

Vickery Project

Firstly I would like to pay my respects to the land owners past and present and acknowledge the important role they play within the community.

It is with great pleasure that on behalf of Hitachi Construction Machinery I be given this opportunity to provide a public statement of support for Whitehaven Coal's Vickery Extension Project to the Independent Planning Commission.

I have roots in the Gunnedah region that go back to the 1950's.

My father taught in the one teacher school for the soldiers settlement families at Pialloway on the Breeza Plains.

My mother worked in the Gunnedah telephone exchange which is now the post office and Mum & dad met at a Gunnedah church social in 1957.

Dad always said he knew he would marry mum the minute they met. They married 2 years later (1959) in Gunnedah's Church of England church.

My Grandfather was the head Grocer at Storey's department store in Gunnedah. My Grandmother was a house wife who passed away way to young and was laid to rest here in Gunnedah in 1969.

I often go say hello to the grandmother I didn't get to know.

It's quite ironic and one could say full circle that I'm now back in Gunnedah after all these years but the past 5 years have been enjoyable and rewarding both personally and professionally.

Gunnedah is where my wife and I choose to live, we are happy here!

HCA's interest in the Vickery Extension is twofold. We are both a key partner supporting Whitehaven Coal at a number of their locations and we are also one of the major employers currently operating more broadly in the North West region of NSW.

Located in the Gunnedah Coal Basin about 25 km north of Gunnedah, the Vickery Extension Project is a coal mine & infrastructure project of immense positive benefit to both the state economy & the local North West region of NSW, it strengthens the economic & social benefits already being delivered by Whitehaven through existing projects.

In aggregate, the Vickery Extension is forecast to create **over \$1.2 billion** in economic value over the project lifespan. This includes an expected injection of **over \$700 million** into the state economy, generating **over 500 direct jobs** during construction, and creating **over 450 direct jobs** during the expected 25-year operation phase¹. This additional job creation comes on top of Whitehaven's current commitment to the North West NSW region as its largest individual employer.

From HCA's presence in the local area, we can confirm that Whitehaven have a long standing and positive relationship with the community. Whitehaven has achieved their Social License to operate through **a continual program of engagement with their employees, local community (including the indigenous community) and government**. This was achieved by demonstrating a preparedness to actively incorporate their views into the investment and operational decisions they make at Vickery on a regular basis.

Alignment with NSW Government Economic & Social Policies

As a major regional stakeholder, HCA believes the Project should be developed for a number of important reasons.

In the first instance, the project directly supports the objectives of the NSW Government's *New England North West Regional Plan 2036* in the following ways.

A strong and dynamic regional economy

The nearby centre of Gunnedah has an unemployment rate currently **1.41% above the NSW economy average**² This highlights the need for further private sector investment and additional job creation at locations such as Vickery.

¹ AnalytEcon, Economic Assessment 2018

² ABS, Labor Force Survey, June 2018

The Vickery Project alone would create additional jobs that account for roughly **7.5% of the local Gunnedah population** at current levels.

To support local job creation Whitehaven have committed to a target of **75% local component, 10% local indigenous employee** across the entire Vickery Extension Project workforce, focusing on Gunnedah, Boggabri, Narrabri and Manilla.

The Vickery Extension provides further opportunity for the region to continue the creation of diverse employment opportunities for locals, and in particular the region's indigenous community. Whitehaven has in place an award-winning Aboriginal Employment Strategy which is having a strong impact in supporting positive economic development outcomes amongst the local indigenous community.

As outlined in the cost-benefit analysis³ the Vickery Project is expected to contribute **\$1.2 billion** in economic benefit over the life of the project, an incremental increase of **\$271 million** in disposable income payments that will help strengthen and support local businesses in the regional economy.

As evidenced earlier in this submission, and by other supporting submissions to the IPC Hearing, the Vickery Project will also provide further indirect employment opportunities for supporting industries in North West NSW, these include aligned support industries, hospitality and accommodation sectors.

Strong infrastructure and transport networks for a connected future

To facilitate the additional mining activities at Vickery, Whitehaven plans to construct a new coal handling and preparation plant onsite, which includes a new rail spur to service the mine. This transportation infrastructure will enable the **removal of coal trucks** from the Kamilaroi Highway and **improve road safety and amenity for the local region**.

The road transport assessment⁴ identified no significant impacts on performance, capacity, efficiency or safety of the road network. Moreover, Whitehaven have

³ AnalytEcon, Economic Assessment 2018

⁴ GTA Consultants, Road Transport Assessment 2018

agreed to fund any necessary road upgrades resulting from the Vickery Project Extension.

It should also be noted that the project from a transport and infrastructure standpoint, is consistent with both NSW Government's *NSW Long Term Master Plan (2012)* and *NSW Freight and Ports Strategy (2013)*.

Attractive and thriving communities

The NSW Government forecasts the North West NSW regional **population to grow by an additional 13,800 people** to over 202,000 by 2036. Of these 202,000, 74% are expected to be under the ages of 65 years⁵.

Whitehaven plays an important role as a source of skilled employment opportunities for the NSW regions. The Vickery Project will further aid the NSW Government's aspirations to continue to attract people to the region, through the creation of job opportunities, and a thriving local economy backed by private sector investment. The Extension will allow Whitehaven to continue to invest in even more community infrastructure and sponsorships to improve the quality of life for residents of nearby population centers such as Gunnedah.

Whitehaven and HCA's Commitment in North West NSW Community

HCA's own efforts to continue to support the growth of communities within North West NSW is directly linked to the ability of key and trusted partners such as Whitehaven to continue investing in quality job-creating projects such as the Vickery Project Extension.

HCA are a leading manufacturer of construction and mining equipment, including hydraulic excavators up to the 800t class, as well as rigid frame mining dump trucks, and a wide range of wheel loaders.

We have recently moved into our new facility in Gunnedah, an investment in the community of approx. \$5m that **currently employs around 36 people in the local**

⁵Department of Planning & Environment, *New England North West Regional Plan 2036*

area. All work has been undertaken by local suppliers.

We also invest into the local communities specifically with the donation of a number of pieces of medical equipment to local pediatric hospital wards.

Whitehaven's Vickery Project marks **over twenty years of commitment to the North West NSW community**, with HCA being able to **commit to creating approximately 50 additional jobs** to deliver and service the mining and excavation equipment necessary for the Project Extension.

HCA supports and endorses the Whitehaven Vickery Project.