

ENVIRONMENTALLY SPEAKING 23

Autumn 2010 Kooloora Environment News

“It’s bad now but it can only get worse..”

(spokesman Botany Bay Council, Southern Courier 17/2/2010 commenting on port generated traffic)



Xin Yan Tai

At a length of three football fields, and capacity of 8,000 TEU (twenty foot containers) this is the biggest container ship to enter Australia. It docked at Port Botany on the 20th March and then stopped at Melbourne. The Xin Yan Tai reportedly arrived at DP World’s terminal at Port Botany with 2750 imported containers and left with 2750 exports. In Melbourne it was met by Premier Brumby. Reportedly 3000 container imports were unloaded and 3000 uploaded. On its way out of Australia it stopped in at Port Brisbane.

The CEO of Sydney Ports, Grant Gilfillan, provided the welcome in Sydney and on that occasion commented on the Port Botany Expansion: “T3 will double the handling capacity at the port to meet the projected long-term growth for New South Wales.”

Someone needs to tell Mr Gilfillan that Sydney can’t handle a doubling of the present throughput (1,783,794 TEU in the 2008-2009 yearⁱ) let alone a doubling of the actual capacity of the existing terminals. That capacity could be anywhere in the vicinity of 2.5 to 3.5 million TEU. Mr Gilfillan should also be aware that under the NSW Government’s Ports Growth Plan the Port of Newcastle becomes the next major container port when Port Botany reaches ‘capacity’. That cap of 3.2 million was determined by the Minister for Planning when he approved the Port Expansion in October 2005. This is an ambitious number given the port is struggling to accommodate the road and rail traffic generated by less than 2 million TEU.

Great. Now we can import more foreign goods and kill off the rest of Australian manufacturing...

Tony B of Sydney Posted at 12:49 PM March 24, 2010
(Comment from the Herald Sun Melbourne website on the Brumby welcome.)

**THE FAILURE OF
FREE-MARKET
ECONOMICS**



MARTIN FEIL

with illustrations by John Spooner

Released April 2010, this book explains how the triumph of a fundamentally flawed economic orthodoxy has weakened the Australian economy and now threatens our future.



The Bureau of Statistics reports that Australia's population is growing at twice the rate of the rest of the world, outstripping the Philippines Malaysia, India, Indonesia and Vietnam.

Suggest that Sydney will grow beyond 6 million and hear the collective groan. Projects such as the Kurnell Desalination plant, Port Botany expansion, Sydney Airport expansion, massive land releases in Western Sydney, truck tunnels, tollways, the Enfield and Moorebank container intermodals and infill developments in established suburban Sydney are all part of growing the city bigger to compete with the top 'Alpha globals'. The definition of Alphas, Betas and Gammas appears on page 27 of the Metropolitan Strategy, Sydney's City of Cities Plan endorsed by the NSW Cabinet and published in 2005. Sydney is listed as a Level 3 'Beta Global' just above the famously congested Sao Paulo and heavily polluted Mexico City while Melbourne is a Level 6 Gamma. No one has asked the majority of residents in Sydney, let alone NSW, if they want an ever expanding Sydney. Talk to the average Sydney resident and the response is Sydney is bursting at the seams - too congested, too polluted. *Why don't we have a decentralisation policy* you hear them say. Decentralisation only works if the government takes leadership and is interested in visionary projects. Property developers and large construction companies make bigger profits growing Sydney than they would in regional centres. Regional centres don't need tollways, tunnels and massive highrise. Growing Sydney is the easy option and the government has recognised that. **On page 23 of the Metropolitan Strategy the Business as Usual approach is justified:**

*To reduce population growth in Sydney, the attraction of alternative places would need to increase and/or that of Sydney would need to decrease. **Sydney is a global city.** Restrictions on the growth of Sydney are more likely to result in businesses moving interstate or overseas than to regional areas. Currently, regional areas outside the Greater Metropolitan Region lack the employment base or infrastructure investment to sustain or attract large increases in population. **Significant levels of diversion to regional areas may come at a large cost in terms of infrastructure provision in a dispersed rather than a concentrated (metropolitan) setting. A 50 per cent increase over the next 25 years in the population of the 19 largest regional centres in inland and coastal NSW could only put back Sydney's growth by six years. The Government does not envisage a significant share of Sydney's population growth being diverted to regional and rural NSW.***

In Sydney high growth means more congestion, higher pollution, reduced livability, a bigger ecological footprint (metropolitan footprints are higher than regional). In

regional centres the additional numbers could mean the difference between a university or none, a theatre or none, a hospital or none, a bus service or none, prospects for youth employment or a forced move to Sydney or more likely Brisbane. **Perhaps NSW as a whole would be a better place for MOST of us to live if we were content for Sydney to be a Gamma city like Copenhagen, Prague, Stockholm, Amsterdam, or Rome rather than an Alpha city like Los Angeles, Hong Kong or Chicago.**

CLIMATE CHANGE

On a recent visit to Australia, James Hansen, the director of NASA's Goddard Institute for Space Studies and the man who brought global warming to the world's attention through testimony before the US Congress in 1988, said the emissions-trading model backed by the Federal government was "a non-solution". He supports the Greens' plan of an interim carbon tax. "If we had a democracy where decisions were based on the public's best interest, then that would be taken up in a heartbeat.....neither of the major parties gets it - or they don't want to get it."

