GLADSTONE NICKEL PROJECT ENVIRONMENTAL IMPACT STATEMENT SUPPLEMENT

Updated Socio-Economic Data

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Gladstone Pacific Nickel LTD

Appendix D Updated Socio-Economic and Housing Data

D.1 Updated Existing Demographic Profile

D.1.1 Existing Population

The estimated resident population of the Calliope and Gladstone local government areas (LGAs) as at 30 June 2006 was 48,558. This is comprised of 17,538 people from Calliope Shire and 31,028 from Gladstone City. The population in the immediate area around the refinery and residue storage facility (RSF) was 370 persons as at the 2006 census. Both LGAs have traditionally experienced steady population growth.

The area in the vicinity of the pipeline projects incorporates the following LGAs: Calliope Shire, Gladstone City, Livingstone Shire, Fitzroy Shire, Mount Morgan Shire and Rockhampton City. Most of these LGAs (with the exception of Calliope and Gladstone) have traditionally experienced relatively low population growth. In the twelve months prior to June 2006, all LGAs except Rockhampton recorded population growth of more than 6% however this was still well below the average state population growth rate.

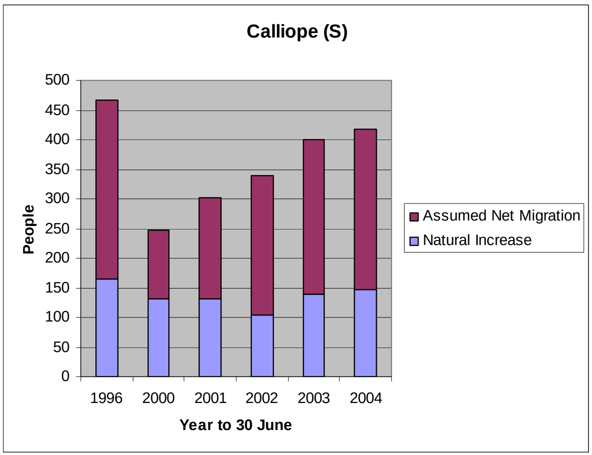
Table 1 and Figures 1 and 2 provide a summary of the population trends in the region.

Table 1 Regional Population Trends

LGA	1996	2000	2001	2002	2003	2004	2005	2006
Livingstone	23,156 (3.9%)	25,631 (1.5%)	26,368 (2.9%)	26,888 (2.0%)	27,609 (2.7%)	28,266 (2.4%)	28,745 (1.7%)	30,637 (6.3%)
Fitzroy	9820 (0.7%)	9937 (0.4%)	9,990 (0.5%)	10,085 (1.0%)	10,185 (1.0%)	10,296 (1.1%)	10,374 (0.8)	11,213 (7.8%)
Rockhampton	59,857 (0.2%)	59,043 (-0.5%)	59,924 (-0.2%)	59,035 (0.2%)	59,187 (0.3%)	59,755 (1.0%)	60,084 (0.6%)	62,610 (3.9%)
Mount Morgan	2964 (-1.7%)	2,900 (-0.3%)	2,943 (1.5%)	2,963 (0.7%)	2,987 (0.8%)	3,057 (2.3%)	2,974 (-2.7%)	3,170 (5.9%)
Calliope	13,575 (3.6%)	14,753 (1.7%)	15,054 (2.0%)	15,393 (2.3%)	15,793 (2.6%)	16,235 (2.6%)	16,467 (1.4%)	17,538 (6.2%)
Gladstone	26,574 (1.4%)	26,631 (0.2%)	26,831 (0.8%)	27,315 (1.8%)	27,807 (1.8%)	28,548 (2.5%)	28,807 (0.9%)	31,028 (7.4%)
Fitzroy Statistical District	180,815 (2.6%)	183,060 (0.1%)	184,411 (0.7%)	186,143 (0.9%)	187,974 (1.0%)	190,466 (1.3%)	192,377 (0.8%)	196,631 (2.2%)
Queensland	3,338,690 (2.3%)	3,561,537 (1.7%)	3,628,946 (1.9%)	3,710,972 (2.3%)	3,801,039 (2.4%)	3,888,077 (2.0)	3,963,968 (2.0%)	4,132,000 (12.7%)

