

**Submission  
No 106**

**INQUIRY INTO THE CONTINUED PUBLIC OWNERSHIP  
OF SNOWY HYDRO LIMITED**

Organisation: Lake Eucumbene Chamber of Commerce  
Name: Mrs Jan Leckstrvm  
Position: Chair  
Telephone:  
Date Received: 5/07/2006

---

Theme:

Summary



# LAKE EUCUMBENE CHAMBER OF COMMERCE (INC.)

ABN 34892 647 464 Incorporation number INC9880093

Website: [www.eucumbenechamber.org.au](http://www.eucumbenechamber.org.au)

Submission to the  
Legislative Council Select Committee  
on the Continued Public Ownership of Snowy Hydro Limited  
Cooma, Wed. 5<sup>th</sup> July 2006

RECEIVED

05 JUL 2006

Jan Leckström,  
Chairman Lake Eucumbene Chamber of Commerce

SELECT COMMITTEE

SNOWY MOUNTAINS

## 1. Background:

In the Sydney Morning Herald's commemorative issue dated 19<sup>th</sup> April 2006 on page 3 there was a reprint of an article about one of the events considered pivotal to Australia's development as a post World War II nation. The original article appeared in the SMH about an event on the 17<sup>th</sup> October 1947 and described the official opening ceremony of the Snowy Mountains Hydro Electricity Scheme with the Prime Minister John Curtin in attendance. This ceremony was held at Adaminaby. All through the building of the Scheme which was instigated by the Commonwealth Government, the citizens of Adaminaby were told that their town was to be moved for the good of the whole of Australia and the personal sacrifices they had to make, of homes and lifestyle was for the good of the country. This was understood and to a certain degree accepted by the town's people in the post war context of the times but there are still some lingering issues which remain and can be addressed today. But one outstanding thing has remained, that is the total adoption by the Australian people of the iconic value of this Scheme which has been incorporated into their understanding of the Australia of today. The unprecedented way their opposition to its proposed privatisation and the unique way that this was expressed and grew in momentum, is the most amazing expressions of Australian identity that I have ever witnessed.

This is why this NSW Parliamentary Inquiry is so important, as it is examining something that has changed, that has to be re-evaluated and this is exactly what the Australian people want.

The businesses and communities that I will be talking about in my role as Chamber of Commerce chairman are located in the Lake Eucumbene area and in the north eastern part of the Kosciusko National Park.

## 2. The Region's Economy:

Since the completion of Lake Eucumbene in 1956 the focus of business life in Adaminaby, and the settlements that subsequently developed at Old Adaminaby, Anglers Reach and Providence has changed. In the last 50 years the region's economic focus has moved from agriculture to tourism and its service industries. In order of \$ value from the highest these are tourism, retail/manufacturing and agriculture. This region does not rely predominantly on tourism, or indeed on any one aspect of tourism. The locals work hard as most of their businesses are small, are owner operated and are mostly in the tourism/service sector and involve very long hours. Economically this region is fortunate as it has several 'strings' to its economic bow. The tourism sector this includes many types of fishing which in Lake Eucumbene operates twelvemonths a year, whilst in the rivers and creeks there is a closed season. There are also many historic places of interest, natural wonders such as caves, a thermal pool, waterholes, and activity based tourism such as horse trekking, bushwalking

and snow sports in winter. The Snowy Scheme and the Kosciusko National Park in their own right also attract tourists to this area.

### **3. Economic Restrictions and Limitations imposed on the Region:**

Whatever the future holds it must not be forgotten that these facts have influenced this Region's economic development:

- a. From the late 40s to the mid 70s the Snowy Scheme was built not only moving the town of Adaminaby but inundating the best grazing and farming lands,
- b. People who owned land above the high water mark of the Eucumbene Dam were forced to leave or move,
- c. At some point, possibly in the early 60s the Lands Dept. created a sub-division in Old Adaminaby and anyone living within 30 miles was not permitted to buy blocks. The social trauma caused by this decision alone still reverberates today,
- d. In the mid 1940s Kosciusko National Park was gazetted,
- e. Grazing rights in the higher country were progressively cut back then finally stopped in the 1970s and 80s,
- f. Then in the 1990s a new LEP instigated by the NSW Government imposed many developmental restrictions that, in the opinion of businesses and many locals, are unfairly and adversely affecting our growth and economy and
- g. Even now issues relating to this LEP are not resolved in spite of many years of negotiations between the Snowy River Shire Council and the NSW Government.

