Engagement with Stakeholders

SA Roundtable for Oil and Gas

25 September 2015
Stakeholder Engagement

- Why change?
- Trust and facts
- A good story
- When facts don’t work
- The essential dialogue
- What have we learnt?
The case for change

Over the last 3.5 years, SA has been an importer of gas... with only 3% of Eastern Australia’s 2P gas reserves

SA Gas Production and Demand

- Production
- Demand
- Net

Source: EnergyQuest quarterly reports
Employment Indicator – ‘size matters’

Population

Dalby = 10,000
Chinchilla = 5,500
Miles = 1,200
Wandoan = 665

Qld average

Note: Agricultural areas can have unpaid, on-farm employment not showing in statistics.

Ref: Assoc Prof Will Rifkin et al. Cum Socioeconomic Impacts Briefing June 2015, CSRM;
Community engagement depends on maturity of the dialogue

Change Phases

- Denial
  - “We do not have a problem here”
- Resistance
  - “Our community is different”
  - “It will poison our environment”
- Exploration
  - “Precautionary principle”
  - “Ban Fracking”
- Commitment
  - “Need outcome focus”
  - “Prioritise regional development”
  - “Toughest regulations in Australia”
  - “Not going to make Queensland mistakes”

Acceptance

- Early
- Maturity

Ref: Scott & Jaffe Change Model
Onshore Gas Case Study:

- Non-mining employment increased by 32% compared to non-CSG areas
- Family incomes increased by 12-15%
- For Chinchilla, QLD
  - families below the poverty line decreased from 23.4% to 8.33% \(^1\)
  - Young (15-29 year olds) population increased 53%
- Residential property value in Western Downs Region increased by 8.8% to 2014 \(^2\)
- $3 million per month direct community contributions

Regional female youth head count

Source: CSIRO

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• Why do we trust aeroplanes... 

...and not sharks?
Facts alone don’t work

- Fluoridation
- Vaccination
- Jurassic myths
- Flying saucers
- Fracking
- And teenagers

Case Study: Katnook wine and gas
Why don’t people listen?
• Everyone is different
• Concerns are real
• Language matters
• Be ready to listen – it’s not a monologue

Getting ready for the conversation
• ‘Trust before business’
• Pictures and scones
• Corporate and technical language is deeply imbedded
What have we learnt?

- Find people who connect
- Use community leaders
- Provide access to facts
- Exploration phase is critical
- Have a relief valve
- Embrace the journey

.... and there are people who want you to fail