

## Personal Submission

### WARKWORTH AND MOUNT THORLEY MINES CONTINUATION PROJECT (SSD 6464 and SSD 6465)

4 August, 2014

George Tlaskal

313 Inlet Road, BULGA, NSW,2330

My name is George Tlaskal and I come from a historical village named Bulga in the Upper Hunter Valley [1]. I **OPPOSE** the expansion project of the joint Rio Tinto Warkworth and Mount Thorley Mines. The grounds for my oppositions to these projects are the same as those outlined in my submissions in previous years. The environmental problems, such as noise and dust and the social problems, such as destruction of the property values associated with the coal production in these mines has got worse in the last three year so my original arguments remain valid (see Appendix 1 [2]).

I have studied the documentation of the proposed Warkworth and Mt.Thorley mine Continuation Projects [3,4] in particular the environmental and social effects sections that are most relevant to the residents of Bulga. The documentation makes a very disappointing reading. The authors pretend to prove that moving the Mine within 2.6 km towards Bulga will not have any catastrophic effects on the local rural residential area. They claim that the mining dust and noise problems are basically under control already. However, those of us who live in the vicinity of the mines know otherwise. When the wind blows Bulga way we have coal dust on our roofs! When we are woken up by the mine noise in the middle of

the night we know that the mines are exceeding the noise limits no matter what the models of the “hired gun” acoustic experts say! I have discussed these problems in many submissions previously and there is no need to repeat them here again (see Appendix 1 attached , [2]). The whole project justification is simply a tedious exercise in sophistry and “motherhood” statements.

Until recently we have co-existed with the mines reasonably well. The Warkworth Mine, that now belongs to Rio Tinto, is an exception. In 2003 it was about 8km away and we were protected from their noise and dust by the natural formations of the Saddle Ridge and by the Warkworth Sands Woodlands conservation area. This ancient woodland is irreplaceable. The same year, in 2003, the Mine signed a legal Deed to protect this conservation area in perpetuity. We have believed in the power of this legal document and many people made the decision to come to live in Bulga and some to retire. This was hardly surprising, Bulga is a beautiful village nestled in a valley under the Wollemi mountain ranges.

However, five years ago the world coal prices nearly quadrupled and Rio Tinto doubled the rate of production to make the best of it. Area that was planned in 2003 to last until 2021 was mined almost entirely in half of the time. Consequently, Rio Tinto proposed to expand the mine west to within 2.6km from Bulga. They paid so called “independent noise and dust experts” to prove that removing the Saddle Ridge and the Warkworth Sands Woodland will have no significant effect on the residents of Bulga.

In the rush rush to mine as fast as possible, they started to pile the overburden higher and higher regardless of the dust and noise pollution this caused. Bulga residents soon realised that they were on a collision course with the Rio Tinto Warkworth Mine. We have started to be woken up at night by the noise and lights of the dump trucks, we have started to experience dust on our roofs and the blast shocks to our homes (see

DUST POLLUTION FROM THE MINES, NOISE POLLUTION FROM THE MINES sections in Appendix 1).

Consequently, the property values around the expanding mine plummeted. Now it is very difficult to sell anything in our valley! Life savings of the local residents, including ours, were thus destroyed even before the mine actually expanded! See Appendix 1, section DESTRUCTION OF THE PROPERTY VALUES. This is very much against everything that being an Australian is all about!

In 2012 the PAC commission of the NSW Government Planning Department approved the Warkworth Mine expansion. Bulga Milbrodale Progress Association contested the approval in the NSW Land and Environment Court and won on merit. NSW Government immediately joined Rio Tinto in appeal to the NSW Supreme Court. We have won again. Rio Tinto ignored the judgement and started to prepare yet another Warkworth Mine expansion proposal. This was the same project with minor modifications. It appears that transnational corporations like Rio Tinto can safely ignore NSW court judgements.

Subsequently the NSW Government, in cohort with the Rio Tinto corporation, changed the laws so that the PAC commissions must disregard all social and environmental considerations. New mines or mine expansions are now to be approved solely on the basis of the value of the coal resource. Additionally, the environmental land offsets do not need to be like-for-like. From now on any run-down piece of land will do. The Minister also cancelled the legal documents protecting the Saddle Ridge and Warkworth Sands Woodland in perpetuity so that proposed mine expansion could proceed.

