO Proposed status with approvals. Latrobe Valley share of employment estimated based on share of SA4 employment in coal mining & electricity supply.
Blue Mackerel North Offshore Wind Farm	-	-	2032	Offshore Wind	55	AEMO Proposed status with approvals. Latrobe Valley share of employment estimated based on share of SA4 employment in coal mining & electricity supply.
Kut Wut Bratualung	-	-	-	Offshore Wind	138	AEMO Proposed status with less public detail or approval.
Orsted Gippsland Windfarm	-	-	-	Offshore Wind	254	AEMO Proposed status with less public detail or approval.

Source: Oxford Economics

Note: projects include those in close proximity to Latrobe Valley that are likely to have an impact on employment in the region.

Latrobe Valley – Other explicit major project assumptions (1)

Proposed projects – Other

Site	Assumed completion date			Type	Employment impact	Notes
	PC	SC	GEI			
Liquefied Hydrogen Supply Chain Commercial Demonstration Project	-	2030	2030	Hydrogen	200	Relatively developed hydrogen project to be included in Step Change and Green Energy Industries
Gippsland Logistics and Manufacturing Precinct (GLaMP)	*2027*	2027	2027	Transport & manufacturing	900	The main infrastructure (roads) began construction in 2018. Lots sit vacant awaiting further investment/construction. Assumed to fill over time from 2027 onwards
Urea/Ammonia plant	-		2030	Manufacturing	144	Remains in feasibility stage.
Latrobe magnesium project (Commercial)	-	2027	2027	Manufacturing	100	In feasibility stage but demonstrator was successful.
Icon Morwell (precinct)	2028	2028	2028	Industrial	200	Under Construction
Carbon Net	-	-	2030	Carbon Capture & Storage	251	Front-Engineering Design (FEED) has been complete, project has not reached FID as of yet and news has slowed since 2024.
Project Marinus	2032	2032	2032	Transmission	20	Project well developed and expected to proceed with construction from 2026
Gippsland Offshore Wind Connection	2030	2030	2030	Transmission	20	Offshore wind off the Gippsland coast expected under all scenarios with part of the connection running through Latrobe
New West Gippsland Hospital	2031	2031	2031	Health	530	Project is government funded and expected to occur despite construction delays.
Orbost Aged care	2026	2026	2026	Aged Care	50	Under Construction.

Source: Oxford Economics

Note: projects include those in close proximity to Latrobe Valley that are likely to have an impact on employment in the region.

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REFERENCES

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Contacts

EUROPE

Oxford (Headquarters)
Tel: +44 (0)1865 268 900

London
Tel: +44 (0)20 3910 8000

Belfast
Tel: + 44 2892 635400

Milan
Tel: +39 02 8295 2521

Frankfurt
Tel: +49 69 96 758 658

Paris
Tel: +33 (0)1 78 91 50 52

Stockholm
Tel: +46 (0) 8 446 887 65

AFRICA AND MIDDLE EAST

Cape Town
Tel: +27(0)21 863-6200

Dubai
Tel: +971 56 396 7998

AMERICAS

New York
Tel: +1 (646) 786 1879

Philadelphia
Tel: +1 (646) 786 1879

Mexico City
Tel: +52 155 5419-4173

Boston
Tel: +1 (617) 780 2265

Chicago
Tel: +1 (847) 993-3140

Los Angeles
Tel: +1 (424) 303 3449

Toronto
Tel: +1 (905) 361 6573

ASIA PACIFIC

Singapore
Tel: +65 6850 0110

Sydney
Tel: +61 (0)2 8458 4200

Hong Kong
Tel: +852 3974 8842

Tokyo
Tel: +81-(0)3-4588-2798