

DOWNSTREAM GAS SUPPLY AND AVAILABILITY IN NSW

Organisation: Allshelter Pty Ltd
Name: Mr Doug Reddel
Position: Managing Director
Date Received: 31/05/2013

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NSW Legislative Assembly
State and Regional Development Committee

Dear Sirs,

We run a business manufacturing steel framed fabric covered structures in Lake Cargelligo NSW. Our products are distributed all around Australia and we also export to Micronesia, the Pacific Islands, South America and Central Africa. Our business currently directly employs 17 people in sales, marketing and administration plus another 18 labour hire personnel in the factory, all of whom reside in the local area.

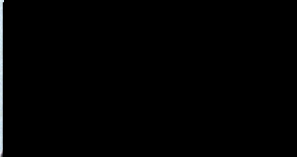
We also directly employ 2 other staff members remotely, provide employment opportunities for indigenous persons, and consistently outsource approximately 25% of our manufacturing to other companies in regional NSW thereby indirectly providing consistent employment for up to 8 other people. Further to that we consistently employ 2 – 3 apprentices or trainees in various trades or positions and work along with the local school in providing training opportunities for students.

Our business, along with other local businesses, has grown to where it is with no government assistance and due to our location and the deficiencies in infrastructure at times struggles to remain viable in the market place. Lake Cargelligo is a small town of approximately 1200 people that has traditionally been reliant on the agricultural sector for its existence and without the relatively recent advent of a few manufacturing and commercial organisations would have slowly continued to decline along with other towns of a similar size. Consequently the closure or failure of any of these organisations, particularly one that employs a relatively large number of people, has a very significant impact on the town.

Recently a rotational moulding business that started operating in Lake Cargelligo in 1995 and employed up to 16 people ceased operating here and moved to Tamworth. There were many factors that influenced this decision, but one of them was the unavailability of natural gas which added considerably to their inability to remain competitive in a tight market. We don't use natural gas ourselves but its absence has helped to influence the decision not to go ahead with a powder coating operation which would be a natural progression for ourselves and other manufacturing businesses in the town. One of these makes medical beds and another produces specialised fuel trailers, but one thing we all share in common is having to send our powder coating work up to 200 kms away which adds inefficiency to our various operations.

In summary, the lack of piped natural gas in our town precludes both the development of existing businesses and the opportunities for other organisations to relocate here which is very frustrating when we are so close to the main supply line for the whole state.

Yours sincerely,


Managing Director