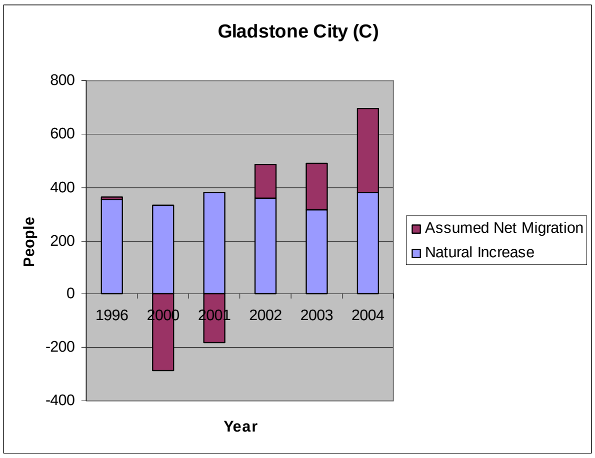
(Source: PIFU 2007)

Figure 1 Components of Population Change – Calliope Shire



Source: PIFU, 2006(b)

Figure 2 Components of Population Change – Gladstone City



Source: PIFU, 2006(a)

D.1.2 Age Structure

Based on 2006 ABS Census Data for all of the LGAs within the region, the largest proportion of the population is 'working age' between 15 and 64 years of age, with the 25-44 and 45-64 year age groups making up a dominant component of the resident population.

General trends for all LGAs within the region include:

- a decrease in the 0-14 year old age bracket.
- a decrease in the 15-24 and 25-44 year old age brackets.
- an increase in the 45-64 and above 65 year old age brackets.

The trend towards an ageing population is occurring across Australia.

D.1.3 Family Structure

Table 2 outlines the household and family types in the Calliope, Gladstone, Fitzroy and Queensland communities by households at the 2006 census. Details of household and family type for other LGAs have not been included as most workers for the construction of the project pipelines will be accommodated in temporary workers' villages as single workers, and will not be accompanied by partners or dependents.

Table 2 Regional Household and Family Types

	Immediate Area		Calliope LGA		Gladstone LGA		Fitzroy SD		Queensland	
	%	No.	%	No.	%	No.	%	No.	%	No.
Couple family with no children	51	60	38	1,731	36	2,746	38	18,728	39	403,854
Couple family with children under 15	32	38	40	1,819	36	Table 2 Family Composition	34	16,800	31	321,584

	Immediate Area		Calliope LGA		Gladstone LGA		Fitzroy SD		Queensland	
	%	No.	%	No.	%	No.	%	No.	%	No.
Couple family with no children under 15	10	12	12	564	11	882	11	5,546	12	125,156
One parent family with children under 15	3	3	7	303	10	789	10	4,741	10	98,071
One parent family with no children under 15	3	4	3	143	5	385	5	2,449	6	66,148
Other family	0	0	0	20	1	87	1	659	2	17,221
Total		117		4,580		7,670		48,923		1,032,034

Source: ABS, 2006

D.1.4 Residency

The majority of residents (83.2%) within Gladstone and Calliope and 84.7% within the wider region, were born in Australia. The most common places of origin for those born overseas were Great Britain and New Zealand.

In 2006, over 91% of residents from the region spoke English only. Other languages spoken at home were Dutch, German, Chinese languages, and Vietnamese (ABS, 2007).

D.1.5 Indigenous Population

In the 2006 census, 3.2% of residents of the Gladstone and Calliope study area identified themselves as having indigenous ancestry (either of Aboriginal or Torres Strait Islander descent or both). Within the wider region, 4.7% of the resident population identified themselves as indigenous.

D.1.6 Labour Force and Unemployment

Table 3 shows the estimated labour force as at 31 March 2007. The labour force has increased in all LGAs in the region since 2001.

