

## MICHAEL BERKMAN MP

Queensland Greens Member for Maiwar



30 May 2018

Complaints Officer  
Crime and Corruption Commission Queensland  
Via email: [complaints@ccc.qld.gov.au](mailto:complaints@ccc.qld.gov.au)

To the Complaints Officer

This week it has been reported by the ABC that Adani will pay \$1.15 million in wages, vehicle and housing costs for Isaac Regional Council employees tasked with overseeing approvals and compliance for the company's Carmichael mine operations<sup>1</sup>. I am asking the CCC to investigate whether this arrangement has or is likely to lead to any corrupt conduct on the part of either Isaac Regional Council or the Adani Group.

As reported by ABC, Transparency International has pointed out that this is an unprecedented agreement that produces serious potential for undue corporate influence and conflict of interest, and risks creating a situation of "regulatory capture" of the Council by Adani. Despite the Council's insistence that staff will be under its direction and not controlled by Adani, it is unclear exactly how any conflict of interest will be avoided. As reported by ABC, Queensland University of Technology public sector ethics expert Mark Lauchs has agreed there needs to be, at the very minimum, an extra layer of distance between the Council and Adani.

It is significant that the Carmichael mine project at this stage is by no means set in stone. There is huge public opposition, Adani are still trying to secure vital contracts and finance, and there is no consent from the Wangan and Jagalingou Family Council. The proposed deal would give the Isaac Regional Council clear impetus to move the controversial project along at every turn. It is not the role of the Council to support the interests of profit-driven companies in this manner, especially if they diverge from the public interest.

It is particularly important that this matter be investigated by the CCC given the Adani Group has a proven track record of complete disregard for environmental law, and has been accused of tax evasion, fraud and criminal corporate behaviour overseas.

The Indian government is currently investigating numerous Adani Group entities for billion-dollar fraud to inflate prices and evade tax. In 2011, an Indian state Ombudsman found that parent company Adani Enterprises had bribed police, politicians, customs officials and others to facilitate and hide illegal exports of 7.7 million tonnes of iron ore. Last year Four Corners revealed Adani's use of tax havens and a corporate structure to maximise profits, and dodge tax.

Whether or not the Isaac Regional Council deal meets the requirements set out by local government

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<sup>1</sup> ABC Online 28 May 2018:

<http://www.abc.net.au/news/2018-05-28/adani-to-pay-for-isaac-council-staff-working-on-carmichael-mine/9801988>

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regulations, Adani's track record of corruption, bribery and undue influence raises questions that should be of concern to the CCC.

Adani also has a demonstrated history of what appear to be unusually close relationships with local councils across Queensland, further supporting the need for an investigation. For example, they have recently procured a promise of \$30 million from Townsville and Rockhampton Councils to build an Adani-owned airstrip in Central Queensland. It is well established that relationships of this nature, between corporations and government, give rise to serious potential for undue influence and conflicts of interest.

Given the above concerns, which have been raised by multiple parties, I look forward to receiving confirmation that the CCC will investigate these issues as a matter of urgent public interest.

Kind regards

A handwritten signature in black ink, appearing to read 'MB', with a long horizontal flourish extending to the right.

Michael Berkman MP