SMITHSON PLANNING

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E-MAIL COMMUNICATION

FROM: **Neil Smithson** TO: Secretary - SSC Fuel & Energy AT: smithson@smithsonplanning.com.au AT: fuelenergy.sen@aph.gov.au

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

Sent: Thursday, 21 August 2008 12:16 PM

To: fuelenergy.sen@aph.gov.au

Subject: Submission: Senate Select Committee - Fuel & Energy - Impact of Peak Oil & Gas on

Urban, Rural & Remote Development

Committee Secretary Senate Select Committee on Fuel and Energy **Department of the Senate** PO Box 6100 **Parliament House** Canberra ACT 2600 **Australia**

Dear Sir / Madam

Please find following and attached our submission to the inquiry.

Should the Parliamentary members request a briefing, I would be pleased to facilitate.

Yours faithfully SMITHSON PLANNING

Neil R. Smithson

Neil R. Smithson

Managing Director

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Smithson Planning - Consultants in National Investment Growth Pathing

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From: Smithson [mailto:smithson@smithsonp	olanning.com.au]
Sent: Thursday, 21 August 2008 10:15 AM	-
To:	
<u>Cc:</u>	
Subject: Senate Select Committee - Fuel & Er	nergy - Impact of Peak Oil & Gas on Urban, Rural &
Remote Development	
Senator the Hon. Penny Wong	
Minister for Climate Change	<u></u>
Member for South Australia	
Commonwealth Parliament of Australia	

CC: Senators for Western Australia

Dear Senator - Please find following copy of our email from 20 May 2008 requesting an opportunity to brief you on this matter.

I have telephoned your Canberra office on two further occasions to request a response to that communication, and just this morning ... from your office has indicated that the matter as been referred to the Department for consideration.

Accordingly, I have attached the latest version of our discussion paper on **Peak Oil, Gas and Nuclear Power** for your further consideration, and that will also form the basis of our submission to the Senate Select Committee inquiry into Fuel & Energy.

I was most impressed by the Hon. Wayne Swan MHR, Federal Treasurer's recent comments in relation to poor investment decisions and accountability as reported in the West Australian newspaper .

ANZ fuels fears for health of big banks: "There were more fears for the well-being of Australia's banks yesterday when ANZ warned its annual profit would slump as much as 25% as the fallout from the US housing crisis forced it to set aside \$2.2 billion for loans it may not recover. ANZ's confession prompted Treasurer Wayne Swan to reassure consumers of the strength of Australia's banks. If there was any country in the world that had the capacity to withstand the full force of these developments, particularly on international financial markets, it is this country (Australia)."

"But Mr Swan also took a swipe at bank executives, saying they had to be held to account. It's important that both the boards and the chief executives are held accountable for the decisions, investment decisions, poor investment decisions taken over a period of years, as well as the fallout from the global financial market events. Prime Minister Kevin Rudd and Mr Swan held talks over the weekend with regulators, including the Reserve Bank and the Australian Prudential Regulatory Authority."

"Figures released yesterday by SuperRatings showed (*Australian*) superannuation funds had more than \$70 billion wiped from their bottom lines in the past financial year after the worst returns since the introduction of compulsory super in 1992. The average loss by balanced funds for 2007-08 was 6.4%. The previous worst performance since compulsory super was the 3.1% loss of 2001-02, which came on the back of the global recession and collapse on world share markets. The fall followed four consecutive years of double-digit growth in funds, including last year's 15.7%."

Hon. Wayne Swan MHR, Federal Treasurer Extract: West Australian (Page 1), 29 Jul 2008

The bottom line of the Emissions Trading Scheme is that it is a tax that must then be reinvested in mechanisms to address the problem.

It would appear that the Australian Government at this time has chosen not to direct future investment of those potential funds into the only proven non-Greenhouse Gas Emitting energy source capable of

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base-load power generation – Nuclear Power – which in our humble opinion, is a significant oversight by the government given international trends.

A more prudent course of action might include considering all forms of energy generation, and encouraging in particular those that do not exacerbate the current problem on the basis of future fear.

Ultimately, it will be the Federal Government that is held to account in both the domestic and international marketplace for ensuring balanced consideration of environmental issues (economy, ecology and sociology in the extant political and financial framework), where the government is judged by the shareholders both large and small.

Essentially, you as Minister are reviewing the impact of energy consumption trying to minimize GGE; however, I would encourage you to also consider the supply side of the transport / power generation problem, and consider 'best fit energy source' to do the job in a devolving market situation that has both domestic and international expectations for supply, demand and pricing structures where (of course) parties don't always play by the agreed rules.