CHRISTMAS SPECIAL FROM PREMIER

The ultimate boss of the Third Terminal at Port Botany will be the 81 year old Sir Li Ka-shing, Asia's richest self-made billionaire. Through the Hutchison Whampoa conglomerate, Li is the world's largest operator of



container terminals, world's largest health and beauty retailer, a major supplier of electricity to Hong Kong and a real estate developer. His second-largest holding is the Canadian oil firm Husky Energy. Li's current

personal worth is estimated at \$16.2 billion (a drop of \$10 billion over the past year). Previous investments in Sydney have been notable failures - The Cross City Tunnel and the Lane Cove Tunnels. In 1980 Li established the the Li Ka-shing Foundation and in 2000 was knighted by the Queen. The Premier made the announcement on the 18th December. There was no report in the Sydney Morning Herald and details of the 30 year lease are commercial-in-confidence. Only 4 of the 5 berths and 46 of the 63 ha of terminal space will be used by Hutchison.

OUR HOME GROWN APPLEBYS

The popular BBC *Yes Minister* comedy series shined the torch on powerful senior government bureaucrats.



Ministers come and go but successful bureaucrats know how to prosper whichever party is in government. In the past few years three long-term public servants have swapped their Sydney Harbour views from

Governor Macquarie Tower to take up positions working

for the Federal Government. In contrast to the scrutiny given to politicians few journalists raised questions about the performances of these powerful mandarins when they shifted.

The Head of Peter Garrett's Department of the Environment, Water, Heritage and the Arts (DEWHA) is Robyn Kruk AM. Ms Kruk was appointed Secretary in March 2009 after departing as Rees' Director-General of Premier and Cabinet. She had 30 years experience in the NSW bureaucracy serving as Director General of Health under Morris Iemma and earlier as a Head of National Parks and Wildlife. In the short biography on the DEWHA website it is noted that "Robyn was appointed a Member of the Order of Australia for service to public administration in New South Wales, particularly in the areas of executive functions of government, commonwealth/state relations and in the strategic management of health services, natural resources and the environment." In November 2007 the Daily Telegraph reported that Ms Kruk's annual salary had been increased to \$484,600 around \$100,000 more than she had been receiving in Health, \$50,000 more than what the previous incumbent had received and far more than Premier Iemma. Ms Kruk has recently fronted a Senate Inquiry into the 'Insulation Scheme' administered by DEWHA. On the question of the controversial Minter Ellison risk analysis of the scheme, it was found that Ms Kruk's Department had the report in April 2009 but didn't give it to Minister Garrett until February 2010. It was also reported that Ms Kruk gives weekly briefings to her Minister.



Another notable Macquarie Tower refugee has been John Pierce. Mr Pierce joined the NSW Treasury during the Greiner/Fahey years after being Chief Economist at Pacific Power. He served as Head (Secretary) of Treasury from 1997 until the end of 2008. It



was Mr Pierce and his clones who drove the Port Botany Expansion. The Commission of Inquiryⁱⁱ into the Port Botany Expansion was headed by Kevin Cleland and he recommended against the Sydney Ports third terminal. His recommendation was overruled by Minister Sartor. In his determination under a heading "Competition" the Minister notes:

During the primary session of the COI, the (then) Treasurer submitted a letter to the Commissioner that clearly articulated the NSW Government's policy position with regard to the need for the introduction of greater competition at Port Botany.....Not withstanding the Treasurer's advice, the Commissioner

found that he was not satisfied that SPC had provided sufficient evidence to support its claim that a third stevedore would commence operations at the port in the short to medium term.....The Department's conclusion is that the Commissioner's recommendation is fundamentally inconsistent with Government policy regarding competition as well as potentially facilitating a monopolistic situation.

The Treasurer at the time was Michael Egan who departed in January 2005 and handed over to Refshauge. From August 2004 to January 2005 John Pierce was a Visiting Scholar at Boston University, working on the economic and fiscal implications of an ageing population.ⁱⁱⁱ While there he was paid his usual salary of \$412,280. During Pierce's reign in Treasury Sydney's public transport system declined and there were poor outcomes for the Private Public Partnerships (PPPs) which the Government entered into, eg. Lane Cove Tunnel, Cross City Tunnel. Within a few weeks of the opening of the 2-lane M5 East it was evident that 3 lanes were required. The Government is now working on a parallel M5 to cope with traffic generated in the main, from an expanding Airport, Port Botany and allied businesses. In March 2009 Pierce took up the position as Head of Martin Ferguson's department of Resources, Energy and Tourism. Less than a year later, February 2010, he has been moved to Chair the Australian Energy Market Commission (AEMC).



