



# Economic and socioeconomic impacts of CSG development

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LAND AND WATER / MINERAL RESOURCES

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Gas Industry  
Social & Environmental  
Research Alliance



# Introduction

Research conducted as part of the Gas Industry Social and Environmental Research Alliance (GISERA)

Established to conduct independent and rigorous research on the gas industry

All research overseen by a strict governance model to ensure independence

GISERA is a large and diverse portfolio of research

Multiple Programs not just socio-economic

- (water, biodiversity, methane emissions etc)

# GISERA Socio-economic research agenda

Research priorities:

- What degree of benefits stay in the region (e.g. due to FIFO)
- Levels of industry acceptance amongst communities,
- Impacts on broader well-being of regional communities
- What do residents expect from the CSG industry?

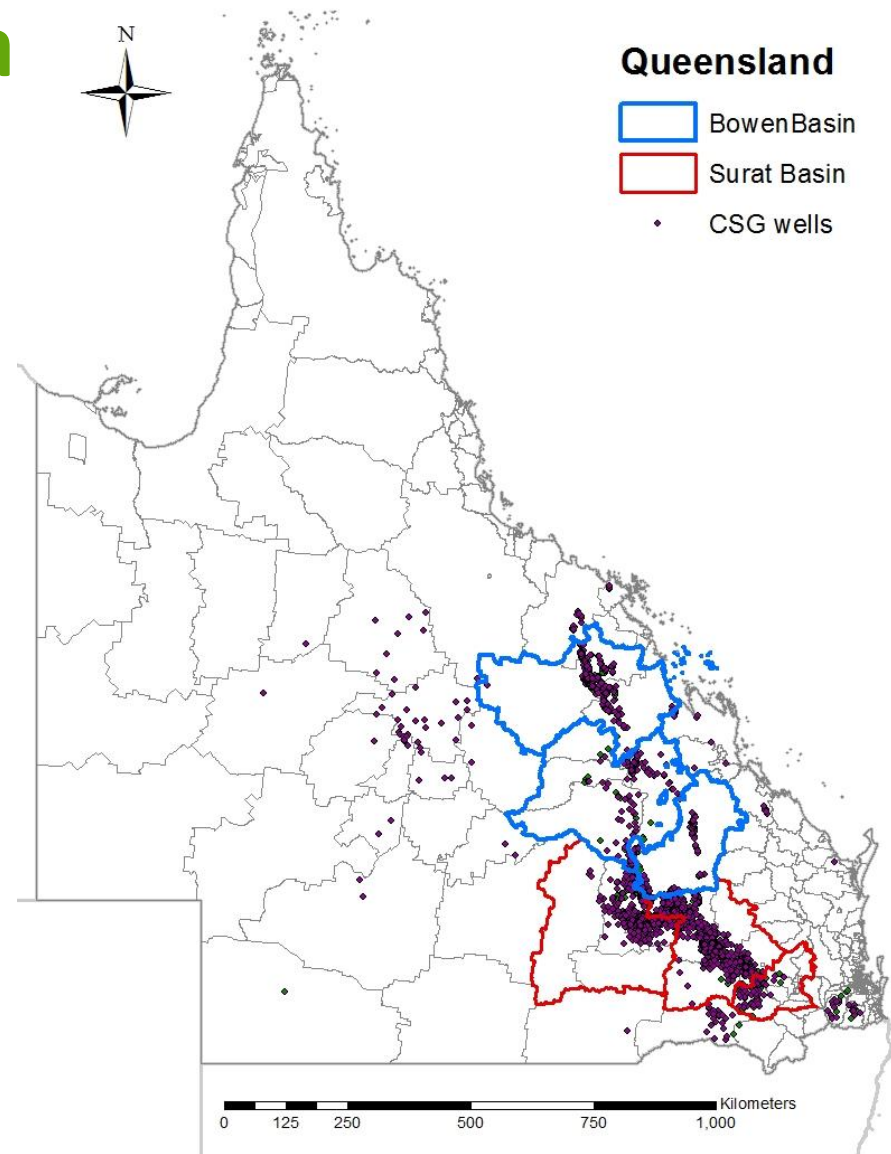
This presentation presents highlights across the Socioeconomic Program

# Analysis of census data

Looking at all local areas with CSG

- 2001
- 2006
- 2011

Compared with a control group other rural locations without CSG



# What are the main economic benefits from CSG...?

Direct jobs

Indirect jobs

Income

- All these increased during construction
- But there were substantial non-resident workforces

But what about the transfer of labour from other sectors?

