



Meeting Minutes

Gladstone Region LNG Community Consultative Committee

27<sup>th</sup> May 2014

1.30pm – 4.30pm

Volunteer Marine Rescue Building, Alf O'Rourke Drive, Gladstone

1. Opening

The Gladstone Region LNG Community Consultative Committee (RCCC) was called to order at 1.30 at the Volunteer Marine Rescue Building, Gladstone, facilitated by Professor John Rolfe

2. Attendees

The following people attended the Gladstone Region LNG Community Consultative Committee meeting:

Gladstone Region LNG Community Consultative Committee Members	LNG Representatives
<ul style="list-style-type: none"> <li>• Jeff Kidner (Volunteer Marine Rescue)</li> <li>• Darryl Branthwaite – Proxy (Gladstone Area Promotion and Development Limited)</li> <li>• Veronica Laverick (Gladstone Regional Council)</li> <li>• Cynthia Smyth – Proxy (South End Progress Association)</li> <li>• Blue Thomson (Local Marine Advisory Committee)</li> <li>• Richard Johnson (Aboriginal &amp; Torres Strait Islander Community)</li> <li>• Alexandria King-vonKirschner (Gladstone Interagency Group)</li> </ul>	<p><b>APLNG</b></p> <ul style="list-style-type: none"> <li>• Rob Gibb – Community Relations Manager</li> <li>• Nedizha Thierry - Social Performance &amp; Compliance Coordinator</li> </ul> <p><b>GLNG</b></p> <ul style="list-style-type: none"> <li>• Garry Scanlan – Marine &amp; Stakeholder Manager</li> </ul> <p><b>QGC</b></p> <ul style="list-style-type: none"> <li>• Lorna McGinnis - Manager Social Performance</li> <li>• Robyn Sotiris – Stakeholder Feedback Coordinator</li> <li>• Megan Pirie – Community Information Coordinator</li> </ul>

Apologies – Committee Members	Apologies – LNG Representatives
<ul style="list-style-type: none"> <li>• Leo-Neill Ballantine (Agforce / Landowners)</li> <li>• Cr Maxine Brushe (Gladstone Regional Council)</li> <li>• David Manttan (Department of Education, Training and Employment)</li> <li>• Grant Cooper (Gladstone Area Promotion and Development Limited)</li> <li>• Jayne Ball (South End Progress Association)</li> <li>• Belynda Waugh (Northern Region of GRC LGA)</li> <li>• Cheryl Wickes (Southern Region of GRC LGA)</li> </ul>	
Absent – Committee Members	Independent Chair
	<ul style="list-style-type: none"> <li>• Professor John Rolfe (Central Queensland University)</li> </ul>
Secretariat	Guest Speakers
<ul style="list-style-type: none"> <li>• Amanda Horvath - Administration Assistant GLNG</li> </ul>	<ul style="list-style-type: none"> <li>• David Orgill (Queensland Parks and Wildlife Services)</li> </ul>

### 3. Meeting Agenda

The following items of business were discussed as per meeting agenda.

Agenda	Details
a. Introductions and Meeting Overview	Welcome and apologies
b. Safety Moment	A committee member reminded attendees to take care when working at home using power tools.
c. Adoption of Previous Minutes	<p>Prof John Rolfe asked the committee to formally consider the 25<sup>th</sup> February 2014 minutes.</p> <ul style="list-style-type: none"> <li>• A committee member requested that Jeff Kidner be added to the attendees' list.</li> </ul> <p>Committee members accepted minutes with change.</p>
d. Action Items from 25 <sup>th</sup> February 2014	<p><b><i>“Steering Committee member will email out update on fire ant situation”</i></b></p> <p>Secretariat forwarded information to members on behalf of steering committee.  <a href="http://www.daff.qld.gov.au/plants/weeds-pest-animals-ants/invasive-ants/fire-ants">http://www.daff.qld.gov.au/plants/weeds-pest-animals-ants/invasive-ants/fire-ants</a></p> <p><b><i>“Invitation to be extended to QPWS to attend next RCCC Meeting.”</i></b></p> <p>David Orgill, Head Ranger from QPWS and coordinator of Curtis Island Environmental Management Precinct (CI EMP) Reference Group, presented an update on the management of the CI EMP in response to enquiries from a committee member.</p> <p>Presentation identified works implemented in the EMP including:</p> <ul style="list-style-type: none"> <li>• wild dog trapping</li> <li>• fire breaks</li> <li>• turtle hatchling protection</li> <li>• mustering and removal of wild cattle</li> <li>• weed eradication including Prickly Pear and Lantana</li> </ul>