A lot of time in these PAC and court proceedings was taken by evaluation of the purported economic benefits of the proposed Warkworth Mine expansion. As it turned out, these were largely illusory. Even worse, it

turned out further on that the Australian coal mining industry actually employs fewer people than Bunnings, and that the royalties contribution to the NSW budget were less than 2 percent! This is very far from the image that the industry spin-doctors like to paint when they talk about how the coal mining keeps our schools and hospitals going. In fact over 80% of the coal mines are foreign owned and the profits go, naturally, overseas [5].

If you do not believe this evidence, just consider the following: We are on the crest of the greatest mining boom in history of this country yet all the public institutions are broke! Local councils are broke. The state budget are broke. The federal government is telling us that we are in dire straits! So where is all the money from the mining boom that the industry spin doctors talk about?

Most recently, RioTinto split their original Warkworth Mine expansion proposal into two: the Warkworth Continuation Project and the Mt Thorley Continuation Project but nothing has changed. The social and environmental damage will be the same but the new laws are this time stack against Bulga. Once again we are forced to write submissions. Once again we are forced to talk about, what we have said so many times before, about the health hazards of noise, dust and blast shocks. Once again we have to reiterate that the Warkworth Sands are ecologically irreplaceable. Why do we have to fight the same battles over and over again?

Rio Tinto has a particularly bad reputation in the area of the environmental credentials and the public relations with local communities worldwide [6]. They are not at all worried about their social license to operate I believe that in our case they are trying to bulldoze the mine expansion proposal through so that they can eventually sell the mine, like they already did in Queensland, and get out of the no-longer profitable coal mining altogether.

I can go on and on but a more interesting question is this: Why is the Australian mine regulation system so completely broken?" Most likely, you have your own answers but this is my interpretation:

- State governments sell the coal exploration leases to the mining companies for hundred millions of dollars right at the beginning of the exploration period. Naturally, for this sort of money, mining companies assume that the final approval of the final mine production license is a mere formality and that the complicated approval process is merely a shadow play. Government regulators do not do much to convince them otherwise.
- Coal mines, once established, never close. When they run out of the coal resource in the original lease, they simply expand into nearby virgin countryside and destroy it too. Their land rehabilitation projects are a joke. The mining scars, like cancer, are getting bigger and bigger every year. I am not aware of a single coal mine in the Hunter that closed properly and rehabilitated the environmental damage. Even worse, the social damage to the local communities is impossible to repair. There is a lot of coal bearing sedimentary basins anywhere between Sydney and Townsville. Consequently, there is no end to the out-of-control expansion of the coal mining industry and of the destruction of the rural lands and communities.
- Mining companies employ private contractors to write their proposals and present them as "independent scientific" evaluation of the environmental and social factors. These are usually very small private enterprises and their owners know exactly on which side is their bread buttered. If they do not provide what the mining companies want, they will not get the next contract! Government regulators simply accept this fiction!
- In the resource sector the regulators and the regulated are very close. In fact it is a sort of a "revolving door". People from the industry become regulators and current employees of the state

regulatory agencies dream about eventually going into some well-paid positions with the private resource companies. So they “regulate” accordingly.

- Big transnational companies like Rio Tinto operate budgets that often exceed budgets of many smaller countries on the world scene. They have an enormous financial clout. In Australia, through the currently uncontrolled system of lobbyists, they are able to corrupt politicians and public servants to do their bidding. This is known as the regulatory capture [7]. Recent ICAC investigations succeeded in uncovering only a very small part of these relationships that are poisoning the very base fabric of our democratic systems.
- I am sure that most people operating in this broken regulatory system are not evil and hell bent on destroying the land and the rural communities. They are intelligent and, in quiet time for reflection, they probably realise that what they are doing is wrong. But, as everyone, they are a part of an industrial organism that has no human conscience, no memory and no concept of the future like the human beings do. Thus everyone involved, in order to survive, in order to support their families and/or ambitions, must ignore his or her conscience too. They do not see and cannot see, the full consequences of their decisions. Like the rest of us, they can only see a small part of the reality around them. Thus the senseless destruction of our planet continues ...

