



Greasing the Wheels

The systemic weaknesses that allow undue influence by mining companies on government: a QLD case study

Hannah Aulby
Mark Ogge

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**AUSTRALIAN
CONSERVATION
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Level 5, 131 City Walk
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What the Experts Say

“There is a disease at the heart of Australia’s democracy – money politics. It has resulted from a toxic combination of laissez-faire regulation of election funding and lobbying, and laissez-faire attitudes amongst the political elite. The result has been the undermining of Australia’s democracy through secrecy, acute risks of corruption, systematic conflicts of interest and a disproportionate role for monied interests in the political process.

“By documenting how Queensland mining companies use money to influence government decision-making in order to advance their commercial interests - at times at odds with the interest of the broader community - the report shines a powerful spotlight on the corrosive role of money in politics. The poll findings accompanying the report further highlight the gap between prevailing community sentiment in favour of more robust regulation of political money and politicians who insist on ‘business as usual’.

“Australia’s democracy deserves better than the status quo.”

Joo Cheong Tham,
Associate Professor, Melbourne Law School

“This report shows that much has to be done to ensure that the process of government in Queensland operates for the good of Queensland and not for the private interests of the mining industry.

“The current Labor government must, as the report urges, carry out its own promises to abide by the Fitzgerald principles and act to bring openness and accountability to the processes of government in Queensland. It has much to do.

“Urgent steps include the need for an open commission of inquiry into the way in which the mining industry has influenced government decision making in its favour; an increase in the powers of the CCC to investigate all forms of private influence on government decision-making; and closure of the massive loopholes in the system of regulation of the lobbying of public service and government officials by private interests including the mining industry.

“A failure to act will ensure a return to the bad old days of the Newman government, sooner rather than later.”

Stephen Keim SC

"In any decision making process, fairness demands that all interested parties are treated equally. The community is fully aware, as are the major political parties, that pressuring interested parties to pay for access to a decision maker is anathema to this principle. Take the example of a controversial property or mining development. What is the perception of a reasonable person if the well-resourced applicant pays to sup with the decision maker whilst the objector is not only not invited but cannot afford the tariff imposed. What is on offer? As former Minister, now prisoner, Nuttall now famously said at his trial: 'Nothing is for nothing'

"Not only is it wrong from the point of view of perceived and actual fairness, it is deeply flawed because it wilfully and arrogantly disregards a fundamental principle of our democracy, that those elected to govern must use the power entrusted to them for the benefit of the community. Simply put, the attributes of Government have been temporarily reposed in those elected. These attributes are not their property and are not for sale to augment the coffers of sectional interest in the form of a political part."

Gary Crooke QC,

Former Council assisting Fitzgerald Inquiry and former QLD Integrity Commissioner.

[Speaking specifically on "cash for access" fundraising by political parties.]

"This is an important study that has done the detailed work to demonstrate how political donations corrode our democracy. It demonstrates that money doesn't just buy access, it buys outcomes.

"The report calls for improvements to the disclosure system in Queensland. However, because of past corruption scandals the system in Queensland is actually one of the best in Australia.

"It is almost impossible to do a study like this on the federal government because the lobbying system is shrouded in secrecy. At the federal level the secrecy is so bad it is almost impossible to uncover corruption.

"The report demonstrates why we need to reform in Queensland, and a drastic overhaul of the political donations culture in Canberra.

" We need uniform donations and disclosure laws across all jurisdictions so that donors cannot jurisdiction shop.

"We need real time disclosure of payments, and good data on who the payments are from, and what issues before the Parliament they have interests in. The job the ACF has done here is enormously labor intensive and it is beyond the resources of most of our media outlets. If we want transparency in our political system, the lobbying information needs to be collated and provided in an accessible form.

"We need to have a public debate about how our political parties should be funded, whether companies should be allowed to donate, and whether there should be caps on donations."

Dr Belinda Edwards,

International Political Studies Program, School of Humanities and Social Sciences UNSW

“In Greasing the Wheels, the ease at which money can buy privileged access to political decision makers in Queensland is put on display. In a series of case studies, we see how mining companies have been able to gain political favours from both major parties by taking advantage of relaxed rules around donation and gifts, cooling-off periods for senior public servants, and the regulation of lobbyists. The recommendations in this report provide a guide to how to improve governance in Queensland; to ensure that money cannot buy political favours, and that the government is equally accountable to all members of the community”

Cameron Murray

Economist, University of Queensland

Executive Summary

Between 2010 and 2015 the Liberal Party of Australia and the Queensland Liberal National Party accepted over 2 million dollars in political donations from mining companies seeking approval for six highly controversial mining projects in Queensland.

While these companies sought approval and legislative changes primarily from the then Liberal National Party Queensland Government, most of the money donated by these companies went to the Liberal Party of Australia. The Queensland Liberal National Party accepted \$308,000 dollars from companies associated with these projects, while the Liberal Party of Australia accepted \$1.75 million.

Although we know that over \$3 million dollars was transferred from the Liberal Party of Australia to the Queensland Liberal National Party over this period, a lack of disclosure and transparency makes it impossible to discern the origin of these donations.

At least one of the companies examined in this report made a substantial donation to the highly controversial Free Enterprise Foundation, the opaque Federal Liberal Party fundraising body that came under the scrutiny of the NSW Independent Commission Against Corruption ICAC for allegedly concealing the origin of illegal political donations to the New South Wales Liberal Party.

These mining projects all gained extraordinary access to government ministers and extraordinary outcomes. These outcomes included legislative changes to remove environmental protections, federal and state government approval of projects despite serious environmental concerns, and even retrospective approval of illegal mining activities.

The commendable commitment by the Queensland government to institute real time disclosure of political donations can easily be circumvented if donations are made to federal political parties who then transfer the money back to the state branches without disclosing the origin on those donations.

Political donations are the tip of the iceberg of mining industry influence on our democratic process. As well as political donations, this report documents the influence of the mining industry through 'cash for access' schemes, third party fundraising vehicles, private meetings, lobbyists, gifts and the revolving door between the government, bureaucracy and the mining companies they are responsible for regulating. It also highlights the extraordinary lack of transparency in lobbying, with very few lobbyist in Queensland even covered by the lobbying register.

Although this report focuses on controversial cases during the Newman Government period, there have been few changes to the system to prevent this undue influence continuing under the Palaszczuk Government. In fact, ministerial diaries reveal that the extraordinary level of political access enjoyed by companies such as Adani continues despite the change in government.¹

The Palaszczuk Government has held at least 145 meetings with the mining and resources industry in their first year of government² and rejected independent recommendations to extend the regulation of lobbyists to cover in-house lobbyists and industry associations.³ Minister for Natural Resources and Mines, Anthony Lynham, met 87 times with the mining and resources industry in 2015, which is 50% more than his predecessor Minister Andrew Cripps during 2013.⁴ And these are just the meetings we know of. Meetings between mining industry executives and high level ministerial and departmental staff are not publicly disclosed.

There is concern that these meetings, as well as the political donations, gifts and the rotation of employees between government and industry are impacting the independence of government decision making in relation to mining.

The provision of gifts and benefits from the mining industry has also continued, with the relevant gifts and benefits register indicating that individuals from the Gasfields Commission and Department of Natural Resources and Mines enjoyed gifts such as

¹ Right to Information (RTI) request submitted 22 June 2015, to the Queensland Treasury Corporation (QTC) requesting: 1. any documents addressing funding or finance options relating to the port at Abbot Point or any of Adani's proposed projects in Queensland, 2. any documents relating to the financial viability of any Adani development proposals in Queensland, for the period "January 2014 to the present".

² The Queensland Cabinet and Ministerial Directory, Ministerial Diaries, accessed 1st March 2016, <http://www.cabinet.qld.gov.au/ministers/diaries.aspx>

³ Queensland Government Response to the Inquiry into the Report on the Strategic Review of the functions of the Integrity Commission, December 2015, <http://www.parliament.qld.gov.au/Documents/TableOffice/TabledPapers/2016/5516T273.pdf>

⁴ See The Queensland Cabinet and Ministerial Directory, Ministerial Diaries, Anthony Lynham 2015, <http://www.cabinet.qld.gov.au/ministers/diaries/anthony-lynham.aspx> and Diaries of the former government, Andrew Cripps 2013, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/andrew-cripps.aspx>, accessed 1st March 2016

free tickets to the rugby, ballet and the orchestra in 2015 from the very companies that their departments/authorities are charged with independently overseeing.⁵

At the same time as continuing far-reaching access for the mining industry, the Palaszczuk Government has missed out on opportunities to act positively to address the underlying problems by rejecting independent recommendations to extend the regulation of lobbyists to cover in-house lobbyists and industry associations⁶. Indeed the reported budget of the mining industry association in Queensland, the Queensland Resources Council, of \$22 million dollars in 2012 -2014[1] indicates that huge amounts of resources are being brought to bear to influence state and federal governments. It is clear that the industry lobbying association is worthy of closer scrutiny⁷.

In addition, a number of important pre-election promises that were made in relation to mining issues have not been implemented.

To prevent the continuing concern of undue influence of the mining industry on state and federal governments, urgent changes are needed. We recommend that:

1. Thorough reform of Commonwealth political donations laws is undertaken including:
 - A ban on political donations from mining companies.
 - Real time disclosure of all political donations.
 - Full transparency of the origin of political donations from federal to state political parties.
 - Lowering of the disclosure threshold for political donations to one thousand dollars.
 - The publication of ministerial diaries that identify the meetings of ministers, ministerial staff and departmental staff with lobbyists and including the agendas of those meetings.
 - Improving the transparency of the AEC database including clear identification of any business interests currently before government of those making political donations, and linking political donations to

⁵ See, for example, Gasfields Commission Queensland, Reportable Gifts and Benefits Register 1st April to 30th June 2015, <http://www.gasfieldscommissionqld.org.au/resources/gasfields/reports/gifts-and-benefits-register-q4-2014-15.pdf>

⁶ Queensland Government Response to the Inquiry into the Report on the Strategic Review of the functions of the Integrity Commission, December 2015, <http://www.parliament.qld.gov.au/Documents/TableOffice/TabledPapers/2016/5516T273.pdf>

⁷ <http://www.canberratimes.com.au/comment/big-coal-flexes-100-million-pr-muscle-on-soft-sell-20140506-zr5kq.html>

ministerial meetings and business interests currently before government.

2. A Special Commission of Inquiry in Queensland with public hearings is conducted with a wide remit to investigate the influence of the mining industry on public decision-making in Qld, as well as investigating links, if any, between political donations and contributions, and tenders, contracts and approvals granted to the mining and gas industry.
3. Improvements are made to the regulation of lobbyists in Queensland and federally, to include in-house lobbyists and industry associations, and to increase transparency to ensure that agendas, minutes and notes from such meetings are placed on the public record. There should also be greater transparency in relation to the content of Ministerial meetings.
4. Stricter controls are placed on post-separation employment and on the provision of gifts and benefits in Queensland and federally.
5. A review of Queensland's political donations and contribution laws is undertaken, with immediate amendments to the laws to require real time disclosure, to ban donations from the mining industry, restrict 'cash for access' programs and to place strict caps on all other donations.
6. The powers of Queensland's Crime and Corruption Commission are expanded to encompass official misconduct, to include the provision of advice on corruption prevention, and to open the CCC process up via public hearings, to ensure a stronger watchdog in the long term.

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Introduction

This report reviews the scope of mining industry influence on successive Queensland Governments, and provides a systematic assessment of the scale and nature of political donations and contributions, industry access and lobbying, the provision of gifts and benefits and the rotation of employees between the mining industry and the public sector.

A number of case studies are provided which highlight the concerns arising in the broader community as to whether decision-making on mining and unconventional gas projects are being unduly influenced by the industry. These case studies focus on political donations and access, with outlines of the impacts of the provision of gifts and benefits and the rotation of employees between the mining industry and the public sector given at the end of the report. The report suggests that there are systemic weaknesses in governance impacting decision making in relation to the mining industry.

The ultimate outcome of mining and gas projects approved under these circumstances includes negative impacts on the economy, communities and harm to the environment. The mining projects highlighted in the case studies below will lead to various poor outcomes for Queenslanders including drawdown in important groundwater aquifers, clearing of strategic cropping land, air pollution with fine particle pollution and negative impacts on other industries such as agriculture and tourism. It can also lead to perverse economic outcomes and a waste of taxpayer's money. Over the six years to 2014 around \$9 billion of Queensland taxpayer's money was spent on subsidies to the mining industry.⁸

⁸ The Australia Institute, June 2014, 'Mining the Age of Entitlement',
<http://www.tai.org.au/sites/default/files/Mining%20the%20age%20of%20entitlement.pdf>

Political donations and access

The case studies contained in this report investigate 6 mining companies who made political donations and contributions to the Liberal and National parties or incurred third party electoral expenditure and had a high level of meetings with key Ministers, during the term of the Newman Government (2012-2015). They document records of legislation and approvals enacted by government in the company's favour, as well as cases of poor regulatory oversight of mining projects involving these companies.

The detailed examination of these cases reveals systematic failures in accountability and transparency of government dealings with mining companies which inevitably leads to perceptions of bias and undue influence.

We believe this can only be described as 'special treatment' from the Newman Government. However, it is notable that the advent of a new ALP Government in Qld in 2015, has changed little in regard to many of the case studies contained in this report. Despite making a number of commitments in relation to some of these matters, there has been little action in terms of the way most of these mining projects have been handled by the incoming government.

