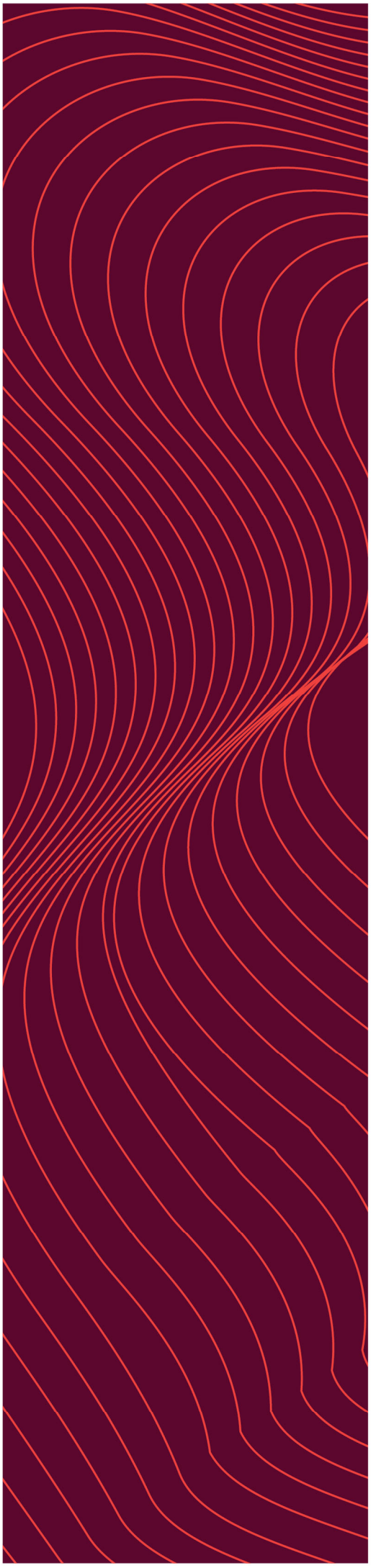
LATROBE CITY COUNCIL

Latrobe City Councils Submission to:

Energy Industry Jobs Plan for Yallourn W Power Station

February 2026



1. Introduction

Latrobe City Council welcomes the opportunity to provide a submission to the Net Zero Economy Authority's consultation on whether an Energy Industry Jobs Plan (EIJP) should be established ahead of the scheduled closure of Yallourn W Power Station in July 2028.

Latrobe City is Australia's most structurally affected regional economy, having powered Victoria for generations and now facing the cumulative impacts of coal-fired power station closures. Council strongly supports the establishment of an EIJP for Yallourn W as a necessary, timely and proportionate mechanism to support workers, families, businesses and the broader community through this transition.

2. Impacts of the Yallourn W Closure

The closure of Yallourn W Power Station in mid-2028 will have a significant and lasting economic, fiscal and social impacts on the Latrobe City and surrounding Gippsland region. The consultation paper indicates the closure is expected to impact a significant amount of on-site workers, in addition to workers across the supply chain and dependent industries.

Beyond direct employment, the closure will affect:

- Local contractors and specialist supply-chain businesses;
- Household incomes and local spending;
- Small and medium enterprises reliant on industrial expenditure;
- Community confidence and economic stability; and
- Demand for retraining, redeployment and support services.

Importantly, Yallourn W's closure is not an isolated event. It represents a further stage in the structural contraction of Latrobe City's traditional energy industry, following the closure of Hazelwood Power Station in 2017 and broader workforce reductions across the sector. While new investment opportunities are emerging, replacement industry has not matched the scale or timing of successive large-scale employer exits.

The cumulative effect of repeated closures increases the risk of skills loss, reduced private-sector confidence, and long-term economic scarring if transition arrangements are not structured and coordinated. From a socioeconomic perspective, Latrobe City already experiences higher-than-state-average levels of disadvantage and income vulnerability. A reduction in high-wage industrial employment risks exacerbating existing hardship, weakening household resilience and increasing demand for community services.

The closure will also materially affect Council's financial sustainability. Yallourn W and associated industrial activity contribute significantly to Council's municipal rate base. A reduction in industrial rate revenue constrains Council's capacity to maintain infrastructure, deliver essential services and support community wellbeing at a time when demand is likely to increase. This creates a structural challenge: community need rises while local revenue capacity contracts. While Council is actively pursuing industry diversification and investment attraction, transition of this magnitude cannot be managed by local government alone.

Given the cumulative impact of successive coal-fired power station closures, a formal Energy Industry Jobs Plan is a necessary and proportionate response to support workforce transition and protect the economic and social stability of host communities such as Latrobe City.

3. Existing Support for Workers

Council acknowledges Energy Australia's existing workforce transition program and its commitment of $10 million to support affected workers.

While this initiative is positive and important, Council does not consider employer-led programs alone to be sufficient to address the scale, complexity and regional flow-on impacts of the Yallourn W closure.

Existing supports vary across employers and the supply chain, creating uneven access to retraining, career planning and redeployment opportunities. Without a formal EIJP in place, there is a risk that some workers, particularly those in dependent businesses, may fall through gaps in support.