By now most of us probably realise that there is a big flaw in the apparent success of all those corrupt politicians, regulators, hired-gun experts and media spin doctors. Their victories over the nature and society are hollow! Nature does not run on politics, on ideology, on economic, on clever legal arguments or on spin. It works on physics, on chemistry, on biology and on the immense complexities of the social evolution. The science that brought us our present prosperity also tells us that in order to prevent a runaway greenhouse effect, **we must leave 80% of the known coal**

**reserves in the ground.** Disapproving the proposed Warkworth Mine expansion would thus be a good start!

In global terms, if we keep pursuing the concept of the unlimited growth within the confines of this small planet we will destroy its life support systems. If we are lucky, the human race may not die out but will only return into dark ages. The current level of prosperity and the current freedoms shall become the stuff of the fairy tales for the future generations.

This is not inevitable. If enough people wakes up and conscientiously stops walking towards the cliff of destruction, we may still make it. I like to believe that **the Spirit of Bulga Lives!**

## References

[1] **A History of Bulga.** Bulga Milbrodale Progress Association, 2014.

[2] **SUBMISSION TO DROP-IN-SIA CONSULTATION SESSIONS COAL & ALLIED DEVELOPMENT CONSENTS FOR MT THORLEY AND WARKWORTH MINES.** Presented here as Appendix 1.

[http://huntervalleyprotectionalliance.com/pdf/WARKW\\_Continuation\\_GT20140327.pdf](http://huntervalleyprotectionalliance.com/pdf/WARKW_Continuation_GT20140327.pdf)

[3] Warkworth Coal Mine: **Warkworth Continuation Project** on EIS Exhibition

[http://majorprojects.planning.nsw.gov.au/page/development-categories/mining--petroleum---extractive-industries/mining/?action=view\\_job&job\\_id=6464](http://majorprojects.planning.nsw.gov.au/page/development-categories/mining--petroleum---extractive-industries/mining/?action=view_job&job_id=6464)

[4] Mount Thorley Operations: **Mt Thorley Continuation Project** on EIS Exhibition

[http://majorprojects.planning.nsw.gov.au/page/development-categories/mining--petroleum---extractive-industries/mining/?action=view\\_job&job\\_id=6465](http://majorprojects.planning.nsw.gov.au/page/development-categories/mining--petroleum---extractive-industries/mining/?action=view_job&job_id=6465)

[5] Seeing through the dust: Coal in the Hunter Valley economy. The Australia Institute, June 2014.

<http://www.tai.org.au/content/seeing-through-dust-coal-hunter-valley-economy>

[6] **Rio Tinto's 'sustainable mining' claims exposed**, The Ecologist, July, 2014.

[http://www.theecologist.org/News/news\\_analysis/2498027/rio\\_tintos\\_sustainable\\_mining\\_claims\\_exposed.html](http://www.theecologist.org/News/news_analysis/2498027/rio_tintos_sustainable_mining_claims_exposed.html)

[7] **Regulatory Capture**, Wikipedia.

[http://en.wikipedia.org/wiki/Regulatory\\_capture](http://en.wikipedia.org/wiki/Regulatory_capture)

## APPENDIX 1

### SUBMISSION TO DROP-IN-SIA CONSULTATION SESSIONS COAL & ALLIED DEVELOPMENT CONSENTS FOR MT THORLEY AND WARKWORTH MINES

27 MARCH 2014

George Tlaskal

313 Inlet Road, BULGA, NSW,2330

I am a resident of Bulga in the Hunter Valley and I **oppose** the proposed expansion of the Warkworth Mine towards our village as a giant open cut coal mine. I have less of a problem if the mine proprietors decide to continue with mining in this area by underground methods. Our family has been living in Bulga Inlet since 1987. We have built a house, planted a beautiful garden, vineyard and a fruit orchard. Since Rio Tinto Warkworth Mine commenced to push for an open cut expansion west towards the Bulga village, our lives were severely disrupted for the following reasons.

