

Patrick Cassegrain, Managing Director, [REDACTED]  
Address to PAC Thursday 10 September 2015

I am the Managing Director of [REDACTED] and we employ 180 dedicated staff in four branches at Wauchope, Mackay, Perth and Mount Thorley in the Hunter Valley servicing the mining industrial generally.

I am appearing here today to support the Drayton Mine and Drayton South Mine proposal.

The owners of the Drayton Mine have gone to considerable expense and effort to appease a minority voice by reducing the overall life of this project. The distance between the mine and the adjacent properties has been increased, the buffer to the operational areas has been increased, the air quality impacts have been reduced by 80% and the average number of water discharge events has been reduced to zero. These are all significant steps taken by AngloAmerican in relation to the proposal.

We service a number of mines in the Hunter Valley and up until about 18 months ago Drayton Mine was one of our top five customers. At present their custom of our business is approximately 10% of what it once was. At that time we had four permanent employees working at the Drayton Mine and overall about 10 of our personnel were occupied full time with the large volume of work originating from that mine. This has been drastically reduced to approximately one full time employee.

The reduction in the volume of work that [REDACTED] has suffered is a direct result of the uncertainty faced by the owners AngloAmerican in the continuation of the Drayton Mine and the development of the Drayton South Mine project.

Approximately 20 years ago the Drayton Mine gave this company its first major opportunity in the Hunter Valley and since that time our company has invested over \$5M in new facilities at Mount Thorley. We have grown from having 15 staff at that particular branch to now having 65 hardworking and dedicated personnel gainfully employed. At the peak of the mining sector in the Hunter Valley, which was only two years ago, [REDACTED] employed 70 full time persons at the Mount Thorley branch.

[REDACTED] has further plans for expansion at our Mt Thorley branch and at our head office at Wauchope, near Port Macquarie but both projects are on hold waiting on decisions currently before the Planning Assessment Commission.

It is imperative for future economic prosperity that businesses, big and small, have certainty. They need certainty to be able to have the confidence to invest. That certainty then flows through to the workforce. People need to feel secure in their jobs and the stress that this uncertainty places on our staff and colleagues that work at the Drayton Mine cannot be underestimated. Government at all levels need to take this on board.

Unfortunately due to the amended proposal the outcomes for the NSW Government are reduced with royalties coming down from \$320M to \$233M but that is still a significant number and cannot be ignored. This must be considered in addition to the 500 jobs at Drayton Mine that are under threat, not to mention the hundreds of jobs that will be protected and created, both directly and indirectly through sub-contractors and businesses such as ours, by the continuation of the Drayton Mine and the commencement of the Drayton South Mine project.

We are not a multi-million dollar company. Our assets are our staff and their families. It is time that we all think of them and their future and the future of their children.

Unfortunately in Australia at present we have far too much red and green tape in all tiers of Government. This creates so much uncertainty that is very difficult to plan for the future. We need certainty.

I respectfully request that this application be approved and I plead with you all to acknowledge that this proposal is fair and balanced and meets the right criteria for approval.

Thank you for the opportunity to address the Commission.