



Case Study

Bulga – Warkworth

The tiny town of Bulga is less than 5 kilometers away from three of the largest open cut coal mines in the Hunter Valley: Mount Thorley Warkworth (owned by Rio Tinto), the Bulga mine (Glencore-Xtrata), and Wambo (Peabody Energy).

Proposed expansions seek to extend existing mines and would bring the Mount Thorley Warkworth mine right up to the edge of the village.

If the mine extension goes ahead, it will produce 18 million tonnes of coal each year for 17 years. The total volume of coal produced over this project's lifetime will reach 306 million tonnes.

The project will see the mine expand through areas previously identified as environmental offsets for the protection of biodiversity approved for the previous project. It breaks a previous Deed of Agreement that Rio Tinto signed in 2003 not to expand the mine any further – to preserve it “in perpetuity”, an agreement locals had relied on when purchasing or upgrading property.

The local community opposes the extension, citing the destruction of almost 500 hectares of endangered ecology, including habitat for threatened species, as well as radical changes to the character of the village and the landscape. The land to be cleared was set aside as a biodiversity offset when the mine was originally approved.

In 2013, represented by the New South Wales Environment Defender's Office, the Bulga Milbrodale Progress Association took their concerns to the New South Wales Land and Environment Court, seeking to overturn the government's decision to allow Rio Tinto to expand the mine.

The Court found in favour of the local community, with Judge Brian Preston ruling that the harm to the environment from impacts on endangered woodland and the community of Bulga outweighed any economic benefit of expanding the mine.²⁵⁹

The decision was upheld in the Supreme Court. Both courts agreed that the social, environmental, and economic impacts of expanding the mine were so great that they exceeded the benefits the project would bring to the state. The courts found that Rio Tinto had systematically overestimated the economic value of the project, and underestimated the impacts.

Despite the legal wins, Rio Tinto resubmitted its application again in 2014.²⁶⁰ Under recent changes to New South Wales Planning Laws, the community has no right to appeal the new application and, if it is approved, the decision cannot be challenged in court.

An economic assessment of this project suggests economic benefits of the extension are overstated and that the harm to the community and environment from noise, vibration, effects of air quality, dust and loss of amenity were not accounted for.²⁶¹

There was no estimate of the social value of the community, nor of the environmental services provided by the land.²⁶²

John Krey is a local resident and the former Chair of the Bulga Milbrodale Progress Association. He helped lead the legal challenge and says the community is now back to where it was four years ago.

“We’ve got two court cases behind us now, both of which said the mine extension shouldn’t go ahead. But the New South Wales government has made new amendments to the planning laws which mean the project will be approved. Now the value of the resources is the only consideration – the impacts on the community or ecology are irrelevant. The government has removed all the impediments to getting this approved.”

Mr Krey says the noise from the existing mines at Bulga is extremely disruptive for residents. It makes sitting outside impossible, due to sounds like “an airplane continuously overhead”. Blasting from the mine “shakes the house”.

The noise of machinery at the mine, which works 24 hours a day, wakes people at night. For people who came to Bulga to enjoy the peacefulness of the bush, the constant intrusion is upsetting and disruptive.

According to Mr Krey’s monitoring, the noise levels exceed the New South Wales industrial noise policy for the two mines.

When locals are able to get the relevant government department (in this case the Department of Planning) to respond to their concerns, an offer to send a consultant to monitor noise invariably occurs during a week when the mine is quiet, he says.

It’s not just the noise that is upsetting, it is knowing the noise levels are being exceeded and that no-one will enforce them.

“The mine will work to the limits of its approvals – we accept that, but when the body that is supposed to be monitoring them refuses to do so, that is not acceptable,” he said.

Dust is also a problem, and like Wendy Bowman in Muswellbrook, John Krey finds it very difficult to get the mine or the authorities to accept responsibility for the dust – or respond to the concerns of local residents.

“We ring the Department (EPA) to report excessive dust, and they say: “Which mine is the dust coming from?”

“And then they phone the mine to ask them if it’s their dust. It’s farcical.”

And it’s not only the dust from the mine (mostly larger particles PM10), but the health risks from diesel used in mining vehicles and equipment. Just one mine uses 20 million litres of diesel each year, according to Mr Krey, and there are no catalytic converters on mine equipment.

The mining industry is not interested in addressing the concerns of local residents, he says, but even more demoralising for local residents is the unwillingness of the government to control their activities.

Another member of the Bulga Milbrodale Progress Association, John Lamb, says this makes people angry and frustrated, and leads to negative impacts on people’s mental health.

“It’s the loss of control over our environment that is the most difficult. We came here to enjoy the peacefulness of the bush. Now there’s continuous noise, plus the blasting – they shake the house and wake you up.”

John Krey’s wife Leslie says: “It’s wrong that citizens should be forced to experience the emotional fall out from mining – the loss of amenity, the loss of quality of life, the loss of the future.”