# So what's the Net impact: how much of the benefit stayed in the Surat?

Results for the Surat: 1400 Net new jobs 2006-2011

- 600 direct industry jobs
- 800 Indirect

Family income increased by 15% relative to rest of rural Queensland

But what about income distribution?

- Did that change?

# Income distribution: Compare with national average

## Key Points

- Income inequality (Gini Co-efficient) rose across the country
- Income inequality rose **less** in CSG regions compared to non-CSG regions

Location	GC 2001	GC 2011	% change, 2001 to 2011
All Non-mining/gas regions	0.351	0.373	8.704
Non-metro regions without mining/gas	0.360	0.372	5.151
All CSG Regions	0.373	0.376	1.594
CSG regions in Surat Basin	0.384	0.392	2.487
CSG regions in Bowen Basin	0.358	0.354	0.402
Non-CSG control group	0.361	0.376	4.819

# But it's not all about jobs and money

We know from social science that rural regions have a dominant profile of:

- Losing their young people
- Losing their skilled people
- Gender imbalance: losing more young women

So we looked at this for CSG regions

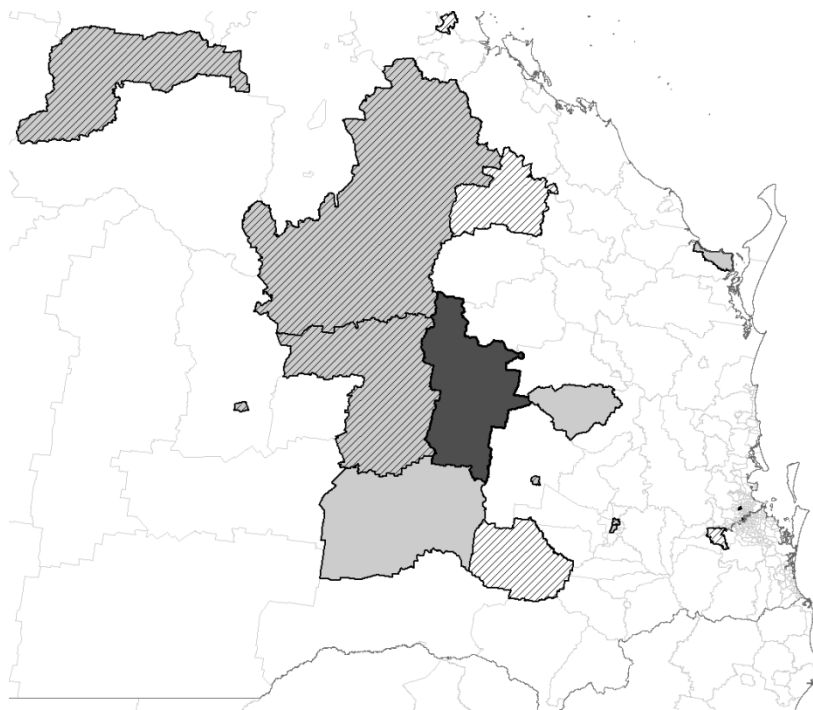
We found a reversal of all three trends 2001- 2011

