

” The Galilee Basin is a vast untapped resource of coal and gas which will yield billions in economic output and create thousands of jobs...

Economic benefit of developing the Galilee



SUMMARY OF ECONOMIC INDICATORS PREPARED BY SYNERGIES ECONOMIC CONSULTING

PROJECTED ANNUAL ECONOMIC VALUE:

Construction phase 2019-2028



2400 - Employment (FTE)



\$670 MILLION - Gross Regional Product



\$1.4 BILLION - Economic output

Operational phase 2030 onwards



13,400 - Employment (FTE)



\$3.9 BILLION - Gross Regional Product



\$10.4 BILLION - Economic output

Revenue for government



\$462 MILLION - Royalties

\$72 MILLION - Payroll Tax

ABOUT US

Established in 2012, the purpose of the Greater Whitsunday Council of Mayors is the peak advocacy body representing the Isaac, Mackay and Whitsunday regions.

Our Vision

Think Globally
Act Regionally
Deliver Locally

Our Mission

To create and enhance organisational capacity of Councils; to capture and harness the global opportunities for the benefit of the region.

Our leadership



Mayor Anne Baker - Chair
Isaac Regional Council



Mayor Greg Williamson
Mackay Regional Council



Mayor Andrew Willcox
Whitsunday Regional Council

Economic Impact of Developing the Galilee Basin

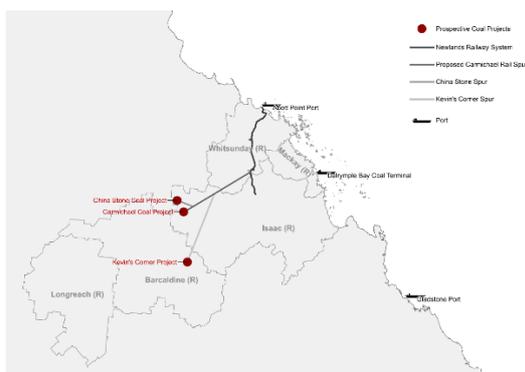
The Galilee Basin is a strategically significant economic asset with enormous coal and gas resource potential that is yet to be exploited due to its remote location and lack of existing infrastructure.

Synergies Economic Consulting (Synergies) has undertaken economic impact modelling to assess the contribution of certain coal and gas projects to economic activity (e.g. output, gross regional production, employment) on a regional, state and national basis. A linear input-output model was developed for the Galilee Basin to estimate the annual economic impacts that would be expected to eventuate for a suite of coal and gas developments that Synergies considered could plausibly proceed to operation under a range of investment and production scenarios.

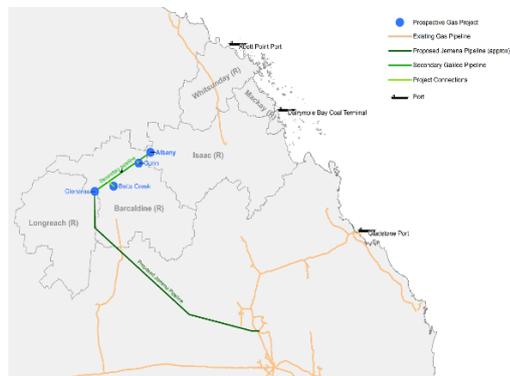
Coal and gas projects included in modelling analysis

Synergies developed low, medium and high scenarios for the development of coal and gas projects in the Galilee Basin based on publicly available information on prospective developers in those two sectors. Each scenario involved some combination of the projects and infrastructure illustrated in the two figures below.

Coal projects and railway to port infrastructure



Gas projects and pipeline infrastructure



Source: Synergies

The analysis assumed scenarios of 30, 60 or 90 megatonne per annum of new coal projects and 20, 60 or 100 terajoules per day of new gas projects and included supporting rail and port infrastructure for the coal projects and supporting pipeline infrastructure for the gas.

Economic impact modelling results

The results show that significant economic benefits are expected to arise from the development of coal and gas resources in the Galilee Basin. The key benefits will be increased economic activity, substantial contributions to economic growth, significant income and job creation benefits and increased government revenues. These benefits will have a substantial impact on the economy in the Whitsunday, Mackay and Isaac region, with broader economic gains expected for Queensland and nationally. Benefits will start to accrue from the time of construction and will continue as projects move towards steady state operations.

Economic impact of construction

The table below gives the average annual economic impacts attributable to the infrastructure construction phase over a 10-year period from FY2019 to FY2028.

Average annual regional economic impact of investments in Galilee Basin during construction

	Low scenario	Medium scenario	High scenario
Output	\$770m	\$1,400m	\$2,100m
Gross Regional Product	\$360m	\$670m	\$1,000m
Factor income	\$50m	\$90m	\$140m
Employment (FTEs)	1,300	2,400	3,600

Note: These metrics represent total impacts (direct and indirect).

Source: Synergies modelling

Economic impacts from coal and gas operation

The next table presents our modelling results for the economic impacts of the developments in their operational phase. The impacts are for FY2030 – a representative year for full production of all projects.

Total Regional economic impact of investments in Galilee Basin – operation (FY2030)

	Low scenario	Medium scenario	High scenario
Output	\$5,200m	\$10,400m	\$15,600m
Gross Regional Product	\$1,900m	\$3,900m	\$5,900m
Factor income	\$350m	\$700m	\$1,060m
Employment (FTEs)	6,600	13,400	20,100

Note: These metrics represent total impacts (direct and indirect). Totals may not add due to rounding.

Source: Synergies modelling

The table shows that, for every scenario, the coal and gas operations will result in significant economic impact.

Government revenues

The results from the model in terms of the additional revenues that can be expected to be derived at a State level for each production scenario are presented below:

Economic impact on investment on Government revenue – State (FY2030)

	Low scenario	Medium scenario	High scenario
Payroll tax	\$31m	\$72m	\$104m
Royalties	\$223m	\$462m	\$692m
Total additional revenues	\$260m	\$530m	\$800m

Note: totals may not add due to rounding

Source: Synergies modelling