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E-MAIL COMMUNICATION

FROM: **Neil Smithson** TO: Hon. Brendon Grylls MLA – Min. Regions

AT: smithson@smithsonplanning.com.au AT: Minister.Grylls@dpc.wa.gov.au

From: Smithson [mailto:smithson@smithsonplanning.com.au]

Sent: Friday, 18 June 2010 9:27 AM To: martin.clifford@rdl.wa.gov.au

Cc: Wendy.Duncan@mp.wa.gov.au; Minister.Grylls@dpc.wa.gov.au; Peter.Watson@mp.wa.gov.au; Minister.McSweeney@dpc.wa.gov.au; Minister.Redman@dpc.wa.gov.au; Minister.Waldron@dpc.wa.gov.au;

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Subject: Review for Functions & Responsibilities of Regional Development Commissions

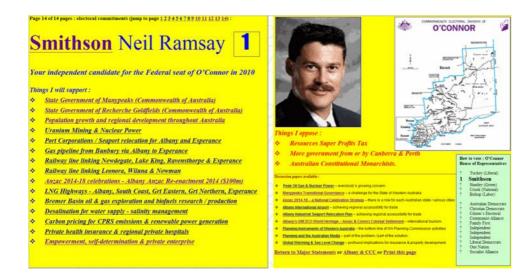
Mr Martin Clifford **Executive Officer Regional Development Commissions Review** State Government of Western Australia

Good morning Martin -

Firstly, let me declare that I will be a candidate for the Federal seat of O'Connor at the impending election.

You may care to review my policy statements (which include the creation of the State Government of Manypeaks), available at:

http://www.smithsonplanning.com.au/index_files/rainbow2000q.htm



While it was the Federal Coalition (and in particular the Hon. Wilson Tuckey MP - Minister for Forestry & Conservation) that established and oversaw the Agribusiness MIS taxation scheme and ignored the Rainbow 2000® Project from 1997-2007, it is Federal Labor (and in particular the Hon. Anthony Albanese MP - Minister for Infrastructure, Transport, Regional Development & Local Government) that has subsequently established Infrastructure Australia, Regional Development Australia and now the National Anzac Centenary Commission, as well as the prospect of the RSPT - nothing has changed, the emphasis is still on job creation and investment leading to wealth distribution.

I supported the \$2.6bn Ravensthorpe Project – and was prepared to examine port relocation in Esperance, but that was opposed by vested interest also – suffice to say that the Lead dust debacle was a significant wake-up call for the community.

I support the \$1.7bn Grange Southdown Magnetite Project - but recognise for a variety of reasons that the Port of Albany will have to relocate to facilitate that outcome.

The alternative is to destroy the City of Albany central business district, waterfront projects, and the heritage of the Anzac 2014-18 celebrations, and ultimately the bicentennial celebrations of 2026-27.

We note with interest the Hon. Peter Garrett MP - Minister for the Environment's decision yesterday to approve the dumping of dredge spoil in King George Sound by the Port of Albany / Grange Resources.



In essence, the Council, the Great Southern Development Commission, the State and Federal Government have all declined on multiple occasions over 13 years to be briefed on the Rainbow 2000° Project – a project that will create 30,000 jobs and lead to billions in investment.

The Hon. Graham Jacobs MLA - Minister for Water has indicated that the WA Water Corporation have not funded or constructed any part of the proposed Grange Resources slurry pipeline.

With reference to our previous email dated 03 June 2010 to the Hon. Grant Woodhams MLA - Speaker of the Legislative Assembly, the Minister's reply just leaves Question 3 (assuming LandCorp or Housing & Works or some other government agency hasn't installed the pipeline).

3. Will the State Government have to again dig up Princess Royal Drive (Hanrahan Road to proposed Grange port site) or the waterfront in order to construct the Grange slurry pipe?

In an ABC South Coast Radio interview conducted by John Cecil on Tuesday 15 June 2010, Russell Clark, Managing Director of Grange Resources Pty Ltd, the proponents of the \$1.7bn Southdown magnetite project indicated that his company had the full backing of the Australian / Japanese / Chinese investment consortium behind the project, and that he anticipated construction to commence in 2011 with export operations to commence in 2013.

We note with interest the expressed comments of Main Roads WA, Australian Rail Group and the WA Dept of Planning toward running pipelines in Crown reserves (gas, slurry or otherwise).

Affleck is a relatively uncommon name you would think - PATREC.



To the best of our knowledge, Grange Resources has no agreement to use the Albany Ring Road reserve, but Minister Simon O'Brien may care to confirm that status.

We look forward to seeing the construction management plan, and how Grange Resources and the Albany Port Authority intend to negotiate continuing port access during and after project construction.

The community of Albany has effectively by-passed opportunities to relocate the Port of Albany during the \$120m Grain Upgrade, the \$150m introduction of the Plantation Timber industry, and now the would be \$1.7b Iron Ore industry – all as a function of the fragmentation of state governance sectors, if not the direct intervention of State politics and commercial monopoly.

There has been significant growth in cruise shipping, and had the port relocated to an area with ten times the current land backed area (as per Rainbow 2000©), it would have freed up

the current port area for tourism and property development (eg. Bunbury & Geraldton), and there are significant opportunities associated with containerisation, fisheries, oil & gas, livestock export, military vessel support (eg. Perth / Cockburn Sound).

The growth of regional cities is a logical progression of State development; however, the evidence suggests that State governments of both persuasion over the past several decades have really done nothing to support meaningful regional development - save to transfer the wealth of the State back to the Perth metropolitan region and Canberra.

There is little doubt that the Rudd Federal government has taken a much stronger interest in Urban & Regional Planning and Development than the former Howard government, and that relationship is being tested via the proposed RSPT, but will it be grounds for a double dissolution?

There is little doubt that while the Gallop & Carpenter State governments espoused regional development, little occurred in the way of economic investment in the regions, and that outcome is reflected in the lack of regional planning undertaken under the Hon. Alannah MacTiernan MLA – Minister for Planning & Infrastructure.

I don't think anyone would argue that the Barnett / Grylls State government has certainly turned Regional Development (and its relationship with Perth and Canberra) on its head - the question is where to now?

Will the Rudd and Barnett Governments both be one-term governments? We shall see.

It should be an interesting Federal election – if you have any queries on our policy platform, please call.

Yours faithfully SMITHSON PLANNING

Neil R. Smithson

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Managing Director

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