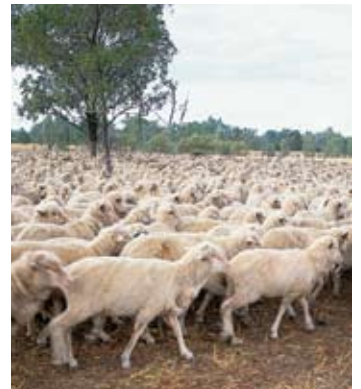


Surat Basin Future Directions Statement



Foreword

Development in the Surat Basin region presents Queensland with a significant opportunity to build a prosperous future. We owe it to ourselves and future generations to seize this opportunity and ensure it yields maximum long term benefits. The Surat Basin region includes the local government areas of Toowoomba, Western Downs and Maranoa Regional Councils, with strong linkages through Banana Shire to Gladstone.

The region has built a well-established agricultural and food processing sector, and is now embracing the potential growth from the vast energy reserves discovered in the region.

Whole new industries are planned, based on this wealth, including a new export liquefied natural gas industry.

These new opportunities are driving rapid growth in the Surat Basin region. Queensland has on occasions seen regions and communities stressed as rapid growth has not been accompanied by adequate planning. The Bowen Basin is a recent example.

21st Century Queensland can do better. We have learnt from the approaches of the past.

We have the capacity, in partnership with local governments, industry, community leaders and local residents, to foresee needs and address many problems before they arise. Rapid economic growth generated by the development of energy resources can and will support sustainable jobs in secure, liveable communities.

The Queensland Government has listened to regional stakeholders and is committed to working in partnership to build strong economies, sustainable communities and a resilient natural environment in the Surat Basin region. Coordination of activity is critical to achieving this goal.

This is what underpins the Surat Basin Future Directions Statement.

The families living in the Surat Basin region in 2030 will enjoy an enviable lifestyle based on the high wages earned by skilled workers, and upon world class education and training.

The Surat Basin Future Directions Statement embraces the challenges of rapid growth. It plans to succeed.



Tim Mulherin MP

*Minister for Primary Industries,
Fisheries and Rural and
Regional Queensland*



Stirling Hinchliffe MP

*Minister for Infrastructure and
Planning*



Stephen Robertson MP

*Minister for Natural Resources,
Mines and Energy and Minister
for Trade*

Executive Summary

Energy resources in the Surat Basin are driving rapid development in the region, which presents opportunities for economic development, but also puts pressure on local communities, their economies and the environment.

The Queensland Government is working with community and industry to achieve a long term prosperous and sustainable future for the Surat Basin region. Together, we have identified issues in a range of areas that require coordinated action through improved planning and policies, and new programs and services on the ground.

The Future Directions Statement takes account of the strong economic and distribution links the region has with the Gladstone region. Major infrastructure project investments support resource development and distribution in the Surat Basin region.

Whilst the Future Directions Statement focuses on the Surat Basin region, it will integrate with relevant Queensland Government initiatives in the wider region.

The Surat Basin Future Directions Statement provides a framework for a coordinated, region-wide approach to maximise the economic benefits and minimise any unintended consequences of rapid growth.

The key areas for action are:

- planning for growth
- planning and developing infrastructure
- capturing economic opportunities and building resilience
- developing a skilled workforce
- building and maintaining liveable communities
- sustaining regional environments.

This Future Directions Statement outlines new and accelerated efforts to address the issues in the Surat Basin region.

Actions are identified in these six key areas, brought together by improved coordination and collaboration across Government and amongst regional partners.

Key steps for a prosperous, sustainable Surat Basin

To deliver this Future Directions Statement, we will:

1. kickstart our response through implementation of a series of headline initiatives
2. focus the efforts of government agencies and regional stakeholders through Surat Basin Working Groups

3. share information amongst key stakeholders on how the region is changing
4. work together with local stakeholders on key planning and policy initiatives
5. release a progress report on the Future Directions Statement in February 2011.

Delivering the headline initiatives:

By March 2010:

To identify collaborative solutions for the future of the Surat Basin region, we will:

- Hold a Surat Basin Regional Development Forum with regional stakeholders to further develop the Future Directions Statement.

To facilitate greater beneficial use of Coal Seam Gas (CSG) water and assist industry in their consideration of options we will:

- Develop guidelines for performance standards to be met by beneficial uses of CSG water.

By July 2010:

To ensure that industry considers the cumulative impacts of its activities on the region and its community, we will:

- Develop guidelines to improve the consistency and quality of Social Impact Management Plans to better understand social infrastructure requirements and respond to local needs.

To address issues that have emerged between agriculture and the resources industry about access to private land for exploration and development, we will:

- Implement the Land Access Policy Framework to address land access issues between agricultural and resource sectors stakeholders.

By October 2010:

To help guide priority setting on regional planning and service delivery by government, industry and community, we will:

- Determine the preferred settlement pattern for the Surat Basin region.

To improve coordination and integration of planning we will:

- Develop a Regional Planning Framework covering the Surat Basin region. The key outputs that will be developed under the framework are:
 - regional vision
 - strategic directions
 - regional land use patterns.

By December 2010:

To ensure that the stock of housing in the region keeps up with demand, we will:

- Develop a resource town housing affordability strategy, to improve the availability of quality affordable land and housing.

To help guide transport priority setting by government, industry and community, we will:

- Conduct a Regional Transport Investigation, and develop a Regional Transport Strategy covering various transport modes as well as alternative or complementary non-infrastructure solutions to transport issues. This will inform subsequent transport strategy preparation and more detailed transport planning during 2011 and 2012.

To broaden the region's economy, and capture the benefits of the resources boom locally, we will:

- Develop an Economic Strategy for the Surat Basin region, focussing on driving growth in energy, agriculture and food processing, helping local businesses to improve their position, and attracting new investment to take advantage of the region's growth potential.

To meet the skills and labour needs of industry, local business and the community, we will:

- Develop a coordinated Workforce Development Plan in partnership with regional stakeholders.

To provide industry with greater flexibility and improve Government's ability to manage potential environmental impacts of CSG water disposal and use options we will:

- Introduce an adaptive approvals regime to allow existing approvals to be altered, should significant unintended environmental outcomes occur.

To address issues that have emerged between the region's traditional strength, agriculture, and its emerging resource industries, we will:

- Refine the strategic cropping land policy and develop the planning framework.

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Surat Basin Future Directions Statement

Purpose and scope

The development of the energy resources in the Surat Basin will drive significant change in the region over the next 20 years and beyond.

Experience in the Bowen Basin showed that rapid expansion of mining resulted in significant environmental, social and economic impacts, including cumulative impacts on local communities.

These impacts occurred in the Bowen Basin and the broader region encompassing the coastal communities of Mackay, Rockhampton and Gladstone.

It is clear that a coordinated approach is essential to address both the issues and to support and manage the opportunities of growth.

The Surat Basin Future Directions Statement takes account of development in the Gladstone region, which influences the Surat Basin region's resource development activities.

It also incorporates linkages with the Federal Government to increase support and funds to benefit the Surat Basin region.

The Future Directions Statement is a high level document to bring key stakeholders together to develop a coordinated region-wide approach to the complex and cumulative impacts of this change.

It takes a holistic view of the region, considering economic, social and environmental elements as the array of issues and opportunities cannot be tackled in isolation.

The Future Directions Statement provides a model of how government can better coordinate to deliver regional development outcomes that both support and manage growth.

The Future Directions Statement:

- sets out an effective framework to shape a prosperous and sustainable Surat Basin region to 2030
- identifies the major issues facing the region, and provides an integrated approach to how the region will address those issues
- establishes clear mechanisms to coordinate the work of the Queensland Government and Surat stakeholders.

The wealth generated by harvesting the resources of the Surat Basin region will increase the ability of the Queensland Government to provide services for all Queenslanders, including the residents of the region. The Future Directions Statement does not contain spending commitments, but establishes a way for the Queensland Government to consider the needs of the region in its own planning and prioritising, providing a way for stakeholders to invest in a coordinated way for an agreed future for the region.

While the Future Directions Statement takes a long term view to 2030, it also recognises that some actions need to occur now. Due to the rapid pace of development, the Future Directions Statement will adapt and respond to emerging issues.

Ongoing consultation with regional stakeholders will occur to ensure the initiatives remain focused on the key issues for the region. Regular updates will be undertaken to ensure the implementation of actions within the Future Directions Statement align with other major initiatives. This includes regional planning, and development of a cumulative growth management framework.

The Future Directions Statement contains a series of headline initiatives that will be undertaken to February 2011. The initiatives combine activities that will deliver practical outcomes quickly, as well as addressing some priority issues. For example a preferred settlement pattern will be determined within six months. The results will inform other planning activities and strategies such as a Housing Affordability Strategy, a Regional Transport Investigation, and an Economic Development Strategy.

Other headline initiatives focus on key issues such as skills and labour force shortages and gaining better outcomes for community from resource operators social impact plans.

The Queensland Government is already working with regional stakeholders and industry through a range of initiatives including the Sustainable Resource Communities (SRC) initiative. The Future Directions Statement reflects the SRC Policy's intent to strengthen the Government's coordination role; improve linkages between social impact assessment and regional planning; and foster partnerships with local government, industry and community. Consultation through this initiative has helped identify the key issues for the Surat Basin region and address short-term priorities.

The Future Directions Statement will expand on current work to identify key actions for the future. However, the Future Directions Statement itself is not the solution to the region's issues, but is a flexible way to bring together the various elements needed for a prosperous, sustainable future for the Surat Basin Region.

Overview of the Future Directions Statement

There is a unique opportunity to anticipate and prepare for rapid growth in the Surat Basin region, to both maximise the economic and job creation benefits and minimise any unintended consequences. This requires leadership, and must be underpinned by effective partnerships between key regional stakeholders.

Development in the Surat Basin region is taking place over a large spatial area, with less certainty about the nature, pace and location of development. This differs from growth in the Gladstone region, for example, which has had more certainty and has been underpinned by a declaration of a State Development Area.

The Surat Basin Future Directions Statement establishes a framework for the Queensland Government to work with community and industry to achieve a long term prosperous and sustainable future for the Surat Basin Region.

Principles

Four principles guide this Future Directions Statement.

Effective partnerships

The scope of the opportunities and challenges will require government, industry and community organisations to work together and share responsibility for the region's development.

Comprehensive and integrated approach

The complexity of rapid development requires a comprehensive approach to address inter-related issues and avoid unexpected impacts.

Building resilience in regional communities

Sustainable development of the region requires more than simply capitalising on rapid resource-driven growth. To withstand shocks, the region needs to develop economic diversity and liveable communities.

Adaptability and responsiveness

Rapid and uncertain development presents a constantly changing range of opportunities and challenges. The Future Directions Statement needs to be flexible, adaptable and responsive to meet this changing environment.

Elements of the Future Directions Statement

The Future Directions Statement is structured around six key elements, brought together by improved coordination and collaboration across Government and amongst regional partners:

- Planning for growth – The region will meet the challenges of growth through effective regional and local planning that directs the scale, type, location and connectivity of development.
- Planning and developing infrastructure – The needs of communities and industry will be serviced by appropriately located infrastructure.
- Building and maintaining liveable communities – The region will have a range of liveable communities, with adequate community infrastructure and services to meet the needs of residents and visitors.
- Capturing economic opportunities and building resilience – The regional economy will be strong and diverse, able to meet local needs, attract investment and respond to significant opportunities.
- Developing a skilled workforce – The region will provide diverse employment opportunities and meet the need for skilled labour through training local residents and attracting and retaining new workers to the region.
- Sustaining regional environments – The biodiversity, ecosystem processes and production values of the region's environments will be sustainably managed.



For each of these elements, the Future Directions Statement outlines the key issues, current actions to address them, and initiatives that the Queensland Government will take to work with stakeholders in developing solutions to the region's issues.

Coordination and partnership

Achieving the intention of the Future Directions Statement will require coordinated action to address a range of interconnected issues in partnership with key stakeholders and linked with other Government initiatives. Coordination is critical to the success of the Future Directions Statement.

Integrating with existing arrangements

The Queensland Government has already taken steps to achieve a coordinated partnership approach to issues in the Surat. In response to the issues and challenges facing resource communities, the Queensland Government developed the SRC policy, launched in August 2008. The Surat Basin Local Leadership Group, established under the SRC policy, includes Mayors of the regional councils in the Surat Basin as well as other key industry and community stakeholders. It will be a key mechanism for coordination and collaboration at a regional level and will feed issues of State-wide significance to the higher level SRC Partnership Group.

The Gladstone Social Infrastructure Strategic Plan is a joint initiative with the Gladstone Economic and Industry Development Board and the Gladstone Regional Council. The plan will be used to “better inform contributions to regional social infrastructure by current and future private development proponents and to better prioritise scarce social infrastructure funds in line with identified priorities”. The methodology and findings from this project can inform social infrastructure considerations in the Surat Basin region.

In recognition that the cumulative impact from several projects creates significant challenges, the Queensland Government is preparing a generic Cumulative Growth Management Framework that can be used in any region confronting these challenges. The Framework will focus on processes to assess cumulative impacts and mechanisms to implement the outcomes of the Environmental Impact Statement (EIS) process. The Framework will also consider the issue of industry contributions to cumulative impacts of growth, and negotiations with relevant stakeholders will be undertaken as part of the Framework development process.

The Surat Basin Future Directions Statement will inform the development of the Framework, through capturing issues and potential responses, as well as lessons about collaboration and coordination and communicating this advice to the governance groups associated with the Framework.

There are many other examples of coordination and partnership already underway.

- Maranoa Regional Council is working to increase the amount of affordable housing in the region through the Rural Housing Service Centre, in collaboration with the Queensland Government.
- Establishment of the Land Access Working Group.
- The Liquid Natural Gas (LNG) Industry Unit is collaborating across Government on development in the LNG industry through implementation on the LNG Blueprint.
- Regular updates from the Queensland Government to provide regional councils with advice on mining and petroleum activity in order for them to better plan road, rail and air infrastructure and better manage demands on sewerage and water needs.
- A joint Department of Employment, Economic Development and Innovation – Industry Development (Resources, Energy and Manufacturing) and Department of Environment and Resource Management office in Roma, focusing on information dissemination, compliance and enforcement activities.
- A joint Department of Employment, Economic Development and Innovation and Department of Infrastructure and Planning initiative on the provision of future regionally significant industrial lands within the Surat Basin.
- A Department of Employment, Economic Development and Innovation – Industry Development (Resources, Energy and Manufacturing) Community Liaison Officer, to assist in providing landowners with better information and a network of contacts with other Government agencies regarding issues associated with resource exploration and development.
- The Government is developing networks, building relationships with industry and supporting organisations such as the Surat Basin Corporation to foster regional development.