- Gaining youth
- Gaining skills
- Equal numbers of young women and men



# Focus on Chinchilla: Where did youth come from?

- Within regional Queensland,
- Coastal/urban areas and
- Interstate, overseas



## Top ten origin regions

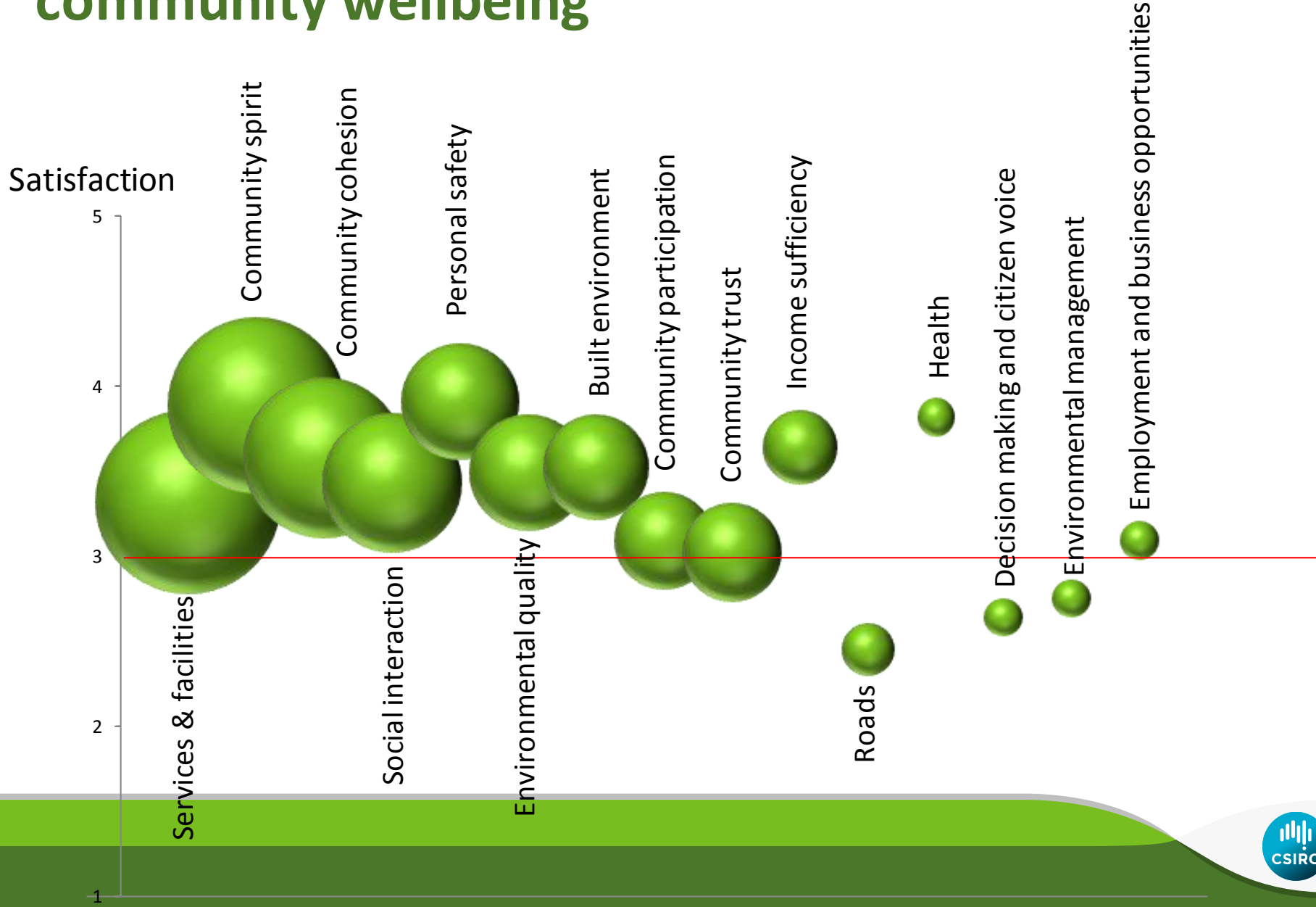
Men	Women
Overseas (44)	Overseas (22)
Toowoomba (35)	Toowoomba (27)
Queensland, not stated (18)	Queensland, not stated (15)
Brisbane (16)	Murilla-Wan (15)
Kingaroy (13)	Emerald (12)
Dalby (11)	Mount Isa (10)
Mount Isa (10)	Monto (10)
Murilla-Wan (10)	Banana (9)
Hervey Bay (9)	Ipswich (9)
Other Aus (113)	Other Aus (168)

