

Submission  
No 59

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

Organisation:

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Telephone:

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Theme:

Summary

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Artur Baumhammer

SELECT COMMITTEE

SNOWY HYDRO

The Director of the INQUIRY  
SNOWY HYDRO LIMITED SALE  
Legislative Council  
Parliament House  
Macquarie Street  
SYDNEY, NSW, 2000

The Rev. Hon. Dr. GORDEN MOYES MLC. COMMITTEE CHAIR

**Ref; Inquiry into the PROPOSED SALE of Snowy-Hydro- Limited**

1.

Dear Sir,

In response to the Legislative Council advertisement re the Select Committee on the proposed sale of Snowy Hydro Limited I wish to submit the following information:

- a) **WHETHER THE PROPOSED SALE OF THE SNOWY HYDRO LIMITED IS IN THE PUBLIC INTEREST.** More than 30 years ago 35- 40% of industry was owned & Controlled by persons outside our Economy. What is it today under the disguise of socalled required foreign investment necessity to develop this Country? The eloquent rhetoric used by the NSW government is evident in the latest Newspaper reports were Minister Mr. DELLA- BOSCA MP. one track mind continues to talk only of SALE, Not Today But Tomorrow, even though the People have voted and demonstrated their unwillingness for his sale proposals loud and clear. The appointment of (5-6 )FIVE TO SIX Directors , some even from the stock exchange, clearly indicates that it is the CASH- FLOW of SHL. Which is their aim , to fill their pockets with remunerations according to their used status egos, buy more companies and increase their salaries consequently all in the name of benefits to the community and country, of course some Donations will be made as a Token to some organisation to show the generosity of the New Company, (ALL HEART). Once Privatised NO Amount of Agreements or Political Promises will limit the ownership to overseas interests, phantom companies will just appear, BOTTLED WATER IS ALREADY OWNED 90- 100% owned by Coca- Cola – Amatil at S 3.00 per liter. Our development Now depends very much upon what is determined by persons outside this Community That development will be and has been HINDERED, because the revenues available to this community are Lessened- DRAINED by what is pouring out of this country in the shape of dividends and remittances Invisible Imports and Bonuses to the financial cartels and monopolies. All strategic parts of Australian's Economy, WATER, POWER INDUSTRIES MUST NOT PASS out of AUSTRALIAN Hands, especially not with Political Agreements, promises, or so-called Safeguards (LORD CHAMBERLAINS PIECE OF PAPER FROM MUNICH SIGNED BY Mr. ADOLF HITLER PERSONALLY should be a reminder of the subsequent events) are no better, only irreversible Legislation like our Constitution can effectively will stop the greed, the people power has been demonstrated. My written request to the Federal Ministry resulted in Senator Nick

Minchin Chief of staff responding with very eloquent phraseology of how good Free enterprise is for this country, the STATE PREMIER of VICTORIA was equally in accord with the Federals, except one more proviso they were to upgrade their school's to the most modern in the WORLD, the NSW response to date has been only an acknowledgement of receipt, but than I did not expect any more; as my experience personally with the NSW. Government to obtain the true expenditure were refused due to contractual privacy, this IS NOT DEMOCRATIC, it is public Money and should be open to any public scrutiny [Suppressio veri – Suggestio falsi = A SUPPRESSION OF THE TRUTH , IS THE SUGGESTION OF A FALSEHOOD], and not PRO BONE PUBLICO . The governments PROROGATION ATTEMPT is a clear indication of arrogant power play and this should not be allowed, the founding fathers must have been clairvoyant's to have the two houses, I HAVE OFTEN ASKED MYSELF WERE ARE THE DON CHIPS NOW ? I have attempted to follow your itemising as per the AUSTRALIAN, my first job was in ISLAND BEND in the Soils& Concrete Laboratory at 16 years of age. I have worked on various projects, at one stage my mother was at NIMMO as cock, dad at Cooma Polo Flat, and I at Island Bend: One of my last jobs was as Building Surveyor in the Kosciuszko National Park, I spend 3days in the witness box at the Thredbo Landslide Inquest and it took 6 Years to obtain my Inquest Transcript due to Technical Errors and an apology from the minister B. DEBUS MP. DO NOT GIVE IN.