Enhanced coordination

In addition to the existing mechanisms mentioned above, the Future Directions Statement will involve the following coordination mechanisms:

- A Steering Committee to provide high level direction and resolution of cross-agency matters arising from the Future Directions Statement. The Committee will also raise issues to and seek support from the Federal Government through inter-governmental channels such as the Council of Australian Governments, Regional Development Council and various National Taskforces such as the National Resource Sector Employment Taskforce. The Steering Committee will include the

following Queensland Government agencies: Employment, Economic Development and Innovation; Infrastructure and Planning; Environment and Resource Management; Transport and Main Roads; Treasury Commercial Division and Communities. There will also be representation from local governments in the region and the Federal Government. External members will include major employers and union representatives. Additional members will be identified and included as the Future Directions Statement is implemented.

- Working groups around each of the key elements of the Future Directions Statement, including key government and non-government stakeholders, will develop and implement responses to issues.
- Coordination Team led by the Department of Employment, Economic Development and Innovation and Department of Infrastructure and Planning to coordinate State Government activity associated with the Future Directions Statement, act as a coordination point for communications between relevant groups and liaise with senior agency representatives on key issues. It will support and coordinate the Future Directions Statement's working groups.
- A Surat Basin Regional Development Forum will occur in March 2010 to develop a detailed implementation plan in partnership with stakeholders.
- Regular review of the Future Directions Statement and associated governance structures to ensure it remains flexible and responsive to the rapid evolution of the region.

The Future Directions Statement will be implemented across Government and in collaboration with regional stakeholders. The partnership approach to implementation of the Future Directions Statement features:

- shared commitment by all stakeholders to achieving a prosperous and sustainable Surat Basin
- recognition that responsibility and decision-making remains with each stakeholder, including all levels of government, industry and community
- improved coordination and collaboration on decision-making
- fostering cooperative working relationships with the Federal Government
- expectation that all stakeholders will contribute resources to delivering the Future Directions Statement and recognition that the Future Directions Statement will provide a more informed approach to the allocation of resources by the Queensland Government and other stakeholders
- liaising with key Queensland Government initiatives in the surrounding regions that influence the development of the Surat Basin, for example in Gladstone
- recognition that actions and roles of stakeholders will evolve over time
- improved information sharing to achieve a shared understanding of the regional development issues for Surat Basin.

Coordination with the Federal Government

The high level Surat Basin Regional Development Steering Committee will communicate with and foster cooperative relationships with key committees, groups and taskforces in the Federal Government.

At the regional level the newly formed Darling Downs and Southwest Regional Development Australia Committee will be a key mechanism to champion and coordinate regional issues and priorities to the Federal Government. Their role can also include coordinating and collaborating with stakeholders for project planning and other activities.

The Committees are charged with developing a 'Roadmap of Regional Development Priorities' and this will be an opportunity to raise issues and priorities in the Future Directions Statement that are the responsibility of the Federal Government.

An important outcome from the Surat Basin Regional Development Forum in March 2010 will be identifying Federal Government programs and groups that can support the projects and initiatives developed for action under the Future Directions Statement.

Individual Government agencies and local governments will also have established linkages with Federal programs and Groups, which will help leverage resources for the Surat Basin region. Some examples are the Inter-governmental Agreement Murray-Darling Basin Reform and Joint Queensland/Commonwealth Natural Resource Management Steering Committee overseeing the development and implementation of the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust in Queensland.

Coordination with Local Government

Local governments are also planning for their economic future. Local government initiatives are part of the overall planning and development environment that must be considered by the Future Directions Statement Coordination group. An example is the recently released Maranoa Regional Council Economic Development Strategy.

The Maranoa Regional Council Economic Development Strategy contains a five year direction to grow the local economy.

Key strategies are grouped by seven themes:

- attracting and encouraging new business
- supporting and assisting current business
- expanding the local market
- promotion, marketing and event attraction
- utilising natural resources
- best uses for existing facilities, land and resources
- building community capacity.

This local government strategy complements the region-wide approach for the Surat Basin Future Directions Statement.

Resources

The key initiatives and future projects identified in the Future Directions Statement are based on current agencies' resources. However, the collaborative approach to funding may lead to increased access from other funding sources, for example:

- Through the SRC initiative – Local governments in resource communities, including the Surat Basin, have identified projects for funding consideration under this initiative.
- Priorities identified in the Future Directions Statement can guide consideration of projects.
- Commonwealth funding programs, particularly through the Regional Development Australia roadmap.
- Resource development proponents interested in supporting community project initiatives, can increase the impact of their investment by aligning with the Future Directions Statement.

Relationship with regional planning

The regional planning process is one of the most significant Government activities for regional development. It plays a key role in helping Queensland communities meet the challenges associated with rapid growth, population change and the increasing demand for public services at a local level. The Sustainable Planning Act 2009 provides a framework for coordinating and integrating planning at the regional level to seek ecological sustainability.

In late 2006, the State Government commenced an accelerated regional planning program, which included:

- developing and implementing a consistent and contemporary framework for effective regional planning across Queensland
- accelerating implementation of the existing regional plans
- delivering regional plans in rural Queensland.

As part of this process, the Maranoa-Balonne Regional Plan was developed, covering the western part of the Surat Basin region. One of the major initiatives of the Future Directions Statement is to undertake further work to ensure the entire region is covered by an effective Regional Planning Framework.

The Future Directions Statement will provide an overview of regional development issues such as planning, infrastructure provision, economic development, government services and regional liveability. This approach takes a broader perspective than the statutory requirements of the regional planning process.

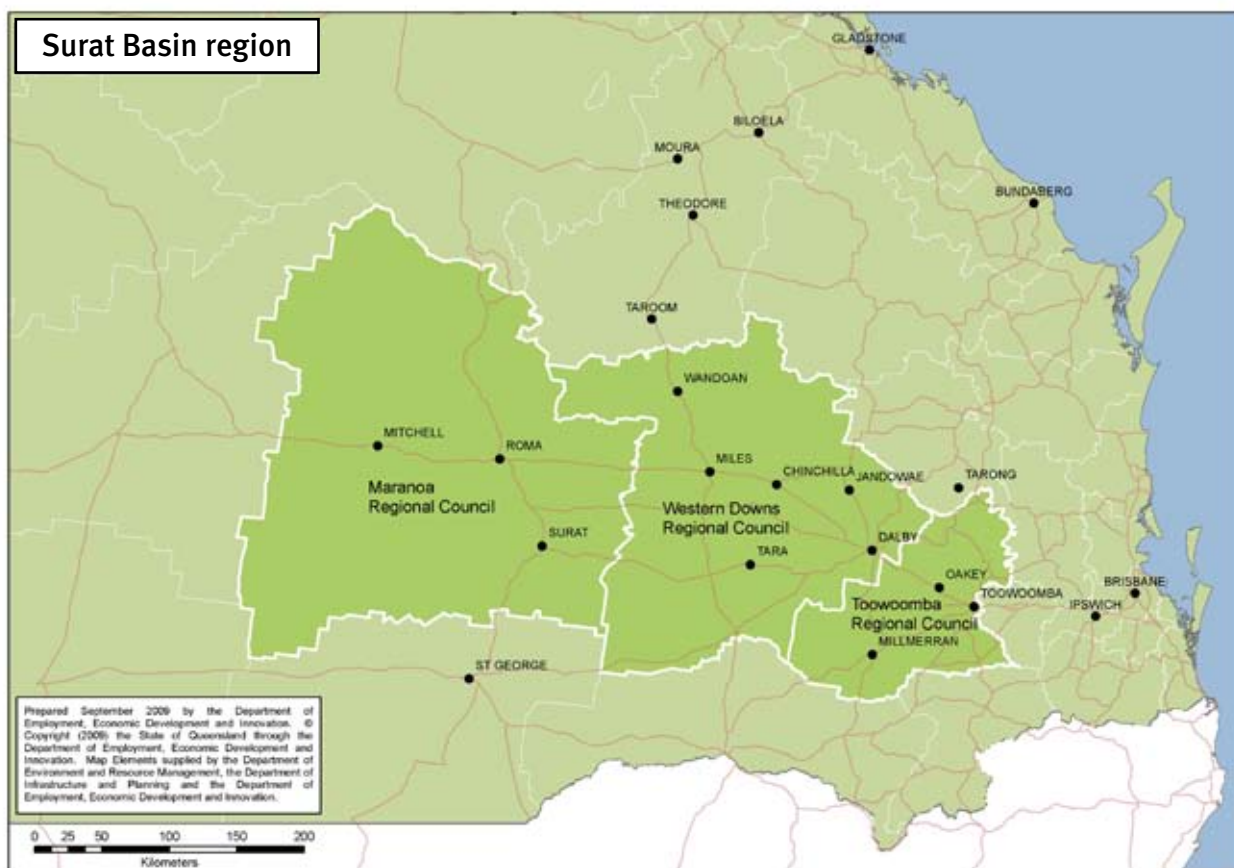
The Future Directions Statement will provide guidance to development of the Surat Basin region and help inform the development of a Statutory Regional Plan for the Darling Downs in the long term and review of the Maranoa-Balonne Regional Plan. The key outputs that will be developed under the framework and delivered by October 2010 are:

- regional vision
- strategic directions
- regional land use patterns.

Surat Basin region

About the region

The Surat Basin region, in Southern Queensland, covers the local government areas of Toowoomba, Western Downs and Maranoa, with strong linkages through Banana to Gladstone. A map showing the major towns is below. Toowoomba is a major regional city, offering a high level of education, health and other services. Dalby and Roma are the other major regional centres, with a number of other smaller communities such as Miles and Chinchilla spread throughout the region. The region is close to South East Queensland and the Wide Bay Burnett regions – Roma is 475 km from Brisbane and 500km from Maryborough, while Dalby is 200km from Brisbane and 300km from Maryborough. Development in the region also has the potential to impact on a broader area, including northern New South Wales and beyond.



Source: Compiled by the Department of Employment, Economic Development and Innovation 2009

People

The estimated resident population of the Surat Basin region in June 2008 was around 199,000 people, which was largely concentrated in Toowoomba Regional Council (155,000). The remaining population was distributed between Western Downs Regional Council (31,000) and Maranoa Regional Council (13,000).

Population projections indicate that the Surat Basin's resident population may increase by between 47,100 (medium series) and 63,400 (high series) from 2008 to 2021. Almost 90 per cent of this projected growth is likely to occur in Toowoomba Regional Council area, with Western Downs Regional Council area receiving most of the remaining growth. Council and company activity to attract workers and their families to the region may lead to permanent resident populations higher than current projections, which are due for revision in 2010.

Table 1. Medium and high series population projections for Surat Basin, 2008 series.

Reformed LGA	ERP, 30 June 2001	ERP, 30 June 2008	Projected population (medium series)			Total population change, 2008-21
			2011	2016	2021	
Western Downs (R)	29,277	30,869	31,620	33,037	34,477	3,608
Maranoa (R)	12,610	13,145	13,521	13,918	14,438	1,293
Toowoomba (R)	137,593	155,124	166,289	181,154	197,340	42,216
Surat Basin total	179,480	199,138	211,430	228,109	246,255	47,117

Reformed LGA	ERP, 30 June 2001	ERP, 30 June 2008	Projected population (high series)			Total population change, 2008-21
			2011	2016	2021	
Western Downs (R)	29,277	30,869	32,445	35,011	37,679	6,810
Maranoa (R)	12,610	13,145	13,808	14,594	15,457	2,312
Toowoomba (R)	137,593	155,124	169,291	188,265	209,415	54,291
Surat Basin total	179,480	199,138	215,544	237,870	262,551	63,413

Source: PIFU, 2008 population projections. (ERP) – estimated resident population.

With the expected resource developments, the region is also anticipated to have a large number of non-resident workers, with a potential peak as high as 4,900 persons between 2011-2012, of which approximately 3,200 persons could be based in Western Downs Regional Council region area.

Rapid growth has led to a tight labour market in the region. However, education levels in the region are lower than the Queensland average, with fewer achieving year 11 or 12 or a higher qualification. At the time of the 2006 Census, health care and social assistance was the largest industry of employment for Surat Basin usual residents (12.9 per cent). Other industries with relatively large numbers of employed persons included Retail Trade and Education and Training.

In parts of the region, persons of Aboriginal or Torres Strait Islander origin form a significantly higher percentage of the population than the Queensland average (3.3 per cent), making up 7.4 per cent of the population of Maranoa Regional Council. In contrast, the region has a lower percentage of population who stated they were born overseas, with 8.0 per cent of the total population compared to 17.9 per cent for Queensland.

The region also has a higher proportion of people in the most disadvantaged category (24.7 per cent), and fewer in the least disadvantaged category (14.8 per cent), compared to Queensland (20 per cent for both). The Socio-Economic Index of Disadvantage focuses on low-income earners, relatively lower education attainment, high unemployment and dwellings without motor vehicles.

Regional environment

This area straddles three bioregions, the Southern Brigalow Belt, the Mulga Lands and a small portion of the South East Queensland Bioregion. As such it contains a range of landscapes and vegetation communities from dense softwood scrubs to open native grasslands.

Whilst much of the region has been extensively cleared for agriculture, with highly productive soils in the east, the region still contains significant areas of remnant native vegetation. These areas provide important habitat for a range of native flora and fauna. Significant species include the Yakka Skink, Brigalow Scaly Foot legless lizard, Dunmall's Snake, Ooline and Shiny-leafed Iron Bark.

National Parks and State Forests are spread across the region and incorporate important examples of the region's biodiversity. The state forest areas, such as Barakula and Dunmore State Forests, provide cypress pine as well as habitat for a number of rare and threatened species in the region. Well known protected areas in the region include Bunya Mountains National Park and Chesterton Range National Park. Other important natural areas in the region are protected as voluntary nature refuges over areas of freehold land.