# What about Community Wellbeing?

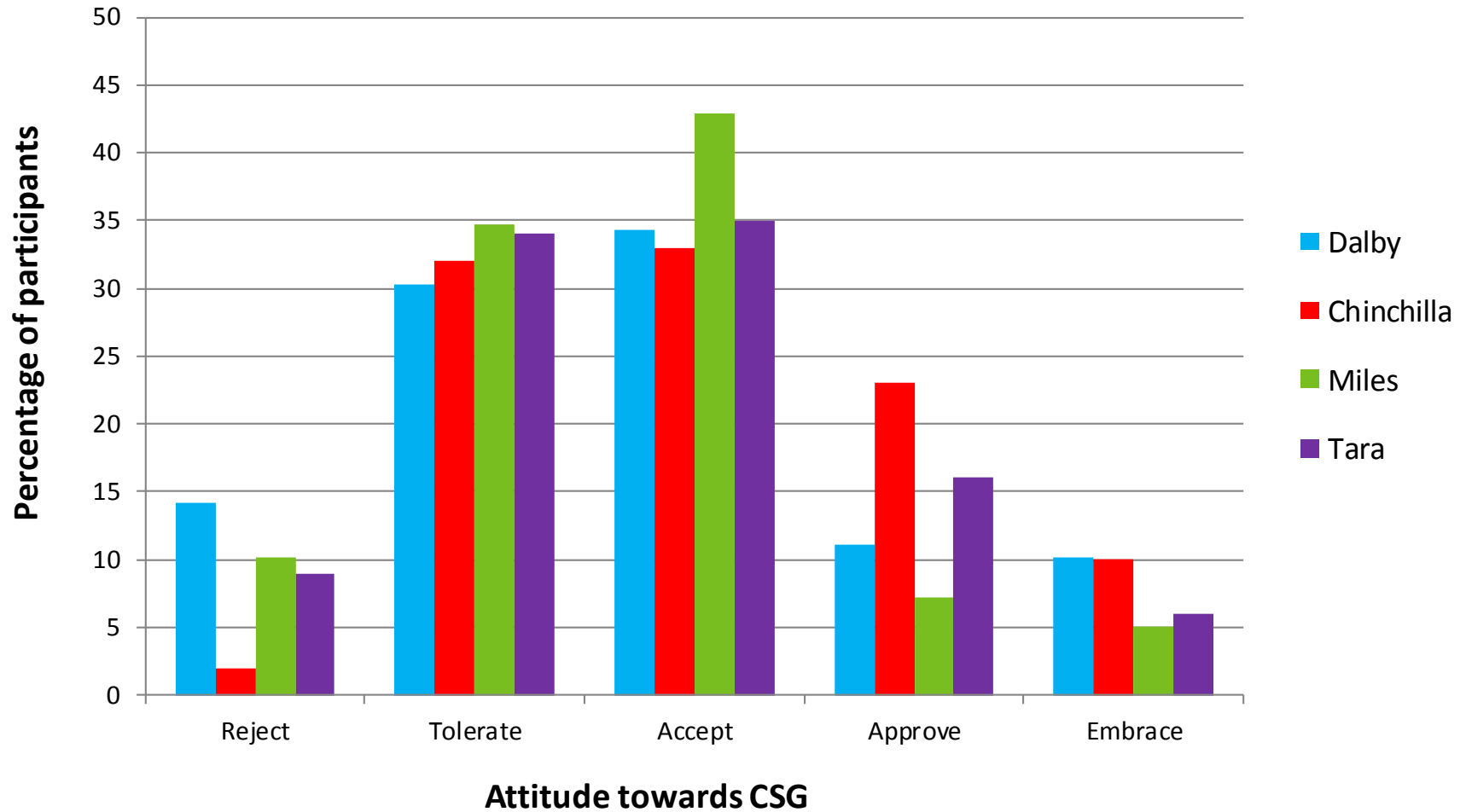
## 2014 Western Downs

- Community wellbeing robust 3.82 /5
- Many factors contribute to well-being...