- b) **THE NEED FOR THE SALE OF THE SNOWY HYDRO LIMITE** Ex SMA-SHL should be a HEREDITAMENT for the Nation , that will be passed on from Generation to Generation, under the supervision and management of (1) one Commissioner, like Sir William Hudson, if Hudson could build it single handed , than Why do we need (5-6 ) five to six nominated Directors @ 2 million dollars+ bonuses, these Directors salaries would easily account for the 20 million dollars now stated as required for maintenance and upgrade,[ previously to be 1.25 billions dollars quoted by the NSW Government as being the absolutely min.] to make it more plausible to sell, THANKS HEAVEN for ENGINEER MR. Max Talbot, Montague, Noel Carter to let the cat out of the bag with real facts. No person is worth 4 million dollars or more, the dollars sign disturbs their public responsibility, JUST LOOK AT “ ENRON “ in the citadel of free enterprise the good old USA . Several states that sold their water to private companies are now endeavouring to obtain it back, the result inflated prices make it almost impossible for the states to buy it back, depriving the community of a fair deal.
- c) **IMPACTS ON THE SHORT AND THE LONG TERM FINANCIAL POSITION OF THE GOVERNMENT INCLUDING IMPACTS ON REVENUE AND RECURRENT COST'S;** Before any consideration of the above statement, A FULL INDEPENDENT AUDIT SHOULD BE MADE AND PRESENTED FOR PUBLIC SCRUTENY. There are to many floating millions and Billions Quoted by the Government that a full investigation is required this ICON – SMA is the most profitable entity left in this country, in my humble View, otherwise the Government would not have raced the proposed Sale as they did. Where did the allowances for Depreciation GO ? In consolidated Revenue ? Than the present Shareholders should cough up, for the so desperate upgrading. The SMA was created to provide WATER FOR WESTERN NSW. areas and controlled flows for all of the MURRAY and MURRUMBIDGEE Irrigation, as the apparent deficit's are obvious to blind Freddy than do not flog the SMA-SHL the public already pays for extravagant buying of parks, roads and contract

consultants through the nose. Apparently the exSMA-SHL is a Milk COW for all Governments concerned. The revenue is almost constant as has been demonstrated by the Engineers at all meetings, especially as they were the executives financially and responsible for the maintenance programs, no Government should be compensated for the neglect to allow depreciation to be funnelled into their pockets.

- (d) **POTENTIAL COMPENSATION PAYMENTS TO AFFECTED PARTIES.** There should be need to compensate any one, as this whole dilemma is due to the Governments subterfuge, when REX CONNORS wanted to buy back the farm he was ridiculed. No compensation to any one!
- (e) **INTENDED USE OF FUNDS RAISED FROM PRIVATISATION** The answers received from Minister Mr. DELLA- BOSCA MP. at the Cooma meeting, were;” It will be beneficial, to all” he did not specify ANYTHING, but ofcourse you can trust me, [ Facta non verba, - Obscurum per obscurius LATIN, = Deeds not Words, explaining an Obscurity by something more OBSCURE still] that is my interpretation of the ministers statements. Prior to the Cooma meeting I wrote to all Premiers of NSW, Victoria, local state MP’s , Federal ministers and federal MP, the only written response came from senator Bill Heffernan, G. NAIRN OUR FEDERAL MP. Senator Nick Minchin MP. Chief of Staff David Wawn – quoting the poor old snowy equipment almost derelict, to provide reliable source of water and electricity in decades ahead, it needs to be able to pay an active and innovative maintenance and upgrade program for the Snowy Scheme’s plant and equipment, “ofcourse there is no mention that All Water is Juvenile and requires RAIN-from heaven, which presently is a rarity. The federal Government had no allocation for their share, it has to be assumed it would go to Consolidated Revenue box. Victoria was going to modernise their school’s to the 21<sup>st</sup> century requirements. NSW response IS STILL PENDING, but it will be BENEFICIAL for all I assume, with help from on high you may be able to ascertain the Intended Use, [Auxillium ab alto ]
- (f) **CONTROL OF WATER REGULATION** . The sale of SHL. will not change the strict & rigorous” Rules” {note not LAWS } that secure the water of the Snowy catchment for downstream use by irrigators & for the environment, so we are told, SHL. Only owns the physical assets (eg. PowerStation’s, dams ) it does not own the water it collets & releases. The Snowy Water Licence only gives the company the right to Collect, Divert, Store, & release water it imposes OBLIGATIONS ( not LAWS ) , it has so-called comprehensive Arrangements; these are all eloquent words but, the fact is water licences are traded and the new appointed directors already indicated that is what would happen, as the greatest profit comes from electricity that is where the water will go, the blame would obviously be the neglected maintenance inherited by SHL from SMA. It may be of interest that the largest Dams have been and still are below their Full Capacity for years the present levels were as at the 19-april-2006 as follows; Jindabyne-57.1%, Eucumbene –40%, Tantangara- 5.8% , MOL = Minimum Operating Level is approximately below 10% if you deduct those 10% from the present levels than it may sink in that OUR WATER IS NOT AVIALABLE AS THE

POLITICIANS AND THE BACK ROOM ARMY MAKES OUT. The prime objective was water for the arid areas.