## THE PROBLEMS

### **DESTRUCTION OF THE PROPERTY VALUES**

The right to own a property is the base of the Australian way of life. For most people this means to acquire and develop a family home and eventually to pass its value to children or grandchildren. Families living near coal mines or coal seam gas projects are denied this basic citizen right. Our homes in the Bulga valley are subject to the negative effects of both the coal and the CSG industries expansion. In contrast to other parts of the country, in the last three years there were hardly any property sales in Bulga. Our homes have become worthless!

This problem is supposed to be solved by the current property acquisition schema which is, unfortunately, deeply flawed. The industrial entity, in our case the Warkworth Mine, which destroys the property values by its very existence is also in charge of the compensation. The

mine pays an “independent” consultant who then determines acquisition boundaries by proprietary mining noise modelling. These computer models are not open to outside inspection. As a former computer consultant I would say “garbage in - garbage out”. Selected local residents are then forced to negotiate with legal departments of a giant multinational company about a compensation. This is hardly just or fair. It is in the interest of the company to pay as little as possible so destroying the property values is to their advantage.

### **NEGATIVE HEALTH EFFECTS DUE TO STRESS AND UNCERTAINTY**

Rio Tinto in its many publications always stresses that the mine and its 1300 employees “need certainty”. They do not seem to realise that their neighbours, who do not benefit from the mining activities at all, need certainty too. Since the Western Pit expansion started by breaking the 2003 Saddleback Ridge protection agreement in 2012, our lives are in ruin. We are forced constantly to attend meetings and write submission. These are then completely ignored by both the mine and by the government regulators.

We see the NSW government joining a big transnational company in a High Court appeal against a small NSW village. We see the laws of the land changed so that the Land and Environment Court could never again decide against a mining company. We see the environment of the Hunter destroyed while the mining scars growing like cancer year by year. We see the result of our life's work turning to nothing. All this leads to stress, depression and damage to our health. This combined effect of “environmentally-induced desolation and powerlessness that impacts on people in the zone of affectation of coal mines “is called **solastalgia**. In other words, local residents are treated by the resource industry as roadkill!

### **NOISE POLLUTION FROM THE MINES**

So much has been written about the noise pollution emanating from the coal mines that I have no heart to add to it. The simple fact is that the mines are not able to keep the noise within the mine boundary even under the current consent. Three year ago we could not hear the mines in the night and now we do. No amount of computer modelling will convince us otherwise. To add an insult to the injury, according to the government regulators, when we are woken up by noise from the mine in the middle of night, we are supposed to ring a complaint line. This means to wait sleepless for a call-back and then to engage in an antagonistic argument - at 3am?!. The employees at the other end of the line are paid well to deny any noise transgressions on the part of the mine.

### **DUST POLLUTION FROM THE MINES**

Thanks to the Upper Hunter Air Quality Monitoring Network (UHAQMN) we now know that mines do have, to some extent, the ability to control their dust pollution. The hourly PM10 monitoring data patterns sometimes show that the level of the coal dust increase at night while the wind dies down. That shows that a mine located upwind deliberately carries out dusty operations

during the night in a hope that nobody will notice. Of course, dust is as much a health hazard during the night as during the daylight.

Even greater worry than PM10 dust particles are the PM2.5 particles. They are generated by burning lakes of low-quality diesel fuel used by the mining machinery to move mountains of coal and overburden. When inhaled, they lodge deep in the lungs and cause pulmonary and heart diseases. They also condense on larger particles, settle on the roofs and contaminate our drinking water. Yet, they are only two official monitors, one in Singleton the other in Muswellbrook, far from the actual mines, that routinely monitor the PM2.5 health hazard. I doubt that the Warkworth Mine monitors PM2.5 at all and if they do they keep the data secret.

### **CLOSURE OF THE WALLABY SCRUB ROAD**

The Wallaby Scrub road is an important road linking Upper Hunter communities to the Sydney metropolitan area and many people use it. It has also a historical value and is not Rio Tinto's to close when they feel like it.

