



A WEEKLY COMMENTARY

ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance –

Print Post Publication Number 381667 00258

Vol.35, No.27

July 16th, 1999

THOUGHT FOR THE WEEK: *"It is characteristic of any sort of monopoly, commercial or political, operating against real and individual people, that it always claims a **mandate** from The People."*

– Dr. Geoffrey Dobbs "Responsible Government in a Free Society"

THE DEADLY KENNETT PRIVATISATION PROGRAMME by David Thompson:

Just when Victorians were wondering what other public utilities were left to be sold off, Premier Jeff Kennett has found a few more that could be worth a dollar. In particular, the recent Victorian Budget has allocated \$40 million to the privatisation unit, which will now move to sell off the State's water authorities.

Victoria leads the nation in the privatisation programme. Public utilities that have been sold off include the power generation and distribution system, the natural gas refining and distribution system, and the railway system, V-Line. Although the process is known as "privatisation", there is no attempt or intention to place these assets in the hands of individual Victorians. Voters or ratepayers have not been invited to become shareholders in their own utilities, but huge multinational corporations have.

The most recent example of this is the selling of V-Line. Tenders were called for the rail system. The four final bidders may **appear** to be Victorian or Australian companies, but examination of the fine print reveals otherwise. One of the bidders, Freight Victoria, is dominated by Rail America, which operates rail systems in Canada and the US. Rail America's partners in Freight Victoria include giant multinational construction company Fluor Daniel and Macquarie Bank.

Another bidder is Australian Transport Network, consisting of US rail company Wisconsin Central Rail Transport Corp, Tranz Rail (of New Zealand), a New Zealand investment bank, and Berkshire Partners, a Boston-based investing group. A third bidder is Genesee & Wyoming Australia, advised by the giant multinational banking firm of J.P. Morgan. The final bidder is Railroad Development Corporation, owned by wealthy US businessman Henry Posner. His other partners in the bid are GE Transportation Systems (General Electric) and the international bankers S.G. Hambros. So much for "privatisation". Another public utility that is being privatised is the new multimillion dollar toll-road that circles the city. The high-tech CityLink consists of electronic tolling points located on the freeway, which automatically charge motorists without being required to stop or even slow down. Motorists buy an E-tag electronic transponder, and pay toll credits in advance. The public protest against the E-tag is growing daily, with motorists asking why they should pay motor vehicle registration, and then be charged to drive on their own roads!

But perhaps the greatest public protest is building up in rural Victoria, where ratepayers have been bluntly told that every country town will be connected to a municipal sewerage system. Any protest falls on deaf ears. One ALP MP, Ms. Garbutt, has exposed the entire programme in her budget speech. In Parliament, she said:

"The current situation arises following numerous other steps by the government over recent years to establish water authorities as profitable businesses, which the government wants to sell off. Community representatives have been eliminated from the authorities, and all board members are business people. The [regional] water authorities have now been set up as businesses. They have been systematically amalgamated, and are now very large units.

"Recently an assessment and valuation of all the assets was conducted, and there has been a rush to complete sewerage and water schemes, despite fierce opposition from rural areas. Those steps have been taken to ensure that all capital works have been completed - at the expense of country Victorians - so that private companies can simply buy the authorities with no further capital works required and rake in the profits. . ."

In some rural areas, residents are having to pay thousands of dollars per household to do the capital works, and several thousand dollars for their homes to be connected. In other areas (marginal electorates) the capital works are being subsidised. A petition from Minyip, signed by nearly every everyone in the town, opposes the scheme. A Community Committee, having analysed the scheme, claims that in the North East Region Water Authority, sewerage works will be installed at no cost to residents.

The Kennett agenda is clear. Force ratepayers to finance the installation of sewerage schemes, attach these schemes to regional water authorities, and flog off the lot to some multinational corporation. This is privatisation, Kennett style. No wonder the opposition is fierce. The next Victorian election should be an interesting affair, and it may just be that Mr. Kennett has found a way to eliminate the National Party completely, as well as 'privatise' the State's water system.

LAMBS TO THE SLAUGHTER by Jeremy Lee:

The United States is no doubt reeling from the visit of an avenging John Howard, who has descended "like a wolf from the fold" on the issue of Australia's lamb exports. While World Trade Organisation rules probably say "it's not fair", it is worth considering the context of the present dispute.

An Australian Prime Minister has visited another country at least 10,000 kilometres away, to complain that the inhabitants should favour imported lamb over that from their own producers.

Put another way, Howard's message could read: *"We have sacrificed our own producers in Australia time and again in favour of the level playing field. You claim to favour free trade. Stop protecting your own citizens!"*

Howard's views do not seem to be shared by his fellow-Australians. The papers are full of letters questioning his intentions. A swag in *The Weekend Australian* (10-11/7/99) made some good points. One asked: *"...Why is it protectionism is a dirty word in Australia, but is absolutely essential in other countries Bill Clinton has proclaimed 'We look after our own'. If only we did the same - just once."*

Another asked why Americans were getting Australian lamb for \$3 a kilo when *"... I have to pay \$16.99 a kilo for lamb cutlets at the supermarket? I hope Bill gets in for his chop and gives Johnny a serve of lamb next week at lunch and puts him on the rack by asking him to explain why lamb is a luxury in many Australian households."*

The cartoons were no kinder, one showing a sheep suspiciously like the Prime Minister barking savagely at a sheep-dog!

