

Australian Greens' dissenting report

1.1 Climate change is destroying people's lives and livelihoods, through ever-worsening and increasingly frequent heatwaves, floods and droughts. Climate change is pushing many of our most vulnerable species and ecosystems to the brink of extinction. It will change the way we live our lives. The latest Intergovernmental Panel on Climate Change (IPCC) report, released in October 2018, once again states that we must keep coal in the ground if we are to keep global temperature rise below 1.5 degrees. Staying under 1.5 degrees does not require new technologies to be developed to replace coal-fired power – those technologies already exist. It does not require waiting for the cost of renewable energy to be comparable to the cost of coal-fired energy – we're already there. Keeping warming to within 1.5 degrees is now just a matter of political will and leadership.

1.2 The *Galilee Basin (Coal Prohibition) Bill 2018* seeks to do exactly what the science is telling us is necessary – keep coal in the ground. This bill will prohibit all mining of thermal coal in Queensland's Galilee Basin. This bill will prevent the disastrous Adani Carmichael mine from going ahead, as well as eight other mega coal mines planned for the Galilee Basin. We know that if the entire Galilee Basin is developed it has the potential to add more than 700 million tonnes of carbon dioxide (CO₂) to the atmosphere each year. Australia currently emits around 400 million tonnes per year.

1.3 If the Galilee Basin were a country, it would be the seventh highest CO₂ emitter in the world, sitting just behind Germany and well above Canada and the United Kingdom. Allowing this basin to be opened up is both socially and environmentally negligent. The Galilee Basin is a giant carbon bomb. Over the lifetime of these projects, the coal that is mined would produce enough emissions to consume 7% of the world's remaining carbon budget. This drastic addition to global emissions has the potential to singlehandedly derail efforts to avoid runaway climate change.

1.4 It makes sense that in February 2019, when we've seen floods inundate Northern Queensland and bushfires ravage Tasmania, a bill like this would receive such strong support from submitters concerned about climate change. It makes far less sense that the Liberal, National and Labor parties would fail to support it.

1.5 We know that 55.6% of Australians do not want the Adani Carmichael mine to proceed, because of the dangerous effect that burning this coal would have on the global climate. We know another 18.4% were undecided as at October 2017, leaving only 26% who support it – less than half the number who just want it to go away.

1.6 The opposition to mining in the Galilee Basin is even more clear in the submissions to this Senate inquiry. Out of 52 submissions, only six oppose this bill.

Forty-six submissions, from economic analysts, meteorologists, environmental groups and community members across the country and across the demographic spectrum, wholly support this bill, with many saying their only objection is that it should go further and place a moratorium on coal mining across Australia.

1.7 Though the number of submissions opposing the bill is small, they come from a powerful and influential sector of our society, including the Minerals Council of Australia and the Queensland Resource Council, both of who represent the powerful mining interests who dictate to our Liberal and Labor governments through large donations and cosy lobbying.

1.8 Although the rest of civil society, including the banking and finance world, is rapidly divesting from fossil fuels due to their impact on the climate and reduced demand, our Liberal and Labor governments find it much harder to do what is common sense. Federal government subsidies to fossil fuel companies are estimated at \$11 billion a year. Up to 60% of energy and resources companies pay zero tax. Last financial year, fossil fuel companies donated \$1,277,933 to the Labor, Liberal and National parties. This is a 32% increase on the money donated the previous year. The fossil fuel industry influences our government to the extent it is unwilling to take action on climate change. They are on the take, and unable to act in our best interests.

1.9 Australian Greens will address the main arguments put forward for opposing the bill, before turning to the range of reasons that those in the rest of civil society want this bill to pass.

Opposition to the bill

1.10 Out of 52, six submissions opposed the bill. These were from the Minerals Council of Australia (MCA), the Queensland Resources Council (QRC) jointly with the Construction, Maritime, Mining and Energy Union (CFMEU), the Resource Industry Network jointly with the Greater Whitsunday Alliance, Townsville Enterprise Limited, Rockhampton Regional Council and an individual. That is 3 bodies that directly represent the mining sector, a business group, a local Council and an individual.

1.11 As the Committee report notes, the main arguments against the bill are that it would be ineffective in addressing climate change, that it would damage the economy, that it would create uncertainty and sovereign risk in Australia, and that our existing environmental protections are adequate. The inquiry received submissions with very good analyses on these points, which are summarised as follows.

Would the bill be ineffective in addressing climate change?

1.12 We often hear from the pro-coal lobby that if we don't sell our own polluting coal, someone else will sell their polluting coal and cause climate change anyway. In some cases, this argument morphs to one where overseas coal is more polluting than ours. The MCA submitted that this bill would cause 'Asian markets to obtain thermal

coal from suppliers such as Indonesia which generally have [a] lower grade of thermal coal than Australia'.

1.13 However, the Institute for Energy Economics and Financial Analysis (IEEFA) explained that the coal in the Galilee Basin, at lower than 5000kcal with a high ash content, is of lower quality not just than the benchmark Australian export coal (6000kcal), but also the Indonesian coal in question. There is no quality measure, out of energy output, ash or sulphur content, on which the MCA's claim is correct. All coal damages the climate when we burn it, no matter where in the world we take it out of the ground. Renewable energy is the solution.

Will the bill damage the economy?