Table 3 Employment Profiles

Area	Employed 2001	Employed Full Time 2001 (%)	Unemployment Rate 2001 (%)	Labour Force 2001	Estimated Labour Force at 31 March 2007
Livingstone	10,196	61.6	8.5	11,149	14,119
Fitzroy	4,370	64.0	6.9	4,370	5,718
Rockhampton	26,754	63.4	9.3	26,754	33,672
Mt. Morgan	614	57.7	23.3	800	1,071
Calliope	6,357	67.1	7.6	6,878	8,807
Gladstone	12,033	66.9	9.5	13,292	16,404
Queensland	1,568,864	63.9	8.2	1,709,612	2,168,507

Source: Queensland Regional Statistical Information System (QRSIS) 2007

LGAs within the region recording low unemployment rates in the March quarter 2007, include Fitzroy Shire (2.2 %), Gladstone City (2.1 %) and Calliope Shire (3.6%), while Mount Morgan recorded the highest unemployment rate at 16.4%. Unemployment rates for all LGAs within the region have been steadily declining since 2003 and are considerably lower than the unemployment rates recorded at the 2001 census.

D.1.7 Income

The median weekly individual and family income for Gladstone as at the 2006 census ($534 and $1407 respectively) was above the Queensland average ($476 and $1154 respectively). Both the Calliope Shire's median individual income and family weekly income ($510 and $1429 respectively) were also above the state average.

D.1.8 Population Projections

The Planning Information Forecasting Unit (PIFU) from the Department of Local Government, Planning, Sport and Recreation has developed population projections for the LGAs in the GNP's study area. These LGAs are generally expected to have population growth above the forecast Queensland's average growth rate. The only exceptions are Rockhampton which is predicted to have a relatively static population growth and Mount Morgan which is expected to have a declining population. Table 4, details population projections for the LGAs discussed.

Table 4 Regional Population Projection

LGA	Year				
	2006	2011	2016	2021	2026
Livingstone	30,471 (2.9%)	34,740 (2.7%)	39,026 (2.4%)	43,286 (2.1%)	47,405 (1.8%)
Fitzroy	10,593 (1.2%)	11,276 (1.3%)	11,923 (1.1%)	12,547 (1.0%)	13,145 (0.9%)
Rockhampton	60,201 (0.4%)	60,311 (0%)	60,410 (0%)	60,506 (0%)	60,605 (0.0%)
Mount Morgan	2964 (0.1%)	2,881 (-0.6%)	2,735 (-1.0%)	2,577 (-1.2%)	2,401 (-1.4%)
Calliope	17,081 (2.6%)	19218 (2.4%)	21256 (2.0%)	23,635 (2.1%)	26,280 (2.1%)
Gladstone	28,604 (1.3%)	31,688 (2.1%)	35,788(2.5%)	40,280 (2.4%)	45,124 (2.3%)
Fitzroy SD	194,236 (1.0)%	204,019 (1.0%)	214,529 (1.0%)	225,627 (1.0%)	237,021 (1.0%)
Queensland	4,015,722(2.0%)	4,354,106(1.6%)	4,677,780(1.4%)	4,989,871(1.3%)	5,289,027(1.2%)

Source: PIFU 2005 (a,b,c,d)

D.2 Existing Housing and Accommodation Facilities

D.2.1 Introduction

This section provides updated information about the existing housing and accommodation facilities where updated information is available.

D.2.2 Dwelling Structure

The predominant housing type in the local region is detached housing, accounting for 90.2% of Calliope's and 85.2% Gladstone's total housing stock. The vast majority of Calliope residents (93.7%) and Gladstone residents (91%) resided in detached houses (ABS, 2006).

Gladstone has a significantly higher proportion of flats/units/apartments (10.5%) than Calliope (3.6%) reflecting the more urbanised form of the inner city area of Gladstone. Also of note is the proportion of "other" dwellings located in Calliope (5.2%) predominantly consisting of caravans, cabins and houseboats. The proportion of "other" dwellings located in Calliope is significantly higher than that for Gladstone, the Fitzroy Statistical District (SD) and Queensland.

D.2.3 Household Size

The average household size for all housing types has been decreasing steadily in Gladstone and Calliope. The rate of decline is consistent with the decreasing household size across Australia. Household sizes for Calliope have increased from 2.7 (2001 census) to 2.9 (2006 census), while in Gladstone household sizes have remained steady at 2.7 (both 2001 and 2006 census) slightly above the average household size of Queensland (2.6).