The Surat Basin area takes in five major inland catchments including the Moonie, Brisbane, Condamine-Culgoa, Border and Burnett rivers. The major rivers of the Condamine and the Balonne

form part of the headwaters of the Murray-Darling river system. The region also contains a number of significant non-riverine wetland areas including the nationally important Gums Lagoon and Lake Broadwater.

The average annual rainfall ranges from 944mm at Toowoomba, to 606.8mm at Dalby and 559mm at Roma. The groundwater resources of the region are significant and extensively developed. They comprise aquifers of the Great Artesian Basin, including the Walloon Coal Measures as well as fractured and alluvial systems. Groundwater supports a range of water supply purposes including irrigation, urban, commercial, industrial, aquaculture, stock and domestic.

Rapid growth: Opportunities and challenges

Growth projections based on a medium-level scenario for potential resource development in the Surat Basin include:

- production of coal and CSG is expected to increase ten-fold by 2031 from current levels
- Gross Regional Product will double by 2031 to approximately \$9.3 billion as a result of this activity, with the most rapid increase occurring between 2014 and 2018
- employment in the area is projected to increase by an additional 12,500 full time equivalent positions in the same timeframe, in addition to potential job growth from other sectors outside of resource development and its associated industries. (AEC Report 2008)
- population growth is projected to increase by 44 per cent between 2006 and 2031 (PIFU 2008 medium series projections).

Key impacts

As well as economic opportunities, this rapid and unpredictable growth presents a number of challenges. Lessons learned from the Bowen Basin indicate that rapid expansion of mining resulted in significant environmental, social and economic impacts on local communities. These impacts occurred both in the Bowen Basin region and the broader region encompassing the coastal communities of Mackay, Rockhampton and Gladstone. Mining activity had an increasingly cumulative effect on the region.

- Significant pressure on social infrastructure such as:
 - housing affordability and availability
 - education facilities
 - social support services such as child care, health care including mental health, domestic violence and youth justice services
 - community facilities including sport and recreation.
- Significant increased pressure on community members that are socially excluded or at risk of social exclusion.
- Impacts on amenity from increased development.
- Changes in community dynamics due to dominance of single men and shift workers.
- Significant pressure on economic infrastructure such as:
 - roads – both State and local government controlled
 - rail infrastructure and rolling stock
 - power supplies
 - water supplies
 - waste treatment.
- Decrease in land availability, and conflicts between different land uses.
- Appropriate provision for and location of industrial lands to meet regional industrial development needs.
- Road safety impacts from increase in heavy and over-dimensional road traffic, and fatigued drive-in drive-out workers.
- Skills and labour shortages, for mining and agri-food operations, as well as other businesses.

The pattern of development in the Surat Basin will differ from the Bowen Basin due to the unpredictable nature of its growth, the presence of established communities, the more dispersed nature of gas developments compared with coal mining, and the significant cropping and other agricultural enterprises in the region. However, it is likely that without proactive and comprehensive action, many of the same impacts will be felt in the Surat Basin.

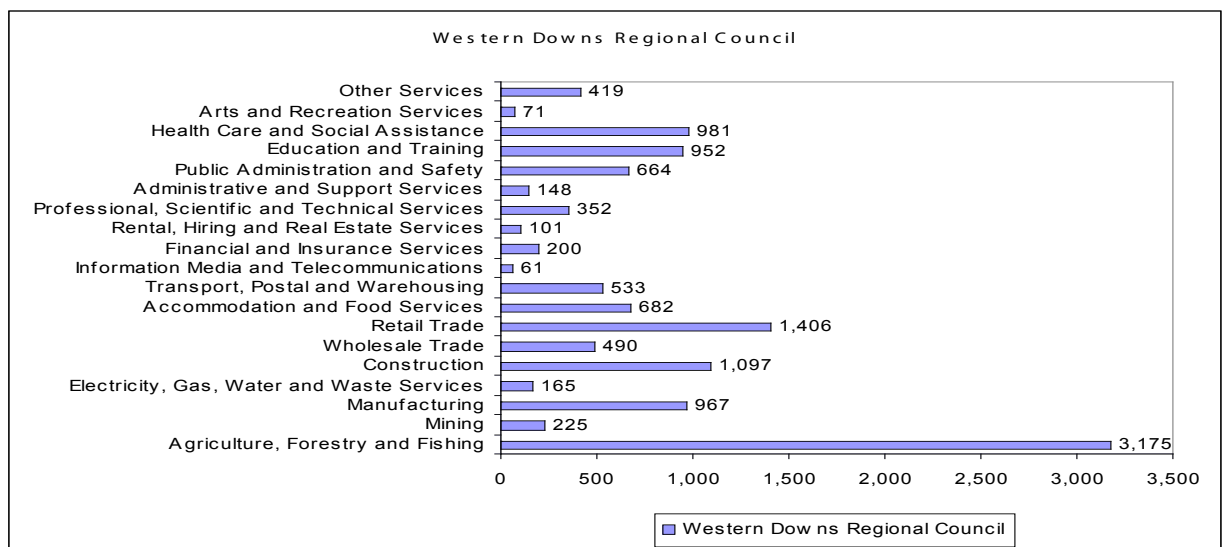
Industry and employment

The two key sectors in the region are the expanding energy industry and the well-established agriculture and food production sector. Both of these sectors make substantial contributions to the State and local economies, are major regional employers and key export contributors. These two sectors are underpinned by the region's significant reserves of energy resources, as well as soil and climate highly suited to diverse agricultural production including beef, field crops (including grains, cotton and pulses) and wool. As well as energy and agricultural production, other industries in the region include metal and machinery manufacturing, fibre composites, food and wine processing and education and training. The region's sustainable future depends on balanced development of the economy over the long term.

Rapid growth has led to a tight labour market in the region, with a current unemployment rate of 2.1 per cent in the Darling Downs-South West region, which largely represents the Surat Basin. However, education levels in the region are lower than the Queensland average, with fewer achieving year 11 or 12 or a higher qualification. At the time of the 2006 Census, Retail Trade was the largest industry of employment for Surat Basin usual residents. Other industries with relatively large numbers of employed persons included agriculture, forestry and fishing, forestry and fishing, and health care and social assistance. The highest specialisation ratios in the region occurred in the industries of agriculture, forestry and fishing, education and training and electricity, gas, water and waste services.

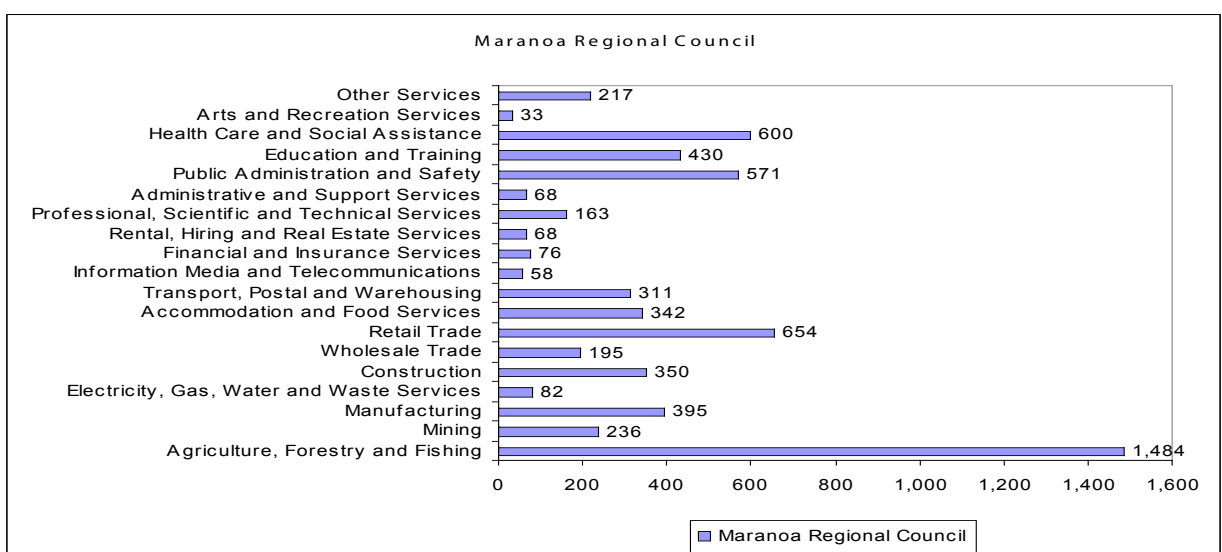
Figures 2 – 6 show employment by industry for the local government areas of Western Downs, Maranoa, Toowoomba, Banana and Gladstone.

Figure 2 Employment by Industry – Western Downs Regional Council (2006)



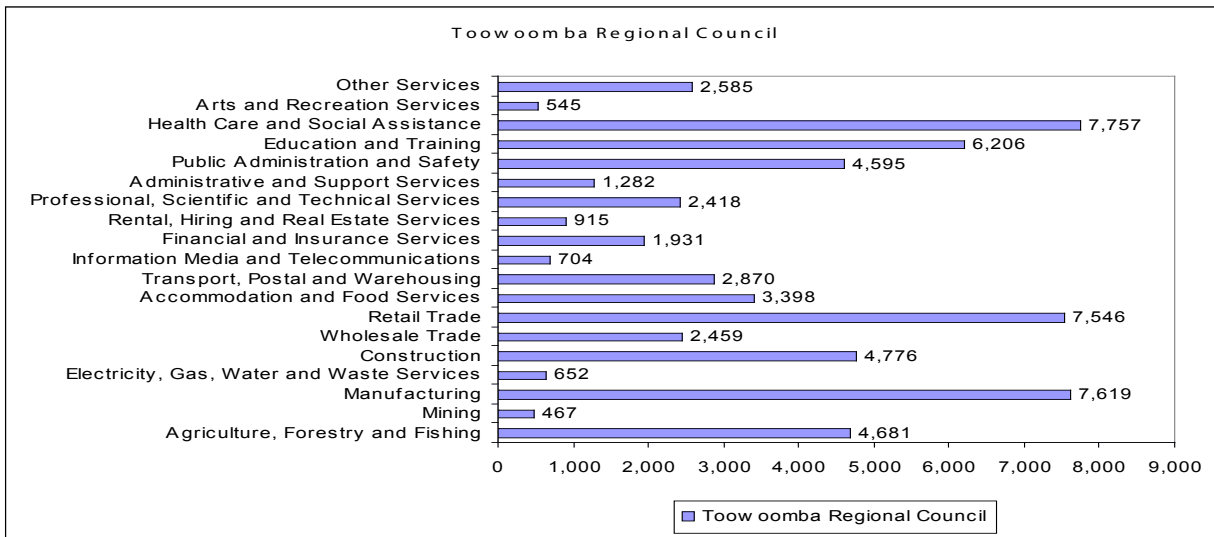
Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Basic Community Profile – B42

Figure 3 Employment by Industry – Maranoa Regional Council (2006)



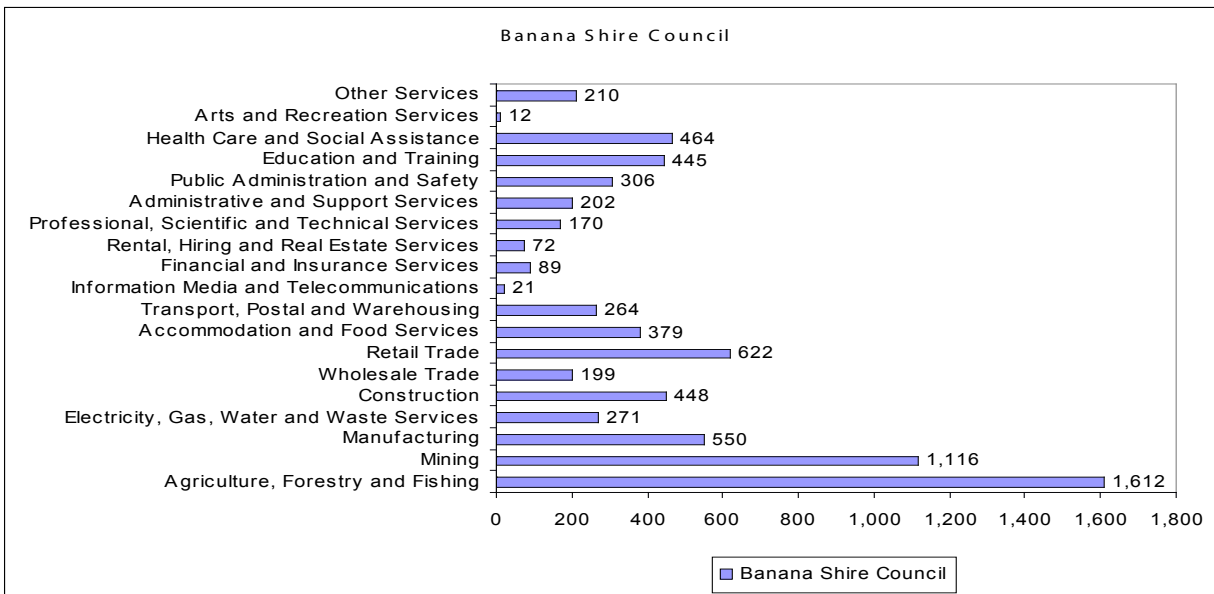
Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Basic Community Profile – B42

Figure 4 Employment by Industry – Toowoomba Regional Council (2006)



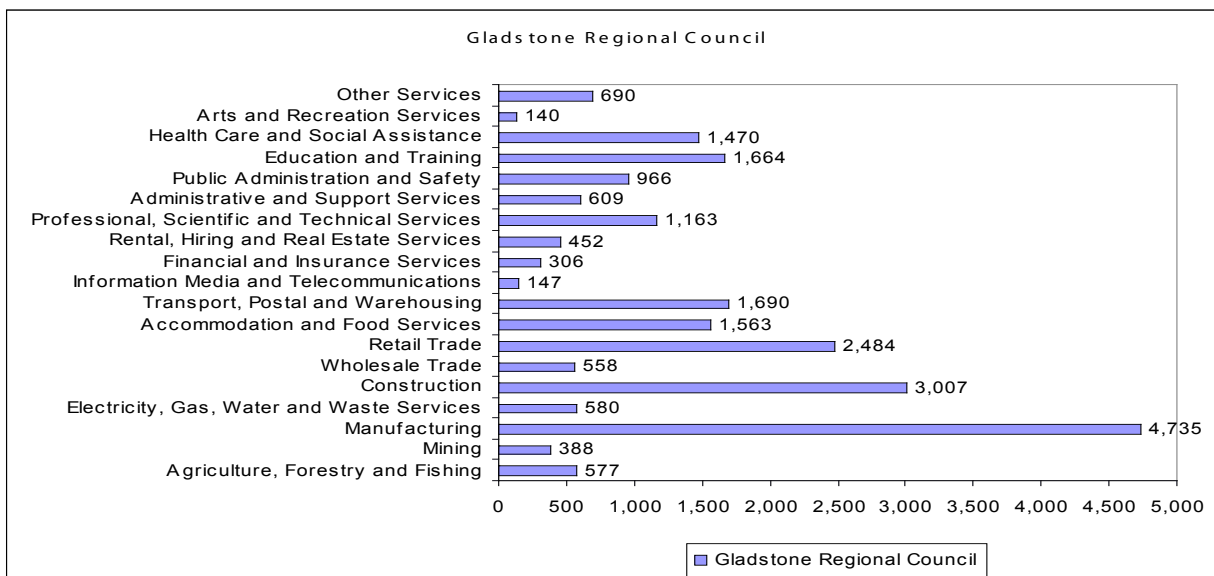
Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Basic Community Profile – B42

Figure 5 Employment by Industry – Banana Shire Council (2006)



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Basic Community Profile – B42

Figure 6 Employment by Industry – Gladstone Regional Council (2006)



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Basic Community Profile – B42

Expected growth in the region is likely to create significant flow-on employment outside the energy supply chain. This employment is likely to occur mostly in the key sectors of electricity, gas and water; finance and insurance; transport and storage; manufacturing and construction. The occupational groupings of intermediate production and transport workers, and tradespersons and related workers are expected to be the major skill requirements.