# Importance for predicting community wellbeing



# Acceptance: most people either tolerated or accepted CSG in 2014

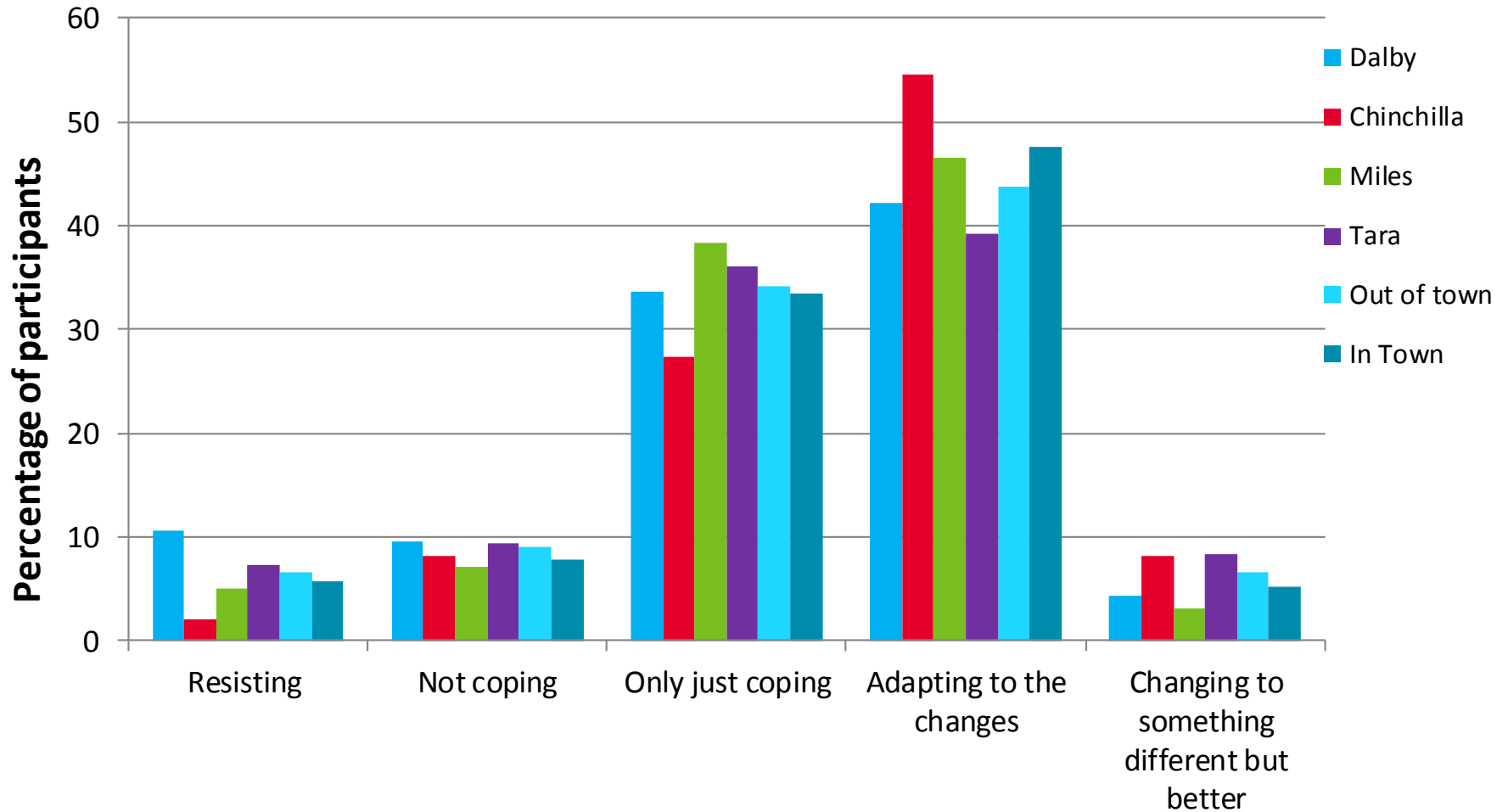


# Adapting to change

When people feel their communities are adapting well to change

- they are more accepting of and positive towards CSG
- they are more positive about their future

# Approximately half the sample were adapting to changes or changing to something better



# What does the community expect from CSG?

Assessed using visual aids and qualitative process:

- Residents expect CSG to reinforce what they value in their community:
- Agriculture and rural identity not compromised
- Diversity and inclusion
- Opportunities to retain youth

# What about the shift to operations phase?

- Recently started a new project to:
  - forecast economic effects during the Operations phase
  - consider local business resilience
  - Still in early stages
- Qualitative indication from 2014:
  - Getting on with life



# CONCLUSION:

1. There is clear evidence of economic benefits
2. Local acceptance of the industry is quite strong
3. Yet many residents struggling to adapt
4. Will be interesting to forecast socio-economic effects during operations phase

# Thank you

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