

The Big Picture

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"News to use & amuse"

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Absolute forestry

Australia's forestry industry must think just about all of its wet dreams have come true. They have received billions of dollars from MIS 'investors' and taxpayers without needing to generate anything in return except to plan millions of hectares of trees for their own use. In the process, they have ended up owning the land without having to pay for it, and not having to pay tedious land taxes now that they do own it.

They have populated governments, public services, boards, QANGOs and other bodies with forestry supporters who actively press the forestry agenda and suppress dissent.

As the juggernaut progresses, so the big multinational players are revealed as they gain control over Australia's resources, most pulp and paper mill suppliers that make huge profits out of selling mills, as management fees for running them and from their various contacts and contracts in the global fibre business.

Australian governments committed to plantations in the '90s along with 'nudge nudge wink wink' approvals for pulp and paper mills. One fly in the ointment was the environmental movement whose organisations resisted the clearing of native forests and protested the whole logging industry.

It now looks as though the forestry industry has successfully taken over the agenda of much of the environmental movement and now have their support for pulp mills and plantations.

By 1989 RMIT published a paper called "No Need for Conflict"....written by Judy Clark (a resource economist and ex government bureaucrat) and Margaret Blakers (a forest campaigner). The paper began promoting the view that with a growing plantation base it was possible for Australia to stop logging native forests entirely, with all of the country's sawn timber needs coming from softwood plantations and pulp from softwood and hardwood plantations. The first group to publicly endorse this position was The Wilderness Society in 1991 who encouraged consumers of timber to be 'ethical' by only buying plantation timber. The Greens political party was also active in supporting plantations.

[WorldRainForestMvt](#)

Unfortunately for someone, Australia's land is pretty much divided into desert, scrub, forest and farmland. Plantations aren't going to do very well in either desert or scrub, there's little point in cutting down our forests to plant trees (from a carbon sequestration viewpoint at least) and we don't have large areas of spare farmland.

As reported in [Issue 54](#), the government's tax incentives for tree plantations are likely to create some 35 million hectares converted to trees.

Where is this land area going to come from?

35 million hectares is 350,000 sq kilometres, equivalent to 1½ time the size of Victoria, or 5½ Tasmania's - a LOT of land.

The obvious forestry answer is to:-

- log more forests (e.g. Great Dividing Range) and replace them with plantations wherever possible, and
- convert more farmland to plantations.

Australia has about [450,000 sq km](#) of arable land including 270,000 ha of cultivated grassland.

Unfortunately large areas of that land, like the Murray Darling Basin, are now in severe drought and so are unusable for food production, or for tree plantations come to that. Other large areas are being lost to salination of the soils as deposited salts rise to the surface via irrigation water.

The same [source](#) tells us that Australia withdraws about 24 cu km (24 tera litres) of freshwater per year for domestic, industrial and agricultural uses.

Tree plantations, which are densely planted with trees all growing at the same rate, consume over 2 Ml/ha/yr of water to keep the trees transpiring.

Forestry's 35 million ha of trees will therefore require 70 million Ml/yr (70 tera litres) of water each year, 3 times our total use.

This entire issue represents various levels of the forestry industry, from big multinational paper and pulp mill operators/suppliers down to local forestry companies like Gunns, all working together to seat their friends in the halls of government and lobby political parties to assure themselves virtually total control of our forestry resources.

The compliance of governments in creating and maintaining tax payments to tree based MIS operators, resulted in large amounts of money going to forestry from the taxpayer, and from small investors, many of whom have now lost their money to forestry. Government now proposes further taxpayer subsidies to establish the new area of plantations.

The transfer of those monies enabled the forestry industry to purchase land on which to grow their trees, resulting in the largest transfer of land ownership in recent times, and making the forestry industry one of Australia's largest land owners.

Given what people closely associated with government are saying it's no surprise that an industry can totally capture government priorities.

