

## Grattan on Friday: Bill Shorten is buffeted by the politics of Adani

Written by Michelle Grattan, Professorial Fellow, University of Canberra

---

On present indications, you wouldn't be betting on the Queensland Adani Carmichael mine going ahead. Yet this problematic project, that may fall over for lack of private sector finance, is causing a heap of trouble for Labor leader Bill Shorten.

Adani is being seen as a test of Shorten's commitment to policy integrity versus his willingness to say and do whatever is politically expedient.

But Adani also has the complication that what's most "expedient" is unclear, in a situation where there are duelling political imperatives – the March 17 Batman byelection and the north Queensland constituency in the longer run.

Within the Labor caucus, some colleagues are very critical of Shorten's handling of the issue, claiming he was veering off-script from the lines shadow cabinet favours, and had to be dragged back.

The Construction, Forestry, Mining and Energy Union (CFMEU), important to Shorten's support base, is worried at anything that smacks of being "anti-coal". It fears an anti-Adani stand could have a domino effect for other projects.

Business has a keen ear for what messages are sent out on sovereign risk, given the polls indicate Shorten might be prime minister in something over a year.

Adani may not have the finance for the project but it has successfully gone through the environmental hoops. Any suggestion that Labor might consider changing, or looking for loopholes in, the Environment Protection and Biodiversity Conservation Act to stymie the venture would be seen by business as having wider implications.

On Tuesday Shorten was in Adelaide to support Jay Weatherill's state election campaign. Whether his presence was much use to the South Australian premier is questionable, given that a significant part of their joint news conference was devoted to reporters grilling the opposition

## Grattan on Friday: Bill Shorten is buffeted by the politics of Adani

Written by Michelle Grattan, Professorial Fellow, University of Canberra

---

leader about Adani.

He trotted out the formula. He was “increasingly sceptical” of the proposal. “Labor has said since the last federal election that if it doesn’t stack up commercially or environmentally this project shouldn’t go ahead.

”[But] you don’t rip up the contracts and the approvals which have been entered into in good faith by a previous government.” Labor wouldn’t “engage in sovereign risk,” he said.

Back in early February, at the start of the Batman campaign, Shorten had a more aggressive position. He suggested the “whole basis of the mine” had to be in doubt, if allegations in a [Guardian story](#) about the company submitting an altered laboratory report while appealing a fine for contamination were correct.

The Guardian report that morning was the peg but it emerged that the timing of Shorten’s comments – which had started to toughen a few days earlier - was more significant than that.

Shorten had travelled to the Barrier Reef and flown over the Adani site in late January, courtesy of the Australian Conversation Foundation and accompanied by the ACF’s former president, businessman Geoff Cousins. The reef trip itself hadn’t been secret at the time – but who paid was.

Cousins, speaking last week [on the ABC](#) , said Shorten had told him he planned to lead on the Adani issue - he would consult his colleagues but within a short time he intended to announce a policy saying that “when we are in government, if the evidence is as compelling as we presently believe it to be regarding the approval of the Adani mine, we will revoke the licence as allowed in the [EPBC] act”.

The ACF had provided Shorten with legal advice that a licence could be revoked under section 145 of the existing act, Cousins said.

## Grattan on Friday: Bill Shorten is buffeted by the politics of Adani

Written by Michelle Grattan, Professorial Fellow, University of Canberra

---

Cousins went public with the content of their conversation because Shorten hadn't come up with the policy goods.

If Cousins' version of their discussion is broadly correct – there may have been a touch of exaggeration, according to some Labor sources - Shorten was unwise in saying so much to the ACF, before consulting his colleagues.

Certainly he was foolish in having the ACF pay for his trip. If it was necessary to visit the reef in order to refine a policy on Adani – and it was probably not, because the relevant information is readily available – he should have paid himself, or had the ALP deal with the bill, not rely on money from an interest group.

Shorten only updated his register of members' interests to include the sponsorship on the day of the Cousins' interview – a month after he undertook the trip.

With the Batman Labor-Greens contest nearing its final stages Labor's climate spokesman, Mark Butler, campaigning in the seat on Thursday, left a good deal of doubt about an ALP government's stance on Adani.

Butler, a hardliner on Adani who doesn't think any project in the Galilee Basin will stack up commercially, dodged the question of whether Labor was examining possible grounds for reviewing existing approvals under the EPBC act.

“Labor in government would make any decision about a project of this type, including the Adani project, based on information we had available at the time, based on the law, based on national interest, and based on our broader concerns to ensure we don't run sovereign risk,” he said.

This, with its reference to “national interest”, seems quite open-ended.

While some in Labor are concerned about the uncertainty around the Adani policy that Shorten

## Grattan on Friday: Bill Shorten is buffeted by the politics of Adani

Written by Michelle Grattan, Professorial Fellow, University of Canberra

---

has fed, there is also a cynical theory circulating in the ranks. This says that the ambiguity means that voters can decode what he's saying in the way they want - which is seen in ALP circles as irresponsible or canny, depending on who you talk to.

It is unclear what impact Adani will have on the actual vote in Batman – as distinct from making for a good deal of noise in the campaign. You'd expect those for whom it is a core issue would be already voting Green.

Anyway, Batman will be history by the end of next week. But Adani will remain on the agenda, with attention focused on how the issue will play out for Labor in Queensland – although even there, views on the project vary between the north and the south east of the state. Shorten won't be able to get out of this hot seat.

*Michelle Grattan does not work for, consult, own shares in or receive funding from any company or organisation that would benefit from this article, and has disclosed no relevant affiliations beyond their academic appointment.*

Authors: Michelle Grattan, Professorial Fellow, University of Canberra

**Read more** <http://theconversation.com/grattan-on-friday-bill-shorten-is-buffeted-by-the-politics-of-adani-93091>