What this means is that these restrictions and limitations, all imposed from outside for the last 60 years have drastically affected the livelihood of real people. Over the last 60 years people from the Eucumbene region have had to work within the restrictions that have been imposed from outside, built themselves a way of life and renewed their economy. I would argue that these restrictions more far reaching than those imposed on urban businesses. This region contributes substantially to the economy of NSW so if tourism and its resultant service industries in the Snowy Mountains are adversely affected, the whole of the NSW's economy will also be affected. This issue is not just a local matter.

### **4. Lake Eucumbene and the Region's Economy:**

#### **a. % Water Level**

This region's economy depends to a great extent on fishing which contributes in excess of \$800 million into the state economy. The basis of good business management is proper budgeting and planning therefore it is necessary for local businesses to be able to do this. Lake Eucumbene is the largest inland alpine lake in eastern Australia and most businesses depend on it. Yet ever since the Snowy Scheme has been operating business information has not been available from Snowy Hydro about projected water levels, projected annual water use and the reasons for this, thus making the management of these local businesses very problematic. It sometimes appears to local business people that this could be callous disregard caused by Snowy Hydro's size in an almost monopoly like situation. Since Snowy Hydro was withdrawn from the market, the % water level of Lake Eucumbene has dropped substantially to the extent that this is now causing local economic hardship.

- The Lake's official level on 3/7/06 was 30.5%,
- On the 1/06/06 it was 35.5%,
- Making a total of a 5% drop in one month - which in terms of the capacity of that Lake is huge,
- This level is still dropping visibly on a daily basis.

Nothing is known at all about the reasons for this current movement of water. Access to the Lake in its present condition is extremely difficult as when it gets to this stage issues of public safety are raised. The Lake Eucumbene Chamber of Commerce would appreciate an immediate answer from the NSW Government.

**b. Business Liaison:**

The Chamber believes that as Lake Eucumbene is not just a business tool for the use of Snowy Hydro exclusively as it has always been publicly owned. Consequently the public and local businesses are owed information and explanations about planned water movement, projected water levels and water use – information that is theirs by right.

Since the commencement of the Snowy Mountains Scheme the relationship between Snowy Hydro and Adaminaby has not been positive. Now that the decision has been made that Snowy Hydro will remain in public hands, this is the time to review and improve it. There are many, many ways that the improvement in this relationship would benefit the businesses and the economy of the region and this is the time for new processes to be put in place to achieve this. It is essential that the NSW government as a 58% owner appoints a senior executive to liaise at least monthly with local businesses. Bridges need to be built and courtesy needs to be restored on both sides as this can only be to the betterment of Snowy Hydro and the region as a whole.

**5. Public Access to lands surrounding and the waters of Lake Eucumbene :**

It is not only in the interests of businesses but in the interests of the public at large now that public ownership of Snowy Hydro has been reaffirmed, that public access and recreational use of water and lands controlled by Snowy Hydro must remain. The right to launch boats and to use Lake Eucumbene, as now without cost, must also remain. The NSW Government must ensure this.

With regard to boat access in times of low water level this in itself creates a public safety issue. The NSW Government should ensure via the provision of an adequate central boat ramp that this is possible at all times.

**6. Public Safety on Lake Eucumbene:**

There are two significant issues which are relevant to public safety:

A. Recently the Lake Eucumbene Chamber of Commerce was invited to make a submission to the Cooma Coroner's Court at an Inquest into the drowning deaths of three fishermen in Lake Eucumbene in 2004. The Lake Eucumbene Chamber of Commerce has been concerned with the number of boating deaths on Lake Eucumbene and in consultation with members of the Chamber and the local community a number of causes and possible remedies were identified.

These facts were confirmed at the Inquest:

- a. It is known the weather conditions on the Lake can change very quickly some of the reasons being:
  - Its huge surface area,
  - Being surrounded by mountains and
  - Its altitude.
- b. Lake Eucumbene has been in existence for nearly 60 years and is renown for its unpredictable weather but at no stage has weather information been considered vital enough to be provided to the general public by any public authority inspite of public safety issues.
- c. Because there are no automatic weather stations operating around Lake Eucumbene that we were aware of, which obtain accurate weather forecasts particularly relating to wind directions and strengths, we have been led to believe that it has been impossible for the public to be informed about weather conditions.
- d. After the fatalities in 2004, repeated requests were made at the instigation of the Chamber by the Mayor of the Snowy River Shire to the CEO to a local radio station and to Snowy Hydro in order to have weather information for Lake Eucumbene made available. Unfortunately nothing as yet has eventuated because of the lack of automatic weather stations.

We have now found out that there may be an automatic weather station owned by Snowy Hydro located on the Dam wall, which provides weather information to Snowy Hydro. We request that the NSW State Government investigate this immediately.

B. The current low water level is preventing access to emergency and rescue boats and currently it is impossible to launch the Police Rescue boat.

