# The Big Picture

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"News to use & bemuse"

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### Across the news

Once again, the news is filled with evidence of leadership failures and the failures of bureaucracy as a means to get things done

MORE than 400 vulnerable children were exposed to further sexual or physical abuse within three months of their cases being closed by bungling child protection bureaucrats.

In a shocking revelation, Freedom of Information documents show Victoria's Department of Human Services management is putting children at risk of further violence as over-stretched staff battle to juggle a growing workload HeraldSun

Australia is suffering from too many 'Sir Humphrey's' plus a political party system that leaves the job to the bureaucrats. The result is bloated governments creating inefficiencies and waste.

MAX Corden has a great term for the regulation of higher education in Australia: "Moscow on the Molonglo" (the Molonglo is the river that flows through Canberra). For many years, the central planners in Canberra have imposed all sorts of rules and directives on universities.

These have included the number of students, the courses the students can take, penalties for over-enrolment and penalties for under-enrolment. There was a time when Canberra banned airconditioning in university buildings. And, of course, the reporting requirements have grown like Topsy over the years, to the point that university administrators have become increasingly bogged down reporting back to Canberra. Aust

Bureaucracy is a massively inefficient system that quickly values statutory detail over service to the people.

Richard Wilkinson and Kate Pickett demonstrate in their 2009 book *The Spirit Level*, Australia now has one of the most unequal distributions of income among OECD countries.

In Guyana, the systems established to care for the most vulnerable young people were systematically abusing them. Governments in Australia also had the same set of explanations for the gap between the official story and the reality as the Guyanese, and we were getting the same excuses: "we" just needed more money, more training, more time ... ad nauseam.

In both Guyana and Australia, I saw two things operating. The first was the role played by a mixture of fundamental denial and fear that the truth would leak out and cause serious embarrassment. What we see is groupthink, that produces policy disasters and reflects the ethos of group processes used in high-level committees that mandate consensus and "dogpacking" any critic who dares to ask difficult questions. Age

We keep experiencing the same public service manipulations for more money – make the cuts where the public wants the services to make government appear valuable and to justify further tax and charge increases. The effects are to impoverish the citizens and their most valued institutions.

TASMANIA'S public schools are being forced to raise funds for basics such as classroom equipment and textbooks, a new survey has shown.

The money raised was put towards items including classroom equipment (according to 76 per cent of respondents) and library resources and textbooks (76 per cent).

Even more basic requirements have to be met by fund raising in some schools with 18 per cent of teachers surveyed declaring the money was used to pay salaries and 12 per cent saying it went towards basic maintenance.

Mercury

...and it's not just education that gets hit. Even life/death type operations are under threat from cost cutting and decline in standards

Australian & International Pilots Association identified a lack of manual flying experience, fast-tracked and pay-to-fly training, the impatience of Gen-Y pilots, their premature promotion, cost cutting, a reluctance for low-cost airlines to pay for experienced pilots, and inadequate and regulatory supervision among the problems. Overseas, an "insidious decline" in standards were a consequence of intensive and "excessive" competition between cheap airlines, and Australia was poised to follow suit.

TheAge

Cuts in maintenance, use of dodgy spare parts, indolent regulation – all play their part in declining service and increased risks

On July 25, a Qantas flight was forced to make an emergency landing at Manila after a mid-air explosion tore a hole in the plane's fuselage, while on Tuesday a domestic flight was forced to return to Adelaide after a wheel bay door failed to close.

TheAge

Australia has a real problem now that Labor dominates in government. Weaknesses or corruption within Labor are likely to affect us all.

...with the path from NSW parliament to the Independent Commission Against Corruption worn ever deeper, the destructive soap opera of backroom Labor deals, and aborted infrastructure projects, it's clear that dishonesty in government and poor economic performance are indivisible.

Aspirations of choice, freedom and economic prosperity will falter or fail if they swim against a tidal sludge of patronage, favouritism and corruption of process.

Australian

3 tiers of government means 3 tiers of waste and inefficiency that Australians are forced to fund.

In the past year households have been hit with a 20 per cent rise in electricity bills, water and sewerage charges are up 17 per cent, childcare has risen 9.4 per cent and property rates and charges are up 8 per cent.

Smokers have seen the cost of lighting up rise 24.5 per cent up as a result of the Federal Government's mid-year tax rise, and a beer costs 6.5 per cent more.

Telegraph

The government, whose role should include acting to reduce or eliminate inflation, has fuelled inflation in a range of ways and has acted to lose control of critical elements for our survival, such as water, telecommunications, health services and food production.

Acting to support economic theories should be tempered with a clear understanding of risks. The US has already found out what happens if key jobs are sent offshore to help companies to profit yet our governments are ignoring how this might apply to Australia.

Last May I was in St. Louis and was struck by block after block of deserted and boarded up homes, deserted factories and office buildings, even vacant downtown storefronts. Detroit is trying to shrink itself by 40 square miles. On October 25, 60 Minutes had a program on unemployment in Silicon Valley, where formerly high-earning professionals have been out of work for two years and today cannot even find part-time \$9 an hour jobs at Target.

The claim that jobs offshoring by US corporations increases domestic employment in the US is one of the greatest hoaxes ever perpetrated.

