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By Neena Bhandari

Sydney, May 9: Indian billionaire Gautam Adani's Carmichael coalmine project in north Queensland has become the focal point of the Australian federal election, scheduled for May 18, dividing voters and political parties over economy and environment, coal and climate change.

Seven prospective independent candidates have signed a landmark agreement, coordinated by the Australian Conservation Foundation (ACF), pledging to pursue a number of climate change actions, including opposing the development of Adani's open-cut thermal coalmine, if they are elected to the next parliament.

The ruling federal Conservative Liberal-National coalition government, which is trailing in the polls, is largely pro-coal and exports. A government spokesperson told BBC Indian Languages, "The (Scott) Morrison Government supports foreign investment in Australia. The Adani Carmichael mine and rail project is a significant project for regional Queensland. It will deliver more than 1,500 direct jobs for regional communities, plus thousands of indirect jobs".

Around 52,900 people are employed in Australia's coal mining industry as of February 2019. In 2018, Australia produced 440 million tonnes of black coal with metallurgical coal accounting for an estimated 40 per cent and thermal coal for an estimated 60 per cent. Coal mining industry's gross value added accounted for 2.2 per cent of Australian GDP (Gross Domestic Product) during 2017–18.

The opposition Labor Party is split between its pro-mining union supporters in Queensland and its urban voters who want stringent action on curbing greenhouse gas emissions and commitment to renewable energies in New South Wales and Victoria.

Labor leader, Bill Shorten, told the Australian Broadcasting Corporation's (ABC) 7.30 programme, "I'd say my view on this mine is going to be based on the best science, whether or not it stacks up. And if it stacks up and passes all the scientific tests, I won't engage in sovereign risk. We won't arbitrarily upend things."

Minor parties such as the right wing One Nation led by Pauline Hanson and the United Australia Party led by billionaire Clive Palmer, who owns iron ore, nickel and coal holdings, have both expressed support for the Carmichael project.

But climate change has been catapulted as one of the important election issues after a summer (December- February) of extreme weather events causing devastating bushfires, drought and floods. The latest ABC Vote Compass, the largest survey of voter attitudes in Australia, shows that environment is rated as the number one issue by 29 per cent of respondents as against only 9 per cent in 2016.

The ACF's scorecard of the parties' climate and nature policies across four broad areas – ramping up renewables, phasing out coal, stopping Adani's coal mine and protecting nature – gives the Liberal-National coalition 4/100, Labor 56/100 and the fourth largest party, the Greens 99/100.

Former Australian Greens party leader and veteran environmental activist, Bob Brown, led the *Stop Adani Convoy* from Hobart in the island state of Tasmania along the continent's eastern seaboard to central Queensland, culminating in the national capital, Canberra, with a rally for climate on 5<sup>th</sup> May.

Brown told BBC Indian Languages, "There is a distinct split feeling in the locality of the mine. There is a strong feeling in favour of it based on the idea that the mine will create future jobs, but there is also a very, very strong feeling against it because burning coal emits greenhouse gas emissions, which is threatening the Great Barrier Reef. The Reef provides 64,000 jobs across many businesses and they don't want it being further destroyed".

The UNESCO world heritage listed tourist drawcard, the Great Barrier Reef spreads across an area of 348,000 square kilometres and it is home to 400 types of corals, 1,500 species of fish, 4,000 types of mollusc, about 240 species of birds, and several sponges, anemones, marine worms and

crustaceans. In recent decades, this world's most extensive coral reef ecosystem has come under threat from rising ocean temperatures, mining projects, port development, land clearing, dredging of seabed and increased shipping traffic.

ACF campaigner Christian Slattery warns, "Adani's mine would open up a new thermal coal basin and would lead to one of the largest expansions of coal mining on the planet, unleashing billions more tonnes of climate pollution. The mine would also drain precious groundwater from dry inland Australia, placing at risk vulnerable wetland ecosystems and wildlife".

The Carmichael mine is situated close to the Great Artesian Basin, one of the world's largest natural groundwater reservoirs containing an estimated 65 million gigalitres of water and occupying more than 1.7 million square kilometres beneath the arid and semi-arid parts of the states of Queensland, New South Wales and South Australia, and the Northern Territory.

Adani had received the Australian federal government approval for its groundwater management plans on the eve of the country's election announcement on 11<sup>th</sup> April. Australia's Environment Minister Melissa Price said on 9<sup>th</sup> April in a statement that both Commonwealth Scientific and Industrial Research Organisation and Geoscience Australia had confirmed the revised groundwater management plans for the Carmichael Coal Mine and Rail Infrastructure project meet strict scientific requirements, but "this decision does not comprise the final approval for this project".