	<p><b><i>“Steering committee to report back on the EMP reporting scope and regularity to the LNG Companies on their investment in the EMP.”</i></b></p> <p><b><i>“Steering committee to identify if guidelines were established for use of funds ie. planned activities.”</i></b></p> <p>Funding agreements are based on management principles. LNG companies receive updates on activity and the EMP Reference Group is intended for two-way communication to inform programming.</p> <p><b><i>“Steering Committee Member to resend links to ICN Booklet used in Western Australia.”</i></b></p> <p>Secretariat forwarded information to members on behalf of steering committee.  <a href="http://www.icn.org.au/reports/western-australia/opportunities-small-medium-enterprises-Ing">http://www.icn.org.au/reports/western-australia/opportunities-small-medium-enterprises-Ing</a></p> <p><b><i>“Schedule meeting between LNG companies and GAPDL to close out questions about access points for SMEs.”</i></b></p> <p>Steering committee met with GAPDL representatives. Access points were emailed out to all committee members.</p> <p><b>Business arising from previous actions:</b></p> <p><b>ACTION:</b></p> <p>Secretariat to email fire ants and ICN booklet to committee members’ proxies in attendance.</p>
<p>e. SIMP Overview</p>	<p><b>Joint LNG Funding Update</b></p> <ul style="list-style-type: none"> <li>• Summary of Funding Update: <ul style="list-style-type: none"> <li>- Gladstone Affordable Housing scheduled to commence construction in June 2014.</li> <li>- Gladstone Foundation – 13 applications received in the second round which has been shortlisted to 5. Currently funded \$4M with \$9M remaining.</li> <li>- GRC committee member representative provided feedback about GRC / LNG Rental Assistance Scheme: <p>During the program’s 3 year duration, 1746 applications received with 440 packages implemented. Successful initiative helping families with financial stress, enabling them to remain in Gladstone. Positive outcomes and good news stories within the community. A program report will be presented at the next RCCC meeting. Program ends on the 30<sup>th</sup> June. Discussions ongoing to establish how to utilize surplus funds. Case study</p> </li> </ul> </li> </ul>

	<p>to highlight the development and success of the program, currently being developed by GRC.</p> <p>A committee member commented about the high volume of Social Investment that had occurred during the LNG construction phase.</p> <p>Committee members' proxies indicated that they were not familiar with the SIMP Overview document.</p> <p><b>ACTION:</b></p> <p>Secretariat to email the current SIMP Overview, as tabled at the 25<sup>th</sup> February 2014 meeting, to committee proxies in attendance.</p>
<p>f. LNG Project Updates</p>	<p><b>QGC Project Update</b></p> <ul style="list-style-type: none"> <li>• Summary of Project Update: <ul style="list-style-type: none"> <li>- 200 community members on the Curtis Island Construction Cruise.</li> <li>- QGC will soon commence flaring activity on site. A key milestone for the commissioning phase of the facility</li> </ul> </li> </ul> <p><b>GLNG Project Update</b></p> <ul style="list-style-type: none"> <li>• Summary of Project Update: <ul style="list-style-type: none"> <li>- Community questions aboard the Curtis Island Construction Cruise were general upstream questions and some NSW CSG issues arose.</li> <li>- Hydro testing of gas pipeline complete.</li> <li>- Gas in the plant at the end of the year – Mid 2015 first gas.</li> <li>- 2950 personnel on site.</li> <li>- Community investment – High Dependency Unit at Gladstone Hospital will commence 10<sup>th</sup> June as contract has been finalised. It is expected to be a 16 month build. Midwifery scholarships to be extended and continuation of the Clinical Technician role.</li> <li>- Gladstone Airport's Instrument Landing System (funded by LNG companies – as per the Coordinator General's Conditions) has been installed and is operational.</li> <li>- <i>Blue Flames Black Gold</i> presented to all RCCC members – The story of Santos.</li> </ul> </li> </ul> <p><b>APLNG Project Update</b></p> <ul style="list-style-type: none"> <li>• Summary of Project Update: <ul style="list-style-type: none"> <li>- Circulated the 6 monthly RCCC report to committee</li> </ul> </li> </ul>

	<p>members and the Office of the Coordinator General.</p> <ul style="list-style-type: none"> <li>- Project milestone 70% construction completion.</li> <li>- Gas on site Q4 2014 and refrigeration Q1 2015. Currently working on stakeholder communications for the Operations Safety Case.</li> <li>- Workforce has exceeded initial peak estimate of 3300 on site. 42% local hire. Temporary Workers Accommodation Facility at capacity and additional 148 units to be built.</li> <li>- Community investment - Harbour Watch Project, 2 years to develop the school based program aligned with the science curriculum within the school. Available for all schools. Seniors and science students will gain technical learnings in water and sediment analysis techniques.</li> <li>- Funding provided to support the coordination and mentoring program for ESQ's Indigenous Employment Program.</li> </ul> <p><b>Business arising from LNG Project Updates:</b></p> <p><b>ACTION:</b></p> <p>Request from a committee member for RCCC members to be provided with FAQs to assist them to answer questions from community regarding LNG operations.</p>
<p>g. General Business</p>	<p><b><u>Ramp Down Workshop</u></b></p> <p>Garry Scanlan opened the workshop setting the framework of discussion, objectives and parameters as well as stating some assumptions.</p> <ul style="list-style-type: none"> <li>• The aim is not to find a silver bullet but to attempt to project what may occur</li> <li>• Identify key topics and breakdown into potential issues</li> <li>• Identify historical experience / lessons learnt that can help inform this next phase</li> <li>• Share information and determine how and where it may be helpful</li> <li>• Identify what exists currently – services and resources that may be useful. Gladstone's current strengths</li> <li>• Identify RCCC position on ramp down and what messaging is useful to the community</li> </ul> <p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• 12,500 workforce peak now</li> <li>• Ramp down over 2 years: 2014 - 2016</li> <li>• No new projects to commence construction during ramp</li> </ul>

down

- RCCC members have local experience in boom and bust

Available information was provided to the committee for discussion. Committee members were encouraged to share their personal experiences and provide their thoughts (based on what they have seen or heard from the community) on various topics raised, relating to the anticipated construction ramp down phase of the 3 LNG projects on Curtis Island.

