

Friday, 28 April, 2017

The Hon, Anthony Roberts MP
Minister for Planning
Minister for Housing
Special Minister of State

The Hon. Don Harwin MLC
Minister for Resources
Minister for Energy and Utilities
Minister for the Arts

GPO Box 5341
SYDNEY NSW 2001

Dear Ministers,

Narrabri Gas Project

I write to you to express our support for Santos's Narrabri Gas Project (the Project).

The brick industry is greatly concerned about the current cost of gas for industry and we believe that this project is urgently needed to take some pressure off the gas supply network.

As the peak organisation for the clay brick and paver manufacturing sector, Think Brick Australia represents an industry that directly or indirectly employs **over 30,000 people** and contributes up to \$2.8 billion to the economy annually.

It is a key participant in Australia's construction sector and vital to the delivery of cost-effective buildings, but brick manufacturing requires reliable gas supply and current price increases are threatening ongoing viability.

The problem

New South Wales needs energy security and independence – as only 5% of supply currently comes from this state, industrial energy users are largely left at the mercy of interstate suppliers.

This means they are increasingly forced to accept high prices, inflexible terms and conditions, and short contracts, with limited opportunity to negotiate.

Over the last three years, prices have increased dramatically (in some cases by **up to 150%**) and suppliers have adopted a 'take it or leave it' approach to business, resulting in contracts that disadvantage industrial users.

Without ready access to affordable gas the manufacture of brick products may become too expensive and therefore uncompetitive, which would ultimately lead to factory closures and job losses.

The Project

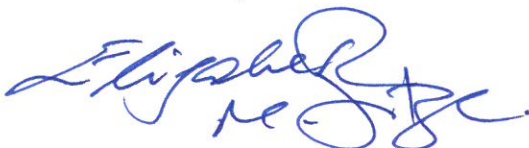
Think Brick Australia welcomes Santos's Strategic Energy Project in the Gunnedah Basin.

The addition of 200 terajoules of natural gas per day – approximately 50% of current local demand – will take significant pressure off the market and help to reduce prices and access for users.

If projects such as this do not go ahead, current trends in pricing will continue and industries such as ours will be forced to close.

This Project will be of significant benefit to the people and economy of NSW and we urge the Government to approve it.

Yours sincerely



Elizabeth McIntyre
Chief Executive Officer

CC. The Hon Josh Frydenberg MP, Minister for the Environment and Energy (Commonwealth)

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