On 2<sup>nd</sup> May, the Queensland state Department of Environment and Science (DES) rejected the company's Black-Throated Finch (*Poephila cincta cincta*) Management Plan, which is one of two environmental plans that need the state Labor government's approval before construction can begin on the mine. The other is the Groundwater Dependent Ecosystem Management Plan.

The southern black-throated finch's population at the mine site hosts the largest known population of the endangered species, with the largest flocks ever recorded being at a site known as Ten Mile Bore within the project area, according to the Queensland DES spokesperson.

Adani Mining Chief Executive Officer Lucas Dow said in a media release, "We are now feverishly working through their new requests. However, department officials have refused to commit to a timeframe to finalise the plan, even if we were to accept the State's new round of requests in full". There are eight other plans (four requiring approval from Queensland state, three need the nod from the federal government, and one needs the approval of both state and federal government) which may be required as mining progresses.

The Carmichael mine was supposed to have been up and running four years ago, but the company has faced many legal challenges from environmental and local indigenous groups over the past nine years. The Adani group had purchased the Greenfield Carmichael coal mine in the Galilee Basin, one of Australia's richest coal reserves, and the Abbot Point Port near Bowen in the state of Queensland in 2010.

Adani has since invested more than A\$3.3 billion to date in Australia, including in renewables. Adani Renewables Australia, part of the Adani Group, has the Rugby Run Solar Farm near the town of Moranbah in regional Queensland and Whyalla Solar Farm in South Australia, which will generate 175 jobs each during peak construction and approximately 5 jobs each when the solar farms are operational.

Rugby Run is under construction and it will supply 65MW of renewable power in phase 1, with the capacity to expand up to 170MW. Whyalla, which received pre-construction approval in August 2018, will deliver up to 140MW of renewable power and generate up to 300,000MWh of power each year.

An Adani Australia spokesperson said, "Renewables will play an increasingly important role in our future energy mix, but renewables alone is not enough to meet demand. We must also ensure our energy sources are reliable and affordable, and that is where coal has a critical role to play."

In the small town of Clermont, 160km from the mine, owner of the Grand Hotel, Kelvin Appleton, is upbeat about the mine. "It will be good for our local economy. Nearly 90 percent people in our town of about 3000 population are in favour of the mine. We need coal for baseload power and making steel. We feel ashamed in the way Adani is being singled out", Appleton told BBC Indian Languages via phone.

During the initial construction and ramp-up of the Carmichael Mine Project there will be approximately 8250 jobs (1500 direct mine and rail jobs and approximately 6750 jobs in supporting industries), according to an Adani spokesperson.

The project has been scaled down from A\$16.5 billion mega mine, generating 60 million tonne a year, to a 10 to 15 million tonne a year with the potential of ramping up to 27 million tonnes a year for an estimated cost of A\$2 billion. The plan for a 388km rail line linking the pit to its Abbot Point Coal Terminal has also been slashed to a 200km narrow gauge line which will connect into the existing rail network.

The company, which has failed to obtain financial support from the government or major banks, has said that it can "self-fund" the trimmed down project.

But the Institute for Energy Economics and Financial Analysis (IEEFA), which has been an outspoken critic of Adani, said the company might still struggle to raise the funds. Director of Energy Finance Studies at IEEFA, Tim Buckley told BBC Indian Languages, "I continue to assess the Carmichael coal mine as of very marginal viability at best, given the HALE (high ash, low energy) nature of the coal, the remote location and lack of any pre-requisite infrastructure".

"Bankability is close to zero, as Adani has acknowledged in their 2018 press release, they were unable to get any financial institution anywhere to back them financially on this project, so they have had to go it alone. Will Adani risk his own capital when others won't? That is not the normal way for the Adani Group", Buckley added.

In 2017-18, Australia exported 44 million tonnes of metallurgical coal to India valued at A\$9.5 billion and 3.8 million tonnes of thermal coal valued at A\$425 million. India's import demand for metallurgical and thermal coal are forecast to increase in 2019-20, supported by the continued expansion of its domestic steel sector and growing demand for grid power, according to Resources and Energy Quarterly March 2019 produced by the Australia's Department of Industry, Innovation and Science.

However, Brown is emphatic, "India does not need Adani's coal. It needs good Australian renewable technology. Even the international coal industry has said that thermal coal will be phased out in coming decades".