

INQUIRY INTO GENTRADER TRANSACTIONS

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LEGISLATIVE
COUNCIL

The Director

General purpose Standing Committee No 1

Parliament House

Macquarie St

Sydney, NSW 2000

Submission to the Electricity (Gentrader Transaction) Inquiry

I object strongly to the power sell-off made in undue haste late last year before Parliament was prorogued in what must be seen as an attempt to stop the necessary perusal by Parliament of such an important sale- it would seem that the Keneally government has much to hide

NSW is losing a valuable income stream worth much more than the \$5.3 billion sales price and we have lost assets which return \$750 million per year, money which is needed for health and education. The Keneally government has no mandate to sell the generators and the retailers as privatisation was not mentioned during the last election and polls have consistently shown that the power sell-off is deeply unpopular with the people of NSW.

There is no doubt that power bills will increase as the gentraders seek to make more profit and to that end also jobs will be lost after the protection period finishes. This power sell off is giving away profits to the private sector but retaining many financial risks for the public. The secret deals to subsidise coal prices for the gentraders illustrates this point as it means that we will be paying for cheap fuel for the gentraders for years to come.

No thought has been given to the State's obligation to reduce climate change. The power industry creates at least 40% of NSW's greenhouse gas emissions. Reducing this figure will be much more expensive and difficult if the private sector, not noted for its desire to combat climate change, has control of the generator outputs.

Privatisation of NSW's power will be bad for the economy, unemployment, Household power bills and the environment and thus the decision to privatise must be reversed.

Wendy White

