

# ANTI-FOSSIL FUEL DEBATE HEATS UP

**A**N OPEN LETTER CALLING FOR A moratorium on new coal mines signed by 61 prominent Australians including a star Wallabies player and a Nobel Prize winner was always going to grab media headlines.

Released last month ahead of climate change talks at a United Nations Summit in Paris, the letter added further momentum to the fossil fuel divestment debate and prompted Australia's Prime Minister Malcolm Turnbull to call for a 'clear-eyed, cool headed approach'.

"No I don't agree with a moratorium on the idea of exploiting coal," Mr Turnbull told an eager press conference.

"If Australia were to stop all of its coal exports it would not reduce global emissions one iota. In fact, arguably it would increase them because our coal, by and large, is cleaner than the coal in many other countries."

While Mr Turnbull made his position on the matter clear, Australians have recently received mixed messages from other levels of government.

This month Melbourne played host to IMARC - one of the world's largest mining conferences attracting thousands of executives from the global mining industry and actively supported by the Victorian government 'as an opportunity to showcase Victoria as a hub for mining and mining services'.

Yet just two weeks before the event kicked off, Melbourne City Council agreed it would not allow future investment in fossil fuel companies or those aligned with such companies,

along with a new policy to screen banks on their fossil fuel divestments.

The move was labelled both 'ironic and disappointing' by Scott Barklamb, executive director of policy and public affairs with peak resource industry body the Australian Mines and Metals Association (AMMA).

"The Victorian government has gone to significant lengths to attract and retain global mining and hydrocarbon head offices in Melbourne and open up opportunities for further resources exploration, but this move is essentially a kneecapping by its capital city's leadership," Mr Barklamb said.

"What is even more ironic, however, is that this policy position is coming from a council that relies on fossil fuels to keep its 'world's most liveable city' sign burning bright."

"If it wasn't for fossil fuels, Melbourne would be an eerie ghost town. Many of the 100,000+ residents living in inner-city apartments would be displaced, while the over 800,000 people that commute to work in Melbourne would need to find an alternative to cars, trains, trams and buses.

"Of course Melbourne's iconic landmarks - Federal Square, the MCG, Queen Victoria Market and the Spire of the Arts Centre - were all made possible through fossil fuels. But such energy sources will be just as critical to our city's cultural and tourism future.

"Without fossil fuels we'd be turning the lights out on the fabulous White Night festival and we'd better give the Grand Prix back to Adelaide, as well as all the tourism dollars and eyeballs on

our city through F1's massive global fan base."

Mr Barklamb was equally astounded by the September announcement from ACT Minister for Territory and Municipal Services, Shane Rattenbury, that Canberra buses would no longer display advertising promoting 'junk food, alcohol, gambling, fossil fuels and weapons'.

"Once again the irony of banning fossil fuel advertisements on buses is all too evident. The ACT's ACTION Buses is taking delivery of more than 580 Scania K320UB / Custom buses in 2014-2017, which run on diesel and are made from steel," he said.

"The ACT government's approach of bracketing the use of petrol, LNG, diesel, and electricity with the misuse of alcohol, problem gambling, and tobacco adds another layer of serious concern to this situation. Not only do we need to consume these resources, but almost all of our transport, built environment, machinery and infrastructure uses steel, which relies on fossil fuels."

There's no denying that the demand for fossil fuels such as coal is showing no sign of slowing down, especially among rising Asian economies. The International Energy Agency predicts global demand for coal will rise 2.1% per year for the next five years, and industry groups like AMMA are quick to point

out Australia's role in meeting this demand.

There are 400 million people in India without access to electricity. They will demand power as India develops, and it will partly come from coal. Whether it comes from Australia or our competitors will be determined by how commercial and how practical it is to invest and do business in this country.

"Australia's coal is typically of high quality, and can be converted into power more cleanly than that of many other international coal

exporters," Mr Barklamb continued.

"These commodities will also generate hundreds of thousands of jobs for Australians, and raise billions of dollars in royalties, taxes and other revenue receipts."

Mr Barklamb said divestment campaigns would, if successful, reduce the capacity of resource and energy companies to invest in new projects and new technologies.

"Completely contrary to the intentions of campaigners, divestment would reduce incentives and capacities for companies to invest in researching, developing and implementing newer technologies," he said.

"All governments, national, state and territory need to work with industry, and support efforts towards new technologies and lower emissions."

"We don't need reactive and poorly considered gesture politics, we need fossil fuels to remain an important part of our country's energy mix, along with sensible and measured policies to help attract investment."