Key regional sector – Energy resources and production

The Surat Basin region has the majority of the State's known CSG reserves and significant accessible thermal coal reserves. There are also crude oil and natural gas reserves in the Region. The coal resource has the potential to be used in a variety of different ways, including extraction of CSG, underground coal gasification, and mining of the coal itself.

Coal

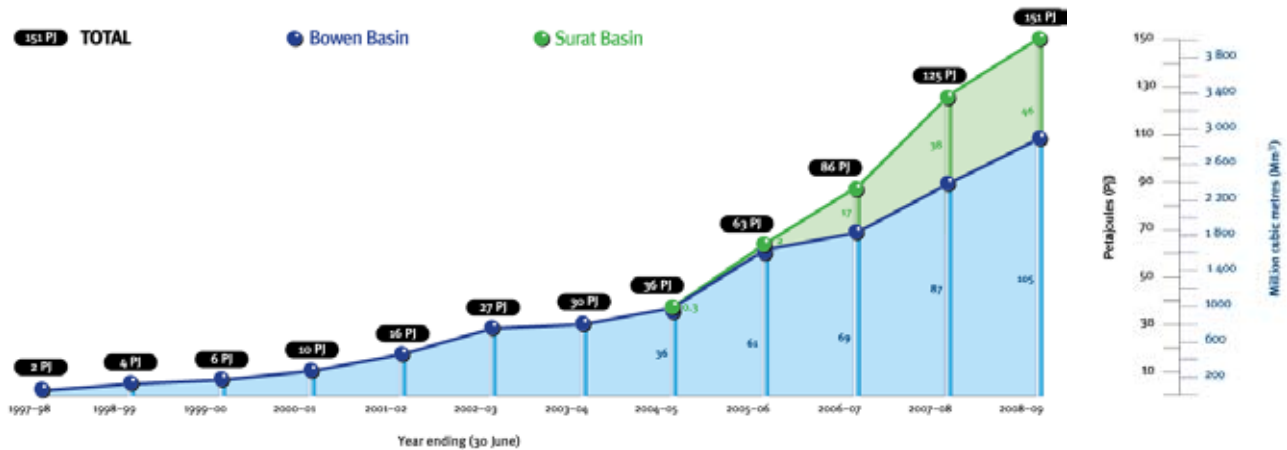
- The region contains large resources of high volatile thermal coal that occur in a number of relatively shallow deposits suitable for open cut mining. The coal is highly suitable for electricity generation and two major mine-mouth coal fired power stations have been commissioned in Queensland since 2002, at Millmerran in 2002 and Kogan Creek 2007.
- Other developed coal mines in the region include New Acland and Wilkie Creek, while the Cameby Downs Mine is under construction.
- Several other coal projects targeting the export market are in the planning phase, the most advanced being the large Wandoan Coal Project. The project would comprise a number of open-cut coal mines, with an estimated mine life in excess of 30 years, producing approximately 30 million tonnes per annum of run-of-mine thermal coal. This project depends upon construction of the Surat Basin rail link to enable haulage of the coal to the Port of Gladstone.
- According to figures collated by Industry Development – Resource, Energy and Manufacturing for 2007-08, the four operating coal mines in the Surat Energy Resources Province, Commodore, New Acland, Wilkie Creek and Kogan Creek, produced a total of 12.12 million tonnes of saleable coal during that year.
- A total of 6.19 million tonnes of coal was delivered to the Millmerran, Kogan Creek and Swanbank coal-fired power stations from the Commodore, Kogan Creek and New Acland mines and an additional 0.40 million tonnes were supplied to other domestic users.
- In 2007-08, a total of 5.23 million tonnes, with a sales value of more than \$350 million (free-on-board), were exported from the New Acland and Wilkie Creek mines through the Port of Brisbane to customers in Chile, Japan, Korea, Taiwan and USA.
- At 30 June 2009 these four mines were recorded as providing total of 694 direct jobs that included 532 employees and 162 contractors.

Coal Seam Gas

- Gas present in deeper underground coal seams is obtained by reducing the pressure in the seam through the extraction of CSG water. This CSG is largely methane.
- CSG exploration has accelerated in recent years, driven by increasing domestic demand for gas-fired power and the potential for Liquefied Natural Gas (LNG) exports.
- A major factor has been the Queensland Gas Scheme, which requires 13 per cent of the power sold by electricity retailers in Queensland to be sourced from gas-fired generation. Building on the success of this scheme, the Government introduced amendments via the *Clean Energy Act 2008* on 29 April 2008, increasing the mandatory target to 15 per cent in 2010, and creating the power to allow further increases up to 18 per cent.
- In 2000, when the Scheme was announced, CSG was supplying around 2 Petajoules (PJ) of gas a year – less than 5 per cent of Queensland's gas requirements. By 2008 CSG was supplying around 85 per cent of Queensland's gas.
- In 2008-09 fiscal year approximately 151 PJ of CSG was produced in Queensland.
- As at 30 June 2009 2P (proved and probable) CSG reserves total were 18 289 PJ. (Refer Figure 7 showing CSG production in the Bowen and Surat Basins).

Figure 7 CSG production

Annual CSG production — Bowen and Surat Basins



Liquefied Natural Gas

- There is some uncertainty about the timing and scale of LNG industry development in Queensland, but eight export LNG plant proposals have been announced involving Australian and international companies. A number of proponents aim to reach their Final Investment Decision on their projects in 2010.
- Global demand for LNG is likely to increase, due to growing demand for energy and the lower emissions profile of gas compared to coal.
- The LNG industry is dominated by global players who assess the profitability of alternative projects around the world. Currently Qatar and Nigeria dominate production of LNG, while in Australia there are major projects in Western Australia (Gorgon and Pluto projects) and Darwin (ConocoPhillips).
- CSG also provides scope as a component of value added products, such as nitrogen fertilisers and a range of other chemicals.

Underground Coal Gasification

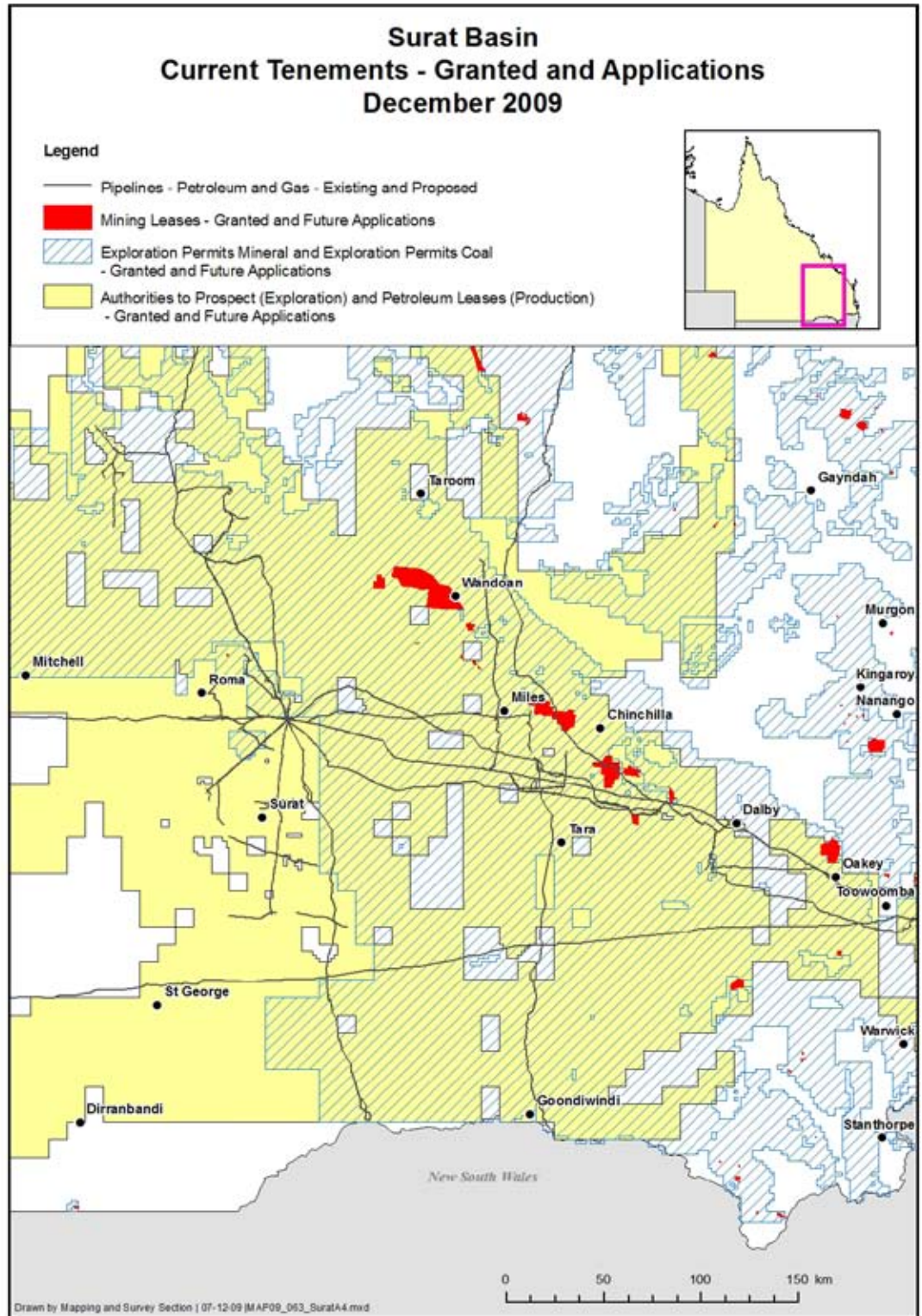
- Underground Coal Gasification (UCG) is a developing technology, currently being piloted in the region. The coal is ignited underground in a controlled burn and the extracted hot gases are processed to produce liquid hydrocarbons such as low sulphur diesel fuel, and chemicals. Alternatively, the gas may be combusted to generate electricity.
- Three pilot projects will be assessed over coming years, to determine the future viability of a prospective UCG industry in Queensland, with this pilot phase due for completion by the end of 2012.

Energy production supply chain

- Development of both coal mining and CSG production to supply new power generation facilities around the towns of Millmerran, Chinchilla, Dalby and Roma have created opportunities for local business. A number of other coal and gas-fired power stations are proposed for the region.
- Value adding opportunities, beyond the extraction of the coal or gas include gas to liquids, coal to liquids, fertiliser, ammonium nitrate, and alternative fuels.
- There may also be potential to use CSG water in a range of applications, including emerging technologies for algae cultivation to capture carbon dioxide and generate renewable diesel.
- Supply chain opportunities include: engineering and construction; environmental and business services; manufacturing; scientific research; road, rail and air transport and logistics; education and training; accommodation and hospitality; and health services. There is considerable potential to attract international and interstate business clusters to the region.
- Field developments including gas field drilling, earth moving and workcamp construction, and long term service and maintenance contracts provide the best supply chain opportunities for local companies in the short term.

Figure 8 shows current and potential resource development activities for exploration, mining and production in the Surat Basin.

Figure 8 Surat Basin current and potential future mining and exploration activity



Map legend:

Yellow areas – current and proposed tenements for prospecting and production for petroleum and gas that have been granted or applied for under the Petroleum and Gas (Production and Safety) Act 2004.

Blue hatched areas – current and future applications for mineral and coal exploration permits.

Red areas – Mining Leases, either granted or under application, under the Mineral Resources Act 1989. Most leases shown are for open cut coal mining.

Lines – current or proposed oil or gas pipelines. Most of the pipelines shown between Roma and Dalby are for the transportation of CSG.

Outlook and challenges

- The policy response to climate change is likely to have a major impact on the demand for energy resources. Global demand for LNG is likely to increase, due to its lower emissions profile compared to coal, while the demand for thermal coal may decline.
- The development of future coal-fired power stations in the region will require commercialisation of currently unproven carbon capture and storage technologies. As well as servicing export markets, the gas reserves provide potential for reducing Australia's high emissions profile.
- The region also holds potential for hybrid renewable systems, making use of the region's solar, geothermal and wind resources.
- The development of the region's energy resources will require major investment in infrastructure such as pipelines, rail and roads. There is likely to be a significant flow-on effect to other sectors, particularly construction, transport and logistics.
- Large-scale manufacturing facilities of products such as nitrogen fertiliser could use CSG as a feedstock, but will require adequate transport capacity to ports to be viable.
- Water produced during CSG extraction provides a potential resource for the region, but also presents issues for treatment and management.

