

# Australian coal miners face 1,000 job cuts

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21 September 2025

Workers in metallurgical coal mines in the Bowen Basin of central Queensland are being confronted by two of the world's biggest mining conglomerates seeking to eliminate about 1,000 jobs, with more possibly to come.

First, mining giant BHP Mitsubishi Alliance (BMA) announced this month it would scrap 750 jobs and mothball its Saraji South mine at Dysart from November, throwing 72 Saraji South miners out of work.

BHP, one of the world's largest mining companies, also placed its Central Queensland training academy under review, threatening more jobs and futures. The FutureFit Academy in the regional city of Mackay has trained more than 400 apprentices and trainees.

Then Anglo American, the third biggest global export producer of coking coal, said jobs were being slashed in the Bowen Basin and its office in Brisbane, the state capital.

Anglo American refused to detail the number of its redundancies, but Isaac Regional Council, the municipal government in the Bowen Basin, said more than 200 positions were involved. Workers told the WSWs that Anglo American had offered at least 112 "voluntary redundancies" to miners "off the floor," so most of the job cuts are affecting frontline workers.

More jobs are threatened. BMA estimates it employs more than 9,500 employees and contractors across all its operations. Saraji South is one of five metallurgical coal mines owned by BMA in the Bowen Basin. It is also one of the longest running, with operations starting more than 50 years ago in 1974.

BMA last suspended operations at Saraji South, formerly Norwich Park, in 2012, affecting 400 workers, claiming the site was no longer viable. The company resumed production there in 2020.

Speaking to the media, BMA asset president Adam Lancey sought to blame government royalties for the

job cuts, saying they were necessary due to the "combined impact of the Queensland government's unsustainable coal royalties and market conditions."

At the same time, Lancey refused to rule out later reopening Saraji South using contract workers instead of full-time staff. He said that was not part of BMA's plan, but if the mine was to restart "that will be a decision that will be taken at that time."

The truth is that world prices for metallurgical coal—that is coal used for steelmaking and other industrial process, not thermal coal for power generation—have dropped below \$200 a tonne, from spot price peaks of up to \$900 in 2022-23.

That actually means lower royalty payments under the scheme introduced by the former state Labor government in 2022. The coal royalty system's three tiers require mine companies to pay more as coal prices go up—only 20 percent at \$175 per tonne, 30 percent at \$225 and 40 percent over \$300.

In Facebook postings, media statements and messages to its members, the main trade union covering the workforce, the Mining and Energy Union (MEU), has flatly denied the widespread impact of the job losses on miners. The union officials are clearly seeking to head off and quash opposition by coal mine workers.

On Facebook, the MEU bureaucrats insist that the BMA job losses are coming from BHP's "head office" and all the company's Queensland business, including rail ports, not "coal production." They said the process of cutting workers began some months ago.

But union delegates said workers at Saraji South had only just learned of BMA's plans to shut down the site. On Facebook, the MEU also tried to play down that closure, saying the mine had been mothballed before.

In the media, MEU Queensland district president Mitch Hughes urged BHP to consult with the union "rather than spread fear through the media." He said:

“Workers need facts, certainty and security—not alarmism.”

This is a call for the managements to work with the union to secure their cost-cutting and profit requirements without triggering workers’ opposition. On Facebook, the MEU appealed to BHP to undertake consultation with the union on redeployments as per workplace agreements. Such agreements provide no guarantees of redeployment.

There is no doubt that the coal giants are trying to exploit the coal price slump to demand that the current Liberal National Party state government reduce the coal royalties in order to restore higher profits. But the price fall is due to global factors, including falling demand in China and rising supply.

In 2023, BMA sold its Daunia and Blackwater coal mines to Whitehaven for \$2 billion, citing a drop in profits and higher state royalties. BHP announced its lowest full-year earnings in five years last month, with its underlying profit sliding 26 percent to \$15.7 billion, although that is still a huge profit.

A longstanding Bowen Basin coal miner, who wanted to remain anonymous out of concern for management retribution, said workers were being kept in the dark about the extent of the cuts and the reasons for them.

“We don’t get told what prices the companies are getting for coal,” he commented. “There’s no workers’ control over this industry, but we suffer the consequences.”

He said it was “horrible” to see people losing their jobs. No one knew how many more mine workers would be affected, so no one felt safe. And the impact was not only local because a fly-in-fly-out workforce meant that the losses would be felt all over Australia.

The miner said it was not yet clear whether the drop in metallurgical coal prices was a downturn or only a slowdown. It could be the result of slowing growth in China and India, intensified by the Trump administration’s tariffs and trade war.

He added: “This wouldn’t be happening if the industry wasn’t part of the capitalist system. Not if the mines were state-owned. The multinationals can make lots of money from coal, so why isn’t it all government-owned?”

Mining workers throughout the country and around the world, along with workers in every industry, confront deepening attacks on their jobs, as well as

their pay and conditions. To defeat this, a unified counteroffensive must be built. But the trade union apparatuses isolate workers, mine by mine and country by country, and keep them straitjacketed within the capitalist profit system, tied to the fortunes of the mining multinationals.

This underscores the necessity for workers to build new organisations, rank-and-file committees, independent of the union bureaucracy, to link up across the mining sector and more broadly in a joint fight for secure jobs and decent wages and conditions.

This has to be connected to a struggle by the working class against capitalism, which subordinates everything to profit. That means a fight for a socialist perspective, to establish workers’ governments to place all essential industries, including mining, under public ownership and the democratic control of the working class to satisfy social need, not corporate profit.

We appeal to mine workers affected by the job cuts to contact the WSWs to report their situation and to discuss these burning issues.



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**