

## Submission to the Senate Economics Reference Committee inquiry into the Governance and Operation of the Northern Australia Infrastructure Facility

Thank you for the opportunity to make this submission.

It was my understanding that the Northern Australia Infrastructure Facility (NAIF) was set up to assist development of the economy of northern Australia with social and environmental outcomes that will be in the public interest. Projects such as clean energy, sustainable tourism, communications infrastructure and all weather roads would greatly benefit the economy of northern Australia.

(a & b) The proposal for NAIF to provide a low interest loan of almost \$1 million to an overseas company (Adani) to construct a railway line to move coal from the Galilee Basin to Abbot Point, Queensland, is not in the public interest because:

- it is a loan to a private company for export of coal
- The corporate company, Adani, leads to the Cayman Islands and the repayment of the loan may be at risk
- Other private companies have declined to invest in the project suggesting that the risk is high
- Adani companies in other countries such as Africa and India have a very poor environmental record so should not receive public funds as the costs of environmental repair will fall on the Australian tax payers
- The burning of more coal will contribute further to global warming increasing threats of severe weather impacts
- Further water use by the proposed mine will undermine existing rural industries and communities, which is certainly not in the public interest.

(c & d) I am very concerned that the processes of appointment of the Board members are not transparent.

Board members appear to overly represent mining interests rather than the broad social and environmental needs of northern Australia. I trust that the Senate Committee will be able to investigate this lack of transparency and imbalance in the NAIF Board and recommend actions to rectify the situation. Potential conflicts of interest must be openly assessed to ensure the public interest is maintained.

g) Economic assessments of the employment and tax benefits of the Great Barrier Reef show that it is of great value to Australia through tourism. Any activity such as mining and moving of coal which is likely to be detrimental to the businesses based on the Reef should not be supported with public funding.

As has been shown in Western Australia with mining and export of iron ore and LNG employment opportunities are limited because of mechanisation. It is highly unlikely that mining coal in the Gallilee basin will provide enough employment to resolve the problems faced by communities in northern Queensland. The alternative is to use the NAIF to employ Australians to build renewable energy and road infrastructure to support an array of economic activity such as sustainable tourism and environmental repair.

I make this submission as an individual in the hope that there is a fair future for all Australians.

27<sup>th</sup> July 2017

Nancy Pallin