Key regional sector – Agriculture, food processing and associated agribusinesses

The region has a strong existing agriculture and food processing sector. The region is favourable for agriculture and food production due to good access to domestic and international markets, access to large numbers of livestock bred within the region as well as other parts of the State, local saleyards including the State's largest selling centre at Roma, and good access to road transport and value-adding facilities. The major agricultural field crop products include wheat, barley, sorghum, sunflower, soy beans and cotton. Livestock production is primarily beef, but includes wool, meat sheep, pork and poultry products. Intensive livestock industries are concentrated in the region and based around local feed grain supply and proximity to markets.

Current industry

- The total value of agricultural production in the Surat Basin in 2005–06 was \$1.58 billion, 18.2 per cent of the total value of agricultural production in Queensland.
- Livestock slaughtering accounted for \$985.3 million or 62.3 per cent of the region's total value of agricultural production, and livestock products were valued at \$118.9 million.
- Field crops accounted for \$478.3 million or 30.2 per cent of the regions total value of agricultural production.
- The region produced 11.5 per cent of the total value of field crops in Queensland, and 23.9 per cent and 28.6 per cent of the total value of Queensland livestock slaughtering and livestock products respectively.
- There are also a growing number of niche and boutique producers including wineries, small herb processors, confectionary manufacturers, and organic foods, particularly chicken and grains.
- Mill-gate production in the forestry sector, principally in the cypress pine processing sector, totalled approximately \$50 million in 2005-06.
- In addition to the direct economic contribution of the agriculture and food processing industries, the sector supports upstream and downstream industries including agricultural inputs (e.g. fertilisers, logistical services), food wholesale and retail, and food services (e.g. catering, restaurants and cafes).

Outlook and challenges

- Demand for agriculture and food products is set to grow strongly in coming decades as populations and markets expand. The sector has remained resilient through prolonged drought, and has demonstrated its ability to withstand short-term volatility and generate increasing wealth over the longer term.
- Feed grains from the Surat region are becoming increasingly important to the Queensland economy, reflecting rising commodity prices and the changing consumption pattern of developing countries towards a diet higher in protein from animal sources.
- Recent global trends placing pressure on international grains supply are likely to continue and have heightened the importance of the cropping industries in the Surat Basin region, particularly the grains, pulses and cotton industries.
- Increased world demand for feed grains resulting from rising ethanol demand is presenting both

opportunities and challenges for different parts of the sector.

- Feedlots are increasing, with the region having most of the State's large specialist cattle feedlot capacity. Growing international and domestic demand for grain-fed beef is driving this trend.
- The traditional use of sheep for wool is shifting to favour sheep meat products, including live exports. The region has the potential to supply increased sheep meat outputs to the domestic and local market.
- The poultry industry is also growing in some parts of the region as producers transfer from South-East Queensland.
- Production in the forestry sector is expected to remain relatively stable, but changes in state-owned lands tenure and management is expected to result in industry restructuring and changes in the location of centres of sawmilling activity.
- There is an increasing need for Research Development and Extension for improved profitability and sustainability of the Surat Basin's leading agricultural industries, including beef, grains, pulses and cotton.
- Climate change is a major challenge for the sector. Recent predictions by the Queensland Office of Climate Change indicate that the region will experience higher temperatures, increased evaporation, and decreased rainfall in the coming decades. As a result, adaptation and mitigation strategies are needed.
- Increased government and community emphasis on environmental sustainability places pressure on producers to adapt best practices.
- Increasingly, new agricultural ventures based on delivering a range of environmental services will supplement economic returns from traditional activities.
- The expanding mining and energy industry will cause competition for land, water and infrastructure.
- Workforce shortages will be exacerbated by inability to compete with mining /energy sector wage packages.
- Opportunities for synergies with the energy sector include the potential for irrigated agriculture using CSG water, and benefits from improved transport networks (particularly roads).

Resolving conflicts between agriculture and mining

The Government is actively addressing conflict between the two key sectors for the region, agriculture and mining. It is important that we strike the right balance between these industries, and explore opportunities for synergies, in order to achieve maximum overall community benefit. Agricultural land resources are important to Queensland. They support economic growth in regional areas, they provide a resource base for growing food in the context of increasing world food demand and they are finite in nature.

The Queensland Government is committed to the sustainable development of Queensland's land resources, including managing competing land uses to ensure balanced outcomes.

Loss of Queensland's highest value agricultural land has the potential to reduce the state's future capacity to grow crops with associated economic, environmental and social implications. Intensified land use competition for agricultural land, particularly in relation to mining development, has highlighted shortcomings in the current planning framework to conserve agricultural land.

The government is committed to addressing this gap to ensure that the state's interest in agricultural land is given due consideration in land use planning and development decisions.

A discussion paper on the Government's proposed new policy and planning framework for Strategic Cropping Land is available from the Department of Infrastructure and Planning.

Government will consult with stakeholders throughout development of the new framework.

In addition the Department of Employment, Economic Development and Innovation – Industry Development (Resources, Energy and Manufacturing) is working with key resource and agricultural sector stakeholders through the Land Access Working Group (LAWG) to develop collaborative solutions to land access issues.

The relationship between resource companies and landholders is a complex and difficult issue in the Surat Basin.

The work of the LAWG seeks to inform landholders of both their rights and obligations. A Land Access Policy Framework is currently under development, including a single Land Access Code of Conduct relating to mining, petroleum and gas activities on private land and standard conduct and compensation agreements to simplify negotiations. The Policy Framework also considers the adequacy of the current legislative frameworks and makes recommendations in relation to improvements.

Other activities to improve relationships between explorers, rural landholders and the Queensland Government include:

- publication of factsheets regarding the relevant statutory frameworks, and land access rights and obligations
- an Industry Development (Resources, Energy and Manufacturing) community liaison officer has been employed to work directly with stakeholders in the Surat Basin
- A Toowoomba-based qualified legal resource is providing legal aid advice to landholders on land access issues.

Other sectors

Other sectors in the region including speciality manufacturing, education and tourism have the potential to grow in importance to the region's economy.

- The metal and machinery manufacturing sector provides support to the agriculture sector as well as export markets in foundry, fabrication and assembly activities. The region's manufacturing firms have a long history of supplying agricultural products and services. New opportunities may arise in components for the gas industry and long term service and maintenance contracts, providing diversification for existing firms and the basis for investment attraction.
- The region also has strengths in the niche sector of fibre composites. This emerging industry sector has capabilities in research and development, manufacturing and exports for the civil construction, aviation, aerospace, marine and automotive sectors. Research and development in fibre composites is making Toowoomba a hub for new building and construction products.
- The region also has recognised expertise in distance education, specialty training and technical skills education, notably in business, science, education and engineering.
- Toowoomba is a leading regional and inter-regional centre for delivery of high standard education and training services.
- The region has potential to develop a more significant tourism industry, based on food, wine, mining and outback tourism.

Climate change and the Surat Basin region

Climate change will have a major influence on the Surat Basin region. The prevalence of emissions-intensive export industries means the region will face long-term challenges as it adapts to the introduction of a carbon price under the Commonwealth's proposed Carbon Pollution Reduction Scheme, as well as global action to mitigate emissions. There are also new economic opportunities as a carbon price supports growth in markets for CSG and renewable energy. The region will also need to prepare for the long-term physical impacts of climate change which cannot be avoided. This may have particular implications for agriculture and water use in the Surat.

Planning for growth

The region will meet the challenges of growth through effective regional and local planning that directs the scale, type, location and connectivity of development.

Planning is central to managing development and to building sustainable and liveable communities, both at a regional and a local level. Development in the region will be uneven and irregular, which creates uncertainty about the cumulative impacts on towns, businesses and infrastructure. Without a strategic approach to planning, the benefits of development cannot be fully utilised and the cumulative impacts will not be addressed. Successfully planning for growth will require a flexible and responsive approach, established around a series of desired outcomes and associated strategies.

Key issues

- The region falls within two regional plan areas (the existing Maranoa-Balonne Regional Plan and proposed Darling Downs Regional Plan).
- The region does not have a comprehensive framework to integrate different types of planning, such as land use and natural resource management.
- Planning frameworks will need to be able to assess and respond to cumulative impacts and temporary workforces.
- There is a shortage of timely information on new developments for planning decisions.
- The pace of development will place a strain on the planning resources of local government.
- Land use conflicts may arise between mining developments and other uses.

Current investment

Information and data

Fundamental to planning for infrastructure and service delivery and managing sustainable development in the Surat Basin will be access to population and other key statistical data.

The Office of Economic and Statistical Research (OESR) is the Government's Lead Agency for provision of statistical information to the government. The OESR has a number of key activities currently underway that will support planning and actions in the Future Directions Statement.

Current activities

- Preparation of updated resident population projections for Queensland Statistical Divisions and Local Government Areas (LGA) in 2010. Work on this project is under way, with the release of LGA-level results planned for early 2011.
- Continued refinement of OESR's projection model for assessing cumulative growth in the non-resident worker populations of LGAs in the Surat Basin. This model will be kept updated with workforce information on existing and planned resource projects obtained through surveys of mining companies and accommodation providers, as well as other sources.
- Monitoring of non-resident workforces in the Surat Basin, including the Surat Basin population report baseline study in 2008.
- Development and release of demographic and workforce studies for the Surat Basin in early 2010.
- Development of household projections, population and housing factsheets, land use monitoring, regional profiles and other targeted research relating to resource communities.
- Preparation of regional employment projections and detailed industry tables consistent with ABS Input-Output tables.

Planning

Across Government, specific planning, policy development and related research is already underway. A major regional planning exercise has led to the development of the Maranoa-Balonne Regional Plan. This plan starts to address some of the land use conflict issues associated with the rapid growth in the Surat Basin and will guide land use and development in the western part of the region.

Government has also started development of a policy regarding the development decisions and use of the State's best agricultural land. This will provide greater clarity for potential investors in the mining and agricultural sectors, and will also address land use conflicts. Other examples of planning activity include:

- Health Service Plan for the South West Health Services District
- Local disaster management planning
- Research into the numbers of temporary residents in the region, and estimations of the full-time equivalent population in the Surat Basin.

Future activities

Planning for the Surat Basin will identify key environmental, economic, social and cultural values, the implications of anticipated growth and establish a framework for a sustainable future responding to community needs. The development of a Regional Planning Framework and associated preferred settlement pattern will inform regional and local planning decisions, and direct the form, scale, type, location and connectivity of development. It will also inform future regional plans for the Darling Downs and Maranoa-Balonne. Key activities are:

- Implementation of the Maranoa-Balonne Regional Plan (The Maranoa-Balonne Regional Plan covers the Maranoa Regional Council and the Balonne Shire Council). The area covered by this Future Directions Statement includes the Maranoa portion of the Maranoa-Balonne Regional Plan, but also includes the Toowoomba Regional Council, Western Downs Regional Council and part of the Banana Shire:
 - Review of the plan to align with planning across the broader region.
- Development of Regional Planning Framework covering the Surat Basin region
 - Undertake Land Use Study
 - Determine likely land demands (e.g. industrial land) in the region to inform the Preferred Settlement Pattern.
- Coordination of different planning mechanisms (regional planning, town planning, natural resource planning).
- Investigate the opportunities and constraints for State land to contribute to the preferred settlement pattern.
- Investigating declaration of Urban Development Area within the region.
- New local Planning Schemes in the next 2 to 5 years.
- Improving knowledge of proposed projects and changes in population:
 - improve tracking of developments within the region to inform planning, including establishment of a projects database, covering both major and minor projects
 - monitor changes in permanent and temporary residents, and develop model to inform community planning
 - improving communication flows and consultation with local government as part of resource development decision making processes.
- Developing the Cumulative Growth Management Framework for resource communities across Queensland.

Headline

Determine the preferred settlement pattern for the Surat Basin region, to guide regional planning and service delivery.

Develop a Regional Planning Framework covering the Surat Basin region. The key outputs that will be developed under the framework are:

- regional vision
- strategic directions
- regional land use patterns.

Planning and developing infrastructure

The needs of communities and industry will be serviced by appropriately located infrastructure.

Infrastructure, such as roads, rail, and telecommunications, enables communities and industry to grow. The rapid development of the resource industry and population will place strain on existing infrastructure, and require a comprehensive response with shared responsibility between government and industry. Investment in infrastructure also needs to be strategic in nature, capable of benefiting multiple sectors over time.

Social infrastructure, such as hospitals, child care centres, education and sporting facilities, is discussed under the 'Building and Maintaining Liveable Communities' theme.

Key issues

The region's infrastructure is facing increased demand combined with rising maintenance costs and funding constraints.

Transport

- Increased demand on the capacity of regional transport infrastructure, including road and rail
 - Strong demand on the rail system for export coal movements, while rapid traffic growth to support industry inputs and services as well as movements of workers and families
 - Competition between agricultural and mining uses for transport, and increasing dependency for the agriculture sector on road transport
 - Impact of over-mass and over-dimensional vehicles and increased heavy vehicle traffic and rail movements on road pavements, the safety of other road users and community amenity
 - Cumulative impacts on the roads network both within and beyond the region on account of major projects
 - Existing EIS process may not completely capture the impact on regional transport networks.
- Need for Federal funding to upgrade key roads in the region.
- Need for catalytic infrastructure, such as Surat Basin Rail, rail south Wandoan, the Western Rail Line, inland N-S rail line, intermodal transfer facilities and port infrastructure to facilitate developments.

Energy

- Increased demand on electricity and power infrastructure.
- Availability of gas for the expanding domestic market.

Land

- Increased demand for appropriately sized and located industrial land.
- Land use conflict between the agriculture and energy sectors.

Water

- Increased and competing demands on water supply for new urban and industrial development, mining and rural industries.
- Severe limitations on water resources in the Murray – Darling Basin and the Great Artesian Basin.

Extractive resources

- Increased demand for hardrock, sand and other extractive resources to support infrastructure development.

Telecommunications

- Inadequate telecommunications infrastructure, including mobile and broadband internet, for the growing population, temporary residents and business connectivity.

Coordination and long-term planning

- Delivery of a high volume of infrastructure requires effective coordination.

Current investment

The Queensland Government is delivering infrastructure to support growth and to enhance the liveability of the Surat Basin region, with projects including major public and industry infrastructure covering road, rail, energy, industrial land, water and telecommunications.

