

Queensland Curtis LNG

Appendices to Social Impact Management Plan

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QCLNG PROJECT

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Appendix 1: Social Impact Summary

1.1 Introduction

A comprehensive assessment of QCLNG's social impacts and benefits is detailed in the QCLNG EIS, Volume 8 (Draft and Supplementary). This includes an assessment of the likelihood and significance of social impacts and benefits.

Impacts are summarised here, identifying impacts as primarily positive or negative, referring to the likely impact before mitigation.

1.2 Social Impacts and Benefits in Gladstone Region

The project will have a range of potential benefits and impacts for communities in the Gladstone region as summarised below in *Table 1*, and as addressed in the SIMP as referenced.

Most impacts pertain primarily to the construction stage. Those that pertain to the operational stage are marked with an asterisk.

Table 1: QCLNG Impacts and Benefits in Gladstone LGA

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
Population impacts <i>Positive</i>	<ul style="list-style-type: none"> Potential increase in Gladstone of approx. 200 new households by 2014 as a direct result of construction activities. Up to 70 new families as a direct result of permanent jobs in the LNG facility*. Contribution to Gladstone's planned growth and employment profile. Potential increase in the number of younger people as a proportion of existing and new residents due to project employment opportunities and economic vitality. 	6.5.1
Employment and local business <i>Positive</i>	<ul style="list-style-type: none"> Creation of an average of 1,500 direct jobs peaking to approximately 3,000 jobs in late 2012 and an expected 300 to 1,000 indirect jobs during the peak construction phase. Ongoing direct permanent employment of approximately 160 people. Opportunities to build the local workforce capacity through training and development strategies. Opportunities to increase levels of indigenous and youth employment. 	6.5.5
<i>Negative</i>	<ul style="list-style-type: none"> Drawing workers from existing local industries and businesses, causing labour shortages, including the potential cumulative impacts of several major projects. 	6.5.5
Housing and accommodation <i>Negative</i>	<ul style="list-style-type: none"> Potential demand for up to 250 dwellings at the peak of the construction phase, impacting on housing availability and affordability. Potential cumulative demands of multiple projects on housing, resulting in increased housing stress for low income households and requiring some households to relocate away from the region. 	6.5.2

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
<p>Social infrastructure</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Increased demand on community services and facilities, including: <ul style="list-style-type: none"> - health care - education - family support services. • Impacts due principally to population increase, with some demand from the FIFO workforce. • Potential for increased demand on emergency services, including medical evacuation arrangements if using local service providers. • Potential cumulative impact on social infrastructure demand from QCLNG worker families. • Potential cumulative impact on safety perceptions due to large numbers of single males from various project workforces. 	<p>6.5.3</p>
<p>Community health and safety</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Potential change in the perception of community safety due to an imbalance in the single male population. • Increased demand for health services due to population increases. • Potential impact on traffic volumes resulting from increased traffic associated with transport of workers, materials and equipment. 	<p>6.5.3</p>
<p>Lifestyle and community values</p> <p><i>Positive</i></p>	<ul style="list-style-type: none"> • Increased economic vitality and employment security. • Social mitigation commitments to development of social infrastructure and community capacity beyond the magnitude of direct impact to provide lasting benefits*. 	<p>6.5.3, 6.5.5</p>
<p><i>Negative</i></p>	<ul style="list-style-type: none"> • Potential cumulative effects due to several major projects proceeding in the region, on equity for low-income households if social infrastructure access or housing affordability is adversely affected. 	<p>6.5.3</p>
<p>Marine Values</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Potential impacts on commercial boating and fishing activities in Gladstone Harbour, particularly the Narrows, as a result of the potential cumulative impacts of dredging, LNG facility site access construction and the Narrows crossing for several projects. • Temporary impediment to access to the lower reaches of Targinnie and Humpy creeks. • Effect of coffer dams and dredging on scenic amenity and recreational use of the Narrows passage. • Minor impacts on commercial boating and fishing activities in Gladstone Harbour as a result of shipping movements and safety zones. 	<p>6.5.6</p>
<p>Cultural heritage</p> <p><i>Neutral</i></p>	<ul style="list-style-type: none"> • The former Yards Site was assessed as having minor local historical significance and is located in the centre of the proposed LNG Plant. The site will consequently require demolition. 	<p>6.5.4</p>

1.3 Summary of Potential Impacts and Benefits in Pipeline Region

The project will have a range of potential benefits and impacts for communities along the pipeline corridor as summarised below in *Table 2*, and as addressed in the SIMP in accordance with the references.

All impacts pertain to the construction period and most are short term in nature, at 12-18 months duration. Mitigation strategies have been developed to minimise negative effects, and land access compensation has been negotiated with land holders along the pipeline route.

Table 2: QCLNG Impacts and Benefits in Banana and North Burnett LGAs

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
Employment and local business <i>Positive</i>	<ul style="list-style-type: none"> Creation of up to 1,200 direct jobs for the construction of the pipeline, as well as indirect employment through increased demand for local goods and services. 	6.5.5
Social infrastructure <i>Negative</i>	<ul style="list-style-type: none"> Potential for increased demand on health and emergency services, including medical evacuation arrangements if using local service providers. Community offsets through social investment. 	6.5.3
Community health and safety <i>Negative</i>	<ul style="list-style-type: none"> Potential safety impacts on road users, due to increased truck movements on local roads. Potential safety risks to people and livestock during construction, due to open trenches. 	6.5.4, 6.5.6
Property owners and land use <i>Negative (short term)</i>	<ul style="list-style-type: none"> Temporary loss of access to and use of land during construction, potentially impacting on grazing and livestock movements, fencing, stock yards and irrigation systems. Minimal disturbance to future land uses and restrictions on the use of land within the pipeline corridor. 	6.5.4
Lifestyle and community values <i>Negative</i>	<ul style="list-style-type: none"> Temporary impacts on local amenity resulting from increased noise and dust and changes to local access during the construction phase. Potential temporary impacts on privacy and security for property owners, due to increase in construction workers in vicinity of houses. Potential for increased traffic and on-site activities for camps, laydown areas and double jointing yards to affect quiet rural amenity. 	6.5.4 6.5.6
Cultural heritage <i>Negative</i>	<ul style="list-style-type: none"> Two non-indigenous heritage places were identified during the survey as being impacted upon by the proposed pipeline route: The O'Reilly Graves and Former Rainbow Hotel Site have been assessed as being of local significance and should be avoided if possible by the pipeline route. The Defence Road is a potentially significant heritage place. The Pipeline will cross the road in two locations close to a stone bridge and culvert, and additional bridges and culverts along the Defence Road maybe indirectly affected by road upgrades and additional access tracks. 	6.5.4

1.4 Summary of Potential Impacts and Benefits in Gas Fields Region

The project will have a range of potential benefits and impacts for communities in the gas fields region as summarised below in *Table 3*, and as addressed in the SIMP in accordance with the references below. Impacts pertain primarily to the construction period to 2014 as assessed in the QCLNG EIS.

Additional impacts from operations are not expected, with the exception of an increase in the number of permanent employees for QCLNG, as the project aims to build to full local employment for gas fields operations over time. This could see an additional 200 households (with some already resident in the area) by 2015. Achieving full local employment though is dependent on the sufficiency of adequate housing supplies, social and health infrastructure and water supplies. As such, full employment for operations may not be achieved by 2015.

Construction of the gas gathering, water treatment and field compression stations will continue until at least 2020. As such impacts related to land access, employment, non-local workers, and traffic infrastructure will continue at a lower level beyond 2014. The review of the SIMP planned or 2014 will need to address this against baseline conditions at the time.

Table 3: QCLNG Impacts and Benefits in Western Downs LGA

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
Population Impacts <i>Positive</i>	<ul style="list-style-type: none"> Increase in the population of Western Downs estimated at more than 200 households by 2014, with ongoing construction likely to lead to a further slow increase to 2020. Increase in permanent residents and employment levels likely to increase the vitality and population stability of the area*. Potential increase in the number of younger people due to retention of existing people and attraction of new residents for project employment opportunities and economic vitality*. Potential for greater cultural diversity through workers from other states and countries. 	6.5.2, 6.5.3
Employment and local business <i>Positive</i>	<ul style="list-style-type: none"> Employment during construction (2010-2014), peaking at approximately 2,400 jobs including drilling contractors. Permanent employment for around 500 people in the Western downs area, plus ongoing construction and drilling jobs for future field development*. Opportunities to build local workforce capacity through training and development strategies. Opportunities for local business development through local content and procurement policy. 	6.5.5
<i>Negative</i>	<ul style="list-style-type: none"> Potential cumulative impacts due to several major projects proceeding in the region, impacting on labour force availability for other business and services. 	6.5.5

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
<p>Housing and accommodation</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Potential demand for approximately 250 dwellings by 2014, potentially impacting on housing availability and affordability. • Potential cumulative demands of multiple projects on housing, potentially resulting in increased housing stress for low income households and requiring some households to relocate away from the region. • Low income households may experience increasing difficulty in maintaining secure housing. 	<p>6.5.2</p>
<p>Social infrastructure</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Increased demand for local school enrolments. • Increased demand on affordable housing. • Increased demand on child care, family support and youth support services. • Incremental increased demand on community facilities such as libraries, parks, community centres and sporting grounds; and • Potential for an increase in demand for local emergency services, including Fire and Rescue, Ambulance and Police services. 	<p>6.5.3</p>
<p>Property owners and land use</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Impacts of well construction and facilities near rural residential areas. • Potential fragmentation of agricultural land. • Potential disruption to grazing patterns of livestock and stock crossings. • Loss of privacy due to construction and operations work on private property. • Effects on lifestyle due to noise, vibrations or dust. 	<p>6.5.4</p>
<p>Community health and safety</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Additional pressure is expected on health and medical services provided by general practitioners and community health centres. • Potential change in the perception of community safety and security due to large influx of FIFO workers. • Potential impact on road safety resulting from increased traffic associated with project. • Anxiety as a result of uncertainty about the location of gas fields infrastructure. 	<p>6.5.3</p> <p>6.5.4</p>
<p>Lifestyle and community values</p> <p><i>Negative</i></p>	<ul style="list-style-type: none"> • Potential for social fragmentation due to introduction of FIFO workforce and changing economic structure. • Potential for impacts on quiet rural lifestyle from traffic, infrastructure facilities and gathering systems. 	<p>6.5.3</p>
<p><i>Positive</i></p>	<ul style="list-style-type: none"> • Increased membership pool for community, cultural and sporting associations. • Increased number of families supporting school vitality and justification for more facilities. 	<p>6.5.3</p>
<p>Non Indigenous Cultural Heritage</p>	<ul style="list-style-type: none"> • Project activities in the gas fields such as drilling wells, drilling camps, access tracks, CPPs and FCSs will require levelling of the ground surface and subsurface drilling, and consequently have potential to impact on places of Indigenous or non-Indigenous cultural heritage. • Indigenous cultural heritage will be monitored and mitigated 	<p>6.5.4</p>

SOCIAL VALUE	IMPACTS AND BENEFITS	SIMP SECTION
	<p>in accordance with procedures outlined in CHMPs agreed as part of ILUAs and as detailed in the Supplementary EIS Volume 8 Chapter 8.</p> <ul style="list-style-type: none">• Comprehensive cultural heritage surveys will be carried out in the gas field as infrastructure location is finalised and site access agreements are in place, in order to provide site-specific mitigations for non-Indigenous cultural heritage as required.	

APPENDIX 2: Community Engagement and Stakeholder Management

2.1 SIMP Consultation

Engagement with key stakeholders is critical to ensuring that mitigation and community benefit strategies are successful.

The Supplementary EIS including the draft SIMP was provided for formal public comment in February 2010. The outcomes of consultation are included in the SIMP at Section 3.2.

Extensive consultation was conducted on the draft SIMP during February to May 2010, to identify stakeholders' mitigation priorities and further detail for implementation.

This included specific engagement strategies to address key areas of co-operation for QGC, the Queensland Government, Regional Councils and communities, including:

1. A consultation process with Traditional Owner groups and Indigenous government, non-government and business stakeholders regarding employment, training and business development;
2. A consultation process with Western Downs stakeholders (government, council and non-government) to develop social infrastructure mitigations and investments;
3. Consultation with GRC, GEIDB and DIP to identify Gladstone Social Infrastructure Strategic Plan priorities which align with QCLNG mitigations;
4. A consultation process with Western Downs health service providers in the gas fields to develop priorities for a rural health strategy, to support capacity building and sustainability; and
5. A consultation and partnership process with Western Downs Regional Council and consultation with Department of Transport and Main Roads (DTMR) to develop a traffic impact mitigation plan;
6. A consultation process with housing stakeholders for the IHS;
7. Consultation with providers of Indigenous health, housing and social services;
8. Consultation in support of development of the Gladstone Harbour Initiatives; Partnership strategy;
9. Events with local businesses to increase awareness of Local Industry Participation opportunities.

2.1.1 SIMP Development Schedule

The SIMP development schedule is outlined in Table 4 below.

Table 4 Government, Council and Community Agency Consultation to review draft SIMP

Date	Event	Stakeholders
16 February, 2010 24 February, 2010 5 March, 2010 5 March, 2010 13 April, 2010 18 May, 2010	Council briefings - SEIS and SIMP	<ul style="list-style-type: none"> • Gladstone Regional Council • Western Downs Regional Council • Gladstone Regional Council • Toowoomba Regional Council • Banana Shire Council • Gladstone Regional Council
24 March, 2010 25 March, 2010	Government Agency Briefing - Brisbane	<ul style="list-style-type: none"> • Department of Environment and Resource and Management • Department of Mines and Energy • Department of Employment, Economic Development and Innovation • Department of Infrastructure and Planning • Department of Communities • Department of Transport and Main Roads
8 - 26 March, 2010	Housing Stakeholders	<ul style="list-style-type: none"> • Urban Land Development Authority • Department of Families, Housing, Community Services and Indigenous Affairs • Queensland Community Housing Coalition • Queensland Affordable Housing Consortium • Home Equity Queensland • YWCA • Relationships Australia • Salvation Army • Commonwealth Respite • Toowoomba Community Housing Service Inc • Haven Association • Toowoomba Housing Group • Toowoomba Regional Council • Department of Communities – Aboriginal and Torres Strait Islander Services (SW Qld) • Surat Basin Corporation
30 March - 30 April	Community and Housing Stakeholders	<ul style="list-style-type: none"> • Western Downs Regional Council • Gladstone Economic and Industry Development Board • Gladstone Chamber of Commerce and Industry • Gladstone Area Promotion and Development Limited • Gladstone Regional Council • Surat Basin Homes • Surat Basin Development • Gamba Lodge • Goolburri Regional Housing Company

Table 4 Government, Council and Community Agency Consultation to review draft SIMP

Date	Event	Stakeholders
		<ul style="list-style-type: none"> • Department of Infrastructure and Planning • Department of Communities – Housing and Homeless Services • Gold Coast Housing Company • Department of Employment, Economic Development and Innovation (Regional Economic Strategies) • Department of Infrastructure and Planning – Social Impact Assessment Unit
7 April, 2010	<p>SIMP Government Agency Consultation - Gladstone</p> <p>SIMP Community Agency Consultation - Gladstone</p>	<ul style="list-style-type: none"> • Department of Employment, Economic Development and Innovation • Department of Infrastructure and Planning • Queensland Health • Department of Community Services • Queensland Fire and Rescue • Buderoo Employment and Training • Women’s Health Centre • Salvation Army • Central Queensland Institute of TAFE • Education Queensland and Industry Partnership’ • Gladstone District Youth Achievement Plan • People Resourcing • Roseberry Community Services • Gladstone Area Group Apprentices Limited • Gladstone Central Committee on the Ageing
30 March - 15 April 2010	Community and Government agencies - individual meetings	<ul style="list-style-type: none"> • Creative Regions Pty Ltd • Anglicare Central Queensland, Biloela • Kath Dickson Family Centre, Dalby • Arts Queensland • Myall Youth and Community Network Centre • Office for Early Childhood Education and Care, Strategic Innovations – Toowoomba • Western Downs Regional Council • Department of Education, Training and The Arts, Aboriginal and Torres Strait Islander Pathways – Central Queensland District • Department of Communities (Sport and Recreation Services) – Central Office • Health and Community Workforce Council • Tannum Sands State High School
30 March	Toowoomba Government and Community agencies workshop	<ul style="list-style-type: none"> • Southern Queensland Institute of TAFE, Indigenous Employment and Training • St Vincent de Paul • Lifeline Darling Downs and South West Queensland

Table 4 Government, Council and Community Agency Consultation to review draft SIMP

Date	Event	Stakeholders
8 April, 2010	Boating stakeholder group SIMP Marines Value Consultation Meeting - Gladstone	<ul style="list-style-type: none"> • Port Curtis Sailing Club • Gladstone Yacht Club • Boyne Tannum Hook Up Organising Committee • Gladstone Local Marine Advisory Committee
5 -31 May, 2010	Indigenous community organisations	<ul style="list-style-type: none"> • Department of Communities – Aboriginal and Torres Strait Islander Services – Central Queensland • Southern Queensland Institute of TAFE – Dalby • Garndoo Jarowair (Lifeline Darling Downs and South West Queensland) • Department of Communities (Sport and Recreation Services) – South West Queensland • Bungeeba Sport, Recreation and Cultural Centre – Dalby • Department of Education and The Arts – Central Queensland Region • Office for Early Childhood Education and Care, Strategic Innovations - Brisbane • Stronger Smarter Institute, Queensland University of Queensland • Goondir Health Services

2.1.2 Consultation on Delivery

During June - October 2010, QGC has continued to work with stakeholders on partnerships for implementation. This has included:

- Consultation with Gladstone Regional Council, Western Downs Regional Council and DIP on investment in community facilities;
- Consultation with community agencies and Councils for Banana Shire and North Burnett Regional Council;
- Consultation with prospective partners for rural health and social infrastructure partnerships in the Western Downs;
- Joint community safety initiatives with Queensland Police and Voluntary Marine Rescue; and
- Consultation with a range of Emergency Services across the region, and development of a cross-industry partnership for medical evacuations.

QGC has also undertaken consultation with marine and boating stakeholders, including, to date:

- Gladstone Sportfishing Association – 13 October
- Gladstone Ports Corporation – 13 October
- Maritime Safety Queensland/Regional Harbour Master - 18 October
- Volunteer Marine Rescue – 18 October
- Port Curtis Sailing Club/Gladstone Yacht Club – 19 October

2.2 Regional Committee Consultation

QGC has consulted with its Local and Regional Community Consultative Committees on the SIMP, social monitoring, and community investment. The RCCC meeting schedule for June to December 2010 was as follows:

- Gladstone LNG Community Committee – 24 June
- Gladstone LNG Community Committee – 9 August
- Gladstone LNG Community Committee – 4 October
- Central Gas Field Community Committee – 4 June
- Northern Gas Field Community Committee – 4 June
- Regional Community Committee – 15 July
- Central Gas Field Community Committee – 28 July
- Northern Gas Field Community Committee – 28 July
- Southern Gas Field Community Committee – 29 July
- Regional Community Committee – 27 August
- Central Gas Field Community Committee – 15 September
- Northern Gas Field Community Committee – 15 September
- Southern Gas Field Community Committee – 16 September

The Pipeline RCCC's inception meeting is scheduled for 7 December 2010.

The terms of reference for the Regional Community Consultative Committees are as follows.

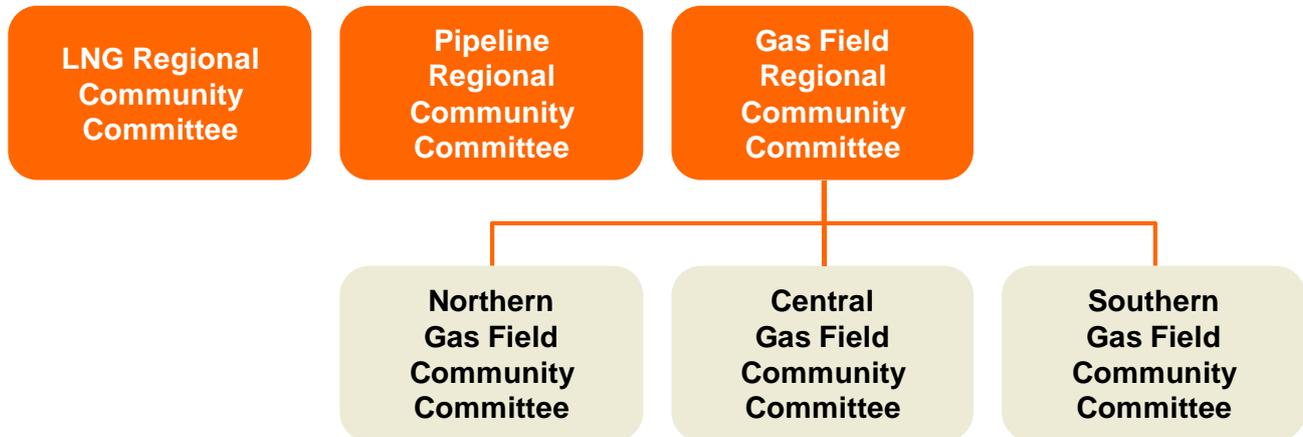
2.2.1 Purpose and Scope

As part of QGC's commitment to community consultation and engagement for its Queensland Curtis LNG Project (**QCLNG Project**), QGC will establish community committees (**QGC Community Committees**) throughout the Surat Basin, along the proposed export pipeline route and the LNG facility. The QGC Community Committees will allow QGC to regularly inform, consult and where appropriate collaborate with communities directly or indirectly affected by QGC's activities on a variety of business issues.

These Terms of Reference define the role of the QGC Community Committees and provide a framework for the establishment and effective operation of each of the committees.

2.2.2 Community Committee Structure

The figure below details the broad structure of the community committees:



The QGC Community Committees are geographically representative of the three major components of the QCLNG Project; gas field, pipeline and LNG. The committees will represent those communities either directly or indirectly impacted by QGC activities.

Gas Field Regional Community Committee

QGC's gas fields are located within the Walloon Fairway of the Surat Basin in the southern Queensland. The gas fields are located between the towns of Moonie in the south, Wandoan and Miles in the north, Condamine and Tara in the west, and Chinchilla and Kogan in the east.

- QGC will establish an overarching regional community committee for QGC's gas fields as well as three local community committees to cover the communities directly or indirectly impacted by QGC activities in particular areas. The localities of each of these community committees are detailed below.
- The Gas Fields Regional Committee will represent communities within the boundaries of the Western Downs Regional Council, a small western section of Maranoa Regional Council and the north part of Toowoomba Regional Council. Members of this committee will have a regional focus. A representative from the Northern, Central and Southern Gas Fields Community Committees will sit on the Regional Committee.
- The Northern Gas Fields Community Committee will represent stakeholders from the larger towns of Wandoan and Miles and the smaller towns of Grosmont, Guluguba, Gurulmundi, Glendalbyn, Bogandilla, Clifford, Kowgurna, Dalwagon.
- The Central Gas Fields Community Committee will represent stakeholders from the larger towns of Chinchilla, Condamine and Kogan, and the smaller towns of Columboola, Cameby, Drillham South, Mangram, Crossroads and Hopeland.
- The Southern Gas Fields Community Committee will represent stakeholders from the larger towns of Tara and Dalby as well as the smaller towns of Wieambella, Beelbee, Daandine, Weranga, Goranba, Kubarilla, Kuann, Halliford, Marmadua.

LNG Regional Community Committee

The LNG Regional Community Committee will represent stakeholders directly or indirectly impacted by QGC's construction and operational activities associated with the LNG facility, which will be located at North China Bay on Curtis Island. Stakeholders from towns and cities within the Gladstone Regional Council boundary will be represented by this committee.

Pipeline Regional Community Committee

The Pipeline Regional Community Committee will represent stakeholders directly or indirectly impacted by QGC's activities associated with the construction of the QCLNG export pipeline. It will include representatives from towns located in the Banana Council and North Burnett Regional Council boundaries; specifically Cracow, Taroom, Theodore, Thangool, Biloela, Eidsvold and Monto.

The Pipeline Regional Community Committee will be formed just prior to the construction of the QCLNG export pipeline, and will operate for a period of 18 months during the construction phase. The ongoing operation of the QCLNG export pipeline will pose minimal impact to communities and any consultation to be completed during this operational phase will be captured by QGC as a part of its ongoing stakeholder engagement process.

2.2.3 Role of QGC's Community Committees

The aim of the QGC Community Committees is to provide a forum for transparent two-way dialogue between QGC and key informed people of the communities that are directly or indirectly impacted by QGC's construction and operational activities. With the exception of the Pipeline Regional Community Committee, the QGC Community Committees will operate during the life of the QCLNG Project.

The QGC Community Committees are not decision making bodies. However, each committee will provide a forum for issues discussion and feedback, along with ongoing representation of community views and interest in QGC.

QGC Community Committees will:

- Provide regular feedback and advice to QGC about issues and opportunities relating to QGC construction and operational activities;
- Contribute to the development of indicators for monitoring and reporting on QGC's social and environmental performance; and
- Provide a forum for information exchange between QGC and community representatives.

2.2.4 QGC Community Committee Membership

Each QGC Community Committee will consist of a maximum of **10** people and will comprise of key informed people from major interest sectors within communities that are likely to be impacted by or interested in QGC activities.

Community committee membership will be based on principles of demographic representation to ensure a broad array of concerns and interests are included and balanced from a social, economic and environmental perspective.

Membership for the Gas Fields and LNG Regional Community Committees will be reviewed every two years. As the Pipeline Regional Community Committee will only operate for approximately 18 months, membership will not be reviewed.

Membership Selection, Term and Attendance

To facilitate cross-sectoral representation for the QGC Community Communities, QGC will approach organisations that best fit a demographic sector to nominate a key informed person to participate in a community committee. It should be noted that QGC Community Committee members will represent the views of the wider community, not a particular organisation.

If a member wishes to resign from a particular committee, they must do so in writing to the Independent Facilitator. QGC will also approach community organisations to nominate another key informed person for the committee.

Committee members are required to attend meetings and participate in accordance with the Terms of Reference. If unable to attend, members must provide an apology to the Secretariat.

If a member is absent **for three consecutive committee meetings** without an apology they may be required to relinquish their position on the committee at the discretion of the Independent Facilitator.

QGC Community Committee membership is voluntary. Community committee members may nominate an alternate person to attend a meeting on the member's behalf. The community committee member must advise QGC of the alternate person before the relevant meeting. Only a community committee member or their alternate may attend a meeting.

Member Roles and Responsibilities

1. Community Committee Members

All community committee members will:

- Attend meetings and participate in accordance with the Terms of Reference;
- Gain information and views from various sectors of the community for the purposes of information exchange, not advocacy, and share these during meetings as appropriate;
- Inform individual members of the community about the issues raised at meetings and the resolutions of the committee (excluding confidential matters);
- Conduct themselves appropriately to facilitate constructive discussion. That is:
 - Maintaining polite and considerate discussion;
 - Allowing all members more or less equal 'air time' in discussion;
 - Raise complaints or negative comments constructively; and
 - Help meetings run on time.
- Be responsible for upholding the following values:
 - Representing the views of the broader community and not the interests and views the group, residential or business areas they represent;
 - Respecting ideas and beliefs of all members;
 - Providing an atmosphere where all members feel comfortable to participate;
 - Being transparent and trustworthy;
 - Contributing in positive ways to find solutions to issues and/or concerns; and
 - Respecting project and commercial confidentiality.

2. Independent Facilitator

An independent facilitator (**Independent Facilitator**) will be engaged by QGC to facilitate QGC Community Committee meetings.

The Independent Facilitator will be appointed by QGC and will be responsible for ensuring that:

- The meeting is facilitated to enable independence and fairness;
- Meetings and participation are consistent with the terms of reference;

- All members have an opportunity to contribute to discussion;
- Keep meetings to time including that meetings start and end at the appointed times;
- The agenda is relevant and manageable with the time constraints of the meeting;
- Follow up on enquiries from committee members which may occur between meetings and make sure that these are recorded, acted upon and reported to the Community Committee;
- Agreed actions are followed up and resolved; and
- An appropriate atmosphere and standard of behavior is maintained to allow all members to feel comfortable attending.

The Independent Facilitator has the discretion to terminate the membership of an individual who fails to adhere to the Terms of Reference.

3. Secretariat

QGC will act as the Secretariat for each QGC Community Committee and will undertake all administrative responsibilities including:

- Providing an agenda for each meeting;
- Recording all minutes of each meeting;
- Recording all actions and report back to the Community Committees on their status and resolution.

4. QGC Personnel

Where appropriate, QGC will make available certain QGC personnel to attend meetings for the purposes providing information to the QGC Community Committees.

Conflicts of Interest

If a member has at any time a possible conflict of interest in relation to a particular issue, or a pecuniary interest in a QGC activity, they must immediately inform the Independent Facilitator and the members of the QGC Community Committee about this conflict of interest. The membership will determine if the individual member will participate in discussion of a particular matter.

Media Protocol

Members will not speak to the media as a representative of a QGC Community Committee or make comment on behalf of a QGC Community Committee that they are a member of. Media enquiries about the QGC Community Committees' activities should be referred to QGC on 1800 030 443.

If a member receives an enquiry about the QGC Community Committees (for example, committee membership or the regional areas covered by each committee), the member should direct that person to the minutes on the QGC's website.

Confidentiality

Community Committee members may identify themselves as members of a QGC Community Committee. QGC may also publish a list of the QGC Community Committees members on its website.

From time to time there may be information discussed during QGC Community Committee meetings that are confidential in nature; for example details of a community member's complaint. The Independent Facilitator will ensure that prior to any discussion of confidential matters, members are made aware of the confidentiality of the matter and the obligation on members not to disclose information about the matter.

Any appointed Community Committee member who refuses to respect confidentiality will be removed as a member of the Community Committee by the Independent Facilitator.

Community Committee members also must not discuss the personal views of another individual member's or of individual QGC employees and contractors present at committee meetings with any member of public.

2.2.5 QGC Community Committee Meeting Structure

Frequency

QGC Community Committee meetings will be initially held every two months, although, the frequency meetings will be reviewed periodically.

Meeting Structure

Meeting proceedings will be recorded as minutes, and will include any recommendations. Minutes will be forwarded to members of the committee and will be made public; apart from in-confidence matters should these arise.

Each QGC Community Committee meeting will run for 2.5 hours. If additional time is required for a particular meeting the committee members will be notified prior to the relevant meeting date.

The meeting agenda will usually involve the following:

- Welcome and introduction
- Safety Moment discussion
- Update on QGC business and activities
- Any extra presentations for committee members resulting from the previous meeting
- General business
- Items for discussion at next meeting
- Meeting close

Agenda and Agenda Items

Committee members may submit items for the agenda to the Secretariat three weeks prior to a committee meeting date. All items for discussion will be scheduled as appropriate by the Independent Facilitator. Members will receive a meeting agenda one week prior to the meeting date.

Meeting Minutes

The Community Committees will endorse the minutes within ten working days of the relevant committee meeting. Minutes of previous meetings will be issued by the Secretariat to members with the agenda one week prior to the next meeting date. The minutes will then be confirmed at the next committee meeting. QGC may also publish the minutes of each of the QGC Community Committee meetings on its website.

