

## Illawarra Innovative Industry Network

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10 September 2019

Director, Coal and Quarry Assessments
Department of Planning, Industry and Environment
GPO Box 39
Sydney NSW 2001

Re - Dendrobium Mine Extension, SSD-8194.

Dear Chairman,

Thank you for the opportunity to make a submission regarding the Dendrobium Mine Extension, SSD-8194.

It is my pleasure to write a letter of support for South 32 in their application for the extension of their operation at Dendrobium beyond 2024, including Areas 5 and 6. I am writing this letter on behalf of the Illawarra Innovative Industry Network – i3net.

The i3net is a powerful network of industry based companies working from the Illawarra. The network was established over 17 years ago to promote the collective capability of Illawarra Industry to local, national and international markets. Industry in the Illawarra continues to be a key foundation of the local economy.

Subject to all environmental checks, the purpose of this submission is to emphasise the proposed extension of operation at Dendrobium beyond 2024, including Areas 5 and 6, will be a significant decision for the region, due to the impact on Illawarra's industrial supply chain.

We understand from BlueScope that the Port Kembla Steelworks consumes approximately 3 million tonnes per annum of coal, of which over 90 per cent is sourced from mines in the Illawarra region. The principal Illawarra mine sources are the South32/Illawarra Coal Dendrobium and Appin mines, Peabody's Metropolitan mine and the SIMEC Tahmoor mine. Interrupting this supply would critically jeopardise BlueScope's ongoing ability to produce coke in the Illawarra.

We quote BlueScope when they say "Without this supply, steelmaking would struggle to remain viable at Port Kembla." This statement is truly alarming for the Illawarra, NSW and Australia.

As the industry representative for small, medium and large businesses in the industrial supply chain, the flow on effect would be devastating for the immediate 526 Wollongong manufacturing businesses (Business count ABS June 2018 cat. 8165), and the 10,000 individuals (.id, June 2019) who work in the local Manufacturing Professional, Scientific & Technical services. In fact BlueScope generates ~\$6.5 billion in regional economic output, which is 24% of the Illawarra total output and directly employs 3,500 workers. Accordingly, community support for mining, coal and industry is strong in the Illawarra. It's in our DNA and a proud part of our heritage.



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We respectfully ask the Department of Planning, Industry and Environment to consider the vulnerability of the industrial supply chain when making its decision. The region's economic sustainability is incredibly sensitive to price changes. An ongoing supply of competitively priced metallurgical coal from the Southern Coalfields is an essential feedstock for the Port Kembla Steelworks, thereby supporting local businesses, jobs and local economic activity.

As the premier network of industry based companies working from the Illawarra, i3net fully supports South 32 in continuing their mining activity beyond 2024, including Areas 5 and 6.

At a local level, South 32 continue to show their commitment to the Illawarra region by participating in i3net workshops and giving keynote presentations. The openness and approachability of South32 is appreciated and to be commended.

i3net is engaged and willing to support this initiative to ensure its success. As such, we would like to invite staff of the Department of Planning, Industry and Environment to attend the 8th Illawarra Industry Showcase which will be held on the 31st October (Dinner) & 1st November (Breakfast) to aid in your understanding of the standard of companies in the industrial supply chain in the Illawarra region.

For further information, or if you have any questions, please do not hesitate to contact our Executive Officer, Bianca Perry on 0401 030 023.

Yours sincerely,

**Robert Donsante** 

i3net Deputy Chairperson

Illawarra Innovative Industry Network – i3net