4. Additional Support Required

Latrobe City Council considers that additional, mandated supports are required to ensure a fair and orderly transition. An EIJP would:

- Ensure consistent minimum standards of support across employers;
- Provide workers with paid time off and flexibility arrangements to access support;
- Enable coordinated redeployment across the regional labour market;
- Incentivise businesses to hire impacted workers; and
- Reduce the risk of long-term unemployment and skills loss from the City

Council strongly supports the EIJP framework's combination of employer obligations and Authority-led redeployment supports, including coordination services, grants and incentives for receiving employers.

In Council's view, the EIJP should align to realistic regional employment pathways in sectors with demonstrated or emerging demand. These include energy and renewables, construction and infrastructure, advanced manufacturing, aviation and aerospace industries, transport and logistics, public services, health and community services, and environmental rehabilitation.

5. Views on the Energy Industry Jobs Plan

Council strongly supports the establishment of an Energy Industry Jobs Plan for Yallourn W.

An EIJP would materially improve transition outcomes by providing certainty, accountability and coordination at a scale that matches the significance of the closure. Importantly, it sends a clear signal that workers and host communities are not expected to bear the burden of the energy transition alone, and that employers, industry and all levels of government have shared responsibility for supporting affected workers and regions.

The EIJP aligns closely with Council's established Industry and Economic advocacy priorities to drive economic resilience, job creation and long-term transition in Latrobe, including:

- **Establishing a Latrobe Economic Support Package**, comprising a suite of industry-attracting and mobilisation incentives such as temporary tax offsets, accelerated depreciation and targeted investment levers to support business and worker transition and growth.
- **Establishing an Infrastructure Activation Fund**, as a critical component of the Economic Support Package, to deliver essential enabling infrastructure required to unlock industrial precincts for immediate occupation and commencement of business activity.
- **Expanding the Latrobe Aerospace Technology Precinct**, including the development of a fit-for-purpose advanced air mobility research and development facility to house start-ups, manufacturers and researchers, and the extension of the airport taxiway to unlock zoned commercial land for aviation manufacturing and related industries.

Council considers the EIJP an important complementary mechanism that supports workforce transition while broader economic diversification and investment initiatives are progressed in parallel. While broader job creation is outside the scope of this consultation, Council notes that the effectiveness of the EIJP will be strengthened where the Authority actively identifies and communicates locally relevant employment pathways within Latrobe City, enabling training, redeployment and employer engagement activities to be better aligned to the region's transition priorities.

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6. Opportunities for Impacted Employees

The Latrobe City and wider Gippsland region have emerging employment opportunities across energy, construction, manufacturing, infrastructure, health, education and public services. However, realising these opportunities requires structured pathways that align skills, timing and employer demand.

Council supports the EIJP's role in:

- Matching workers' existing skills to new roles;
- Supporting retraining aligned to regional growth industries;
- Incentivising local employers to hire transitioning workers; and
- Retaining skilled workers within the region.

7. Proposed Geographic Area

Council supports the proposed geographic area for the EIJP assessment, including the Latrobe City, Wellington and Baw Baw Statistical Areas Level 3.

This area appropriately reflects:

- Worker commuting patterns;
- Supply chain distribution; and
- The functional regional labour market.

Council notes that while the proposed geographic area appropriately captures the broader regional labour market, Latrobe City is the municipality most directly and significantly impacted by the closure of Yallourn Power Station. As such, Council considers that future industry and economic investments associated with the transition should be prioritised toward Latrobe City to support workforce retention, economic resilience and community stability.

Council further notes the importance of maintaining flexibility within the EIJP framework to recognise employment opportunities beyond the proposed geographic boundary, where this enables affected workers to remain living in Latrobe City and commute to new workplaces where appropriate.

8. Conclusion

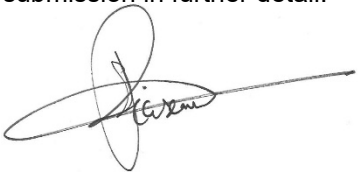
Latrobe City Council strongly supports the establishment of an Energy Industry Jobs Plan for Yallourn W Power Station.

The EIJP represents a practical, fair and necessary response to a major structural change facing one of Australia's most impacted regions. It complements existing employer initiatives while ensuring consistent, enforceable and coordinated support for workers and communities.

Council looks forward to continuing to work with the Net Zero Economy Authority, the Australian Government, the Victorian Government, employers, unions and the community to ensure the Yallourn W transition delivers secure jobs, economic resilience and a positive future for the Latrobe City.

Council remains committed to working with government, industry, and the community to ensure the renewable-energy transition supports environmental recovery, economic diversification, and long-term resilience for Latrobe City.

Please contact Latrobe City Council's Acting Senior Strategy & Advocacy Advisor Kate Cumming, at Advocacy@latrobe.vic.gov.au or 0409 327 314, should you wish to discuss any of the content outlined in this submission in further detail.



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