

Drayton South Coal Project

Submission: In Favour of the Application by Anglo American to Continue to Mine the Area of Drayton South.

Preamble: I do not have the resources to provide an extensive and professionally prepared submission supported by appropriate research and documentation. I would however have no doubt that all the necessary information has been submitted by the proponents and opponents of the scheme.

It is my intention to simply endeavour to make a joint submission on behalf of my wife and I in favour an ongoing industry to which like most people in the Hunter in general and the Upper Hunter in particular, we are very much reliant on either directly or indirectly for part of our economic wellbeing.

Submission:

- Effect on Horses and any other animals in the vicinity of the mine.
The assertion that the effect is detrimental to the horses is without foundation as clearly pointed out in the attached article published on the 15th May 2015 by The article is a review of Professor Nicholas Kannegieter's "Equine Health Assessment Report 2015" as reviewed by Associate Professor Kristopher Hughes and Dr. Deborah Racklyeft.
I would draw attention to the points made in the report regarding Coolmore's association with the Sha Tin Thoroughbred complex in Beijing with PM levels that are extreme, also the very successful Edinglassie Stud operating 130 metres from BHP Billitons's Mt. Arthur Mine which is five times bigger than the proposed Drayton South Mine Extension.
- The Economic Effects.
 - a. No mine - means the cumulative loss of at least 3000 jobs – multiplying the direct employees and contract employees by the accepted norm of one job created = 4 jobs altogether. (in the case of mine jobs with their high rate of pay and subsequent spending power I would suggest the figure is more than 4.)
 - b. No mine - means initially 500 families at least out of a job with no other jobs available and a mortgage to forfeit. Sheik Mohammed bin Rashid Al Maktoum, reputedly the world richest man will not feel a thing. Over a period of time many more of the 3000 will also be in a position of having to forfeit a mortgage and become Government dependant.
 - c. The mine contributes about \$25m/pa in royalties to the State Government.
 - d. The mine pays wages of about \$140m/pa to its employees.
 - e. The Federal Government receives about \$30m per year tax directly from that wages bill. Add on the GST and the tax paid by the contract and supplier elements along with the 2400 people whose jobs indirectly derive from the mine

employees and the Federal Government receives a very large chunk of money from the South Drayton Mine.

- f. The comparable contribution from the two horse studs is miniscule in comparison and I would refer you to the attached article by Matthew Stevens of the Financial Times, "Are We Done Horsing Around". The stud pays no tax, no royalties, and it's largely backpacker workforce do not contribute much tax.
- g. Who else is effected by the loss of mining income is a very serious question. If you sell cars in the upper Hunter you are effected, likewise hotels, landlords, property owners (loss of values) and even the humble pensioner. We no longer ride on the sheep's back but the back of the miners, without the overall mining revenue the Government cannot provide our generous welfare, or pay for the massive infrastructure works currently underway and planned for the future. So even the construction workers are dependant indirectly on the mining industry.

Summary

I have tried to briefly give my perspective on why I believe that we should support this project and hopefully to point out that there is no potential ill effect to the two neighbouring Horse Studs.

I understand that Anglo American has proposed in its submission to relinquish its exploration licences over the land owned by the two studs. Perhaps this is the real crux of the matter. I believe that for that absolutely prime farming country to ever be destroyed or interfered with by any extractive industry would be absolutely criminal.

On the other hand the use of this land by foreign interests who make little contribution for these very large parcels of land and very very large quantities of scarce water resources is something of a waste, particularly when Darley could be described as a large hobby farm for its fabulously wealthy owner.

It is patently obvious that both sides of the debate have good reasons to support their industries and I certainly hope that the determining authorities will see that with the current proposal both industries can co-exist comfortably.