Of particular concern in relation to the Newman Government and these case studies is the scale of political donations and contributions that flowed to the LNP parties at a state and federal level from mining and gas companies during their term. A scan of donations to the Queensland LNP since the 2010/11 financial year reveals more than \$1 million in-kind support, subscriptions and direct cash donations from mining companies or prominent mining tycoons and individuals during the term of the Newman Government⁹. Over this same time period, the mining industry also donated nearly \$3 million to the Liberal Party of Australia.¹⁰ This includes donations from companies that were pursuing highly controversial projects, such as New Hope Coal's Acland Stage 3 mine expansion¹¹.

⁹ Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

¹⁰ Australian Electoral Commission, Periodic Disclosures,
<http://periodicdisclosures.aec.gov.au/Default.aspx>

¹¹ ABC, 10th May 2014, 'Acland Coal Mine: Company seeking mine expansion donated \$700,000 to the LNP, federal Liberal party,' accessed 2nd March 2016, <http://www.abc.net.au/news/2014-05-09/acland-coal-mine-liberal-party-donations/5440184>

It could reasonably be assumed by the community that the high level of political access and large flow of donations from the mining industry into the LNP could have caused a lack of independence in decision-making by the Newman Government about mining and environment policy. Whilst the Qld ALP also accepts political donations from the mining industry, the scale of contributions to the LNP is far greater than it appears to have been to the ALP from 2011 to 2015. The Qld LNP received \$1,140,734¹² in donations from the mining industry over this period and the Liberal Party of Australia received nearly \$3 million¹³, whereas the Qld ALP accepted \$91,410¹⁴ and the Federal ALP accepted \$1,266,608 over the period¹⁵.

BEACH ENERGY LTD (BEACH ENERGY)

Donations and Contributions

Electoral Commission of Queensland annual disclosure returns¹⁶ reveal the following donations and contributions to the Liberal National Party of Queensland by Beach Energy.

Received from	Return year	Amount
Beach Energy	2011/12	\$55,000
Beach Energy	2012/13	\$55,800
Beach Energy	2013/14	\$22,000
Beach Energy	2014/15	\$60,500
	Total	\$193,300

¹² Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

¹³ Australian Electoral Commission, Periodic Disclosures,
<http://periodicdisclosures.aec.gov.au/Default.aspx>

¹⁴ Electoral Commission of Queensland annual disclosure returns 2011-2015,
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

¹⁵ Australian Electoral Commission, Periodic Disclosures,
<http://periodicdisclosures.aec.gov.au/Default.aspx>

¹⁶ Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

Access

Ministerial diaries reveal the following high level access by Beach Energy to the Newman Government¹⁷. It is reasonable to assume that the meetings listed below represent only a portion of the access that Beach Energy obtained. For example, there are no ministerial diary records from 2012. Furthermore, due to the weak rules on lobbying in Queensland, any meetings with government departments go unrecorded if it is the company itself, rather than a third party lobbyist, who is participating. Therefore, the full extent of access by Beach Energy is unknown.

Ministerial Diary Entry	Meeting With	Date	Purpose	Reference
Andrew Powell, Minister for Environment and Heritage Protection	Consultant, GR Solutions, Senior Environmental Officer and Manager, Public Relations, Beach Energy	2 July 2013	'To discuss Beach Energy operations (teleconference)'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/july-2013/powell-diary-july-2013.pdf
Premier Campbell Newman	Beach Energy and other QForum members	13 November 2013	'QForum Lunch Luncheon'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/premier-diary-november-2013.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Piper Alderman, Beach Energy, Department Staff and Ministerial Staff	13 November 2013	Oil and Gas Industry South West Qld	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/cripps-diary-november-2013.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Beach Energy and others	17 February 2014	Ministerial Advisory Committee on Exploration	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/february-2014/cripps-diary-february-2014.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Beach Energy, Department Staff and Ministerial Staff	18 February 2014	Cooper Basin Trip	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/february-2014/cripps-diary-february-2014.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Managing Director and Investor Relations, Beach Energy, and other businesses	10 July 2014	'Corporate observer meetings to discuss portfolio issues'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/july-2014/powell-diary-july-2014.pdf
Jeff Seeney, Minister for State Development, Infrastructure and Planning	Andrew Cripps, Minister for Natural Resources and Mines	25 July 2013	Western Rivers meeting	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/july-2013/seeney-diary-july-2013.pdf

¹⁷ See table above, or Diaries of the former Government, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/diaries.aspx>

Changes to legal and/or policy environment that benefited Beach Energy

The *Wild Rivers Act 2005* (Qld) (Wild Rivers Act) was passed by the Queensland government in 2005. It was designed to protect the State's natural and hydrologically intact river systems. In the Channel Country, protection was provided by formal Wild River Declarations that were made for the Diamantina, Georgina and Cooper Creek River Basins¹⁸. The declarations mapped the Basins into a series of zones, to which different levels of protection were applied.

These declarations provided a number of measures to limit unconventional gas mining in certain zones, most notably:

1. Allowing only limited petroleum activities within areas mapped as high preservation or special floodplain management areas
2. Prohibiting petroleum activities within 200m of watercourses and wetlands in areas mapped as high preservation areas or special floodplain management areas
3. Prohibiting petroleum activities within 100m of nominated waterways
4. Placing additional restrictions on pipelines or flowlines in high preservation areas or special floodplain management areas

Beach Energy holds an [Authority To Prospect](#) for unconventional gas in the Cooper Basin in Queensland¹⁹, in areas that were covered by the Wild River Declarations. The Wild Rivers Act and declarations represented a significant obstacle to Beach Energy plans for unconventional gas production in the Channel Country.

During the 2012 Queensland election campaign, the Liberal National Party committed to revoke Wild Rivers Declarations for Cape York, but did not make any such commitments in relation to Wild Rivers Declarations for the Channel Country. In a February 2012 media release, the Shadow Minister for Environment instead merely stated that '*...with the Western Rivers we will work with locals and other stakeholders about appropriate environmental protections for their region*'²⁰. The understanding in the community was certainly that protections from petroleum activities which existed under the Wild Rivers Declarations would continue, and there had been no promises by the LNP to reduce such protections.

¹⁸ DERM. 2011. Georgina and Diamantina Basins Wild River Declaration; DERM. 2011. Cooper Creek Basin Wild River Declaration

¹⁹ ATP 855

²⁰ <http://www.andrewpowell.com.au/powell-media-release-lnp-will-deliver-better-wild-river-outcomes-17-february-2012/>

On coming into office, Minister Cripps established a Western Rivers Advisory Panel (WRAP) to seek community input into the development of 'alternative strategies' for the protection of the Western Rivers. The WRAP met four times. The WRAP included Local Councils, agricultural groups, NRM bodies, an Indigenous Traditional Owner representative, other stakeholders and the oil and gas industry. The final report of the WRAP, provided to the Minister in 2013, supported substantial controls on unconventional gas mining in the region²¹.

For example, all of the WRAP members (except for the Resources Sector and 2 others) *'agreed that petroleum and gas should be excluded from in-stream areas and well-off watercourses'*. All of the WRAP members (except for the Resources Sector and 1 other) *'support a buffer zone for petroleum and gas around rivers and floodplains'*. Furthermore, a majority agreed that *'alternative strategies for the protection of natural assets and values in the Basin should take precedence over petroleum and gas decisions'* and that decisions made for the protection of natural assets *'should not be able to be over-ridden by the Coordinator General'*.

Beach Energy, however, had an additional direct line to the highest level of government. Outside the WRAP process, they were meeting with the Premier, the Minister for Environment and Heritage, and the Minister for Natural Resources and Mines²². On the 29th November 2013, just two weeks after his latest meeting with Beach Energy, the then Queensland Minister for Environment and Heritage Protection issued a public notice announcing the Qld Governments intention to revoke the Wild River Declarations for the Cooper Creek, Diamantina and Georgina River Basins²³.

In March 2014, just a month after the Minister for Natural Resources and Mines had visited the Cooper Basin with Beach Energy²⁴, a new Regional Planning Interests Act (and associated regulation) was progressed through the Qld Parliament²⁵. The Regional Planning Interests Bill identifies Strategic Environmental Areas in the Channel Country region²⁶, but does very little to protect them. None of the constraints on unconventional gas mining that were contained in the Wild Rivers Declarations applied under the new regime. There are 'unacceptable uses' that apply to Strategic

²¹ https://www.dnrm.qld.gov.au/data/assets/pdf_file/0015/82500/wrap-report.pdf

²² See table above, or Diaries of the former Government, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/diaries.aspx>

²³ Referred to here http://wra.nationbuilder.com/tags/newman_government

²⁴ Diaries of the former Government, Andrew Cripps, February 2014, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/february-2014/cripps-diary-february-2014.pdf>

²⁵ Regional Planning Interests Act 2014, Queensland Parliament, accessed 2nd March 2016, <https://www.legislation.qld.gov.au/LEGISLTN/ACTS/2014/14AC011.pdf>

²⁶ <https://www.legislation.qld.gov.au/LEGISLTN/CURRENT/R/RegionPlanIntR14.pdf>

Environmental Areas in the Regional Planning Interests Regulation, but unconventional gas mining is not listed as one of those unacceptable uses²⁷.

Finally, on the 5th August 2014, the Wild Rivers Act and Wild Rivers Declarations were repealed by the Qld Parliament, by virtue of the passage of the *State Development and Infrastructure Planning (Red Tape Reduction) and Other Legislation Amendment Act 2014* (Qld). It seems that the recommendations of the community based WRAP process had lost out to the influence wielded by the unconventional gas industry via donations and special access to decision makers.

In opposition, the Qld ALP made a number of commitments to protect pristine rivers, including those of the Channel Country. In letters to stakeholders the ALP said that *“Labor opposed the repeal of the Wild Rivers Act 2005 and we are committed to protecting pristine rivers with consent of traditional owners”*²⁸. Shadow Minister for Environment and Heritage Protection Jackie Trad also stated that Labor was committed to *‘Working with traditional owners, stakeholders and communities to legislate protections for Queensland’s pristine rivers from large-scale industrial operations’*²⁹.

However, in Government, the ALP has not yet taken any action to protect Channel Country rivers and have instead moved to open up more areas in the region to the threat of unconventional gas mining, with the release of 11,000 square kilometres for expressions of interest for petroleum exploration³⁰.

The impacts of the revocation of Wild Rivers declarations in the Channel Country and release of additional petroleum exploration areas has resulted in an increased risk of negative impacts on the Lake Eyre Basin (which is one of the last unregulated or free-flowing dryland river systems in the world³¹) and on the sustainable beef cattle industry in the region.

²⁷ <https://www.legislation.qld.gov.au/LEGISLTN/CURRENT/R/RegionPlanIntR14.pdf>

²⁸ <https://wbbec.files.wordpress.com/2015/02/the-way-forward.pdf>

²⁹ <http://mysunshinecoast.com.au/news/news-display/labor-reiterates-environmental-credentials,37216>

³⁰ <http://statements.qld.gov.au/Statement/2015/5/14/qld-exploration-release-underpins-19-billion-gas-industry>

³¹ <http://www.australia.gov.au/about-australia/australian-story/australias-wild-rivers>

SIBELCO AUSTRALIA AND NEW ZEALAND (SIBELCO)

Electoral Expenditure

Electoral Commission of Queensland annual disclosure returns³² reveal that Sibelco undertook major electoral expenditure as a third party campaigner in 2011/2012.

Received from	Return year	Amount
Sibelco	2011/12	\$91,840
Sibelco	2013/14	\$2000
	Total	\$93,840

Those amounts reflect only donations disclosed in Electoral Commission Queensland disclosure returns. Sibelco's wider spending on influencing political decision making has been estimated at over \$1 million. For example, in the Qld Parliament in 2016, Minister Anthony Lynham stated that *"The LNP had no plan for the transition of this island. They did not even have a clear policy for the island until Sibelco became a significant donor in their 2012 election campaign. I am talking about a reported over \$90,000 in donations and over \$1 million in a political campaign opposing the previous Labor government"*³³.

Access

The Qld lobbying contacts register reveals the following meetings between lobbyist company Rowland Pty Ltd, acting on behalf of Sibelco, with key government departments and ministerial advisers.

Mining Company Client	Lobbyist Company	Who They Met With	Date	Purpose	Reference Link
Sibelco	Rowland Pty Ltd	Senior Adviser to Premier	1/5/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=32
Sibelco	Rowland Pty Ltd	Minister, National Parks and Adviser to http://statements.qld.gov.au/Statements/2015/5/14/qld-	1/5/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=44

³² Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

³³ Qld Parliamentary Hansard, 17th March 2016

		exploration- release-underpins- 19-billion-gas- industry Minister			
Sibelco	Rowland Pty Ltd	Director-General, Department of Natural Resources & Mines, Minister, Department of Natural Resources & Mines, Deputy Director-General, Department of Natural Resources & Mines and Senior Adviser to Department of Natural Resources & Mines Minister	1/5/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=45
Sibelco	Rowland Pty Ltd	Senior Adviser, Minister for ATSIMA	7/5/2013	'Commercial-in- confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=47
Sibelco	Rowland Pty Ltd	Senior Adviser to Minister Cripps	9/5/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=36
Sibelco	Rowland Pty Ltd	Chief of Staff to Minister Powell	9/5/2013	'Commercial-in- confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=39
Sibelco	Rowland Pty Ltd	Senior Adviser to Minister Cripps	13/5/2013	'Commercial-in- confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=40
Sibelco	Rowland Pty Ltd	Senior Adviser to Minister Powell	15/5/2013	'Commercial-in- confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=43
Sibelco	Rowland Pty Ltd	Senior Adviser to Minister Cripps	28/5/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=54
Sibelco	Rowland Pty Ltd	Senior Adviser to Minister for Natural Resources and Mines.	19/6/2013	'Making or amendment of legislation'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=94
Sibelco	Rowland Pty Ltd	Minister for Environment and Heritage Protection and Chief of Staff to the Minister	18/6/2013		http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=175

Ministerial diaries list the following additional meetings between the Newman Government and Sibelco or its lobbyist, Rowland Pty Ltd.