In these matters of public safety we believe it is essential that the State Government as a 58% stakeholder should liaise with the Federal Government as a 13% stakeholder:

- Negotiations be entered into with Snowy Hydro and the Federal Bureau of Meteorology to provide weather information about Lake Eucumbene which could then be accessed by the media and relayed to the general public.
- Access to the Lake for rescue vehicles should be possible at all times.

These are matters of public safety and of extremely high importance.

### **7. Water Control:**

At the moment it is impossible to get accurate information about the bodies and appointed officials who make decisions about water allocation, water movement and all other issues associated with water management in Snowy Hydro and the States involved. This is not appropriate for a publicly owned entity and the NSW Government along with the other public owners will have to implement strategies to bring this to an immediate end. In the matter of water, which is one of, if not the, most precious asset that Australia possesses, all dealings should be open and accountable.

### **8. The Future:**

It is very easy to see from records kept by Snowy Hydro that snowfalls have diminished considerably in the last 60 years. We can foresee a situation in the not too distant future if the drought continues and the snowfalls continue to diminish, that there will be a conflict of needs between:

- a. Local businesses who have rights particularly those who specialise in tourism,
- b. Irrigators who purchase their water allocations years in advance,
- c. The water needed to keep a publicly owned Snowy Hydro operating, generating and selling electricity and,
- d. The rights of inland Australian towns to potable drinking water.

### **9. CONCLUSION:**

The NSW Government as a 58% stakeholder has a particularly important role to play in this new stage of the publicly owned Snowy Hydro's existence.

The Lake Eucumbene Chamber of Commerce requests that this NSW Legislative Council Select Committee includes the following matters in its recommendations:

#### **A. Economic growth and liaison between local businesses and Snowy Hydro:**

It is essential that the NSW government as a 58% owner should appoint a senior Snowy Hydro executive to liaise with local businesses in the matter of:

- Planned water movement,
- Projected water levels of the Lakes and
- Water usage,

to liaise at least monthly with local businesses. Bridges need to be built and courtesy needs to be restored on both sides as this can only be to the betterment of the region as a whole.

It is essential for the continuing growth of the region's economy in the directions that it has been forced to adopt over the last 60 years that this is instigated immediately.

#### **B. Public Access to lands surrounding and the waters of Lake Eucumbene:**

This should remain as is, and no new charges or costs should be imposed by the State Government or any government. With regard to boat access in times of low water level, the NSW Government should ensure via the provision of an adequate central boat ramp that this

is possible at all times from Snowy Hydro funds, as this region was dislocated so this Lake could be built.

**C. Public Safety on Lake Eucumbene:**

a) In this matter of we believe it is essential that the State Government as a 58% stakeholder liaise with the Federal Government as a 13% stakeholder, and negotiations be entered into with Snowy Hydro and the Federal Bureau of Meteorology to provide weather information about Lake Eucumbene via an automatic weather station which would then be accessed by the media and relayed to the general public. This is a matter of public safety and of extremely high importance and again should be provided from Snowy Hydro funds.

b) At this moment it is impossible for the Police Rescue boat to be launched which is based in Adaminaby and this issue must be immediately addressed.

**D. Water Control:**

In the matter of water, which is one of, if not the, most precious asset that all Australians own, all dealings should be open and accountable. All committees should be named, responsibilities clearly documented and the current secrecy and anonymity should be dispensed with immediately.

**E. The Future:**

The way the water in Lake Eucumbene is being moved at the moment displays a lack of respect for local businesses and the community and does not bode well for the future. There is a foreseeable conflict of needs between many interests if the amount of available water continues to diminish.

**F. Resolving the Past:**

Whilst public relief was evident at the time of the announcement that the sale of Snowy Hydro would not go ahead, there is another matter that is still unresolved. This is in the hands of the NSW Government and the Chamber especially asks this NSW Legislative Council Select Committee that has been set up to look into the continued public ownership of Snowy Hydro Ltd. to recommend that the NSW Government that:

- An inquiry is held as soon as possible into 'The Move' of the town of Adaminaby,
- That compensation be given to people who were unfairly treated

**The Lake Eucumbene Chamber of Commerce requests that this NSW Legislative Council Select Committee recommend the adoption of all these significant matters.**

**Proper planning for an altered future and recognition of the past must go hand in hand. This is an issue which affects all Australians. As it has recently been re-confirmed, all Australians are the owners of Snowy Hydro, the NSW, Victorian and Federal Governments all have a role to play in its management and administration.**

**They must do so very thoughtfully and carefully as they will all pay the ultimate price if they fail this trust in the eyes of the Australian people.**

Jan Leckström  
B.A. (University of Melbourne)  
M.Ed. (Monash University)