2.2.6 Fees and Expenses

QGC Community Committee members volunteer their time to attend meetings, site tours, and other activities pertinent to the tasks of the Committee. The Secretariat will make every effort to schedule the locations meetings to minimise travel for committee members.

QGC will reimburse committee members for their reasonable travel expenses in accordance with the Australian Tax Office Work Related Car Expenses rates. Other expenses will not be reimbursed.

2.3 Community Engagement and Stakeholder Management Plan

Appropriate and effective stakeholder engagement is an essential element to the planned success of QGC.

The objectives of our stakeholder engagement and communication strategy are to:

- Utilise best practice techniques to inform and consult with stakeholders

- Provide timely, regular informative and transparent information to affected, potentially affected and interested stakeholders
- Build long-term relationships with stakeholders and communities based on mutual respect
- Maintain a two-way dialogue
- Target activities to reduce the potential for 'consultation fatigue'
- Raise awareness of QGC's social investment and mitigation activities

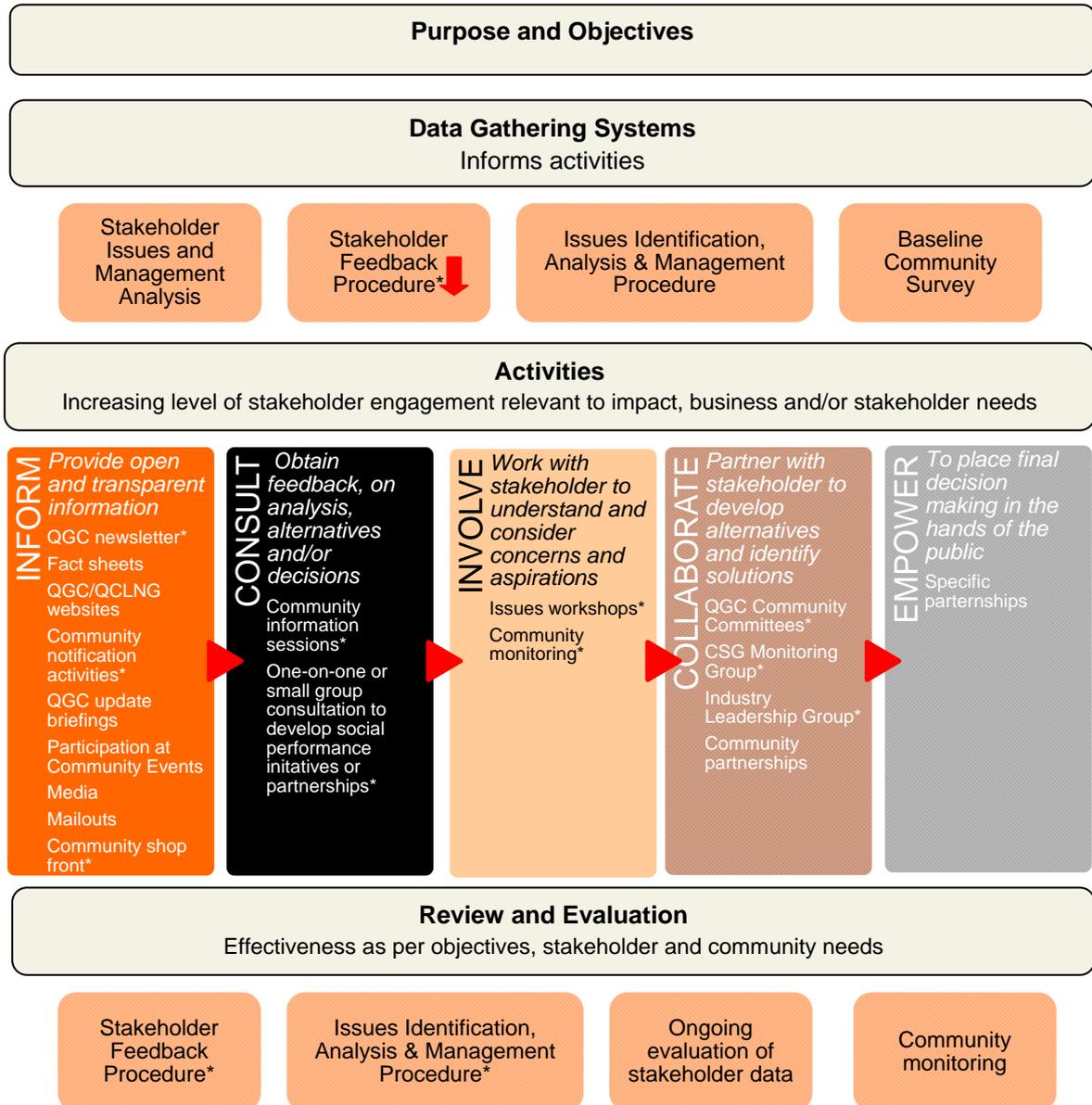
2.3.1 Strategy and BG Standard Alignment

The table below details how the strategy meets BG standards.

BG Standard for Consultation	How it is addressed by strategy
<ul style="list-style-type: none"> • Transparent • Inclusive • Culturally appropriate • Publicly defensible 	<ul style="list-style-type: none"> • Communication tools transparent • Community committees (self-selection and have opportunity to add members) • Culturally appropriate for Australia and recognises local conventions • Meets all expectations of legislative requirements positioning QGC as a 'developer of choice'
Designed using baseline information	<ul style="list-style-type: none"> • Six monthly stakeholder and issues management analysis • SIA input
Cognisant of established community decision making mechanisms	<ul style="list-style-type: none"> • Community committees (utilises community groups) • Six monthly stakeholder and issues management analysis to ensure we are consulting appropriately
Supplemented, as necessary by additional mechanisms to address needs of inadequately-represented, marginalised or vulnerable groups	<ul style="list-style-type: none"> • Consultation for partnerships and SIMP will address needs of vulnerable and marginalised • Grievance process accessible (1800) • Capacity and willingness to meet people in places where they feel comfortable and discuss issues
Timely access to full, meaningful and accurate information about project/operations	<ul style="list-style-type: none"> • Output linked to construction schedules • Transparent and regular information available
Engagement activities are two-way, cover community issues and priorities and concerns and business needs	<ul style="list-style-type: none"> • Community committees • Face to face and small group engagement promotes two way dialogue
Record all formal and informal consultation	<ul style="list-style-type: none"> • Stakeholder database (Consultation Manager) • Stakeholder feedback procedure
Accessible and responsive for stakeholders to raise concerns and grievances	<ul style="list-style-type: none"> • Stakeholder feedback procedure

2.3.2 Approach

QGC's Stakeholder Engagement and Communications Strategy utilises a variety of tools across the public participation spectrum 1 to fulfil its objectives which is summarised below.



*denotes Coordinator General requirement

¹ IAP2 Public Participation Spectrum. www.iap2.org

2.3.3 Data Gathering Systems Overview

Mechanisms that ensure the effective identification and analysis of social risks and opportunities are a key component of this stakeholder engagement and communication strategy.

Stakeholder and issues management analysis

QGC completes a Stakeholder and Issues Management Analysis every six months to ensure that external stakeholder engagement activities across the business are targeting the most important issues and the appropriate stakeholders in ways that mitigate impacts, minimise risks and where possible create opportunities for QGC.

Stakeholder Feedback Procedure

QGC's Stakeholder Feedback Procedure, a Coordinator-General requirement; describes the process of receiving, handling, monitoring and tracking positive and negative feedback about QGC and its activities. It sets minimum mandatory requirements for handling external feedback and a business commitment for responding to external stakeholder grievances related to the QGC business principles.

Data collated through this procedure is analysed on a monthly basis and assists in the identification of emerging and current social risks for QGC.

Baseline Community Survey

QGC regularly conducts and updates a baseline socio-economic assessment the results of which inform QGC's approach to external stakeholders in our areas of impact and influence.

A component of this assessment is a baseline community survey which gathers data on general community values, key community issues and opportunities, understanding and awareness of the CSG/LNG industry, awareness of QGC and preferred methods of engagement and communication.

2.3.4 Activities Overview

The activities employed to enact the Stakeholder Engagement and Communication Strategy are shaped and based up-to-date community data and address strategy objectives, approach and community needs. An overview of each activity is detailed below.

A. Inform Activities

QGC newsletter

As per the QCLNG Project Coordinator-General Report Appendix 1, Part 3, Condition 2(7), QGC *will produce a community newsletter that includes information such as project updates, community committee meetings, community engagement outcomes, contact points and grievance procedures.*

The newsletter, *QGC News*, is a quarterly, glossy eight page newsletter which includes a feedback form. It supports stakeholder engagement activities and assists QGC in leveraging reputational value as it provides open, transparent and regular communications to the broader community. An excerpt of *QGC News* is also printed in regional newspapers.

Fact sheets

Fact sheets are used to help enhance stakeholder engagement activities as well as leverage reputational value through providing additional open and transparent information on a particular issue. They are relevant to stakeholders needs.

QGC/QCLNG websites

Stakeholders are able to access information in their own time and should they make an enquiry to QGC they will be able to do so in a more informed manner. Websites are: www.qgc.com.au and www.qclng.com.au

Community notification activities

As per Appendix 1, Part 2 of the QCLNG Project Coordinator-General Report, *QGC will provide community notification of construction activities that potentially impact the community* (e.g. traffic movements, traffic delays, noisy works) through tools such as newspaper advertising and/or school newsletter notifications will be developed and implemented in line with the construction schedule by the Social Performance team.

Notification will allow local stakeholders to be well informed of QGC's activities and will help differentiate the business apart from other CSG and LNG businesses. The amount and type of notification activities will depend on budget allocations.

QGC update briefings

QGC update briefings with key stakeholders such as local government elected and employed representatives, local and regional NGOs/business groups/community groups will be implemented to ensure they are informed, consulted and where appropriate collaborate with QGC regularly, especially during the construction phase.

Briefings will be conducted in small groups and will be tailored to meet community needs and concerns. Targeted and timely briefings will also help reduce the potential for consultation fatigue amongst stakeholders and internal parties as various parts of the business could utilise the forum to discuss issues.

Participation at community events

Participation at community events provides a good opportunity for QGC to inform stakeholders of their activities as well as interact with stakeholders on an informal basis.

Community shop fronts

As per Appendix 1, Part 3, Condition 2(1) and Condition 5 (2a) of the QCLNG Project Coordinator-General Report, *QGC will establish and resource community shop fronts in Chinchilla and Gladstone. Additional shopfronts may be established as the QCLNG project progresses, depending upon community feedback.*

QGC will provide staff for these community shopfronts which will provide information and community access for the project.

B. Consult Activities

Community information sessions

As per Appendix 1, Part 3, Condition 2(6) of the QCLNG Project Coordinator-General Report, *QGC will for the life of the project hold periodic community information sessions where landholders and community members are invited to discuss specific issues and negative impacts of concern.*

These community information sessions will be similar to those utilised during the statutory period for the QCLNG project, being:

- Open house - not town hall meetings – whereby community members can speak one of one with informed technical staff about various issues
- Involve technical staff from across the business
- A minimum of 2.5-3 hours
- Provide information stands etc for the general public to browse

A calendar of community information sessions will be developed annually and relevant to QGC operations and project schedules. Smaller versions of community information sessions, such as mobile offices, may also be utilised where appropriate.

Small group consultation

As per Appendix 1, Part 2 of the QCLNG Project Coordinator-General Report, QGC *will utilise appropriate consultation methods to inform community of our potential impacts and mitigation options*. Targeted and timely consultation will also help reduce the potential for consultation fatigue amongst stakeholders and internal parties. This method will also be used to develop social performance initiatives.

C. Involve Activities

Issues Workshops

As per Appendix 1, Part 3, Condition 2(5) of the QCLNG Project Coordinator-General Report, QGC *will conduct issue specific workshops inviting a cross section of the community to discuss potential solutions for key issues*.

This may involve workshops with specific stakeholder groups to develop social performance initiatives or develop strategies to address specific social risks or stakeholder issues.

Community monitoring

As per the QGC Social Impact Management Plan (SIMP), a community monitoring program used to examine sustainable development indicators and SIMP implementation will be developed by the end of Q2 2010 and will begin to be enacted during the second half of 2010.

The program will be reviewed annually to ensure it meets the needs of stakeholders and is relevant to business activities. The monitoring processes provides a platform on which QGC can engage stakeholders on sustainable development issues and leverage reputational value by involving stakeholders in the monitoring process.

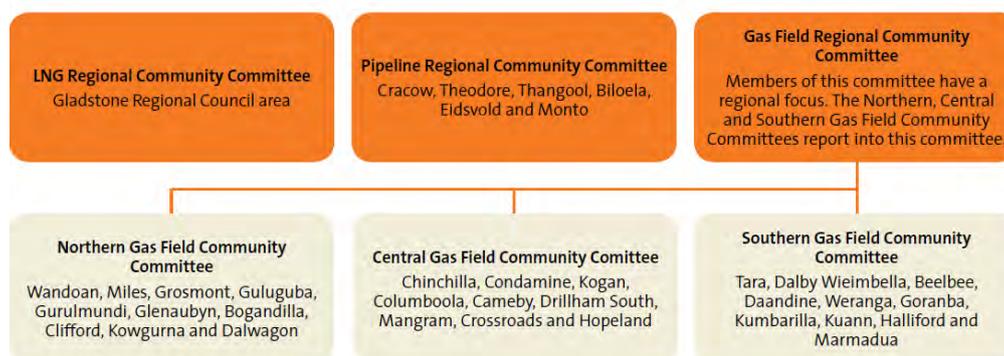
D. Collaborate Activities

Community committees

As per Appendix 1, Part 3, Conditions 4 and 5 of the QCLNG Project Coordinator-General Report; QGC *will implement and resource three regional community consultative committees (RCCCs) in response to social impacts identified for each of the project components*.

QGC has developed its approach for the community committees with the University of Queensland's Centre for Social Responsibility in Mining.

The QGC Community Committees are geographically representative of the three major components of the QCLNG Project; gas field, pipeline and LNG. The committees will represent those communities either directly or indirectly impacted by QGC activities. The figure below details the broad structure of the community committees:

Figure 1: Local and Regional Community Committees

The aim of the QGC Community Committees is to provide a forum for transparent two-way dialogue between QGC and key informed people of the communities that are directly or indirectly impacted by QGC's construction and operational activities. With the exception of the Pipeline Regional Community Committee, the QGC Community Committees will operate during the life of the QCLNG Project.

The QGC Community Committees are not decision making bodies. However, each committee will provide a forum for issues discussion and feedback, along with ongoing representation of community views and interest in QGC.

QGC Community Committees will:

- Provide regular feedback and advice to QGC about issues and opportunities relating to QGC construction and operational activities;
- Contribute to the development of indicators for monitoring and reporting on QGC's social and environmental performance; and
- Provide a forum for information exchange between QGC and community representatives.

Each QGC Community Committee will consist of a maximum of ten people and will comprise of key informed people from major interest sectors within communities that are likely to be impacted by or interested in QGC activities.

The committees meet on a quarterly basis and meetings are managed by an independent facilitator. The QGC Social Performance team provides resourcing for the secretariat duties community committees.

As per Appendix 1, Part 3, Conditions 3abc, 6(2), 9, 12,13 of the QCLNG Project Coordinator-General Report, QGC is required to report to the community committees on *engagement strategy, stakeholder management plan, issues register, industry leadership group, housing strategy, affordable housing and the SIMP*. QGC will report on these plans and initiatives every six months. This process will be led by the Social Performance team.

Industry leadership group

As per Appendix 1, Part 3, Condition 6 of the QCLNG Project Coordinator-General Report, QGC will within one month of Final Investment Decision being received by a second LNG project, the proponent must jointly establish and participate actively in an Industry Leadership Group for CSG Resource Projects to provide cross-project coordination across the region in response to cumulative social and other impacts.

Once FID of a second LNG project is announced, the Social Performance team will begin negotiations with the other proponent to develop a terms of reference for the group.

CSG industry monitoring group

As per Appendix 1, Part 1, Condition 6 of the QCLNG Project Coordinator-General Report, QGC will assist in the establishment and funding of, and participate in, a CSG Industry Monitoring Group (CIMG) to assess and report on the cumulative impacts of the CSG Industry and its activities. The group will be coordinated by the Coordinator-General and the terms of reference will be provided by the Directors-General of DEEDI and DERM.

As this is a government led consultative group that required two or more projects to reach FID, QGC will be advised of the role it will play by the Coordinator-General.

Community partnerships

Partnerships with key regional and community groups will help facilitate the development of long term relationships with communities, allow communities to benefit from QGC activities and address both business and community needs. Additionally strategic partnerships with key national and/or international stakeholders will be investigated.

2.4.5 ACTIVITIES MATRIX

The activities matrix shows how stakeholder engagement and communication activities address the objectives of one or more of the strategy components.

STAKEHOLDER GROUPS		INFORM						CONSULT		INVOLVE		COLLABORATE				EMPOWER	
Key:		QGC newsletter	Fact sheets	QGC/QCLNG website	notification activities	QGC update briefing	Participation at comm. events	Community shop front	Community info sessions	1 on 1 & group meetings	Community monitoring	Issues workshop	Community committees	CSG industry group	Industry leadership group	Partnerships (various)	QGC Community Fund
Federal Government	Agencies	■▲ ●	▲ ●	■▲ ●		■▲ ●		■▲ ●	■▲ ●	●		■ ▲ ●	■▲ ●		▲●	●	
	Elected representatives and advisors (Ministers, Opposition, Senators)	■▲ ●	▲ ●	■▲ ●		■▲ ●		■▲ ●	■▲ ●	●		■ ▲ ●	■▲ ●		▲●	●	
	Elected representatives (residing locally)	■▲ ●	▲ ●	■▲ ●	▲●	■▲ ●	●	■▲ ●	■▲ ●	●			■ ▲ ●	■▲ ●		▲●	●
Queensland Government	Agencies	■▲ ●	▲ ●	■▲ ●		■▲ ●		■▲ ●	■▲ ●	●		■ ▲ ●	■▲ ●		▲●	●	
	Elected representatives and advisors	■▲ ●	▲ ●	■▲ ●		■▲ ●		■▲ ●	■▲ ●	●		■ ▲ ●	■▲ ●		▲●	●	
	Elected representatives (residing locally)	■▲ ●	▲ ●	■▲ ●	▲●	■▲ ●	●	■▲ ●	■▲ ●	●	●		■▲ ●	■▲ ●	●	●	

STAKEHOLDER GROUPS		INFORM						CONSULT		INVOLVE		COLLABORATE				EMPOWER
		QGC newsletter	Fact sheets	QGC/QCLNG website	notification activities	QGC update briefing	Participation at comm. events	Community shop front	Community info sessions	1 on 1 & group meetings	Community monitoring	Issues workshop	Community committees	CSG industry group	Industry leadership group	Partnerships (various)
Key: ■ = Statutory requirement ▲ = Engagement ● = Community Relations																
Local Government	Directly and indirectly affected (gas field/pipeline/LNG)	■▲ ●	▲ ●	■▲ ●	▲●	■▲ ●	●	■▲ ●	■▲ ●	●	▲●	■▲ ●	■▲ ●		▲●	▲●
NGOs (environmental, social)	National	■▲ ●		■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●
	Queensland			■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●
	Regional (Gas field/pipeline/LNG)			■▲ ●		■▲ ●	●	■▲ ▲●	■▲ ●	▲●	▲●	■▲ ●			▲●	▲●
	Local		▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	▲●	■▲ ●			▲●	▲●
Business and Industry Groups	National			■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●
	Queensland	■▲ ●		■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●
	Regional (Gas field/pipeline, /LNG)	■▲ ●		■▲ ●		■▲ ●		■▲ ●	■▲ ●	▲●	▲ ●	■▲ ●			▲●	▲●

STAKEHOLDER GROUPS		INFORM							CONSULT		INVOLVE		COLLABORATE				EMPOWER
		QGC newsletter	Fact sheets	QGC/QCLNG website	notification activities	QGC update briefing	Participation at comm. events	Community shop front	Community info sessions	1 on 1 & group meetings	Community monitoring	Issues workshop	Community committees	CSG industry group	Industry leadership group	Partnerships (various)	QGC Community Fund
Key: ■ = Statutory requirement ▲ = Engagement ● = Community Relations																	
	Local	■▲ ●		■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	▲ ●	■▲ ●			▲●	▲●	
Lobby Groups	National	■▲ ●		■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●	
	Queensland	■▲ ●		■▲ ●		■▲ ●			■▲ ●	●	●	●			▲●	▲●	
	Regional (Gas field/pipeline/LNG)	■▲ ●		■▲ ●	■▲ ●	■▲ ●		■▲ ●	■▲ ●	▲●	▲●	■▲ ●			▲●	▲●	
	Local	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	■▲ ●	■▲ ●			▲●	▲●	
Indigenous	Traditional Owners (gas field/pipeline/LNG)	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	■▲ ●	■▲ ●			▲●	▲●	
Local communities (Gas field, pipeline, LNG)	Community groups	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	■▲ ●	■▲ ●			▲●	▲●	
	Local indigenous organisations	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	■▲ ●	■▲ ●			▲●	▲●	
	Opinion leaders	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●	▲●	■▲ ●	■▲ ●			▲●	▲●	

STAKEHOLDER GROUPS		INFORM							CONSULT		INVOLVE		COLLABORATE				EMPOWER
		QGC newsletter	Fact sheets	QGC/QCLNG website	notification activities	QGC update briefing	Participation at comm. events	Community shop front	Community info sessions	1 on 1 & group meetings	Community monitoring	Issues workshop	Community committees	CSG industry group	Industry leadership group	Partnerships (various)	QGC Community Fund
Key: ■ = Statutory requirement ▲ = Engagement ● = Community Relations																	
	Residents	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●		●	■▲ ●	■▲ ●			●	●
	Landholders (gas field and pipeline)	■▲ ●	▲ ●	■▲ ●	■▲ ●	■▲ ●	●	■▲ ●	■▲ ●		●	■▲ ●	■▲ ●			●	●
Other industries	CSG, LNG and other (Gladstone)	■▲ ●		■▲ ●	■▲ ●				■▲ ●			■ ▲ ●			■▲●	▲●	
Media	All			■▲ ●				■▲ ●	●●		●	●	●			●	●

Appendix 3. Local Employment Plan

Local Employment Plan

February 2011

Uncontrolled when printed

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EXECUTIVE SUMMARY

In 2010, Queensland Gas Company (QGC), a BG Group business, sought approval from the Queensland and Australian governments to implement a substantial project that would help unlock Queensland's reserves of coal seam gas for domestic and export markets.

The project, the Queensland Curtis LNG Project (QCLNG), involves a multi-billion-dollar capital investment in:

- The expansion of QGC's existing coal seam gas production in the Surat Basin in southern Queensland;
- A network of underground pipelines including a 340 km gas transmission pipeline linking the gas fields to Gladstone; and,
- A liquefied natural gas plant at Curtis Island, near Gladstone.

QGC expects to produce an annual liquefied natural gas production of 12 million tonnes per annum.

The Project is estimated to stimulate an increase in Queensland's gross state product of approximately \$32 billion in its first decade.

More than 5,000 people will be employed during construction of QCLNG, and approximately 700 people per annum will be employed during its operational period. QCLNG is dedicated to employing as many locals as possible.

In 2010, the Coordinator General approved the Project subject to a variety of conditions, one of which was the submission of a Local Employment Plan, including Indigenous employment and labour availability.

This report outlines QGC's Local Employment Plan.

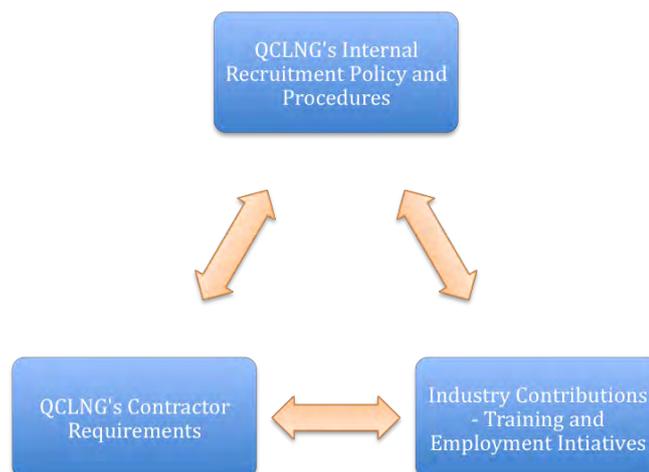
The Local Employment Plan

The Local Employment Plan is divided into two parts. Part 1 includes contextual information associated with the workforce required for QCLNG and the labour force throughout the Regions in which the LNG Project will operate. In particular, Part 1 includes:

- A summary of the projected workforce requirements and opportunities over the period of the QCLNG project;
- Details regarding the labour force in the Regions where the QCLNG Project will be located; and,
- The likely gaps in local skills.

Part 2 details QGC's Local Employment Plan. The approach taken in the Local Employment Plan is multifaceted. It includes initiatives to ensure employment and training initiatives for locals are maximised internally within QGC, initiatives to ensure external contractors/service providers also maximise local content, and holistic employability initiatives industry wide. This is summarised graphically below and elements within each component are noted overleaf.

Part 3 outlines the monitoring framework for the Local Employment Plan.



QCLNG's Internal Recruitment Policy and Procedures

QGC has devised internal recruitment policy and procedures to ensure that local employment and training opportunities within the Regions where QCLNG is operating are maximised. This includes maximising Indigenous Employment opportunities.

Of note in these initiatives is the process in which specific local advertising will be conducted concurrently with advertising of positions elsewhere. Ensuring that fair and equitable practices are employed throughout the recruitment process is assured.

QCLNG's Approach to Local Content

QGC defines Local Content in relation to QCLNG as goods and services provided by suppliers from neighbouring communities in addition to suppliers based in the rest of Queensland and the rest of Australia. In saying this however, specific attention is paid to employment and training commitments and initiatives associated with major contracts in particular.

The Australian Industry Participation Plan (AIPP) for QCLNG not only contains commitments in relation to providing full, fair and reasonable opportunity to capable local, Queensland and Australian suppliers, but also in relation to providing training and employment opportunities in neighbouring communities. QGC has sought to pass on the commitments in the QCLNG AIPP to major contractors wherever possible. QGC will in turn monitor and report on performance against the AIPP via regular reports from the major contractors.

QCLNG's Contractor Requirements:

The majority of jobs created in QCLNG construction will be managed by contractors, so there is a strong emphasis on co-operation with contractors to ensure the project's overall objectives are met. Through QCLNG's Australian Industry Participation Plan, and requirements in tender documents, QGC illustrates its commitment to maximising local employment & indigenous participation in the Regions where the Project is occurring.

Elements that QCLNG's major contractors are required to demonstrate prior to commissioning include how they intend to:

- Involve local suppliers and contractors;
- Address opportunities for local businesses;

- Increase Australian input throughout all tiers of the supply chain;
- Increase competitive Australian participation in the supply of goods and services;
- Ensure the early identification of opportunities for Australian participation is present;
- Afford equal opportunity for local suppliers;
- Ensure that Australian suppliers are afforded the opportunity to tender for works; and;
- Support the integration of Australian industry into global supply chains.

QCLNG's Contribution to the Wider Industry - Training and Employment Initiatives

As well as internal and external initiatives, QGC has committed to a variety of Industry wide training and employment initiatives. Some of these are specific to the LNG sector, but many are holistic and focus on employability across many industries, particularly for vulnerable groups. In the employment context vulnerable groups are defined as low income people, unemployed people, people with a disability, people who speak language other than English, women and Indigenous people. Initiatives include:

- Apprenticeship, Training and Employment Initiatives for the LNG Sector, including QGC's Apprenticeship and Trainee Strategy and contributing to the CSG/LNG Skills Taskforce;
- QCLNG's Strategy for Indigenous Employment, Training and Business Development;
- QCLNG's Employment and Training Initiatives for Vulnerable Groups, including:
 - Engaging Youth;
 - General Training and Employment Initiatives; and,
 - Improving Employability and Intercultural Networks for Newly Arrived Migrants.

INTRODUCTION

In 2010, Queensland Gas Company (QGC), a BG Group business, sought approval from the Queensland and Australian governments to implement a substantial project that would help unlock Queensland's reserves of coal seam gas for domestic and export markets.

The project, the Queensland Curtis LNG Project (QCLNG), involves a multi-billion-dollar capital investment in:

- The expansion of QGC's existing coal seam gas production in the Surat Basin in southern Queensland;
- A network of underground pipelines including a 340 km gas transmission pipeline linking the gas fields to Gladstone; and,
- A liquefied natural gas plant at Curtis Island, near Gladstone.

QGC expects to produce an annual liquefied natural gas production of 12 million tonnes per annum.

The Project is estimated to stimulate an increase in Queensland's gross state product of approximately \$32 billion in its first decade. More than 5,000 people will be employed during construction of QCLNG, and approximately 700 people per annum will be employed during its operational period. QCLNG is dedicated to employing as many locals as possible.

In 2010, the Coordinator General approved the Project subject to a variety of conditions, one of which was the submission of a Local Employment Plan. Appendix 1 Part 3 Condition 13 Local employment and training programs requires:

- details of the local employment and apprenticeship and training programs for Coordinator-General approval including a. Indigenous Employment Plan and b. Apprenticeship and Training Program;
- support and job opportunities to vulnerable groups in the community including being responsive to cultural needs;
- continued support for industry and school partnerships in order to build increased opportunities for apprenticeships and employment;
- provide equal employment opportunities to the community and adopt employment strategies which support local employment and including the cumulative impacts of the emerging LNG industry on the region;
- provide details of the full range of skills required for its labour force and an appraisal of the gaps in capacity of the local community and region to meet these requirements through its existing workforce and industries; and
- demonstrate how the proponent will contribute to the effective acquisition of skilled labour and/or training for same.

This report outlines QGC's Local Employment Plan to address Condition 13.

Condition 14 - Labour availability requires QGC to establish a job referral service to make available information on positions vacant in local businesses with similar trade/skills requirements, and ensure that the same business practice is in place for contractors employing staff. Alternatively, the proponent is required to make funding available for an alternative service having the same objectives as this condition, as agreed with the Regional Community Consultative Committee.

QGC is in discussion with ESQ and other LNG project proponents regarding their participation in providing a service to address this Condition. The aim of this project is to actively increase the pool of suitable applicants available for building an effective workforce for the Queensland CSG to LNG industry, and for local businesses with similar trades/skills. This is discussed in Section 6.2.

The Local Employment Plan is divided into two parts. The first part includes contextual information associated with the QCLNG's workforce and the labour force throughout the Regions in which the QCLNG Project will operate. In particular, Part 1 includes:

- A summary of the projected workforce requirements and opportunities over the period of the Queensland Curtis LNG project;
- Details regarding the labour force in the Regions where the QCLNG Project will be located; and,
- The likely gaps in local skills.