Transport – Road

The Queensland Government has made significant commitment to rehabilitating and upgrading roads and bridges in the Surat Basin, with 20 major projects to be completed in the Surat Basin and surrounding region over the next five years. Further transport infrastructure investigations and planning are ongoing for the region. Current and recent significant strategic transport (mainly road) planning work includes:

- Brisbane – Darwin Corridor Strategy (includes the Warrego Highway) (completed)
- Melbourne – Brisbane Corridor Strategy (includes Gore Highway) (completed)
- Mungindi – St George – Roma – Emerald Route Strategy (completed)
- Goondiwindi – Miles – Rockhampton Route Strategy (completed)
- Gladstone – Rolleston Route Strategy
- Warwick – Toowoomba – Kingaroy – Rockhampton Route Strategy
- Toowoomba PT and Freight Study (including Charlton integrated transfer facility)
- Toowoomba Strategy Road Network plan (soon to commence)
- Eastern Darling Downs Integrated Regional Transport Plan (IRTP) (to be updated)
- Border region IRTP.

Various other road planning projects in the Toowoomba area including detailed planning for the Toowoomba Bypass.

The following are examples of current road transport projects:

- replacing the bridge and approaches at Wilkie Creek and Oaky Creek, replacing bridges at Wieambilla Creek, Kogan Creek and Ashall Creek, constructing a bridge and approaches over the Barwon River
- widening and overlaying sections of the Oakey-Cooyar Road
- repairing and strengthening sections of the Moonie Highway near Dalby
- widening, repairing and strengthening sections of the Leichhardt Highway
- upgrading the Warrego Highway from Mitchell towards Roma to allow Type 2 Road Train access
- paving and sealing sections on the Roma-Taroom Road
- widening and sealing sections, constructing a bridge and approaches, and reconstructing a section of the Carnarvon Highway
- completing widening of a bridge at Angellala Creek, widening and sealing sections of the Warrego Highway
- widening and sealing a section of Wallumbilla South Road
- pilot tunnel for second Toowoomba range crossing
- safety improvements on Chinchilla-Tara Road and Warra – Kogan Road under the Safer Roads Sooner Program.

Transport – Rail

- The Surat Basin Rail Project, comprising a new rail link starting on the Western Railway System near the township of Wandoan, and joining to the existing Moura Railway System near the township of Banana, is currently under investigation. The Surat Basin Railway Joint Venture is currently in bankability phase, in which environmental investigations, engineering and design work, access pricing and financing preparations will be concluded. The State is also working to progress preparation of concession documentation and planning to preserve and acquire the rail corridor as agreed under the Development Agreement. This new \$1 billion plus rail connection will enable the Surat Basin coal and other regional freight to be exported through Gladstone.
- QR will also investigate potential upgrades to the Moura system and Western line south and east of Wandoan.

Energy

- Upgrades to the high-voltage electricity transmission network, including new substations, station connections, and measures to address thermal and voltage stability limitations (Powerlink).
- Upgrade of electricity distribution network, including reinforcement of supply to regional towns, replacement of aged infrastructure, and augmentation of network (Ergon).

- Stanwell has entered into a Gas Development Alliance Agreement with Blue Energy relating to the development and production of CSG from either of two tenements located near Spring Gully.
- Investigations into the potential for an Integrated Gasification Combined Cycle power plant with the potential for Carbon Capture and Storage based in Wandoan.

Industrial land and infrastructure corridor

- Early stage investigation of requirements for appropriately sized and located industrial land.
- Identification of a multi-user infrastructure corridor between the Callide and Gladstone State Development Area.

Extractive resources

- Investigation of the availability of significant regional extractive resources to supply emerging infrastructure development.

Water

- Investigation of proposed Nathan Dam, including scoping of a potential Nathan Dam agricultural precinct.
- Development of policy for CSG Water, to facilitate its beneficial use.
- Water demand study.
- Implementation of water resource plans.
- Development of State Water Grid Concept Plan.

Telecommunications

- The Queensland Government is working with the National Broadband Network Company to address effective and earliest delivery of broadband in Queensland.

Coordination

- The Coordinator-General has a coordination and decision-making role regarding approval and conditioning for declared Significant Projects.
- The Government has set up the Coal Infrastructure Taskforce to ensure adequate infrastructure for coal industry development.
- Coal industry development will be guided by the Coal Infrastructure Program of Actions 2008 and the Government's medium to long term coal infrastructure strategic planning.

Future activities

Transport

The road system requires further funding for the safe and efficient movement of people and commodities within the region. Various rail investments are also required. Future activities include:

- Completion of various transport planning activities currently in progress (see above).
- Conduct a Regional Transport Investigation and subsequently develop a Regional Transport Strategy covering various transport modes as well as alternative or complementary non-infrastructure solutions to transport.
- A strategic road network plan for the Toowoomba area incorporating strategic road studies in relation to New England Highway near Toowoomba, the Oakey – Cooyar Road and links to the Toowoomba Bypass.
- Various detailed road link planning including Warrego Highway (Toowoomba – Oakey).
- Implement major road infrastructure projects already programmed over the next five years in the Roads Implementation Program, including various rehabilitation and widening and bridge works.
- Improve road infrastructure and other transport facilities by delivering projects funded via the SRC initiative, and other funding sources.
- Advocate to the federal government the need to build and upgrade major federally funded infrastructure such as the Warrego Highway and the Toowoomba Bypass.
- Ensure recognition of cumulative road system impacts of many major development projects in the EIS process, not simply specific localised project impacts.
- Continue facilitation and assessment of other major transport projects such as the Surat Basin Rail Project and investigation of other potential upgrades to the Moura system and the Western line south and east of Wandoan.
- Eastern Downs IRTP (revision/update).

Planning and programming in relation to these activities shall be linked to the Regional Transport Investigation and prioritised in accordance with a subsequent Regional Transport Strategy.

Water

- Facilitating development of proposed Nathan Dam, subject to obtaining necessary regulatory approvals.
- Undertaking water resource planning.
- Developing regional water supply strategy to address water needs over the next 50 years, including managing the impact of climate change on supply and demand.
- Scoping opportunities for the beneficial use of CSG water.

Energy

- Renewable energy:
 - Renewable energy resource mapping, including assessment of sources of geothermal energy
 - Identification of Renewable Energy Zones
 - Investigation of multiple small-scale solar thermal plants.
- Implementing Government policy on gas availability for domestic market.
- Investigating electricity transmission infrastructure needs for new generation, LNG compression and mines, including matching of investment timeframes with EIS and planning timeframes.
- Implementing the Queensland Energy Management Plan.

Land

- Planning for sufficient and suitable industrial land:
 - CSG Industrial Supply Chain Survey
 - Industrial Land Demand Study
 - Industrial Land Suitability Study.
- Securing multi-user infrastructure corridor for underground gas pipelines.
- Investigate the opportunities and constraints for State land to contribute to the preferred settlement pattern.

Extractive resources

- Identifying and protecting significant regional extractive resources (hard rock and sand).

Telecommunications

- Identifying opportunities to expand radio network for Queensland Ambulance Service South Western region, through use of common facilities with Government and industry.
- Identifying communications blackspots.
- Ensuring Government infrastructure has allowance for broadband infrastructure.

Coordination

- Implementing governance arrangements for infrastructure planning and monitoring.

Headline

Conduct a Regional Transport Investigation and develop a Regional Transport Strategy covering various transport modes as well as alternative or complementary non-infrastructure solutions to transport. This analysis and strategy will guide planning for spatially efficient development patterns. It is envisaged that subsequently more detailed transport planning will follow this strategic level analysis and strategy formulation during 2011 and 2012.

Building and maintaining liveable communities

The region will have a range of liveable communities, with adequate community infrastructure and services to meet the needs of residents and visitors.

Growth in the population living and working in the region will increase the demand on community infrastructure and services such as housing, health and services to marginalised communities and those with mental health concerns. Lifestyle and amenity can be affected by increased resource development.

The Queensland Government, through the Environmental Impact Assessment process and the regulatory requirements regarding dust and noise under the Environmental Protection Act 1994, manages individual project impacts on lifestyle and amenity. However, there is potential for the cumulative impact of resource development to affect lifestyle and amenity.

The Queensland Government is therefore committed to improving knowledge to better inform policy deliberations and mitigation approaches for the cumulative impacts of resource development on amenity and lifestyle. The newly formed multi-stakeholder group established in the Moranbah community focusing on resource development impacts on liveability and well-being, and the Surat Basin Local Leadership Group and the Partnership Group under the SRC Policy are potential sources of information. Findings from the consultation for the Social Infrastructure Strategic Plan for Gladstone can also inform social infrastructure considerations.

Maintaining liveable communities is important to attracting and retaining workers to become residents, with flow-on benefits for economic resilience and community vibrancy. The current and proposed activities of the Queensland Government also aim to address the increased demand on community infrastructure and services.

Key issues

Housing

- Increased overall demand in an already strained housing market, resulting in high rents and property prices and reduced affordability.
- Changing housing needs, including single living quarters and rental accommodation.
- Difficulty in attracting housing investment due to uncertainty about timing and scale of development.
- Need to have suitable zoned and serviced land for new housing.

Services

- Increased pressure on local medical, dental, mental health and social services, already under strain.
- Increased demand on community facilities such as child care, schools, libraries, sport and recreation facilities.
- Increased demand on police and emergency services.
- Impact on local government services such as sewage and roads from short term work camps.
- Lack of coordination between Government and industry response to service demand.

Community wellbeing and quality of life

- Cumulative impacts of dust, noise and vibration can have an impact on community amenity.
- Changes to social structure, including increased number of newcomers, and drive-in drive-out and fly-in fly-out workers.
- Limited sporting and recreational activities, including limited access to broadband internet and television services, limits potential to attract and retain workers.
- Potential increase in crime.
- Pressure on capacity of non-government organisations to deliver community services.

Current investment

Social Impact Assessment

Under the SRC Policy, major project proponents now need to include Social Impact Assessments in their Environmental Impact Statements (EIS). This is helping government better understand and

manage the impact on communities, as well as the environment, of new developments. The Government is currently working to improve consistency and quality of Social Impact Management Plans.

Housing

- Government employee housing development is underway in Roma, Mitchell and Injune.
- An 'in principle offer' for unallocated state land in Wandoan is under investigation.

Services

Health

The Government delivers a range of programs and services to meet the growing and changing demand for health services in the Surat Basin, and as part of the Queensland Government's priority to improve the health of Queenslanders, for example, in the South West Health Service District (SWHSD).

- The Roma Hospital is the largest acute facility in the SWHSD and provides a range of public health services including medical, maternity, pharmacy, radiography, pathology, physiotherapy, occupational therapy, social work, podiatry, speech therapy, counselling and oral health. In addition a Flying Specialist Service consisting of a surgeon, obstetrician and gynaecologist, and anaesthetist is based at Roma and provides services to rural and remote locations.
- There are also hospitals at Injune, Surat, and Mitchell and an outpatients Clinic at Wallumbilla.
- A wide range of community health services including child and family health, alcohol tobacco and other drugs, young people's support program, Aboriginal health, sexual health, mobile women's service, community aged care, chronic disease management, mental health and allied health are provided across the Surat Basin through a Primary Health Care Unit located at Roma.
- The SWHSD provides outreach services to the smaller centres on a regular basis through visiting clinics to communities of the Surat Basin.
- Queensland Health is working to enhance the mix of services to better meet local community needs at Mitchell through the Multipurpose Health Service Model.

Examples of other current activities include:

- Xstrata Coal and Queensland Health Partnership in Wandoan, with a \$750,000 investment by Xstrata into improving health infrastructure in Wandoan over 3 years.
- A \$11 million emergency department and maternity unit were opened in Dalby in late 2008.
- Development of doctors' surgeries at Injune and Mungindi Hospitals.
- A health working group has been established by the SRC Partnership Group.

Education and training

Child care and kindergartens

- Creation of six new services providing 270 kindergarten places in Roma and Darling Downs Education District.
- Trialling a mobile kindergarten in Surat and Injune.

Schools

- There are 56 primary and 7 secondary state schools in the Surat Basin, with additional schools available in Toowoomba.

Vocational Training and Tertiary education

- The Southern Queensland Institute of TAFE offers a broad range of programs covering wider business and industry skill needs from Toowoomba, Chinchilla, Dalby and Roma.
- A new facility is being developed at Roma that will focus on serving the energy and resources sectors.
- Secondary schools, TAFE and the Australian Agricultural College Corporation work collaboratively to facilitate youth training.
- The University of Southern Queensland provides technical and professional education and opportunity for research and innovation.

Access to government services

- Smart Service Queensland provides easier access to government services through the government website and integrated contact centre and service counters.
- Nine Queensland Government Agent Program (QGAP) government services counters currently operate within the Surat Basin Region.

Community wellbeing and quality of life

Community safety

Safety and security in communities is an important component of liveability. Government activity includes requiring project proponents to incorporate community safety issues into their EIS, working with industry in relation to mining safety, and maintaining and improving emergency and policing services.

Examples of activity include:

- Close liaison between Queensland Ambulance and SANTOS Ltd regarding activities on well sites and the pipeline locations.
- Petroleum and gas inspectorate to ensure mining safety
- Expansion of services, including:
 - approval of an additional Queensland Fire and Rescue officer for Roma
 - allocation of an additional Police officer position to Chinchilla
 - allocation of an Indigenous Police Liaison Officer position to the Dalby District
 - provision of Domestic and Family Violence Service in Roma and Toowoomba.

Social and cultural wellbeing

A key to fostering social and cultural wellbeing is to understand the nature of impact and change in the community arising from resource development. Key activities include:

- Improved identification, assessment, mitigation, and ongoing monitoring and management of social impacts as part of environmental impact assessment processes.
- Funding of research investigations such as the CSIRO social impact study and the best practice sustainable mitigation strategies.
- Funding of non-government organisations to provide community services.
- Social cohesion:
 - Funding of a Local Area Multicultural Programs officer in Dalby
 - Welcoming of new residents by local government
 - Delivery of services to Indigenous and Torres Strait Islander community members.

Future activities

Social Impact Management

- Development of guidelines and templates for Social Impact Management Plans and social infrastructure requirements.
- Development of legislative amendments to require the development and implementation of Social Impact Management Plans as part of project approval processes.
- Coordination of human services – Research paper on Coordinated Humans Services Investment in Greenfield Sites that will include a draft technical framework.

