



SCONE EQUINE HOSPITAL

Dedicated expert care.

Mr David Mooney
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The Department of Planning & Infrastructure
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Sent by email: david.mooney@planning.nsw.gov.au

21 December 2012

Dear Sir

RE: Drayton South Coal Project Application Number: 11_0062

The Scone Equine Hospital appreciates the opportunity to comment on AngloAmerican'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, AngloAmerican's Drayton South Coal Project.

As this submission is one of the first that the Scone Equine Hospital has made we note that the documents placed on exhibition for six weeks were difficult to download from the web (due to the size of individual parts) and extended to many volumes totally over 4,000 pages of technical data. For the average landholder affected by this proposal it is a mammoth task to download the documents let alone navigate through the various highly technical reports, digest them and make a submission. A period of six weeks, before Christmas and during the busiest period for our business and many in the thoroughbred breeding and agricultural industries, it is neither a fair nor reasonable expectation to impose on agricultural landholders and businesses – particularly given mining companies have had years and much technical expertise to prepare them.

We would strongly recommend that landholders and communities are given more time to respond to future mining proposals of this complexity (including appropriate time to commission their own expert advice if that is their choice). We would particularly suggest that they are not rushed out prior to Christmas or other major public holidays, a practice which diminishes community confidence in the process and for which the previous Government was renowned.

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 of \$8-10 million resulting in construction and ongoing operational 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 multi-billion dollar 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 exploration 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 over 150 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 over 150 years 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.

AngloAmerican'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 a 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.

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.

Yet the Agricultural Impact Statement supporting AngloAmerican's proposal states that *"the Project will not reduce the availability of land for agricultural purposes or affect the productivity of existing agricultural land within the immediate locality, including land utilised by the equine industry cluster within the locality. As such, this has not been discussed further in the assessment"*.

It is hard to understand how a project of such close proximity to world scale thoroughbred breeding operations can conclude that it will not affect existing agricultural land and productivity. 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 AngloAmerican's favour. Either way it is deficient in its analysis and the company should be required to re-submit a pertinent and better informed socio-economic analysis and agricultural impact statement that more accurately reflects the impacts of this project on the thoroughbred breeding industry, investor confidence, loss of employment, the impact on the network of industries that rely on it and the impact to the community (and the NSW economy) if

as a result of this project the thoroughbred breeding industry's critical mass was fractured and the industry was 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 proposal does not address the cumulative impacts (both air quality and health effects) of mining in the region.

Recent 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 been 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.

In this respect, we recommend that this project, which is in such close proximity to not only thoroughbred breeding studs but the hundreds of people that live on those studs, should submit a cumulative health study including all mining operations in the region and the cumulative impacts health of mining resulting from this project.

Equine Health

In our view the equine health impacts report misunderstands or oversimplifies the potential impacts of mining operations on horses. There is little international research that simulates comparable circumstances to those in the Hunter Valley.

Extraneous light is a potential environmental issues for breeding equines and light of sufficient strength and duration could affect breeding cycles.

The report fails to appropriately address young foal's susceptibility to dust of all types. Further, there is limited research on the susceptibility of young foals to dust, even in paddock situations.

On noise and vibration, the report's assumptions that horses become "desensitised over time" fails to recognise the nature of stud farm operations and the fluidity of the equine breeding population on those stud farms.

There is a well accepted scientific maxim that "The absence of evidence is not evidence of absence". We believe that when it comes to the effects of coal mining activities on equine health there is simply not sufficient research or information to allow the proponent to suggest that there will be no deleterious effects on equine health.

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 the first test of the Government's new policies and processes since it was elected. It is also the first test of whether the Government will deliver on its commitment to protect Australia's iconic Thoroughbred Breeding industry in the Hunter Valley.

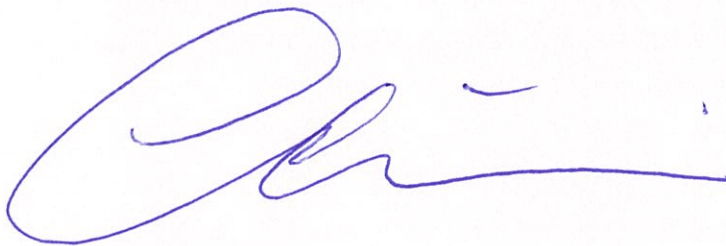
The decision on this project will signal to our industry and other equine support industries that are located in the Hunter Valley to support the thoroughbred breeding industry, whether the Government processes really work and whether the Government will protect our industry.

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

The Bickham PAC clearly indicated that open cut coal mines and international scale thoroughbred breeding operations are incompatible land uses.

We have the opportunity and responsibility to protect an area and an industry which is unique in Australia and the world. We trust that the Government will recognise that this mining proposal, across the road from two of Australia's leading horst studs is clearly an incompatible land use and reject the Drayton South coal mining proposal.

Yours sincerely



Dr Angus Adkins
Director