Part 2 details QGC's Local Employment Plan. Included in the Plan are:

- Recruitment procedures for securing local employment;
- Plans and procedures for Indigenous employment;
- Provisions for contractors;
- QGC's initiatives for apprenticeships and training;
- Cross-industry partnerships; and
- Employment initiatives for vulnerable groups.

QGC is also required to provide progress report updates 6 monthly to the Regional Community Consultative Committees (RCCCs) on the implementation of the Indigenous Employment Plan, Apprenticeship and Training Program and arrangements for the job referral service. This and other monitoring arrangements are outlined in Section 3.

1. WORKFORCE AND LABOUR FORCE CONTEXT

This part of the report provides contextual information regarding the projected workforce requirements and opportunities associated with the QCLNG project. In addition, details regarding the labour force in the Regions where the QCLNG Project will be located and the likely gaps in local skills are noted. This information sets the basis for the next part of the report – the Local Employment Plan. The Local Employment Plan outlines QGC's plans and procedures for securing local employment, including Indigenous employment, QGC's apprenticeship and training strategy, and, employment initiatives for industry generally as well as vulnerable groups.

1.1 Queensland Curtis LNG (QCLNG) Project and Projected Workforce Requirements

The Project area extends from around 30 km south of Tara in the Darling Downs north-east to Curtis Island, a distance of more than 500 km (refer Figure 1).

Figure 1: Location of QCLNG



The Gas Field Component is contained primarily within the Western Downs Region, with a small portion of the Field south-west of Wandoan on land within Roma Regional Council. The Pipeline Component is within the Banana Shire and North Burnett Regions, and the LNG Component and Shipping Operations will occur in the Gladstone Region.

The project is unprecedented in Queensland's history and during project construction, QGC expects to create an average of 5,000 jobs over four years through QGC employment, contractors' workforces and jobs directly created in local businesses to service the project. Many more indirect jobs will be created in response to the project as local businesses grow, and this will contribute to long-term, regional economic development. At its peak, more than 6,000 construction jobs will be created through the project and this will include:

- Approximately 2,000 workers for construction in the gas fields in mid 2012;
- Drilling crews, of up to 400 people in total, including operational workers, throughout the construction period;
- Around 1,000 workers from mid to late 2011 for pipeline constructions; and,
- Approximately 3,000 workers at peak in 2012 for the LNG construction workforce.

QGC has begun to employ staff for LNG operations, with around 20 LNG operational staff expected to work in Gladstone by June 2011. By December 2012, the operational workforce in Gladstone will

have increased to approximately 60 staff, and by December 2012, approximately 120 staff. The full operational workforce is expected to be in place by January 2014. This will number approximately 145 staff in Gladstone and 30 staff in Brisbane or other locations. In addition to LNG, an operational workforce for the pipeline is expected to be approximately 10, with around 500 for the Gas Field. Approximately 250 people are currently employed by QGC in the Western Downs region for the Gas Field operations. It is expected that a large component of the operational staff will be sourced from the local labour force or from throughout Queensland. The training and apprenticeship programs in place will positively contribute to employing local residents.

These are significant figures for such a project, and securing this workforce will be a challenge. To assist the undertaking this Local Employment Plan outlines the current labour force structures within the Regions and also QGC's plans and procedures for increasing local employment.

1.2 Key Activities and Skill Requirements

Key activities and skills requirements associated with the three components of the Project are outlined below.

Gas Fields		Pipeline		LNG Plant and Shipping Operations	
Key Activities	Skills Required	Key Activities	Skills Required	Key Activities	Skills Required
Construction Activities					
<ul style="list-style-type: none"> ▪ Selection of wellhead sites ▪ Drill site preparation ▪ Drilling ▪ Site clean-up and ▪ Rehabilitation ▪ Production wells ▪ Gas-gathering pipelines ▪ Field compressor stations (FCSs) ▪ Central processing plants (CPPs) ▪ Flares ▪ Water-gathering pipelines ▪ Ponds ▪ Water treatment facilities ▪ Accommodation ▪ Transport 	<ul style="list-style-type: none"> ▪ Project Manager ▪ Construction Manager ▪ Engineers ▪ Commercial Manager ▪ Clerical ▪ Safety Quality ▪ Environment ▪ Community ▪ Superintendent ▪ Foreman ▪ Concreter ▪ Formworker/Carpenter ▪ Steelfixer ▪ Pipe Layer ▪ Trades Assistant ▪ Machine Operator ▪ Supervisors ▪ Safety/QA ▪ Engineers ▪ Electricians 	<ul style="list-style-type: none"> ▪ Delivery of pipe from wharf or domestic supplier to construction site ▪ Haulage of construction material ▪ Construction of the Right-of-Way (RoW) and laydown areas ▪ Trenching, pipe stringing and placement of the pipe in the trench ▪ Burial of the pipe in the ground ▪ Establishment of above-ground ancillary facilities, including mainline valves, scraper stations, compressor stations, marker posts, cathodic protection ▪ Systems and metering facilities ▪ Rehabilitation 	<ul style="list-style-type: none"> ▪ Project Manager ▪ Construction Manager ▪ Engineers ▪ Commercial Manager ▪ Clerical ▪ Safety Quality ▪ Environment ▪ Community ▪ Superintendent ▪ Foreman ▪ Steel pipe welders and fitters ▪ PE Welders ▪ Electricians ▪ Instrumentation Technicians ▪ Riggers ▪ Dogger ▪ Coating Applicators ▪ Concreter ▪ Labourers ▪ Machine 	<ul style="list-style-type: none"> ▪ Establishment of a construction dock to allow mobilisation of personnel, materials and equipment to site early in the Project and in advance of MOF construction ▪ Fencing ▪ Clearing and mulching of vegetation ▪ Bulk earthworks ▪ Construction of the MOF ▪ Concrete batching for foundations and tanks ▪ Construction and operation of the marine terminal and loading berth ▪ Provision of worker transport between Curtis Island and Auckland Point. ▪ Workers' housing and transport arrangements including 	<ul style="list-style-type: none"> ▪ Project Manager ▪ Construction Manager ▪ Engineers ▪ Commercial Manager ▪ Clerical ▪ Safety Quality ▪ Environment ▪ Community ▪ Superintendent ▪ Foreman ▪ Safety Advisor ▪ Electrician ▪ Mechanic ▪ Welder ▪ Electricians ▪ Boiler Makers ▪ Welders ▪ Pipe Fitters ▪ Instrumentation Technicians ▪ Labourers

Gas Fields		Pipeline		LNG Plant and Shipping Operations	
Key Activities	Skills Required	Key Activities	Skills Required	Key Activities	Skills Required
	<ul style="list-style-type: none"> ▪ Boiler Makers ▪ Welders ▪ Pipe Fitters ▪ Instrumentation Technicians ▪ Labourers ▪ Dogging ▪ Scaffolding ▪ Rigging 	<ul style="list-style-type: none"> ▪ Testing and commissioning of the pipelines. ▪ Construction of temporary workers' camps 	<ul style="list-style-type: none"> Operators ▪ Storemen ▪ Engineers ▪ Planners ▪ Safety Advisors ▪ Land Liaison ▪ Surveyors ▪ Quality Control Assessors 	<ul style="list-style-type: none"> workers' accommodation camps 	<ul style="list-style-type: none"> ▪ Dogging ▪ Scaffolding ▪ Rigging ▪ Concreter ▪ Formworker/ Carpenter ▪ Steelfixer ▪ Pipe Layer ▪ Trades Assistant ▪ Machine Operator ▪ Crane Operator
Operation Activities					
<ul style="list-style-type: none"> ▪ Well operation ▪ Wellhead and separator function ▪ Well maintenance ▪ Infield gas and water-gathering lines and ▪ Trunk lines ▪ FCS operation and maintenance ▪ CPPs operation and maintenance ▪ Associated water infrastructure operation and 	<ul style="list-style-type: none"> ▪ Drilling Engineers ▪ Completions Engineers ▪ Well Site Superintendents ▪ Drilling Supervisors ▪ Operations Management (Operations Managers, Superintendents/Supervisors) ▪ Maintenance professionals (Maintenance Managers/ Superintendents/ Supervisors/ Engineers) 	<ul style="list-style-type: none"> ▪ Regular monitoring of all activities ▪ Surveying by aerial and/or ground inspections 	<ul style="list-style-type: none"> ▪ As per upstream 	<ul style="list-style-type: none"> ▪ Operating and maintaining the LNG Plant and ancillary services 	<ul style="list-style-type: none"> ▪ LNG Operations Management (Operations Managers, Superintendents/ Supervisors) ▪ LNG Maintenance professionals (Maintenance Managers/ Superintendents/ Supervisors/ Engineers) ▪ Production Engineers ▪ Panel Operators ▪ E&I Technicians ▪ Operators

Gas Fields		Pipeline		LNG Plant and Shipping Operations	
Key Activities	Skills Required	Key Activities	Skills Required	Key Activities	Skills Required
maintenance	<ul style="list-style-type: none"> ▪ Production Engineers ▪ Panel Operators ▪ E&I Technicians ▪ Operators ▪ Intervention team members 				

Noting the above skill areas, the priority jobs areas and expected level of competition in securing these types of jobs across the Regions are noted below. The list of jobs below was sourced from Energy Skills Queensland, and the level of competition likely to be experienced in the Regions was indicated by QGC.

PRIORITY JOB AREAS

Likely Level of Competition in

Securing Employment

Tradespersons

- | | |
|--|----------------|
| • Carpenter | Demand: High |
| • Plumber | Demand: Medium |
| • Mechanical Fitter | Demand: High |
| • Electrician | Demand: Medium |
| • Electrician (special class) | Demand: High |
| • Instrument Technician
(electronic instrument trades worker) | Demand: High |
| • Sheetmetal Worker
(sheetmetal trades worker) | Demand: Medium |

Welders

- Boilermaker (metal fabricator) Demand: High
- Pipefitter Demand: High
- 3G Tested (first class) Demand: Medium-High
- 6G Special Class (pressure welder) Demand: High

Equipment Operators

- Grader Demand: Medium – High (skilled)
- Crawler Tractor Demand: Medium – High (skilled)
- Roller Demand: Medium – High (skilled)
- Excavator Demand: Medium – High (skilled)
- Truck Drivers (HV) Demand: Medium – High (skilled)
- Pipelayer/Trencher Demand: High

Skilled Labour

- Insulator/Cladder Demand: Medium
- Concrete Worker Demand: Medium
- Rebar/Steel Fixer Demand: Medium
- Scaffolder – advanced Demand: High
- Scaffolder – intermediate Demand: Medium
- Scaffolder – basic Demand: Medium
- Rigger – advanced Demand: High
- Rigger – intermediate Demand: Medium
- Rigger – basic Demand: Medium
- Light Equipment Operator
(fork lift, concrete pump) Demand: Medium

Crane Operators

- Open Ticket Demand: High
- Tower Crane Demand: High
- 0-80 Demand: High
- 81-120 Demand: High

Labourers

- Store Person Demand: Medium
- Trades Assistant Demand: Medium
- Labourer Demand: Medium
- Chainperson Demand: Medium
- Drain Layer Demand: Medium

Drilling Classification

- Driller Demand: High
- Night Toolpusher Demand: Medium
- Assistant Driller Demand: High
- Derrickman Demand: Medium
- Floorman Demand: Medium

Professional

- Project Management
(Project Managers/Project Directors) Demand: High
- Project Engineering (all levels) Demand: High
- Construction Management
(Construction Managers, Superintendents
and Supervisors) Demand: High
- Project Controls
(Project Services, Cost,
Estimating, Planning etc) Demand: High

- Quality
(QA/QC Managers and Advisors,
Inspectors etc) Demand: High
- Health, Safety, Environment professionals Demand: High
- Community Relations Demand: Medium
- Engineering (All disciplines and levels) Demand: High
- Commissioning (all levels) Demand: High
- Contracts and Procurement (all levels) Demand: High
- Administration Demand: Medium
- Land Access Demand: High

1.3 Labour Force Details in the Regions impacted by the QCLNG Project

This section outlines the labour force details associated with the Regions in which the QCLNG Project will be operating. The section is divided into the 3 core components of the operation, that is, the Gas Fields, Pipeline, and the LNG facility.

Each section utilises information from Volume 8 of the EIS and the supplementary reports. In addition, further information was sourced from the Queensland Office of Economic and Statistical Research. The sections provide a broad overview of the areas in which the QCLNG operations will occur and notes the population and labour force characteristics of the Regions.

1.3.1 The Gas Fields Region's Population and Labour force

The Gas Fields Component includes communities located across the area of the gas tenements. This includes localities in the Western Downs Regional Council, specifically the Dalby Statistical Local Area (SLA), Tara SLA, Wambo SLA, Murilla SLA, Chinchilla SLA and Division 2 of Taroom SLA.

A small part of the QCLNG tenements are located in the Roma Regional Local Government Area (LGA). Toowoomba LGA located to the south and Roma LGA located to the west of Dalby offer a regional context to the area (refer to Figure 2).

Over the past five years the Western Downs Regional Council area increased in population, reversing the trend of rural decline. This was partly due to energy sector and mining projects developing in the region. The estimated residential population as at June 2007 was 30,230. At this time, the Roma LGA and Toowoomba LGA had populations that were 13,103 and 152,912 respectively.

Most settlement in the Western Down's Region is concentrated in the towns and communities of the region including Tara, Kogan, Chinchilla, Condamine, Miles, Wandoan and Dalby. Major population centres within the Project area and Western Downs LGA are presented in Figure 2

The area generally enjoys a country lifestyle and moderately accessible social amenities and infrastructure. Dalby is the largest population centre in the Gas Field area with Toowoomba and Roma offering the regional context and regional level services to the Gas Field area.

1.3.2 Population Projections

The table below notes the projected populations for Western Downs Region, Roma LGA and Toowoomba LGA, and notes the comparison information for Darling Downs Statistical Division, South West Statistical Division and Queensland as a whole.

Expected future average annual growth rates for the Western Downs LGA and Roma LGA are considerably lower than Queensland's expected growth rates, while Toowoomba is likely to see the same rate of growth as Queensland.

In 2026, the Western Downs LGA is expected to host around an additional 5,550 persons from their 2006 base, and Roma an additional 1,640 persons. Toowoomba is expected to grow by an additional 61,500 persons. These additional persons provide potential future labour opportunities for the QCLNG Project.

Table 1: Projected Population in the QCLNG Gas Fields Region (2006 – 2026)

Region	Projected Population					Average Annual Growth Rate (%)
	2006	2011	2016	2021	2026	2008 to 2028
Dalby SLA	10,405	10,925	11,470	12,037	12,499	0.9%
Tara SLA	3,896	3,949	3,998	4,040	4,085	0.2%
Wambo SLA	5,526	5,933	6,181	6,420	6,618	0.8%
Murilla SLA	2,847	3,017	3,180	3,349	3,499	1%
Chinchilla SLA	6,302	6,662	7,042	7,408	7,671	0.9%
Division 2 of Taroom SLA*	562*	555*	580*	605*	626*	0.5%*
Western Downs LGA	30,118	31,620	33,037	34,477	35,677	0.8%
Roma LGA	13,070	13,521	13,918	14,438	14,714	0.5%
Toowoomba LGA	151,297	166,289	181,154	197,340	212,781	1.7%
Darling Downs SD	225,745	244,731	263,382	283,372	302,332	1.4%
South West SD	26,366	26,334	26,800	27,473	28,024	0.2%
Queensland	4,090,08	4,567,713	5,040,325	5,478,715	5,884,439	1.7%

* Source: Queensland Department of Infrastructure and Planning (2008)², Australian Bureau of Statistics (2008a)³.

1.3.3 Labour Force Characteristics

As seen in Table 2, in 2006 approximately 77 percent of the number of people within the Western Downs Region were of working age. This was marginally lower than Queensland's proportion where 79 percent of population were of working age. Working age is defined here as those persons aged 15 years and over.

Of particular importance when determining the potential for local employment is the participation within the workforce. This is commonly known as the participation rate. The participation rate is determined by comparing those people actively in the workforce (either employed or looking for work), with the working age population.

In 2009-10, the participation rate in the Darling Downs – South West Statistical Division was 66.2 percent, down from 66.7 percent in 2008-09. The decline in the participation rate during this period was due to an increase of around 3,000 people not actively seeking work. Interestingly, during this period there was a doubling of the unemployment rate in the region. Information associated these labour force statistics is shown in Tables 3 and 4.

Table 2: Working Age Population in the QCLNG Gas Fields Region (2006)

Region	Working-age Population			% of Total Population		
	Male	Female	Total	Male	Female	Total
Daiby SLA	3,672	3,778	7,450	38%	39%	76%
Tara SLA	1,511	1,311	2,822	41%	36%	77%
Wambo SLA	2,049	1,917	3,966	39%	37%	76%
Murilla SLA	1,056	1,018	2,074	39%	38%	77%
Chinchilla SLA	2,358	2,278	4,636	40%	38%	78%
Division 2 of Taroom SLA	216	182	398	41%	35%	76%
Western Downs LGA	10,862	10,484	21,346	39%	38%	77%
Roma LGA	4,748	4,641	9,389	39%	38%	76%
Toowoomba LGA	53,380	57,658	111,038	38%	41%	78%
Darling Downs SD	80,933	85,512	166,445	38%	40%	78%
South West SD	9,616	9,303	18,919	39%	38%	76%
Queensland	1,521,496	1,576,501	3,097,997	39%	40%	79%

Source: Australian Bureau of Statistics (2007), AECgroup

Table 3: Labour Force Information for Darling Downs – South West Statistical Division (2008 – 2010)

<i>Darling Downs – South West SD</i>	<i>2008-09</i>	<i>2009-10</i>
Employed persons	138,000	137,900
Unemployed persons	2,400	5,200
Labour force	140,400	143,000
Not in the labour force	70,100	73,100
Civilian population aged 15 and over	210,500	216,100
Unemployment rate (%)	1.7	3.6
Participation rate (%)	66.7	66.2

Source: OESR data, Labour force status by region, Queensland, 2008–09 to 2009–10

Table 4: Labour Force Information for Western Downs Regional Council Area (2010)

<i>Western Downs</i>	<i>June Quarter 2010</i>
Unemployed persons	582
Labour force	17,046
Unemployment rate (%)	3.4

Source: OESR data, Labour force status by LGA, Queensland, June Quarter 10

Information for age-specific unemployment could not be sourced from the OESR at the time of writing. However, indications of the concentration of unemployed groups can be gleaned from the Population and Household Census¹. Using this as a guide, it can be seen overleaf in Table 5 that in 2006 youth unemployment (ages 15-24) in the Western Downs region was at least double every other category of age specific unemployment. Should this hold true today in 2010, there exists an opportunity to capture youth in the training and employment programs being offered as part of the QCLNG project.

¹ It is noted that the OESR data for unemployment is considered more accurate than the Population and Household Census, but that the Census can still provide indications of trends associated with unemployment.

Table 5: Unemployed Persons by Age (%) in the QCLNG Gas Field Region (2006)

Region	Full Time	Part Time	Total Number
Dalby SLA	71%	29%	4,384
Tara SLA	73%	27%	1,456
Wambo SLA	74%	26%	2,493
Murilla SLA	73%	27%	1,271
Chinchilla SLA	71%	29%	2,811
Division 2 of Taroom SLA	82%	18%	313
Western Downs LGA	72%	28%	12,728
Roma LGA	75%	25%	6,516
Toowoomba LGA	69%	31%	64,753
Darling Downs SD	69%	31%	96,764
South West SD	75%	25%	12,720
Queensland	69%	31%	1,824,997

Note: By place of usual residence. Percentages may not sum to 100 per cent due to rounding.

Source: Australian Bureau of Statistics (2007a).

A marginally higher percentage of persons in the Western Downs work on a full time basis when compared with Queensland as a whole (refer Table 6: 71 percent for Western Downs versus 69 percent for Qld). Nonetheless, there are still nearly 30 percent of the population that are working part time, and a proportion of these might also be interested in full time positions within QCLNG should they be available.

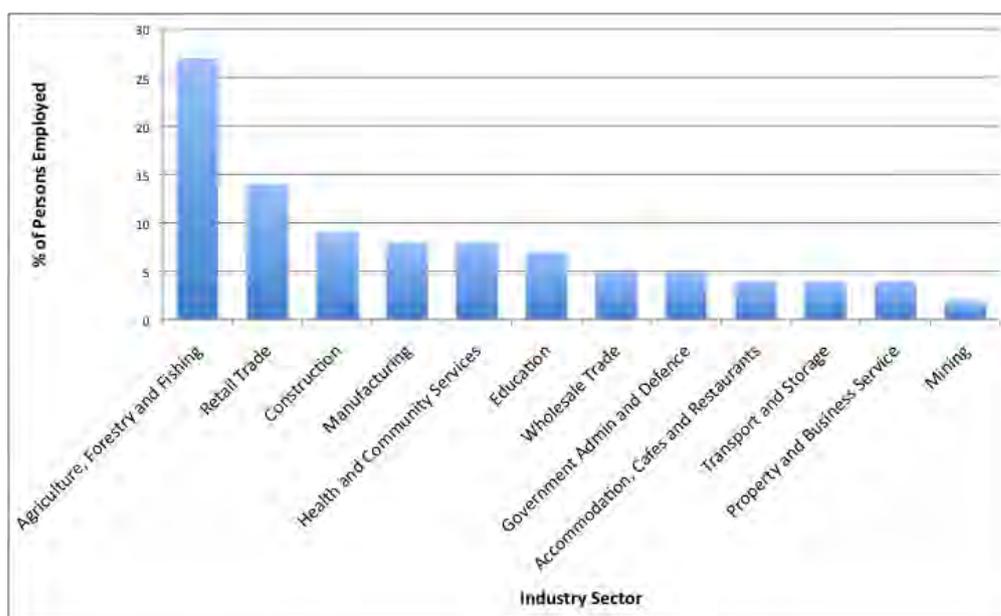
Table 6: Employment by Tenure (%) in the QCLNG Gas Fields Region (2006)

Region	15–24	25–34	35–44	45–54	55–64	65+	Total
Dalby SLA	9.4%	4.5%	4%	3.1%	5.0%	0%	5%
Tara SLA	14.2%	9%	9.2%	4.5%	3.8%	0%	7.3%
Wambo SLA	6.8%	3.7%	3.6%	3.3%	2.3%	2.1%	3.6%
Murilla SLA	3.1%	3%	3.1%	0%	3.9%	0%	2.4%
Chinchilla SLA	5.6%	3.8%	3.3%	2.3%	3.5%	2.1%	3.5%
Division 2 of Taroom SLA	0%	6.4%	0%	0%	0%	0%	0.9%
Western Downs LGA	8%	4.6%	4.2%	2.8%	3.6%	1%	4.3%
Roma LGA	4.4%	2.6%	1.8%	2%	2.1%	0%	2.4%
Toowoomba LGA	8.4%	4.9%	3.5%	2.6%	2.7%	1.7%	4.4%
Darling Downs SD	8.6%	5%	3.7%	2.8%	3%	1%	4.5%
South West SD	6.1%	3.8%	2.3%	1.9%	1.9%	0.5%	3%
Queensland	8.9%	4.6%	3.8%	3.2%	3.6%	1.8%	4.7%

Source: Australian Bureau of Statistics (2007a).

Employment within Western Downs includes a mix of industries. Dominating the mix is agriculture, forestry and fishing (27 percent), followed by retail trade (14 percent) and education (7 percent, refer Figure 3). The construction industry hosts approximately 9 percent of the employed population in the Western Downs, which is comparable to Qld as a whole (9 percent in Qld). Chinchilla hosts the largest percentage of construction employees in the Region (14 percent). Given the numbers of workers required for the QCLNG project it is evident that further workers will need to be attracted to the Region. QCLNG has devised a range of training and apprenticeship strategies to assist in increasing the resources available in the local Region.

Figure 3: Employment by Industry in the QCLNG Gas Fields Region (%): 2006



ABS Population and Household Census, 2006

1.4 The Pipeline Region's Population and Labour force

The pipeline component traverses the Western Downs, Banana, North Burnett and Gladstone LGAs. For the purpose of the Local Employment Plan, the Pipeline Component Region includes communities within Banana Shire LGA and North Burnett LGA. Both these LGAs are located in Central Queensland and Banana Shire is a part of the Mackay-Fitzroy-Central West Statistical Division. North Burnett is a part of the Wide Bay Burnett Statistical District.

Banana Shire is approximately 120 km west of Gladstone. It is sparsely populated, with around 16,000 residents spread across 28,577 km². Biloela is the main population and administration centre, with other important urban centres being Moura, Theodore and Taroom. Other smaller centres include Banana, Baralaba, Dululu, Goovigen, Jambin, Thangool, Wowan and Cracow.

North Burnett is approximately four hours drive north of Brisbane and one hour west of Bundaberg. The region encompasses six main townships - Biggenden, Eidsvold, Gayndah, Monto, Mt Perry and Mundubbera which service around twenty-five villages and farming catchments. North Burnett Shire's total population in 2006 was approximately 11,000. Gayndah, Eidsvold, Monto, Mundubbera and Theodore are the key population centres.

Banana Shire is relatively well serviced, with 11 schools providing community hubs in towns across the region, four public hospitals, a TAFE college and a comprehensive range of sporting, educational and community facilities. Residents have over 470 sporting and recreational groups to choose from as well as a variety of outdoor options including national parks, gorges, rivers, and heritage and

tourist parks. These areas provide a range of recreational opportunities such as fishing and boating in the Callide Dam and Dawson River. Lake Callide is an important part of the Bass to Barra Trail, a popular freshwater fishing trail that passes through the Gladstone, Bundaberg, Fraser Coast and South Burnett regions.

The agricultural industry has made a significant impression on the current lifestyle and values of the communities in North Burnett LGA. For example, Eidsvold is proud of its rural values and promotes the region as “Country Living at its Best”, with friendly people, “fresh country air” and well kept parks and gardens. Monto is renowned for being an open and friendly community, which it attributes in part to the significant voluntary involvement of residents in community-based organisations.

Compared to other parts of Queensland, housing in Monto and Eidsvold appears sufficient and relatively affordable. Population growth is a key area of concern and the LGA’s goal is to reverse negative trends associated with ageing and population decline to ensure long term sustainability.

As noted in the preamble to the Coordinator-General’s Regional Growth Management Framework: *“Central Queensland region is recognised for its liveability. Its combination of natural resources, areas of high conservation value, and the region’s economic potential and liveability presents Central Queensland with infrastructure and economic opportunity unparalleled in Australia”*

1.4.1 Projected Population

In 2007 the estimated population in Banana Shire LGA was nearly 16,000 people. This was a marginal decrease from 2006’s population and 2001’s population. Population projections indicate that Banana Shire is likely to experience positive growth in population between 2006 and 2026. By 2026, the population is expected to grow by an additional 800 – 900 people, taking Banana LGA’s population to just under 17,000 people.

North Burnett LGA’s population was approximately 10,760 in 2006. By 2026 it is expected that this area’s population will have marginally increased to 11,370.

In 2006, Banana Shire and that part of old Taroom LGA that is contained within the study area had 466 Indigenous persons as part of their population. This was approximately 2.9 percent of the population, which is marginally higher than the Queensland proportion of 2.5 percent. There were 550 Indigenous people in North Burnett in 2006, which, at 5.1 per cent of the LGA’s population, was double the proportion for Queensland as a whole.

Table 7: Population in QCLNG Pipeline Region, Banana Shire & North Burnett (2006 – 2026)

<i>Population & Participation Rates</i>	<i>2006</i>	<i>2026</i>	<i>Change</i>
Banana Shire LGA Population	16,188	16,998	810
North Burnett LGA Population	10,756	11,374	618
Fitzroy Statistical Division	206,266	293,706	87,440
Wide Bay Burnett Statistical Division	264,081	369,351	105,270
Fitzroy SD Participation Rate	(2010)	68.0%	

Wide Bay Burnett SD Participation Rate	(2010)	56.2%
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Source: Appendix C: Queensland's future population 2008 edition (based on 2008 ASGC), Estimated resident population (ERP) and projected resident population (medium series), Queensland's Statistical Divisions, reformed Local Government Areas and regional planning project areas, 30 June 2006, 2011, 2016, 2021, 2026 and 2031

1.4.2 Labour force Characteristics

As noted, the Statistical Division in which Banana Shire LGA finds itself is the Fitzroy Statistical Division. North Burnett is in Wide Bay Burnett Statistical Division. The participation rates that are applicable for these LGAs are 68.0 percent and 56.2 per cent respectively (refer Table 7 and Table 8).

In the June Quarter 2010, Banana Shire LGA had 9,720 people in the labour force and 316 persons unemployed (refer Table 8). North Burnett had 6,133 people in the labour force and 223 people unemployed. The unemployment rate at the June Quarter in 2010 was 3.3 percent for Banana Shire and 3.5 percent for North Burnett. Seventy six percent of the population in Banana Shire LGA were of working age and just under 80 percent in North Burnett. These are similar proportions to Queensland's rate of persons of working age.

In 2006, the Census reported that youth (15-24) and young adult (25 – 34) unemployment rates were almost double that of other age groups in Banana Shire LGA (refer Table 9). North Burnett similarly had high unemployment rates in the youth and young adult population cohorts. In addition, approximately 24 percent of employed persons were working part time in Banana Shire and only 65 percent of the population worked full time in North Burnett LGA. Should these statistics still hold true in 2010, there is an opportunity for employment, apprenticeships and training being provided through the QCLNG project to be taken up by the local population.

Table 8: Labour Force Data for the Mackay Fitzroy Central West SD, Wide Bay Burnett SD, Banana Shire LGA & North Burnett LGA (2008 – 2010)

Mackay-Fitzroy-Central West SD	2008-09	2009-10
Employed persons	208,100	205,500
Unemployed persons	9,300	10,900
Labour force	217,400	216,400
Not in the labour force	92,800	101,900
Civilian population aged 15 and over	310,100	318,300
Unemployment rate (%)	4.3	5.0
Participation rate (%)	70.1	68.0
Wide Bay Burnett SD	2008-09	2009-10
Employed persons	121,200	123,500
Unemployed persons	8,400	9,000
Labour force	129,600	132,500
Not in the labour force	99,900	103,200
Civilian population aged 15 and over	229,500	235,700

Unemployment rate (%)	6.5	6.8
Participation rate (%)	56.5	56.2

Banana LGA	June 2010
Unemployed persons	316
Labour force	9,720
Unemployment rate (%)	3.3
North Burnett LGA	June 2010
Unemployed persons	223
Labour force	6,311
Unemployment rate (%)	3.5

Source: OESR data, Labour force status by LGA, Queensland June 2010 Quarter

Table 9: Unemployed Persons by Age Group in Banana Shire (2006)

Region	15-24	25-34	35-44	45-54	55-64	65+	Total
Banana SLA	4.0%	3.3%	1.8%	1.3%	2.0%	1.4%	2.4%
Division 1 of Taroom SLA	4.4%	5.4%	0.0%	0.0%	1.8%	0.0%	1.7%
Banana Shire LGA	4.0%	3.5%	1.6%	1.1%	1.9%	1.2%	2.3%
Fitzroy SD	8.1%	4.7%	3.5%	2.9%	3.6%	1.4%	4.5%
Darling Downs SD	8.6%	5.0%	3.7%	2.8%	3.0%	1.0%	4.5%
South West SD	6.1%	3.8%	2.3%	1.9%	1.9%	0.5%	3.0%
Queensland	8.9%	4.6%	3.8%	3.2%	3.6%	1.8%	4.7%
Australia	10.2%	5.1%	4.3%	3.6%	4.0%	1.9%	5.2%

Note By usual place of residence. Percentages may not sum to 100% due to rounding.
Source: Australian Bureau of Statistics (2007a).