1.14 Another argument against the bill is that by not mining thermal coal in the region, it will damage local communities through lost unemployment, and will damage the national economy. However, as global demand for coal declines as banks and investors rapidly divest from it, the Australian Greens consider it time to transition local economies away from coal mining. Otherwise, we risk not just stranded assets but also stranded communities. The Australia Institute submitted modelling that a nationwide moratorium on new coal mines would affect GDP by just 0.6% in 2040, feature a peak difference in employment of 0.04% in 2030, and a reduction of export value of around 1% in 2040. It is time to support communities with a just transition away from industries which are rapidly becoming unviable. The cost of climate change to the tourism and agricultural sectors alone means it is economically irresponsible to mine this thermal coal.

Will the bill create uncertainty and sovereign risk for Australia?

1.15 The term 'sovereign risk' has a specific meaning – it refers to the risk that a government will default on its debt. Yet politicians from Labor and the Liberals have been misusing it to mislead communities. The argument is that under dodgy Investor-State Disputes Settlement provisions that governments have committed Australia to. However, this kind of claim is wildly speculative, and in the case of Adani is made even more remote by India's cancelling of our treaty in March 2017. Indeed, the IEEFA submitted that it is mining in the Galilee Basin which would create sovereign risk, by walking away from our commitments under the Paris Climate Agreement so brazenly. The real sovereign risk is failing to act on climate change, and that is one we cannot afford.

Are our existing environmental protections adequate?

1.16 The Australian Greens are firmly on the record with the fact that federal and state environmental protection laws are inadequate. The Adani coal mine, lurching from one environmental fiasco to the next, illustrates this perfectly. Just last week it released water from its coal terminal site into adjacent wetlands, and late last year it performed illegal clearing, drilling and dewatering which it attempted to pass off as monitoring bores.

1.17 Any environmental protection framework that allows projects flying in the face of our international climate obligations is by definition inadequate. As Lighter Footprints, a climate change neighbourhood action group, put it, the bill attempts to overcome the inadequacies in existing environmental protection, especially the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) which fails to address activities which are so obviously against the interests of future generations of Australians.

1.18 Last week again, New South Wales's Land and Environment Court found that the emissions of greenhouse gases and the resulting climate change from a proposed coal mine were among the reasons to reject the project. This landmark ruling shows that our judiciary is catching up to the climate reality. It is time for our legislature to catch up as well.

Support for the bill

1.19 Submitters from a range of communities and backgrounds strongly support this bill, and the reasons they gave are varied. Submitters wanted to avoid exacerbating climate change and uphold our commitment in the Paris Agreement; enhance the environment in the Galilee Basin, Great Arterial Basin and the Great Barrier Reef; and improve other outcomes for the community, both health and economic.

Climate change

1.20 As the Environment Council of Central Queensland states, climate change is happening now, and this bill is a straightforward proposal that will go some of the way to prevent an acceleration of this, and the dire consequence that will follow.

1.21 Even a global temperature rise of 1.5 degrees ensures that 90% of the world's coral reefs will die. 2 degrees mean they will all die. In October 2018 the IPCC warned there is only a dozen years to keep global warming to this maximum, through urgently reducing our carbon emissions. There is time to act, but the time is now.

Other environmental outcomes

1.22 Australian Farmers for Climate Action noted not just the impact of climate change on agricultural production, but also the mining industry's impact on water management. Independent government agencies such as the former National Water Commission have been on the record about this since 2010, and the modelled impacts of groundwater extraction from the Great Artesian Basin for the Adani mine along would have disastrous impacts on the Doongmabulla and Mellaluka Springs complexes, leaving many species and their habitat high and dry.

1.23 The Black-Throated Finch Recovery Team noted the vital importance of the Galilee Basin as a stronghold for the species, and that banning open-cut and underground coal mining would reduce the threat to the species.

1.24 The Australian Marine Conservation Society notes that climate change has been observed most conspicuously on the Great Barrier Reef, where half of all shallow water corals have died in recent years due to consecutive marine heatwaves. Major bleaching and mortality also affected almost a quarter of deep water corals. Mining in the Galilee Basin poses risks to the natural environment which cannot be justified on the basis of a few mining companies' short-term profit. It is coal or the reef – the choice is that stark.

Other outcomes for the community

1.25 Doctors for the Environment state it is not possible to overemphasise the enormity of health, economic, security and environmental costs of an inadequate response to global warming. The World Health Organisation has said it will undermine half a century's improvements in health. Increased droughts, heatwaves, storms and flooding are already affecting the health of Australians.

1.26 The Wide Bay Burnett Environmental Council stated that further to climate and other environmental impacts, impending divestment from the coal industry means remediation costs will outweigh royalties, leaving stranded assets and disrupted communities.

1.27 Just as the thermal coal in the Galilee Basin would not be burned in Australia for energy, it is not just the Australian community who would be affected. The submission by the Australian Religious Response to Climate Change quotes the Potsdam Institute for Climate Impact Research and Climate Analytics, who in a study for the World Bank said the adverse effects of a warming climate are 'tilted against many of the world's poorest regions.' People around the world with less resources to adapt to a changing climate are the first to suffer the consequences of global warming.

1.28 This bill is an opportunity to stand up for that global community, as well as our country. It is an opportunity to support the view of most Australians that we should not mine the Galilee Basin for thermal coal. It is an opportunity to close a giant loop in our environmental protection framework, which relies on the courts to highlight the needs of future Australians. On that basis, like the overwhelming majority of submitters to this inquiry, the Australian Greens recommend that the bill should pass the Senate.

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