- (g) **FUTURE LOCATION OF SNOWY HYDRO LTD. HEADQUARTERS.** Despite Politicians assurances & present CEO T. Charlton saying cost of relocation is out of the question, as city floor area at \$ 1000/ m<sup>2</sup> cost against Cooma's cost, it would be illogical, however the new appointed Directors have already have stated that they would not be residing in Cooma as has been documented in a very small column in the press
- (h) **JOB SECURITY FOR CURRENT WORKFORCE.** From information at hand, current employees were told not to make any statements, as it would be detrimental to their continued employment opportunities, reduction of permanent personal was already in the pipe line, as many functions would be let out on a Contract basis, you only have to read the unions representatives comments in the local press, about redundancies payouts. this most certainly would have grave consequences to Cooma's population, as these present employees are predominantly highly trained Technicians they would have to relocate to areas where their skills are required, possible even overseas.
- (i) **ACCESS TO LANDS CONTROLLED BY SNOWY HYDRO LIMITED AND .** Access after full privatisation will be in the hands of the owners SHL and since the appointment of these high flyer directors, I'm sure they will come up with a reason to charge an entry fee, to recuperate cost's for safety and public liability insurances, offcourse a profit margin would have to be included!
- (j) **REMOVAL OF DISUSED HYDRO INFRASTRUCTURE IN NATIONAL PARKS** No obsolete infrastructure should be removed as this is part of the heritage for future generations to see and admire.
- (k) **LIMITS TO FOREIGN AND MAJORITY SHARE OWNERSHIP.** Once privatised there will be no restrictions on company affairs, this has already documented in press releases, " IN VERY SMALL PRINT" and paragraphs by the appointed new director who is also stock exchange future's member, there shall be no restrictions or controls contrarily to other private companies that are listed on the Stock exchange; and I give you one (1) guess who will prevail, it will be the financial cartels. It will be a repeat and conform to precedents set as to all other foreign takeovers of Australian companies "IN THE INTEREST & REQUIREMENTS OF FREE ENTERPRISE THIS REQUIRES FOREIGN INVESTMENTS THEREFORE SNOWY HYDRO LIMITED SHOULD NOT BE EXCLUDED " all political assurances will be swept under the carpet, unless a MAGNA CARTA is drawn up to prevent any present or future GOVERNMENT to reconsider a SALE of our ex SMA-now SHL. IT'S OBVIOUS TO BLIND FREDDY that the Minister Mr. DELLA-BOSCA and the appointed directors are furious that the people POWER has stopped MOMENTARILY the sale, yet these people insist in their AIM TO LAY THERE HANDS ON THE BEST CASHFLOW COW in this Country; We shall ever be alert irrespective of the assurances given , nobody to date has publici questioned the Sudden reversal of the Prime minister, our locals MP. Statements that they worked behind the SCENE'S is not DEMOCATIC " Cui bono ? "

