



The Director-General  
NSW Department Planning & Infrastructure  
GPO Box 39,  
Sydney, NSW 2001.

20<sup>th</sup> December, 2012

Dear Sir,

RE- DRAYTON SOUTH COAL PROJECT

The Drayton Mine, with its 530 workers, has been a major contributor to the economy of Muswellbrook since the mine opened in 1983. The Drayton South Coal Project presents an opportunity for that contribution to continue beyond 2017 and the Muswellbrook Chamber of Commerce & Industry supports the proposal.

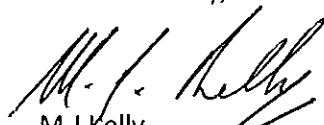
Based on the data presented in the Hanson Bailey Environmental Assessment as well as our own experience over the last 20 years, the Chamber identifies the following facts and understandings as the basis for our support –

- Utilisation of the existing workforce for mining operations as well as the addition of 369 workers at the peak of the construction phase.
- Utilisation of existing infrastructure and equipment fleet.
- Minimal disruption of agricultural activities in the area with economic gains from the project far outweighing the loss of some agricultural production. However, any loss of agricultural production should be addressed by the proponent and consent authorities and should be kept to an absolute minimum.
- \$588 million in annual direct and indirect regional output or business turnover and 785 direct and indirect jobs in the Upper Hunter economy.
- The reliance of many Muswellbrook businesses on the existing Drayton Mine with its high demand for engineering supplies and support services as well as the flow on effects in the retail, professional and service sectors.
- The absence of significant negative impacts on the environment, subject to the determinations of the relevant agencies and consent authorities.
- At present values the Project is expected to return \$320 million in royalties to the NSW Government.
- Continuation of an existing operation imposes less demand on public infrastructure when compared to a 'green field' project. However, Chamber relies on Muswellbrook Shire Council to determine a realistic contribution to local infrastructure under a Voluntary Planning Agreement with Drayton Coal. Chamber also trusts that Federal and State Infrastructure needs will be addressed by those authorities and that appropriate provision is made in their future budgets.

On behalf of the Muswellbrook business community, the Muswellbrook Chamber of Commerce and Industry 'supports and encourages business enterprise in Muswellbrook and its districts'. Our support for this project is consistent with our Charter and recognises our reliance on the coal mining industry, particularly in our local area. Drayton Coal is an important and respected member of the Muswellbrook business community and enjoys the Chambers support.

The Muswellbrook Chamber of Commerce & Industry would welcome the opportunity to answer any questions or expand on this submission if required.

Yours Sincerely,

  
M.J Kelly  
President MCCI