Table 10: Employment Tenure in Banana Shire (2006)

Region	Full Time	Part Time	Total	Total persons
Banana SLA	76%	24%	100%	6,889
Division 1 of Taroom SLA	77%	23%	100%	1,023
Banana Shire LGA	76%	24%	100%	7,912
Fitzroy SD	73%	27%	100%	87,627
Darling Downs SD	69%	31%	100%	96,764
South West SD	75%	25%	100%	12,720
Queensland	69%	31%	100%	1,824,997

Note: By place of usual residence. Percentages may not sum to 100 per cent due to rounding.
Source: Australian Bureau of Statistics (2007a).

As noted in the EIS, the industry profile of the Banana LGA is typical of a rural setting with substantial mining resources. Approximately 19 percent of employment was in agriculture in 2006 and 14 percent was in the mining industry (refer Figure 5). Retail trade was the third highest employer, accounting for 10 percent of the employment in the LGA. Employment in construction accounted for approximately 8 percent of the labour force in Banana LGA.

In 2006, almost half of the total workforce in North Burnett SLA was employed in the agricultural, forestry and fishing industry. Subsequent areas of employment were public administration and safety (11.1 percent), followed by health care and social assistance (7.4 percent), manufacturing (6.9 percent), and retail (5.2 percent). Employment in construction accounted for approximately 12 percent of the labour force in the Wide Bay Burnett Statistical Division.

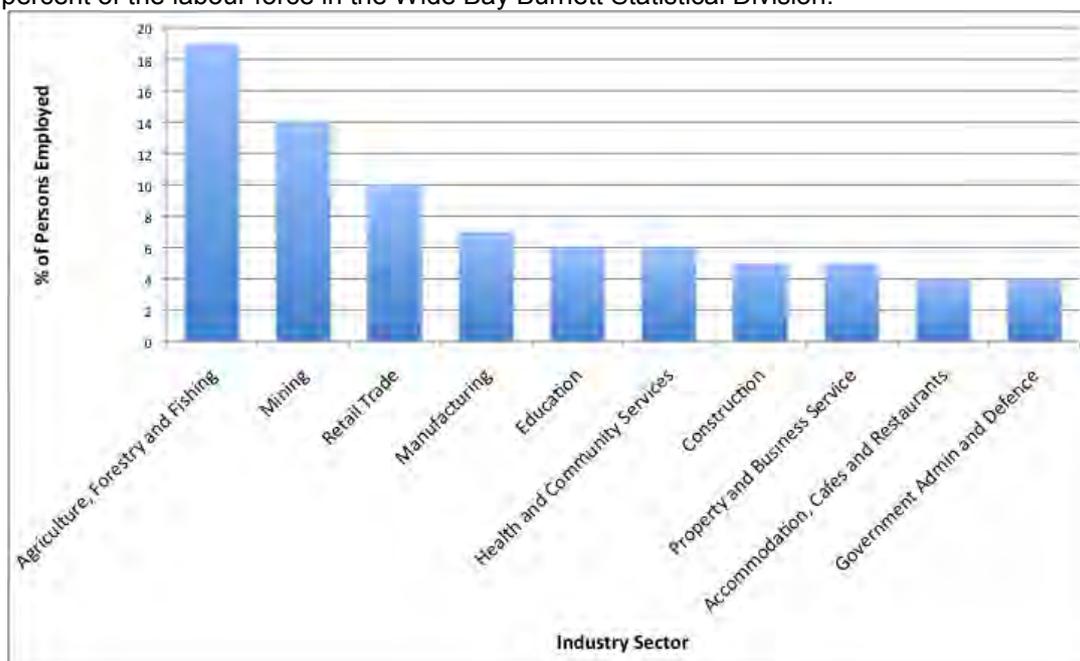


Figure 4: Employment by Industry in Banana Shire LGA (%): 2006

1.5 The LNG Facility and Export Population and Labour force

In 2008, Gladstone City LGA merged with Calliope and Miriam Vale Shire LGAs to form the Gladstone Region LGA. Data for the three former LGAs have been combined to provide data for the new Gladstone Region LGA. The newly expanded Gladstone Region LGA had a population of around 56,000 people in 2007, which was forecast to increase to more than 88,000 people by 2026. The Region has enjoyed steady growth over the last decade.

In 2006, according to the ABS Population and Household Census the Region had an Indigenous population of approximately 1,070. This represented approximately 2.3 percent of the Region's total population. This proportion was similar to the proportion of Indigenous persons within the total Queensland population.

Figure 6 shows the Gladstone LGA including former LGA boundaries and Statistical Local Areas (SLA).

The Gladstone region has a diverse character being home to one of Australia's busiest ports and hosting a variety of amenities commensurate with a regional centre. It has a close connection to the marine environment of its harbour and the Great Barrier Reef.

The former Calliope and Miriam Vale Shires include rural areas and in the latter case coastal townships, and enjoy proximity to Gladstone's services and amenities.

The region contains a variety of residential settings, including coastal urban suburbs, rural and rural-residential subdivisions, the city centre and island communities.

The main urban centres in the Gladstone LGA are:

- Gladstone City, the largest urban centre, including the CBD;
- Calliope, a significant local town centre for rural Gladstone;
- Boyne Island/Tannum Sands, a coastal community immediately south of Gladstone;
- Agnes Water, a town centre for the southern coastal part of the LGA; and
- Miriam Vale, a rural town centre, one hour's drive from Gladstone City.

Other smaller centres include the town of Mount Larcom and the village of Yarwun on the northern rural fringe of Gladstone, and the communities of Benaraby and Town of 1770.

Figure 5: Gladstone Regional Council Area: QCLNG’s LNG & Shipping Operations



1.5.1 Projected Population

Population is expected to rise significantly in the Gladstone LGA and the surrounding Region over the next 15 to 20 years. By 2026 Gladstone LGA is expected to host an additional 34,000 people from the 2006 base. The Fitzroy Statistical Division is expected to see an increase of over 87,000 people over the same period.

Table 11: Population Projections in QCLNG's LNG Region, Gladstone Region (2006 - 2026)

	2006	2011	2016	2021	2026
Gladstone LGA	59,941	63,120	70,927	79,102	88,265
Rockhampton LGA	105,517	119,422	127,771	136,069	144,684
Fitzroy SD	206,266	231,656	251,426	271,702	293,706

Source: Queensland Department of Infrastructure and Planning (December 2008), Medium Series

1.5.2 Labour force Characteristics

The Statistical Division in which Gladstone is placed is the Mackay Fitzroy Central West Statistical Division (SD). This SD had a participation rate of 68 percent in 2009/10 (refer Table 12). In the June Quarter 2010, the Gladstone Region had approximately 1,800 unemployed and actively looking for work, and a labour force of approximately over 31,600 people (refer Table 13). Similar to Western Downs and Banana Shire, Gladstone LGA had under 30 percent working part-time (refer Table 14), and significantly more persons unemployed aged under 25 when compared with other age groups (refer Table 15).

Table 12: Labour Force Data for the Mackay-Fitzroy-Central West SD (2008 - 2010)

Mackay-Fitzroy-Central West SD	2008-09	2009-10
Employed persons	208,100	205,500
Unemployed persons	9,300	10,900
Labour force	217,400	216,400
Not in the labour force	92,800	101,900
Civilian population aged 15 and over	310,100	318,300
Unemployment rate (%)	4.3	5.0
Participation rate (%)	70.1	68.0

Table 13: Labour Force Data for the Gladstone Region (2010)

Gladstone Region	June 2010
Unemployed persons	1,803
Labour force	31,605
Unemployment rate (%)	5.7

Table 14: Unemployed Persons by Age (%) in QCLNG’s LNG Region, Gladstone Region (2006)

Region	15-24	25-34	35-44	45-54	55-64	65+	Total
Calliope – Pt A SLA	9.6%	4.0%	2.9%	2.3%	3.4%	6.4%	4.2%
Calliope – Pt B SLA	12.3%	5.2%	3.9%	5.0%	3.2%	0.0%	5.1%
Gladstone SLA	9.9%	5.5%	4.0%	3.2%	4.7%	1.8%	5.4%
Miriam Vale SLA	11.9%	9.1%	7.8%	8.2%	10.8%	0.0%	8.8%
Gladstone LGA	10.0%	5.4%	4.0%	3.6%	5.0%	2.3%	5.4%
Rockhampton LGA	9.0%	5.8%	4.4%	3.4%	4.0%	1.4%	5.3%
Fitzroy SD	8.1%	4.7%	3.5%	2.9%	3.6%	1.4%	4.5%
Queensland	8.9%	4.6%	3.8%	3.2%	3.6%	1.8%	4.7%

Source: Australian Bureau of Statistics (2007a).

Table 15: Employment Tenure (%) in QCLNG’s LNG Region, Gladstone Region (2006)

Region	Full Time	Part Time	Total	Total perso
Calliope – Pt A SLA	74%	26%	100%	6,581
Calliope – Pt B SLA	77%	23%	100%	1,243
Gladstone SLA	74%	26%	100%	14,113
Miriam Vale SLA	64%	36%	100%	1,905
Gladstone LGA	73%	27%	100%	23,842
Rockhampton LGA	70%	30%	100%	43,934
Fitzroy SD	73%	27%	100%	87,627
Queensland	69%	31%	100%	1,824,997

Note: By place of usual residence. Percentages may not sum to 100 per cent due to rounding.

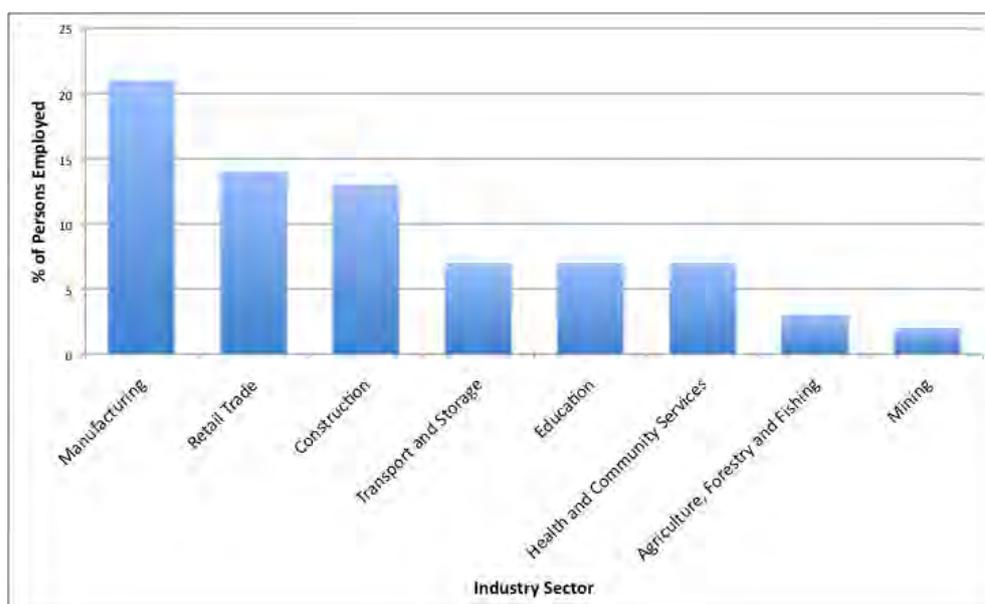
Source: Australian Bureau of Statistics (2007a).

Employment in Gladstone is relatively diverse, with 21 percent of employment dedicated to manufacturing, 14 percent retail trade, and 13 percent construction (refer Figure 7). There were also considerable numbers of people employed in transport and storage, education, health and community services.

Gladstone has a strong and diversified construction labour pool and in 2008 it was estimated that there were over 5,200 technicians and trades people (Gladstone Region Project Status Report 2008).

Gladstone also offers a number of apprenticeships through various TAFE colleges. In 2007, the number of apprentices was 1,272, which was an increase of 10 percent on the previous year.

Figure 6: Employment by Industry in the QCLNG LNG Region, Gladstone Region (%): 2006



1.6 Potential Future Labour Forces in the Regions and Implications for QCLNG's Workforce

Understanding the potential labour forces likely to be available in the Regions over the life of the QCLNG project was important in assisting QGC determine the extent to which employment and training initiatives were required. In addition, this information was valuable to understand the likely make up and direction of the training and apprenticeship programs.

To determine the potential labour forces likely to be available in the Regions over the life of the QCLNG project, the following was assumed:

- Given the specific skills sets required for much of the construction of the QCLNG project, the major component of the local labour force likely to be attracted would be from the already established construction forces in the regions. Conservative assumptions of between 10 to 20 percent were assumed to be attracted to the QCLNG project to ensure that the QCLNG project would not detrimentally affect other businesses' requirements for the skills sets associated with the construction industry. Given the Queensland floods that occurred at the time of writing (see below for more detail), even these assumptions may be optimistic.
- In addition to the above, the pool of unemployed persons represented an opportunity for increasing the number of available active workers in the Regions. However, apart from a small proportion of the unemployed being directly attracted to the QCLNG project via the initiatives outlined in Section 6, given the skills required for many components of the project, it is expected that the unemployed are more likely to be attracted to other industries in the Region. This in turn would open up opportunities for work ready persons currently employed in other industries to potentially take up opportunities in the QCLNG project. It is expected that despite the number of jobs required in the regions due to the QCLNG project and its indirect impacts on creating other employment opportunities, there will still be some unemployment in the Region. Thus only a small proportion of the unemployed were assumed to be available to the regions. Assumptions made included 10 percent of the currently unemployed persons are likely to be available for a broad range of opportunities and therefore the equivalent number of people are likely to be attracted to QCLNG from other industries.

- The participation rates in the Regions were also assumed to be somewhat flexible. Given the high profile of the QCLNG project, as well as other projects occurring in the Regions, it was assumed that small increases in the participation rates were possible (additional 5%). Increases in the participation rate would increase the number of persons available in the labour forces. Again, it was assumed that given the projects occurring in the Regions and the range of jobs likely to be on offer at any given time, only a proportion of the likely additional labour force would be attracted to the QCLNG project. Conservative assumptions including an increase of 10% were considered possible.

Utilising these assumptions, the potential additional persons likely to be in the labour forces at the time when peak construction and operations workforces are required were determined. This is explained more fully overleaf. As noted, although the assumptions utilised here may be considered somewhat conservative, given the Queensland floods, the results reported in Section 3.1 might be difficult to achieve.

The following responsibilities apply for all personnel undertaking activities covered by this document.

1.6.1 Required Construction Workforce and Potential Labour Force

From the preceding section it was seen that peak requirements for the construction components of QCLNG are:

- Gas Fields (Western Downs): 2400 workers (including drilling crews) by 2012 or 2000 without the drilling component;
- Pipeline (Banana & North Burnett): 1000 workers by 2011;
- LNG Plant (Gladstone): 3000 workers by 2012.

The labour forces in each of the Regions are summarised below in Table 16. From this, it can be seen that respectively for the Gas Fields, Pipeline and LNG Plant regions:

- The 2010 construction workforces accounted for 9 percent, 8 - 12 percent and 13 percent of the labour force in the respective regions;
- There were 580, 540 and 1,800 unemployed persons in the respective regions in 2010, and unemployment rates were 3.4 percent, 3.3 - 3.5 percent and 5.7 percent; and,
- Local participation rates in 2010 were approximately 70 percent (Gas Fields), 73 - 88 percent (Pipeline) and 68 percent (LNG Plant).

² The drilling component of the workforce, at 400 workers, will draw on a contracted workforce with specialist skills and a highly mobile workforce.

Table 16: Potential Labour Forces in QCLNG's Regions, (2006 - 2016)

		Gas Fields				Pipeline				Pipeline				LNG Plant			
		Western Downs				Banana				North Burnett				Gladstone/Fitzroy			
		2010	2011	2012	...2016	2010	2011	2012	...2016	2010	2011	2012	...2016	2010	2011	2012	...2016
Population	No	31,320	31,620	31,900	33,037	14,520	14,680	14,840	15,480	10,880	10,910	10,940	11,060	61,280	63,120	64,680	70,930
Working Age Population	% (at 2006)	77				76				80				76			
	No	24,120	24,350	24,560	25,440	11,040	11,160	11,280	11,760	8,700	8,730	8,750	8,850	46,570	47,970	49,160	53,910
Labourforce	No	17,050	17,210	17,360	17,980	9,720	9,830	9,930	10,350	6,311	6,330	6,350	6,420	31,605	32,560	33,360	36,590
Construction	%	9.0	9.0	9.0	9.0	8.0	8.0	8.0	8.0	12.0	12.0	12.0	12.0	13	13	13	13
	No	1,530	1550	1560	1620	780	790	790	830	760	760	760	770	4,110	4,230	4,340	4,760
Unemployed	No	582	585	590	611	316	324	328	342	223	209	210	212	1,803	1,856	1,902	2,086
	Rate	3.4	3.4	3.4	3.4	3.3	3.3	3.3	3.3	3.5	3.3	3.3	3.3	5.7	5.7	5.7	5.7
Participation Rate	Locally derived %	70.7	70.7	70.7	70.7	88.0	88.0	88.0	88.0	72.5	72.5	72.5	72.5	67.9	67.9	67.9	67.9
	(regional %)	66.2	66.2	66.2	66.2	68.0	68.0	68.0	68.0	56.2	56.2	56.2	56.2	68.0	68.0	68.0	68.0
Potential Additional Workers in Labourforce (for all projects)		2010	2011	2012	...2016	2010	2011	2012	...2016	2010	2011	2012	...2016	2010	2011	2012	...2016
Construction Workers		1,530	1550	1560	1620	780	790	790	830	760	760	760	770	4,110	4,230	4,340	4,760
Current Unemployed Workers	No	580	590	590	610	320	320	330	340	220	210	210	210	1,800	1,860	1,900	2,090
Additional Workers available with increase in Participation rate of 5%	No	850	860	870	900	490	490	500	520	320	320	310	320	1,580	1,620	1,670	1,830

Maintaining these parameters into the future when the peak construction workforces for the project are required, construction worker numbers are likely to be:

- 1,560 workers in the Western Downs region (2012);
- 1,540 workers in the Banana & North Burnett region (2011); and
- 4,340 workers in the Gladstone region (2012).

The number of unemployed persons likely to be in the Regions at the times when construction is at its peak in the regions are:

- 590 persons in the Western Downs region (2012);
- 530 workers in the Banana & North Burnett regions (2011); and
- 1,900 workers in the Gladstone region (2012).

Should the participation rates be able to be increased by an additional 5 percent, the potential additional workers in the Regions would be:

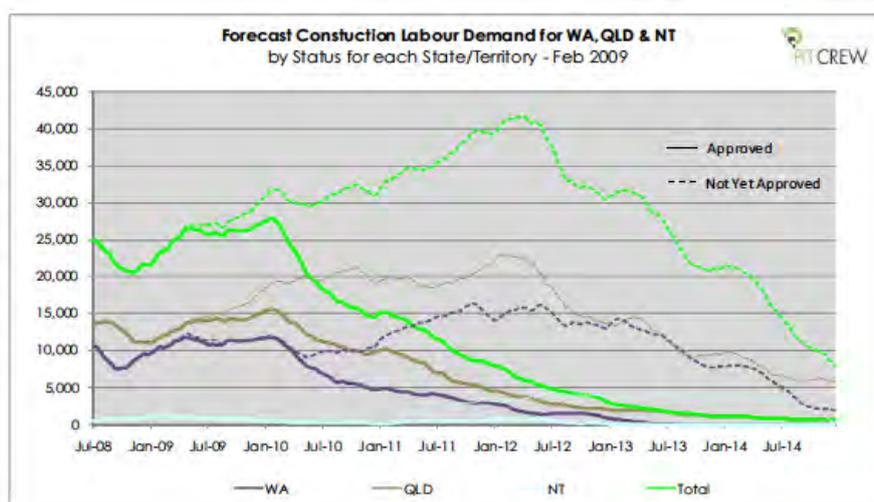
- 870 workers in the Western Downs region (2012);
- 810 workers in the Banana & North Burnett region (2011); and
- 1,670 workers in the Gladstone region (2012).

Thus based on these assumptions, a maximum additional labour force in these Regions could be around 13,820 workers.

QCLNG is not the only project occurring in the regions at that time, and, as noted, some unemployment will still be present in the regions, and those additional persons in the labour force wishing to take up job opportunities are likely to do so across a multitude of industries (not just the areas required by QCLNG). Due to these factors, when estimating the likely take-up rate for local workers in the QCLNG project, conservative estimates were made. These estimates took into account that:

- Forecast demand for construction workers in Queensland overall around 2011 and 2012 has been estimated by PitCrew to be around the 20,000 mark. As such, the QCLNG project is about 30 percent of that demand (refer Figure 7); and,
- There are many other Oil and Gas projects occurring across Australia at the time when QCLNG is being constructed and in operation (refer Figure 8).

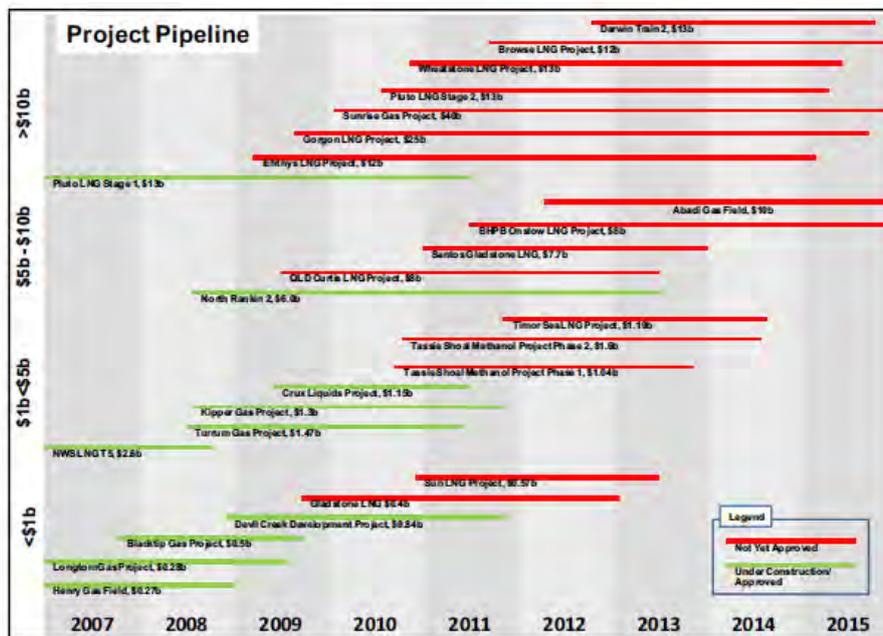
Figure 7: Forecast Demand for Construction Labour in Qld, WA & NT – by Status – Approved or Not Yet Approved



Source: The Pit Crew Report: WA – Jan 2009, QLD – November 2008, NT – October 2008

Figure 8: Timeline for Major Oil and Gas Projects

As noted earlier, given the above, it was assumed that



Source: Pit Crew Combined Oil & Gas Projects Report for WA, QLD & NT – Feb 2009

- only 10 – 20 percent of the construction industry would be attracted to QCLNG;
- approximately 10 percent of the unemployed would take up job opportunities. Some of these would be in the QCLNG project but given the types of skills required, many would be in other industries, thereby allowing those in other similar industries / businesses to take up opportunities in QCLNG; and,
- approximately 10 percent of the number of people available to the market given the small increase in participation rates would be attracted to QCLNG.

The results of these scenarios and their variations are shown overleaf in Figure 10 below. The peak workforce required for each of the component areas of the Project is also included in the figure. Figure 9 shows that, with a proportion of each potential labour pool available to QGC, (and sufficiently skilled for safe work practices):

- around 8 percent of the workforce for the gas fields construction in the Western Downs Region could be locally employed given the current construction work force. Should the participation rates be able to be increased and appropriately skilled persons attracted to QCLNG, at best this percentage could increase to 22 percent;
- around 16 percent of the workforce could be employed locally in the pipeline region. However, this is considered optimistic given the likely level of specialised skills required for the pipeline construction. A more realistic level is likely to be 5- 10 percent; and
- between 14 and 40 percent of the workforce for the LNG construction in the Gladstone Region could be locally employed.

A number of initiatives are outlined in Part 2 of this document to ensure QGC attracts as many skilled workers from the local regions. Nonetheless, there are still likely to be challenges associated with sourcing a range of skills locally. Those areas that are expected to present the greatest challenges are discussed in Section 3.3. Part 2 notes specific actions that QCLNG are instigating to try to overcome these challenges.

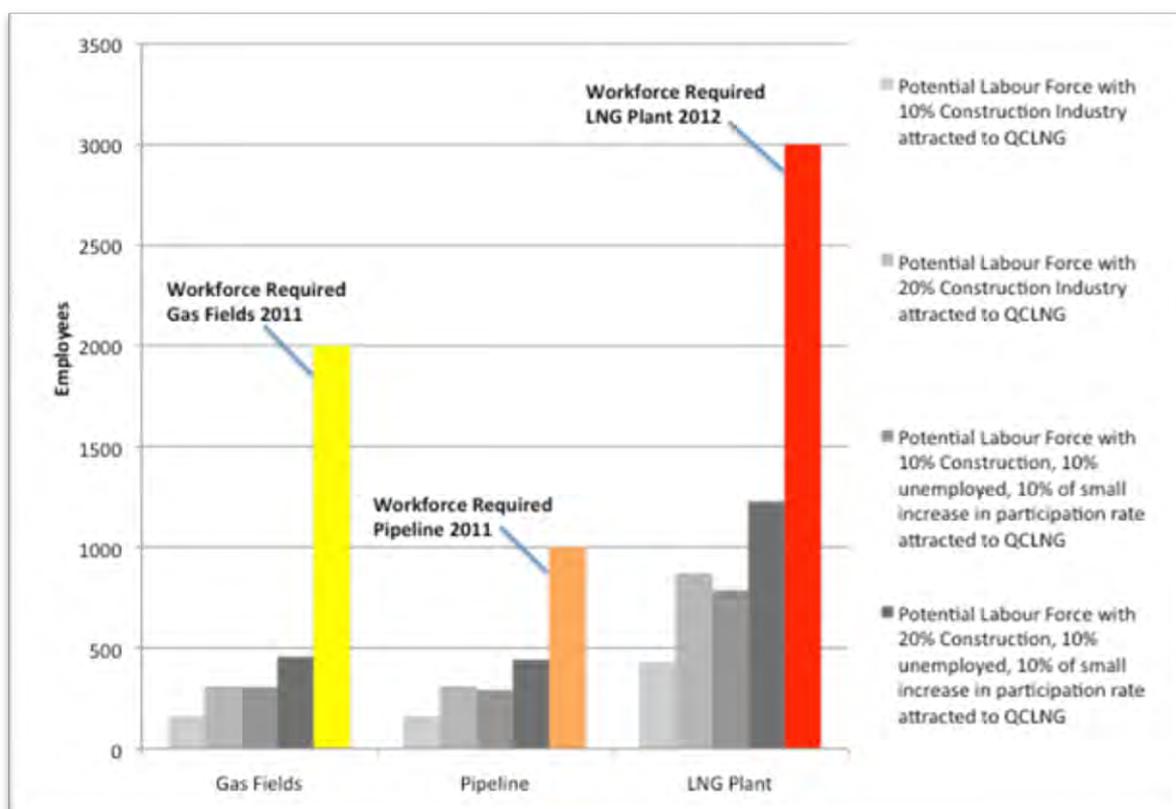


Figure 9: Potential Local Take Up of Positions in QCLNG Construction

1.6.2 Update for new circumstances

During the final drafting of this Plan, two key events affecting workforce availability took place.

The first event was the Queensland flooding. This has altered social and economic conditions throughout Queensland, and particularly in the project area. Changes to conditions affecting workforce availability include:

- The requirement for construction workers such as carpenters, scaffolders, steel workers, and electricians to assist the reconstruction of flood affected homes and businesses;
- The need for a large workforce to restore the function and safety of major infrastructure such as roads and rail bridges;
- An increase in demand for local agricultural and business support services such as infrastructure replacement and machinery refurbishing due to flood damage;
- A requirement for extra labour in mining and refinery projects, to restore operations from flood damage, and regain schedule; and
- The potential for workers to be less mobile throughout the region, given the need for family and community involvement in flood-affected areas.

Queensland is now facing increased demands for labour regarding infrastructure works, mining, refining and energy infrastructure, government infrastructure, agricultural infrastructure and domestic construction, each of which require skills which are transferable to QCLNG.

These conditions are temporary, but will be most intense throughout 2011 when QCLNG contractors are building their workforces, and are likely extend into 2012. As such they may constrain local employment in some areas. QGC is conscious of the need to ensure local workers affected by floods are able to participate in recruitment processes for QCLNG, and will consider these workers' circumstances in their recruitment practices.

The second event was the Final Investment Decision for Santos' GLNG project. This is a project with an almost identical skills profile requirement to QCLNG. Some construction on GLNG is likely during 2011. Other recent announcements in the project area which are not yet reflected in labour force statistics include Xstrata's project at Wandoan Coal, and the Hancock developments in the Galilee Basin.

As such, QCLNG is one of a number of large construction projects in QLD and Australia competing for construction labour.

QGC will be making every attempt to develop a skilled local workforce for operations, through participating in a range of business-specific and industry-wide initiatives. As a result of recent project announcements and the flood recovery effort, contractors are likely to need to import more labour from other parts of QLD, Australia and overseas to resource their contracts.

Clarity on the economic results of flood recovery, project recovery and cumulative labour demands will develop over the next few months.

1.7 Operation Workforce Required and Potential Labour Force

As noted in Section 1, QGC has begun to employ staff for LNG operations, with around 20 LNG operational staff expected to work in Gladstone by June 2011. By December 2012, the operational workforce in Gladstone will have increased to approximately 60 staff, and by December 2014, approximately 120 staff. The full operational workforce is expected to be in place by January 2014. This will number approximately 145 staff in Gladstone and 30 staff in Brisbane or other locations. The types of skills likely to require augmentation are noted in the next section.

In addition to LNG, an operational workforce for the pipeline is expected to be approximately 10 and it is likely that some of these will come from the local area.

Around 500 operators for the Gas Fields will be required, and approximately 250 people are already employed by QGC in the Western Downs region. It is expected that a large component of the remaining operational staff will be sourced from the local labour force or from throughout Queensland. The training and apprenticeship programs in place will positively contribute in employing of locals.