- (l) **IMPACTS ON TOURISM & LOCAL COMMUNITIES IN THE REGION.** As previously stated once Privatised occurred, only GOD would know what the new and present directors would adhere to all the assurances so eloquently presented, become null and void, their continued pursuit to sell at all cost, is EVIDENCE enough. I personally will not trust any politician's, guarantees, rules, assurances, and or promises . No matter what, the greed and arrogance displayed at the furious acceleration to conclude the SALE is sufficient proof only our combined people power will stop the politicians from further proposals to sell. The new company directors will for a time be so nice for a period, than they will impose restrictions combined with monetary request's, with consequent impact to tourism, recreations etc. This greed is evident in withholding the real truth to sell "Obscurum per Obscurius" The real effects and impacts will only appear after privatisation, We shall not be lured into this trap STOP THE SALE ! At all costs.
- (m) **CONTINUATION OF SUPPORT OF COMMUNITY EVENTS AND ACTIVITIES BY SNOWY HYDRO LIMITED.** The contributions by SHL, presently in monetary terms to sport, community events, and the Snowy Hydro Rescue Helicopter service for the next (5) years is very commendable and appreciated by all, but the fact remains this is our money, this contribution is only a fraction of the profit and people should not be blinded by these monies, they are Public Monies, and the publicity given should not be considered as generosity by SHL. Or for that matter make political Mileage. The rescue Helicopter is part of infrastructure that should be provided by all governments, yet they fail miserably to provide this service, private enterprise is not known to spend money without an ulterior motive, eg. To gain publicity, and image, or to gain tax relief unbeknown to the public.
- (n) **IMPACTS ON LOCAL COUNCILS** The promises and assurances given at various meetings by the present CEO Mr. Charlton are very hollow, as one of the new directors already had his ,DASHA, oh his office in sydney ear marked, in other words these so-called guaranties by politicians alike, are as solid as LORD CHAMBERLAINS piece of paper he received with ADOLF HITLER'S signature on it, not to demand further lebensraum, result WW II. For the CEO to state \$1000m/2 would be to dear to contemplate moving out of Cooma is only presently to pacify the locals, as the directors have no desire nor inclination to live in Cooma consequently their support staff will follow, resulting in population loss to Cooma, hence revenues will be affected.
- (o) **HERITAGE ISSUES.** The SMHEA- Snowy Mountains Hydro Electric Authority >SMA.- Snowy Mountains Authority is our NATIONAL, HERITAGE, LOCK, STOCK, & BARREL ! That's how it must remain for ever, " Pro Bono Puplico " (for the good of the public),I give you an extract from the SMA- MAGAZINE, Vol. 1., No.1. of August 1951; Visit by Minister Senator Hon. W.H. Spooner, M. M., Minister for National Development, after his visit on Thursday 19th July- 21<sup>st</sup> July 1951. The stage has now been reached when the Authority can undertake projects which will give us much needed Power & Water. Workmen, including many New Australians, are experiencing difficult working conditions, particular this time of year. They are Good Australians doing a good Job for Australia. This is the kind of scheme about which the public should know something, and **THUS BE ABLE TO SHARE IN THE NATIONAL PRIDE WHICH WILL ACCOMPANY ITS ACHIEVEMENT.** It was my privilege as a 16 year old




to be associated and learn from such eminent persons as, Prof. T. D. J. Leech, Prof. Rhonstock, and Prof. Mark Oliphant, these eminent peoples visions for the SMHEH-SMA were , that this scheme should be held in Public possession in perpetuity, that was over 50 Years ago therefore SMA- SHL must be apolitical, FROM HERE TO ETERNITY!

(p) **ANY OTHER RELATED MATTERS.** Various Engineers have presented, facts & financial figures eg. Mr. Max Talbot, Montague, Carter, Hain, that clearly show the deceptiveness in withholding the Truth from the public. I would like to present to the Committee the questions I put to the Minister Mr. DELLA BOSCA at the Cooma meeting, for your considerations as follows; Minister, do you know the number of dams in NSW, Minister, do you know how many Dams are Full, do you know how many are half ½ full or empty, do you know the Capacity of JINDABYNE, EUCUMBENE, & TANTANGARA DAMS, and how Full are they, NOW, NO ASWER HE DID NOT EVEN BLINK WITH THE EYES, a well rehearsed performance as far as I am concerned , further Minister do you know their capacity, dead silence, Well Minister let me tell you as of the 13-4-2006, the following WATER LEVELS WERE; EUCUMBENE 40%; JINDABYNE 57 %; TANTANGARA 5. 8 %, Minister, do you know what M.O. L. stands for, offcourse he DID NOT answer, I said well Minister please be informed that MOL stands for “ Minimum Operating Level”that means all dams Capacity is less 10% since those 10% are always under MOL to further demonstrate the false image portrait by you and all other proponents for the Sale of our Snowy Water, you are not only trying to convince with false rhetoric but give the impression that Water is available abundantly, when it is NOT. Minister do you know or are aware how many towns are out of WATER between COOMA and SYDNEY and or are under severe restrictions, how many are more than desperate, The Ministers eloquent response was true to Form a parliamentary whispered voice SAID “ NO “, the Minister continued to praise the benefits to all Australians in the long run, without spelling out anything, I said MINISTER; you are not only trying to sell the SMA-SHL you are FLOGGING OUR WATER & HERITAGE to SIUT YOUR OWN DESIRE. that

(q) **REV, THE HON. DR. GORDON MOYES MLC** ,PLEASE ensure the continuity of no Sale

(r) **YOURS FAITHFULLY**

  
Artur Baumhammer  
Senior Clerk of Works ret.( Emeritus )

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