

When Telstra was privatised, customer service deteriorated dramatically.

Victoria's power was privatised in the mid-1990s, bringing increased costs, inadequate maintenance, blackouts, the end of electrical apprenticeships and growing skill shortages, massive transfers of profits offshore, and the loss of control over the direction of power generation.

"What we're going to see is these sort of private sector operators off-shoring the jobs of New South Wales workers once the fistful of dollars is spent and the three-year job guarantees are gone."

**Unions NSW Secretary
John Robertson**

Stop Electricity Privatisation! YOU CAN DO THAT!

1. Give copies of this leaflet to friends, neighbours and workmates.
2. Sign our petition or download a copy of our petition from the website. Send in completed forms to:
**Stop Electricity Privatisation
74 Buckingham St, Surry Hills NSW 2010.**
3. Spread the campaign to your neighbourhood, workplace, community group.
4. Visit our website for more information
www.cpa.org.au
5. Read our weekly newspaper, *The Guardian*.



The Communist Party of Australia (CPA) can be contacted at:

74 Buckingham Street, Surry Hills NSW 2010

Ph: 9699 8844.

Email: cpa_sdc@cpa.org.au

Power to the people! NO privatisation of electricity

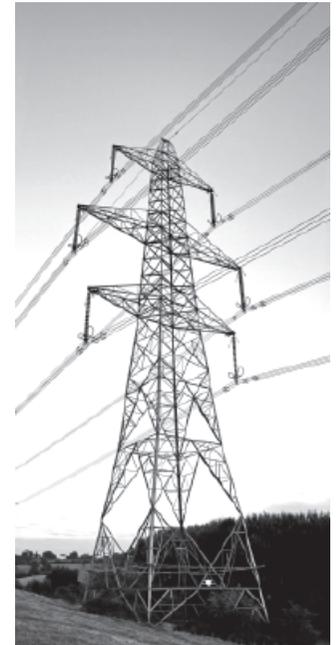
The NSW State Labor Government wants to abandon its responsibility to provide our electricity service. It wants to sell off the State's electricity retailers and lease its power stations. The electricity service, which the government has provided for decades, is to be privatised. Why?

The lemma Government claims the \$15 billion it expects to get from the sell-off of community assets is needed to pay for infrastructure projects. But these large infrastructure projects are based on a high degree of borrowings. So why privatise profitable electricity generation and sales?

Privatisation of profitable public enterprises deprives government of ongoing income. Governments should operate profitable public enterprises to ensure they have the funds to cross-subsidise public services, such as education, health and public transport.

Big business is delighted. Since the massive taxpayers' investment needed to establish State Electricity has been made and the service is up and running and generating profits, of course they want to buy it. The international credit rating organisation Moody's has enthusiastically endorsed the scheme.

Private corporations have to make profits and once they gain ownership of coal-fired power stations they'll want to make as much money from them as possible.



"In South Australia after the sell off, prices went up dramatically and infrastructure wasn't upgraded, and they just keep telling us to turn our air conditioners off if its really hot else the system will shut down."

Email to the ABC

The Truth About Privatisation

Privatisation hurts people

Public ownership means people have an avenue for complaint through parliaments, ombudsmen etc. Private ownership creates a barrier to improving services, with commercial “interests” and “commercial in confidence” taking precedence over the public interest.

Privatisation will mean that the money earned by the state’s power industry will go into private pockets instead of coming back to the government and through it to the people. (estimated to be \$730 million to \$1.6 billion)

The electricity pirates will work to increase their profits, by cutting jobs and justifying such cruel measures with innocent terms such as “downsizing” and “efficiency”.

Privatisation leads to price rises, so electricity prices will go up and the number of shops servicing the public will be reduced. Prices rises to electricity will hit the most vulnerable in this society.

Cutting costs to increase profits will lead to cuts in maintenance and therefore reduced reliability and customer service.

Privatisation will mean the price of servicing in remote areas will escalate dramatically.

The companies holding the power station leases will have only one objective – generate profits.

Are private companies more efficient? Only in generating profits! In every case privatisation of a public utility has lead to job losses, increase in prices and zero input into infrastructure.



“In Victoria, before privatisation, my electricity bill was \$240 per year. Now I pay \$1,250 per year.”
Email to the ABC

Infrastructure

The lemma Government claims the state cannot afford the new electricity generation which will be needed in a few years time.

But deficit financing is economically sound and NSW is already using it for other major infrastructure projects. Even NSW Treasurer Michael Costa himself has said: “Our infrastructure program is based on a high degree of borrowings. We make no apology for that.”

There are also other sources of funding apart from rapacious corporations. Industry superannuation funds are one example.

Again we ask: Why is the Labor Government taking a profitable public enterprise away from the people and giving it to profit-hungry private companies?

Global warming

Privatisation of electricity is a major setback to the development of renewable sources of power such as wind, solar and geothermal.

With the problems associated with global warming and climate change, the question of energy production has become extremely important. It cannot be left to private companies which are set up to make profits.

Only a government has the capacity to tackle climate change decisions in the interests of the whole community, for the immediate and longer term future.

We should be moving away from coal-fired power stations and investing heavily in renewable energy generation. Privatisation is a barrier to making this transition. Mining and burning of coal in Australia is responsible for 40 percent of our greenhouse gas emissions.

The record of privatisation

When the NSW Government sold off the Government Insurance Office, the price of green slips skyrocketed as the private insurance companies colluded at the expense of motorists.

The privatisation of Sydney Airport has led to increased costs. A privatised Qantas became involved in price fixing.