Yours faithfully SMITHSON PLANNING

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

Sent: Tuesday, 20 May 2008 2:07 PM

To:

Subject: FW: South Australian Select Committee - Impact of Peak Oil & Gas on Urban, Rural &

Remote Development

Senator the Hon. Penny Wong Minister for Climate Change & Water Commonwealth of Australia

CC: Western Australian Senators / Senators Elect / Minister for Regional Development

Dear Minister

Thank you for the recent advice via Senator Ruth Webber regarding <u>Albany's UNESCO World Heritage Nomination</u> as an Australian Convict Colonial Settlement.

The following comment now appears on our website discussion paper after the extract from Hansard of 13 May 2008 :

Following up — While clearly a lot of Western Australian's would disagree, the outcome that the Commonwealth of Australia does not support including Albany's Old Gaol as an addendum to the World Heritage nomination was to be expected. The practical outcome of that decision is that the future of the Amity Heritage Precinct is an entirely Australian affair for consideration under Commonwealth, National, State and Local heritage registers in the lead-up to Albany Anzac 2014-18 and Albany Bicentennial 2026-27.

Today's news (Albany Advertiser) that the Commonwealth has abandoned the Regional Partnerships program, and Albany's Anzac Peace Park Project also adds to the flavour of world heritage recognition of this little city. I will be briefing the Council of the City of Albany this evening.

As a South Australian Senator, and the Minister for Climate Change, the following email should be of interest to you, and I invite you to download a copy of our <u>Peak Oil, Gas and Nuclear Power</u> discussion paper.

The Hon. Greg Hunt MHR, Shadow Minister for the Environment was good enough to extend an invitation to brief him in Canberra on the Rainbow 2000 Project, and I was wondering if you too would care for a briefing at a time convenient to yourself.

I look forward to your response.

Yours faithfully SMITHSON PLANNING

Neil R. Smithson

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Australian Business Number: 46 782 764 220

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

Sent: Wednesday, 30 April 2008 1:54 PM

To:

Subject: South Australian Select Committee - Impact of Peak Oil & Gas on Urban, Rural & Remote

Development

Mr Guy Dickson Secretary Select Committee on the Impact of Peak Oil on South Australia Legislative Council of South Australia In my opinion, there is a new Great Dividing Range emerging in Australia – coal in the eastern states and nuclear power in the west.

You may care to review our discussion paper on Peak Oil, Gas and Nuclear Power.

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

Sent: Wednesday, 30 April 2008 1:37 PM

To: Cc:

Subject: FW: South Australian Select Committee - Impact of Peak Oil & Gas on Urban, Rural &

Remote Development

Senator the Hon. Chris Evans – Western Australia

Senator the Hon. Mark Bishop – Western Australia

Senator the Hon. Glenn Sterle – Western Australia

Senator the Hon. Ruth Webber – Western Australia

Senator-Elect the Hon Louise Pratt – Western Australia

The Hon. Peter Garrett MHR – Minister for the Environment

The Hon. Anthony Albanese MHR – Minister for Infrastructure, Transport, Regions and Local Covernment

Local Government

The Hon. Martin Ferguson MHR – Minister for Resources, Energy & Tourism

You may care to review our discussion paper on Peak Oil, Gas and Nuclear Power.

I believe it is incumbent on each state to address this type of inquiry separately so that the Commonwealth might respond to the range of political positions taken, assuming bipartisan select committees are balanced in their consideration.

Perhaps the one item missing from the SA Terms of Reference is 'future asset maintenance' strategies – Bituminous Concrete derived from crude oil is still the most common method of building a road, airstrip, wharf hard-stand area, etc.

Neil Smithson.

From: Llewellyn, Paul [mailto:Paul.Llewellyn@mp.wa.gov.au]

Sent: Monday, 28 April 2008 6:53 PM

To: Cc:

Subject: RE: South Australian Select Committee - Impact of Peak Oil & Gas on Urban, Rural &

Remote Development

In fact the Queensland Government set up an Oil Vulnerability Task Force in 2006 I believe.

Paul Llewellyn MLC

Greens Member for the South West Region

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

Sent: Monday, 28 April 2008 3:28 PM

To: Cc:

Subject: South Australian Select Committee - Impact of Peak Oil & Gas on Urban, Rural & Remote

Development

Good afternoon one and all – arguably, this is the first examination by a parliamentary select committee at the State level in Australia.



Yours faithfully

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