Check out Crikey's Bernard Keane in his article about how lobbyists and a politicised public service are threatening good policy. Small wonder we're faced with....

...absolute forestry.

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That was the week that was

Governance & spin

Qld worst off financially [CourierMail](#)

Victoria's fire levy another covert tax [WeeklyTimesNow](#)

Forestry/Food/Agriculture

Tas food bowl scheme could end in disaster [Advocate](#)

Climate/water/energy/environment

New power meters will increase power bills by 40% [TheAge](#)

Sky falls in on our solar industry [Australian](#)

Public misled over size of oil spill [TheAge](#)

Rusted through power lines sparked bushfires [TheAge](#)

Health/education revolution/communication/defence

Possum shows health bureaucrats were lying [SMH](#)

College crisis blamed on regulators [Australian](#)

20,000 Telco complaints each month [HeraldSun](#)

Low costs dental imports contain heavy metals [TheAge](#)

Economy/social/shelter/transport/free speech

Tax review is fox i/c chickens again [Australian](#)

Dredging damage denies praise by Premier [TheAge](#)

Back to bad old days of Industrial Relations [Aust'n1](#) [Aust'n2](#)

Military justice system in tatters [SMH](#)

UN blasts 'demeaning' NT intervention [TheAge](#)

Tas housing crisis worsens [Mercury](#)

Street violence part of Australian continuum [TheAge](#)

New bankruptcy laws to protect battlers [Telegraph](#)

Real cost of avoiding property plunge [TheAge](#)

World

Double dip recession likely: Roubini [EconomicTimes](#)

Trying to avert a perfect storm of shortages [BBC](#)

No wage growth; No recovery: Whitney [ICH](#)

34 million in US using food stamps [ICH](#)

Who delivers?

Our politicians seem to be in a permanent state of confusion about what and who is important in government.

If we take a modern, industrial view of service (that which services are supposed to provide) we quickly learn that without paying customers (those who receive the service) the whole thing collapses. As a consequence, successful service (and product) industries focus on finding out what are, and delivering, the needs of their paying customers. When industries do this, they can cut unnecessary expenses, satisfy more customers and earn more income by so doing.

Unlike industries, our governments have captive customers, that is the customers cannot usually go anywhere else for the services that government offers. In other words, the customers have no power because there's no real contestability of service (choice).

In Australia's system, elected politicians have allowed themselves to become spokespersons for the service deliverers rather than advocates for the customers. The result is support for bureaucrats and administrators at the expense of service to taxpayers.

AS Tasmania's public hospital doctors languish in a 15-month pay freeze, 150 of the Health Department's bureaucrats saw their pay packets soar by up to \$20,000 a year...Figures obtained by The Examiner show bureaucrats have creamed millions out of Tasmania's health budget...Those bureaucrat wages do not include the European car and 17 per cent superannuation contribution that all executive service bureaucrats automatically receive.

Level four senior executives (bureaucrats) in the Health Department saw their base pay rise from \$191,263 to \$210,390.

An entry-level public hospital specialist earns about \$120,000. A top-level specialist gets \$163,000 as the base rate of pay. [EXAMINER](#)

Well, are these bureaucrats earning their keep? One Hobart GP writes...

"I sit with a state-of-the-art computer on my desk with encrypted information, you name it. The whole [patient] file is there at the push of a button and I can no more communicate to any of the doctors in the hospital than fly to the moon. Think how much we could shorten stays in hospitals. We could stop mishaps in hospitals by adding information we have accumulated in our practices.

"Communication between the public health system and the system I work in has never been worse. It is just appalling. [And the communication gap within the public system] has never been wider." [TasmanianTimes](#)

A focus on bureaucrats to the exclusion of health services...

Dr Alexander has since told Tasmanian Times that while GPs have never been more demoralized or depleted in number, the health system is further jeopardized by importing British bureaucrats.

