



Scone Equine Hospital

Dedicated expert care

Mr Paul Forward - Chairman Drayton South PAC
Planning Assessment Commission
201 Elizabeth Street
Sydney NSW 2000

Sent by email: pac@pac.nsw.gov.au
cc: Robert.Bisley@pac.nsw.gov.au

24 November 2016

Dear Sir

RE: Drayton South Coal Project - D431/16

The Scone Equine Hospital appreciates the opportunity to make this submission to the Planning Assessment Commission on Anglo American's Drayton South Coal Project.

Our submission provides information on our business, its place in the regional community, our dependence on the Hunter Valley's thoroughbred breeding industry and our significant concerns about, and opposition to, Anglo American's Drayton South Coal Project. It also attaches a copy of the presentation I made to the PAC meeting on 16 November 2016.

The Scone Equine Hospital

The Scone Equine Hospital is a local business with a world class reputation. It is the largest veterinary practice in Australia, and indeed the Southern Hemisphere. We employ over 100 people (5 specialists, 30 veterinarians, 70 support staff) in a practice that in itself is recognised as a world class centre of equine health and research excellence. We have a proud history of over fifty years history servicing our clients in Scone and the Upper Hunter.

We provide veterinary care for the second largest horse population in the world, the Hunter Valley's thoroughbred breeding industry. As a result of our specialist and world recognised work in the Hunter Valley, we also provide veterinary referral services across Australia's eastern seaboard and internationally.

The Scone Equine Hospital has strong research relationships with leading universities in Australia and around the world and is sought after to field veterinary specialist and expert advice and speakers at national and international conferences.

In addition to our veterinary care, we provide practical training for 40 veterinary students and 60 veterinary nurses each year.

In the Upper Hunter region, we are a large employer of professionals and skilled workers. Our staff and their families are long term residents and proud contributors to our local communities. Our practice sponsors and supports over fifty community groups and organizations and is a sponsor of major horse related events in the Upper Hunter.

Our Future – Inextricably linked to the Thoroughbred Breeding Industry

The Scone Equine Hospital has substantial plans to invest and grow. These plans include:

- building a State-of-the-Art Veterinary Hospital (an investment in excess of \$12m resulting in construction and on-going employment opportunities);
- increasing the equine-related training and research opportunities available in the local area;
- investing in diagnostic equipment and infrastructure to draw horses and horse people to the area and enhance Scone's reputation as the Horse Capital; and
- expanding and increasing our support of local horse organizations and events.

However our future is tied inextricably with the future of the Hunter Valley's thoroughbred breeding industry. 90% of our business depends on the Thoroughbred industry. If the Thoroughbred industry does not exist in the Upper Hunter, our practice does not exist.

For some years now our investment plans have been on hold as the future of the Hunter's thoroughbred breeding industry remains uncertain. Decades of bad planning decisions and the issuance of explorations licences for individual mining projects that have the potential to devastate an entire industry have forced us to put on hold our investment in the region. This uncertainty is having a negative effect on investment and the future of our industry.

The Hunter Valley's thoroughbred breeding industry, its critical mass and the benefits that flow from it, including to the network of support industries like our own, cannot be replicated or relocated as a whole. Mining and Gas extraction are relatively short term activities, they take the resources and move on. The Thoroughbred industry has been a sustainable land use for nearly 200 years and counting.

The Scone Equine Hospital firmly believes that the Hunter Valley's horse industry is a major, sustainable contributor to the economy and the amenity of the area. The Hunter Valley is recognised as the "Horse Capital" of Australia – a brand that has been developed on a clean and green image which in turn attracts investment, industry, tourism and residents to the area.

The cumulative effects of mining and resource extraction in the rest of the Hunter have pushed the area to a tipping point which if allowed to further expand will destroy the Thoroughbred industry here and cause the area to lose its international identity and reputation.

Anglo American's Drayton South Coal Project

The Scone Equine Hospital has serious concerns about, and is opposed to, the Drayton South Coal Project.

Incompatible Land Uses

"The thoroughbred industry in the Upper Hunter Valley is a very significant contributor to the regional, state and national economies and a major source of employment. The structure of the industry makes it particularly vulnerable to

threats based on image and the introduction of coal mining in the Upper Hunter Valley is strongly identified as such as threat. The available evidence supports the view that open-cut coal mining and a viable international scale thoroughbred breeding enterprise are incompatible land uses.”

The Scone Equine Hospital acknowledges and supports the conclusions of the Bickham Planning Assessment Commission relating to the vulnerability of the equine industry to threats based on image (including reputation and visual amenity) and the incompatibility of open cut coal mines and viable international scale thoroughbred breeding enterprises.

We also acknowledge and support the findings of three previous PAC's which also conclude that mining and thoroughbred breeding enterprises cannot co-exist in close proximity. Further we strongly support the findings and determinations of previous PACs that Coolmore and Darley are pivotal to the Hunter Valley's Equine Industry Cluster and should be protected through the establishment of appropriate buffers, exclusion zones or preservation measures.

For the Commission's reference the Hunter Valley's Equine Industry Cluster is only Centre of Thoroughbred Breeding Excellence in the world that is not protected by its Government. Both the Kentucky USA and Newmarket UK equine clusters are recognised and protected from the incursion of incompatible land use.