Ministerial Diary Entry	Meeting With	Date	Purpose	References
Andrew Powell, Minister for Environment and Heritage Protection	CEO Sibelco	24 January 2013	'Mediation – forthcoming court matter (without prejudice)	http://www.parliament.qld.gov.au/documents/tableOffice/TabledPapers/2013/5413T2192.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Ministerial Staff, Department Staff, Sibelco and Rowland	1st May 2013	'Mining on Stradbroke Island'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/may-2013/cripps-diary-may-13.pdf
Premier Campbell Newman	Rowland [and a long list of other QForum members]	13th November 2013	QForum Luncheon	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/premier-diary-november-2013.pdf
Andrew Powell, Minister for Environment and Heritage Protection	External Relations Manager, Sibelco, QRC Environment Policy Adviser, APPEA Policy Director, AMEC Regional Manager, APLNG Chief Financial Officer, Ministerial Staff, Departmental Staff	7th May 2014	'To discuss Financial Assurances'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/may-2014/powell-diary-may-2014.pdf

Changes to legal and/or policy environment that benefitted Sibelco

Sibelco operates a large sand mine on North Stradbroke Island. In 2011, as community groups prepared to challenge the renewal of sand mining leases on North Stradbroke Island, the Bligh ALP Government stepped in and passed the *North Stradbroke Island Sustainability and Protection Act 2011*. The Act effectively established a process to phase-out sand-mining on Stradbroke Island by 2019, by renewing expiring mining leases until that date only and removing the rights of the community to mount a judicial review challenge against the lease renewal.

During the lead up to the 2012 election, Sibelco engaged Rowland Pty Ltd to run “*a public affairs strategy to influence opinion and political decision-making around the continuation of its sand mining operations on Queensland's North Stradbroke Island (NSI).... The strategy was extremely successful and the overall goal exceeded. The newly-elected government committed to extending sand mining operations to 2035.*” This campaign included TV advertisements aired 108 times, cinema advertising, print and online advertising, a public rally and the distribution of 98,980 personalised letters distributed to Brisbane suburbs, which included the suburb of Ashgrove which was being contested by Campbell Newman³⁴.

In addition to the publicity campaign, the level of access to the Qld LNP Government enjoyed by the company is of note. Rowland Pty Ltd claim in their report that they secured ‘*8 formal engagements with LNP representatives (including Campbell Newman and local members)*’ prior to the election, and ‘*6 post-election engagements with LNP government and departmental representatives (including Minister for Natural Resources and Mines)*’³⁵. They also indicate that they secured the ‘*establishment of a government working group*’ after the election. In fact, Ministerial diaries and the lobbyist contact register reveal an even greater number of meetings than those claimed by Rowland³⁶. Most notably, there were extensive meetings with all levels of government in relation to ‘making or amendment of legislation’ in May 2013³⁷.

Rowland Pty Ltd claim that they secured an LNP commitment to extending their client’s activities³⁸, stating that one of four key outcomes from the campaign was ‘*Campbell Newman publicly endorsing continuing sand mining on ABC radio prior to the election*’.

³⁴ ‘Achieving Social, Environmental and Economic Progress in an Island Community’, Rowland Pty Ltd 2011, <http://www.parliament.qld.gov.au/documents/tableOffice/TabledPapers/2013/5413T4113.pdf>

³⁵ Ibid

³⁶ See table above, or Diaries of the former Government, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/diaries.aspx> and Lobbyist register, Rowland Pty Ltd <http://lobbyists.integrity.qld.gov.au/contactlog.aspx?id=215>

³⁷ Ibid

³⁸ ‘Achieving Social, Environmental and Economic Progress in an Island Community’, Rowland Pty Ltd 2011, <http://www.parliament.qld.gov.au/documents/tableOffice/TabledPapers/2013/5413T4113.pdf>

In October 2013 the Newman government amended the *North Stradbroke Island Protection and Sustainability Act 2011* to allow sand mining on Stradbroke Island out to 2035, and to increase the area available for mining by 300%³⁹. There was no restoration of community objection rights. This outcome was estimated to potentially result in \$1.5 billion in additional revenue for Sibelco.⁴⁰

On the 14th June 2016, the *North Stradbroke Island Protection and Sustainability and Other Acts Amendment Act 2016* was passed by the Palaszczuk Government to return the closing date of the Sibelco sand mine to 2019.⁴¹

KARREMAN QUARRIES (KARREMAN)

Donations and contributions

Electoral Commission of Queensland annual disclosure returns⁴² reveal the following contributions to the Liberal National Party of Queensland.

Received from	Return year	Amount
Karreman Quarries	2010/11	\$25,000
Karreman Quarries	2011/12	\$50,000
	Total	\$75,000

Changes to legal and/or policy environment that benefitted Karreman Quarries

Prior to 2014, Karreman Quarries had allegedly been unlawfully extracting sand and gravel from the Upper Brisbane River for many years.⁴³ The mining caused erosion of properties upstream, leading to more sand and gravel flowing downstream to the mine

³⁹ North Stradbroke Island Protection and Sustainability and Another Act Amendment Bill 2013

<https://www.legislation.qld.gov.au/Bills/54PDF/2013/NthStradIsProtSusAAAmB13.pdf>

⁴⁰ Campbell Newman lied about Stradbroke Island mining promises, 22nd January 2015, <http://www.brisbanetimes.com.au/comment/campbell-newman-lied-about-stradbroke-island-mining-promises-20150121-12va0e.html>

⁴¹ The Parliament of Queensland, North Stradbroke Island Protection and Sustainability and Other Acts Amendment Act 2016,

<https://www.legislation.qld.gov.au/LEGISLTN/ACTS/2016/16AC032.pdf>

⁴² Electoral Commission of Queensland annual disclosure returns

<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

⁴³ 'Queensland LNP donor Karreman Quarries escapes prosecution for illegal quarrying after Deputy Premier orders legislation change', 23 June 2014 <http://www.abc.net.au/news/2014-06-23/karreman-quarries-escapes-prosecution-for-illegal-quarrying/5543896>

site, where it is extracted by Karreman Quarries⁴⁴. It has been reported that this type of instream mining was not covered by Karreman's permits⁴⁵.

In 2014 Karreman Quarries was reportedly facing legal action from the Department of Natural Resources and Mines as a result of its alleged illegal mining activities⁴⁶. No prosecution took place, however, apparently due to the operation of 'eleventh hour' amendments to the Water Act 2000 which were inserted in to the Land and Other Legislation Amendment Bill on the 5th of June 2014⁴⁷. These amendments effectively approved the mining activities retrospectively, declaring that the type of extraction Karreman was carrying out 'is lawful, and is taken to have always been lawful'.⁴⁸

Karreman Quarries donated \$75,000 to the LNP over the 2010-2012 period. Company founder and owner Dick Karreman also met with Deputy Premier Jeff Seeney on the 9th December 2013 to discuss the Mining Act⁴⁹.

NEW HOPE CORPORATION (NEW HOPE)

Donations and contributions

There are three companies of potential interest in relation to the Acland Stage 3 and Colton Coal coal mine expansions:

1. New Hope Corporation - the proponent of the two mines
2. Washington H Soul Pattinson and Company Limited - the parent company to New Hope Corporation⁵⁰.
3. Brickworks Ltd - a related company in which Washington H Soul Pattinson holds a substantial interest⁵¹

⁴⁴ ABC 7.30 Report, 23rd June 2014, 'LNP donor escapes prosecution after Queensland Government backdates law', transcript accessed 3rd March 2016, <http://www.abc.net.au/7.30/content/2014/s4031512.htm>

⁴⁵ Ibid.

⁴⁶ ABC, 4th December 2014, 'Jeff Seeney caught own officials by surprise with retrospective law change preventing possible prosecution of LNP donor', accessed 3rd March 2016, <http://www.abc.net.au/news/2014-12-04/seeney-law-change-caught-own-officials-off-guard/5935504>

⁴⁷ <https://www.legislation.qld.gov.au/Bills/54PDF/2014/LandOtherLegAmB14.pdf>

⁴⁸ See the Land and Other Legislation Amendment Act 2014

<https://www.legislation.qld.gov.au/LEGISLTN/ACTS/2014/14AC029.pdf>

⁴⁹ Ministerial diaries of the former MP Jeff Seeney,

<http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/jeff-seeney.aspx>

⁵⁰ Australian Securities and Investments Commission, current company information for New Hope Corporation, accessed 3rd March 2016

The AEC returns reveal that approximately \$1,000,000 in donations were made from New Hope and Washington H Soul Pattinson to the Liberal Party of Australia from 2010 to 2014⁵². They also indicate that a further \$300,000 was donated by Brickworks⁵³.

Electoral Commission of Queensland⁵⁴ and Australian Electoral Commission⁵⁵ annual disclosure returns reveal the following contributions to the Liberal Party of Australia.

Received From	Return Year	Amount
Brickworks	2010/2011	\$150,000
New Hope Corporation	2010/2011	\$100,000
Washington Soul Pattinson	2010/2011	\$150,000
New Hope Corporation	2011/2012	\$100,000
Washington Soul Pattinson	2011/2012	\$100,000
Washington Soul Pattinson	2012/2013	\$250,000
Brickworks	2013/2014	\$150,000
New Hope Corporation	2013/2014	\$250,000
Washington Soul Pattinson	2013/2014	\$ 50,000
Total		\$1,300,000

⁵¹ Washington H Soul Pattinson has a 44% interest in Brickworks according to the NSW ICAC.

⁵² Australian Electoral Commission, Annual Returns, accessed 3rd March 2016, <http://periodicdisclosures.aec.gov.au/>

⁵³ Ibid.

⁵⁴ Electoral Commission of Queensland annual disclosure returns, accessed 3rd March 2016, <https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

⁵⁵ Political Party Annual Return 2011-2012, Liberal National Party of Queensland <http://periodicdisclosures.aec.gov.au>Returns/49/PQUW2.pdf>

It is also relevant to note that the Liberal Party of Australia frequently contributes funds back to state parties, for example, substantial amounts of money have frequently flowed back to the Queensland Liberal National Party from the Liberal Party of Australia⁵⁶. Political party disclosure forms by the Qld LNP to the Australia Electoral Commission (Attachment 3) identify the following transfers received from the Liberal Party of Australia:

Return Year	Amount
2010/2011	\$2,930,976
2013/2014	\$348,182
Total	\$3,279,158

Therefore, more than \$3 million in funds has flowed from the Liberal Party of Australia to the QLD LNP over the last four years.

Access

New Hope obtained a least 7 meetings with Newman Government Ministers in 2013/2014, according to published ministerial diaries. Ministerial diaries were not published in 2012, so it is not possible to ascertain what meetings were conducted in the lead-up to the decision to accept New Hope's revised Acland Stage 3 proposal. However, the interactions in 2013/2014 show a pattern of regular interaction.

Ministerial Diary Entry	Meeting With	Date	Purpose	Reference
Andrew Cripps, Minister for Natural Resources and Mines	New Hope	6 June 2013	'Update from New Hope Group on portfolio matters'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/june-2013/cripps-diary-june-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	New Hope Group	22 June 2013	'Guest, Wallabies vs British and Irish Lions'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/june-2013/powell-diary-june-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Chief Operating Officer, New Hope Group, Corporate Affairs Manager, New Hope Group and Ministerial Staff	3 September 2013	'Update on New Hopes operations'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/september-2013/powell-diary-september-2013.pdf

⁵⁶ Australian Electoral Commission, Annual Returns, accessed 3rd March 2016, <http://periodicdisclosures.aec.gov.au/>

Andrew Cripps, Minister for Natural Resources and Mines	New Hope Group	13 November 2013	'AGM Cocktail Function'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/cripps-diary-november-2013.pdf
Andrew Cripps, Minister for Natural Resources and Mines	New Hope Group, Department Staff and Ministerial Staff	4 March 2014	'New Acland Coal Mine Stage 3 project'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/march-2014/cripps-diary-march-2014.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Chief Operating Officer, New Hope Group, Manager Corporate Affairs, New Hope, Manager Environmental Approvals and Policy, Departmental Staff and Ministerial Staff	13 March 2014	'To discuss portfolio related matters'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/march-2014/powell-diary-march-2014.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Chief Operating Officer and Manager, Corporate Affairs, New Hope Group and Ministerial Staff	10 November 2014	'To discuss portfolio related matters'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2014/powell-diary-november-2014.pdf

Changes to legal and/or policy environment that benefited New Hope Coal

In the lead-up to, and following, the 2012 Qld election, the Qld LNP made strong commitments that the Acland Stage 3 coal mine would not proceed. They indicated that they considered the Acland Stage 3 project inappropriate because of the impact it would have on rich farming land on the Darling Downs⁵⁷.