"The National Health System in the UK struggles to give people access basic health care," he says. "It is an expensive, failing system - particularly in outlying areas. The UK system is [only] famous for producing health bureaucrats - which they export around the world and we are importing them." [TasmanianTimes](#)

Are these problems isolated to Tasmania? Not according to the [SMH](#) which reports a 'rotting core of public administration in NSW'.

...the public service used to provide a kind of continuity, especially for long-term planning and management, and

there used to be public servants capable of standing up to politicians....since the late 1980s...senior public servants have been made dependent on short-term performance indicators for their bonuses and promotions. So they too have become sensitive to the election cycle and to government by spin.

The kinds of planning and management that departments like health, education and public transport need to run their complicated businesses are not possible in short political cycles. They need people with extensive, often highly specialised, experience and the ability to stand out against successive politically motivated ministers. [SMH](#)

The result of the structural alterations to the public services that took place under Liberals like Greiner and Howard, has been to expose all of us to short term political approaches to key issues with a consequent degradation in service coupled with increases in costs of bureaucracy.

The dominant management theory asserted that management was management regardless of what was being managed; specialised expertise could be relegated somewhere far down the chain of command. This goes a long way to explaining why the health services, for example, seem to lurch from one crisis to another. The instructions coming from the top are not necessarily informed or relevant, but frequently overwhelm the ability of individuals with expert on-the-spot knowledge to take an initiative or defy a direction. [SMH](#)

This should all be sobering news to our politicians. But instead of learning that the problems are structural and associated with the absurd idea that service provision should be determined politically (as opposed to by meeting the needs of the customer who are paying for the services), our politicians like to spend all of their time extolling their own supposed virtues.

As we've said many times, Australia needs leadership that holds the citizens in highest regard.

To deliver better service, we need to help the people to deliver better service and that means listening to, and supporting, the service deliverers.

Perhaps the answer is the UK approach...

The Northern Ireland Human Rights Commission has advised staff to replace the saying "black day" with "miserable day", according to documents released under freedom of information rules to [The Sunday Times](#) newspaper in the UK.

It points out that certain words carry with them a "hierarchical valuation of skin colour". The commission even urges employees to be mindful of the term "ethnic minority" because it can imply "something smaller and less important".

The National Gallery in London believes that the phrase "gentleman's agreement" is potentially offensive to women and suggests that staff should replace it with "unwritten agreement" or "an agreement based on trust" instead. The term "right-hand man" is also considered taboo by the gallery, with "second in command" being deemed more suitable, it is reported.

Many institutions have urged their workforce to be mindful of "gender bias" in language. The Learning and Skills Council wants staff to "perfect" their brief rather than "master" it, while the Newcastle University in England's North-East, has singled out the phrase "master bedroom" as being problematic. [NewsCom](#)

Thank God we've dumped political correctness!

The threat to good policy

26 AUGUST 2009 **Bernard Keane** writes © [Crikey](#):

Any review that contains the words "this is an important book" should, as a rule, be ignored.

Nevertheless, former Health Department Secretary and Public Service Commissioner Andrew Podger's *The Role of Departmental Secretaries: Personal reflections on the breadth of responsibilities today* is, for an inside-Canberra memoir/commentary on the Australian Public Service, an important(ish) book.

Good policy is under serious threat in Federal politics. On issues as diverse as renewable energy, emissions trading, protection of manufacturing and employee share schemes, good policy has been overturned or bad policy perpetuated as a result of aggressive lobbying from industries that stand to benefit. The template is reasonably well-established: employ well-connected lobbyists; hire an economics consultancy to produce an "independent" report in your favour, warn of significant job losses (even if the "losses" are notional ones from reduced growth), coordinate a campaign with the press, and generously donate to the Government.

The Australian Competition and Consumer Commission's admission (reported in the *AFR* today by Laura Tingle, who has been following the issue) that it is unable to do anything about the discrepancy between reassuring statements to investors by rent seekers and their apocalyptic warnings to government of industry collapse confirms we're stuck with this model of policy debauchery by Australian businesses. More and more businesses will work at trying to influence Government policy this way.