### **GLOBAL EFFECTS OF BURNING FOSSIL FUELS**

As a research scientist, I am well aware that whole our civilisation is founded on burning fossil fuels. They are very convenient, have huge stored energy density and they are cheap. We will probably never find anything as good as that. Yet, if we keep mining and burning fossil fuels on the present large scale, we will destroy the Earth life support systems and destroy our civilisation. Even the management of companies like Rio Tinto does recognise that. Still, they keep expanding the coal mines because of their short term economical considerations and ruling ideology of the "exponential growth for ever". But the climate change issue is not about politics, about beliefs or about ideology. It is about physics, chemistry and biology at one side and about human stupidity at the other!

### **WHAT CAN BE DONE**

Anyone living close to Hunter Valley coal super-pits knows that the Australian regulatory system is broken because it gives too much power to the coal mining industry and none to the local communities. I used to work in the Hunter coal mines for over twenty years so I have a good historical measure of this industry. So I do not believe that the present regulatory system was developed by some evil planners to harm the local communities. No, it is simply a product of a blind social evolutionary struggle where the strongest party takes all the spoils. While the coal industry was small, locally owned and a good neighbour, this power disparity was largely

tolerated. This is no longer the case now. However, deep down everyone knows that the system is broken but nobody knows how to fix it. Nobody in power has the wisdom and political will to do something about it. Most prefer to ignore the problems. Nevertheless, there are ways forward so here are some of my proposals to get the process started.

## **PROTECTION OF THE LOCAL PROPERTY VALUES**

This is probably the hardest problem that would require a complete re-think of the relation between the local communities and the coal companies. It should be made clear here that I am proposing a **safety net** and that I am not fishing for a compensation or handouts. In our case we are perfectly happy to live where we are and we do not want to move anywhere. Yet the time could come that we might be forced to leave our property. We need a fair and a just system that will allow us to do so. It is not our fault that the real estate market values in Bulga have been destroyed by the mining companies. How about this solution.

Before granting a mining licence to a company, rights of the villages neighbouring the future mine should be considered and a protective buffer zone, say 10 km, around the mine established. The properties of the land owners in the zone would be evaluated by an independent valuer to determine their real estate values before any mining activity commences. Next the mining company would lodge the combined value of all the properties into an independent Community Trust Fund. If during the life of the mine anyone within the buffer zone cannot sell their property, the Trust would buy it then rent it or possibly sell it. At the end of the life of the mine the Trust would be liquidated, all trust properties sold and the balance of the money returned to the mining company. The same could be done for mines already existing. There is even a partial precedent. We already have 2km protective zone that prevents CSG developments close to the local towns and villages.

## **TRANSPARENCY IN NOISE AND DUST POLLUTION MONITORING**

A lot of wasted time and money would be prevented if the mining companies stopped treating noise and dust monitoring data as a secret private property. If they operate within the pollution limits, as they keep saying, they have nothing to fear. The current practice of presenting their environment protection data as averages of averages shows that they have a lot to hide and prefer spin to transparency. **A simple solution would be to make all monitoring data available on the internet in the real time.** The ridiculous phone complaint lines would then become only the last resort hardly ever used. What is wrong with making complains using email anyway? It has the advantage of a complete audit trail about who said what and when.

## **BECOMING A GOOD NEIGHBOUR AND CORPORATE CITIZEN**

For resource companies this is probably the most intractable problem of them all. They got so used being pampered by politicians and government regulators that they think that their legal rights are the only rights that matter. Anyone who disagrees with them is their mortal enemy. Instead of being part of the local community they feel constantly under siege. They forgot that Hunter Valley communities existed and prospered long time before their big super-mines arrived. They forgot to consider how their activities look to people outside their fence. What is the solution? I don't know. It surely requires a culture change in the mining companies. It requires real communication, genuinely caring community officers, long-term thinking, more transparency less spin etc. It is a big task to find a way forward. However, if we do not succeed then rural Australia of the future will become a dusty, dead landscape dotted with unhealed mining scars and sad mining camps. There will be no place for picturesque villages like Bulga. Is this what we want to leave to our grandchildren?

George Tlaskal  
313 Inlet Road,  
BULGA, NSW, 2330  
02 65745187