

# NSW legal group denies taxpayer funds used on Carmichael appeal

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NSW Minerals Council chief Stephen Galilee. 'It is difficult to understand the logic.' Picture: Sam MooySource: News Corp Australia

**The legal centre that successfully challenged the Carmichael coal project in Queensland is still financed by the NSW government, despite warnings dating back to 2012 that it was using taxpayers' funds for "a deliberate campaign of economic sabotage".**

The NSW government gave the state's Environmental Defender's Office \$750,000 last financial year, despite being told it was directly associated with a campaign to disrupt the coal industry using litigation and protests.

The NSW Minerals Council wrote to former premier Barry O'Farrell in October 2012 urging his government to "cease funding the EDO as a matter of urgency".

"It is difficult to understand the logic behind NSW taxpayers' funds being provided to an organisation intent on using those funds to lodge legal challenges against decisions taken on behalf of taxpayers by the NSW

government,” wrote Minerals Council chief executive Stephen Galilee. “It is even more absurd for these funds to be used to support a deliberate campaign of economic sabotage.”

However, NSW Attorney-General Gabrielle Upton said non-profit bodies in her state were “free to, and do, engage in advocacy, law reform work and policy development. They are also able to engage in political campaigns, but not using government funds”.

The state government was adamant that non-profit bodies should not use public funding for political campaigning, she said.

The EDO represented the Mackay Conservation Group in Federal Court proceedings that resulted in a consent order that will have the effect of delaying the Carmichael coalmine, which had been approved by the federal government on the basis that it would create 10,000 jobs. In 2011, environmental activists who drew up a plan for protests and strategic litigation titled Stopping the Australian Coal Export Boom, thanked the EDO and other environmental groups for “extensive input”.

EDO executive director Jeff Smith said yesterday his organisation did not endorse that plan, was not a campaigning organisation and did not use public money for the challenge.

It had disclosed in January that it received \$750,000 from the NSW Public Purpose Fund, controlled by the state government, but would finance the Carmichael challenge from community funds and donations, Mr Smith said.

Mr Galilee said it was ridiculous that the EDO was allowed to effectively “take taxpayers’ funds across the border to challenge projects in other states”.

In the 2013-14 financial year the EDO received \$221,885 in recurrent funding from the NSW government, about 7 per cent of its income, plus \$1.2 million from the Public Purpose Fund, almost 40 per cent of its income. The federal government stopped funding the EDO after complaints from the NSW Minerals Council.

In 2012 the EDO ran two workshops at an anti-mining convention. In 2010, it acted for the Rising Tide group after protesters blocked rail lines to the coal port of Newcastle. In 2009, it acted for people convicted of entering enclosed lands and hindering police at an aluminium smelter.