ICH

It seems that a study of 'offshoring' falsely counted multinational jobs as being US based.

In Australia we have seen the Wheat Board sold to overseas interests, now the Australian Stock Exchange is under threat from Singapore. Our politicians are sleeping peacefully through the impoverishment of our dairy industry, thus dropping acquisition prices for overseas interests. They have done nothing while a large carpet factory in Devonport is closed, while ACL bearings gradually sank and while McCain foods shut their doors, closing down a key market for hundreds of farmers.

They have chosen to focus on growing trees, with 3 political parties now supporting pulp plantations as a subsidised land use. The absurd contradictions in this focus have not been debated, nor has food been allocated a priority by our governments.

Someone accused me the other day of displaying "old-world thinking" on the subject of whether Singapore's stock exchange should be allowed to take over our stock exchange. But it's "old-world thinking" that allows you to build countries, while "new-world thinking" is often the stuff of bubbles and speculation. Besides, many countries such as China and Singapore are still applying "old-world thinking" — to great effect.

To use a traditional old-world metaphor, let's consider Monopoly, a simple game that is still very useful in explaining how controlling assets allows you to "win". Everyone knows that the name of the game is to secure the most properties and thereby beggar your competitors through rent, which you can increase even more by owning a string of properties and building hotels (call it a form of value adding). It's a very old game often played out in real life. That multinational of the old world, the East India Company, devoted itself to securing "foreign treasures", knowing the path to growth was foreign acquisition, while the home market was protected with a variety of draconian measures. The English and Americans followed the same path for decades, so there is nothing new in China or Singapore following similar measures, and even Japan before it. You buy outside while preventing your own assets from being bought.

Unfortunately, Australia seems to be doing pretty poorly at the international game of Monopoly, selling off its assets for short-term gain before we pay higher rents in the next turn. And the ASX deal is just the latest in an inglorious selection of deals.

The Age

It is clear that our politicians and their parties are not concerned with Australia's well being, particularly if it comes at the expense of their own well being. (See article by Barnaby Joyce below)

When politicians don't listen to the taxpayers who pay their generous salaries and benefits, when they tell us that any response other than the 'economically correct' response is 'economic Hansonism', we can sleep walk with them at our own risk, or we can wake up and take action to protect ourselves.

The choice is ours to make.

# That Was The Week That Was

#### **Governance** + spin

Out of touch bureaucrats fail again <u>SMH</u>
WA 'under seige' from Labor <u>Australian</u>
\$250 m for 3,000 Labor media 'advisors' <u>HeraldSun Punch</u>

#### Food/forestry

CFMEU declares forest wars over <u>Australian</u>
Parties agree to forest pact <u>Mercury Age</u>

#### Climate/water/energy/resources/environment

NSW Labor power insanity costing us dearly <u>Telegraph</u>
Politicians shamble towards higher power prices <u>Australian</u>
Sydney harbour toxic with dioxins <u>SMH</u>
Labor has failed on water: Turnbull <u>TheAge</u>

#### Health & education revolutions/communication/defence

School bake sales needed to top up budgets Mercury Age
Canberra bureaucracy choking our universities Australian
National curriculum a shambles Telegraph
Shaky rollout on the NBN front line Australian

#### Economy/social/shelter/transport/free speech/World

Debt reduction slows nation building: Davidson TheAge
Troops overwhelmed in Afghanistan: Brigadier TheAge
Impoverished ideas in welfare crackdown SMH
Australia's third world child protection systems TheAge
Inequality on the increase SMH
Google's smart tax avoidance moves TheAge
UK bobbies turned into paper shufflers TheAge
Government protection makes us less safe TheAge
InfoGraphic – growth of US poor HuffingtonPost
Pentagon fury at exposure of lies: Fisk TheAge
Afghan regime is monstrous Punch
Tea party is an Astroturf operation: Monbiot Guardian
US job losses are permanent: Craig Roberts ICH

## Water cuts will lock in food drought

The revelation from the Australian Food and Grocery Council that Australia is now importing more food and groceries than we are exporting shows that it is not beyond our government's capacity to destroy one of our nation's greatest strengths, that is, our ability to feed ourselves.

If you keep closing fishing grounds, if you keep taking away property rights and the capacity to manage the land through measures such as the vegetation laws, if you displace food production with cotton and trees, if you centralize the markets so farmers don't get a fair return for the work they do, if you bring in a Murray Darling Basin Plan which takes away the crucial element that produces the food - the water, and if seasonal conditions go against you, then you'll take our nation to a place where we rely on others to feed us.

This is a tenuous position because if the dollar was to depreciate because of a turnaround in the demand for iron ore and coal, then the question would be; would Australians accept the higher price of food in their trolley? Given all the other rises, could they afford it?

One of the greatest gifts Australia has is affordable, clean green food and we must reinvest in the right of farmers to produce it.

It would seem quite clear from the advice from the government solicitor that there are no ambiguities in the Water Act so the Guide to the Murray Darling Basin Plan should have taken a triple bottom line approach.

If the proposed cuts to water allocations go ahead in the Murray Darling Basin, our food bowl, we will lock in a trade deficit and the net importation of food.

The water cuts will lock in a permanent state of drought to our farmers and the inability to feed ourselves.

Barnaby Joyce