

# “In Support of Progress” Newsletter

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Date: 18 May 2013

Federal Budget

## **A Budget Matter**

Road vs Rail

Let me paint the picture. It is Saturday morning, breakfast time, radio in the background – It's news time!

During the week, the budget and the budget reply had dominated the news, and the Prime Minister had come to town to sell her story. The news was interesting. The Prime Minister had announced that \$100 million in forest compensation funds, (being an additional \$7 million to the amount already allocated) would be fast-tracked because she had decided that “Tasmania needed it”. And the Premier, gushing enthusiasm for the Prime Minister's comment, said she hoped she would “have a say” in how the money would be spent. Really?

The Forest Agreement had determined, as part of a total package of some \$387 million, that an amount of \$120 million would be spent on “regional development” projects over 15 years. The \$93 million referred to by the Prime Minister is in fact the amount left from the \$120 million originally promised, after taking out \$24 million for regional development projects already committed/spent, and \$3 million for two studies on special species timber and residues.

Now she has added another \$7 million - or has she? Maybe she has simply brought forward a future payment. The promise of \$7 million a year for regional development projects, presumably what has been mentioned above, does appear in the budget and in the forward estimates (a 4-year period), with a foot note “Includes \$65.0 million beyond the forward estimates period”.

Yet within a week of the budget, it is now \$100 million over 4 years. What changed? This cavalier approach “because I decided Tasmania needed it” would suggest she hasn't talked to her colleagues about it (including her Treasurer), that the budget is full of holes before the ink is even dry, or that circumstances have changed dramatically over the last week which require a budget review.

Don't get me wrong. She wants to spend money in Tasmania, that's fine. I won't argue with that. But where will the money be spent? It would appear that neither leader knows – in fact it would appear that the leaders hadn't even talked about it. Perhaps the Premier ought to be *insisting* on “having a say”, rather than just hoping for it.

The Prime Minister says that Jonathan West is going to be “employed” to help decide how the money will be spent. Now I know Jonathan and I like him. But this is a totally inappropriate thing for him to be involved in. Who will he be reporting to? What happened to the government's own advice? Where is the Department of Economic Development? It is all exceeding strange.

And even more strange when you consider Jonathan's past involvement in this process. He chaired, at considerable expense to taxpayers, the Independent Verification Group that did not come to any conclusion about determining what a high conservation forest was, as a basis for determining compensation. Now he is to determine compensation.

And it was Jonathan West who said, back in 1987 when National Director of the Wilderness Society, "leave untouched the National Estate Forests and you will hear nothing further from us". By 1989, the forests nominated were removed from production forestry, but we have heard a lot from them since. (for further details see newsletter 1310)

So the fox has been put in charge of the henhouse. Yes Premier, if you want this process to have any integrity, I would be insisting that you and your government have a say.

### **Road vs Rail**

As if that was not enough to make one choke on one's weetbix, that was not the only item of news in the bulletin.

It would seem that the Greens are up to their tricks again. Having decided that they will not take part in Cabinet discussions over certain matters – not forestry related - because they might not agree with the decision, (can you believe it?), Minister Nick McKim, who is NOT the Minister for Infrastructure, talked over his Cabinet colleague by making the comment that money destined for upgrading the Midland Highway would be better spent on a fast train corridor instead. "After all", he said, the road "will probably be mined for its oil content later this century". True – I confirmed this with the ABC.

Please save us from such absurdity.

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