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GOOD MORNING + WELCOME TO MUDGEE

Commissioners...

My name is Ross Granata

I am the owner and operator of a multi-franchised Motor Vehicle Dealership in Mudgee and I am addressing you to speak in favour of the Bylong Coal Project.

Commissioners, you will soon make a recommendation that will affect Mudgee's economic future. It is my belief that in order to determine your future, you must understand your past. With this in mind, I would like to take you back to October 1990 when I first started my business.

There were 11 people on the payroll. Back then, my nearest Holden competitor was in Kandos – 50 kilometres from here. There were Holden dealerships in Parkes, Wellington, Narromine, Warren, Condobinin, Peak Hill, Quirindi Grenfel West Wylong.

Today, none of these dealerships exist.

In fact, in Wellington, only 90 kilometres away, I can remember when Holden, Ford, Mitsubishi and Nissan were all represented. Today, they too no longer exist.

Why does this happen?

The answer is simple. Today we live in a globalized world and there is neither room nor sympathy for small scale operators.

By any measure, I have a progressive and robust business given the relatively small market that is Mudgee. Last week my wage bill was \$47,471.25 employing 38 people. Last financial year I paid \$2,387,340 in wages.

Why has my business grown while other similar businesses in similar country towns vanished? There is one simple answer and that is coal.

If not for coal mining, Mudgee and its economy would be doomed. I would not employ 38 people if not for coal because our other industries such as agriculture, viticulture or tourism simply do not generate sufficient wealth or job creation to sustain a new motor vehicle dealership in Mudgee. Mudgee, with a population of 10,000 does not have sufficient

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infrastructure or critical mass to guarantee its future in terms of population, employment, governance and financial independence without coal.

Whether you are in favour of mining or not the economic reality is that Mudgee and the district is heavily reliant on mining for employment, service facilities and our prosperity today and beyond.

What would the country towns I have previously mentioned give for the South Korean Government to set up a coal mine in their area creating 400-600 jobs committing themselves to a further \$1.3 billion in capital investment in addition to the \$700 million already spent? Independent economists have found that over the life of the Project, the total benefit for our region will be \$4.8 to \$5 billion.

In addition to this is the \$9 million Voluntary Planning Agreement with the Mid-Western Regional Council, and a commitment of a further \$3.6 million to ensure that local roads can handle increased traffic.

Kepeco will also pay about \$278 million in royalties to the NSW government over the 25 years of the Project, benefiting the whole State, not just our local area.

For someone who lives in the district, works in the district, employs people in the district, pays council rates in the district (unlike some keynote speakers of today) I urge you to recommend in favour of this project.

Do I have a direct interest in the Bylong Project – NO

Am I a shareholder of Kepeco – NO

Am I guaranteed to sell the owners of Bylong Project new vehicles? – NO, because like most mining companies, they have a propensity to purchase a brand that I do not sell.

My future and the future of my 38 employees will be enhanced by the employment and prosperity the Bylong Valley Project will generate.

To deny the Bylong Valley Project is to deny our economic future – how can I be sure? History tells us so.