On the 29th of March 2012, five days after the election, a spokesperson for incoming Premier Campbell Newman told The Australian newspaper that: *"The LNP will not support the proposal for Acland stage three (because) it covers some areas of strategic cropping land, and would come too close to local communities."*⁵⁸

⁵⁷ Campbell Newman Slams Farm Gate Shut on Mining, The Australian, March 29 2012, accessed 3rd March 2016, <http://www.theaustralian.com.au/national-affairs/campbell-newman-slams-farm-gate-shut-on-miners/story-fnbsqt8f-1226312958263>

⁵⁸ Campbell Newman Slams Farm Gate Shut on Mining, The Australian, March 29 2012

This commitment was repeated in Parliament, when the Member for Condamine, Ray Hopper, stated on the 29th May that: *"I had the pleasure of touring this area with the minister before the election, and the minister made the announcement back then that Acland stage 3 would not go ahead under an LNP government."*⁵⁹

On the 20th February 2012, prior to the election, the LNP Candidate for Nanango, Deb Frecklington, distributed a media release in which she stated: *"After months of lobbying from local LNP candidate for Nanango Deb Frecklington, the LNP has made it clear that it will not support the proposal for Acland stage 3 that would see the expansion of the open cut coal mine digging up strategic cropping land."*⁶⁰

However, those commitments appeared to rapidly erode. In late November 2012, New Hope Coal released plans for a revised version of the Acland Stage 3 coal mine⁶¹. This revised mine plan was accepted by the Qld Government, and then in December 2014 the Qld Coordinator General recommended approval for the project.⁶² If implemented, the revised mine will destroy some 1,300 hectares of Strategic Cropping Land, cause groundwater to drop by up to 50m in some locations and may affect more than 350 water bores⁶³.

In late 2014, the LNP Government passed the *Mineral and Energy Resources (Common Provisions) Bill* through the Qld Parliament.⁶⁴ This Bill removed the rights of community groups to take objections to coordinated coal mining companies to the Qld Land Court, when the Coordinator General deemed that environmental conditions were sufficient. The passage of this Bill and the recommendations of the Coordinator General had the effect of removing the rights of communities to challenge the Acland Stage 3 coal mine in the Qld Land Court.

In opposition, the ALP made a number of commitments in relation to Acland. In a letter to Peter Wellington they wrote that *"Labor has stated publicly its concerns about the*

⁵⁹ Hansard, Queensland Parliament, 29th May 2012, pg 190

https://www.parliament.qld.gov.au/documents/hansard/2012/2012_05_29_WEEKLY.pdf

⁶⁰ Press release: Deb Frecklington, 20th February 2012,

<http://www.parliament.qld.gov.au/Documents/TableOffice/TabledPapers/2014/5414T5623.pdf>

⁶¹ "New Hope releases new plans in bid for expansion green light", The Chronicle, 14th November 2012, <http://www.thechronicle.com.au/news/new-hope-plans-bid-expansion-green-toowoomba/1622042/>

⁶² "New Acland Coal Mine Stage 3 Project", Department of State Development,

<http://www.statedevelopment.qld.gov.au/assessments-and-approvals/new-acland-coal-mine-stage-3-expansion.html>

⁶³ <http://www.statedevelopment.qld.gov.au/resources/project/new-acland-coal-mine/nacp-stage-3-eis-report.pdf>

⁶⁴ "Mineral and Energy Resources (Common Provisions) Act 2014,

<https://www.legislation.qld.gov.au/LEGISLTN/ACTS/2014/14AC047.pdf>

process used to approve stage 3 of the New Acland Mine, particularly the approval of the environmental impact statement just six days before Christmas in 2014. Labor will scrutinise the approvals process for this project and the impacts of this mine on local communities”.

However, in Government, Labor moved quickly to approve Acland Stage 3, with the Department of Environment and Heritage Protection approving an Environmental Authority amendment application in August 2015.⁶⁵ A purely administrative, desktop legal review of the Coordinator-General decision was carried out on 9 June 2015 and recently made public,⁶⁶ but it did not review the merits of the decision or the effect of any donations. The Department of Natural Resources and Mines commissioned a rapid social cost-benefit analysis of the mine in March 2015⁶⁷ but otherwise no promised scrutiny of the impacts of the mine on local communities has been undertaken. Labor did however deliver on other promises to restore community objection rights, thus allowing the local community to object to the mine project in the Qld Land Court.

New Hope also overturned a previously stalled approval process for the Colton Coal mine near Aldershot. The original proponent of the mine, Northern Energy Corporation, had its original proposal rejected by the Department of Environment and Heritage Protection in 2010⁶⁸. The project appeared to be stalled.

However, in March 2011 New Hope Coal and its subsidiaries took a controlling interest in Northern Energy Corporation⁶⁹. Under the ownership of New Hope, the fortunes of the Colton Coal project changed dramatically. In an extraordinarily fast turn-around, New Hope submitted a revised Environmental Management Plan for the project in May 2014, and received a draft Environmental Authority on 1st September 2014⁷⁰.

⁶⁵ <https://www.ehp.qld.gov.au/mediareleases/2015-08-28-new-acland-mine-ea-application-decision.html>

⁶⁶ <http://www.statedevelopment.qld.gov.au/resources/report/new-acland-review/new-acland-stage-3-eis-evaluation-report.pdf>

⁶⁷ <https://publications.qld.gov.au/dataset/new-acland-coal-mine-stage-3>

⁶⁸ <http://www.australianmining.com.au/news/colton-mine-postponed-deadline-moves-to-august>

⁶⁹ <http://www.asx.com.au/asxpdf/20110920/pdf/4215swpdpm3d30.pdf>

⁷⁰ <http://www.newhopegroup.com.au/content/projects/development/colton>

ADANI MINING PTY LTD (ADANI)

Donations and contributions

Electoral Commission of Queensland annual disclosure returns⁷¹ and Australia Electoral Commission annual disclosure returns⁷² reveal the following contributions to the Liberal National Party of Queensland by Adani Pty Ltd.

Donated To	Return year	Amount
Qld LNP	2012/13	\$13,800
Liberal Party of Australia	2013/14	\$49,500
Qld LNP	2014/2015	\$7,000
Total		\$70,300

In 2013/14 the Liberal Party of Australia donated \$95,905 to the Liberal National Party of Queensland.⁷³

Access

Adani obtained 12 meetings with Newman Government Ministers in 2013/2014, according to published ministerial diaries, including numerous meetings with the Deputy Premier, Jeff Seeney. A list of the recorded ministerial meetings is provided below. Adani has also given gifts, including a silver plate worth \$575 to Jeff Popp, Chief of staff to the Deputy Premier, and a Silver bowl to worth \$740 to Jeff Seeney, Deputy Premier, which were apparently placed on display and appear not to have been retained by the recipients⁷⁴.

⁷¹ Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

⁷² Political Party Annual Returns 2013-2014 Liberal Party of Australia
<http://periodicdisclosures.aec.gov.au/Party.aspx>

⁷³ Australian Electoral Commission, periodic disclosures, 2013-14
<http://periodicdisclosures.aec.gov.au>Returns/55/SI WV2.pdf>

⁷⁴ Ministerial Gifts register, Queensland Government, <https://data.qld.gov.au/dataset/ministerial-gifts-register>

Ministerial Diary Entry	Meeting With	Date	Purpose	Reference
Andrew Powell, Minister for Environment and Heritage Protection	Adani Mining	16 January 2013	'Discussion on Adani Mining'	http://www.parliament.qld.gov.au/documents/tableOffice/TabledPapers/2013/5413T2192.pdf
Andrew Powell, Minister for Environment and Heritage Protection	GHD and guests [including Adani]	12 March 2013	'GHD Boardroom Luncheon'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/powell-diary-mar-13.pdf
Jeff Seeney, Deputy Premier	Adani Mining – Mr Harsh Mistra and Mr Samir Vora	27 June 2013	'Portfolio Matter'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/june-2013/seeney-diary-june-13.pdf
Jeff Seeney, Deputy Premier	Adani CEO	11 September 2013	'General Discussion'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/september-2013/seeney-diary-september-2013.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Adani Mining and Director-General and Ministerial Staff	19 November 2013	'Introduction of New CEO of Adani Mining'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/powell-diary-november-2013.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Adani Mining, Department Staff, Ministerial Staff, Introductory Meeting	26 November 2013	'Introductory Meeting'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/cripps-diary-november-2013.pdf
Jeff Seeney, Deputy Premier	Mr Gautam Adani, Adani Mining	17 December 2013	'Project Update'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/december-2013/seeney-diary-december-2013.pdf
Jeff Seeney, Deputy Premier	Mr Adani	4 March 2014	'Project Update'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/march-2014/seeney-diary-march-2014.pdf
Campbell Newman, Premier	Adani Mining	4 March 2014	'Meeting to Discuss Upcoming Projects'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/march-2014/premier-diary-march-2014.pdf
Jeff Seeney, Deputy Premier	Gautam Adani	15 July 2014	'Project Update'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/july-2014/seeney-diary-july-2014.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Adani Mining and Ministerial Staff	6 August 2014	'To discuss portfolio related matters'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/august-2014/powell-diary-august-2014.pdf
Jeff Seeney, Deputy Premier	Gautam Adani, Adani	13 November 2014	'Project Update'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2014/seeney-diary-november-2014.pdf

Changes to legal and/or policy environment that benefited Adani

Adani are seeking to develop the Carmichael Project in Central Qld. If it goes ahead, this mine will be biggest coal mine in Australia's history. It will pollute billions of tonnes of greenhouse gas emissions into the atmosphere, damage the Great Barrier Reef, threaten the health of the Great Artesian Basin, and drive the Black Throated Finch towards extinction. Despite these environmental impacts, the project moved easily through the assessment process after an EIS was placed on public exhibition in December 2012. The Coordinator General released his report approving the project on the 7th May 2014⁷⁵. In February and April 2016 the Palaszczuk Government granted Environmental Authority and the Mining Leases for the project.⁷⁶

As well as huge environmental impact, these approvals were given despite serious concerns about Adani's operations here and overseas. Successive governments have failed to apply regulatory rigour in addressing these concerns prior to granting approvals. In Australia, there is uncertainty about the ownership of Abbot Point Terminal 1, which has direct implications for accountability of environmental conditions. Overseas, Adani has an appalling environmental track record, with cases including the destruction of mangroves in India. In addition, there are allegations against Adani of involvement in price overvaluation and fraud, including Guatam Adani's brother and key business partner Vinod Adani and Adani Enterprises.

These issues of transparency and corporate accountability are directly relevant to Adani's suitability to operate in Australia, and should be addressed by government⁷⁷. Successive governments, including the Palaszczuk Government, have turned a blind eye to these issues. Under the Palaszczuk Government Minister Lynham has met at least 7 times with Adani. With continued access and political donations, there are concerns Adani has influenced the approval process, encouraging successive governments to ignore concerns regarding their suitability to operate.

⁷⁵ <http://www.statedevelopment.qld.gov.au/assessments-and-approvals/carmichael-coal-mine-and-rail-project.html>

⁷⁶ Sydney Morning Herald, 3rd April 2016, 'Adani Galilee basin project mine leases approved', <http://www.smh.com.au/business/mining-and-resources/adanis-galilee-basin-project-mine-leases-approved-20160403-gnx016.html>

⁷⁷ Environmental Justice Australia, *A Review of the Adani group's environmental history in the context of the Carmichael mine approval*, accessed 3rd March 2016, https://envirojustice.org.au/sites/default/files/files/envirojustice_adani_environmental_report.pdf

Uncertainty over ownership of Abbot Point Terminal 1

There appear to be inconsistencies on the matter of ownership of the Australian company Adani Abbot Point Terminal Pty Ltd between the ASIC records, company website and Adani Ports and Special Economic Zone Ltd annual report. This raises some concerns, particularly as this company is now applying for an Environmental Authority to manage Abbot Point Terminal 1. Given the Terminal is in financial difficulty,⁷⁸ with credit rating recently being downgraded to junk status,⁷⁹ the ultimate holding company should be made clear before this Environmental Authority is granted. The holding company would be ultimately responsible in ensuring the conditions of the Environmental Authority are met, particularly in the case that the financial circumstances of the Terminal preclude it from meeting the conditions independently. In order to provide certainty that the conditions of the authority will be met, the identity of the ultimate holding company must be known before Environmental Authority is granted. An inquiry into transparency is needed to further investigate the ownership of the Adani Abbot Point Terminal Pty Ltd and its Port of Abbot Point Terminal 1.

The Port of Abbot Point Terminal 1 is subject to a 99 year lease of Mundra port Holdings PTY LTD⁸⁰, a wholly owned subsidiary of the Adani Group⁸¹. This terminal is known as AAPT, Adani Abbot Point Terminal. Adani Abbot Point Terminal Pty Ltd (AAPTPL) manages AAPT⁸². The Adani Australia website states that AAPTPL is a wholly owned Australian subsidiary of Adani Ports and Special Economic Zone Ltd.⁸³ This is also on the record with ASIC dated 22/05/2015⁸⁴.