Housing

- Development of Major Projects Housing Policy.
- Development of a resource town housing affordability strategy.
- Development of guidelines for the type, quality and location of temporary accommodation.
- Further development of the affordable housing models for local governments through the SRC Housing Group.
- Expansion of Government employee housing in region.

Services

Health

- Identification of health service priorities, needs and demands in the South West Health Service District of the Surat Basin.
- Deliver health service initiatives in collaboration with other stakeholders.

Education

- Planning locations for extra kindergarten services.

Coordination and engagement

- Establishing a local leadership group (under the SRC policy) in the Surat Basin.
- An expansion of QGAP service counters within the region will assist with easier access to government services, with two further counters to open in the Surat Basin region by May 2010.

Community wellbeing and quality of life

Community safety

- Ensure sufficient training, equipment and other facilities are provided for regional fire and ambulance services.
- Liaise with gas companies to provide information to all emergency services on the location of workforces.

Headline

Develop a resource town housing affordability strategy, to improve availability of quality affordable land and housing outcomes.

Develop guidelines to improve consistency and quality of Social Impact Management Plans to better understanding of social infrastructure requirements and respond to local needs.

Building economic resilience and capturing opportunities

The regional economy will be strong and diverse, able to meet local needs, attract investment and respond to significant opportunities.

Resource development in the Surat Basin presents considerable economic opportunity for the region and for Queensland. A strong, resilient economy has diversity, taking advantage of immediate opportunities, while maintaining and building existing competitive sectors. Resilience requires both targeted and broad approaches, maximising the benefit from energy developments, and attracting investment and resources to support and expand existing and new industries.

Agriculture will remain important to the region during and beyond development of the energy sector. Maximising the economic potential of agriculture on a sustainable basis provides stability. Other sectors, such as tourism, are well placed to build on growth. Targeting sectors such as energy, tourism, agriculture and education provides economic linkages across the region and focuses resources.

Building local economies is also important to maintaining viable and vibrant communities. All local businesses form these local economies and strong growth will add to and remove stressors. Small businesses in particular may face challenges adjusting to the growth.

Key issues

- Maintaining the balance between the region's two leading industries, energy and agriculture.
- The uneven and irregular development of the energy industry will create pressures across the business community.
- Local firms may not have the scale or systems to access supply chain opportunities.
- Increased impact of global supply chains and pre-assembled modules, on the potential for local industry opportunities.
- Increased demand for strategically placed and located industrial lands.
- Land use conflicts between energy and food and fibre production.
- Increased competition for resources, such as staff.
- Constraints on agriculture due to water availability and price.
- Managing the impact of climate change, including the introduction of carbon pricing and the development of lower-carbon industries.

Current investment

Energy and Energy Supply Chain Industry Development

- Centres of Enterprise Surat Energy Resources Province action plan, including:
 - supporting the development of an internationally competitive manufacturing and related services sector in the region
 - increasing business take-up of new technologies
 - determining the locational and infrastructure requirements of the supply chain providers
 - attracting new businesses to address supply chain gaps and create local employment.

Agriculture, Food and Associated Industry Development

- Centres of Enterprise Food Processing Plan, including increasing business competitiveness, attracting investment, and improving collaboration.
- Investigation of opportunities from the proposed Nathan Dam, including scoping of a potential agricultural precinct and development of an 'investor-ready' agribusiness information package.
- Research Development and Extension for improved profitability and sustainability of the Surat Basin's leading agricultural industries, including beef, grains, pulses and cotton.
- Implementation of the 2020 Beef Plan.
- Exploration of opportunities for agricultural use of CSG water.
- Ensuring robust biosecurity systems through Local Government Area Pest Management Plans and other Biosecurity planning.

- Research and policy to optimise water allocation between alternative enterprises and improve the profitability–risk profile of the farm business.

Resource industry development

- Releasing land for petroleum and geothermal exploration in the Surat Basin.
- Implementation of the LNG Blueprint.

Other economic development

- Maximising business opportunities and jobs for regional manufacturing supply chains from agriculture, mining, LNG and associated major projects by expanding the role of Industry Capability Network (ICN) in the region.
- Engagement with potential investors for new projects in the energy supply chain and related industries.
- Engagement with potential investors of new projects in the use of coal for a wide range of energy and other products, as they could form the basis for a potentially new core industry in the Surat Basin.

Land access

- Improving relationships between explorers, rural landholders and the Queensland Government through the Land Access Working Group.

Climate change

- Nomination of the Wandoan Intergrated Gasification Combined Cycle (IGCC) demonstration project for consideration under the Commonwealth’s Carbon Capture and Storage Flagships Program.
- The Carbon Geostorage Initiative, with release of the Queensland Carbon Dioxide Geological Storage Atlas and GIS.
- Renewable energy – Mapping of areas of strategic importance to the state, including solar and wind, and presentation of data through an online mapping tool.

Innovation

- Offering businesses access to the Queensland-wide Innovation Network (Q-WIN) program, Innovation Coaching, Innovation Toolbox, Research and Development Forums and Technology Clinics.
- The Capital Raising Pipeline programs assist researchers and innovative businesses to bring their products to market.
- Research Development and Extension for improved profitability and sustainability of the region’s leading agricultural industries, including beef, sheep and goats, feed grains and fodder, grain, pulses and cotton, and intensive animal industries.

Future activities

A comprehensive Economic Development Strategy will be developed, including:

- Implementing a cross-regional industry development action plan for energy developments and their supply chain, from exploration to export.
- Expanding the region’s food processing industry action plan to incorporate agriculture.
- Supporting the region’s manufacturing sector, through:
 - expanding the support for the development of an internationally competitive manufacturing and related services sector in the region, including actions under the Jobs First, Queensland Made Means Queensland Jobs initiative
 - supporting the development of manufacturing and related services sector precincts or hubs.
- Attracting investment to address gaps in the local supply chain and take advantage of the region’s growth potential.
- Provide specialist support services through economic development activities, export support services, and specialist services for supply chain development through ICN.
- Provide support to local business and industry through delivery of whole of government programs.

Other economic development activities

- Extending coverage of the Queensland Regional Development Initiative to include the region.
- Continued development and implementation of the Land Access Policy Framework to improve systems relating to the access of private land for resource exploration and development.

- Increasing preparedness of business to cope with impacts of climate change through the ClimateSmart Business Service and the Sustainable Manufacturing web service.
- Renewable energy:
 - developing a Solar Atlas of Queensland
 - investigating the creation of a pilot Renewable Energy Zone in the Surat Basin region
 - encouraging the creation of multiple small-scale solar thermal plants.
- Assist further forestry development and investment in the region through the release of Queensland's Timber Plantation Strategy.
- Form a SCG Water Initiative working committee to include key stakeholders from Research, Industry and Economic Development Agencies to develop collaborative projects that will demonstrate value from the SCG Water within the Surat Basin.
- Conducting investigations into long-term, 'post-boom' economic challenges and needs of the region.
- Conducting investigations into medium to longer term uses of coal for a wide range of energy and other products, as these activities could potentially generate another major core industry development within the Surat Basin.

Headline

Develop an Economic Strategy for the Surat Basin region, focusing on:

- delivering industry action plans to drive growth in the region's priority sectors of energy and agriculture, and food processing
- building capacity in local businesses and industry to improve economic resilience
- attracting investment to take advantage of the region's growth potential.

Continue development and implementation of the Land Access Policy Framework to address land access issues between agricultural and resource sector stakeholders.

Developing a skilled workforce

The region will provide diverse employment opportunities and meet the need for skilled labour through training local residents and attracting and retaining new workers to the region.

Employment in the region is already strong, with a diverse range of employment opportunities in the agricultural, mining, energy and service sectors. The development of the region's energy resources will change the type of work and the number of workers required in the region, resulting in both greater employment opportunities and new challenges. There will be an increased need to train local residents and to attract and retain new workers to the region. This increased labour market competition will also impact on surrounding regions.

The size and composition of the workforce will not be constant, as skill and labour needs will vary markedly at different points of development. It is therefore important to develop a flexible workforce able to respond to anticipated peaks in demand. Developing a skilled workforce requires knowledge of existing and emerging skill needs, the capacity of business to attract and retain workers, and the need to ensure equitable access to training facilities and services.

Key issues

- Shortage of appropriate skilled and unskilled labour.
- Identified need to increase knowledge of existing and emerging skill needs, including uncertainty about timing and pace of development.
- Need to provide relevant and timely training in the region.
- Attracting and retaining skilled staff.
- Develop a flexible workforce able to respond to anticipated peaks in demand.

Current investment

Training

- Roma TAFE focussing on training for gas and oil industries.
- School-based traineeships in the energy sector.
- Support for the Mining Industry Skills Centre.
- Exploring Indigenous training strategies together with industry.
- Extensive training to address broader range of skill needs in the community.
- Incorporating equitable skills development programs and employment opportunities for vulnerable groups, as part of social impact assessment.
- An existing Targeting Skills Needs in Regions strategy funded by the Commonwealth that incorporates the Western Downs and Roma Regional Councils.
- Implementing the Queensland Government Minerals and Energy High School program in a number of secondary schools across the Surat Basin. The program offers education and training options for students interested in careers in the CSG sector and is a partnership amongst TAFE, four energy companies, the Queensland Resources Council and schools.

Employment

- Working with regional stakeholders to assess skills and labour needs and plan for the development of targeted employment and skilling programs in the Surat and surrounding regions to meet skills and labour needs and increase employment opportunities for unemployed and disadvantaged jobseekers.
- Scoping opportunities for Indigenous employment and business development, in line with the Indigenous Employment Policy.
- Participation in the National Resource Sector Employment Taskforce.

Future activities

In partnership with regional stakeholders, the Queensland Government will develop a comprehensive and coordinated Workforce Development Plan for the region. This will include elements such as:

Assess and coordinate the demand for skills and labour for the region

- Quantify labour and skill demands, identify gaps in meeting this demand, and develop appropriate intervention strategies in partnership with key stakeholders.
- Request support from Federal Government for LNG industry in Queensland, including appointment of a Major Project Employment Co-ordinator.
- Establish Working Group for Workforce Development for the CSG/LNG industry incorporating broader regional concerns.
- Implement a Skills Formation Strategy for the statewide CSG/LNG sector, in partnership with Energy Skills Queensland and supported by Manufacturing Skills Queensland and Construction Skills Queensland.
- The Associate Director-General, Skills Queensland, Department of Education and Training is a representative for Queensland on the National Resource Sector Employment Taskforce. Queensland representation will ensure that the needs of the Surat Basin and associated resource projects are included in the key activities of the Taskforce.

Provide relevant training to businesses and individuals

- Establish a working group with coal, oil and gas companies, peak regional bodies and government to provide training for small and medium sized enterprises in the region to gain the skills needed to become part of the supply chain.
- Implement training activities as recommended by the Skills Formation Strategies.

Increase workforce participation

- Develop co-ordinated and targeted employment and training programs through Skilling Queenslanders for Work both locally and in surrounding areas.
- Work with CSG/LNG proponents to develop Indigenous Workforce Strategies.
- Deliver industry training to prospective employees from the local Aboriginal and Torres Strait Islander communities.
- Develop ways to help enable employees to work across industries in the Basin.
- Pilot the Workplace Partnership and Productivity Project with a regional firm.

Expanding training facilities in the region

- New training centre planned at Roma focused on Oil and Gas sector with particular emphasis on green skills and training for sustainable development.
- The expansion of the Queensland Minerals and Energy Academy to include possibly ten schools in the Surat energy region, with potential for partnerships with the existing Five Agribusiness Gateway schools in the region.
- Review the strategic direction of the Australian Agricultural College Corporation – Dalby campus, including planning to expand services into a broader range of industries.

Attract and retain workers to the region

- Build upon existing strategies to attract and retain workers, including targeted promotion of the region, welcome activities for new residents, and activities to build connections with existing residents.
- Promote the work opportunities and lifestyle of the region to intending international and interstate migrants via the Work Live Play website and a DVD.

Headline

Develop a coordinated Workforce Development Plan in partnership with regional stakeholders to address skills and labour needs for the region.

Sustaining regional environments

The biodiversity, ecosystem processes and production values of the region's environments will be sustainably managed.

The expansion of mining, drilling and exploration activity across the region will impact on the region's natural environment and agricultural areas. However, this activity will also provide considerable investment into the region which can be used to help manage and improve the state of the regional environment.

The Queensland Government is strongly committed to ensuring sustainable resource management practices. It does this by developing policies and programs, undertaking research and working collaboratively with industry, landholders and community to meet the challenge of climate change, to protect and conserve the natural environment, secure future water supply and manage land resources sustainably.

Regional Natural Resource Management (NRM) Plans for both the regional bodies over the Surat Basin (Queensland Murray Darling Committee and Condamine Alliance) help direct investment into priority NRM issues from community-based funding. The Plans have proven to be an effective way to aid NRM planning for best practice across all sectors, given the fact that they were developed with an exhaustive consultation process which included input from industry (including mining), conservation, community, local government, Queensland Government and the Australian Government. Funding to the regional bodies has, until recently, been directed according to the priorities set out under these Plans. This investment is now increasingly guided by Australian and State Government priorities.

In the context of the issues in the Surat Basin, Regional NRM Plans outline regional resource condition targets, which include:

- maintaining soil condition
- maintaining productivity of high value soils
- no net loss of native vegetation
- maintaining and restoring the region's rivers and waterways to a healthy state
- developing best Current Recommended Practice for a range of industries.

Challenges in the region are headlined by competition with mining and other resource extraction activities, but also include the impacts of a transient population which will be largely unaware of NRM issues in the region (e.g. the spread of weed seed via increased traffic from mining activities).

Key issues

- Protecting catchments and natural waters from degradation and inappropriate use including maintaining aquifers, minimising salinisation, protecting water courses, protecting future water access and protect riparian areas.
- Ensuring the sustainable management of land including:
 - avoiding conflict on strategic cropping land between farming and incompatible land uses, including mining and urban development and possibly carbon plantations
 - managing access, protection and rehabilitation of land by energy industry
 - minimising and reversing agricultural land degradation
 - protecting endangered native vegetation.
- Monitoring and assessing the cumulative impacts from multiple developments.
- Mitigating the impact of irregular climatic and weather conditions, including water shortages associated with shifting climate patterns.

