

Morrison's infrastructure plan woefully inadequate

On 15 June Prime Minister Scott Morrison pledged to fast-track 15 priority infrastructure projects worth \$72 billion to provide 66,000 jobs. When juxtaposed with the 3.5 million unemployed and under-employed Australians, it's clear this response to the immediate economic crisis is woefully inadequate. So far Morrison has revealed just five of the 15 projects. He's said to announce the others in the coming weeks, so expect a series of media publicity stunts.

The infrastructure projects will be fast-tracked for approval under a bilateral agreement between the Commonwealth and the relevant State or Territory Government. Commonwealth assessment and approval times for major projects are planned to be halved from an average of 3.5 years to 21 months. But the plans thus announced fall well short of nation-building vision. The \$72 billion includes public and private investment, and the mere 66,000 jobs include *indirect jobs*, many of which will be temporary and low-paid casual jobs. Full-time equivalent (FTE) job data is lacking.



A map showing the two Marinus Link cables. Photo: Marinus Project Initial Feasibility Report, 2019

The five projects announced are: the Melbourne to Brisbane Inland Rail; Marinus Link electricity connection between Tasmania and Victoria; Olympic Dam mine extension in South Australia; emergency town water projects in New South Wales; and road, rail and iron ore projects in Western Australia. Aspects of these projects have merit, but multinational companies such as BHP stand to benefit most, while a grand nation-building vision is missing. And many important catch-up projects to address the nation's infrastructure deficit won't happen either.

A 2019 audit by the government body Infrastructure Australia concluded that the nation must invest \$600 billion into infrastructure over 15 years just to keep up with population growth. In a [report for the 2017 Commonwealth budget](#), Engineers Australia concluded a "steady deterioration" in its analyses of engineering construction of infrastructure on the ground. In 2018 Engineers Australia issued a major report, [Engineering Construction on Infrastructure—10 years of trends](#). In the executive summary, the conclusion for the general trend was clear: "Over the past 10 years, Australia's public sector engineering construction on infrastructure in real terms has displayed a downward trend. ... Private sector engineering construction on infrastructure has also displayed a downwards trend."

There is no shortage of workers to address the infrastructure deficit. Market research company Roy Morgan estimated Australia's unemployment rate in May was 14.8 per cent of the workforce. In addition another 9.7 per cent are under-employed, meaning that 24.5 per cent of the workforce lack work. The Australian workforce totals 14.1 million and is defined as those employed and those looking for work. So, around 3.5 million Australians desperately want more work, but the best Prime Minister Morrison can offer is "over 66,000 direct and indirect jobs", some of which will provide just a few hours' work per week.

Lack of nation-building vision

When the Chifley government commenced the Snowy Mountains Scheme in 1949, we had a government with vision. More than 100,000 people worked on the Snowy Mountains Hydro-Electric Scheme to build seven power stations, 16 dams, 80 km of aqueducts, 145 km of tunnels and 1,600 km of roads and railway tracks. Likewise, we witnessed nation-building vision with the construction of the

Trans-Australian Railway in 1912- 17. By contrast, today's infrastructure doesn't look to future development, but rather is enslaved by a market-based demand model in catch-up mode.

For example, the Melbourne to Brisbane Inland Rail project should have been built decades ago. It's now more urgent than ever because demand for freight transport along the corridor is expected to grow from 4.9 million tonnes in 2016 to around 13 million tonnes, or 1.1 million containers (twenty-foot equivalent units), by 2050. The existing railway between Melbourne and Brisbane (via Sydney) delays freight, but this is not news. This \$10 billion interstate freight project with 1,700 km of track will be built in 13 sections. The 103 km Parkes to Narromine section is expected to be completed this year.

The Marinus Link comprises two high-voltage DC cables each with a 750 MW capacity. It is purposely designed to be built in two stages, one cable at a time, as Victoria and New South Wales progressively shut down coal-fired power stations. The plan is to double Tasmania's "renewable" generation capacity, with a target of 200 per cent "renewable capacity" by 2040. This electricity will supply mainland Australia through the National Electricity Market. The undersea cables will continue as underground cables to cross land in Tasmania and Victoria. In a 16 June statement, Project Marinus General Manager Bess Clark welcomed Morrison's commitment to fast-track the Marinus Link, but it still *won't be "shovel ready" until the mid-2020s*. A 27 April Project Marinus statement said the "optimal timing" for the two stages would see them commissioned in 2028 and 2032.

Former Greens leader Bob Brown opposes the Marinus Link and is outraged that the new windfarms will threaten wedge-tailed eagles, among other birds, with extinction. His "solution" is that we just use less power! But a much better alternative exists in nuclear power. Typical construction times, as China has demonstrated, would see several nuclear power stations operating in Australia by 2028, making Marinus Link completely unnecessary. That would be a fast-track decision from a true leader!

BHP's Olympic Dam expansion is expected to provide up to 1,800 jobs during construction, with another 600 operational jobs to be created in the future. Olympic Dam is one of the world's most significant deposits of copper, gold, silver and uranium. Fast-tracking approvals for the Olympic Dam expansion is a win for BHP, but yields little for most Australians. Our nation could do so much more were we to control these resources and value-add in manufacturing, all of which could be financed with a national development bank.

By Jeremy Beck, Australian Alert Service, 17 June 2020