However, the Adani Ports and Special Economic Zone Ltd annual report for 2014- 2015 states that the company had initiated and recorded the divestment of its entire equity holding in Adani Abbot Point Terminal Holdings Pty Ltd (AAPTHPL) and entire Redeemable Preference Shares holding in Mundra Port Pty Ltd (MPPL) representing Australia Abbot Point Port operations to Abbot Point Port Holdings Pte Ltd, Singapore

⁷⁸ Investor Briefing: Adani Abbot Point Terminal Debt Issue, October 2013, http://www.banktrack.org/manage/ems_files/download/investor_briefing

⁷⁹ 'Moody's downgrades Adani Abbot Point Terminal's rating to Ba2; outlook negative', 14th March 2016, https://www.moody's.com/research/Moodys-downgrades-Adani-Abbot-Point-Terminals-rating-to-Ba2-outlook--PR_343412

⁸⁰ Adani Australia website, Our Businesses, Adani Abbot Point Terminal 1, accessed 3rd March 2016, <http://www.adaniaustralia.com/businesses/adani-abbot-point-terminal-1>

⁸¹ Ibid.

⁸² Ibid.

⁸³ Ibid.

⁸⁴ Australian Securities and Investment Commission, Change to Company detail, Adani Abbot Point Terminal Holdings Pty Ltd, 22nd May 2015, accessed 3rd March 2016

during the year ended March 31, 2013.⁸⁵ The consequence of this is that the holdings remain off the books of any publicly listed entity.

Environmental track record - Adani Ports and Special Economic Zone Ltd

Adani has a poor environmental track record in its overseas operations, which has implications for its suitability to operate in Australia. In Mundra, India, Adani Ports and Special Economic Zone Ltd operates one of the world's largest coal fired power stations, together with a port and special economic zone. The company has an alleged history of disregarding environmental regulations, leading to the Indian Ministry of Environment and Forests issuing a notice in 2010 asking it to show cause why its environmental approval should not be cancelled.⁸⁶ The Ministry found violations of the company's environmental approval, coastal zone regulation, and a Coastal Zone Management Plan (which is in place since 1996)⁸⁷. This resulted in destruction of mangroves and obstruction of creeks and the tidal system due to large-scale coastal reclamation.⁸⁸ This destruction continued until the mangrove forests had vanished and local creeks had disappeared.⁸⁹

Pricing overvaluation and fraud allegations

Both the company Adani Enterprises and the individual Vinod Adani have been involved in allegations of pricing overvaluation and fraud.⁹⁰

Adani Enterprises is one of six Adani subsidiaries named in an investigation over a \$4.4 billion pricing overvaluation scandal involving imported coal from Indonesia. The Directorate of Revenue Intelligence claims that companies were charging higher tariffs based on the artificially inflated costs of the imported coal, and siphoning off the profit overseas.⁹¹

⁸⁵

http://www.adaniports.com/Common/Uploads/AnnualReportTemplate/30_AReport_Annual%20Report.pdf

⁸⁶ Ministry of Environment and Forests, Show Cause Notice under Section 5 of Environment (Protection) Act, 1986 for violation of the provisions of the Coastal Regulation Zone Notification 1991 by M/s Mundra Port & SEZ Ltd (15 December 2010), paragraphs 1-19

⁸⁷ Ibid.

⁸⁸ Ibid.

⁸⁹ Report of the Committee for Inspection of M/s Adani Port & SEZ Ltd, Mundra, Gujarat (April 2013), available at <http://www.moef.nic.in/sites/default/files/adani-report-290413.pdf> (accessed 22 January 2015).

⁹⁰ See footnote 95 and 97 below

⁹¹ The Guardian, 7th April 2016, 'Adani being investigated for alleged involvement in US\$4.4bn coal-pricing scandal', <http://www.theguardian.com/business/2016/apr/07/adani-being-investigated-for-alleged-involvement-in-us44bn-coal-pricing-scandal>

The Business Profile of Abbot Point Port Holdings Pte Ltd, Singapore, one of potential owners of Abbot Point Terminal 1, lists Vinod Shantilal Adani as the authorised representative, and Atulya Resources Limited as the sole shareholder, based in the Cayman Islands⁹². A Directorate of Revenue Intelligence internal report has linked Vinod Adani with the above pricing overvaluation scandal.⁹³ In addition to this, recent Panama Papers leaks have also revealed Vinod Adani is entwined in a transparency scandal involving changing his name on formal records 2 months after setting up GA International Inc in the Bahamas.⁹⁴

These issues of transparency and corporate accountability should be directly relevant to Adani's suitability to operate in Australia, and should be addressed by government.

⁹² Accounting and Corporate Regulatory Authority (Singapore), Business Profile (Company) of Abbot Point Terminal Holdings Pte Ltd, accessed 20th January 2016

⁹³ Directorate of Revenue Intelligence internal report. December 2013, as reported by The Economic Times, Indian Express & Mining Weekly, <http://indianexpress.com/article/business/companies/sit-cbi-to-look-into-adani-group-case/>, http://articles.economictimes.indiatimes.com/2014-01-02/news/45799234_1_adani-group-dri-revenue-intelligence, <http://www.miningweekly.com/article/indian-agencies-unearth-468bn-illegal-coal-imports-2015-01-06>

⁹⁴ Indian Express, 5th April 2016, 'Panama Papers: 2 months after Adani brother set up firm in Bahamas, request to change name to Shah', <http://indianexpress.com/article/india/india-news-india/panama-papers-india-2-months-after-adani-brother-set-up-firm-in-bahamas-a-request-to-change-name-to-shah/>

LINC ENERGY LTD AND CARBON ENERGY LTD

Donations and contributions

Electoral Commission of Queensland and Australian Electoral Commission annual disclosure returns reveal the following contributions by Linc Energy to the Qld Liberal National Party and the Liberal Party of Australia. Linc Energy have contributed \$337,999 to the Liberal/National parties since 2010/2011⁹⁵.

Received By	Return Year	Amount
Liberal Party of Australia	2010-2011	\$55,000
Qld LNP	2010-2011	\$25,000
Qld LNP	2011-2012	\$99,999
Liberal Party of Australia	2012-2013	\$33,000
Liberal Party of Australia	2013-2014	\$100,000
Liberal Party of Australia	2014-2015	\$25,000
	Total	\$337,999

⁹⁵ See Australian Electoral Commission, Annual disclosure returns, <http://periodicdisclosures.aec.gov.au/> and Electoral Commission of Queensland, Annual disclosure returns, <http://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

Access

According to the Lobbyists Contact Register, lobbyists acting on behalf of Carbon Energy and Linc Energy had five meetings with key department staff, including two meetings with the Office of the Premier, in 2013 and 2014.

Mining Company Client	Lobbyist Company	Who They Met With	Date	Purpose	Reference Link
Linc Energy	Barton Deakin	Minister Mark McArdle	14/5/2013	'Commercial-in-confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=6
Linc Energy	Barton Deakin	Paul Leven, Deputy Director Policy – Office of the Premier	19/5/2013	'Commercial-in-confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=16
Carbon Energy	Next Level Strategic Services	Chief of Staff, Minister for Natural Resources and Mines	17/4/2014	'Commercial-in-confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=387
Carbon Energy	Next Level Strategic Services	Chief of Staff, Minister for Environment and Heritage Protection	17/4/2014	'Commercial-in-confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=388
Carbon Energy	Next Level Strategic Services	Director of Policy, Office of the Premier	17/4/2014	'Commercial-in-confidence'	http://lobbyists.integrity.qld.gov.au/contactlogdetails.aspx?id=389

Ministerial Diary entries for 2013 and 2014 reveal extensive, high level access by Linc Energy and Carbon Energy to the Qld Government.

Ministerial Diary Entry	Meeting With	Date	Purpose	Reference
Andrew Cripps, Minister for Natural Resources and Mines	Carbon Energy, Minister Powell, Ministerial and Department Staff	4 March 2013	'Industry Briefing'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/cripps-diary-mar-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Acting CEO Carbon Energy, Chairman Carbon Energy, Minister for Natural Resources and Mines*	4 March 2013	'NRM Industry Briefing'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/powell-diary-mar-13.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Linc Energy, Minister Powell, Ministerial and Department Staff	5 March 2013	'Industry Briefing'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/cripps-diary-mar-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Linc Energy and Minister for Natural Resources and Mines	5 March 2013	'NRM Industry Briefing'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/powell-diary-mar-13.pdf

Andrew Powell, Minister for Environment and Heritage Protection	'GHD and guests' [including Adani, Linc Energy]	12 March 2013	'GHD Boardroom Luncheon'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/powell-diary-mar-13.pdf
Jeff Seeney, Deputy Premier	Peter Bond, Linc Energy	17 April 2013	'UCG Industry in Qld'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/april-2013/seeney-diary-apr-13.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Linc Energy, Ministerial Staff and Department Staff	21 May 2013	'General Industry Discussion'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/may-2013/cripps-diary-may-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Acting CEO, President, Clean Energy, Linc Energy, Minister for Natural Resources and Mines, Ministerial and Departmental Staff,	21 May 2013	'To discuss UCG'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/may-2013/powell-diary-may-13.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Carbon Energy, Ministerial Staff and Department Staff	22 May 2013	'General Industry Discussion'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/may-2013/cripps-diary-may-13.pdf
Andrew Powell, Minister for Environment and Heritage Protection	Carbon Energy, Ministerial Staff and Departmental Staff	30 October 2013	'Briefing on progress by Carbon Energy'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/october-2013/powell-diary-oct-2013.pdf
Jeff Seeney, Deputy Premier	Peter Bond, Linc Energy	21 November 2013	'Project Issues'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/seeney-diary-november-2013.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Department Staff and Ministerial Staff	25 February 2014	'Tenure and Conditionings'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/february-2014/cripps-diary-february-2014.pdf
Andrew Cripps, Minister for Natural Resources and Mines	Carbon Energy, Departmental Staff and Ministerial Staff,	8 October 2014	'Update on Blue Gum Gas Project'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/october-2014/cripps-diary-october-2014.pdf
Andrew Powell, Minister for Environment and Heritage Protection	CEO Carbon Energy and Marina CID, Ministerial Staff,	14 August 2014	'To discuss portfolio related matters'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/august-2014/powell-diary-august-2014.pdf
Jeff Seeney, Deputy Premier	Carbon Energy	10 October 2014	'Project Update'	http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/october-2014/seeney-diary-october-2014.pdf

Changes to legal and/or policy environment that benefited Linc Energy and Carbon Energy

Linc Energy has been running an Underground Coal Gasification (UCG) trial project, known as the Chinchilla Demonstration Facility, which commenced in 1999. Local communities raised serious concerns about the operation of the plant as early as 2011, but no action was taken by the Qld Government⁹⁶. At the same time, Carbon Energy was trialing a UCG pilot project at its Bloodwood Ck site, near Dalby⁹⁷. In 2013 a Newman Government commissioned report from the Independent Scientific Panel (ISP) found no environmental issues from either projects and gave full approval for the trials to continue.

In April this year, however, UCG was banned in Queensland, in recognition of the environmental harm that these trials caused.⁹⁸ This came after the Linc site was placed under a 320 square kilometre excavation caution zone as a result of gases from combustion by-products being found in the soil in February 2015⁹⁹, and after a 2015 Supreme Court hearing found that there had been ongoing toxic gas leaks into the air and groundwater since 2008 at the site.¹⁰⁰ There are questions as to why no evidence of this level of environmental harm was noted in the Newman Government ISP report, and why the trials were allowed to continue despite obvious environmental and community concerns.

The Newman Government first sought advice from an Independent Scientific Panel (ISP) on UCG in November 2012¹⁰¹. The Panel was led by Chris Moran from the Sustainable Minerals Institute – a centre which is funded substantially by the mining

⁹⁶ <http://www.queenslandcountrylife.com.au/news/agriculture/agribusiness/general-news/linc-site-causes-big-stink/2251382.aspx>

⁹⁷ <http://www.carbonenergy.com.au/irm/content/bloodwood-creek-australia.aspx?RID=221>

⁹⁸ Queensland Government Media Statements, 18th April 2016, 'Underground coal gasification banned in Queensland', <http://statements.qld.gov.au/Statement/2016/4/18/underground-coal-gasification-banned-in-queensland>

⁹⁹ <https://www.ehp.qld.gov.au/management/hopeland.html>

¹⁰⁰ ABC, 17th March 2015, 'Linc Energy allegedly failed to report series of dangerous gas leaks at Chinchilla plant, court documents reveal', <http://www.abc.net.au/news/2015-03-17/linc-energy-accuse-failing-report-series-of-dangerous-leaks/6323850>

¹⁰¹ Queensland Independent Scientific Panel for Underground Coal Gasification. June 2013. Independent Scientific Panel Report on UCG Pilot Trials.

industry¹⁰². The ISP was charged with evaluating ‘various technical and environmental factors’ and reporting ‘the outcomes of the trial activities’¹⁰³.

The Panel concluded that both Carbon Energy and Linc Energy had demonstrated ‘*capability to commission and operate a gasifier*’¹⁰⁴. The report did not identify any environmental issues with either project, despite purporting to have reviewed large amounts of data from them.¹⁰⁵

In July 2013, the Minister for Natural Resources and Mines, Andrew Cripps, released the ISP report and announced publicly that Carbon Energy and Linc Energy would be allowed to continue their active UCG trials¹⁰⁶. In the lead-up to that announcement 8 high level meetings took place with Carbon Energy and Linc Energy including a meeting with the Deputy Premier, several meetings with the Ministers for Environment and Heritage Protection and Natural Resources and Mines, and a meeting with the Premier’s Office¹⁰⁷. The Newman Government took no other action and released no other information publicly about alleged Linc Energy environmental incidents during its time in office.

