

Mr Paul Forward Chairman Drayton South
Planning Assessment Commission
L3, 201 Elizabeth Street
Sydney NSW 2000

24 November 2016

Dear Commissioners

Re: Drayton South Coal Project

I would like to thank you for the opportunity to express my firm opposition to the proposed extension of Drayton South.

I manage a medium sized, family owned, thoroughbred breeding operation located close to the town of Scone. You may ask why a person whose business and home reside North of Scone is objecting to a proposed mine development South of Muswellbrook? The answer is simple, our business and future success is linked directly to the presence of Darley and Coolmore in our region.

We are not a stallion farm, our business relies on looking after mares for people who want to take advantage of the world class stallions on offer at various studs in the Hunter. Clients send us mares, we foal them down and then arrange a mating to the stallion of their choice, all of which is a very intensive undertaking. During the breeding season we are a 24 hour operation.

We currently house around 160 horses on the property, half being permanent residents with the rest coming from interstate just for the breeding season.

We employ five permanent staff as well as a number of trainees, casual staff and contractors such as vets, farriers, feed suppliers, chiropractors and dentists.

Our clients are from all parts of the world including Singapore, Hong Kong, Vietnam, The Philippines, America and New Zealand. I would estimate that at least 85% of our revenue is derived from clients outside NSW.

When the breeding season is finished we spend the rest of our time preparing horses for sales, yearlings, weanlings and mares. Last year alone our stud sold over [REDACTED] worth of horses for clients. A conservative estimate of what it costs a client to finance a horse from conception to a yearling sale is [REDACTED]

not including the stallion service fee. When you consider we end up with about 35 permanent yearlings each year that is over a [REDACTED] turn over a year within that part of our business alone.

Now compared to the revenue Drayton claims to be able to generate with their new mine over the mine's 15 year life, our family business in isolation, may seem small. That is until you consider we are but one of around 150 independent broodmare farms that owe their existence to stallion farms like Coolmore and Darley.

Even if you overlook the considerable risk posed by this mine to water quality, air quality, flora, fauna and biodiversity the economic risk to sustainable businesses, such as ours, is unacceptable.

There has been a no expense spared campaign by Anglo American to promote the perceived benefits to the community if the Drayton South mine was to go ahead. However what people forget is that the mining industry is very cyclical in its nature. Prices can fluctuate dramatically and when it becomes too expensive to pull coal out of the ground, production stops along with the associated jobs.

When studying for my Degree in Geology I would regularly travel between Scone and Newcastle, at that time one of my most vivid memories was the picket lines of laid off mine workers holding signs saying 'Rio Tinto is Un-Australian'.

The horse industry and the jobs it creates are somewhat protected from sudden market fluctuations. We still have our ups and downs but you can't just stop looking after horses if their value plummets over night.

Upon finishing my Degree, Geology jobs were few and far between, this was just before the minerals boom. After briefly working at Mount Arthur North when it was first under construction, density testing haul roads, I decided to take a slight pay cut and return to the relative stability of our family business breeding thoroughbreds

Obviously mining is integral to the Australian and Hunter community. I have many family members and friends that work in the mining industry and hope to do so for many years to come. However in this case, the Drayton South mine

proposal poses an unacceptable risk to already thriving and sustainable businesses. The short term gains do not outweigh the long term losses.

The PAC as it has every other time, needs to again reject this proposal. It also needs to highlight the negative impact on community morale and business confidence repeated applications and submissions on the same development have. The Drayton South mine proposal needs to be rejected and the decision needs to be final. A solid framework needs to be put in place, including through buffers or zoning, to protect the thoroughbred industry and all the players that make up the Hunter's equine critical industry cluster. By creating solid boundaries not only will it give certainty to our industry but enable the coal industry to expand into areas where conflicts like this one are less likely to occur.

Kind Regards

Nick Hodges

