

MediaRelease

12 February 2014

Great Barrier Reef at risk if Coal Train Approved

The North Galilee Basin Rail project is not in the best economic or environmental interests of Queensland and should not be approved according to The Australia Institute's submission to the Queensland Government today.

It is inexcusable that a cost-benefit analysis has not been demanded by the Newman government before looking to approve the 300 kilometre rail line which will link undeveloped mines in Central Queensland to the controversial Abbot Point coal terminal adjacent to the Great Barrier Reef.

"Queenslanders deserve a proper cost-benefit analysis before a rail line that would carry 100 million tonnes of coal per year straight to the Great Barrier Reef, is even considered for approval," economist and submission author, Rod Campbell said.

"The development of the Galilee Basin coal reserves has serious implications for the reef, threatened ecosystems, communities, carbon emissions and the Queensland economy. But instead of impartial analysis to consider these issues, the Planning Department is prepared to accept economic modelling which has been described as 'biased' by the ABS and 'abused' by the Productivity Commission."

The economic impact assessment provided by the proponent used widely discredited input-output modelling that:

- Does not transparently outline government contributions to the project.
- Does not estimate what coal prices are required for any economic benefits to be realised.
- Assumes there are no environmental or social costs to the project.
- Assumes that the project and its related mining projects have no adverse impacts on other industries, contrary to other results in the economic assessment.
- Assumes the project and its related mining projects are economically and financially justified.

"The Newman government wants to subsidise Galilee Basin projects without serious scrutiny of their economics. Given the certain costs and uncertain benefits of developing the Galilee Basin, the Institute's submission recommends against approving the rail and its related mining and port projects."

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