D.2.4 Home Ownership

Table 5 summarises the status of home ownership and rental housing in the region in 2006. In Gladstone there was a lower level of home ownership (24.1%) compared with the Fitzroy Statistical Division (Fitzroy SD) (31.5%) and Queensland (31.6%). However, the rate of properties being purchased (39.7%) was above the Fitzroy and Queensland average (33.3%) and (33.8%) respectively. There is a relatively high rate of home ownership/purchase (35.3 %) within the immediate area around the refinery and RSF (local collector districts) and low rate of rental (16.4%) compared to the total region and state.

Gladstone had a slightly lower rate of non–public housing properties being rented (27.0%) than Fitzroy (27.6%) and Queensland (27.6%), while the proportion of rental tenure types in Calliope (20.8%) was significantly lower. The proportion of public housing (6.6%) was above the proportion of public housing tenures in Queensland (3.4%).

Table 5 Home Ownership

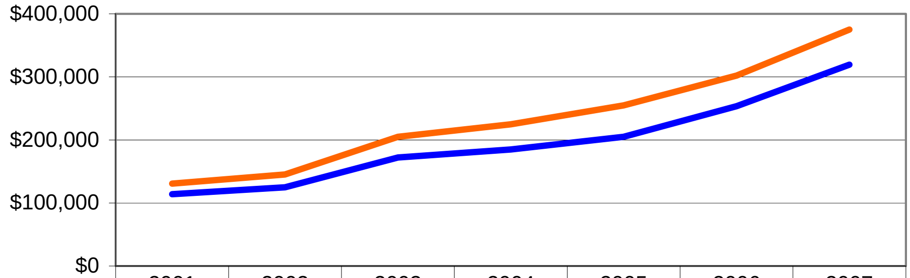
Tenure Type	Immediate Area	Calliope	Gladstone	Fitzroy	Queensland
Fully Owned	35.3%	31.7%	24.1%	31.5%	31.6%
Being Purchased	35.3%	44.2%	39.7%	33.3%	33.8%
Rented - Housing Authority	0.0%	1.0%	6.6%	4.1%	3.4%
Rented - other	16.4%	20.8%	27.0%	27.6%	27.6%
Other (inc. not stated)	12.9%	2.3%	2.6%	3.5%	3.6%
Total (number)	116	5,462	10,048	64,708	1,391,632

Source: ABS, 2006

D.2.5 Property Prices

Figure 3, compares median house prices, based on medians for all house sizes, for Gladstone and Calliope LGAs for the period 1999 to 2007. The data illustrate the surge in prices from 2002 onwards, and the generally higher prices prevailing in Calliope when compared to Gladstone which reflect the higher prices in the beachside suburb of Tannum Sands which is the main growth area in Calliope Shire. The surge in prices from 2002 onwards may have been associated with Comalco Alumina Refinery (CAR) project, but may also reflect the Australia-wide boom in residential property values.

Median House Prices 2001 - 2007



	2001	2002	2003	2004	2005	2006	2007
Gladstone	$114,000	$125,000	$172,000	$185,000	$205,000	$253,500	$319,500
Calliope	$131,000	$145,000	$205,000	$225,000	$255,000	$302,000	$375,000

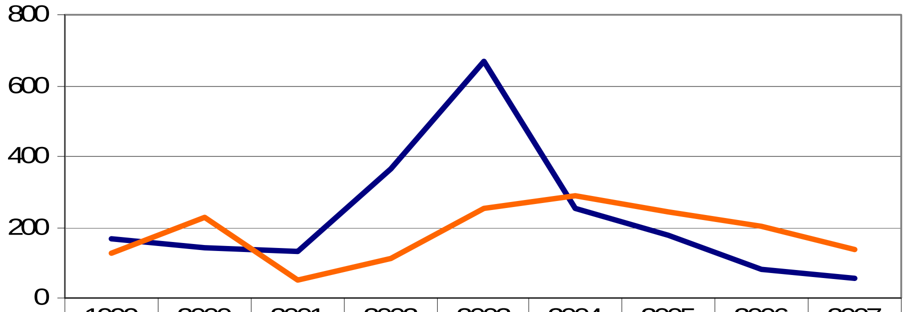
Sources: REIQ, RP Data & Qld Dept of Housing

**Based on medians for all house sales (all house sizes)*

D.2.6 Subdivision of Land

Data for subdivision approvals and the construction of allotments in 2006/2007 indicate a change in the pattern of subdivision activity in both Gladstone and Calliope local government areas in the past two years, as shown in the two figures below. While the surge in approvals and lot production in the period 2002 to 2004 can be clearly seen, there is a significant divergence in activity between the two areas since 2005.

