

INQUIRY INTO GENTRADER TRANSACTIONS

Name: Mr John Inshaw

Date received: 11/01/2011

9th January 2011

The Director,
General Purpose Standing Committee Number 1
Parliament House,
Macquarie Street,
Sydney 2000
NSW

Dear Director,
Re: Electricity Privatisation (Gender Transaction) Inquiry.

I wish to inform the Committee that we oppose the sell off of public assets to private enterprise. We are especially opposed to the sell-off of our power industry. We note that current opinion polling shows that the people of NSW also are opposed to the sell-off.

At the last State Election there was no mention of an intention to sell the gentraders or the electricity retailers to private enterprise by the Labor Party. As a consequence we believe that the Keneally government has no mandate to sell the gentraders.

Recent history of power sell-offs in other Australian States demonstrate that such actions are bad for the State. Whilst the private sector purchasers will be handed huge profits, many of the financial risks remain with the public. Remember also the Cross City Tunnel?

We have no doubt that our household power bills will sky rocket as the private sector operators will seek to make higher profits in order to please their share holders.

Our understanding of the situation leads us to believe that our State will lose a valuable income stream. Over \$750m a year will be lost. This amount of money is sufficient to supply the teacher, nurse and hospital needs of the State. We find it hard to understand why the State was so keen to sell off these assets at a time when the uncertainty of carbon prices and the international financial crisis has devalued the assets with the result that the sale price was minimized.

It also seems apparent that confidential deals have been struck to sell coal at prices which are highly subsidized by the State. Again the NSW taxpayers will be paying the bill to the advantage of the gentraders.

What really convinced us that this sell-off was a poor economic deal for the people of NSW was the resignation of the directors of the state-owned generators. Something is radically wrong for these resignations to have occurred.

Finally, we believe that the Keneally government is trying to hide something from the people of NSW by proroguing parliament when it did. Clearly the Keneally does not want this enquiry to take place.

We look forward to the outcome of this enquiry.

Yours faithfully,


John Hishaw