## Southland Times, Saturday, November 3, 2012

In an absolutely stunning admission of "marketplace" failure, Bill English announced this nation was facing a major crisis because Auckland needed 10,000 new houses per year and "the market" was only delivering 4,000 new houses per year. Government intervention was swift and decisive.

The number of State houses built in Auckland would be dramatically increased. Accommodation allowances for those on benefits would be maintained, despite cutbacks in other sectors of central government such as health and education. Government pressure was increased on Auckland Council so that more land would be made available.

This was a dynamic response to a regional crisis, yet, when Southland is faced with a regional crisis, suddenly the Government throws up its hands in horror at the thought of intervention in the sacred cow of the "marketplace".

I don't enjoy being a cynic but I guarantee if Invercargill had 38 MPs and Auckland was represented by one MP, suddenly the Tiwai smelter would be of huge concern to central government and anyone worried about a housing crisis in Auckland would be told to shove off and stick their concerns where the sun never shines.

To debate the issue of electricity supplied from Manapouri to the Tiwai smelter we have to go back to the 60s and early 70s when Rob Muldoon and Bill Birch launched their Think Big projects such as the Marsden Point oil refinery, Taranaki's methanol plant, the Tiwai smelter and other regional initiatives. They were attacked by urban MPs for supporting regional New Zealand and intervening in the "free market". With the benefit of hindsight, the projects were absolutely brilliant.

Lake Manapouri and Lake Te Anau have a combined catchment area of 4,688 square kilometres, are 178 metres above sea level and only 10 kilometres from the coast. All we had to do was drill a hole between West Arm and Deep Cove and we would be able to generate clean, green, carbon emission free electricity for the next ten thousand years.

I worked as a tunneller on the project during the mid-60s. It was hell on earth working in putrid fumes without face masks, safety glasses or earmuffs. A man a mile was killed and hundreds injured. There were regular snow storms and 200 inches of rain per year; but we put up with these conditions because we were told that this hydro project was absolutely unique. It was purpose-built for an aluminium smelter that would provide hundreds of jobs in the Southern region for approximately 90 to 100 years. We were also told that the electricity generated would be cheap due to the two huge lakes, but the smelter would still generate enough revenue to pay for the entire Manapouri power project. By now the smelter has paid for at least 10 times the cost of the original project in electricity bills.

The aluminium we produce is 99.98% pure, the purest aluminium in the world. We should support the smelter and showcase its produce as an example of skilled Kiwi workmanship and innovation. Tiwai should regularly receive national awards for its safety record and its contributions to environmental projects.

I feel outraged that Murray Horton, of the Campaign Against Foreign Control of Aotearoa, is accusing Southland's biggest manufacturing industry of being a bludger. In my view, Auckland is our biggest foreign bludger, but as a professional lobbyist, Murray is unlikely to attack its 38 MPs. By 2040 2.1 million people representing 42% of our total

population will live in Auckland. Most will be immigrants and refugees as only one in four residents in our Super City were born there. This has created an unsustainable demand for more schools, hospitals, State highways, light rail and housing.

If they are choking in traffic jams and can't afford the \$500,000 required to buy a shack in a crime-infested slum, why should provincial New Zealand be forced to subsidise their desire for an urban lifestyle? However, if central government does decide to help solve Auckland's problems, then all we are asking is that perhaps a few crumbs could be invested in provincial New Zealand.

Meridian Energy's former CEO Tim Lusk was last year paid \$1.37 million including \$800,000 in bonuses while profits plunged from \$303 million to \$74 million. Its top 10 executives were paid on average \$656,000 so I don't believe that Southland is being unreasonable.