1.8 Likely Additional Skills Required in the Regions

Section 1 outlined the skills required in the QCLNG project and also noted the level of competition in securing those skills likely to be experienced across the Regions. Critical shortages noted by Energy Skills Queensland were verified by QGC as follows:

CRITICAL SHORTAGES

Vocational Occupations

- Drilling Assistants High
- (Certificate 11 in Drilling and Gas Onshore)
- Electrical and Instrumentation Technicians High
(Certificate 111 in Electrotechnology Electrician)

- (Certificate 111 in Instrumentation and Control)
- (Certificate 1V in Electrical – Instrumentation)
- Carpenter High
- Mechanical Fitter High
- Welders - Boilermaker (metal fabricator),
Pipefitter, 3G Tested (first class),
6G Special Class (pressure welder) High
- Pipelayer/Trencher High
- Scaffolder – advanced High
- Rigger – advanced High
- Crane Operators, Open Ticker, Tower Crane,
0-80, 81-120 High

Professional and Para Professional Occupations

- Petroleum, Chemical and Mechanical
Engineers and Engineering Para - Professionals High
(Bachelor of Engineering, Associate Degree/
Advanced Diploma of Engineering)
- Geologists and Geophysicists High
(Bachelor of Geology and Bachelor of Geophysics)
- Project Management High
(several tertiary and TAFE institutions
cover qualifications in this area)
- QA/QC Managers and Advisors,
Inspectors; Health and Safety, Environment High
(several courses available)

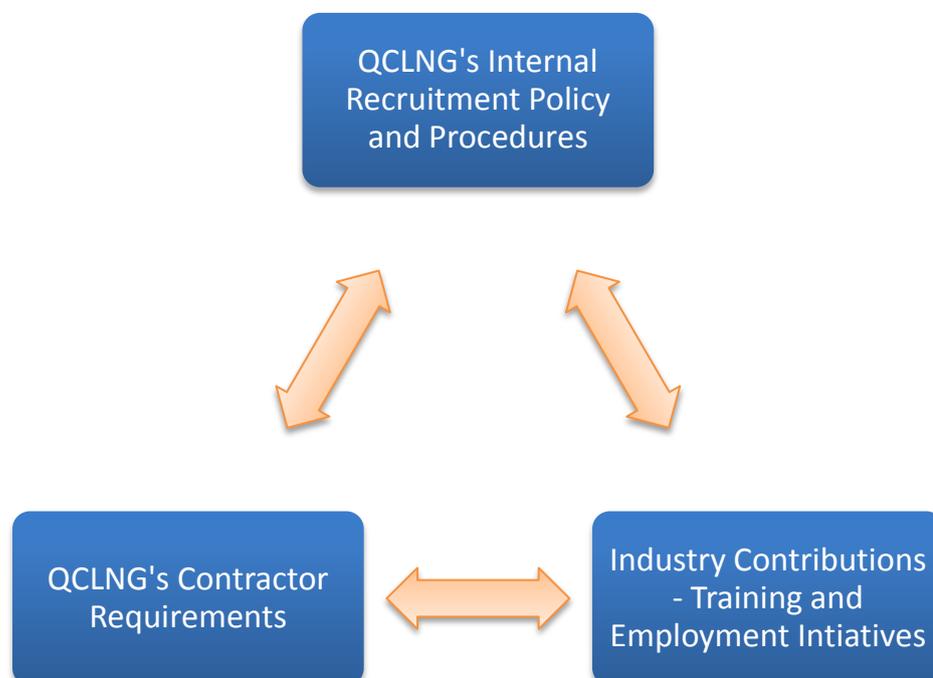
The following Sections in Part 2 outline how QCLNG plans to maximise local employment and overcome these critical skills shortages.

2. QCLNG'S LOCAL EMPLOYMENT PLAN

Utilising the contextual information in the preceding section, this component details the Queensland Curtis LNG project's Local Employment Plan. The Local Employment Plan (LEP) has 3 elements as shown below:

- The Plan includes internal operation initiatives within QGC and notes QCLNG's recruitment policy and procedures - both of which include plans to secure local employment and Indigenous participation;
- The Plan includes initiatives to ensure contractors/service providers external to QGC maximise local content, and,
- The Plan includes employment building initiatives to strengthen employment across the Regions in a variety of sectors. QGC is actively contributing to apprenticeships and training within the LNG sector, generally across employment sectors and specifically for vulnerable groups. In the employment context vulnerable groups were considered to be 0-14 (youth), Low Income, Unemployed, People with a Disability, People who speak language other than English and women.

Figure 10: QCLNG's Local Employment Plan



2.1 QCLNG's Internal Recruitment Policy and Procedures

This section outlines the first component of the QCLNG Local Employment Plan. It notes how local employment and local benefits will be maximised within QGC through recruitment policy and procedures.

These policies and procedures include QGC principles that ensure fair and equitable recruitment procedures are known and implemented throughout the organisation, have an added focus to ensure local employment and Indigenous participation from the Regions in which QGC is operating are maximised.

2.1.1 Purpose

The purpose of this policy is to outline QGC's approach to the recruitment and selection of appropriately skilled and qualified employees who will contribute to QGC's goals, values and culture. The policy includes the objectives of maximising local and Indigenous employment in the Regions where QGC is operating.

This policy is aligned to and supports the following BG Group Business Principles:

- We treat people with fairness, respect and decency
- We help Employees develop their potential
- We believe that all injuries are preventable
- We provide healthy, safe and secure work environments.

2.1.2 Scope

This policy applies to all applicants applying for roles directly with QGC for operations delivery and owners project management. It will be applied to all permanent positions, fixed-term contracts, and secondments. The principles will also be applied to contract roles.

2.1.3 Principles

The following principles will be utilised in recruitment throughout QGC.

- 1. Recruitment and selection activity will be conducted in accordance with QGC's strategic objectives, goals and values.***

Vacant positions will be assessed prior to commencing recruitment processes to ensure that they are in line with the company's strategic objectives. Applicants will be assessed according to their fit with the organisational culture as well as their skills and abilities relevant to the vacant position.

- 2. The principles of Equal Employment Opportunity will be applied at all times during the recruitment and selection process.***

Selection methods will be chosen according to their capacity to fairly assess applicants against the selection criteria, and applicants will be selected based on their ability to perform the duties of the role. Selection criteria and processes will be analysed for evidence of discriminatory practices.

- 3. Vacant positions will be advertised locally, internally and externally. A focus on Indigenous Employment will be present where applicable.***

Vacant positions will be advertised in the Regions where QGC is operating as well as other locations as appropriate to ensure the best candidate labour markets are utilised. QGC will advertise locally where appropriate for QGC direct employee roles (which are principally for the operations phase).

Once QGC has determined that the local labour market for a particular skills set has been exhausted (negligible suitable applicants responding to advertisements) then QGC will reduce/cease the local advertising of that skills set.

Local residents, including Indigenous people in the Regions, will be assessed for their skills and abilities relative to the vacant position, as well as their fit to the organisational culture, which has a strong emphasis on safety and co-operation with local communities. Where local residents require upskilling, applicants may be directed to the various training and employment programs in place. In the case of applicants from vulnerable groups, pre-employment programs may also be appropriate.

In addition, vacant positions may be advertised internally for employee positions to offer current employees the opportunity for career development.

2.2 QCLNG's Contractor Requirements

The second component of the Local Employment Plan is concerned with ensuring that relevant commitments are passed on to the major contractors in relation to QCLNG.

2.2.1 Implementing the Australian Industry Participation Plan

The QCLNG AIPP contains a number of commitments. In particular, the AIPP describes how QGC will provide full, fair and reasonable opportunity to capable local, Queensland and Australian suppliers but also in relation to providing training and employment opportunities in neighbouring communities, amongst others. QGC has sought to pass on the commitments in the QCLNG AIPP to major contractors wherever

possible. QGC will in turn monitor and report on performance against the AIPP via regular reports from the major contractors. including in relation to employment and training,

These commitments have been passed on to major contractors by ensuring that at the tender stage, tenderers have to address specific Local Content provisions which are then scored as part of the overall assessment of the tender. This also provides the opportunity to seek additional information from tenderers should further information/clarification be required particularly if their responses are deficient. Once a preferred tenderer has been selected and a contract is awarded, specific contractual provisions are included to give effect to any Local Content commitments made but to also ensure the implementation of and reporting against the QCLNG AIPP.

It should be noted QGC defines Local Content in relation to QCLNG as goods and services provided by suppliers from neighbouring communities in addition to suppliers based in the rest of Queensland and the rest of Australia. In saying this however, specific attention is also paid to employment and training commitments and initiatives associated with major contracts in particular.

Elements specifically dealing with employment and training are discussed below.

2.2.2 Employment and Training Commitments

The AIPP for QCLNG contains the following key commitments in relation to employment and training:

- QGC intends to place a heavy focus on local workers wherever possible throughout the employment process and is consulting with local businesses and community groups in order to enable the local contractors and workers to secure a share of the construction work for the Project.
- QGC will create additional job opportunities in Darling Downs Statistical District Fitzroy and across Queensland, including opportunities for women, unemployed and indigenous peoples.
- QGC will seek to maximise Indigenous employment and contracting opportunities in QCLNG through the development and implementation of an Indigenous Employment, Skills Development and Business Opportunities Strategy. This will encompass Indigenous training, employment and business incubation initiatives and will be developed in consultation with Traditional Owner groups impacted by the Project
- QGC intends to fully comply with (and in some cases possibly exceed) State Government requirements for training, manning and apprenticeships, and meet national qualification standards. QGC will, through both training and qualification readiness programmes, and on-the-job apprenticeships and training, address constraints in the local labour market for sufficient specialised labour to support all phases of the QCLNG Project.
- QGC will also enhance the opportunities for those involved in the construction phase of the QCLNG Project to make transition to operational employment positions.
- QGC will, following consultation with, and where applicable the involvement of, appropriate skills training and education establishments (for example Skilling Solutions Queensland, Queensland Technical and Further Education, Australian Technical College), arrange timely skills training and qualification readiness programmes to address the identified constraints,
- QGC intends to ensure that training and qualification readiness programmes and on-the-job apprenticeship and training programmes meet the objectives and commitments described in the QGC Social Management Plans. QGC will also implement mechanisms to advise construction staff of permanent job opportunities.

- Provide training to develop the skills of employees, contractors and the surrounding communities.

The above commitments in effect dovetail with the information provided in the EIS and SIMP for QCLNG in addition to the detail provided in this Local Employment Plan.

QGC will actively monitor not only its own performance but that of its major contractors against the above commitments and those contained more broadly in the AIPP. Reporting against the implementation of the AIPP, including the employment and training commitments, will be submitted to the Queensland Government and RCCC's six monthly.

2.3 QGC's Contribution to Workforce Capacity

The final component of QCLNG's LEP is the training and employment initiatives that have been implemented or are in progress. These include training and employment initiatives for:

- The LNG sector;
- Indigenous employment and participation;
- Industry generally; and
- Vulnerable Groups. In this context vulnerable groups are defined people with low incomes, unemployed people, people with a disability and people who speak language other than English and women.

2.3.1 Apprenticeship, Training and Employment Initiatives

QGC's Apprenticeship and Trainee Strategy

QGC is developing an Apprentice and Trainee Strategy linked to the QGC Resource Plan. The Apprentice and Trainee strategy maps the approach for recruiting apprentices and trainees for QGC's current and future structure, and identifies current requirements for recruiting Apprentices and Trainees into its existing business operations. As the size and resources of the business grows in readiness for delivery of first gas to Gladstone in 2014, QGC will identify through its resourcing plan the opportunities to recruit further apprentices and trainees.

The QGC Apprentice and Trainee Strategy will be supported by a detailed plan which will identify types of apprentices and trainees, skill sets, ratios of apprentices/trainees to supervisors, and locations of operation. Initially the numbers of apprentices and trainees will be small, as QGC develops its requirements for expansion of new gas fields and supporting structure.

From this strategy, QGC will develop an Apprentice and Traineeship Plan and Program. This program will become a public document from which QGC will advertise types of apprentice and trainee positions available within QGC.

The categories of apprentices and or traineeships QGC will be considering are diverse and include process technicians, electrical instrumentation technicians, diesel fitter mechanics, pipeline technicians, business services, warehousing, road transport and logistics. Other apprenticeships and traineeships that are being considered cover the highly demanded skills sets outlined in Section 1. QGC's competency based programs are currently being developed to enhance entry to QGC and support the types of apprenticeships and traineeships QGC will offer.

QGC will develop a graduation process and program to ensure apprentices and trainees who have entered their final six months of their term are actively engaged, to ensure they can complete and finalise

requirements of their approved Training Plans. QGC will encourage and assist them to complete all tasks and documents associated with their training and gaining of the Certificate of Completion.

Employment pathways will be discussed with the Apprentice/Trainee during this period with offers for permanent or contract positions. Australian Apprenticeship Centres, and Group Training Organisations, also offer pastoral care where all apprentices and trainees are assigned a mentor through the years of their apprenticeship/traineeship.

QGC is planning a dedicated field training centre in the Windibri area. The QGC Training Centre will provide full and ongoing support to all apprentices and trainees including a Pastoral Care Program developed in conjunction with the ACC/GTO and the supervising Registered Training Organisation. QGC will ensure close management of the training contract and approved training plan with the apprentice/trainee, supervising RTO and ACC/GTO.

QGC will explore a range of apprenticeship models including, normal trade apprenticeships, traineeships, VET in schools, Indigenous, Disability, and Mature Age apprentices. This will also include remote apprenticeships and traineeships.

Administration of the system will be through partnering with an Australian Apprenticeship Centre, chosen by QGC. The Australian Apprenticeship Centre will assist QGC advertise and recruit for a range of apprentices and trainees.

Work Experience, Vacation Placements and Graduate Program

QGC also have work experience and vacation placement programs. These include:

- A range of opportunities such as QGC participating in university field trips; conference speakers and info booths;
- Work experience is an option QGC will offer local communities in 2011; and,

Vacation placement for graduates will be implemented in 2011, with a small, pilot group trialling in 2010. The BG International Graduate Development Program is a structured two year development programme, during which graduates are offered a range of development activities including placements with on the job training, technical training, development opportunities and regular performance reviews.

2.3.2 CSG/LNG Skills Taskforce

QGC is a key partner in the CSG/LNG Skills Taskforce. The Taskforce (which also includes ESQ, Arrow, Origin and Santos) is working with the Queensland Government and other key stakeholders to ensure the availability of a competent and sustainable workforce to support the current and future development of the CSG/LNG Industry. The purpose of the taskforce is to provide a consultative industry forum that identifies skilling and workforce needs within the CSG/LNG industry and prepares strategies to develop the details to effectively work towards the resolution of these needs. The committee would also meet with government and other relevant parties to discuss and to work through the resolution of these needs.

The CSG/LNG Skills Taskforce has identified and prioritised the following Workforce and Competency Development strategies and tactics.

1. Skills Attraction

- a. Implement a CSG/LNG Industry and regional media and promotional campaign.
- b. Establish a CSG/LNG Career Advisory Centre.
- c. CSG/LNG Gateway Schools Program (QMEA Project)
- d. Streamline skills migration targeting critical skilled occupations.
- e. Develop a CSG/LNG Industry Readiness Program.

2. Skills Development

- a. Build the capacity and capability of CSG/ LNG training in Queensland.
- b. Upskill the existing workforce.

c. Transition competent CSG/LNG practitioners into training and development roles.

3. Skilling Systems

- a. Develop contemporary CSG/LNG industry traineeships, apprenticeships and cadetships.
- b. Model best practice enterprise based training and assessment systems.

4. Skills Sustainability

- a. Establish an on-going workforce planning and development model.

2.3.3 QCLNG Strategy for Indigenous Employment, Training and Business Development

As well as ensuring Indigenous participation through internal recruitment processes and contractor requirements, QGC has developed a strategy for Indigenous Employment Training and Business Development. The following provides an overview of QCLNG's Strategy for Indigenous Employment, Training and Business Development. The strategy acknowledges that strong leadership, internal champions and marketing is required to show "this is good business".

The essence of the Strategy is to ensure that Indigenous people are 'employment ready', so their applications for vacant positions within the QCLNG project and other industry projects can be assessed on a fair and reasonable basis. In particular, the Strategy aims to:

- maximise the use of existing systems / programmes for recruitment and placement;
- include a 'business as usual' approach, whereby Indigenous participants will be trained and supported into productive jobs won on merit; and
- Ensure that Indigenous workers new to the workforce receive personal support to maximise retention.

Both internal and contractor performance will be tracked to ensure that real results are occurring.

The Indigenous Strategy includes requirements for contractors, processes for employment and training, and business development.

These elements are briefly discussed below.

Requirements for Contractors

Major contractors tendering for components of the QCLNG project are required to prepare Indigenous Participation Plans. Opportunities for employment with QGC contractors will be identified through their Indigenous Participation Plans (which form part of the contractual arrangements). The Contractor IPPs will contain, at a minimum:

- Resourcing and staff progression plan for Indigenous employment.
- Skills, competency and training plan.
- Measures to utilise and develop the capabilities of Indigenous enterprises.
- Measures and procedures to ensure that subcontractors support the participation of indigenous employees, and utilise Indigenous enterprises where available.

Employment and Training for Indigenous People

QGC is developing processes to ensure interested Indigenous people in the project area are employment ready for CSG-LNG and other industry projects.

This includes pre-employment training for potential job candidates, targeting work orientation and constraints, as well as the required skill sets, and directly linked to employment outcomes. A skills audit is underway, to identify gaps in applicants' skills for employment in construction, for further training programs.

In addition to pre-employment training for participants, QGC has committed to one on one mentoring with contact employers to support them in taking on Indigenous applicants. Several initiatives will be implemented, such as an employers' initial workshop; support for cultural awareness training; and ongoing networking opportunities for employers. Employment service providers, such as Job Services Australia will be utilised to maximise access to employment opportunities for Indigenous people. Where a Jobseeker registers with a Job Services Australia member or similar service and they are 'Job Ready' according to the criteria for the specific industry, the JSA or other agency may refer the jobseeker directly to QGC. A jobseeker may be acceptable to QGC and recruited immediately, placed in another position with QGC or referred back to the JSA for future consideration in another job.

Benefits expected from QCLNG's Strategy include:

- Pre-employment training that maximises longevity of employment for Indigenous people;
- Upon successful completion of training, merit based employment opportunities for Indigenous people;
- Cost effective strategies via maximising the use and leverage of existing systems and service providers;
- Employers supported to recruit and retain Indigenous workers; and
- Indigenous workers supported in pre-employment personal development and on-going support via one-on-one mentors.

Business Development

QGC is committed to ensuring local Indigenous businesses have access to contract opportunities for the life of the Project. Indigenous businesses will be required to operate on competitive terms to win contracts without reliance on special arrangements.

QGC is mindful of achieving a balance between maintaining the links within community groups, whilst assisting key personnel within businesses to act at all times in the best interest of the business.

QGC will work with local entrepreneurs who wish to launch or maintain a business venture, and who have skills and attitudes conducive to being in business.

QGC will assess a range of mechanisms to assist Indigenous businesses to launch or grow. This may be through QGC resources, including funding, or through direct assistance such as training and support to Indigenous businesses.

The strategy will also use established government programs and providers, where they are tailored for Indigenous businesses and can offer high quality services. QGC will seek to maximise use of DEEWR assistance whether it is mainstream or tailored for Indigenous people, such as the Indigenous Employment Program (IEP).

Contracts for Indigenous businesses must be won on commercial terms, and Indigenous businesses will be contracted on the same terms and conditions as other suppliers.

2.3.4 QCLNG's Employment and Training Initiatives for Vulnerable Groups

QGC is dedicated to collectively assisting a range of vulnerable groups. These are defined as, disengaged youth, people with low incomes, unemployed people, people with a disability, people who speak language other than English at home, and women. A number of examples are shown below and these examples span across a range of vulnerable groups.

Engaging Young People

QGC is an active participant in the Queensland Minerals Energy Academy (QMEA) and is currently participating in the Coal Seam Gas High Schools Project (CGSHSP). The project is a partnership between the QMEA and the three CSG companies QGC, Origin and Santos and aims to build awareness and create knowledge of career opportunities in the CSG industry within selected high schools in the Darling Down region. The program is a key element of the broader CSG/LNG workforce and competency development strategy, formulated by Energy Skills Queensland in the "Workforce & Competency Development Strategy Plan".

As noted in the latest 'report card' for the project, the QMEA has, over the course of the first year;

- Developed strong relationships with each QMEA key teacher and other relevant teachers (science, manual arts and geography) from the seven identified schools.
- Developed a strong general awareness of the coal seam gas industry amongst students and teachers and their school's relationship with the QMEA and the three sponsoring CSG companies.
- Promoted a wide range of careers within the CSG industry to the schools, including Process Plant Operators, Engineers, Geologists, Environmentalists, Production Technicians, Electrical and Instrumentation Technicians and Mechanical Trades (Diesel Fitting).

The activities that were implemented in 2010 included:

- QMEA Student Registrations
- Assembly/Student Presentations
- Student Site Tours
- Teacher Only Site Tours
- 4Girls2 Forum
- CSG Engineering Camp
- Work Experience
- CSG Modules for implementation in schools
- QMEA School Awards
- Indigenous Programs
- Resource Sector Conferences
- QGC Rehabilitation Site Project

- Origin CARS Learner Driver Program
- Santos specific program
- Good News Stories
- QMEA/CSG Partnership Launch

Similar activities are planned for 2011.

General Training and Employment Initiatives

QGC is dedicated to assisting the employability of a number of people that may have been unemployed, have a low income, speak a language other than English at home or have a disability. To maximise benefits for the communities, QGC programs seek to increase employment opportunities across a variety of industry sectors, rather than focus on employability within the LNG sector. Nonetheless, if pathways can be provided to trainees in the QCLNG project, these will be embraced.

The traineeship program involves partnering arrangements between QGC and training organisations. One that is currently functioning is managed by the Gladstone Area Group Apprentices Limited (GAGAL) and Downs Group Training. Both these organisations have had formidable outcomes in the employment and training of individuals in the past.

The training and employment program aims to train and seek employment for 10 individuals – 5 in Gladstone and 5 in South Western Downs. QGC subsidises the host employer \$10,000 for each trainee.

Early outcomes have been very favourable with many of the individuals embracing the opportunities afforded to them through this venture. The types of traineeships that trainees were engaged in included Certificate III qualifications in areas such as warehousing, business, childcare and retail.

Utilising the outcomes from the current venture, QGC is in the process of determining the Terms of Reference for future joint partnering arrangements. There are a range of training organisations that expressed interest in partnering in such a venture and as such it is likely that QGC will request organisations to tender for services.

Improving Employability and Intercultural Networks for Newly Arrived Migrants

Another initiative being supported by QGC is the development of the Women's Intercultural Network (WIN). QGC will contribute approximately \$52,000 towards this initiative and will reassess the funding arrangements towards the end of the first year's operation.

QGC's funding in 2011 will build the capacity of the Women's Intercultural Network to progress a range of settlement and integration activities for new arrivals and migrants. Supporting the successful integration of migrant women and their families leads to greater rates of participation and employee retention.

The Women's Intercultural Network project objectives include:

- To retain migrant and interstate workers in the Gladstone region
- To build the skills and confidence of participants to integrate successfully and improve their employability
- To enrich the Gladstone community with participation of new residents from other parts of Australia and overseas
- Linking new arrivals with existing Gladstone residents to build community cohesion

WIN supports new arrivals in a variety of ways, including providing a range of training and skills development opportunities. Activities planned for 2011 include;

- English language classes
- Computer classes
- Assistance with resume preparation
- First Aid training

WIN ensure accessibility and encourage the ongoing participation of new arrivals by creating a social, informal and welcoming environment. As part of WIN's holistic approach to settlement and integration they proactively link new arrivals with Gladstone based service providers. WIN work collaboratively with a range of key Gladstone stakeholders including: Skilling Solutions, Central Queensland University, Intercultural Reference Group, Gladstone Regional Council, Gladstone Area Promotion and Development Limited (GAPDL), Lifeline and Active Link for Migrant people.

2.3.5 Job Referral and Advertising Service

A key initiative currently being explored includes implementing an Energy Skills Queensland Workforce Centre (ESQWC), in order to address Appendix 1 Part 3 Condition 14 of the Co-ordinator General's Report. The centre would host activities such as:

- A CSG to LNG Industry/Regional Awareness and Job Advertising Campaign; and
- A CSG to LNG Career and Skills Assessment, Training and Job Referral Service.

The overall objective of the ESQWC is to facilitate and support the LNG stakeholders to:

- Develop an awareness campaign to attract skills and interested workers to support the construction of the LNG projects
- Develop a single point of contact for applicant wishing to become involved in the CSG – LNG industry;
- Create a database of job-ready workers;
- Provide assistance for training systems and requirements within the CSG – LNG industry.

The graphic below provides an indication of how the job referral service is anticipated. A multitude of groups will be targeted, and this includes people from vulnerable groups such as school leavers and university and TAFE graduates, women, people who speak a language other than English, people with a disability, Indigenous people. Significant information on skills requirements and/or requirements for training programs will be able to be accessed through this engagement.

Discussions with Energy Skills Queensland and industry partners are in progress, and will be reported on when agreement is reached.

3. MONITORING

QGC will monitor progress on commitments made in the SIMP, and provide progress reports to the Co-ordinator General and Regional Community Consultative Committees (RCCCs), including 6 monthly updates on the Indigenous Employment Plan, Apprenticeship and Training Program and arrangements for the job referral service. This includes monitoring and reporting on performance measures relating to key initiatives, as follows.

Actions	Performance Measures
Develop and implement local employment and apprenticeship and training programs including: <ul style="list-style-type: none"> • Indigenous Employment Plan • Apprenticeship and Training program • participation of vulnerable people in training and recruitment programs 	Local Employment Plan approved by QGC management and the Co-ordinator General Training and skills development available for local people in CSG and LNG, such that ability to hire locally is enhanced over time Partnerships and joint initiatives agreed and implemented 2011-2012 Status of plan implementation as shown by annual review and consultation
Include training commitments as a requirement in major contractors' local content plans.	Training commitments articulated to contractors as appropriate and form part of selection criteria
Provide or support a service to assist local businesses to recruit alongside QGC recruitment campaigns	Availability of a service to help local businesses recruit alongside QGC
Provide progress report updates to the RCCCs on the implementation of the Local Employment Plan, support for local businesses to recruit and local industry participation	Progress reports received including local industry participation performance measures (address in the AIPP).
Continue support for industry and school partnerships to build increased opportunities for apprenticeships and employment	Training and skills development available for local young people in CSG and LNG Partnerships and joint initiatives agreed and implemented 2011
Implement QGC Indigenous Training, Employment and Business Development Strategy	As per SIMP Action Plan 1: Indigenous Participation
Establish a Chinchilla office in the gas fields to support interaction, consultation and partnerships for economic development	Office established and operating as shopfront

In respect to the job referral service, discussions with Energy Skills Queensland and industry partners are in progress as reported in Section 6.2, and this will include discussion of performance measures and monitoring.

Monitoring will also include:

- QGC data on the number, origin, and where relevant, cultural identity of employees (both QGC and major contractors)
- Consideration of data from major contractors' reports on social KPIs relating to employment of local, young and Indigenous people;

- Qualitative assessment of the impact of these actions (e.g. participants' report and attainment levels, school program participants' feedback);
- Data on the number of local workers upskilling for jobs in QCLNG;
- Number of participants in CSG and non-CSG traineeships
- Numbers of Indigenous workers employed
- Outcomes of cross-industry training initiatives

Key Local Indicators will be monitored, including labour force participation rates, employment rates and Indigenous employment, however these are affected by cumulative impacts and are relevant at the broader level.

4. CONCLUSION

This report has outlined the Local Employment Plan for the Queensland Curtis LNG Project (QCLNG). As noted, QCLNG is unprecedented in Queensland's history and involves a multi-billion-dollar capital investment in:

- The expansion of QGC's existing coal seam gas production in the Surat Basin in southern Queensland;
- A network of underground pipelines including a 340 km gas transmission pipeline linking the gas fields to Gladstone; and,
- A liquefied natural gas plant at Curtis Island, near Gladstone.

Significant numbers of people will be employed during construction and operation of QCLNG, and QGC is dedicated to ensuring that employment and training opportunities for locals residing in the Regions where QCLNG is operating are maximised.

The approach taken in the Local Employment Plan has been multifaceted. It includes initiatives to ensure employment and training initiatives for locals are maximised internally within QGC, initiatives to ensure external contractors also maximise local content, training and employability initiatives.

QGC has welcomed the opportunity to articulate the employment and training initiatives for the Regions in which QCLNG will be operating and looks forward to communicating the initiatives' progress.

Appendix 4. Integrated Housing Strategy

Final Integrated Housing Strategy

08 August 2011

QCLNG - AUS-HRM-GEN_RPT_0903

QCLNG PROJECT

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1. EXECUTIVE SUMMARY

QGC and QCLNG

QGC is a leading Australian coal seam gas explorer and producer focused on developing its world class reserves for domestic and international supply. In 2010, QGC supplied about 20% of Queensland's domestic gas production.

From 2014, QGC plans to produce first shipments of liquefied natural gas from Queensland Curtis LNG (QCLNG), for international markets.

The QCLNG project involves expanding QGC's coal seam gas operations in the Surat Basin in south-western Queensland, and transporting the gas through a 540km underground pipeline network to Gladstone, where it will be turned into liquefied natural gas, also known as LNG, on Curtis Island.

The three components are:

1. Midstream (the LNG Plant) in the Gladstone Region LGA
2. Upstream (the gas fields) in the Western Downs Region LGA; and
3. Pipeline in the Western Downs, Banana Shire, North Burnett, and Gladstone Regions.

QCLNG Workforce

The QCLNG Project has three components with two phases each - construction and operations. During project construction, QGC expects to create an average of 5,000 jobs over four years through direct employment and contractors' workforces. Many more indirect jobs will be created in response to the project as local businesses grow, and this will contribute to long term economic growth in the project regions.

Peak workforces are expected as follows:

Table 1 Peak Construction Levels

AREA	PEAK CONSTRUCTION LEVELS
Midstream (LNG)	3, 000
Upstream (Gasfields)	2, 000
Pipeline	1, 200
Drilling	400

The QCLNG Project is escalating its works and has proceeded to full construction in the Gladstone and Western Downs areas in 2011. The construction phase is planned for completion by mid 2014, with peak construction employee levels reached by late 2012. The total operational workforce is expected to reach a steady state of approximately 700 people in 2013-2014. Gathering and drilling will continue to 2025.

Gladstone Construction and Operations Workforces

The construction workforce in the Gladstone area will be focused on the LNG processing plant, and will include local residents already residing in the area, new settlers, and short term employees and contractors.

The LNG construction workforce is expected to peak at around 3,000 workers in 2012-2013. The percentage of local workers in Gladstone is anticipated to reach 35% of the total construction workforce. A temporary workers accommodation facility will be established on Curtis Island by September 2011 to house all non-local workers.

Following construction, the operational phase will commence in 2014. Operational workforce numbers will reach 175 in total, with 145 employees projected to be living in Gladstone and 30 living elsewhere.

Operational staff will begin to arrive in Gladstone during the construction phase. QGC expects to employ approximately 30 LNG operational staff in Gladstone by Q4 2011. By Q2 2012, this workforce will have increased to approximately 40 staff, and by Q2 2013, approximately 115 staff.