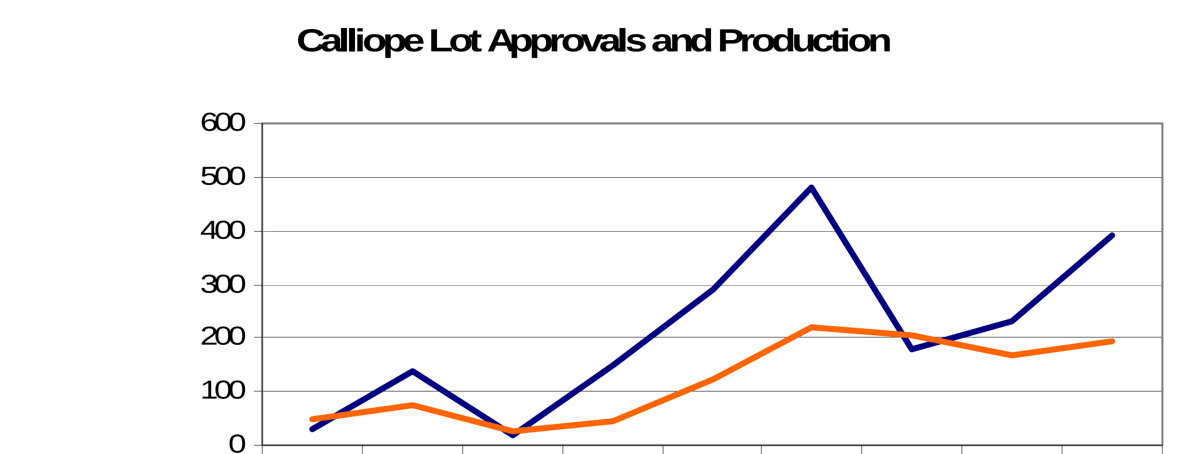
Gladstone Lot Approvals and Production



	1999	2000	2001	2002	2003	2004	2005	2006	2007
Lots Approved	169	144	134	367	669	253	177	80	54
Lots Produced	126	228	49	110	253	290	243	205	139

Source: PIFU Aug 2007, Total Residential Activity Fact Sheets March Qtr 2007

In Gladstone the volume of activity has reduced, with the number of approvals and lots constructed falling below 2001 levels in the March quarter of 2007. For Calliope the trend is the opposite. The number of subdivision approvals has increased substantially since 2005 and the number of lots constructed has also increased, from 2006 onwards, although at a lower rate.



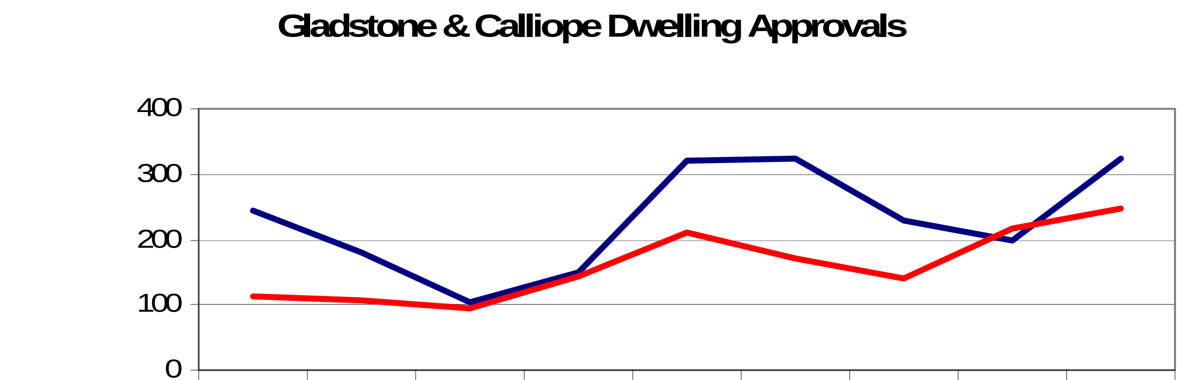
	1999	2000	2001	2002	2003	2004	2005	2006	2007
Lots Approved	28	138	18	149	289	480	178	231	393
Lots Produced	47	73	26	45	124	220	204	169	194

