

States to oppose funding for canal

Nigel Wilson
David Uren

LABOR states will oppose any application from a West Australian Coalition government for federal funding for Colin Barnett's \$2 billion Kimberley water canal.

Queensland's Natural Resources Minister, Steve Robertson, said yesterday the project appeared to breach the principles contained in the commonwealth-state agreement on the national water initiative.

These required projects to be properly costed and have their full economic and environmental impacts assessed.

WA DECIDES

Earlier in the week, Prime Minister John Howard cautiously endorsed the 3700km concept, describing Mr Barnett as "bold and courageous" for championing it.

Mr Howard said he believed it was a project that could receive federal funding under the National Water Initiative and criticised Western Australian Premier Geoff Gallop for not signing up.

Yesterday, Mr Howard formally received a letter from Mr Barnett committing a future state Coalition government to the National Water Initiative.

Mr Robertson told the Queensland parliament yesterday the canal concept threatened the capacity of properly costed projects in Queensland to receive funds from the NWI.

"The Prime Minister's indicative support for the Kimberley canal strikes at the legitimacy of the NWI, which

requires projects to be fully costed and have complete feasibility, economic and environmental impact studies before they are considered for funding," Mr Robertson later told *The Australian*.

The Queensland minister said the five states that had signed up to the initiative were already in conflict with the commonwealth's plan to fund the NWI through \$2 billion drawn from GST receipts.

This issue was set to be discussed at next month's Council of Australian Governments meeting.

Mr Robertson said that as the states and the commonwealth jointly appointed the five water commissioners under the NWI, he did not believe the canal project would receive support.

He said he had not been approached by the West Australian government to join the canal debate, but had been

approached by Mr Howard's support for it when the cost could be double of that claimed by project proponent Tenix.

Mr Robertson said the Tenix cost was unbelievable as Queensland was currently reeling a 1km water canal at \$2 billion in diameter, the cost of this work was around \$100 million a kilometre.

But the Tenix proposal was supported yesterday by a leading engineer who defended the engineering company's claim its canal would be more energy efficient than a pipeline.

The head of the University of Adelaide's civil engineering faculty, Professor Angus Simpson, said it would require a pipeline about 3m in diameter to carry the same volume of water as the canal, and said this would cost \$100 million as much energy as a canal.

However, he said growth of Adelaide's population would level the project by Tenix.

How an innumerate subtracted Barnett's hopes



Additional problems: Opposition Leader Colin Barnett watches his party's election chances fade away as discrepancies in costings are highlighted

Picture: Ross Swaborough

Why arguments turn to water Libs to fight 'thugs' with old IR system

Nigel Wilson

INTERNAL polling shows why the ALP and Coalition are hammering the Tenix water canal in the final hours before tomorrow's poll.

Water was not recognised as an election issue before Liberal leader Colin Barnett committed to the 3700km scheme at the beginning of a television debate with Premier Geoff Gallop on February 2, 10 days after the election was called.

In the ALP poll, voters were asked to respond to the proposition that there were too many risks associated with Mr Barnett's plan.

Seventy-three per cent agreed, while only 19 per cent accepted the proposition that there were no risks.

In the wake of the poll, the Coalition has this week concentrated almost solely on the canal, with Mr Barnett releasing an economic assessment that said it would produce 3000 jobs in its construction phase and pump \$475 million a year for three years into regional economies.

He also stuck to his mantra that he will build the canal without referring it to a committee of experts for decision.

The ALP strategy has been to attempt to undermine Mr Barnett's credibility as an economic manager.

In a new industrial relations policy statement, the Liberal-National Coalition pledged to change the state's legislation to allow "individual employment agreements" to be reintroduced.

The Gallop Government's industrial relations record has repeatedly come under fire during the election campaign, with the most recent attack from Prime Minister John Howard during his two-day visit to Perth.

Mr Howard's description of Western Australia as a bastion of union thuggery came as police blamed striking unionists for a series of brawls in the northwest town of Karratha.

Police said they were forced to shut the town's 11 licensed premises after drunken workers ejected from one bar were refused entry to another.

According to police, the main troublemakers were workers from the nearby Burrup Fertilisers plant who had voted that day to strike in support of fellow workers in the southwest involved in a protracted pay dispute.

But union officials disputed the police claims as "nonsense", saying it was ludicrous to suggest their members had caused trouble simply because

they had had the day off work.

Opposition labour relations spokesman Paul Omondel said the Coalition wanted to reintroduce individual contracts to complement the federal system of Australian Workplace Agreements.

"The benefit of going back to the same system we had before and harmonising that with the commonwealth is that it will make it easier for companies to negotiate with employees," he said.

"We've had tremendous support from the Chamber of Commerce and Industry."

Mr Omondel said no one could be forced to sign an individual agreement — a statement strongly contested by Unions WA secretary Dave Robinson.

"What happened last time ... is that people were told, 'do you want the job, or not?'," Mr Robinson said.

"It's as naked and blatant as that. The major issue is the disempowering of workers."

THE PROMISES

Consumer and Employment Protection Minister John Kobelke said a return to the old system would see many workers disadvantaged.

"There's a lot of talk about choice. There's also a lot of talk about picking and making sure no one will be worse off," he said of the Coalition's policy.