Housing strategies for Gladstone-based construction managers and new settlers to the Gladstone region are outlined in Section 3.

Western Downs Construction and Operations Workforces

The Western Downs construction workforce will develop and construct gas fields infrastructure including Central Processing Plants, field compression stations, collection header, export pipeline and gas wells. The majority of QCLNG project employees over the next 4 years will be construction workers, employed by QGC's contractors. Temporary workforce accommodation facilities will be utilised as the major form of accommodation for these construction workers.

By mid 2012, approximately 2,000 workers will be employed in construction in the gas fields. Numbers will then decline from mid 2013 to approximately 400 from late 2014.

The gas field's construction workforce will predominately comprise the construction contractors' workers who will fly or drive in and out. QGC anticipates this may be 98% of the workforce, who will be housed in temporary workforce accommodation facilities throughout the Western Downs area during their rostered shifts.

QGC plans to provide a mix of workforce accommodation facilities including both established camps in Dalby and Chinchilla, and new camps to be developed in relation to the major construction fronts. QGC's operational workforce for the gas fields will peak at around 500 staff in late 2013. Strategies for housing operational workforce are outlined in Section 3.

Integrated Housing Strategy

QGC is required to produce an Integrated Housing Strategy (IHS) for the QCLNG project in compliance with the Co-ordinator General's EIS conditions for the project. The QCLNG IHS will establish the framework and guidelines for all matters relating to housing and accommodation involving all QGC employees.

QGC will utilise both a direct (i.e. housing construction) and indirect (through the QGC Employee Accommodation Assistance Program) approach to facilitating provision of housing. This will meet employees' housing needs, and contribute to the provision of additional housing in the local government areas in which we work.

We will continue to work with Western Downs and Gladstone Regional Councils to provide additional affordable and community housing stock.

Affordable/ Social and Community Housing

Escalation of rental rates and / or housing prices is an entrenched nationwide issue that is of concern to all levels of Government. The QCLNG project is a potential catalyst for population growth that may induce a swifter rate of price escalation in its host communities than is typical across the country. While QGC is unable to control all the factors that contribute to this impact, the company will nevertheless aim to mitigate its potential adverse outcomes on low income households. Strategies include:

- facilitating the provision of new housing stock for the workforce to reduce demand pressures;
- investment of \$1 million across the project area to support Indigenous community access to affordable housing;
- Funding a Rental Assistance Program via the Community Advisory Service in Gladstone to the value of \$1.2 million
- collaborate with other proponents to fund the Urban Land Development Authority (ULDA) to fast track the development of 250 plus lots; and

- collaborate with other proponents to fund social/ affordable housing development organisations to develop social and affordable dwellings in both the Gladstone and Western Downs areas.

Social, community and affordable housing initiatives have been discussed with the Gladstone and Western Downs Regional Councils, and are outlined in sections 3.2 and 3.4.

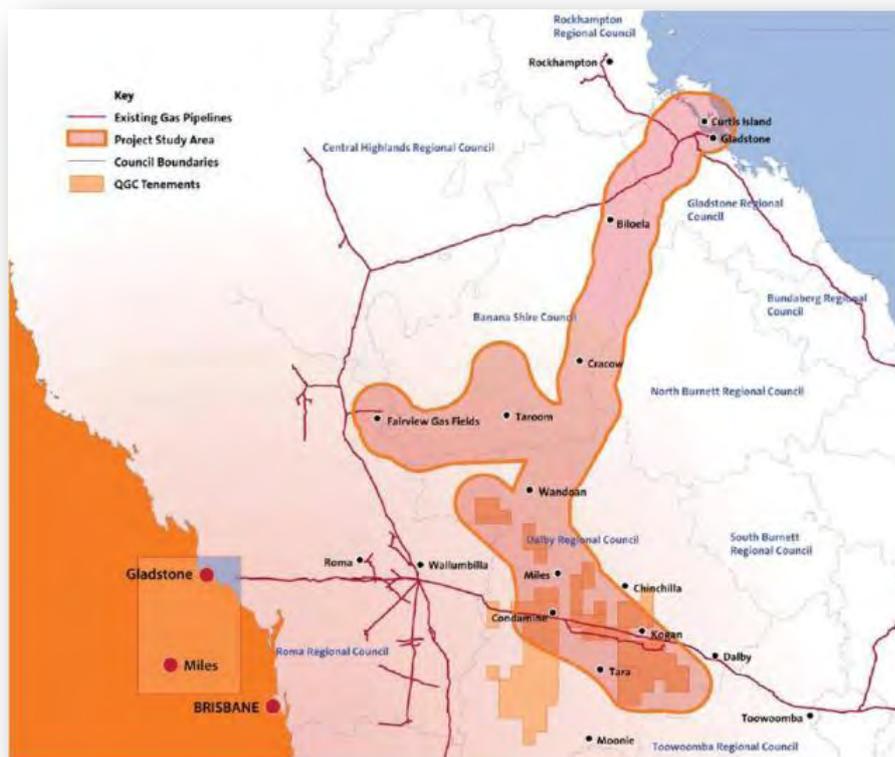
2. INTRODUCTION

2.1 QCLNG

The Queensland Curtis LNG Project entails the expansion of QGC's existing coal seam gas production in the Surat Basin in southern Queensland including wells, gathering network and compression facilities (gas fields component), an export pipeline between the gasfields and Curtis Island (near Gladstone), (pipeline component) and the development of a liquefied natural gas plant at Curtis Island, near Gladstone (LNG component).

A map of the Queensland Curtis LNG Project area is shown in Figure 1.

FIGURE 1: QCLNG PROJECT AREA



The Project underwent a comprehensive environmental impact assessment process to satisfy State and Federal legislative requirements. This included a detailed social impact assessment, including housing analysis, undertaken in 2008-2009. Changes in workforce numbers and housing conditions were subsequently addressed in a Supplementary EIS.

QGC Limited (QGC), a BG Group business, has been granted regulatory approvals to develop an integrated Liquefied Natural Gas Project in the Surat Basin and Gladstone in Queensland (Queensland Curtis LNG Project). State approval for the project's EIS was provided 23 June 2010, and Federal approval was provided on 22 October 2010. BG Group made its Final Investment Decision on 31 October 2010, enabling the project to proceed to construction. Early works started during November 2010, and the Project proceeding to full construction during 2011.

The Queensland Curtis LNG Project will be one of the nation's largest capital projects with significant economic benefits for Australia and in particular for Queensland.

2.2 QCLNG EIS CONDITIONS

Appendix 1 Part 3 to the Co-ordinator-General's QCLNG EIS Report includes conditions for housing.

Condition 9 is a requirement to develop an integrated Housing Strategy for the Project in consultation with Councils and the Department of Communities, within 90 calendar days of the project receiving a final investment decision to proceed, and submit to the Coordinator – General for agreement.

The strategy is to include provisions to:

- Provide housing for QGC's imported workforce that is not housed by the project specific temporary worker accommodation by a range of means including direct supply of housing/units and facilitating joint ventures for construction of dwellings;
- Provide investment in community housing for households who may be significantly adversely affected by increased housing costs particularly for indigenous people and low income households;
- Implement strategies to advise workers and families wishing to settle in project areas of their accommodation options under this strategy;
- Monitor the effect of the provision of affordable housing particularly for Indigenous people and low income households, and invest in that housing where shown to be required; and
- Review performance of workforce housing supply.

Condition 10 requires QGC or its construction contractors to facilitate provision of new or additional housing stock in the Gladstone region to meet, as a guide, 50 per cent or other percentage concluded from the Integrated Project Housing Strategy and approved by the Coordinator-General with advice from the Department of Communities, of the project's workforce seeking to settle in the Gladstone regional Council Area.

Condition 11 requires QGC or its construction contractors to facilitate provision of new or additional housing stock in the Western Downs region to meet, as a guide, 75 per cent or other percentage concluded from the Integrated Project Housing Strategy and approved by the Coordinator-General with advice from the Department of Communities, of the project's workforce seeking to settle in the Western Downs region regional Council Area.

Condition 12 requires QGC to mitigate its impact on accommodation for low income households who may be impacted by project induced escalation in rental rates or housing prices. This may include facilitating the provision of new or additional supply of housing stock for the following purposes, progressively as the project workforce increases or by contributing to a Government sponsored community and affordable housing initiative. As a guide the Coordinator-General set the following target that QGC provide resources for affordable and community housing at the rate of 1 unit of accommodation for every 8 imported workers settling in Gladstone or in the Western Downs region.

It is also required that the Integrated Project Housing Strategy provide 6 monthly reports to year end 2015 to the Regional Community Consultative Committees.

2.3 OBJECTIVES AND ACTIONS

The QCLNG Integrated Housing Strategy has been developed with five key objectives:

- Deliver a housing solution which satisfies the requirements of the Project's EIS conditions;
- Attract and retain long-term employees to integrate with local communities, through provision of workforce housing options;
- Avoid the creation or exacerbation of social disadvantage through mitigating effects on housing availability;
- Leave a positive legacy of diversity in the housing stock, and social and affordable housing; and
- Respond to the diverse geographic locations of the project, and varying housing markets in the host communities.

The Integrated Housing Strategy includes solutions for accommodating both construction and operational workers. There are obvious tensions between solutions required for a large, short term construction peak and a much smaller long term non-itinerant operations workforce. In Gladstone, the operational workforce will represent some 5% of the construction peak, and in Western Downs this figure is around 25%. As such, the strategy is required to address different phases, whilst leaving a positive legacy for the community.

QGC understands the need to ensure accommodation standards and housing options meet employee expectations and industry standards, whilst reducing negative impacts on local housing markets. The Integrated Housing Strategy provides a flexible solution for addressing housing impacts and meeting the accommodation requirements of the Queensland Curtis LNG project workforce.

2.4 POLICY CONTEXT – AFFORDABLE HOUSING

In accordance with the Queensland Government Affordable Housing Policy guidelines, affordable housing should consider the following:

Appropriateness of the Dwelling

Dwellings should be appropriate to the needs and circumstances of the household in terms of the number, size and configuration of rooms, safety considerations, the versatility of indoor/outdoor spaces, and ease of physical access, regardless of the physical capacity of household members.

Housing and Social Mix

A range of housing types, tenures and styles should be available to meet the needs of people at different stages of their life cycle and under negative economic circumstances. Planning should seek to avoid the impacts of a housing market that excludes all but relatively high-income earners. We need to avoid the development of neighbourhoods that do not contribute to community well-being.

Tenure Choice

Households should enjoy tenure choice and consumer protection, including access to long lease contracts, shared equity arrangements, and cooperative ownership structures, as well as opportunities for home purchase and private rental.

Location of Housing

Housing should be well located in relation to places of employment and to the range of services, facilities, communication and transport networks required to meet other household needs. Planning and design should ensure that residential neighbourhoods and buildings are compatible with adjacent land uses.

Quality of Environmental Planning and Design

Housing planning and design should be responsive to local microclimate and environmental conditions by incorporating energy efficient design principles. Housing should fit into and enhance the neighbourhood, ensure privacy to residents and neighbours, and incorporate the principles of crime prevention through environmental design. Neighbourhood design should promote safe and convenient pedestrian access to local services and facilities.

Cost

Low-income households (the bottom 40 per cent of households on the income distribution) should spend no more than 30 per cent of their income on mortgage or rental payments. All households should be able to meet the cost of their dwellings, and the longer-term costs of maintenance and energy consumption, while meeting other lifestyle needs.

In 2007, the Queensland Government released the Queensland Housing Affordability Strategy. The goal of the strategy was to bring government owned land to market more quickly, to allow the market to respond more efficiently and effectively to providing housing. The strategy aimed to provide for a more competitive and responsive land and housing market by significantly reducing the timelines and associated holding costs of bringing new homes to the market.

2.5 QGC SOCIAL PERFORMANCE AND RESEARCH

QGC's business principles and social performance policy require QGC to:

- put in place appropriate measures to manage social impacts from our activities (for example, pressure on social and health services, housing impacts, reduced amenity and effects on social values);
- work to ensure that neighbouring communities benefit from our presence (for example such as local employment, community vitality, and business development); and;
- listen to neighbouring communities and take account of their interests (such that community values are considered in project development and activities).

This includes developing a sound research base for strategy. During 2010, QGC undertook three housing research projects to set out the basis of the Integrated Housing Strategy, to assist QGC in formulating policies and procedures. The first was a substantive report compiled by SGS Economics and Planning, Andrea Young Planning Consultants, and Change Sustainable Solutions, based on extensive consultation (as described in the following section).

The second was an analysis of delivery options to provide advice on housing portfolio structuring. KPMG were engaged to provide strategic advice to QGC in relation to:

- Commercial structures for any QGC owned accommodation;
- Accommodation delivery options appropriate to QGC parameters;
- Potential strategies for procuring the housing requirement; and
- Key parties with capacity to contract and deliver.

Thirdly, independent residential property data benchmarking and monitoring quarterly reports have been commissioned by QGC, to monitor real estate data for the local real estate markets. Such data includes recent property sales for houses, units, townhouses and land, median weekly rents for houses, units, townhouses, and motels and caravan parks.

2.6 STAKEHOLDER CONSULTATION

To ensure input from stakeholders for the QGC Integrated Housing Strategy, SGS Economics and Planning and Andrea Young conducted consultation with over twenty major key stakeholders during February-March 2010, on QGC's behalf. These discussions were an important input for the determination of needs, and implementation of housing responses.

Organisations consulted in this process included:

- Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)
- Queensland Community Housing Coalition
- Housing Forum (Registered Community Housing Providers) - Toowoomba
- Toowoomba Housing company Steering Committee members;
- Toowoomba Regional Council
- Department of Communities – Aboriginal and Torres Strait Islander Services (South West Queensland)
- Department of Infrastructure and Planning (DIP), and Department of Communities -Housing and Homeless Services (DOCs) - Brisbane
- Department of Infrastructure and Planning – Social Impact Assessment Unit and Major Projects
- Department of Employment, Economic Development and Innovation (Regional Economic Strategies)
- Urban Land Development Authority (ULDA)
- Department of Communities -Housing and Homeless Services (DOCs) – SW Region.
- Western Downs Regional Council (WDRC)
- Surat Basin Corporation (SBC)
- Surat Basin Homes / Surat Basin Developments
- Gold Coast Housing Company (GCHC)
- Gamba Lodge (Aboriginal Hostels Limited / Goolburri Regional Housing Company)
- Goolburri Regional Housing Company Pty
- Gladstone Economic and Industry Development Board
- Gladstone Chamber of Commerce and Industry
- Gladstone Area Promotion and Development Limited (GAPDL)
- Gladstone Regional Council
- Coordinator General and staff
- LNG proponents including Santos, Origin and Arrow Energy
- Round table meetings that included Coordinator General and staff, Gladstone Regional Council Councillors and staff, ULDA, and other proponents.

Key issues identified by stakeholders included:

- the importance of maintaining and improving housing affordability;
- diversity of new housing stock required to meet a range of needs and family types;
- the need to work within Council and State development approval processes;
- the need to identify land availability for affordable housing;
- building industry constraints, due to skills shortages (now exacerbated by flooding events);
- some limitations in the capacity of community organisations to deliver community housing solutions;
- increasing usage of tourism accommodation (motels, hotels) for short term housing in the Gladstone region;
- the need to consider vulnerable groups' needs, including ageing people, young people, people with disability and low income households, and shortages of appropriate housing options;

Key issues identified by stakeholders cont'd

- ensuring dwellings for special needs groups are accessible and low maintenance;
- the need for culturally responsive housing solutions for indigenous households;
- short term and crisis housing is currently in short supply throughout the project area;
- short supply of accommodation for seasonal workers; and
- the need for companies and major projects to engage positively with local communities in developing housing solutions.

2.7 COUNCIL INPUT

Gladstone

QGC consultation with the Gladstone Regional Council over the last twenty four months, has consistently found that Council is concerned about the effect of major projects on housing affordability.

QGC's consultation with Gladstone Regional Council, as recent as July 2011, has identified the following points to be addressed in the IHS:

- Current projects in the Gladstone area are placing high demands on housing and hence are impacting the availability of housing and short term accommodation in Gladstone. QGC needs to take earliest possible action to facilitate housing delivery.
- QGC needs to invest in social and affordable housing.

QGC also recognises that the Council expects that the QCLNG project will facilitate homes for release to the community. This strategy details the numbers and timetable QGC will deliver to meet this expectation.

QGC has consulted with GRC on the development of a community housing partnership involving Council land. There is also potential for a partnership with a local organisation to develop social housing.

QGC will continue regular contact with the Gladstone Council in implementing the Integrated Housing Strategy.

Western Downs

QGC have consulted with Western Downs Regional Council (WDRC) throughout 2010, with further consultations specifically relating to workforce accommodation facilities housing during December 2010, and February/ March 2011.

These discussions included the location of workers accommodation facilities in Western Downs LGA. Council's desire was for camps to be located in or near towns, to maximise local benefits.

As a result of this consultation, QGC has amended its proposed location strategy for accommodation facilities, and is now facilitating the expansion of two existing camps in Dalby and Chinchilla (and utilising a third). In-field accommodation facilities will still be required, but have been reduced to two facilities (from four), and will be of reduced capacity as described in Section 3.

Accommodation strategies for operations, affordable and social housing were also discussed with Council, who identified the following principles:

- dwellings that QGC facilitates provision for should be spread across the key towns in the Western Downs;
- provision of housing should closely consider local towns’ housing markets, including numbers of dwellings on the market, costs and rental availability;
- the capacity of existing infrastructure, for example, local water infrastructure and community services, need to be considered in any planned development;
- QGC’s planned housing provision should address general affordability;
- six monthly reviews of the IHS were seen as key to monitoring the effectiveness of the housing strategy;
- driving time and access to project sites is a determining factor for housing location, considering both contributing to local integration and driving safety; and
- employee’s preference, likely to include access to services, and amenities need to be considered in locating housing.

Council also noted that QGC needs to be mindful of where other resource companies are planning to build or access dwellings, to avoid cumulative impacts, noting that QGC doesn’t have full visibility of this. Social and affordable housing options were discussed with Council’s planned housing business unit activities. These are further discussed in Section 4.

Banana Shire and North Burnett

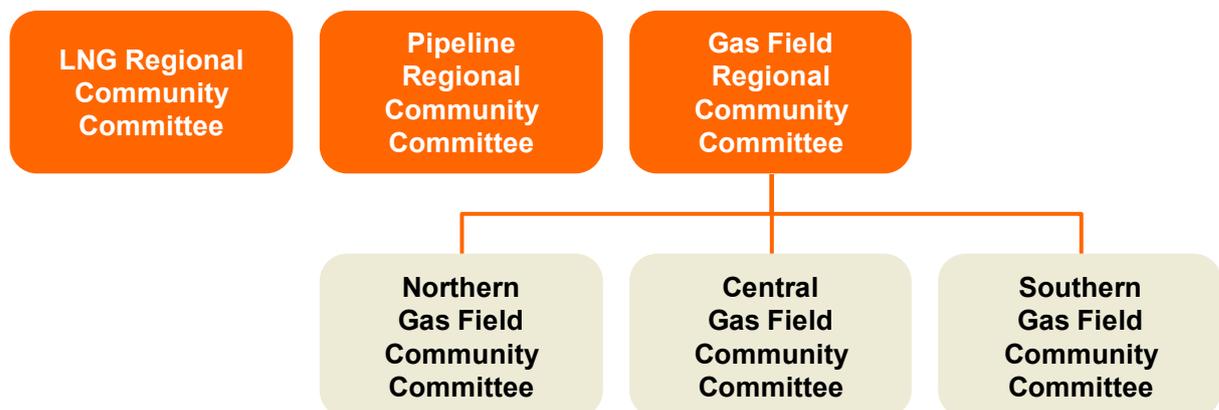
QGC has worked with North Burnett Regional Council and Banana Shire Council to agree the locations of and conditions for location of temporary workforce facilities in these two LGAs. This is further discussed in Section 3.5.

QGC has also agreed with the Councils that it will monitor any impacts of QGC pipeline construction workers on local housing markets.

2.8 QGC COMMUNITY COMMITTEES

As part of the commitment to community consultation and engagement, QGC has established community committees. The QGC Community Committees are geographically representative of the three major components of the QCLNG Project; gas field, pipeline and LNG. The committees represent those communities either directly or indirectly impacted by QGC activities, as outlined below.

FIGURE 2: QGC COMMUNITY COMMITTEES



The QGC Community Committees allow QGC to regularly inform, consult and where appropriate collaborate with communities directly or indirectly affected by QGC's activities on a variety of business issues. Initial discussions about housing have identified a shared concern across the committees that the number of major projects in the area will negatively affect housing affordability.

The outcomes of the six monthly reviews of the effectiveness of the Integrated Housing Strategy will be shared and discussed with the consultative committees.

3. QGC HOUSING STRATEGY

Objectives

The QGC Integrated Housing Strategy has been developed to address the impacts of long term workers (including contractors) who choose to settle in either the Gladstone LGA or the Western Downs LGA.

New Settler

An individual who previously did not live in the relevant Regional Council area and is seeking to settle within a reasonable commutable distance to the project site for permanent ongoing employment. QGC believe that the operational workforce will be the only permanent ongoing employees and hence has applied this definition to its Operational Workforce.

3.1 GLADSTONE CONSTRUCTION PHASE

Local Workers

Local QCLNG workers will utilise their existing housing.

Existing Construction Workers

Construction workers in the Gladstone area are currently being accommodated in leased properties - serviced apartments, apartments/units, houses and motel/hotel rooms.

Bechtel will use up to 127 properties (including houses and motel rooms) for QGC related works until these employees can be moved into the Curtis Island camp from November 2011.

QGC will utilise up to 30 properties (houses, apartments and units) over the life of the project to house construction management employees. Currently QGC construction has utilised only 21 properties in the Gladstone area.

The leases are predominately short term, with capped increases to minimise the inflationary pressure on rents.

Curtis Island Temporary Workforce Accommodation Facility

QGC through its construction contractor will construct a 2,000 person temporary workforce accommodation facility on Curtis Island, to house all non-local workers. It is planned for the first phase of this camp to start accepting workers from November 2011 and be completed in early Q2 2012.

Workforce

Construction of the LNG facility commenced in early 2011. By mid to late 2011, around 500 local workers will be employed and by late 2012 it is expected that the LNG construction workforce will peak at approximately 3,000 workers.

By late 2013, the workforce is expected to decrease to approximately 1,500 workers. With the completion of Trains 1 and 2, the construction workforce is expected to fall to around 200 by late 2014, and cease in mid 2015.

Any further development beyond trains 1 and 2 is not considered as part of this Integrated Housing Strategy.

The diagrams and tables throughout this section outline the breakdown of the Full Time Equivalent (FTE) workforce numbers for the QCLNG project Workforce. The project planning team have composed the FTE figure based on project and economic analysis. Percentages were then calculated from internal project advice and economic analysis to establish a breakdown of the total workforce for Gladstone.

FIGURE 3. GLADSTONE CONSTRUCTION WORKFORCE

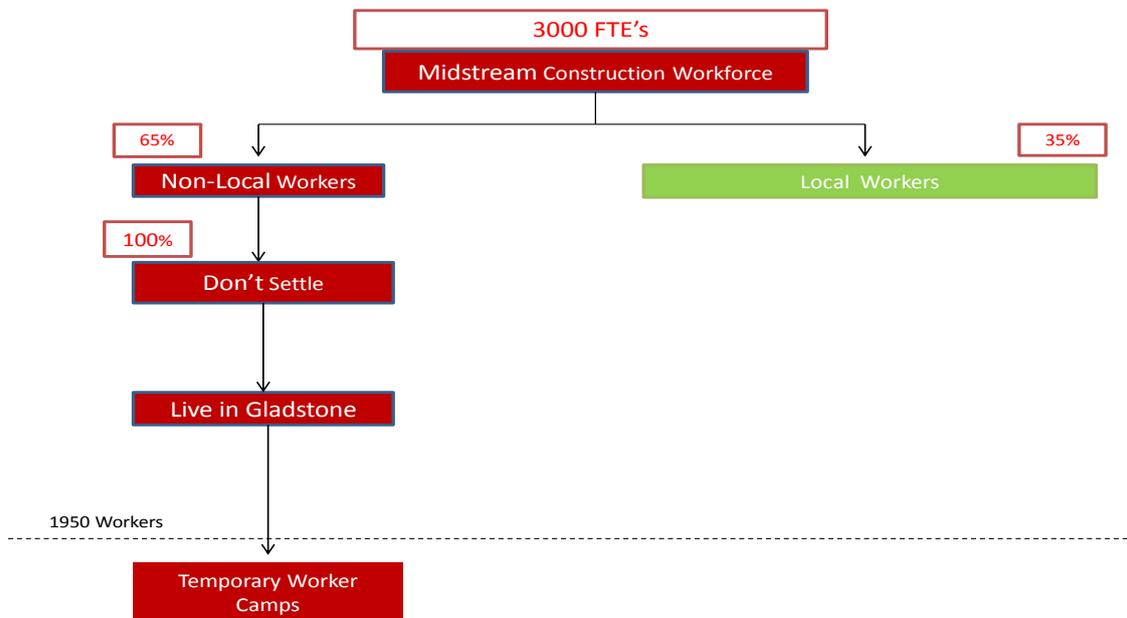


Table 2. Gladstone Construction Workforce Summary

GLADSTONE CONSTRUCTION WORKERS SUMMARY	
Total Workers	3000
Total Local	1050
Total Non local	1950

3.2 GLADSTONE OPERATIONS PHASE

Workforce

QGC expects to employ approximately 34 LNG operational staff to work in Gladstone by Q4 2011. By Q2 2012, this workforce will have increased to approximately 40 staff, and by Q2 2013, approximately 115 staff. This timeline heavily relies on the outcome of the recruitment process.

The full operational workforce of 175 is expected to be in place by January 2014. This will total approximately 145 staff in Gladstone.

FIGURE 4. GLADSTONE OPERATIONS WORKFORCE

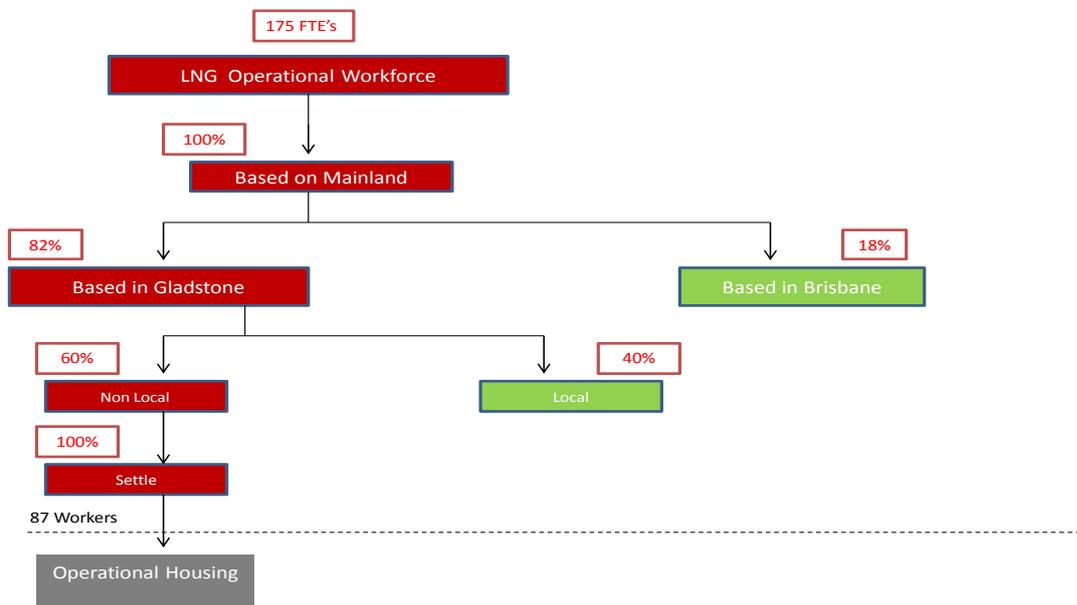


Table 3. Gladstone Operations Workforce Summary

GLADSTONE OPERATIONAL WORKERS SUMMARY	
Total Workers	175
Local	58
Non local – New settlers	87
Brisbane Based	30

QGC anticipate that 40% of the operational workforce will be local to the Gladstone area and hence have their own accommodation. The other 60% will be non locals looking to settle in the Gladstone area and hence seeking permanent accommodation.

As with every operational site there will be a need for short term accommodation during the life of the Project. This short term demand will be accommodated in the city's short stay accommodation. The short term workers will consist mainly of Brisbane based workers travelling to Gladstone for work commitments.

Gladstone Housing Delivery

Rental Assistance Funding Agreement

Following consultation, QGC will fund the Department of Community Advisory Services (CAS) of the Gladstone Regional Council to develop a rental assistance program. This program will aim to assist trainees and apprentices of Gladstone who find themselves under rental stress. In early August 2011 this funding agreement was finalised and signed by both QGC and GRC.

This funding agreement will total \$1.203M, being \$203,000 for administration costs and \$1M for direct funding. This program will continue for two years.

QGC believe that this agreement can be finalised, signed and funding commenced in Q3 2011.

Construction and Operations

QGC will build a total of 45 new dwellings in the Gladstone area.

Initially QGC will develop 28 executive townhouses located at Carinya Drive. These townhouses will be a mixture of 3 and 4 bedrooms and will be utilised to house construction staff, and temporary visitors to Gladstone. Construction of these townhouses will be completed Q1 2012, albeit pending on the outcome of the development application (DA). QGC will immediately commence utilising this accommodation for short term stays for all staff and vendors and thus will immediately reduce demand pressures on the Gladstone tourism accommodation. .

QGC seeks the construction of these townhouses to be completed as quickly as possible and to be executed so as not to place any additional accommodation demands on Gladstone. Accordingly the construction of these townhouses has already commenced in factory facilities outside of the Gladstone region and once completed these townhouses will be transported to Gladstone and erected.

In addition QGC have commenced the development of a further 10 new houses in the Gladstone area. Housing diversity will be achieved by QGC supplying the various types of housing including units, townhouses and houses. Various land developments across numerous locations will offer an assortment of lot sizes, configuration and location, and therefore price.

QGC aims to complete the first of these dwellings by Q4 2011, but clearly, this relies heavily on numerous factors that can effect construction e.g. weather.

QGC will continue to develop the remaining seven dwellings and the plan is for the construction of these dwellings to begin in the first half of 2012.

Urban Land Development Authority (ULDA)

QGC has commenced negotiations to establish a partnership with the Urban Land Development Authority (ULDA) in order to bring forward the development of 250 plus lots of land. The ULDA seeks a loan of \$3.3M from all LNG proponents and in return the proponents will be officially acknowledged by the Coordinator – General as facilitating a number of dwellings proportionate to their investment.

This lending arrangement is necessary for the ULDA to accelerate their Clinton development from five years to three years and thus facilitate provision for dwellings to be built expeditiously.

