

Presentation to EES  
Karolina Reed  
Submitter 125

- Thankyou for the opportunity to present today and to expand on my written submission.
- I particularly want to focus on the potential social and economic effect of the project.
- The Fingerboards Project is of major economic significance to East Gippsland and the region with a capital investment of \$200m, creation of 200 jobs in the construction phase and 200 jobs on the mine site.
- Why is it significant?
- Using the Victorian Regional Information Portal Regional Snapshot June 2021, the East Gippsland Shire demographics presents a stark picture.
- For example:
  - Labour force participation is at 52.69% compared to Victoria 64.56%.
  - Percentage of 15-to-19-year-olds not engaged in school or work 7.33% (Victoria 4.82%).
  - Percentage of people aged 20 and over who did not complete year 12, 60.88% (Victoria 38.57%).
  - Percentage of people receiving an unemployment benefit 9.58%. (Victoria 4.94%).
  - Percentage of people receiving unemployment benefits long term 8.19%. (Victoria. 4.10%).
  - Median weekly household income \$935. (ABS 2016).
- These stats and others point to a high level of disadvantage. For example, the SEIFA Index of Social economic disadvantage in Victoria 2016, ranks East Gippsland the 19<sup>th</sup> most disadvantaged municipality in Victoria. (ABS 2016)
- And when you look at East Gippsland from a job's perspective, the data is also challenging.
  - The East Gippsland Shire Council Plan 2017 to 2021 included a survey of residents and makes the statement, "There are job opportunities in my community". Again, the results are stark. 19% agreed with statement, 54% disagreed and 27% were not sure.

- The Council Plan also points out that the median household income in East Gippsland is \$37,835, being over \$10,000 less than the Australian median.
- 10-year average annual jobs growth rate 2011 to 2020 was point three of a percent against Victoria's 1.89%. (NIEIR 2021)
- It is also apparent from ABS statistics that young people are moving away from East Gippsland after leaving school, apparently to pursue better career opportunities.
- To assist in understanding this trend it's useful to look at the Shires major employer groups with average annual salaries (ABS 2016) compared to the Australian Minimum Wage 2016

1. Health Care and Support      2641 jobs - average weekly wage \$1,558
2. Retail                                      2002 jobs -average weekly wage \$901
3. Agriculture Forest Fishing.    1612 jobs - average weekly wage \$721
4. Accom and Food                      1532 jobs - average weekly wage \$804
5. Education and Training.        1520 jobs – average weekly wage \$1,737
6. Australian Minimum Wage \$672

- When you exclude health and education, the average wage levels of \$816 are marginally above the minimum wage.
- The Council Plan highlights that in their view future economic opportunities rest in supporting food manufacturing and processing and, tourism.
- The weakness in this strategy however is that the Plan is targeting future growth in low paying industry sectors with a lot of part time, casual jobs.
- The Kalbar Project has in my view, the ability to be a game changer from an economic and social perspective for East Gippsland.
  - It's a 15-to-20-year project.
  - Will have around \$200m in capital investment.
  - Create 200 jobs in the construction phase and 200 ongoing jobs at the mine site.

- Have an annual wage bill of between \$15m and \$20m with median wages between \$75,000 (\$1,450 per week) and \$100,000 (\$1,920 per week).
  - Kalbar have stated that they intend to employ locally and to use local contractors as a priority, and
  - the expected total economic impact over the life of the project is projected to be \$1.7bn and support around 340 local jobs during operation (direct, supply chain and local consumption). (Remplan)
- This is probably the biggest project in East Gippsland in recent history.
  - It is a once in a lifetime opportunity for the East Gippsland community to strengthen our social and economic prosperity by creating jobs, providing education and employment opportunities for the local indigenous community and providing opportunities for local businesses to stay local to the region. With appropriate risk management around environmental and other impacts, this is a project that should and must proceed.
  - Thank you again for the opportunity to present. I have submitted my presentation for the record.

Submitter 125 Karolina Reed Appendix 1 Victoria Regional Information Snapshot

Submitter 125 Karolina Reed Appendix 2 SEIFA Index of Social Economic Disadvantage

Submitter 125 Karolina Reed Appendix 3 East Gippsland Shire Council Plan 2017 – 2021

Other sources: ABS 2016