Source: PIFU Aug 2007, Total Residential Activity Fact Sheets March Qtr 2007

It should be noted that the 2007 figures are based on the first (March) quarter only and may change as more data becomes available later in the year. In Gladstone, for example, a large subdivision has recently been announced that will change the total of allotments approved in 2007 quite dramatically. It is understood that preliminary approval has been given to subdivisions in the Kirkwood Road South and South Auckland areas for 770 allotments and that planning is well advanced for approval and production of a total of 2600 allotments in these areas.

D.2.7 Approval and Construction of Dwellings

The inclusion of data for 2006-2007 confirms that there has recently been a significant surge in dwelling approvals in both Gladstone and Calliope local government areas.



	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gladstone	243	181	105	150	320	325	229	197	324
Calliope	112	108	95	142	212	170	140	216	248

Source: PIFU Aug 2007, Total Residential Activity Fact Sheets March Qtr 2007

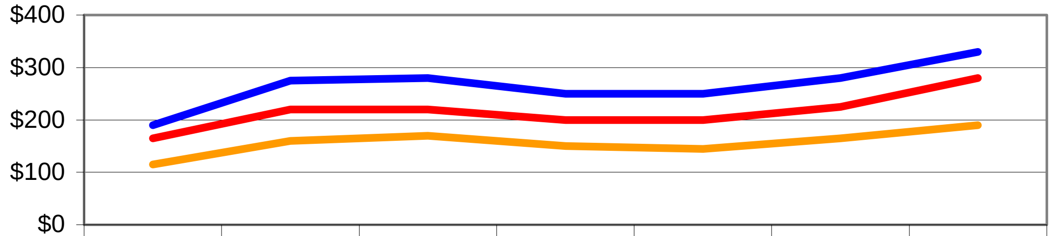
These figures are indicative of a surge in housing demand taking place in response to population growth from natural increases and the impact of a number of existing industrial development projects now under construction in the region.

When these approvals are translated into dwelling construction they correlate with the recent peak in residential construction in 2003 - 2004 associated with the CARS1 construction phase, ie approximately 500 units of housing per annum. Indeed, if these approvals all proceed to construction the total (572) will exceed the peak rate of construction achieved during the 2003 - 2004 period. It should be noted that the 2007 figures are based on the first (March) quarter only and may change as more data becomes available later in the year.

D.2.8 Median Weekly Rents

Median rent data for 2006 – 2007 confirms the upward trend of rents across the board in Gladstone and Calliope LGA's in the past two years. The trend is shown graphically in the figure below. Like the increasing median house prices this trend reflects growing demand in a situation of constrained supply.

Median Weekly Rents (RTA)



	2001	2002	2003	2004	2005	2006	2007
4 bd House	$190	$275	$280	$250	$250	$280	$330
3 bd House	$165	$220	$220	$200	$200	$225	$280
2 bd Flat	$115	$160	$170	$150	$145	$165	$190

Source: Residential Tenancies Authority QLD, Rental Bond Lodgements (to 30 June each year)

Such large rent increases over a short time period will be negatively impacting people on low incomes and in particular those on fixed low incomes, such a pensions and other welfare benefits.

It should be noted that these increases have already taken place, presumably in response to increases in the regional population due to natural increases and the stimulus of a number of existing industrial development projects now under construction. The large rent increases over a short time, in particular the 2006 – 2007 year, confirm the previous assessment that rental properties are in short supply and suggests that the background conditions in the rental sector are more difficult than previously thought.