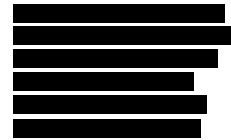


Liebherr-Australia Pty Ltd 1 Dr Willi Liebherr Drive, Para Hills West SA 5096

Liebherr-Australia Pty Ltd

Mr John Hann

Chair Independent Planning Commission NSW
Level 3, 201 Elizabeth Street
Sydney NSW, 2000



Date:
05.02.2019

From the desk of:
Jay Sheppard



Liebherr-Australia: in support of the NSW Mining Industry

Dear Mr Hann

In regards to the public hearing scheduled for 5 February, 2019, Liebherr-Australia Pty Ltd offer their support for mining in NSW via the contents of this letter.

Company History

Present in Australia since the 1970s via a network of dealers, Liebherr-Australia Pty Ltd (LAS) became incorporated in 1981. After an initial start-up period, Liebherr-Australia's formal operations commenced in January 1983 from leased premises and since this time the company has exhibited enviable growth in the the Australian mining and construction sectors.

In 1990, Liebherr-Australia moved in the new purpose built Head Office complex on the 20 hectare site at Para Hills West, South Australia. The early 1990s were a busy period of growth for LAS due to significant involvement in the mining industries of New South Wales, Queensland, and Western Australia.

In 1995, LAS made a significant investment in the Hunter Valley coal mining region of NSW with the establishment of a branch at Mt Thorley, near Singleton. In the same year, Liebherr-International acquired the Wiseda mining truck business in the USA, heralding the entry of Liebherr into the mining truck market.

LAS has continued to expand in Australia:

1998 – Established a mining branch in Perth, Western Australia

2007 – Established a mining branch in Mackay, Queensland

2012 – Established a Corporate Mining Office in Brisbane

2014 – Major expansion around Australia and New Zealand:

- Mt Thorley, New South Wales: February 2014
- Mackay, Queensland: April 2014
- Perth, Western Australia: July 2014

2015 – Established a new Service Exchange Unit (SEU) facility and warehouse, a national distribution centre, three-level office and administration facilities and associated works at the Head Office complex in Adelaide, South Australia. This facility is the largest Reman/SEU facility for Liebherr, outside Europe.

NSW Operations

Specific to NSW, Liebherr-Australia have made an investment of \$AUD15M in a purpose built facility at Mt Thorley. The premises covers some 5,000m² under roof, and includes two level administration, workshop, parts warehouse and additional hardstand for break bulk items. Current investment of stock at Liebherr-Australia Mt Thorley (LIM) is approximately \$AUD20M.

LIM represent around 115 full time permanent employees from a total of 800 employed by the company. These include:

- Fitters
- Electricians
- Boilermakers
- Warranty Staff
- Parts Interpreters
- Transport & Logistics
- Customer Support Managers
- Customer Support Representatives
- Project Managers
- Commercial & Accounting
- Human Resources
- Stores People
- Technical Advisors
- Planners & Schedulers
- Apprentices

LIM also run a very successful apprenticeship program, with awards each year for Best Apprentice. A success story of note that LIM are proud to share, is the journey of one young female apprentice. A heavy equipment fitter and now part of a specialist team of bulldozer support, Emily Hickey joined LIM as an apprentice. After winning the 2014 Liebherr-Australia National Apprentice of the Year, Emily went on to win the NSW Government State Training Award, for both Apprentice of the Year 2016, and also Female in a Non-Traditional Trade or Vocation.

LIM can also proudly attest to success stories of other females in senior management roles, such as Parts Manager, Commercial Manager, Operations Manager and General Manager.

Liebherr-Australia currently have an active fleet of approximately 320 mining machines on sites across Australia, of which around 110 are under the direct support of the Mt Thorley branch in NSW. The team is solely dedicated to the support of this fleet, our customers, and, in turn, NSW mining. Notwithstanding the benefits to the local businesses, and families that local support bring to the community, in the form of lodging, meals, fuel, employment etc, this is a significant contribution to the financial demands of keeping the state of NSW economic in the terms of exports, royalties, capital for required infrastructure and services.

NSW Gunnedah region presence

For the last five years, Liebherr Mt Thorley has had a presence in the Gunnedah region, supporting its flagship excavator with two local, support personnel. This presence has recently increased to four units with and more than doubled the support personnel, 85% of which are still local to the area. As the mining industry continues to expand within the Gunnedah basin, LAS will seek to continue supporting mining operational requirements, generating potential opportunities for employment and the associated benefits, within in the region.

Mining in NSW*

Mining has been a part of NSW for over 200 years. Over this time, mining has been a key contributor to the revenue of the NSW Government. Information released by the NSW Department of Planning & Environment and NSW Resources & Geosciences show in 2016-2017 financial year, the total mining production value for

coal and metallic mines was \$24.7 billion. From this, the annual royalties received by the NSW Government totalled \$1.8 billion.

These royalties went towards essential services, such as nurses, teachers, police, drought relief and vital infrastructure such as schools, roads and hospitals.

As of 30 June 2017, employment in the NSW mining sector accounted for 27,000 direct jobs, and another 110,000 indirect jobs. Since 2017 it is now estimated that mining in NSW now directly employs around 40,000 people.

Community Support

Key to supporting the local communities are the more than 8,000 local business operators who benefit as suppliers to the NSW mining industry. These local business operators cover a vast array of communities and towns across NSW, including Singleton, Muswellbrook, Lake Macquarie, Newcastle, Maitland, Gunnedah, Boggabri, Narrabri, Wauchope, Wollongong, Dubbo, Bathurst, Parkes, Orange and out to Broken Hill. This is on top of Community Grants that mining companies voluntarily set up in the communities that they join for communal projects such as parks, upgrades to public building and facilities, sporting teams and community events.

Land Use in NSW

Whilst mining by its nature requires the use of land it is worth noting that land use for mining in NSW represents 0.1% of total land use in NSW. Buildings and infrastructure represent 1.8%, National Parks around 8% and agriculture representing 78% of total land use in NSW. That 78% is used to produce enough food for 60 million people, which covers both production for international and domestic markets.

Water Use in NSW

Many of those objecting to mining in NSW highlight water use as a key issue with the industry, however the Australian Bureau of Statistics Water Account, Australia shows the NSW mining industry uses 1.5% of the total water consumption of NSW. Most mines typically recycle 40% of the water on site, with some sites able to recycle up to 80%. In comparison, sewerage, water supply and drainage account for 18% of NSW water, with the agricultural industry accounts for 60% of total water consumption in NSW.

Summary

The investments that Liebherr-Australia has made in the mining industry is a proven example of the strong commitment the company has in all states of Australia, including NSW.

Mining is vital to the NSW economy, currently providing around 40,000 jobs across the state (ABS). NSW mining operations directly spent \$10.8 billion in NSW in 2015/2016, including wages for employees, purchases from more than 8,000 local supplier businesses, plus royalties and taxes paid to the NSW Government. Not a bad return for 0.1% of total land use and 1.5% of total water consumption in the state.

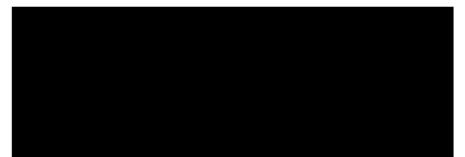
*Statistics, data, and figures sourced from NSW Department of Planning & Environment and NSW Resources & Geosciences.

Kind Regards,

Liebherr-Australia Pty Ltd



Tom Juric
Executive General Manager Sales and Marketing, Mining



Jay Sheppard
Sales Executive NSW, Mining