

Jorge Van Den Brande

From: Hellen Georgopoulos <hgg.glm@gmail.com>
Sent: Friday, 20 July 2018 2:12 PM
To: David Koppers
Cc: Jorge Van Den Brande
Subject: Invitation to IPC to visit Upper Hunter Studs.
Attachments: HVI - ECONOMIC SIGNIFICANCE - 2018 ER -1.pdf

Dear David

We refer to your email seeking further information on Dr Collin's request for Commissioners to visit our industry in the Upper Hunter. Our thanks also to Jorge for his guidance and advice.

We have read the guidance attached to your email and provide the following advice for your and Commissioners' consideration:

1. Our multi-billion dollar industry in the Upper Hunter is recognised by the NSW Government as an Equine Critical Industry cluster and nationally and state significant.

2. It will be directly affected (visually, acoustically, dynamically, reputationally, via diminished air quality and dust deposition, dust plumes, increased mine related structures and transport) by the commencement of an open cut coal mine at the Mount Pleasant site.

3. The two studs closest to Mt Pleasant, are Godolphin's Kelvinside (immediately north) and Newgate (formerly known as Brooklyn Lodge) (north east).

* Newgate, their employees, visitors and clients will be affected via direct (and indirect) visual impacts of the workings of the Mount Pleasant open cut mine in addition to the direct and indirect impacts cited above.

* Kelvinside, their residents, employees, clients and visitors, will be subjected to the impacts of noise, dust deposition, air quality degradation and indirect visual and dynamic impacts of mining including dust plumes, increased mine related traffic etc.

4. It is noteworthy that the Kelvinside stud, owned by Godolphin, is recognised as a pivotal player in the equine critical industry cluster due to:

- * the key role stallions play at the heart of the thoroughbred breeding business model;
- * Godolphin being one of the largest Australian and global players in the industry;
- * the fact that Godolphin is an industry investment leader - any impacts that may impact on their operations and future investment (or disinvestment decisions) will affect broodmare investors, negatively impact on broodmare farms, and impact on the domestic and international reputation of Australia's premier thoroughbred breeding industry located in the Hunter Valley.

5. Given the importance of the industry to the region, state and Australian nation (snapshot attached) and the industry's reputation for breeding elite equine athletes in a clean, green, serene environment, we strongly encourage Commissioners to see first hand the inner workings of the key studs closest to the Mt Pleasant proposed open cut mine, and take into consideration in their deliberations, the environment in which they currently operate and the visual and other environmental impacts of the proposed Mt Pleasant open cut mine.

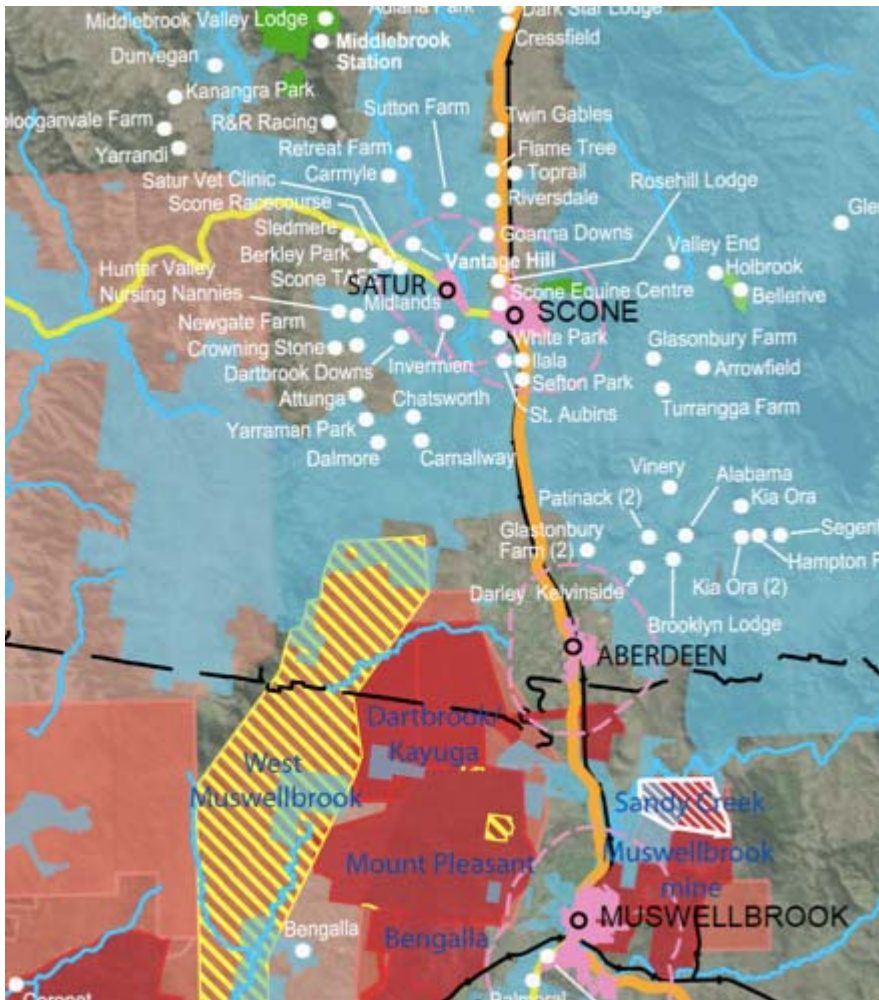
6. The attached map shows the proximity of Kelvinside and Newgate (previously Brooklyn Lodge and cited as such on the map) to Mt Pleasant Mine. Kelvinside is the closest stud and Newgate the second closest stud to the mine. The impacts of this mine however would also flow through to the Segenhoe Valley where many studs and broodmare farms are situated.