It later emerged that there had been serious problems with the Linc Energy project at the Chinchilla project site, for many years, including ongoing dangerous gas leaks into the air and groundwater.¹⁰⁸

In April 2014, Linc Energy was charged by the Qld Government with four counts of causing serious environmental harm at the Chinchilla pilot site¹⁰⁹. Very little information was released about the nature of the harm or the extent of the alleged

¹⁰² The Australian, 5th October 2011, ‘Institute shy about industry cash’, accessed 3rd March 2016, <http://www.theaustralian.com.au/higher-education/institute-shy-about-industry-cash/story-e6frgcjx-1226158446605>

¹⁰³ Queensland Independent Scientific Panel for Underground Coal Gasification. June 2013. Independent Scientific Panel Report on UCG Pilot Trials.

¹⁰⁴ Queensland Independent Scientific Panel for Underground Coal Gasification. June 2013. Independent Scientific Panel Report on UCG Pilot Trials.

¹⁰⁵ Ibid.

¹⁰⁶ Qld Government Media statements, 8th July 2013, ‘Report recommends way ahead for UCG industry’, <http://statements.qld.gov.au/Statement/2013/7/8/report-recommends-way-ahead-for-ucg-industry>

¹⁰⁷ Queensland Cabinet and Ministerial Directory, Diaries of the former government, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/diaries.aspx>

¹⁰⁸ ABC, 17th March 2015, ‘Linc Energy allegedly failed to report series of dangerous gas leaks at Chinchilla plant, court documents reveal’, <http://www.abc.net.au/news/2015-03-17/linc-energy-accuse-failing-report-series-of-dangerous-leaks/6323850>

¹⁰⁹ Queensland Cabinet and Ministerial Directory, Media statements – Andrew Powell, 11 April 2014, ‘Linc Energy charged for allegedly breaching environmental laws’, <http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/diaries.aspx>

incidents. At the time, the Mayor of Western Downs Regional Council, Ray Brown, suggested the incidents subject to prosecution had occurred 9 months earlier, and asked *‘Why has it taken 9 months to jump on this?....The concern I have is that landowners were only informed last Friday. Why has it taken this long for our landowners to be informed?’*¹¹⁰

In February 2015, immediately after coming into power, the incoming Palaszczuk Government imposed a 320 square kilometre excavation caution zone around the Linc Energy site, at Hopeland¹¹¹. It stated that it had detected certain gases associated with combustion by-products in soil profiles greater than 2m deep in the Hopeland area, and it subsequently filed a fifth charge against Linc Energy¹¹². Subsequent reports have suggested that there were environmental problems with the Linc Energy site in 2012, and even as far back as 2008¹¹³. In April 2016, Linc Energy entered into voluntary administration, leaving at least \$29 million in clean-up costs unpaid.¹¹⁴

¹¹⁰ <http://www.governmentnews.com.au/2014/04/queensland-government-hits-underground-coal-gasification-player-linc-energy-environmental-damage-charges/http://www.governmentnews.com.au/2014/04/queensland-government-hits-underground-coal-gasification-player-linc-energy-environmental-damage-charges/>

¹¹¹ <https://www.ehp.qld.gov.au/management/hopeland.html>

¹¹² <http://www.abc.net.au/news/2015-06-10/linc-energy-legal-action-widened-alleged-ugc-contamination/6535098>

¹¹³ ABC, 17th March 2015, ‘Linc Energy allegedly failed to report series of dangerous gas leaks at Chinchilla plant, court documents reveal’, <http://www.abc.net.au/news/2015-03-17/linc-energy-accuse-failing-report-series-of-dangerous-leaks/6323850>

¹¹⁴ See The Australian, ‘Linc Energy Enters Voluntary Administration’, <http://www.theaustralian.com.au/business/mining-energy/linc-energy-enters-voluntary-administration/news-story/01bdfbb7ae6ebc89f30679ae2520fc03?login=1>, and Courier Mail, ‘Linc Energy Could Leave Taxpayers with a 29 million bill for cleanup’ <http://www.couriermail.com.au/news/queensland/linc-energy-could-leave-taxpayers-with-a-25-million-bill-for-cleaning-up-dalby-plant/news-story/8a0569138530098afb0d6b3cef10bc3c>

Revolving Door

Another community concern is the ‘revolving door’ between government and the mining industry in Queensland. The apparent ease with which individuals can shift between positions within the mining industry and positions within government, and back again, and the number of high level shifts which have occurred in Qld, have the potential to undermine public confidence in government independence in matters pertaining to the mining industry in Qld.

The ‘revolving door’ raises numerous concerns for the community, including concerns that Government staff may have an eye to future employment when making decisions, that sensitive knowledge may be transferred directly to mining companies when staff switch across, and that mining company staff who re-enter government may provide preferential treatment to mining interests including the secondment and promotion of other mining company staff from inside and outside government.

For example, it has emerged that public servants who did assessment work for CSG to LNG projects now work for the industry they assessed¹¹⁵. Shane McDowall, a former deputy co-ordinator general with the Government, now sits on the board of the Flinders Group as managing director¹¹⁶ alongside former senior public servants Phil Dash, who worked on the assessment of QGC and Santos's Gladstone LNG project¹¹⁷, and former deputy co-ordinator general Geoff Dickie both of whom also now work for Flinders¹¹⁸, which is a privately-owned project management company contracted to UK

¹¹⁵ ‘Revolving Doors – Queensland’, Jeremy Buckingham MP, accessed 21st March 2016, <http://jeremybuckingham.org/2015/03/27/revolving-doors-queensland/>

¹¹⁶ See LinkedIn, Shane McDowall <https://au.linkedin.com/in/shane-mcdowall-36252535> and Revolving Doors Queensland, <http://jeremybuckingham.org/2015/03/27/revolving-doors-queensland/>, accessed 8th March 2016

¹¹⁷ Flinders Hyder website, ‘Flinders Group welcomes Environmental and Land specialist Phil Dash to the team’, <http://www.flindersgroup.com.au/welcome-to-environment-and-land-specialists-phil-dash-to-the-team/>

¹¹⁸ See Rowland website, ‘Rowland appoints top mining and infrastructure advisor’, <http://www.rowland.com.au/rowland-appoints-top-mining-and-infrastructure-advisor/>, and Queensland Exploration Council website, ‘Working Groups’, <http://www.queenslandexploration.com.au/who/working-groups/>, accessed 8th March 2016

energy giant BG Group's Queensland CSG subsidiary QGC¹¹⁹. On the board of the Flinders Group is John Cotter Jnr, son of the Chair of the Gasfields Commission¹²⁰.

The full extent of job-swapping between mining companies and roles as political advisors and in the senior ranks of the bureaucracy is not well understood. There are also examples that flow in the other direction, senior and influential government roles being filled by coal and gas company operatives, without any cooling off period, including the former Premier Campbell Newman's chief of staff, Ben Myers, who formerly worked for QGC¹²¹. In fact, the offices of the then Premier, Minister Seeney and Minister Cripps all contained ex-mining industry employees¹²². For example, Matt Adams, formerly development manager at Ambre Energy, which proposed an open-cut coal mine on the rich farmland at Felton became a senior policy adviser to Deputy Premier Jeff Seeney¹²³.

The following is a list of known high profile shifts between the mining industry and the Qld Government in recent years, where direct moves were made from mining to government or vice versa, without any apparent cooling off period:

Name	Government positions	Industry positions	Reference
Jim Belford	2007-2009: Principal Environmental Investigator, EPA	September 2011 – present: Team Leader, Environmental Compliance, Santos Ltd	LinkedIn, Jim Belford, https://au.linkedin.com/in/jim-belford-a3332b9a
	2009-2010: Manager, Regional Investigations, EPA	August 2014 – present: Senior Advisor, Governance, Assurance and Approvals, Santos Ltd	
	2010-2010: Director, Petroleum and Gas, DERM		
	2010-2011: Director, LNG Enforcement, Qld Government		
Shane McDowall	July 2008 – June 2010: Deputy Coordinator General, Department	August 2010 – March 2014: Managing Director, Flinders Group	See LinkedIn, Shane McDowall https://au.linkedin.com/in/shane-mcdowall-36252535 and Revolving Doors Queensland,

¹¹⁹ Flinders Hyder website, 'Our Projects', 21st March 2016, <http://www.flindersgroup.com.au/projects/>

¹²⁰ Flinders Hyder website, 'Our People', 21st March 2016, <http://www.flindersgroup.com.au/team/board-of-directors/>

¹²¹ LinkedIn, Ben Myers, accessed 8th March 2016, <https://au.linkedin.com/in/benmyers1>

¹²² See LinkedIn, Mitch Grayson, <https://au.linkedin.com/in/mitchgrayson>, LinkedIn, Lisa Palu, <https://au.linkedin.com/in/lisa-palu-a78183b3>, and LinkedIn, Matt Adams, <https://au.linkedin.com/in/matt-adams-743211b2>, accessed 8th March 2016.

¹²³ LinkedIn, Matt Adams, accessed 8th March 2016, <https://au.linkedin.com/in/matt-adams-743211b2>

	Infrastructure and Planning	March 2014 – present: Business Leader, Hyder Consulting (Flinders Hyder are a land/acquisition and approvals consultancy provides services to the resources sector)	http://jeremybuckingham.org/2015/03/27/revolving-doors-queensland/
Andrew Brier	<p>2009 – 2010: Statewide Manager, Major Projects, Qld Government</p> <p>2010 – January 2012: General Manager, Coal and Coal Seam Gas Operations, Qld Government</p> <p>July 2012 – March 2013: General Manager, Gasfields Commission</p>	<p>January 2012 – July 2012: Compliance Manager, Santos Ltd</p> <p>March 2013 – present: Double B Advisory (consultancy providing services to both the resources sector and the government)</p>	<p>Gasfields Commission Queensland, 'Andrew Brier a real coup', media statement 20th August 2012, http://www.gasfieldscommission.qld.org.au/what-s-happening/andrew-brier-a-real-coup.html, and LinkedIn, https://au.linkedin.com/in/andrew-brier-234b1196</p>
Phil Dash	2007-2012: Assistant Coordinator General, Major Projects	2012-2014: Senior Associate and Sector Lead for Mining and Resources with Flinders Hyder (consultancy providing services to the resources sector)	<p>Department of Infrastructure, Annual Report 2007, Executive Management Team, http://www.statedevelopment.qld.gov.au/resources/publication/past-annual-report/7DIP_Annual_Report_Executive_management_team.pdf</p> <p>Flinders Hyder website, 'Flinders Group welcomes Environmental and Land specialist Phil Dash to the team', http://www.flindersgroup.com.au/welcome-to-environment-and-land-specialists-phil-dash-to-the-team/</p> <p>Revolving Doors Queensland, http://jeremybuckingham.org/2015/03/27/revolving-doors-queensland/</p>
Rod Kent	<p>2007-2010: Manager, Environmental Regulator</p> <p>January 2010 – December 2011: Director of Compliance, UCG and Coal Seam Gas, Environmental Regulator Qld Government</p>	<p>January 2012 – February 2015: Manager Landholder Relations, Santos Ltd</p> <p>April 2015 – present: consultant, Quaysource (consultancy providing services to the resources sector)</p>	<p>LinkedIn, Rod Kent, https://www.linkedin.com/in/rodkent</p>
Geoff Dickie	2007: appointed Acting Deputy Coordinator General, Major Projects	<p>2010: appointed Inaugural Chair of the Queensland Exploration Council</p> <p>2011: appointed Strategic Advisor in the Public and Government Affairs group, Rowland Pty Ltd (lobbying firm which provides</p>	<p>Department of Infrastructure, Annual Report 2007, Executive Management Team, http://www.statedevelopment.qld.gov.au/resources/publication/past-annual-report/7DIP_Annual_Report_Executive_management_team.pdf</p> <p>'Rowland appoints top mining and infrastructure advisor',</p>

		services to the resources sector, including Sibelco)	http://www.rowland.com.au/rowland-appoints-top-mining-and-infrastructure-advisor/ Queensland Exploration Council, About us http://www.queenslandexploration.com.au/who/
James Purtill	2000-2006: Director General, EPA 2006-2008: Public Service Commissioner 2013-2015: Director General, Department of Aboriginal & Torres Strait Island & Multicultural Affairs 2015-present: Director General, Department of Natural Resources and Mines	2009-2012: General Manager Sustainability, Santos GLNG 2012-2013: Consultant with Ranbury Management Group and Landroc (consultancies that provide services to the resources sector)	LinkedIn, James Purtill, https://www.linkedin.com/in/james-purtill-b93a3a49
Alan Feely	Executive Director, Parks and Wildlife Service Deputy Director General of the Department of Aboriginal & Torres Strait Islander & Multicultural Affairs	NSW Manager Environment and Water, Santos Ltd	See Mindhive website, https://mindhive.org/people/Alan-Feely , and Jeremy Buckingham MP website, Revolving Doors Queensland, http://jeremybuckingham.org/2015/03/27/revolving-doors-queensland/
David Edwards	March 2012-July 2015: Director General, Department of State Development	August 2009-March 2012: Manager Strategy and Market Development, GHD (consultancy that provides services to the resources sector)	LinkedIn, David Edwards, https://au.linkedin.com/in/david-l-edwards-68a7498
Stephen Bizzell	2013-2016: Non-executive Director, Queensland Treasury Corporation	1999-2010: Executive Director, Arrow Energy Currently non-executive director at 8 energy and resources companies	LinkedIn, Stephen Bizzell, https://au.linkedin.com/in/stephen-bizzell-88796537
Mitch Grayson	March 2012-September 2012: Senior Media Advisor, Qld Premier Campbell Newman November 2013-February 2015: Senior Media Advisor, Qld Premier Campbell Newman	October 2012-November 2013: Senior Media and Communications Advisor, Santos GLNG	LinkedIn, Mitch Grayson, https://au.linkedin.com/in/mitchgrayson
Lisa Palu	April 2012-November 2012: Senior Policy Advisor, Qld Premier Campbell Newman	May 2011-April 2012: Media and Communications Advisor, Arrow Energy	LinkedIn, Lisa Palu, https://au.linkedin.com/in/lisa-palu-a78183b3