And then we come to Mr Roger Wilkins who in an article in *The Australian* in August 2008, was described by a 'former senior colleague' as '**the consummate civil servant**'. From 1992 to 2006, he was head of the NSW cabinet office and the senior policy adviser to a Liberal premier, John Fahey, then to Bob Carr for ten years. He left in 2006 soon after Iemma's appointment to join a global financial services corporation. In less than two years he was in Canberra heading up the Attorney-Generals Department. In 2007 he was appointed an Officer of the Order of Australia for his service to public administration in New South Wales particularly as a contributor to a range of policy initiatives and to arts administration. Wilkins was appointed in February 2008 to head the Government's Inquiry into the viability of government subsidised carbon pollution reduction schemes under an ETS. The Wilkins Report published in May 2009 recommended against subsidizing domestic photovoltaic (solar cells) installations. Wilkins obviously had no understanding of the importance of empowering individuals at a grass roots level. It was not within his comprehension to consider that those who made the leap to generating power either for their own homes or community based organizations (libraries, schools, community centres) would use these tools for education and building community capacity in other ways. The Rudd government has not been promoting the Wilkins Report. Instead, Roger Wilkins was sent to Athens this year to advise the Greeks on how to revitalize their ailing economy by adopting better governance practices.

CLEAN UP AUSTRALIA DAY 2010



It was a record turnout of 105 at Congwong Bay for the 20th Anniversary of **Clean Up Australia Day**. The strongest representation this year came from the under 10s (24). Males outnumbered females 64 to 41, and adults outnumbered children 56 to 49.

Woollahra Pathfinders were here again along with district scouts and cubs - 1st Little Bay, 1st Kingsford Smith and Kensington 3rd/4th- Streamwatch. Fishcare and members from the La Perouse Precinct Committee and Kooloora Community Centre. 41 bags of rubbish were collected in addition to an umbrella, three buckets, one bin and a surfboard. Lionel from National Parks set up the marquee, table and chairs and collected bags from collection points, and Randwick Council collected the rubbish. On the previous Friday a team from Sydney Ports, along with a few locals from the precinct, conducted a cleanup of Yarra Bay's Bicentennial Park.

CELEBRATING ACHIEVEMENTS IN HEALTH, SAFETY & ENVIRONMENT

The 12th annual Qenos Safety Health and Environment awards ceremony, held March 12, saw the team from the Olefines Plant win against eight other finalists. The awards recognize the inventiveness of staff in achieving



better safety and environmental standards. Qenos is owned by China Bluestar, a subsidiary of ChemChina. The presentation following the awards, outlined the history of the relationship with staff in China since the Qenos sale in 2005. In October last year workers at the Botany Industrial Park were exposed to the 750kg spill of ethylene oxide from Huntsman. In an article in the Southern Courier in November, UNSW professor of toxicology and occupational health Chris Winder reportedly said the leak was an extraordinarily large amount and that the chemical can cause cancer and damage to DNA. Maintaining high standards in Health and Safety in a high risk industry is a major achievement and Qenos can be congratulated for supporting a culture that values staff innovation.

FOCUS ON FREIGHT FOR RUDD

In a speech in Adelaide on the 21st January Mr Rudd

acknowledged the significant deficiency in infrastructure spending over the past three decades.

"The needs are truly staggering, but meeting the freight task isn't only about Commonwealth investment. Its also about policy coordination and reform to provide the right incentives for private sector investment as well. That's why in 2010, the transport priority for the Council of Australian Governments will be freight transport. *"Infrastructure Australia is currently focusing its work on two new strategies: a National Ports Strategy and a Freight Network Plan. Initial work by Infrastructure Australia in these areas already suggests some important principles for these strategic plans"*

At the Press Club Forum on Freight last December trucking magnate Lindsay Fox argued for greater use of



coastal shipping, developing an inland rail network, **transferring more of Sydney's trade activity to Newcastle or Wollongong**, and shifting Melbourne's major port to Hastings on the southern peninsula.

"We do need to move away from running transport operations in the centre of the city, particularly on the east coast of Australia," he said.

FOR THE DIARY

April: 18: World Heritage Day www.gdrc.org

22: Earth Day www.earthday.net

May: 2nd - 8th

International Composting Awareness Week

www.compostweek.com.au

8th - 9th World Migratory Bird Day

"Biodiversity: Migratory species close to extinction"

www.worldmigratorybirdday.org

10th - 16th National Volunteer Week

www.volunterraustralia.org

22nd International Day for Biological Diversity

www.cbd.int/ibd

June:5: World Environment Day

United Nations Environment Program

www.unep.org/wed/2009/english

8: World Oceans Day

www.theoceanproject.org/wod

15: Global Wind Day

www.globalwindday.org

17: World Day to Combat Desertification and Drought

www.unccd.int

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March 2010 LYNDIA NEWNAM www.laperouse.info

ⁱ Of that throughput 439,058 were empty containers.

ⁱⁱ The Commission ceased to exist shortly after this.

ⁱⁱⁱ Treasury's Annual Report 2004-05 page 89