



The Australian Industry Group
Suite 1, "Nautilus"
265 Wharf Road
Newcastle NSW 2300
Australia

ABN 76 369 958 788

25th October 2016

Adam Kelly
Daracon Group
PO Box 299
WALLSEND NSW 2287

Dear Adam,

Re: Martins Creek Quarry Expansion Project

The Australian Industry Group confirms its support for the Martins Creek Quarry Project. The Ai Group represents manufacturing and construction companies and quarries supply vital material for rail, road and other civil engineering construction projects.

Martins Creek Quarry I understand has been providing quarry product for railway construction, maintenance and repair, infrastructure and road construction in the Hunter Region for around 100 years. This has provided employment for many hundreds of people and contributed to the region and state's economic growth.

The proposed project will allow the region access to high grade quarry product from a local source and be in a position to supply product for the significant infrastructure spending proposed in the Hunter Infrastructure Plan (2013), which identifies significant infrastructure requirements as a result of population and economic growth.

The NSW Government has identified significant infrastructure requirements to be built (i.e. Hunter Infrastructure Plan 2013; NSW 2021 Plan; NSW Freight and Ports Strategy 2013) which require quarry materials produced from Martins Creek Quarry for the construction of road, rail and other public infrastructure.

The proponent, Daracon, employs over 800 people, and is a significant employer of people from within the Hunter Region.

Product from the Martins Creek Quarry has been used in local projects such as the Hunter Expressway Construction, the repair of the Main Northern Rail Line following the 2015 Super Storm as well as flood mitigations works and maintenance, throughout the Hunter region.

The Ai Group is acutely aware of the ripple effect of the construction industry expenditure and its importance. For every \$1.0 million spent in the construction industry:

- There is an increase in output estimated by the ABS to be 2.866 that equates to \$2.9 million on flow.
- 7 jobs in manufacturing in construction of materials such as quarrying and steel frame manufacturing

- 9 jobs in direct construction
- \$217,000 in wages & salaries
- \$241,000 in small business profits
- The spending of these wages & salaries in a further round of consumption stimulates an additional 21 jobs, the majority part time.

Being one of the more significant quarries within the region, these figures underpin a significant contribution to the local, regional and state economies.

The Ai Group supports the Martins Creek Quarry Project as it provides substantial flow on effects for the regions prosperity and growth.

Yours sincerely

A handwritten signature in black ink, appearing to be 'D. Lee'.

Regional Manager

Hunter, Central Coast and Northern NSW