Ben Myers	April 2011-March 2012: Director of Strategy, Qld Government March 2012-February 2015: Chief of Staff, Qld Premier Campbell Newman	May 2010-April 2011: Communications Manager, QGC	LinkedIn, Ben Myers, accessed 8th March 2016, https://au.linkedin.com/in/benmyers1
Neil McGregor	2014-2015: Director, Public Sector Renewal, Department of Premier and Cabinet 2015: Director, Strategy, Department of Premier and Cabinet 2015-2016: Director, Business Performance and Infrastructure, Department of Premier and Cabinet	2010-2012: General Manager Business Development, Ambre Energy 2012-2014: Company Secretary and GM Corporate Communication, Ambre Energy	LinkedIn, Neil McGregor, http://au.linkedin.com/pub/neil-mcgregor/37/5aa/40
Matt Adams	March 2012-February 2015: Senior Policy Advisory, Office of the Deputy Premier Jeff Seeney	2010-March 2012: Manager Business Development, Ambre Energy	LinkedIn, Matt Adams, https://au.linkedin.com/in/matt-adams-743211b2
Les Cox	March 2014-February 2015: Senior Policy Advisor, Minister for Natural Resources and Mines	2010-January 2014: various roles at Arrow Energy	LinkedIn, Les Cox, http://au.linkedin.com/pub/les-cox/9/b8/a18
David Usasz	November 2011-October 2014: Director, Queensland Investment Corporation Ltd	January 2008-December 2013: Director Ambre Energy	LinkedIn, David Usasz, accessed 8th March 2016, https://au.linkedin.com/in/david-usasz-ab211535
Jeff Popp	March 2012-February 2015: Chief of Staff, Office of the Deputy Premier Jeff Seeney	2010-April 2012: Communications Manager, AECOM (major mining delivery and assessment service provider)	LinkedIn, Jeff Popp, http://au.linkedin.com/pub/jeff-popp/16/566/250?trk=pub-pbmap
Anne Syvret	2002-2008: Chief of Staff and Ministerial Advisor, Bligh and Beattie Governments	2008-December 2015: Manager Compliance and Regulatory Change, Origin Energy	LinkedIn, Anne Syvret, https://au.linkedin.com/in/anne-syvret-b30409109

While people must be free choose their place of employment, it is important that the movement of staff between the mining industry and government does not compromise government decision making in relation to the environmental and social impacts of the industry. Greater transparency of employees' industry connections and stricter controls on post-separation employment must be put in place to ensure maximum independence in departmental and ministerial offices.

Gifts and benefits

The quantity and quality of gifts being bestowed by mining companies on Queensland Government bureaucrats, and acceptance of those gifts by those public servants, is also an issue that is raising questions about the down-grading of the public interest in mining decision-making in Queensland.

Public Service Commission Directive Number 22/09 outlines the ethical considerations and procedures involved in the giving and receiving of gifts and benefits by employees and agents of the Qld Public Service¹²⁴. The Directive does not prevent the acceptance of gifts and benefits. Instead, it requires that *'if offered a gift or benefit, a public service employee or agent must always consider whether a gift or benefit is appropriate to accept'*. Furthermore, gifts or benefits received or given with a retail value of more than \$150 must be recorded in an agency's gifts and benefits register.

We have compiled a summary of the gifts given by mining companies or their representatives and received by representatives of Queensland Government agencies, since 2012, based on a review of the relevant gifts and benefits registers¹²⁵.

Attachment 1 provides a table of all the gifts and benefits provided by mining and associated companies to Qld public servants, as reported in the Gifts and Benefits Registers for the Department of Premier and Cabinet¹²⁶, Department of Natural Resources and Mines¹²⁷, Gasfields Commission¹²⁸ and Department of Environment and Heritage Protection¹²⁹. The vast majority of these gifts were designated as being retained by the employee.

There were 112 gifts and benefits received by public servants in these departments from the mining industry and associated companies from 2012 to 2015. The gifts ranged from complimentary tickets to conferences and networking events that are relevant to the work being undertaken by the public servants in question, to access to mining company suites at the football and private meals. Small gifts such as these bring a personal dimension to an otherwise professional relationship and potentially a sense of obligation for the public servant involved.

¹²⁴ <http://www.psc.qld.gov.au/publications/directives/assets/2009-22-gifts-benefits.pdf>

¹²⁵ See Queensland Ministerial Gifts Register and departmental gifts registers

¹²⁶ <https://data.qld.gov.au/dataset/department-of-the-premier-and-cabinet-gifts-and-benefits-register>

¹²⁷ <https://data.qld.gov.au/dataset/gifts-and-benefits-registerdepartment-of-natural-resources-and-mines>

¹²⁸ <http://www.gasfieldscommissionqld.org.au/gasfields/about-us/right-to-information.html>

¹²⁹ https://www.ehp.qld.gov.au/about/rti/publicationscheme/ourlists.html#gifts_and_benefits_register

As a result of the acceptance of these gifts, almost every month, while Queensland agencies are assessing new coal and gas projects, or monitoring existing operations, their senior managers have also been accepting gifts and attending functions with the companies that own those projects¹³⁰. This does raise questions as to whether these benefits are indeed ‘appropriate to accept’ under the circumstances. For example, are gifts of chocolates and wine given by the Jellinbah Group and their Lake Vermont coal mine subsidiary to three public servants engaged in mine inspection and compliance work¹³¹. Of greater concern, perhaps, is that on 32 occasions from 2012-2015, mining companies treated senior Queensland public servants in agencies that assess, oversee or monitor mining projects to private dinners, tickets to corporate boxes at football matches or high-end events such as Ballet or the Opera¹³².

There is concern that this activity severely compromises assessment processes and compliance monitoring for a range of high profile coal and gas projects. The companies that provided the most gifts included Arrow Energy, Santos, Aurizon, New Hope and Adani.

The sharing of dinners and football matches suggests a degree of intimacy these mining companies have with senior public servants whose agencies are responsible for representing the public interest by properly and impartially assessing and regulating mining in Queensland. By contrast, organisations that advocate for the public interest are rarely awarded this degree of access. It is unrealistic to claim that such familiarity is not accompanied by a degree of confidence, support and favour.

It is difficult to understand how the relevant government agencies can reach the conclusion that acceptance of these types of gifts – private dinners and access to corporate suites at the football – is ‘appropriate to accept’ in accordance with the relevant public service directive. Notably, there are no notes available on the topics discussed at these events, and no agenda, minutes or any form of record of meeting provided to the public.

The vast number of gifts and benefits conferred, the degree of intimacy it is allowing and the absence of records of topics discussed, would suggest that changes are

¹³⁰ See Queensland Ministerial Gifts Register <https://data.qld.gov.au/dataset/ministerial-gifts-register>

¹³¹ Gifts and Benefits register, Department of Natural Resources and Mines, October-December 2013, https://www.dnrm.qld.gov.au/__data/assets/pdf_file/0012/120054/gifts-and-benefits-register-dec-2013-quarter.pdf

¹³² See Queensland Department of Natural Resources and Mines gifts and benefits register, <https://www.data.qld.gov.au/dataset/gifts-and-benefits-registerdepartment-of-natural-resources-and-mines>

needed to the directive to provide greater confidence amongst the community that these types of gifts and benefits are not unduly influencing government decisions.

Discussion

The cases covered in this report reveal systematic issues with governance and decision-making on mining in Queensland, which raise substantial community concern. The report showcases mining companies providing substantial political donations and contributions, gaining far-reaching access to all levels of government and bestowing substantial gifts and benefits, whilst individuals switch between government and the mining industry with disturbing regularity.

At the same time, under the Newman Government, key mining companies gained significant legislative outcomes in their favour and experienced inadequate or delayed scrutiny of their opaque company structures and history of environmental management. In a number of cases, these favourable outcomes have continued under the ALP Government, despite pre-election promises to the contrary

There have been no substantial changes to decision making processes on mining in Queensland, which means that concerns about these issues continue under the current government, and are likely to continue under future governments. Certainly, under the current ALP Government increased levels of political access by the mining industry are raising on-going community concerns. For example, publicly available records show the Palaszczuk government met 145 times with the mining industry in their first year of government, with Resources and Mines Minister Anthony Lynham accounting for a staggering 87 of these meetings.

Many meetings, including through advisors and departmental staff, are not publicly available and therefore the full influence of the mining industry on the current government is hard to ascertain. Through Queensland Government department gifts registers we can see, however, that the influence of the mining industry continues under the Palaszczuk government at a ministerial level and at a departmental level.

The perceived systemic failings of governance in relation to the mining industry in Qld is leading to mining projects being approved that have adverse impacts on local communities and the environment, including damaging water resources, reducing air quality and harming other industries.

Political donations and contributions

Political donations and contributions have long been a serious cause of concern for the community, due to the perceived bias they may introduce to decision-makers in favour of donors. As described in this report, the Qld LNP received at least \$1M in donations from the mining industry and associated individuals, and the Federal LNP received at least \$3M, from 2011 onwards. As highlighted above, a number of political donors were the subject of legislative changes or other measures that appear to have been beneficial to their interests.

In NSW, a series of corruption inquiries by the Independent Commission Against Corruption have resulted in findings of corrupt conduct in relation to mining administration in that state¹³³ and have drawn attention to political donations by mining interests¹³⁴.

Various jurisdictions have, over recent years, been looking more closely at laws to restrict or constrain political donations. NSW has perhaps gone furthest in this regard, banning political donations from certain industries that are perceived as a corruption risk¹³⁵, capping the maximum amount that can be donated to individual candidates (set at \$2,000) and parties (set at \$5,000), and placing additional donation disclosure requirements on proponents who make a planning application under the NSW Environmental Planning and Assessment Act 1979¹³⁶. These measures have been upheld by the High Court of Australia, which rejected claims that they were an impermissible restriction on freedom of political communication¹³⁷.

In her letter to Peter Wellington of the 5th February 2015, Anastacia Palaszczuk made the following commitments in relation to political donations and contributions in Queensland:

“A Labor Government will reintroduce the \$1,000 disclosure threshold for electoral donations introduced by the previous Labor Government”.

¹³³ See for example <http://www.abc.net.au/news/2014-11-20/ian-macdonald-eddie-obeid-to-be-prosecuted/5905540> and <http://www.australianmining.com.au/features/corrupt-conduct-over-mount-penny-tenement-icac-s-v>

¹³⁴ <https://www.icac.nsw.gov.au/investigations/current-investigations/investigationdetail/203>

¹³⁵ See section 96GA of the NSW Election Funding, Expenditure and Disclosures Act 1981 http://www5.austlii.edu.au/au/legis/nsw/consol_act/efeada1981443/s96ga.html

¹³⁶ http://www.austlii.edu.au/au/legis/nsw/consol_act/epaaa1979389/s147.html

¹³⁷ <http://www.smh.com.au/nsw/high-court-upholds-statewide-ban-on-political-donations-from-property-developers-20151005-gk21ja.html>

“Further, in relation to real-time disclosure of donations, Labor will work with the Electoral Commission of Queensland and the other parties to develop a real-time online system of disclosure of electoral donations”.

“Once the new independent chair of the anti-corruption watchdog is appointed, Labor will hold a public inquiry into links, if any, between donations to political parties and the awarding of tenders, contracts and approvals. The anti-corruption watchdog has the powers of a standing Royal Commission and will be able to thoroughly investigate these issues”.¹³⁸

In 2015, the Qld Government passed the Electoral and Other Legislation Amendment Bill 2015¹³⁹ which reintroduces a \$1,000 disclosure threshold for electoral donations. However, the Qld Government has yet to deliver a real-time online system of disclosure. Notably, the Qld electoral laws still fall far short of NSW laws because they do not create any caps on the size of donations nor do they place any prohibitions on donations from industries that are recognised as a potential corruption risk.

Cash for Access Through Third Party Fundraising Entities

Large political donations have also been made by mining companies examined in this report to Federal political parties¹⁴⁰. Federal parties donate back to state parties but there is no transparency as to the original source of such donations.¹⁴¹

For example, in 2010/11, as it sought environmental approval for its disastrous and now banned Underground Coal Gasification project in Queensland Linc Energy donated \$213,000 to the Liberal Party of Australia¹⁴². From 2010 to 2014 New Hope Coal and its associated companies donated around \$1 million dollars to the Liberal Party of Australia¹⁴³. Over the same period, over \$3 million has flowed from the

¹³⁸ Letter exchange between Peter Wellington and Anastacia Palaszczuk, <http://www.peterwellingtonmp.com/Letter%20Exchange%202015.pdf>

¹³⁹ <https://www.legislation.qld.gov.au/Bills/55PDF/2015/ElectoralOLAB15.pdf>

¹⁴⁰ Australian Electoral Commission, Periodic Disclosures, <http://periodicdisclosures.aec.gov.au/Default.aspx>

¹⁴¹ Electoral Commission of Queensland annual disclosure returns <https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

¹⁴² Australian Electoral Commission, Periodic Disclosures, <http://periodicdisclosures.aec.gov.au/Default.aspx>

¹⁴³ Ibid.

