

A rebuttal of claims made by the QRC regarding the Deloitte report into mining in the Galilee Basin.

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In their press release entitled *Greenpeace 'scary monsters' report has zero credibility* (http://www.qrc.org.au/01_cms/details.asp?ID=3166), the Queensland Resource Council makes the following arguments, with the following errors:

“Greenpeace’s ‘scary monsters’ unit has lifted their fanciful prediction to 1056 million tonnes of coal exports from Queensland ports”

The Greenpeace report does not make this claim. It states that if all proposed coal mines in the Galilee Basin reach full production, they will add 330 million tonnes per annum to Queensland’s coal exports (p.8) and references are provided linking these figures to the mining companies own publicly-available documents.

The 1056 figure comes from an appendix at page 47 of the report, and it refers to the *capacity* of all proposed coal ports along the Queensland coast.

“...the most up-to-date credible forecasts for Queensland coal exports come from the federal government’s Bureau of Resource and Energy Economics (BREE) in its July 2012 report ‘Australian Bulk Commodity Exports and Infrastructure – outlook to 2025. According to BREE the high-range outlook for coal exports for Queensland by 2020 is 327 million tonnes...”

The high range forecast for 2020 is irrelevant. As the Greenpeace report states, five of the nine proposed mines in the Galilee Basin are not forecast to reach full production until after 2020 (p.21).

The more relevant date in the BREE report is 2025, by which time the high range coal export outlook for Queensland reaches 447 million tonnes (pp.56 & 59, BREE report).

QRC states that in 2011-12, Queensland’s coal export volume was 165 million tonnes. Add that to Greenpeace’s forecast 330 million tonnes of new production from the Galilee Basin and we still end up with a figure (495 million tonnes) in excess of BREE’s predictions, but not by much.

But if you look at Annex D and E of the BREE report, it has only considered five of the nine proposed mines in the Galilee Basin in its report, which more than explains the discrepancy. For those five mines, BREE agrees with Greenpeace’s coal production figures. For the other four mines, I suspect they were not included because it is too early in their development. But the mine proposals and their forecast capacities can be verified from publicly available sources as follows:

Alpha West

http://hancockcoal.com.au/files/120222_10th_Annual_Coal_Markets_Singapore_Final2.pdf p.9

Alpha North

<http://www.waratahcoal.com/alpha-north-coal-project.htm>

China Stone

<http://www.theaustralian.com.au/business/mining-energy/chinas-biggest-coke-producer-plans-coal-giant-in-galilee-basin/story-e6frg9e6-1226070494944>

Degulla

http://www.steelguru.com/sfTCPDF/getPDF/MTYyODA0/Vale_to_tap_into_Galilee_Basin_potential.html

Furthermore, QRC's own figures under a full growth scenario have Queensland coal exports at 700 million tonnes by 2020 – a far more ambitious forecast than Greenpeace's projections. See p.16 of QRC's 'Queensland Resource Sector State Growth Outlook Study', commissioned from Deloitte and available here http://www.qrc.org.au/dbase_upl/Growth%20Outlook%20Report_Final.pdf

“Greenpeace would have people believe that coal exports will grow by a further 891 million tonnes over the next decade”

The Greenpeace report makes no such claim. This figure comes from misrepresenting coal port capacity as coal export volume.