7. If it is of assistance, we would be pleased to put a draft itinerary together for Commissioners prior to a visit to these studs.

We look forward to your response and the opportunity to provide the Commissioners with a first hand view of the operations of our studs and the impacts presented by coal mining in approximate area.

Kind regards

Hellen



HUNTER VALLEY THOROUGHBRED BREEDING INDUSTRY ECONOMIC SIGNIFICANCE

| Internationally Significant | |
|-----------------------------|---|
| 1 of 3 | International Centres of Thoroughbred Breeding Excellence in the World – alongside Kentucky in the USA and Newmarket in the UK |
| Largest | Concentration of thoroughbred studs in the world outside Kentucky USA |
| Largest | Australian producer & supplier of premium thoroughbreds |
| Largest | Australian exporter of premium thoroughbreds, representing: |
| • 80.35% | Imports from Australia to New Zealand |
| • 58.65% | Imports from Australia to the Philippines |
| • 51.63% | Imports from Australia to Macau |
| • 43.54% | Imports from Australia to Malaysia |
| • 38.83% | Imports from Australia to Hong Kong |
| Nationally significant | |
| \$5b | Contribution to national GDP annually |
| 230,000 | Jobs generated and sustained nation wide |
| State Significant | |
| \$2.6b | Contribution to NSW economy annually |
| 53,696 | People employed or participating in thoroughbred breeding and racing in NSW |
| 34,000 | People directly involved in breeding, racing or training in NSW |
| 21,837 | Thoroughbred owners in NSW |
| 134 | Racing Clubs in NSW |
| \$175m | Investment in NSW Racing infrastructure underpinned by the quality of bloodstock & racing product produced in the NSW Hunter Valley |

HUNTER VALLEY THOROUGHBRED BREEDING INDUSTRY REGIONAL SIGNIFICANCE

| Regionally Significant | |
|-------------------------------|---|
| 55% + | Of the \$2.6b total value added occurs in regional NSW |
| Largest | Agricultural industry in the Hunter Valley: |
| 2 times | The value of irrigated agriculture |
| 4.5 times | The value of dairy |
| 10 times | The value of meat and cattle |
| 200 | Stallion and Broodmare farms |
| Sophisticated | Network of equine support industries dependent on Hunter Valley stud farms – including farriers, fodder producers, saddlers, equine transport companies and the Southern Hemisphere’s largest equine veterinary practice, Scone Equine Hospital |
| Significant Regional Employer | |
| 42,586 | Employees and participants in regional NSW: |
| • 5,745 | in the Hunter |
| • 10,159 | in Sydney |
| • 5,633 | in Western Sydney |
| • 9,693 | in Mid North Coast, Central Coast, Illawara, Southern Inland and South Coast |
| • 11,356 | throughout the rest of regional NSW |
| Significant Regional Investor | |
| \$5b + | Invested in the Hunter Valley’s thoroughbred breeding industry in the past 10 years (and rising) |
| 85% | Of breeders’ operational expenditure occurs within the local region. |

SOURCE: IER Pty Ltd Report 2006; IER Pty Ltd Report 2014, Marsden Jacob Associates Report 2014, Australian Stud Book



AT A GLANCE

| Hunter At A Glance | |
|--------------------|--|
| 470 | Breeders |
| 5, 745 | Employees and Participants* |
| 6 | Race Clubs |
| 78 | Race Meetings – including the only Saturday Stand Alone meeting in regional Australia |
| 595 | Races |
| 3,080 | Racing Club Members |
| 100,416 | Attendances |
| \$564.6m | Value added injected in the local economy by the thoroughbred breeding & racing industry |

* Participants are the lifeblood of the industry. They provide investment, time, skills and passion that underpins the horse racing industry in the State.

Source: IER Pty Ltd, Size and Scope of the NSW Racing Industry, 2014



| Sydney At A Glance | |
|--------------------|--|
| 10,159 | Employees and Participants |
| 3 | Race Clubs |
| 66 | Race Meetings |
| 494 | Races |
| 7,550 | Racing Club Members |
| 291, 858 | Attendances |
| \$11.1 billion | Value added injected into the economy by the thoroughbred breeding & racing industry |

| Western Sydney At A Glance | |
|----------------------------|---|
| 5, 633 | Employees and Participants |
| 1 | Race Club |
| 76 | Race Meetings |
| 392 | Races |
| 8,149 | Racing Club Members |
| 237, 411 | Attendances |
| \$321.9 million | Value added injected into the Western Sydney by the thoroughbred breeding & racing industry |

* Participants are the lifeblood of the industry. They provide investment, time, skills and passion that underpins the horse racing industry in the State.

Source: IER Pty Ltd, Size and Scope of the NSW Racing Industry, 2014