Federal Liberal Party to the Queensland LNP¹⁴⁴. The lack of transparency in such transactions makes it impossible to establish the original source of these donations.

Federal and state political parties also have opaque fundraising forums through which companies can pay for access to ministers at fundraising events. A number of mining companies, including some of those listed in this report, participate in the Queensland LNP fundraising body, QForum¹⁴⁵. It is unclear how subscriptions and event attendance are accounted for in disclosure returns, but it is clear that payment to QForum has obtained direct access for mining companies to key government ministers.

Furthermore, at least one of the companies examined in this report made a substantial donation to the highly controversial Free Enterprise Foundation, the opaque Federal Liberal Party fundraising body that came under the scrutiny of the NSW Independent Commission Against Corruption ICAC¹⁴⁶.

Former Queensland Integrity Commissioner Gary Crooke described these types of 'cash for access' practices as 'bipartisan ethical bankruptcy'¹⁴⁷. Mr Crooke stated that "Not only is this behaviour wrong from the point of view of perceived and actual fairness, it is deeply flawed because it wilfully and arrogantly disregards a fundamental principle of our democracy: that those elected to govern must use the power entrusted to them for the benefit of the community".¹⁴⁸

Crime and Corruption Commission Inquiry

The Qld Government has not yet implemented its commitment to Peter Wellington, as quoted above, to hold a public inquiry, run by the Crime and Corruption Commission, into "links, if any, between donations to political parties and the awarding of tenders,

¹⁴⁴ Electoral Commission of Queensland annual disclosure returns
<https://www.ecq.qld.gov.au/candidates-and-parties/funding-and-disclosure/disclosure-returns/annual-disclosure-returns>

¹⁴⁵ See, for example, Diary of Campbell Newman, November 2013,
<http://www.cabinet.qld.gov.au/ministers/diaries/previous-cabinet/assets/november-2013/premier-diary-november-2013.pdf>

¹⁴⁶ The Australian, 15th February 2015, 'Acland mine put on hold following scandal',
<http://www.theaustralian.com.au/national-affairs/acland-mine-deal-put-on-hold-following-scandal/news-story/10f25647f0d6cf1d31aeec23d91fc591>

¹⁴⁷ Gary Crooke QC (2015) Qld election: bipartisan ethical bankruptcy, ABC, The Drum.
<http://www.abc.net.au/news/2015-01-23/crooke-qld-bipartisan-support-for-ethical-bankruptcy/6042508>

¹⁴⁸ Ibid.

contracts and approvals”¹⁴⁹. The Qld ALP also made other commitments relating to the CCC in the lead-up to the election, which have not been implemented, stating in a letter to Lock the Gate Alliance that “Labor is committed to creating a reformed corruption watchdog with powers equivalent to the Independent Commission Against Corruption in NSW”¹⁵⁰.

Notably, the scope and powers of the Crime and Corruption Commission were weakened considerably under the Newman Government (despite already having some notable limitations) by virtue of the passage of the *Crime and Misconduct and other Legislation Amendment Act 2014* (Qld).

The changes mean that:

- The Commission lost the function of preventing corruption
- The powers of the CCC to focus on official misconduct have been removed
- The CCC has to seek Ministerial approval prior to commencing research into specific topics
- The thresholds for referral to the CCC have been increased
- All complaints to the CCC have to be done by means of a statutory declaration
- Serious penalties now apply for complaints deemed as vexatious
- The original corporate governance of the CCC has been changed, giving broader powers to the CEO
- The CCC can now delegate investigations to other agencies¹⁵¹

These changes raise serious questions as to whether the CCC has the requisite powers to properly conduct the promised inquiry into possible links between political donations and contributions and decisions. Over the last 2 years, community groups have made specific complaints to the CCC about both Sibelco and the Stradbroke Island sand-mining issues, and New Hope Coal and the Acland Stage 3 expansion. In both cases, the CCC has refused to investigate the matters, suggesting that its scope and function may be insufficient to address the types of issues that raise considerable public concern relating to probity, transparency and accountability of government.¹⁵²

¹⁴⁹ Letter exchange between Peter Wellington and Anastacia Palaszczuk, <http://www.peterwellingtonmp.com/Letter%20Exchange%202015.pdf>

¹⁵⁰ 22nd January 2015, letter from Qld ALP to Lock the Gate Alliance

¹⁵¹ See the Crime and Misconduct and Other Legislation Amendment Act 2014 which introduced the changes <https://www.legislation.qld.gov.au/LEGISLTN/ACTS/2014/14AC021.pdf>

¹⁵² See Brisbane Times, 18th November, ‘CCC says no inquiry into 2012 \$91,000 Sibelco sandmining ads’, <http://www.brisbanetimes.com.au/queensland/ccc-says-no-inquiry-into-2012-91000-sibelco-sandmining-ads-20141117-11ojor.html>, and Brisbane Times, 4th December 2015, ‘CCC drops Acland

Furthermore, although the ALP committed to a ‘public inquiry’ in their letter to Peter Wellington, the CCC is governed by section 177 of the *Crime and Corruption Act 2001* (Qld) which specifies that ‘generally, a hearing is not open to the public’ but which does allow the CCC to exercise a discretion to make hearings public under certain circumstances.¹⁵³ However, there does not appear to be any mechanism for the Qld Government to direct the CCC to hold public hearings.

There are several reforms currently underway in Queensland relating to the CCC. These include:

- The introduction of the *Crime and Corruption Amendment Bill 2015* into the Queensland Parliament¹⁵⁴
- A review of the CCC being undertaken by the Parliamentary Crime and Corruption Committee¹⁵⁵
- An issues paper on the definition of corrupt conduct in the *Crime and Corruption Act 2001*¹⁵⁶

The proposed amendments contained in the Crime and Corruption Amendment Bill 2015 are relatively limited, and are largely focused on reinstating some of the powers that were removed by the Newman Government amendments. The changes will:

- Reinstating the CCC’s corruption prevention function
- Removing the requirement for ministerial approval for research activities undertaken by the CCC
- Removing the requirement for a statutory declaration for corruption complaints

However, they appear insufficient to enable the CCC to thoroughly investigate potential links between political donations and contributions and the awarding of ‘*tenders, contracts and approvals*’. Most notably, they do not reinstate official misconduct as a matter that falls within the purview of the CCC.

Lobbyists

In 2011, the then-Qld Integrity Commissioner, David Solomon, made a detailed submission to the review of the *Integrity Act 2009* which was being undertaken by the

donations complaint’, <http://www.brisbanetimes.com.au/queensland/ccc-drops-a-land-donations-complaint-20151204-glg0pr.html>

¹⁵³ <https://www.legislation.qld.gov.au/LEGISLTN/CURRENT/C/CrimeandCorruptionA01.pdf>

¹⁵⁴ <https://www.legislation.qld.gov.au/Bills/55PDF/2015/CrimeandCorruptionAmB15.pdf>

¹⁵⁵ <https://www.parliament.qld.gov.au/work-of-committees/committees/PCCC/inquiries/current-inquiries/five-year-review>.

¹⁵⁶ <https://www.getinvolved.qld.gov.au/gi/consultation/2907/view.html>

Department of Premier and Cabinet¹⁵⁷. The Commissioner identified a major loophole in relation to the regulation of lobbyists by the Integrity Act – namely that it only regulated ‘third-party lobbyists’ and did not regulate in-house lobbyists who were lobbying directly for the company they worked for. Furthermore, the Act did not regulate industry associations as ‘lobbyists’. Therefore, the Act was in fact only regulating a small proportion of the lobbying activity to which the government is subjected.

This has been evident in the analysis conducted for this report. Whilst all Ministerial meetings are recorded in Ministerial diaries, meetings with public servants are only made known to the public via the lobbyists contact register IF they are conducted by a third-party lobbyist. Therefore, in the case studies conducted above, there is far more information available on meetings with the public service held by Sibelco, who used a third-party lobbyist and were therefore required to disclose meetings, then for any other mining company. Furthermore, the monthly register of lobbyists’ contacts is generally quite limited, suggesting that many companies are using in-house lobbyists, and the fact that it represents a loophole under the Integrity Act may well explain the shift to in-house lobbyists. However, there is no public transparency in relation to such meetings.

In light of the loopholes which he had identified, the then Integrity Commissioner recommended that in-house lobbyists and industry associations should be covered by Queensland’s regulations on lobbyists, and that a sanctions regime be introduced for breaches of certain sections of the *Integrity Act 2009* relating to lobbyists¹⁵⁸. His calls were echoed by the incoming Integrity Commissioner appointed in 2014, Richard Bingham¹⁵⁹. However, the Solomon recommendations were never implemented, and Bingham’s calls for a broadened definition of lobbyists were similarly rejected by the Newman Government.

In 2015, Professor Peter Coaldrake was tasked with conducting a ‘Strategic Review of the Functions of the Integrity Commissioner’¹⁶⁰. The review concluded that *‘The current Lobbyist regulation arrangements are ineffective in achieving the intent of the Act in that they apply only to a modest proportion of those engaged in lobbying activity*

¹⁵⁷ <http://www.integrity.qld.gov.au/assets/document/catalogue/integrity-act-review/ics-submission-to-dpc-review-of-integrity-act.pdf>

¹⁵⁸ <http://www.integrity.qld.gov.au/assets/document/catalogue/integrity-act-review/ics-submission-to-dpc-review-of-integrity-act.pdf>

¹⁵⁹ <http://www.brisbanetimes.com.au/queensland/integrity-commissioner-calls-for-more-transparency-on-lobbyists-20141126-11unz2.html>

¹⁶⁰ Final Report, Strategic Review of the Functions of the Integrity Commissioner’, 8th July 2015, <http://www.parliament.qld.gov.au/Documents/TableOffice/TabledPapers/2015/5515T804.pdf>

*in Queensland. A separate but related finding is that the disproportionate focus of the current regulation regime has had the unintended consequence of driving a significant amount of lobbying activity underground.’ It recommended that ‘the definition of lobbyists should be expanded to include regulation of in-house lobbyists and other professionals discharging the lobbying function’.*¹⁶¹

However, once again, it appears that the Queensland Government has chosen to ignore the advice of the experts. Instead, the Parliamentary Finance and Administration Committee which considered the Coaldrake Review, recommended that *‘the current definition of lobbyists contained in the Integrity Act be maintained and that there be no changes to the scope of the lobbyist register’*¹⁶². The Queensland Government has accepted that recommendation.

RECOMMENDATIONS

This report outlines cases which raise serious concerns about the influence that is exerted by mining companies on public decision-making in Qld. It highlights the extraordinary access which mining companies have to decision-makers, even though only a portion of meetings are required to be made public, due to weaknesses in the definition of lobbyists. Even for meetings which are caught by the requirements for notification, there is no requirement to provide meaningful information about the purpose or content of such meetings, and they are frequently merely flagged as ‘commercial-in-confidence’.

This report confirms that the powers of the CCC, as currently constituted, are unlikely to be sufficient to properly deliver on the Qld ALPs promise to conduct a ‘public inquiry’ into the links between political donations and contributions and tenders, contracts and approvals. The weaknesses of the CCC, its lack of transparency, and the number of issues which this report identifies, ranging from political donations and contributions, to far-reaching political access, limited transparency, the provision of gifts and benefits and the revolving door between government and the mining industry, suggests that a far broader inquiry is required. Therefore, a Special Commission of Inquiry is recommended into the influence of the mining industry on public decision-making in Qld.

It is notable that very little has changed in relation to public accountability and transparency since the Qld ALP Government was elected in early 2015. Records show

¹⁶¹ Ibid. pg 2

¹⁶² See recommendation 6

<http://www.parliament.qld.gov.au/Documents/TableOffice/TabledPapers/2016/5516T273.pdf>

that the ALP Government has met with mining companies 145 times, accepted \$91,410 in donations (plus additional donations made at a Federal level), and rejected independent recommendations to extend the definition of lobbyists to cover in-house lobbyists and industry associations. The 'Fitzgerald Principles' which all parties committed to in the lead-up to the last Queensland election, have not been met.

To prevent the continuing malaise in public trust due to the undue influence of the mining industry on the Qld Government, urgent changes are needed. We recommend that:

1. A Special Commission of Inquiry with public hearings is conducted with a wide remit to investigate the influence of the mining industry on public decision-making in Qld, as well as investigating links, if any, between political donations and contributions, and tenders, contracts and approvals.
2. Improvements are made to the regulation of lobbyists to include in-house lobbyists and industry associations, and to increase transparency to ensure that agendas, minutes and notes from such meetings are placed on the public record.
3. Stricter controls are placed on post-separation employment and on the provision of gifts and benefits.
4. Political donations and contributions laws are amended to require real time disclosure, to ban donations from the mining industry, to prohibit 'cash for access' schemes, and to place strict caps on all other donations.
5. The powers of the Crime and Corruption Commission are expanded to encompass official misconduct, to include the provision of advice on corruption prevention, and to open the CCC process up via public hearings.