Current investment

Regulation and compliance

- A joint Department of Employment, Economic Development and Innovation (Resources, Energy and Manufacturing) and Department of Environment and Resource Management office in Roma was set up in May 2009, with a focus on communication, as well as compliance and enforcement.
- Through the EIS process, the Government has systems to consider and place conditions on mining, petroleum and gas, and other major projects.

- Environmental protection legislation helps to protect landholdings from environmental harm through licensing arrangements for development projects and regular oversight of environmental performance of industrial, mining and petroleum and gas activities.

Water

- Great Artesian Basin Sustainability Initiative.
- Implementing water resource plans and resource operations plans in the catchments of the Condamine and Balonne Rivers.
- Initiated an amendment to the Water Resource (Condamine and Balonne) Plan 2004 to include groundwater in the Central Condamine Alluvium area.
- Commonwealth Environmental Water Holder is purchasing and managing environmental water.
- Implementing water use efficiency initiative as part of the Queensland Murray Darling Basin (QMDB) Healthy Headwaters Program.
- Study to develop an understanding of the irrigation industry and its current uptake of water use efficiency technologies across the QMDB.
- Environment Flows Assessment Program and the identification of flow dependent ecological assets.

Land

- Development of a planning framework to better consider the values of strategic cropping land in development decisions.
- Investigating land management issues, including advanced techniques for managing subsoil constraints, and Acid Sulfate Soils Risk Assessment.
- Biosecurity activities targeting management of pests and weeds.
- Fostering best management practice – sustainable farm practices through research, development and extension.

Climate change

- Implementing ClimateSmart initiatives.

Natural Resource Management

- In 2008-09, the Queensland Government invested \$825,000 in Condamine Alliance and another \$825,000 in the Queensland Murray Darling Committee to deliver agreed and prioritised NRM outcomes. These two regions cover the Surat Basin.

Future activities

Water

CSG Water

- Determine impacts of CSG water extraction and disposal on surface and groundwater systems.
- Finalise CSG water policy and work closely with industry to facilitate beneficial use of this water, and waste stream following treatment.

Recover water for ecosystems

- Investigate and implement water use efficiency technologies for irrigators.
- Identify links between flow management and environmental assets.
- Water management and conservation:
 - studies over the next two years followed by a co-investment program between government and irrigators on water use efficiency technologies
 - the Murray Darling Basin Authority and Department of Environment and Resource Management developing a Basin Plan including Sustainable Diversion Limits for taking and requirements for the next generation of water resource planning in the QMDB
 - Great Artesian Basin Sustainability Initiative – Stage 3.

Land

- Further develop a new policy and planning framework that gives greater consideration to development decisions regarding the State's strategic cropping land.
- Actively enforce land management, rehabilitation and other environmental management requirements for mining and exploration activity.

- Develop regional environmental priorities framework, in collaboration with Natural Resource Management organisations, to direct investment from industry, government and community organisations.
- Changes to Land Access policy framework to include the mitigation of the risk and impact associated with pests and diseases.

Climate change

- Investing in research to inform improved response to managing impacts of climate change on the natural environment.
- Further investigate carbon offset and green investment options.

Headline

Develop a policy and planning framework to manage strategic cropping land.

Continue to implement CSG water management policy initiatives which aim to reduce the potential environmental impacts of CSG water management, provide LNG project proponents with greater certainty and facilitate beneficial use of CSG water.

Implementation and review

This Future Directions Statement will be implemented across Government and in collaboration with regional stakeholders. Headline initiatives will be the initial focus for implementation. As a first step, a Surat Basin Regional Development Forum will occur in March 2010 to develop a detailed implementation plan in partnership with stakeholders.

The implementation plan will focus on the key elements of the Future Directions Statement. Implementation planning around each element will be led by a Surat Basin Future Directions Statement Working Group including government and non-government stakeholders.

Implementation will include further developing linkages with Government initiatives in the surrounding region, such as Gladstone.

As key pieces of information such as settlement patterns become available, further forums will be held to consider the implications for the direction of the Future Directions Statement and build a more comprehensive picture of the region's progress. This will further inform decisions on next steps. Release of the Cumulative Growth Management Framework in late 2010 will provide an opportunity to assess implementation of the Future Directions Statement against the framework to ensure alignment of government effort.

The Future Directions Statement implementation plan will be updated regularly to ensure that it remains flexible and responsive to the rapid evolution of the region, and that it effectively integrates with, and informs, the development of new initiatives.

Appendix 1 – Links to other policy initiatives

Q2

Q2 is the policy framework of the Queensland Government in the lead up to the year 2020. It sets various goals to ensure that by 2020 Queensland is stronger, greener, smarter, healthier and fairer. These strategic aims are strongly aligned with the Future Directions Statement.

Sustainable Resource Communities

The Sustainable Resource Communities policy was launched in August 2008 to respond to the challenges that come with accelerated growth in communities affected by resource development. It is designed to assess the impact of new industries on communities for example, the challenges faced by a town at the centre of a mining boom. The aim of this policy is to improve liveability by addressing problems of regional planning, housing, health and education.

A high level Partnership Group with local government and industry representatives focuses on issues and responses in the key areas of regional planning and coordination, housing, health and education. A Local Leadership Group comprising local government, industry, community groups and the Queensland Government, focuses on regional planning issues and key projects that address cumulative or regional issues arising from resource development.

The policy applies directly to managing the expected growth in the Surat Basin. The funding pool available for this policy can be directly channelled into strengthening communities in the Surat and surrounding regions.

Blueprint for Queensland's LNG Industry

The Blueprint for Queensland's LNG Industry sets out the government's key initiatives which are designed to facilitate the establishment of a viable LNG industry. It outlines how the Queensland Government will further work with the industry and local communities to ensure that any development of an LNG industry is progressed in a way that benefits all Queenslanders.

The Blueprint seeks to support new jobs; inform communities of this emerging industry; improve consultation with industry; manage the water produced from LNG production and protect groundwater resources; maintain Queensland's domestic gas supply; establish a fair royalty regime; manage cumulative impacts on communities; local business benefits; assess and manage the environmental impacts.

The Blueprint is the key policy and regulatory document of the Queensland Government regarding this emerging industry, which is driving considerable growth in the Surat Basin. The Blueprint provides a complementary sectoral focus to this regional development strategy.

Maranoa-Balonne Regional Plan

The Maranoa-Balonne Regional Plan will guide land use and development in the region over the next two decades. In the process it will help sustain the region's communities, strengthen its economy and protect its environment. It is a statutory plan that must be followed by state agencies and local governments in their planning and when assessing development.

The plan is part of the state government's Blueprint for the Bush program, which seeks to build sustainable, liveable and prosperous rural communities. A five-year implementation strategy for the plan will be developed by the Regional Coordination Committee with the involvement of all three levels of government, non government, the private sector and the community.

The Regional Plan will govern areas of the Surat Basin and planning and development in the region will need to abide by its statutes.

Land Access Working Group

The Land Access Working Group (LAWG) was established to foster improved relationships between resource companies, rural landholders and the Queensland Government and to develop collaborative solutions to land access issues.

The Department of Employment, Economic Development and Innovation (Resources, Energy and Manufacturing) in consultation with the LAWG is currently developing the Land Access Policy Framework including a single Land Access Code of Conduct relating to mining, petroleum and gas activities on private land and standard conduct and compensation agreements to simplify negotiations. The Policy Framework also considers the adequacy of the current legislative frameworks and makes recommendations in relation to improvements.

The relationship between resource companies and landholders is a complex and difficult issue in the Surat Basin. The work of the LAWG seeks to inform landholders of both their rights and obligations.

A policy framework for consideration of strategic cropping land

A discussion paper on the Government's proposed new policy and planning framework for Strategic Cropping Land is available from the Department of Infrastructure and Planning. Government will consult with stakeholders throughout development of the new framework.

The Queensland Government is committed to the sustainable development of Queensland's land resources, including managing competing land uses to ensure balanced outcomes. Loss of Queensland's highest value agricultural land has the potential to reduce the state's future capacity to grow crops with associated economic, environmental and social implications.

Intensified land use competition for agricultural land, particularly in relation to mining development, has highlighted shortcomings in the current planning framework to conserve agricultural land. The government is committed to addressing this gap to ensure that the state's interest in agricultural land is given due consideration in land use planning and development decisions.

Queensland Government CSG Water Management Policy

The Queensland Government Coal Seam Gas Water Management Policy provides guidelines to industry on how to deal with the large amounts of saline water which are produced through the extraction of CSG.

The policy outcome will affect both the LNG and CSG industry. Evaporative ponds are no longer an acceptable way of disposing of CSG water which means that industry must either inject waste water into the earth or treat the water for usage. The final decision on this policy will likely place greater responsibility on industry to allow for greater beneficial use of CSG water.

Coal Infrastructure plan and program of actions

The Queensland Coal Infrastructure Strategic Plan will provide a medium to long-term plan for the provision of infrastructure required to meet the needs of the Queensland coal industry over the next 20 years. The plan will:

- determine coal demand and production forecasts
- identify individual and regional coal infrastructure requirements
- determine development triggers
- estimate staging of infrastructure provision across regions.

The plan will be informed by an extensive consultation process with stakeholders including government departments, infrastructure owners and operators, individual coal mining companies and industry peak bodies.

The Coal Infrastructure Program of Actions details all coal-related infrastructure; transport (port and rail), water, energy, skills and social infrastructure. The value of committed and planned infrastructure under the program was \$19.3 billion in 2008. The Queensland Government's commitment is approximately \$15.6 billion, with the remaining commitments coming from private infrastructure providers and the coal industry. Many of the projects will benefit the Surat and surrounding regions.

Queensland Renewable Energy Plan

The Queensland Renewable Energy Plan is a comprehensive economic and industry development strategy aimed at accelerating the expansion of the renewable energy sector in Queensland. The Plan's objective is to accelerate the deployment of renewable energy infrastructure, attract investment to build a smart green collar based industry and engage the community in the opportunities and benefits of clean energy. A key goal of the Plan is to attract a 20 per cent share of investment under the expanded national Renewable Energy Target. Successful implementation of the Plan will leverage up to \$3.5 billion in new investment and create up to 3,500 new jobs in the renewable energy sector. The Plan includes a suite of initiatives such as the Queensland Solar Hot Water Program that aims to substantially increase the installation of affordable solar hot water systems in Queensland. Other initiatives include regulatory reform, renewable energy jobs policy and resource mapping to support deployment in the areas of quality solar thermal, wind and geothermal resources.

Regional Development Australia

12 Regional Development Australia (RDA) committees are being established across the Queensland with members drawn from business, industry, community and local government. The committees will provide advice to all levels of government about the issues facing each region and work towards responding to these challenges. Advice from RDA will provide further weight to discussions with the Commonwealth on rural and regional Queensland.

The Darling Downs and South West RDA committee will include members drawn from the Surat Basin and surrounding region. These representatives will be able to feed advice to all three levels of government about challenges faced in the region. It is planned that the committee will begin its work by producing a 'Roadmap of Regional Development Priorities' which will map out the priorities of the committee. Once the Roadmap is developed, the RDA committee will have a championing, coordination or supporting role in progressing regional priorities. The committees and their staff may coordinate and collaborate with stakeholders and project sponsors on project planning and other activities.

Centres of Enterprise

The Centres of Enterprise initiative works to build the economic strength of Queensland's regions. By focusing on each region's unique strengths and key opportunities, our regions will become known worldwide for their innovation and expertise. The State Government has named six Queensland regions as Centres of Enterprise, which then develop industry action plans for targeted sectors. The Significant Regional Projects Fund provides a mechanism to fund activities within the action plans.

Queensland Regional Development Initiative

The Queensland Government provides funding to regional economic development organisations under a contestable model. Under the scheme, project proposals will be submitted and assessed before any funding is awarded. Projects which address issues faced in the Surat Basin and surrounding regions could be prioritised under this scheme.

Local Industry Policy

The Local Industry Policy is aimed at giving full, fair, and reasonable opportunity for Queensland business to participate in major projects. In the context of the Surat Basin the policy seeks to provide local business and industry with the opportunity to benefit from the economic opportunities of resource development in their region.

Industry Location Scheme (ILS)

The Industry Location Scheme is the Queensland Government's policy on the provision of industrial land under the Industrial Development Act, 1963, as amended. Through the ILS, the Industrial Land Analysis and Planning (ILAP) Unit within the Department of Infrastructure and Planning, is charged with implementing land and economic planning for industry development throughout the state. The ILAP Unit's role is to ensure that there is sufficient industrial land available and appropriately designated to meet the Queensland Government's strategic need for projected population growth and economic activity.

National Resource Sector Employment Taskforce

The Taskforce includes representation from state and territory governments, the resource sector, Skills Australia, and representatives from university, vocational education and the group training sector. It will work with these key stakeholders to develop a workforce plan that delivers skilled labour to meet project construction and timetables across Australia. Queensland representation will ensure that the needs of the Surat Basin and associated resource projects are included in these key activities. It will examine the current pipeline of skilled construction workers that will be needed and the areas where additional skills focus will be required. It will also examine what strategies need to be pursued to create jobs in supporting industries such as logistics, transport, maintenance and hospitality. This approach will aim to maximise the benefits for local businesses and jobs, including for Indigenous Australians.

Intergovernmental Agreement (IGA) Murray Darling Basin Reform

The IGA provides for the establishment of co-operative, efficient and effective planning and management arrangements for the Basin's water and other natural resources, and will enable the social, environmental and economic values of the Murray-Darling Basin to be protected into the future.

As the Queensland Government is a signatory of the IGA it needs to adhere to the principles set out by the Murray-Darling Basin Authority on matters such as water flows.

Activity in Gladstone

Activities undertaken by government to facilitate the LNG industry are:

- extension of the Gladstone State Development Area to include part of Curtis Island as an LNG precinct
- planning a dedicated pipeline corridor between Gladstone and the Callide Range.
- draft Port of Gladstone Western Basin Master Plan. A final Master Plan is expected to be released in March 2010.

The pipeline and Port represent infrastructure which is essential to the implementation of the LNG industry in the Surat Basin. The outcome of the consultation about both the port and the pipeline will significantly affect industry development in the Surat Basin.

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