"That's what they said in 1993, but we saw wages in some areas lowered and a minimum wage \$50 less a week than the rest of Australia."

Either Man of Vision or Mr Reliability can win

THE usual theory is that voters suffer most in an election, followed by candidates. In this West Australian poll it has been the pundits.

After five weeks of campaigning, no one is the wiser. Any result, from a decided Labor win to a Coalition triumph seems about equally plausible.

The local newspapers deal in surveys of about 400 people, which are about as reliable as diagnosing heart disease by astrology.

At the conclusion of both campaigns, it is possible to construct two completely different outcomes, through equally plausible reasoning.

One sees a first-term government of moderate competence returning on the basis that it has committed no unforgivable atrocities, and is faced by a fairly average opposition.

Which of these brands the voters buy will determine the election.

Labor's nightmare is that even voters unimpressed by the specifics of the canal project will warm to Colin Barnett as the West's own action man.

The Coalition's Armageddon would see him dismissed as the political equivalent of the bloke who offers to sell you the Sydney Harbour Bridge.

Microanalysis of marginal seats offers little guidance. It seems that Labor is in difficulty in Albany, Murray and Bunbury, and possibly Swan Hills.

This would put them on the edge of losing government, but not quite over the line.

A great deal will depend on the size of the undecided vote, and how that nery tribe reacts to the last few days of the campaign. It is perfectly possible that the waverers make up

about a fifth of the electorate, and that a very sizeable proportion of them will suddenly decide for one side or the other. If so, an election that is close on the Thursday could be a minor landslide on the Saturday.

The danger for the Coalition is that the unsure tend to play it safe. Traditionally, they would opt for an incumbent government over an untried opposition.

On the other hand, there may be no late swing. In that case it comes down to the hand-to-hand fighting in the margins.

In that type of contest, either side could win, and anything from a perceived capacity for vision to a sudden power blackout could carry the day.

Greg Craven

The other sees a lacklustre administration sitting on a knife-edge swing tipped out by opponents with at least a bit of guts, who no longer have to worry about One Nation splitting the conservative vote.

Which is right, God and the party pollsters in marginal seats know. The bookies have Labor at short odds, but favourites do lose sometimes. Ask Northley and John Hewson.

All things being equal, an audacious Colin Barnett has

Darwin rail operator loses freight to road

Michelle Wiese Bockmann

ONE of the Adelaide-to-Darwin railway's largest customers will return some of its freight to road, in a major blow for the \$1.3 billion project and its struggling operator.

Industry sources say Northline, the second-largest freight forwarder using the line, is to take an undisclosed percentage of its freight business from the railway and transport it by road instead.

Northline had signed an agreement with FreightLink to transport up to 80,000 tonnes a year between Adelaide and Darwin on the railway. Its decision to withdraw freight is FreightLink's first significant customer loss

since it began operations 13 months ago.

A Northline spokesman said the transport company had been reviewing its freight arrangements since September — the same month FreightLink increased rates by 20 per cent.

The loss of core business, such as Northline's, lends weight to growing scepticism within the international shipping and transport industry about FreightLink's ability to achieve significant returns on its investment.

FreightLink said it had captured about 30 per cent of the Adelaide-to-Darwin "contestable" domestic freight market on the corridor, but said the company was not profitable.

Former chief executive Bruce McGowan said last year that FreightLink would only be profitable when it transported 800,000 tonnes a year.

FreightLink has been under pressure over its competitiveness since it first raised freight rates and then signalled a second rise for April.

A client revolt forced FreightLink to postpone the April increase, with a maximum 5 per cent rise scheduled for October.

"FreightLink chief executive John Fullerton defended the rate increases, adding: "We are very confident about the future; both domestic and international freight."

He declined to discuss the financial structure and viability of FreightLink's operation, which analysts said needed to

maintain its existing domestic freight business as well as grow international trade and generate new freight business target.

The blow to domestic business came as FreightLink revealed it was charging international freight rates at up to half the cost of domestic rates to try to boost international trade.

The two-tiered rating structure means a container shipped from Indonesia to Darwin and then sent by rail to Adelaide would cost less than a container sent only on the railway from Adelaide to Darwin.

Infant death No.4 finally brings some action

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three-year-old daughter Shania had fallen off a table. The toddler died the next day. An autopsy could not determine the cause of death.

The accused and her husband Steve Matthey run a fruit selling business down the street where Mr Matthey lives with the couple's surviving child, but he was reluctant to speak publicly yesterday.

The Matthey house looks like any other family home: plastic toys scattered at the back of the driveway, children's play equipment in the back yard and a golden Labrador waiting patiently behind the side gate.



Life too brief: Shania Matthey's grave

deaths until after the fourth Matthey child died. The family's eldest and only surviving child — a boy, now eight — has since been prevented from being with his mother without another adult present.

It was only after Shania's death that the Victorian Department of Human Services was told the children were from the same family.

This prompted the Bracks Government to amend the law so that all multiple child deaths in the same family must be reported to the DHS and the coroner for investigation.

Mrs Matthey was remanded in custody, and will next appear in court on May 19.

Additional reporting: Michael Davis

SPECIAL REPORT

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