This proposal has numerous benefits including:

- Release of extra land lots into the market in a timely manner.
- 60% of all house and land packages will be sold under the Gladstone median house price
- Extra supply could assist in reducing the current land price increases
- Affordable prices will allow a greater range of purchasers into the market e.g. first home buyers etc.

In the event that the Clinton partnership is successful QGC will also strongly consider working with the ULDA on other ULDA projects i.e. Tannum in the future.

Social, Community and Affordable

After consultations with GRC, the Coordinator General's office and other LNG proponents, QGC has elected to pool its funding contributions with other proponents to fund a housing organisation that will develop dwellings to meet social, community and affordable needs.

The housing organisation chosen to deliver these dwellings must meet all LNG proponents and GRC conditions thus ensuring full delivery of planned dwellings.

QGC will seek guidance from the appointed expert social/ affordable housing organisation and GRC on the amount of funds and when these funds need to be delivered.

QGC plan to fund up to \$5.2M for this project. In addition QGC will fund \$500,000 for Indigenous housing support, plus fund \$1.1M for the ULDA acceleration of development lots at Clinton. QGC will fund a total of \$6.8M for social, community and affordable housing as outlined in strategy 4, table 4 below.

Employee Accommodation Assistance Program

QGC will utilise an Employee Accommodation Assistance Program (EAAP) to incentivise staff to build new dwellings in the Gladstone area. However there are many variables associated with this program and hence QGC has not included any new build dwellings associated with this program in this strategy.

Indigenous Housing

QGC will fund \$500,000 to an organisation to provide community housing assistance for the Indigenous people.

QGC plan for this funding agreement to be finalised, signed, and approved in the first half of 2012. QGC will work with the Government and local indigenous housing stakeholders to identify an appropriate model and focus for support in this area.

Data Collection and Monitoring Framework

Under the Coordinator Generals conditions, QGC must provide 6 monthly reports to year end 2015 to the office of the Coordinator General. In addition QGC are currently working with government agencies to develop an integrated data collection and monitoring framework.

Once developed this framework will be used as the key mechanism to negotiate and develop solutions to adjust the QGC IHS should mitigation measures require adjusting. As stated above QGC expect to partnership the ULDA for any adjustments required to meet mitigation measures.

Gladstone Housing Diversity

Housing diversity will be achieved by QGC supplying various types of housing including units, townhouses, and houses. Dwellings will be located across the Gladstone LGA. Given the range of locations and types of housing, housing prices will vary, and include affordable dwellings.

Housing Delivery Summation

Table 4. IHS Gladstone Region Summation

Strategy	Deliverable	Time Frame	Investment Proposal	Partnership Potential
Objective 1: Minimise housing impacts on the local regional communities				
1. Establish a purpose built temporary workers camp.	Construct a workers accommodation facility on Curtis Island Gladstone for 2000 workers.	This camp will begin to accept workers in late November 2011. The initial intake will be 200 workers at this time.	Commercial in confidence	N/A
2. Build and develop new dwellings for long term settlers in the Gladstone area.	QGC will deliver up to 45 dwellings over the next 2 years.	Development of the first 38 has already begun.	\$19.125M (based on Gladstone March Median house price)	Building and development Industry.
3. Build and Develop new dwellings for long term settlers in the Gladstone area	QGC will offer operational staff incentives to build new dwellings in the Gladstone area. These incentives will be negotiated on an individual basis.	Started.	Commercial in confidence	Building and development industry.
Objective 2: Mitigate short term impacts to local areas				
4. Facilitate the provision of new social and affordable dwellings in Gladstone targeting low income workers.	Provide funding for a social/ affordable housing organisation to be established in the Gladstone area. This organisation will also be involved in the administration of these dwellings.	Tender process to appoint this organisation has now closed and is currently being assessed.	\$6.8M	Council housing company, ULDA and LNG Industry
5. Provide funding to assist local trainees and apprentices who are currently suffering or may suffer rental stress in the near future.	Contribute funding to the Gladstone Corporate Advisory Services to support rental assistance programs.	August 2011 – August 2013.	\$1M	Gladstone Regional Council
6. Facilitate the availability of the rental advisory services via the Gladstone regional Council Department of Community advisory services	QGC will fund additional staff to assist in the establishment and administration of the youth rental assistance program over a two year period.	Immediately to August 2013.	\$203,000	Gladstone Regional Council
7. Provide funding to assist Facilitate the provision of community housing targeted at	Provide funding for a social/ affordable expert housing organisation to be established in the	Tender process to appoint this	\$500,000 Included in	Council housing company, ULDA and LNG

indigenous people	Gladstone area. This organisation will also be involved in the administration of these dwellings.	organisation has now closed and is currently being assessed.	Strategy 4 funding.	Industry
Objective 3: Improve supply restrictions which restrain the housing market to cope with sudden increases in demand				
8. Partner with the ULDA and other LNG industry proponents to bring forward the development of affordable housing lots to the Gladstone Market.	QGC plan to enter into an agreement with the ULDA to provide funding that will contribute to accelerating the development of 250 plus housing lots at the Clinton Estate in a period of three rather than five years.	Immediately	\$1.1M Included in Strategy 4 funding	Council housing company, ULDA and LNG Industry
Objective 4: Monitoring housing market activity to establish the efficiency of strategies.				
9. Monitor the Gladstone housing market to ensure housing strategies are delivered accordingly over the lifetime of the project	Work with Government departments to develop and implement a Data Collection and Monitoring framework to consistently monitor and report on the state of the local housing market.	Negotiations have commenced.	N/A	OESR, Gladstone Regional Council, DEEDI, office of the Coordinator General, DOC

3.3 WESTERN DOWNS CONSTRUCTION PHASE

Workforce

By mid 2012, approximately 2,000 workers will be employed in construction in the gas fields. Numbers will then decline from mid 2013 to approximately 400 from late 2014.

In relation to geographical distribution, the workforce is forecast to peak as follows:

- in the southern field (nearest Tara and Dalby), at around 900 workers during Qtr 2 2012;
- in the central field (nearest Miles, Chinchilla and Condamine), at around 640 workers by mid 2012; and
- in the northern field (nearest Wandoan), at around 800 workers during Q1 2013.

Peaks occur at different times in different fields, so are not fully co-incident.

Construction for Train 1 and 2 gas field facilities is expected to be complete in 2014. Construction of gathering and processing infrastructure for a third train is likely to occur after the initial two trains. Any further development beyond trains 1 and 2 is not considered as part of this strategy.

More than 98 per cent of the construction workforce is expected to originate from outside the project area, and will either drive in to camps, be transported by bus to the camps, or fly from Brisbane or other capitals to Chinchilla Airport and then be transported by bus to the camps. Use of private vehicles between camps and worksites will be minimised, with buses provided, to reduce the volume of vehicle movements.

FIGURE 5. WESTERN DOWNS CONSTRUCTION WORKFORCE

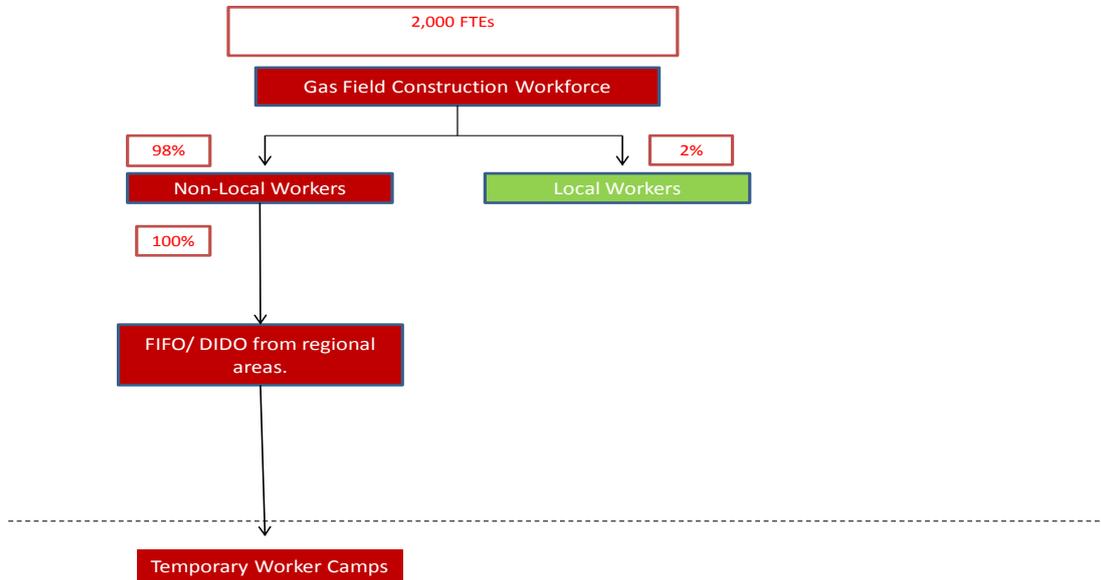


Table 5. Western Downs Construction Workforce Summary

W/ DOWNS CONSTRUCTION WORKERS SUMMARY	
Total Workers	2000
Local	40
Non local – Total	1960 at peak

Western Downs Construction Housing Delivery

Local QCLNG workers will utilise their existing housing.

QGC will use new and existing temporary workforce accommodation facilities to house all non-local construction workers in the Western Downs area during construction.

QGC currently have approximately 400 construction workers in the Western Downs area. Approximately 70% are accommodated in existing camps located in Dalby and Chinchilla, and the other 30% accommodated in the Kenya camp.

QGC are allowing for the following peak camp occupancies:

- a new Ruby Temporary Accommodation Village, with up to 550 beds (and ability to expand by 20% if required);
- a new Woleebee Temporary Accommodation Village, with up to 1100 beds (and ability to expand by 20% if required);
- Existing Dalby Camp: take up and expansion up to 550 beds
- Existing Chinchilla Camp (Zeller St): take up and expansion up to 592 beds; and
- Existing Chinchilla Camp (Windmill Rd): take up to 170 beds.

QGC is in discussion with the WDRC regarding Council approvals and traffic management for accommodation facilities.

Short Term Accommodation

The QGC upstream construction project team have planned for an average of 20 short term workers per week to be accommodated in the Western Downs LGA during the construction phase. These 20 workers are not included as construction workers and will consist of QGC staff, specialised contractors and vendors.

These staff will be accommodated in hotels, motels and workers camps throughout the Western Downs during their stay. QGC does not hold any long term contracts with any motels or hotels and only make use of this accommodation when required.

Transitional Accommodation

Minimal upstream construction staff will require transitional accommodation in the Western Downs. QGC plans to purchase 10 dwellings for shared use, throughout the Western Downs LGA for transitional accommodation, by Q1 2012. These dwellings will be utilised by upstream construction for transitional accommodation purposes when required.

Drilling Accommodation

Throughout QCLNG's construction and operational period, 350 - 400 workers will be required to maintain the operations of the drilling rigs. QGC has contracted the drilling of wells to drilling companies. These companies will be accountable for the recruitment and accommodation of their employees and subcontractors. Drilling workers will be housed in small mobile field accommodation camps in close proximity to the drilling areas, for up to 4 weeks at a time, by agreement with the relevant landholder.

These camps will accommodate 15-30 workers. These types of 'fly camps' allow the drilling teams the ability to transfer to different drilling areas and sites promptly and efficiently, whilst still maintaining a high level of accommodation quality for their staff.

Drilling workers will generally either be local workers or non-locals working on a FIFO basis. QGC does not consider drilling workers to be long-term settlers in the Western Downs Regional Council area.

3.4 WESTERN DOWNS OPERATIONS PHASE

Workforce

Approximately 250 people are currently employed by QGC operations in the gas fields in the Western Downs region. The operational and maintenance workforce will increase to peak at approximately 500 staff in late 2013 to service QCLNG.

The upstream operations workforce will consist of two distinct sections:

1. Administration and management: QGC currently have 160 administration staff in the Western Downs area, with the majority of these workers living locally. By Q4 2012, this is expected to total 240, and remain at this level for the next 15 years. QGC plan to recruit as many local staff as possible including trainees, apprentices and school leavers for this operational work; and

- Maintenance workers - including builders, contractors, catering staff and security workers. QGC plan to employ at peak approximately 260 maintenance workers. Currently operational maintenance workers number approximately 100 and peak numbers are expected around Q4 2012. These staff levels will remain constant for the next 15 years. Maintenance workers will be employed on a roster basis.

QGC anticipates that approximately 75% of operational workers for the gasfields will be recruited from the local workforce.

FIGURE 6. WESTERN DOWNS OPERATIONS WORKFORCE

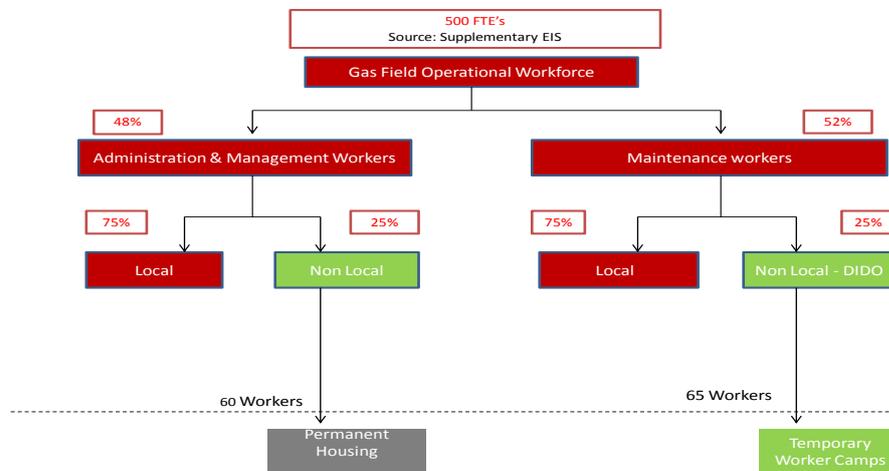


Table 6. Western Downs Operations Workforce Summary

Western Downs Operational Workers Summary	
Total Workers	500
Existing Local	375
Non local – FIFO/ DIDO	65
Non local recruits - new settlers	60

QGC will operate in areas near Chinchilla, Dalby, Miles, and Wandoan, Tara and Condamine. In line with Western Downs Regional Council feedback, QGC will endeavour to deliver a housing strategy that allows housing to be provided across the area, with regard to:

- location in towns across the Western Downs;
- the capacity of existing infrastructure;
- local towns' housing markets, including numbers of dwellings on the market, costs and rental availability;
- driving time, access to project sites and employees preference; and
- the locations of other resource companies' housing developments.

Council advised that the decision to rent, buy or build should depend on local factors, such as availability and affordability of existing housing, and where developers see risks and opportunities. Dalby was mentioned as an example where an oversupply of stock suggests it is a better place to buy than build. However, it was noted that the housing market can contract very quickly and QGC will continue to be flexible in its housing methodology. .

The 6 month monitoring and reporting process will be integral to ongoing implementation, with respect to the decision process to rent, buy or build in particular local areas. Housing provision is outlined below.

Western Downs Operations Housing Delivery

Current Status

QGC has presented this Integrated Housing Strategy to the Western Downs Regional Council in February and March 2011. In addition QGC attended a round table meeting with the WDRC, the office of Coordinator General and other industry proponents in August 2011. QGC are aware that some areas in the Western Downs are experiencing housing stress and hence QGC seek the approval of this Integrated Housing Strategy without delay.

QGC understands that the WDRC have appointed an organisation to develop their own housing strategy and this strategy is planned to be completed by November 2011. The WDRC are concerned that due to the time difference in the completion of the QGC and WDRC housing strategies, these two strategies will not balance each other and therefore future housing correlation will be difficult.

QGC offer the reassurance that, where feasible and realistic QGC will update the Western Downs component of this IHS to include the outcomes of the round table meeting held in early August 2011. QGC plan to work in partnership where practicable with the WDRC on the successful delivery of both short and long term housing strategies.

Existing Operational Workers

QGC are currently leasing 7 units and 14 houses in Chinchilla, 2 houses in Miles and 5 houses in Wandoan, for operational staff. All current standard lease agreements have capped rental increases to mitigate excess rental market inflation.

Short Term

Short term operations workers will be accommodated either in QGC camp facilities, or in local hotels/ motels. These short term workers will stay for approximately 1 – 3 nights in the area local to their place of work. QGC does not have any long term contracts with any hotel or motel in the Western Downs areas, and only make reservations when required.

Construction and Operations

QGC will facilitate provision of housing stock through two methods;

- 1) purchase existing dwellings that will lead to a better market where there is already an oversupply, and
- 2) building new dwellings.

The use of these methods will depend on the local real estate market at the time dwellings are planned to be delivered.

QGC plan to purchase existing dwellings in the Dalby and Miles areas, and build new housing stock in the Chinchilla, Wandoan and Tara areas.

To cover QGC's transitional accommodation needs, QGC will initially purchase up to 10 existing dwellings in the Western Downs area. These dwellings will be utilised as transitional accommodation until 2014. QGC plan to complete these purchases by Q1 2012 but will conduct the purchasing process with an eye to not stressing the local market.

In 2012 QGC commence to facilitate provision (build and/or purchase) up to 46 dwellings in Western Downs. This number is dependent on the number of new settlers in the region from QGC operations. It should also be noted that no domestic operations personnel has been taken into account. That is, all operations staff for the purposes of this strategy are assumed to be for the QCLNG project. This is not strictly the case but QGC is prepared to take this view as part of its long term engagement in the region.

- As noted above the decision to buy or build in each town will depend on timely and sound independent data, in consultation with the Western Downs Regional Council. The development of the new dwellings will begin in Q1 2012. This will occur as follows: As the Northern region of the gasfields development area commences operations, QGC will require up to 6 houses in the Wandoan/Miles area. Based on current availability, this will require QGC to build houses, which are likely to remain the property of QGC. QGC will work with Council to identify suitable sites.
- QGC is also likely to require up to 30 dwellings in the Chinchilla and Miles region, as the central field operations increase production throughout 2012-13. Housing conditions will be monitored as to availability on the local market, but it is likely that QGC will have to stimulate production of new housing.
- As the Southern region commences operations, housing will be required in the Dalby/Tara area. It is expected that up to 10 houses will be required in this area. Given the current over supply of housing in the Dalby area, QGC plan to purchase existing dwellings. . This decision will be based on sound independent data on housing availability and cost at the time the dwellings are required. These dwellings will be required from Q1 2012, and be facilitated over a period of time so as not to inflate the market or contribute to oversupply.

Upstream Social, Community and Affordable Housing

In addition to provision of workforce housing, QGC is committed to addressing housing impacts through the provision of social, community or affordable housing for community members.

Similar to the GRC proposal, QGC plan to fund a provision of resources to include the involvement of an 'expert' social, community and affordable housing provider such as the Brisbane Housing Company to develop social, affordable and Indigenous dwellings. This investment by QGC will total up to \$5.7M. The plan is for all LNG proponents and other industry in the Western Downs area to collaborate to fund this housing organisation.

The LNG proponents and housing organisation will consult with the WDRC to establish guidelines, scope and policies to ensure the essential housing needs are met

QGC will work closely with the developer to ensure that all dwellings are in accordance with Queensland Government affordable housing guidelines. We note that our strategy may contribute to both affordable and social housing delivery, and that the housing organisation will be required to develop a strategy to determine the appropriate focus for delivery.

Indigenous Housing

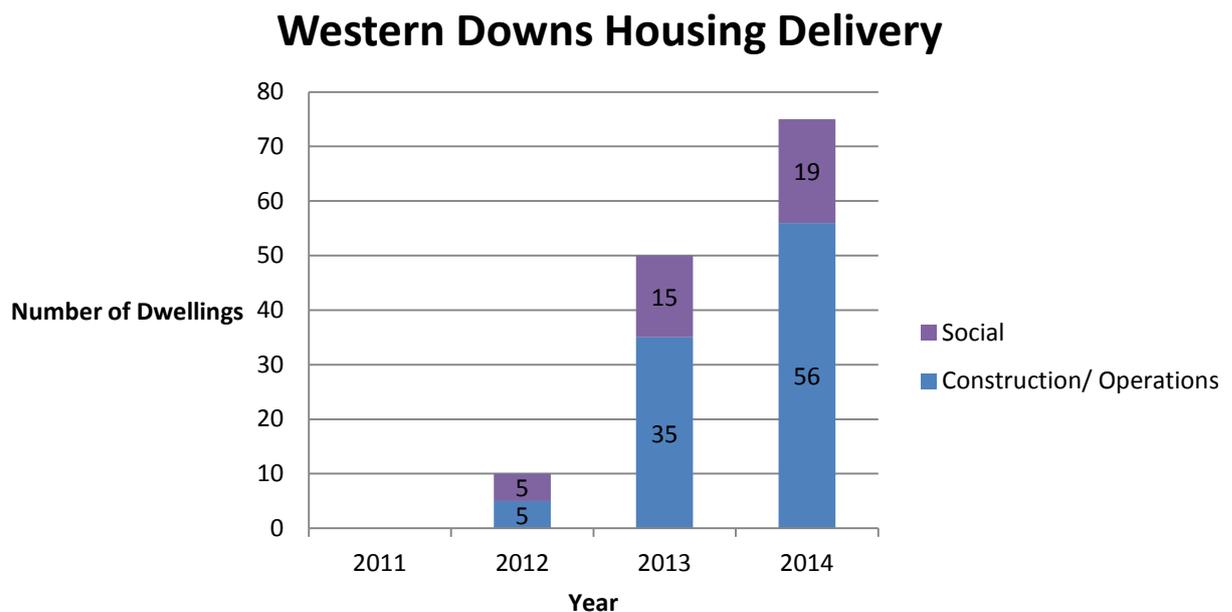
QGC will fund \$500,000.00 to an organisation to provide community housing assistance for the Indigenous people. This funding is included the Upstream Social, Community and Affordable strategy as discussed above.

Housing Delivery Summation

Table 7. Western Downs Delivery Summation

Western Downs Housing Delivery Summation				
Housing Category	Funding/ Facilitating Provision	Planned No# of dwellings to be delivered	Planned start date	Planned completion date
Construction/ Operations		56	Q3 2011	First 10 delivered Q1 2012. Remaining 46 will be delivered by Q4 2014.
Social/ Affordable #	\$5.2 mill	19	July 2012	July 2015
Indigenous *	\$0.5 mill		Q4 2012	
<p>Notes -</p> <p># - QGC will fund 1 organisation being an expert social/ affordable housing company to deliver dwellings, however the dates for these may change because of various conditions and circumstances.</p> <p>* - As per condition 9, QGC will fund investment in community housing for Indigenous people adversely affected by increased housing costs.</p> <p>Please note that QGC is also providing \$200 000 over 2 years to support the recruitment of a housing strategy manager for the Western Downs Regional Council</p>				

Graph 1. Western Downs Housing Delivery



Western Downs Housing Diversity

Housing diversity will be achieved by QGC supplying various types of housing including units, townhouses, and houses. Dwellings will be located across the Western Downs LGA, including but not limited to Chinchilla, Dalby, Miles, and Wandoan. Given the range of locations and types of housing, housing prices will vary, and include affordable dwellings.

The purchase/build mix will be determined through monitoring of local housing conditions, and consultation with the Council and RCCC.

3.5 PIPELINE REGION

The total pipeline workforce is expected to peak at around 1,000 - 1,200 workers in late 2011/ early 2012. Construction of the export pipeline is expected to be complete by late 2012/ early 2013. The operational workforce for the pipeline is expected to number less than 10, and ideally these workers would be based in towns along the pipeline corridor.

Pipeline construction teams progressing up the Right of Way will be accommodated in temporary accommodation facilities, with two facilities in Western Downs, one each in Banana Shire and North Burnett Regional Council LGAs, and two facilities in Gladstone LGA. The pipeline construction contractor(s) will build these temporary accommodation facilities to house the pipeline construction workers, subcontractors and staff. During the pipeline construction phase the camps will be in place for a period of between eight and eighteen months. There will be no 'fly camps', i.e. mobile camps that progress with the work front, as workers will be transported from the nearest main camp to the work front on a daily basis. The camp locations have been chosen to keep travel times and distance to approximately one hour and 50 km respectively. Pipeline workers will fly or drive to the airport closest to their current work location, and then be bussed to camps and work sites thereby limiting the amount of private vehicle traffic in these areas.

QGC believe that the utilisation of temporary workforce accommodation facilities for pipeline workers will have little effect on local housing markets. However QGC are currently monitoring this and will continue to do so throughout the pipeline construction.

QGC and its pipeline construction contractors have consulted with each Council to identify local planning requirements for temporary accommodation sites outside the pipeline licence area, and local regulatory requirements. QGC and its pipeline construction contractors have engaged with interested local communities surrounding the temporary camp locations and will continue to engage and discuss during operation of these temporary camps.

4. MONITORING

QGC's monitoring program for the IHS will align with the monitoring framework in the QCLNG Social Impact Management Plan (SIMP).

The framework for IHS monitoring includes:

- **Performance Measures** - Progress towards completion of actions in the IHS
- **Issues Register** – community issues identification and monitoring of complaints related to housing, in line with the QGC Issues Register and Stakeholder Feedback Procedure
- **Key local indicators** – broader indicators related to housing, to understand the broader context for the IHS

QGC will monitor and report to the Coordinator-General's office on the Performance Measures (completion of actions in the IHS), on a quarterly basis.

A review of IHS delivery will be carried out on a six-monthly basis and review findings will be shared with the Western Downs Regional Community Committee (RCC), Gladstone RCC and Toowoomba Regional Council (as defined in Annex 1 Part 3 Condition 9). Review findings will also be shared with the Coordinator-General's office.

The findings of the annual review of IHS delivery will be integrated with the SIMP progress report for the Coordinator-General (first report due at end of December 2011).

The elements of the monitoring framework are described below. The dates for reporting will be aligned with the SIMP reporting cycle and the RCCC meeting schedule, as agreed with the Coordinator General's office.

Performance Measures

The purpose of the performance measures is to measure progress towards completion of actions in the IHS. Performance measures will consider the key areas of workforce housing; temporary workforce accommodation facility provision; and social and affordable housing

Performance measures will include:

- Number and types of units of new or additional housing stock facilitated by QGC; Capacity and uptake of beds in temporary workforce accommodation facilities in each LGA;
- Progress made towards social and affordable housing commitments, in the Gladstone and Western Downs LGAs;
- Progress made towards indigenous housing commitments, in the Gladstone and Western Downs LGAs

Issues Register

QGC will maintain an Issues Register to capture issues raised by the community through a variety of stakeholder engagement mechanisms, including the QGC Stakeholder Feedback procedure. Issues related to housing will be reviewed and reported on a 6-monthly basis with other housing measures.

Key Local Indicators

QGC plans for collection of housing market indicators will be developed to align with government-led monitoring activities in this area, once they are established.

QGC's monitoring program for the IHS will align with the monitoring framework in the SIMP.

5. CONCLUSION

QCLNG is a project of local, State and national significance.

QGC has worked with, and will continue to work with all levels of government and the community to minimise the impacts of this project.

This Integrated Housing Strategy is one of a number of strategies developed in consultation with a broad range of stakeholders to address an impact issue of significance.

QGC has consulted on numerous occasions over the last six months with both Western Downs and Gladstone Regional Councils on this housing strategy. From these consultations QGC has continuously reviewed and endeavoured to implement as many requests from council as possible.

In conclusion QGC has developed a flexible strategy that allows QGC to directly deliver dwellings. In addition QGC will also work with other organisations and Government departments to indirectly deliver extra dwellings in the local government areas in which we work. This flexible strategy ensures that QGC can continue to consult and assist all key stakeholders to deliver dwellings in an ever changing market.

Appendix 5. Local Industry Participation Plan



Australian Industry Participation Plan

QGC Pty Limited

4	27/10/10	Final Version - Issued for Use	P O'Neill	E White	N Gorton
3	10/3/10	Amended Final Draft Plan	P O'Neill	W McAleese	N Gorton
2	9/3/10	Final draft AIP Plan	P O'Neill	W McAleese	N Gorton
1	1/3/10	First draft AIP Plan	P O'Neill	W McAleese	N Gorton
R E V	DATE	DESCRIPTION	PREPARED	CHECKED	APPROVED
QGC ABN 11 089 642 553 Level 30 275 George Street BRISBANE QLD 4000 Phone: 07 3024 7000 Fax: 07 3024 8999			Document No QCLNG-AUS-C&P-GPA-PLN-0679		Rev. 4

BACKGROUND

QGC Pty Limited (QGC), a wholly-owned subsidiary of BG Group plc, proposes to develop a world-scale, integrated liquefied natural gas (LNG) project in Queensland, known as the Queensland Curtis LNG (QCLNG) Project.

The Project involves expanding QGC's existing coal seam gas operations in the Surat Basin of southern Queensland and transporting the gas via an underground pipeline to a processing plant and export facility on Curtis Island, near Gladstone, where the gas will become LNG.

QGC itself will develop a number of significant components of infrastructure for the Project. In addition, third parties, solely or in cooperation with QGC, may develop ancillary infrastructure, such as expansion of the shipping channel infrastructure in the Port of Gladstone, in support of the Project.

PART A – Economic impact of the project

Describe the project, including the economic impact of the project on Australian industry in terms of:

a) Employment

QGC has a significant workforce consisting of some 460 full time employees and 190 contractors. The Project will ensure the continued direct and indirect employment into the future of these employees. It is also anticipated that additional jobs will be created in the local community through the support of local businesses and suppliers. In a press release dated 7 February 2010 QGC announced an updated forecast of greater than 5,000 additional jobs during construction and greater than 700 during the operations phase of the project.

QGC intends to place a heavy focus on local workers wherever possible throughout the employment process and is consulting with local businesses and community groups in order to enable the local contractors and workers to secure a share of the construction work for the Project.

QGC will create additional job opportunities in Darling Downs Statistical District Fitzroy and across Queensland, including opportunities for women, unemployed and indigenous peoples. QGC will also build local skills and capabilities of Australian Suppliers to enable Queensland to take advantage of the economic opportunities presented by capital investments in CSG production and LNG processing. QGC will also encourage Australian Suppliers to deploy their experience in providing goods and services to QGC and additional experience gained from participation in such competitive processes is expected to improve their own competitiveness in international markets.

QGC's website provides information including a contact link as well as the office address where job seekers can physically submit resumes. The ICN Qld portal also has links for Australians interested in employment or supply opportunities to access.

QGC will seek to maximise Indigenous employment and contracting opportunities in QCLNG through the development and implementation of an Indigenous Employment, Skills Development and Business Opportunities Strategy. This will encompass Indigenous training, employment and business incubation initiatives and will be developed in consultation with Traditional Owner groups impacted by the Project.

