

Adani to Proceed With Scaled-Back Version of Contentious Australian Coal Mine

By **Damien Cave**

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HOBART, Australia — After months of protests over whether Australia should subsidize one of the world’s largest coal mines, the Indian mining giant Adani announced on Thursday that it would scale the project back and finance it itself.

The Carmichael mine had been projected to produce 60 million tons a year from the coal-rich Galilee Basin; now the output will start at 10 million tons and rise to 27.5 million, the company said, putting it more in line with other mines in the area.

“The project stacks up both environmentally and financially,” said Lucas Dow, Adani Australia’s chief executive. “We will now deliver the jobs and business opportunities we have promised for North Queensland and Central Queensland, all without requiring a cent of Australian taxpayer dollars.” The company had previously asked for a taxpayer-financed loan of a billion Australian dollars, about \$730 million.

Critics of the plan — and they are legion — said the company was trying to rush ahead and break ground because of polls indicating that the next federal election could be won by the Labor Party, which is likely to oppose the mine. There are still obstacles in place, involving water and other issues, but the company maintains that they are procedural and will soon be resolved.

Resistance to the mine remains strong. It has become an environmental cause célèbre across Australia, with legal challenges, protests and celebrities painting “Stop Adani” on their cheeks.

The concerns have focused on potential damage to the Great Barrier Reef, because of a port connected to the mine along Australia's North Queensland coast, and more broadly on coal's damaging contribution to climate change.

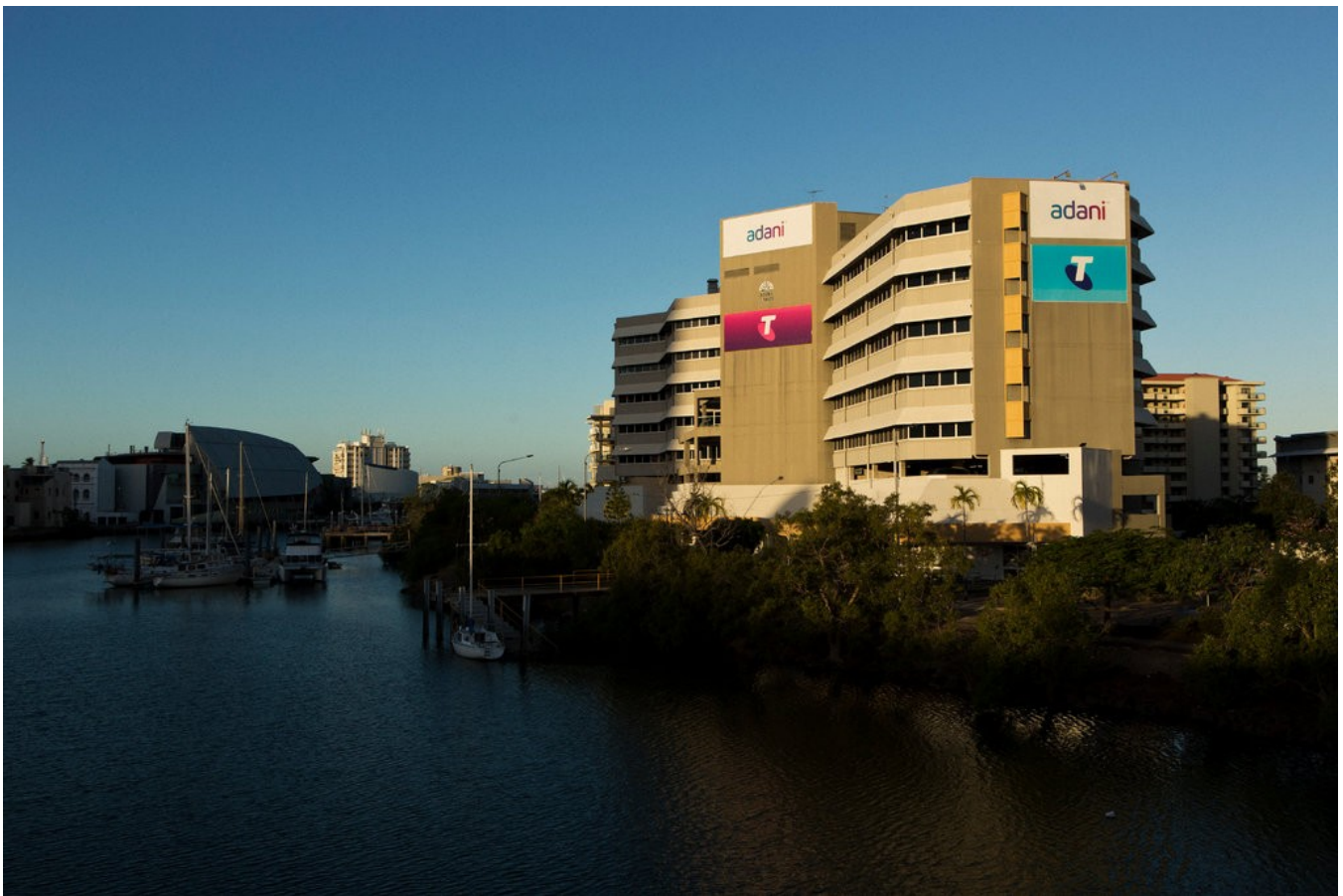
Opposition to the project does not appear to be diminishing along with its scale.

