



AUSTINDO CONSULTING SERVICES
ABN - 64 096 990 733



Written Submission - Warkworth Continuation Project

NOTE - Political Donations – ACS has never made a political donation to any political party or individual.

Background

ACS is a small family owned business that employs mainly electrical tradespeople to support the local mining industry. Our company employed over 40 tradespeople and associated support personnel in 2012 and in the years that have followed have reduced in numbers by approximately one half, currently providing work for just over 20 employees.

The last two years have been an extremely volatile period for the industry and ACS has obviously been impacted by these events.

[REDACTED] profitable business model has been tested severely [REDACTED] ite simply initially we failed this test with 2013 being an extremely difficult year financially and emotionally for ACS and its employees. Through the commitment of key individuals as well as many sacrifices shared by everyone, 2014 has delivered some improvement financially however the industry in general and in particular the possible limitation of the life of the MTW/MTO operation has caused substantial concern for employees and management alike.

The Warkworth Continuation Project

Recently ACS decided to attend the renewable energy conference conducted through the Newcastle University and held at the Kurri Kurri TAFE campus. It was a great conference and showcased many of the ideas and improvements of this industry. It was also great to see the ingenuity and enthusiasm of individuals who are leading the charge in this area.

Several key speakers were involved across the various areas of the industry as well as groups such as Beyond Zero.

Thinking about this conference in retrospect one of the speakers from Beyond Zero made an interesting point. He claimed that Beyond Zero were not about instantly shutting down the Coal industry but rather looking at the practical



transition to a clean energy future. He was at pains to indicate that such a process should happen with a plan in mind and over a mutually sustainable timeframe.

ACS believes this is a serious problem. In the public domain information is readily available on where we are on emissions (Point A) and where emissions need to be (Point B). There seems to be a lack of information, a road map if you like, on a plan on how to effectively move from Point A to Point B.

ACS can control the direction of its business and, to a certain degree, the skill set of its employees however the latter required time and money. Just as barreling ahead without a plan is irresponsible denying the continuation project would not allow ACS, as well as many other business's, the resources to alter direction and inject new skills into its employees. It will have a negative impact on the economy and business but ultimately this impact will flow [redacted] individual.

[redacted] ability to its employees, we have a responsibility to the wider community and also endorse the conditions placed upon the mining activities to minimize the impact to the local community.

ACS employees also wholeheartedly endorse the Continuation Project, both those directly involved in the operation as well as those indirectly involved.

Conclusion

ACS has a responsibility to operate in a manner to comply with Health, Safety and Environmental requirements so as to not jeopardise the employment of its workforce.

Considering all of the above it would be argued that ACS needs the mine extension to go ahead for its survival and have hence this written support for the project for financial gain. Such an assumption is far from the truth as regardless of the success or failure of the Continuation project applications ACS will continue to exist but under a substantially different business model.

There will be a requirement to reduce electrical tradespeople and this will flow on to administration and support staff. Whilst it has been priority for ACS



to maintain employment over the last few years any reduction in the ratio of Administration to Service employees would return ACS to a non-profitable and non-sustainable situation and directly impact jobs. To phrase this more directly, if the continuation project is not successful ACS will be forced to reduce staff substantially, this is our reality and something I urge you to consider.

The business community, especially small to medium business, is very resilient and given the opportunity through a clear direction it can adapt and thrive but the approval and then cancellation of the Continuation project is not providing a clear direction for all concerned and unfortunately the ultimate cost will be felt by the individual.

Regards



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Director
Austindo Consulting Services