There has been significant local consultation and communication, and events such as the Surat Basin Corporation conference and the Gladstone Engineering Alliance presentations, as well as the information session for suppliers held by QGC in Brisbane in December 2009 further enhance the prospects for business opportunities in the local community.

b) Skills Transfer

QGC intends to fully comply with (and in some cases possibly exceed) State Government requirements for training, manning and apprenticeships and meet national qualification standards. QGC will, through both training and qualification readiness programmes, and on-the-job apprenticeships and training, address constraints in the local labour market for

sufficient specialised labour to support all phases of the QCLNG Project. QGC will also enhance the opportunities for those involved in the construction phase of the QCLNG Project to make transition to operational employment positions. QGC strives to identify the skills required to support upstream and downstream Projects in their design, construction, operation and maintenance. QGC will, following consultation with, and where applicable the involvement of, appropriate skills training and education establishments (for example Skilling Solutions Queensland, Queensland Technical and Further Education, Australian Technical College), arrange timely skills training and qualification readiness programmes to address the identified constraints,. QGC intends to ensure that training and qualification readiness programmes and on-the-job apprenticeship and training programmes meet the objectives and commitments described in the QGC Social Management Plans. QGC will also implement mechanisms to advise construction staff of permanent job opportunities.

ICN QLD is assisting with the QCLNG project, and where potential suppliers require assistance with capability to submit qualifying tenders, QGC will support skills development in this area.

Further, QGC will require similar commitments from its major contractor(s), and will require reports on results under these criteria. Further information will be provided regarding training and skills development once the project has commenced construction.

c) Strategic Alliances

QGC intends to fully utilise local Australian suppliers and contractors where they are successful in QGC's contracting and procurement processes – QGC will provide full, fair and reasonable opportunities for Australian suppliers and contractors in particular at the prequalification stage, which focuses on capability and capacity. QGC's local development strategy supports the best performing Australian Suppliers working with QGC and Key Contractors in marketing their success, which could lead to strategic partnerships across global supply chains.

QGC's intention to maximise Australian participation, develop skills transfer and development programmes, and encourage alliance development in the Project is further evidenced through the inclusion of local content requirements in tenders and contracts for the Project. Details of these requirements and evidence of their inclusion will be provided.

QGC will report on their success in these measures, and will also require similar reports from its contractors.

d) Regional Development

The project will have a direct benefit to the region through wages, payments to contractors and suppliers as well as taxes and royalties. There will also be significant indirect benefits resulting from the high level of investment in the area and opportunities for upskilling.

QGC's strategy is aimed at engaging local community and developing business capability in the project.

QGC endeavours to:

- Facilitate development of local infrastructure in order to create sustainable value for the region
- Provide training to develop the skills of employees, contractors and the surrounding communities

QGC intends to create additional job opportunities in Darling Downs Statistical Division Fitzroy and across Queensland, including opportunities for women, unemployed and indigenous peoples. QGC will build local skills and capabilities of Australian Suppliers to enable Queensland to take advantage of the economic opportunities presented by capital investments in CSG production and LNG processing. QGC will also encourage Australian Suppliers to deploy their experience in providing goods and services to QGC to improve their own competitiveness in international markets.

QGC will endeavour to provide small business opportunities and participation via the methods outlined above, and intends to use the services of ICN (QLD) to identify specific capabilities of local small business industries. Where the need exists for other small business opportunities to be identified to the local community, ICN (QLD) may assist in identifying the most appropriate point of referral.

QGC has been using its web-site to communicate relevant information to the supplier community, as well as the information provided on the ICN portal. As detailed in the PAA AIPP, QGC has already held a briefing in Gladstone (at the Gladstone Engineering Alliance Conference) and in Brisbane, at the first QGC Supplier Information event, attended by 480 Australian suppliers and contractors. In addition, QGC manned a stand at the Surat Basin Corporation Conference in Dalby and met with many local suppliers and contractors

On the 23rd February 2010 QGC presented sessions at the Gladstone Engineering Alliance tender readiness session, and at that event, also announced further supplier information and training sessions.

e) Related Technology Transfers, Research and Development and innovations

QGC is committed to continually transforming its processes and investing time and resources into related research and development activities. To this end, QGC has a significant annual R&D Programme. The 2008 expenditure was \$11,191,343.

The subject areas included:

1. Improving extraction techniques
2. Improving water handling and disposal techniques
3. New drilling techniques
4. Development of sub-economic fields
5. Improvement of processing techniques, pipeline transportation and product handling issues
6. Community focussed issues and
7. Environmental (onshore and marine) issues.

PART B – Procurement Practices

Describe how Australian producers will be given a full, fair and reasonable opportunity to participate in the project. The project proponent could, for example:

a) Develop strategies to incorporate Australian industry through all tiers of the supply chain

QGC have a comprehensive local content policy which incorporates several measures, all designed to maximise participation of capable Australian suppliers. Australian employees (the QGC contracts and procurement team) will manage all aspects of contracting and procurement for the Upstream part of the Project up until award of main contracts, and beyond this for any contract or procurement areas where appropriate. The LNG plant EPC contractor will manage the contracting and procurement for the LNG plant (mid-stream).

ICN QLD is involved with many aspects of this project, including communication of project opportunities, and providing information on potential Australian suppliers that have proven capability and capacity to the project. QGC is developing a site on the ICN Project Gateway for the QCLNG Project.

It is anticipated (as indicated in the QGC Environmental Impact Statement) that much of the expenditure on this project will be made in Australia and the Queensland region. Furthermore, where goods are ordered through Australian distributors, then those Australian employees will benefit through their improved turnover in maintaining their presence in Australia.

Major QGC tender documents and major contracts will include local content clauses requiring Australian suppliers to be provided with a full, fair and reasonable opportunity to participate in the Project. The contractor will also be required to provide reports on the success of this strategy and the actual level of local participation. QGC has dedicated resource to managing the implementation of its Australian Content strategy and AIPP, and this resource will consolidate reporting from contractors.

QGC will endeavour to include capable Australian suppliers wherever possible. QGC will provide examples of bid lists and details of enquiries made to establish capable Australian suppliers for inclusion.

QGC's website provides information about the Project and enables potential suppliers to register their interest by contacting QGC. The QGC vendor database is regularly updated with information received from potential suppliers.

b) Maximise competitive Australian participation in the supply of goods and services

The project will incorporate Australian participation in the supply of goods and services wherever possible. The procurement methods and strategies adopted by QGC will maximise competitive Australian participation and ensure Australian suppliers receive a full, fair and reasonable opportunity to participate in the Project. The communication strategy outlined above, and facilitated by the QLD ICN has been underway for some time. This early notification provides opportunities for significant Australian participation in the supply of goods and services.

As discussed above, Local content requirements will, where relevant, be included in major supply contracts for the Project. Examples of cases that may not be relevant include those with 100% Australian bid lists with minimal potential for subcontracting.

Wherever capable Australian suppliers can be identified, they will be considered in the procurement process, which in most cases will include a prequalification stage, from which the bid list will be developed. QGC will be providing examples of bid lists with Australian participants. All tenders will be assessed on a competitive equal basis. Both QGC and Key Contractors will report on the level of Australian participation.

c) Develop a communication strategy for the project and its supply chain that provides for early identification of opportunities for Australian participation and transfer of information on opportunities for Australian Industry participation through all tiers of supply

The Project will incorporate Australian participation in the supply of goods and services wherever possible. The project website provides information about QGC including supply opportunities and how to register interest. Local information seminars intended to communicate opportunities to local suppliers will be held – as mentioned previously, events have been held in Gladstone and Brisbane in 2009 and early 2010.

ICN Qld has significant project information available on their website which will further enhance communication opportunities for the project and Australian suppliers.

The bidding process for the Upstream requirement is initially managed in-house by QGC's specialist procurement team. Where appropriate, as main contract packages are let, procurement responsibility may pass to the main contractor. As at today's date, QGC is in the early stages of procurement for the project. These early opportunities are fully communicated to the local market and examples can be provided.

This strategy will be communicated through the supply chain, and meetings will be held with all stakeholders to discuss the management and reporting of this process. Details of meetings and communication events will be provided. Key contractors will also be required to develop and implement a communication strategy.

d) Structure tender documents to ensure local suppliers are provided with the same opportunity to participate in the project as existing supply chain partners. Sub-contractors should be encouraged to do the same

As discussed above, the Project will include local content requirements in the requests for major tenders and related contract documents to ensure that local suppliers receive a full, fair and reasonable opportunity to supply goods to the Project. This opportunity is also expected to be provided by sub-contractors who may also source and maintain goods in Australia during execution of the contract.

QGC structures major tender documents in accordance with BG policy to ensure local suppliers are provided the same opportunity to participate in the project as other bidders. Successful contractors will be required to report on the success of this strategy by providing data relating to the percentage of Australian participation. It is worth noting that BG Group

requires reporting and monitoring of local content participation for its own internal purposes, indicating the maturity of policy and weight that BG Group places on local content.

It is submitted that the above strategies will ensure competitive Australian participation in the supply of goods and services for the Project.

e) Ensure that where Australian suppliers are identified as capable of producing components for eligible goods, these suppliers are given the opportunity to tender for the work

QGC will utilise Australian suppliers and maximise Australian industry participation by ensuring that Australian suppliers receive a full, fair and reasonable opportunity to participate in the Project through effective use of the prequalification process. Those suppliers that are proven through this process to have the capability and capacity will be considered through evaluation for inclusion on resulting bid lists. Component suppliers will also be identified to EPC and other main contractors for their evaluation and potential inclusion in the bid list in accordance with QGC policy.

QGC will ensure capable Australian suppliers are given the opportunity to propose for work through the inclusion of local content requirements in major contracts, requiring local suppliers to receive a full, fair and reasonable opportunity to supply goods for the Project and for reports on results to be generated.

f) Employ procedures and resources to implement the above mentioned Australian involvement and communication strategies

As detailed earlier, QGC plans to employ a communication strategy which will ensure maximum Australian supplier involvement in the Project. This will be executed through QGC's website, inclusion of clauses in contracts, and supplier briefings. ICN Qld will also assist in implementing the Australian participation and communication strategy using their existing network and through the use of Project Gateway.

ICN Qld is assisting with significant project information and links published and currently available on the ICN website.

In addition, after the completion of tender evaluation and award process for main contracts, to support the contractual commitments around local content, the successful contractor for the Project will be engaged in discussions outlining QGC's procurement strategy and preference for capable Australian suppliers to be included in second and third tier (and beyond) supply. QGC's Local Content Manager will participate in these discussions to ensure consistent strategies are employed.

Unsuccessful bidders will be advised in writing.

QGC will then monitor both internal and main contractor reports to ensure QGC's requirements are met. QGC has dedicated resources to support the reporting activities.

PART C – Identification of opportunities for Australian producers

Describe how the project proponent will endeavour to identify opportunities for Australian industry participation in established supply chains through:

a) Facilitation of strategic partnering and consortia building

Successful high performing Australian suppliers are likely to generate future repeat business and will also have a greater chance in becoming involved with any new QGC projects.

QGC has a policy of supporting the best performing Australian Suppliers to market their success, thus building partnerships for future opportunities. QGC will endeavour to support establishment of strategic partnerships to assist capable Australian suppliers to access global supply chains. Local suppliers participating in the Project may be introduced to other key contractors, which may lead to future strategic partnering and consortia building among local suppliers and (potentially) international global suppliers.

QGC are also willing to provide letters of introduction for local suppliers to overseas suppliers based on good track records of performance, willingness to embrace improvement opportunities and evidence of increasing capability.

b) Supporting the integration of Australian industry into global supply chains

QGC has incorporated appropriate strategies to support the integration of Australian industry into global supply chains. These strategies include but are not limited to the following:

- Including local content requirements in major tenders and contracts
- Developing relationships with Australian suppliers and increasing the likelihood of Australian suppliers having repeat business with QGC
- Sending letters of introduction to established global suppliers introducing Australian suppliers
- Advertising the Project on the QGC and ICN websites which will facilitate subcontract opportunities for local suppliers with global manufacturers

c) Encouraging Australian suppliers to adopt world's best practice standards

QGC will facilitate and encourage Australian producers to adopt best global practice standards in order to be more compatible with global manufacturers and enhance chances of integration into the global supply chain. To this end, we advise that QGC will take the following measures:

- Specify standards to suppliers in request for tender documents and purchase contracts
- Inform unsuccessful suppliers in writing
- Conduct audits on new suppliers to ensure standards are met

d) Arrangements that project proponent, contractors and subcontractors have put in place to introduce world competitive Australian producers to established alliances

QGC supports Australian suppliers where they are capable, have capacity and are commercially competitive and can meet QGC standards (or can meet such standards with appropriate support), and will endeavour to introduce these suppliers to established alliances wherever possible. To this end, QGC will forward letters of introduction, introducing local Australian suppliers to established global suppliers.

Further, as discussed above, local content requirements are included in major tender and contract documents to ensure that local suppliers receive a full, fair and reasonable opportunity to supply goods for the Project.

The most significant opportunity for world competitive Australian producers to be introduced to established alliances will be in their exposure to EPC and other main contractors. For example, the LNG plant EPC contractor is a global construction company with a vast network of suppliers and alliances. QGC will seek to obtain reports from such contractors detailing such introductions and any resulting opportunities for supply.

In addition, suppliers may register their interest in supplying for the Project via the QGC and ICN websites.

Appendix 6. Rural Residential Code of Conduct (RRCC)

Policy for Code of Conduct for Rural Residential Land

July 2012

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1.1. Introduction

This will be applied in areas which fall into either one of these categories:

- Where there is a community living in a group of allotments of 15 hectares or less in size; or
- Designated as Rural Residential under the Western Downs Planning Scheme (or sub-plans).

QGC's work approach will be consistent with Queensland's *Land Access Code*. In November 2010 the Queensland Government released this Code to ensure all stakeholders in the natural resource development industries and are consulted appropriately with negotiated land access agreements having a common framework that meet the States regulatory requirements. A copy of the Code is located in Annex 1.

The Queensland Government's Code imposes on QGC mandatory conditions concerning the conduct of authorised activities on private land. For QGC these conditions arise from:

- Petroleum authorities under the *Petroleum and Gas (Production and Safety) Act 2004*
- 1923 Act petroleum tenures under the *Petroleum Act 1923*.

QGC recognises that the smaller allotments raise additional challenges for CSG activities.

1.2. Commitments

- QGC and our contractors will always abide by Queensland's *Land Access Code*.
- QGC will negotiate all agreements with landholders, and engage with neighbours and the community in good faith.
- QGC shall acquire land rights through negotiated settlement, wherever possible, despite possessing the legal means to gain access without landholder consent.
- QGC will liaise with residents in the rural residential communities to:
 - understand and document amenity values of significance to the community
 - identify those amenity values that may be impacted as a result of our activities
 - develop actions to mitigate or minimise amenity impacts
 - identify community wide measures for generating enduring benefits for the community that QGC can support.
- QGC will consult with landholders to ensure that impacts on their land and livelihood resulting from our activities is minimised and that unavoidable impacts are compensated in full, so that the livelihood and standard of living of the affected person is improved or at least restored.
- QGC offers to reimburse legal costs of landholders, ensuring that all landholders have access to independent advice.
- QGC will identify residents on nearby allotments likely to be affected by noise, dust, light or other nuisance issues arising from the gas field development ("neighbours"). We will properly inform neighbours of the nature and effect of the proposed activities.
- QGC is committed to the safe operation of its facilities, and provides health and safety induction training for landholders on whose land QGC infrastructure exists.

- QGC will install security fencing around its construction activities and wells, to ensure the safety of residents and animals. QGC installs locks on gas infrastructure where possible.
- QGC conducts regular inspections of gas wells and infrastructure to ensure safe operations, including identifying and sealing any gas leaks without delay. We will work with landholders to determine agreeable access arrangements.
- QGC will ensure that ground disturbance activities are undertaken at sufficient distances from structures to minimise the risk of soil movement around building foundations, walls, dams or other earthworks.
- QGC operates within prescribed noise standards QGC implements dust mitigation measures during construction. Water used for dust suppression complies with environmental standards QGC implements mitigation measures, such as lining water storage ponds, to prevent salinisation of soils.
- QGC implements water disposal plans to ensure farming land and certified organic farming practices are not impacted by runoff from QGC activities.
- Stakeholders can provide or request feedback via a 24-hour, toll-free service. Feedback is acknowledged within 24 hours, with updates provided regularly (1800 030 443) or email (community@qgc.com.au)



Annex 1

Queensland's *Land Access Code*



Land Access Code

November 2010

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PART 1 – INTRODUCTION

1 Background

The Queensland Government is committed to balancing the interests of the agricultural and resource sectors to address issues related to land access for resource exploration and development. Good relationships between these groups, assisted by adequate consultation and negotiation, will improve transparency, equity and cooperation across the sectors involved and creates a more level playing field for all.

This Land Access Code has been developed by the Queensland Government in consultation with the resource and agricultural sectors through the Land Access Working Group.

2 Purpose and application

Section 24A of the *Petroleum and Gas (Production and Safety) Act 2004* (P&G Act) provides for the making of the Land Access Code by regulation. Section 24A states that ‘a regulation may make a single code for all resource Acts (the **land access code**) that—

- (a) states best practice guidelines for communication between the holders of authorities and owners and occupiers of private land; and
- (b) imposes on the authorities mandatory conditions concerning the conduct of authorised activities on private land.’

‘All resources Acts’ means the *Geothermal Energy Act 2010* (GE Act), *Geothermal Exploration Act 2009*, *Greenhouse Gas Storage Act 2009* (GHG Act), *Mineral Resources Act 1989* (MRA), *Petroleum Act 1923* (PA1923) and the *Petroleum and Gas (Production and Safety) Act 2004* (P&G Act).

In relation to (a) above, Part 2 of this document provides the best practice guidelines for communication between the holders of authorities and owners and occupiers of private land.

In relation to (b) above, Part 3 of this document imposes on the following authorities mandatory conditions concerning the conduct of authorised activities on private land¹:

- (a) geothermal tenures under the *Geothermal Energy Act 2010*;
- (b) GHG authorities under the *Greenhouse Gas Storage Act 2009*;
- (c) petroleum authorities under the *Petroleum and Gas (Production and Safety) Act 2004*;
- (d) 1923 Act petroleum tenures under the *Petroleum Act 1923*;
- (e) exploration permits and mineral development licences under the *Mineral Resources Act 1989*.

The definitions contained in Part 3, section 11 apply to the entire Land Access Code document.

Part 4 of this document provides further details of information sources that may assist parties dealing with land access issues.

¹ See the *Petroleum and Gas (Production and Safety) Regulation 2004*, schedule 1A, part 1, section 1.

PART 2 – GOOD RELATIONS

3 Introduction

Establishing good relations between parties requires the use of common sense, a practical approach and mutual courtesy between all those involved in dealings between holders and landholders.

The development of good relations between landholders and holders requires recognition of the rights and obligations of both parties. Any person who enters property owned or managed by another party to undertake authorised activities on behalf of a holder should demonstrate common sense and courtesy, consult regularly, and comply with statutory and contractual obligations.

Below are general principles that should be followed by both parties when undertaking discussions and negotiations about land access and compensation.

4 General principles

Holder	Landholder
<ul style="list-style-type: none"> • Liaise closely with the landholder in good faith • Advise the landholder of the holder's intentions relating to authorised activities well in advance of them being undertaken • Advise the landholder of any significant changes to operations or timing • Minimise damage to improvements, vegetation and land • Respect the rights, privacy, property and activities of the landholder • Rectify, without undue delay, any damage caused by the authorised activities • Promptly pay compensation agreed with the landholder once the agreed milestones are reached • Abide by this Code before, during and after undertaking activities • Be responsible for all authorised activities and actions undertaken by employees and contractors of the resource authority • Regard as confidential information obtained about the landholder's operations. 	<ul style="list-style-type: none"> • Liaise with the holder in good faith • Provide responses to requests or notices with minimum delay • Advise the holder of any significant changes to operations or management programs • Engage with the holder to identify issues such as values of property and operational considerations • Respect the rights and activities of holders and provide reasonable access • Promptly notify the holder of any damage to property caused by the holder • Engage in negotiations with the holder to determine appropriate conduct and compensation arrangements • Adhere to principles of the Code and good neighbourly relations • Be responsible for all landholder activities, requests and actions undertaken on the property by landholder's employees and contractors • Regard as confidential information obtained about the holder's operations.

5 Communication

To assist in the development of effective working relationships from the outset, the holder should make early contact with the landholder and arrange to visit and inspect the property well in advance of any planned commencement of authorised activities. The landholder should endeavour to actively engage with the holder and make time available to discuss relevant issues that require detailed discussions.

To facilitate efficient communication in the initial stages of the process, the holder and landholder should each appoint a responsible person with good interpersonal skills to negotiate the agreement and undertake all communications in relation to land access. The holder should ideally appoint a competent representative such as the field supervisor or site manager who has knowledge of the land and experience in successfully liaising with landholders.

The responsible person:

- is the contact for the holder and landholder respectively
- for the holder, is responsible for all communication on behalf of their respective employees and contractors
- is responsible for negotiating any required agreement and should be authorised to make agreements and arrangements on behalf of the holder or the landholder
- should be familiar with all aspects and requirements of their operations.

The responsible person for the holder should provide the landholder with:

- contact details for themselves and a senior executive (who is contactable at any reasonable time)
- the resource authority number
- a description of the work program, including the extent and type of operations to be conducted and the duration of the program
- a description of vehicles and equipment to be used
- a detailed outline of the activity and a map including
- the location of fieldwork
- proposed access routes and camp locations
- any other relevant spatial information
- an overview of the environmental management plan including remediation/ rehabilitation works.

The landholder should provide the holder with comprehensive information about their property, including:

- the location of special features or special management requirements of the property
- advice on the best or preferred access routes
- suitable campsite locations
- water supply and location
- the timing and nature of significant farm programs (e.g. cropping, lambing, mustering)
- any property information relevant to the resource-related activities (e.g. tracks, fences, gates, bores, dams etc)
- any biosecurity issues on-farm or potentially in the area.

Provision of this information will assist in ensuring that the pre-planning and agreement negotiations can be undertaken based on full knowledge of both the proposed work program and the activities associated with use of the private land.

6 Negotiating agreements

Agreements between the landholder and holders should clearly articulate what has been agreed to between the parties and comply with the relevant resource Acts. In the course of negotiations, the parties should endeavour to stay in regular contact and work together to reach a mutually acceptable and practical agreement.

7 Communication before and during the carrying out of activities

The responsible person for the holder should:

- ensure that contact is made with the landholder at least one week prior to the agreed commencement date for undertaking authorised activities
- accompany drilling and other contractors on site at the time of initial entry
- conduct an orientation, with input from the landholder if required, for all persons acting on behalf of the holder.

It is the responsibility of the holder to ensure authorised activities are conducted within the resource authority area according to best practice and the mandatory conditions of the Land Access Code.

The responsible person for the holder should ensure that all agents, contractors and field personnel:

- carry the required authorisation to be on the land
- are aware of and adhere to:
- the holder's policies and procedures relevant to field activities
- the holder's responsibilities under the Land Access Code, any agreement in place and any other relevant statutory requirements
- potential compliance and enforcement actions associated with non-compliance with the Land Access Code.

Where practicable, the responsible person for the holder should maintain contact with the responsible person for the landholder throughout the work program, particularly:

- before commencing a new operational phase of a work program
- to obtain feedback from the landholder about the carrying out of the work program and any unforeseen impacts that the program is having on the landholder.

8 After completion of activities

Upon completion of the work program, the responsible person for the holder should inform the landholder about:

- the potential use of incidental infrastructure following completion of any activities (e.g. drill pads, access tracks, borrow pits, casing etc)
- the likelihood of any subsequent activities occurring (e.g. seismic program, further drilling etc).

The responsible person for the holder should invite the landholder to inspect the work area when the project is finished so that any problems can be discussed. The *Environmental Protection Act 1994* provides for landholder sign-off for rehabilitation. The responsible person for the landholder is encouraged to participate in this process.

PART 3 – MANDATORY CONDITIONS FOR RESOURCES AUTHORITIES²

9 What this part is about

This part provides for the mandatory conditions for the following (each a **resource authority**) under the following Acts (each a **resource Act**)—

- (a) geothermal tenures under the *Geothermal Energy Act 2010*;
- (b) GHG authorities under the *Greenhouse Gas Storage Act 2009*;
- (c) petroleum authorities under the *Petroleum and Gas (Production and Safety) Act 2004*;
- (d) 1923 Act petroleum tenures under the *Petroleum Act 1923*;
- (e) exploration permits and mineral development licences under the *Mineral Resources Act 1989*.

10 Giving notice

A relevant person who is required to notify a landholder under this part must give the notice—

- (a) orally in person; or
- (b) if oral notice is impractical—by written notice.

Example of it being impractical to give oral notice—

The landholder has migrated to a place outside of Queensland.

11 Definitions

In this part—

access land, for a resource authority—

- (a) for a geothermal tenure—see the *Geothermal Energy Act 2010*, section 220(3); or
- (b) for a GHG authority—see the *Greenhouse Gas Storage Act 2009*, section 287(3); or
- (c) for a petroleum authority—see the *Petroleum and Gas (Production and Safety) Act 2004*, section 502(3); or
- (d) for any other resource authority—means land it is reasonably necessary to cross for access to land under the resource authority.

authorised activity, for a resource authority, means an activity that its holder is, under the authority of the relevant resource Act, entitled to carry out in relation to the resource authority.

holder means a person who, under a resource Act, holds a resource authority.

landholder means an owner or occupier of private or public land in the area of, or access land for, a resource authority.

relevant person means—

- (a) the holder of a resource authority; or
- (b) a person acting for a holder under a resource authority.

resource Act see section 9.

resource authority see section 9.

² See the *Petroleum and Gas (Production and Safety) Regulation 2004*, schedule 1A.

12 Induction training

- (1) A holder must ensure each person acting for the holder, under the holder's resource authority, receives information and training specific to the obligations of the holder and the person under each of the following for authorised activities that will be carried out by the person on a landholder's land—
 - (a) the resource Acts;
 - (b) the land access code;
 - (c) an agreement between the holder and the landholder.
- (2) A holder must give each person mentioned in subsection (1) a document to show the person has received the appropriate information and training.
- (3) A holder must, if asked by the landholder, give the landholder a copy of the document.

13 Access points, roads and tracks

- (1) A relevant person must, if practicable, use an existing access point, road or track to enter a landholder's land.
- (2) If it is not practicable to comply with subsection (1), any new access points, roads or tracks, made by the relevant person, must be located at a place and in a way that minimises the impact of the access point, road or track on the landholder's business or land use activities.
- (3) A relevant person must, for the period the access points, roads or tracks are used by the person, ensure the access points, roads or tracks are kept in good repair.
- (4) For subsection (3), the relevant person must have regard to the condition of the access point, road or track when the person started using them.
- (5) A relevant person must operate vehicles on a landholder's land at speeds that—
 - (a) are appropriate for the landholder's land; and
 - (b) minimise noise, dust and disturbance to the land.
- (6) A relevant person may operate a vehicle in wet conditions on a landholder's land only in a way that minimises damage to access points, roads and tracks on the land.
- (7) If a relevant person has caused damage to access points, roads or tracks on a landholder's land, the relevant person must, as soon as practicable—
 - (a) notify the landholder of the damage; and
 - (b) repair the damage.

14 Livestock and property

- (1) A relevant person must use a landholder's land in a way that minimises disturbance to people, livestock and property.
- (2) If, in carrying out authorised activities, a relevant person becomes aware of any potential adverse impact, caused by the activities, on a landholder's livestock or property, the relevant person must immediately notify the landholder of the potential impact.
- (3) If a relevant person injures or kills a landholder's livestock, the relevant person must immediately notify the landholder of the injury or death of the livestock.
- (4) If a relevant person damages a landholder's property, the relevant person must—
 - (a) immediately notify the landholder of the damage; and
 - (b) repair the damage as soon as practicable.

15 Obligation to prevent spread of declared pests

- (1) A relevant person must take all reasonable steps to ensure that, in carrying out authorised activities, the person does not spread the reproductive material of a declared pest.
- (2) A relevant person must take all reasonable steps to ensure that, in entering or leaving land in the area of a resource authority, the person does not spread the reproductive material of a declared pest.

Note — For further information on preventing the spread of declared pests see the document called ‘Petroleum Industry–Pest Spread Minimisation Advisory Guide’ published by the department in which the *Land Protection (Pest and Stock Route Management) Act 2002* is administered.

- (3) Subsections (1) and (2) do not apply to the release of a declared pest authorised under the *Land Protection (Pest and Stock Route Management) Act 2002*.
- (4) A holder must ensure each person acting for the holder under a resource Act washes down vehicles and machinery before entering a landholder’s land in the area of the resource authority, if the risk of spreading a declared pest is likely to be reduced by the washing down.
- (5) The holder must keep a record (the **wash-down record**) of all wash-downs under subsection (4) carried out during the period in which the holder is allowed access to the landholder’s land.
- (6) If asked by the landholder, the holder must give a copy of the wash-down record to the landholder.
- (7) In this section—

declared pest means—

- (a) a declared pest under the *Land Protection (Pest and Stock Route Management) Act 2002*, schedule 3; or
- (b) an animal or plant declared under a local law to be a pest because the animal or plant is causing, or has the potential to cause, an adverse environmental, economic or social impact in all or part of the local government area.

reproductive material, of a declared pest, see the *Land Protection (Pest and Stock Route Management) Act 2002*, schedule 3.

wash-down means the removal of reproductive material from a vehicle or machine using an appropriate cleaning process.

16 Camps

- (1) If a holder intends to set up a camp on a landholder’s land, the holder and the landholder must, before the camp is set up, agree on the location and a plan for managing the camp.
- (2) However, if the holder and landholder cannot agree on a location and plan for managing the camp, the holder must ensure the location of the camp is in a place that will minimise any impact on the landholder’s business or land use activities.

17 Items brought onto land

- (1) A relevant person carrying out authorised activities must collect rubbish or waste produced in carrying out the authorised activities and deposit the rubbish and waste in a suitable local waste facility.
- (2) A relevant person must not bring firearms, domestic animals or alcohol onto a landholder’s land without the landholder’s consent.
- (3) In this section—

local waste facility means a waste facility owned, operated or otherwise controlled by a local government.

18 Gates, grids and fences

- (1) A relevant person must, after using a gate, return the gate to its original position unless advised otherwise by the landholder.
- (2) If a relevant person damages a grid on a landholder's land the person must—
 - (a) immediately notify the landholder of the damage; and
 - (b) replace or repair the grid as soon as practicable.
- (3) A relevant person must—
 - (a) obtain the landholder's consent before erecting a gate on the landholder's land; and
 - (b) ensure any gate erected by the person is stock-proof.
- (4) A relevant person must not cut a fence on the landholder's land without the landholder's consent.
- (5) If the landholder allows a fence to be cut by a relevant person to carry out an authorised activity, the person must, immediately after carrying out the activity—
 - (a) repair the fence; or
 - (b) erect a stock-proof gate, as required by the landholder, where the fence was cut.

PART 4 – USEFUL CONTACTS AND FURTHER INFORMATION

Stakeholders may access information associated fact sheets and guidelines through:

- the Landholder Information page at www.deedi.qld.gov.au
- DEEDI district offices / Regional Mining Registrars — phone 13 25 23 or visit www.deedi.qld.gov.au
- the CSG–LNG Hotline — phone 13 25 23 or visit www.lng.industry.qld.gov.au
- the Government Community Liaison Officer — 13 25 23 or email minesCLO@deedi.qld.gov.au
- Legal Aid — phone 1300 65 1188 or visit www.legalaid.qld.gov.au



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