In fact, Howard and Fisher's free-trade policies are right out of step with what the majority of Australians want. *The Australian Financial Review* (8/7/99) reported:

"Free traders may have won the intellectual debate, but Australians overwhelmingly back protection for local industry from import competition.

"According to a ground-breaking new study compiled by the Australian National University's International Survey Program, the majority of people in most of the 16 countries surveyed have grave reservations about free trade.

"In fact, the Australian community is one of the most protectionist in attitudes in the world ..."

The figures show that over 70 percent favour protection for Australian industries. Nor is this feeling new. The article added:

"... As early as 1984, at a time when trade restrictions in Australia were much greater than they are now, the survey asked a representative national sample of over 3,000 Australians whether they agreed or disagreed that 'our industries need stronger protection against imports from abroad'. Fully 64 per cent of the population agreed, 14 per cent had mixed feelings, and only 22 per cent disagreed"

That was one year after the Hawke-Keating Government gained office. The feeling in favour of protection has increased further since then.

We wonder whether Howard will tell Clinton that he "has a mandate" for free trade?

THE REFERENDUM FARCE: Following last week's article about the constitutional monarchists who want to run a campaign that doesn't mention "Queen" or "Crown", the republicans are now trying to get in on the act.

The Republican Movement's Malcolm Turnbull came out with the proposal that his campaign should not use the words "republic" or "president". His trepidation was not shared by advertising agencies. *The Australian* (8/7/99) reported:

"A leading advertiser said yesterday the excising of the R-word 'republic' from the republican referendum would cause cynicism among voters and harm the republican campaign.

"Creative director of agency McCann-Erickson Trevor Purvis said it was 'wholly bizarre that you would not even mention the very product you are trying to sell'.

"I think it's one of those words that says exactly what it is that you are trying to say.

"The first law of communication is to be as clear as you possibly can, otherwise it smacks of bullshit (sic)".

One is tempted to ask - a rogue bull? or a turn-bull? Whatever the answer, the whole gilbertian farce of a referendum in which the leaders come up with this sort of stuff is, to put it more delicately, sleaze.

Within 48 hours Turnbull had abandoned his new suggestion, and reverted to the original position.

J.L.

THE 'MINIMALIST' REPUBLICAN BILL: Republicans are still persisting with the furphy that they only propose a change to a President with the current powers of the Governor-General. The draft republican bill is very different.

The Queensland "No" republic Campaign - which is tougher and more forthright than the 'toe-in-the-water' ACM - has received a letter from the Clerk to the Senate, in which he says:

"Thank you for your recent letter concerning the so-called 'minimalist bipartisan' republic proposal. The suggestion that the head of state could be dismissed by the Prime Minister at the stroke of a pen with no safeguard except a possible ability of the House of representatives, which the Prime Minister usually controls, to discuss the matter is the most ridiculous Constitution alteration I have ever heard of..

"It has been well pointed out that no other republic has such an arrangement, the reason being that no other country has been so misguided as to adopt such an obviously unbalanced arrangement ..."

The following are extracts from comments on the Draft Republic Bill:

- * It mentions that the President would be chosen by a two-thirds majority of the members of the Commonwealth Parliament but does not mention that the President would be liable to be dismissed by the Prime Minister at any time OR could be kept in office indefinitely at the Prime Minister's discretion (s61, p.4)

- * The unspecified reserve powers of the Governor-General, hitherto matters only of convention, would be fixed in the Constitution, unalterable except by a further referendum and open to dispute in the High Court (s59,p.3)

- * If the Prime Minister's motion for the appointment of a President were not approved, no President would be appointed (s60, p.4). It could well suit a Prime Minister to leave the office vacant or to threaten to do so to ensure agreement to the nomination.

- * The President would not have a fixed term but an indefinite term ending only on death, resignation or dismissal by the Prime Minister (s.61, p.4). A Prime Minister could keep a compliant President in office indefinitely and ensure compliance by offers of continuation of the presidential term.

- * No grounds are specified for the Prime Minister to remove a President (s.62, p.5). A Prime Minister, in dismissing a President who had offended his ego could claim that there were undisclosable grounds of a scandalous nature for the removal and neither the dismissed President nor the public would be able to test such a claim.

- * There is no requirement for the Prime Minister's notice dismissing a President to be made public at any time (s.63, p.5). There would therefore be no opportunity for the public ... to ascertain if ... the Prime Minister could have been carrying round with him an undated or backdated dismissal notice.

- * The Prime Minister could dismiss all of the persons specified as acting Presidents by serial dismissal notices (s.63, p.5). Any acting President unacceptable to the Prime Minister could be passed over by a dismissal notice.

- * Presumably the Prime Minister would be the sole judge of any incapacity on the part of a President (s.63, p.5) and so could suspend a President at will.

The Presidential Nominations Bill:

- * The Prime Minister would have exclusive control over appointments to the Nominations Committee (cl. 6-10, p.4-5)

- * Only the lower houses of the state parliaments would nominate the state parliamentary members (cl.8, p.5). This would ensure that state governments controlled the nominations and would exclude minority parties in (the) upper houses.

- * The nomination process would be entirely secret (part 5. pp 10-11). The public would have no way of judging whether the Prime Minister has picked the best nominee.

Whew! We can only stress the old adage, "Oh, what a tangled web we weave, when first we practice to deceive." - J.L.

"ON TARGET" is printed and published by The Australian League of Rights, 145 Russell St., Melbourne.

Postal Address: GPO Box 1052J, Melbourne, 3001. Telephone: (03) 9650 9749, Fax: (03) 9650 9368.

Subscription \$40.00 p.a.