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19 June, 2015

Department of Planning & Environment GPO Box 39 SYDNEY NSW 2001

Dear Sir/Madam.

Submission to the Drayton South Coal Project

Thank you for the opportunity to comment on the proposal by Anglo American Coal for the Drayton South Open Cut Coal Mine Project.

As noted in Council's submission to the previous application by Anglo American for the Drayton South Coal Project, Council acknowledges that the Drayton mining lease area is located wholly within the boundaries of an adjoining local government area. However, the Council feels compelled to make a submission and highlight the cumulative impacts of coal mining which extend at a regional scale and far beyond the boundaries of this and other mining operations within the Muswellbrook Shire.

The Council accepts that mining is an important economic driver for the region, but this should not come at the expense of other already established agricultural activities and rural industries which depend on fertile soils, clean water and pristine vistas. The Upper Hunter Shire Council was successful in arguing that open cut coal mining was incompatible with many established rural industries, particularly the Equine Industry which was noted in the rejection of the Bickham Coal Mine proposal.

The Council has previously made detailed submissions to the Department of Planning and Environment and NSW Government on the regional impacts of coal and coal seam gas mining. In these submissions we have highlighted the regional importance of the Equine and Viticulture Industries in the Upper Hunter, the wealth and social cohesion derived from agricultural production, the potential for expansion of emerging tourism opportunities and the need to protect the natural ecology and biodiversity of the area. The Council accepts the reality of continued mining in the Hunter but not at the expense of a strong and diverse agricultural sector or at the long term disadvantage of other emerging opportunities which will provide a more sustainable future.

In March 2015, Upper Hunter Shire Council adopted a revised Position Statement on Coal and Coal Seam Gas Activities, a copy of which is attached. The Position Statement makes it clear that Council is committed to protecting the wider equine industry and therefore the gazetted

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Equine Critical Industry Cluster in our region by opposing coal mining developments that have the potential to adversely impact upon those major thoroughbred breeding farms located outside the Shire.

Of particular relevance to the Drayton South Coal Mine Project, point No. 5 of Part A of the Position Statement states that:

"The UHSC supports the conclusion of the Drayton South Final Determination PAC Report:

"On the evidence the Commission agrees that Coolmore and Darley Studs are at the 'epicentre' of the thoroughbred breeding industry in NSW and Australia. They are 'pivotal' to the sustainability of the Upper Hunter Critical Industry Cluster [CIC] because of their size and market share. They are the largest international scale thoroughbred studs in Australia and have economic and reputational significance to the region, NSW and Australia. The commission supports the recommendation of the PAC Review and the Gateway Panel report that both studs should be afforded the highest level of protection".

The Council recognises that these major industry representatives, although contained within our neighbouring Shire, are integral components that make up the critical mass of what has been recognised by the NSW State government as the Hunter Equine Critical Industry Clusters contained within the Upper Hunter and Muswellbrook Local Government Area's".

The Council is of the view that exclusion zones remain the simplest and most effective means of easing land use tensions, offering protection to sustainable agricultural industries from the impacts of mining, providing greater certainty to all industries and providing for an economically diverse range of industries. Regions in Kentucky-USA, Newmarket-England and Lower Normandy-France have all had planning instruments developed that ensure the protection of their agricultural industries and environmental amenity from the imposition of all conflicting developments. Such exclusion zones could prevent the types of land use conflict that we are currently seeing between mining and agricultural industries in the Hunter Valley and provide these industries with greater investment certainty into the future.

We thank you for consideration of this submission.

Yours faithfully

Waid Crockett

GENERAL MANAGER

Encl.