"We can't afford a coal mine of any size," said Kelly O'Shanassy, chief executive of the Australian Conservation Foundation.

"Make no mistake," she added. "Many on both sides of politics understand burning the coal from the Adani mine and the broader Galilee Basin will be terribly damaging for our climate."

Australia is especially vulnerable to climate change as the world's driest inhabited continent, and its effects are becoming abundantly clear.

Bush fires are currently raging across Queensland. Sydney was pummeled on Wednesday by extreme storms and flash flooding. An extended drought is contributing to a spike in rural suicides.



Adani's regional headquarters in South Townsville in Queensland. Lucas Dow, Adani Australia's chief executive, said the scaled-back Carmichael project "stacks up both environmentally and financially." David Maurice Smith for The New York Times

Fisheries are also rapidly shifting, city-size sections of the Great Barrier Reef are bleaching and dying from overheated water, and scientists are predicting another year of severe damage to the global wonder — all while Australia's governing coalition resists addressing carbon emissions.

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Indeed, Matthew Canavan, a Queensland senator and Australia's minister for resources and Northern Australia, praised Adani for its persistence even as he noted the spread of wildfires.



Matthew Canavan
@mattjcan

It has been a tough couple of days in CQ with the bushfires. Great news today though with Adani announcing they plan to start work before Christmas! Adani has been a little Aussie battler. So many have written it off but they just keep chugging along!

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A Greens party senator, Larissa Waters, who wore #StopAdani earrings to the Senate, responded with outrage.

On Twitter, she said Mr. Canavan's message of congratulations "as his hometown burns is tragic irony and neglect."

Frustration with the government's position on climate change has been building ever since conservatives in the governing Liberal Party toppled Prime Minister Malcolm Turnbull in August over an energy plan that included moderate measures for controlling emissions.

On Friday, hundreds of students from all over Australia are planning to leave school and protest what they describe as politicians' failure to recognize climate change as an emergency.

As many environmentalists have noted, a recent United Nations report says the world must stop using coal entirely to keep climate change in check.

Some argued on Thursday that the government still had a chance to stop the mine from going forward.

"The federal and Queensland governments must resist Adani's pressure to rubber-stamp water approvals and extinguish native title rights," said Imogen Zethoven, a spokeswoman for the Australian Marine Conservation Society.

But Adani and the state and federal governments do not seem likely to give in. Company officials insist that they have everything they need to show they comply with the final rules and requirements, which they described as routine.

The company argues that the demand for coal, primarily in India, is there, and that reducing the mine's footprint has made the costs manageable.

“Today's announcement removes any doubt as to the project stacking up financially,” Mr. Dow said.

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