Part of the problem is that the Australian Public Service—like state public services, particularly under Labor Governments in the last decade—is not regarded as the source of high-quality and objective advice that it should be. "Contestability" of advice and policy analysis is always a good thing, but governments need access to analysis that is unbiased by commercial considerations, and that is only available from one source, its bureaucracy.

Prime Minister and Cabinet head Terry Moran is taking steps to correct this, trying to bolster the bureaucracy's ability to offer creative and high-quality policy advice and best-practice policy implementation, which withered under the Howard Government's obsession with "responsiveness". The Rudd Government, in formalising a requirement for selection processes for a number of agency head positions, axeing performance pay for Secretaries and so far confining "jobs for the boys" to "jobs for Coalition boys", has complemented this.

But Podger's book offers an insider's perspective of how the APS has both improved and regressed in recent decades. It's by no means a dry analysis. Podger deliberately elected to be more open about his experience under the Howard Government than would normally be the case of an ex-Secretary, without breaching too many confidences. As a result, there's plenty of anecdotes to intrigue those interested in what happened behind closed doors during the Howard years.

For example:

- Michael Wooldridge—who evidently impressed Podger as a committed and intelligent minister—lobbied his Cabinet colleagues hard for a significant and ongoing boost in funding for indigenous health, but got no support.
- Relations between Wooldridge and Aged Care Minister

Bronwyn Bishop broke down sufficiently badly that Podger's department had to act as a relay between them during the critical budget process in 1999.

- Bishop tried to block the Department of Health annual report for 2000-01 on the basis that it was "her report" and contained data she did not wish published. Podger had to remind her it was a statutorily-required report from him to Parliament.
- During the "kerosene baths" affair, PM&C head Max Moore-Wilton ordered Podger to move into Bishop's office, Bishop having previously complained about Podger's failure to give her sufficient personal support. Howard's office told Podger he "needed to take a baseball bat to your department".
- The controversial—and eventually discredited—Howard Government policy of IT outsourcing for the Public Service led to then-ABS head Bill McLennan threatening to "biff" Moore-Wilton during a "robust" discussion on the issue at a Secretaries' retreat.
- Podger had to resist efforts from Howard's office and PM&C to interfere with his review of health services delivery in 2005, including directions not to speak to certain experts considered hostile to the Government.

The common factor in many of Podger's problems in the Howard years—apart, obviously, from Bronwyn Bishop—was Max Moore-Wilton, whose focus on—my words, not Podger's—slavish support for the Government ahead of effective and rigorous advice and evident distaste for Secretaries like Podger and Helen Williams (one of Podger's model Secretaries) who lacked his enthusiasm for "responsiveness" undermined the APS's tradition of professionalism and impartiality. This was only partly corrected by the more collegial Peter Shergold succeeding Moore-Wilton.

Even so, Podger regards the APS now—particularly after the Howard Government's *Public Service Act 1999*, which he sees as a model piece of public service regulation—as more responsive and accountable Service than that of 30 years ago. Nevertheless, he wants the APS strengthened through a series of improvements:

- A stronger, more involved Public Service Commissioner
- Secretaries to have some expertise in their portfolio (a view Moran supports)
- Formal management training for senior SES and future Secretaries, as well as the promotion of skill-sharing networks by central agency heads
- The need to for Secretaries to cultivate external and even international networks
- The need to allocate resources, and fit within strategic planning frameworks, longer-term policy research and development (an area that suffered serious harm across the APS during the Howard years).

The days when the Public Service was the only source of advice for governments are long gone. Now the challenge is a different one: to provide the high-quality, disinterested and balanced advice that Governments will not get anywhere else. The alternative is government by rentseekers and vested interests. Podger's book is a glimpse of how things can go wrong when politicians lose sight of that, and how to avoid repeating it.