

The Carmichael mine lease shows that decisions on coal need a much wider perspective

Written by The Conversation USA

Queensland mining minister Anthony Lynham has [granted three mining leases](#) for the Carmichael coal mine in central Queensland. The A\$21.7 billion plan features six open-cut mines and up to five underground mines – with the coal destined for Indian power plants that could emit as much as 4.6 billion tonnes of carbon dioxide in the process.

The plan [already has environmental approval](#), which was issued by the Queensland government subject to 140 conditions that included protection for the [endangered black-throated finch](#), among other considerations.

The Queensland Department of Environment and Heritage Protection concluded that these conditions were enough to protect not only the black-throated finch but also the entire Great Barrier Reef against any potentially catastrophic environmental impacts. This is particularly disturbing given the fact that the Great Barrier Reef is currently undergoing its [worst documented bleaching outbreak](#).

This approach to environmental assessment may work when monitoring the mine's impact on its immediate vicinity, but it is patently ineffective when dealing with the environmental damage from burning huge amounts of coal. The fundamental problem with the existing environmental approval processes, at both the Commonwealth and state levels, lies in their failure to address properly the impacts of fossil fuel emissions that contribute directly to global warming.

Ministerial discretion

Both the environmental approval and the final leasing of the Carmichael proposal are governed by several pieces legislation: the Queensland [Mineral Resources Act 1989](#), the Queensland [Environmental Protection Act 1994](#), and the federal [Environmental Protection Biodiversity Conservation Act 1999](#).

Together, these laws make a clear distinction between the initial process of seeking environmental approval and the subsequent process of applying for a mining lease. The

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common factor, however, for both processes is that once a series of pre-requisites have been satisfied, approval is largely down to the minister's discretion.

In Queensland, environmental approval for coal mining requires an evaluation of the likely impact on the environment. For site-specific environmental approval applications, this should include details of any likely emissions or releases, as well as a description of the risk and likely magnitude of these impacts upon "environmental values", defined within the Environmental Protection Act as:

...a quality or physical characteristic of the environment that is conducive to ecological health or public amenity or safety; or a quality of the environment identified and declared to be an environmental value under a specific environmental protection policy or regulation.

So broadly speaking, Queensland law does actually require the minister to consider the possible impact of carbon emissions on environmental health and public safety. However, it does not compel the minister to reach any particular outcome based on the assessment.

For the granting of the lease, once the preconditions are met (such as already having environmental approval), the minister merely has to be satisfied that the infrastructure, human, technical and financial resources for the authorised activities can all be successfully delivered.

Can ministers turn projects down?

As explained above, ministers certainly have the power to refuse environmental approval and mining leases – the real question is how and when they might decide to knock a proposal back.

Typically, the minister and their department will weigh up the economic costs and benefits associated with the project, and then make a decision based on this cost-benefit analysis.

This is what happened in Carmichael's case, as [Queensland Premier Anastacia Palaszczuk explained](#) that the decision to approve and

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lease the mine was based on the fact that the “economic benefits” in terms of employment were deemed to outweigh the environmental concerns, given the extensive environmental conditions that had been imposed.

The cost-benefit approach stands in stark contrast to the precautionary principle, which favours strong risk assessment and a careful evaluation of the early warnings of serious hazards. The United Nations' Rio Declaration on Environment and Development [calls on states](#) to use the precautionary principle wherever possible, and not to use a lack of scientific knowledge as an excuse not to prevent environmental degradation.

The precautionary approach would clearly preclude the Carmichael mine from being approved, even with tough environmental conditions, because of the serious environmental harm that will be caused by such extensive carbon dioxide emissions.

The problem with cost-benefit analysis

Cost-benefit analysis of environmental risk is problematic. It tends to promote what can often be a deregulatory agenda under the guise of scientific objectivity. It is also difficult because it essentially involves comparing the values of costs and benefits, but environmental costs are not always accurately determined.

In Carmichael's case, there are several questionable assumptions. There is the idea that environmental costs, including those of the emissions, are too indeterminate to be factored into a cost-benefit assessment. And then there is the assumption that placing conditions on the mine's operations will be an effective way to manage environmental costs.

The truth is that cost-benefit analysis and externally imposed operating conditions will not effectively address the longer-term damage associated with large coal mines.

The current decision-making model allows politicians to avoid rigorous consideration of the potentially catastrophic impacts of global warming. In the [words of Charlie Vernon](#), former chief scientist at the Australian Institute of Marine Science, the Great Barrier Reef is in dire straits because there has been an enduring and extraordinary “disconnect” between science, politics and economics.

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There is a strong need for regulatory reform of the environmental approval process in Australia. Existing state and federal decisions are failing to take global climate imperatives into account. The decision to approve the Carmichael mine and the ensuing release of 4.6 billion tonnes of carbon dioxide into the world's atmosphere is a crucial environmental decision and should therefore attract focused, higher-level environmental approval processes.

The ultimate tragedy of this regulatory failure is that it is likely to result in the destruction of one of the worlds biggest and most beautiful ecosystems, the Great Barrier Reef, right on the project's doorstep.

Samantha Hepburn does not work for, consult, own shares in or receive funding from any company or organization that would benefit from this article, and has disclosed no relevant affiliations beyond the academic appointment above.

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