- **Employment**

- Workforce curve – 12,500 currently employed across the 3 projects. Approx 20,000 personnel have worked across the 3 projects to date.
- Currently 41% local workforce – Currently ~5000 locals working on construction will reduce down over the next 2 years to approx. 500 (locals and new residents) who will be employed to operate the facilities.
- Bechtel is offering redeployment opportunities to their other projects (eg. Wheatstone and overseas – 140 projects in 40 countries).
- All employees (both craft and non-manual) are provided with project completion (redundancy) packages even if they are redeployed.
- What plans do the workforce have post construction employment (feedback received):
  - Return - non-locals return home
  - Redeploy – to employment opportunities elsewhere
  - Reabsorb – source employment in the local workforce
  - Retreat – go on a holiday
  - Refresh – take a break from work to be at home with the family

- **Legacy**

- By the end of the 3 projects, 400 apprentices will have completed their trade through Bechtel. Invaluable experience, providing 400 people with a qualification.
- Skill sets have been upgraded for a large sector of the construction workforce.

- **Supply Back of Goods**

- The majority of equipment for the 3 projects has been either sourced through local hire companies or supplied by Bechtel Equipment and will be redeployed to other Bechtel projects in Australia. Any surplus will be auctioned.
- ATCO has a buy-back option in their contract for the Temporary Workers Accommodation Facility

buildings.

- Bechtel leased houses will progressively be returned to the market. Minimal accommodation will be required by the end of 2015.

## **Discussion**

### **• Employment**

- Most people will have considered their future options and be planning ahead.
- Experience (eg. demobilisation of Rio) shows a small percentage of personnel will be in denial with no other work options considered (no forward planning).
- Concern for the people who are experiencing ramp down for the first time, especially the young, as they have not experienced a downturn (none in Gladstone in the last decade).
- Historical experience indicates that ~1% (~50 families) of the workforce will be “at risk” and require substantial support from social services agencies.
- Ensure local support networks are prepared for increase in clients. eg. Pre-warn social service providers and employment agencies.
- Develop programs to help people help themselves.
- Volunteer organisations have indicated that they are looking forward to increasing membership and active participation of current members. More people in the resource pool. Returning to a more normal social fabric within the community.
- Is there an idea that Gladstone can't survive without a major construction project? Gladstone is resilient and a more mature city in terms of social infrastructure and economic diversity and is experienced with ramp down.
- There is an opportunity to retain new members of our community. Lifestyle, opportunity and industry all on the southern end of The Great Barrier Reef.
- Housing Market will drop and will attract a different demographic. Opportunity for first home buyers and scope for existing owners to upgrade.

### **• Procurement & Local SMEs**

- The SME business community is used to the “swings and roundabouts” that occur in Gladstone and will seek out opportunities post the LNG construction phase.
- Shutdowns across the 3 LNG sites will be providing opportunities for 2<sup>nd</sup> and 3<sup>rd</sup> tier involvement / contracts.



	<ul style="list-style-type: none"> <li>- Current businesses have diversified to capture the current and future demand for goods and services.</li> <li>- New businesses may be established to satisfy community's demand.</li> <li>- Sustainability workshops have been conducted to assist local SMEs to make business improvements and forward plan.</li> </ul> <ul style="list-style-type: none"> <li>• <b>Social Investment</b></li> </ul> <p><i>LNG impact mitigation and capacity building investment will taper off as the projects move into their operations phases. Is the community ready for this?</i></p> <ul style="list-style-type: none"> <li>- Gladstone's strength is that it has been and will continue to be a well-served community.</li> <li>- Numerous community groups have benefited from donations and sponsorship opportunities over the past 3-4 years. Many wish lists have been filled.</li> <li>- Concern was raised that some NFP organisations may have become reliant on external funding with an expectation that it will always be there to access. They may be unprepared.</li> <li>- The LNG industry has provided lasting benefits in community investments.</li> </ul>
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4. Agenda items for the next meeting

- Workshop about ramp down issues – continued discussion about procurement and social investment.

5. Meeting Close

The meeting was closed at 4:30pm by Professor John Rolfe.

6. Next Meeting

Tuesday 26 August 2014

## Gladstone Region LNG Community Consultative Committee Members

Representative	Organisation	Email
<b>Cr Maxine Brushe</b>	Gladstone Regional Council	<a href="mailto:maxineb@gladstonerc.qld.gov.au">maxineb@gladstonerc.qld.gov.au</a>
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