The Drayton South Coal Project is immediately opposite two of the Hunter Valley's largest, international scale thoroughbred breeding studs. It is inconceivable that any reasonable assessment of the impact of this mining project would conclude that it would not have an impact on the thoroughbred breeding industry.

It is hard to understand how the Department of Planning could suggest that the Drayton South mine and the two studs can “co-exist” in such close proximity (less than 1km apart) in a manner that will not affect the operation of Australia's leading studs and as a consequence the Equine Critical Cluster. This is completely at odds with previous expert PAC conclusions and the conclusions of any reasonable person who is familiar with the thoroughbred breeding industry.

At best this conclusion demonstrates a lack of understanding of the thoroughbred breeding industry and what is at stake. At worst it is an oversimplification aimed at skewing the socio-economic results in Anglo American's favour. Either way it is deficient in its analysis and misunderstands the socio-economic and broader industry and reputational impacts this project will have on the thoroughbred breeding industry, investor confidence, loss of employment, the impact on the network of industries that rely on Coolmore and Godolphin and the impact to the community (and the NSW economy) and the thoroughbred breeding industry's critical mass which will be diminished or destroyed.

Air Quality and Human Health Effects

The Scone Equine Hospital recognises that the science regarding the environmental and human health effects of coal mining and coal seam gas extraction is currently inadequate. This Drayton South proposal and the Department's Final Assessment Report does not properly address the cumulative impacts (both air quality and health effects) of mining in the region.

Research conducted by the University of Sydney has raised serious concerns on the human health effects and social impacts of coal mining on communities – issues that are particularly relevant to communities in the Hunter Valley. As the University of Sydney research notes the Hunter Valley has more than 30 mostly open cut coal mines and six active coal-fired power stations. The University of Sydney's

international, peer reviewed, research has highlighted the serious health impacts for communities living near coal mines and coal combusting power stations.

Human health problems identified by this research include children and infants with impaired growth, neurological development, high blood levels of heavy metals, higher prevalence of birth defects, and greater chance of low birth weight which is also a risk factor for future obesity, diabetes and heart disease. Adults have shown to have higher rates of death from lung cancer and chronic heart, respiratory and kidney disease. There are also chances of developing other cancers and hypertension. Some studies have also shown higher rates of miscarriages and stillbirths.

This research reveals highly alarming results, results that should be seriously tested through a human health study in the Hunter Valley. There is a duty of care that this Government has to the Hunter Valley communities and the research conducted by the Sydney University cannot and should not be ignored.

More recent health impact reports support these findings and we watch with concern as the Queensland State Parliamentary hearings progress this month on Coal Worker's Pneumoconiosis.

Equine Health

In our view the equine health impacts report prepared by Dr Kannegieter misunderstands, misrepresents and oversimplifies the potential impacts of mining operations on horses. There is little international research that simulates comparable circumstances to those in the Hunter Valley.

We concur with the presentation and findings presented by Dr Brett Tennett-Brown to the PAC meetings last week and understand his report will be provided to you under separate cover.

Transport and social infrastructure

Safety and the degree of saturation of road traffic is of concern to us both as citizens with concern for human safety on the roads and as veterinarians who use key roads, such as Edderton Road and the Golden Highway, effectively as equine ambulance routes during the breeding season (August to December each year). Any additional pressures, closures, congestion on key roads will raise serious risks to both people and horses.

Conclusion

The Drayton South Coal Project is a watershed decision for our industry. It will put to the test Government's policies and commitments to protect our Equine Industry Cluster in the Hunter Valley.

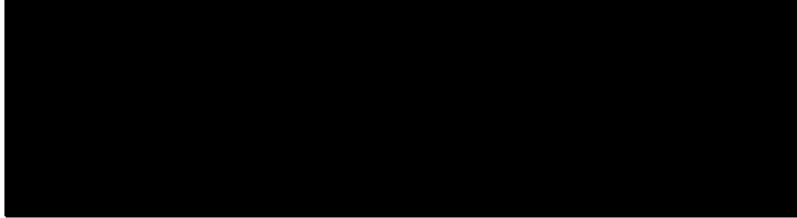
In this regard the Commission should be under no doubt of the importance of Coolmore and Godolphin to the future of the Hunter Valley's Equine Industry Cluster and the devastating effects their withdrawal from the Hunter Valley would have on over 150 broodmare farms and the myriad of equine support and other industries (many of them small and medium sized businesses) who rely on Coolmore and Godolphin.

The decision on this project will send a strong signal to our industry and other equine support industries that are located in the Hunter Valley, whether the Government is genuine about protecting an iconic and economically significant industry.

The decision on this mining project will signal whether we have a future in the Hunter Valley or not.

We have the opportunity and responsibility to protect an area and an industry, which is unique in Australia and the world. We trust this will be recognised and that the Drayton South mining proposal, across the road and less than 1km from Australia's two leading horse studs, will be rejected.

Yours sincerely



Dr Angus Adkins
BVSc FANZCVS
Director

Encl. Dr Angus Adkins presentation to the Planning Assessment Commission meeting, 16 November 2016