

Wednesday, 6 December 2017



Dear Premier Palaszczuk,

Congratulations upon the imminent declaration of a second term of a Palaszczuk Labor government in Queensland.

We welcome your unequivocal election promise of 7 November to write to Prime Minister Turnbull on your first day in office to veto any Northern Australia Infrastructure Facility (NAIF) loan for the Adani coal project.

You were right when you said, *“the people of Queensland do not want to see taxpayers’ money used to go to a billionaire. That’s the bottom line”*.<sup>1</sup>

Indeed, we know that more than seven out of ten Queenslanders (70.1%) said Adani should fund its own project rather than expect a taxpayer subsidy.<sup>2</sup>

**Having gone to two elections on a promise of no support for any taxpayer-funded new rail line for Adani, you must now realise this core commitment, and put any such prospect beyond a shadow of a doubt.**

Funding this project would miss the opportunity to invest in the infrastructure North Queensland does really need, including agricultural innovation, tourism, telecommunications and renewable energy. Stopping subsidies to a coal railway provides great opportunities to fund other projects across North Queensland, and NAIF’s requirement to diversify across jurisdictions ensures North Queensland will receive this funding.

Given your election promise, it is timely to write to you and outline both the necessary terms of the loan veto for Adani, and the asks of our movement in this next term of your government.

To achieve your stated aim of stopping taxpayer funds flowing to Adani, your letter to the Prime Minister must include:

- a clear statement advising the Prime Minister that the Queensland Government does not support any taxpayer-funded financial assistance being provided to Adani’s coal project; and is therefore exercising your Government’s right to veto a NAIF loan for infrastructure that would enable Adani.
- A commitment that your Government will not support any other NAIF loan for coal-related infrastructure for Adani’s project in the future, as per your promise of no public subsidies to Adani.

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<sup>1</sup> [The Australian](#), 8 November 2017

<sup>2</sup> [ReachTel QLD poll November 2017](#)

The *NAIF Investment Mandate*<sup>3</sup> makes clear that to give effect to your Government's veto decision, you must write to the NAIF Board at the earliest opportunity to advise them that the Queensland Government does not support any financial assistance being provided to Adani's coal mine, rail and port infrastructure.

The Stop Adani campaign has a clear objective - to stop Adani's plans for coal mine, rail and port infrastructure from proceeding, and to shift Australia beyond coal. We are determined to succeed, and our movement grows by the day - here in Queensland and across the country. A clear majority (56%) of Australians oppose the Adani's Carmichael coal mine outright<sup>4</sup>, and more than two million Australians have already taken action in the Stop Adani campaign.

In 2015 you said *"I want to lead the government that puts the future of our reef beyond any doubt"*<sup>5</sup>.

Since you made that statement the Great Barrier Reef has undergone unprecedented, back to back bleaching events. It is widely accepted that climate change contributed to these bleaching events. If it proceeds, Adani's Carmichael mine would be the biggest coal mine in the Southern Hemisphere and represents a critical tipping point in the worldwide effort to limit global warming to 1.5 degrees. The rail and port infrastructure for Adani's mine will open the door for other coal projects in the Galilee Basin.

Further, Adani's mine presents significant threats to threatened species, especially the Black Throated Finch, and to groundwater supplies. If we are to protect what remains of our Reef it is imperative Adani's coal project does not proceed, and that no new coal mines are approved in Queensland.

We therefore ask you to take immediate steps to:

1. Cancel Adani's associated water licence. Ensure that all future associated water licence applications are subjected to full, transparent and rigorous assessment under existing Queensland water laws including public notification, submissions and appeal rights, with no exemption for the Carmichael mine. Ensure that any associated water licence is subject to a volumetric cap and a fee reflecting the value of the resource taken by amendment to *The Water Act 2000* (Qld).
2. Secure a full upfront cash bond by way of financial assurance to ensure that funds will be available if needed to complete rehabilitation and closure of the Carmichael coal mine. A transparent, independent expert review of the required financial assurance must be conducted based on best practice industry standards for calculating closure costs.
3. Recognise that the Wangan and Jagalingou claim group has said no to Adani four times<sup>6</sup>.

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<sup>3</sup> [Northern Australia Investment Facility Investment Mandate Direction 2016](#) (see Section 11.13.4)

<sup>4</sup> [ReachTEL poll October 2017](#)

<sup>5</sup> [Labor Pledges Greater Reef Protection](#) (10 January 2015)

<sup>6</sup> [Wangan and Jagalingou Claimants Again Vote Down Adani, Seek Injunction](#) (3 December 2017)

Further we ask you in this term of Government to:

1. Uphold your commitment that no public money is spent on Adani's Carmichael coal mine and associated infrastructure, including any direct or indirect government subsidies, investment and service provision by state entities such as the Queensland Investment Corporation, State owned corporations and any loans provided to the Queensland Government by the Commonwealth.
2. Buy back Adani's mining lease; or cancel Adani's mining lease through legislative amendment to the *Mineral Resources Act*.
3. Introduce a moratorium on new coal mines and expansions of existing coal mines in Queensland.
4. Ensure any NAIF monies spent in North Queensland are in line with the NAIF requirement to diversify investment across Northern Australia.
5. Oppose any public subsidies for other fossil fuel projects.

We urge you to support reform of the *NAIF Act* and *Investment Mandate*, as proposed by your federal Labor counterparts. In particular, we ask you to support a new rule that would prevent NAIF and similar agencies investing in coal infrastructure. The Productivity Commission has reiterated its view that there is no public policy justification for public taxpayer support for large mining infrastructure in Australia. A ban on NAIF, EFIC and other public funding agencies investing in any infrastructure that enables coal projects would reflect this advice from the Commission.

We request a meeting to discuss these matters further with you at your earliest convenience. Please contact Basha Stasak at ACF ([b.stasak@acfonline.org.au](mailto:b.stasak@acfonline.org.au)) to arrange a time.

*On behalf of members of the Stop Adani Alliance*





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