

**Submission
No 38**

INQUIRY INTO GENTRADER TRANSACTIONS

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I urge the General Purpose Standing Committee No. 1 to advise the NSW Government to cancel all contracts which would result in the privatisation of any part of the power industry and to keep electricity generation in public hands.

The NSW power industry creates almost half of the State's greenhouse gas omissions – if the private sector is in control of the generator outputs, it will be much more difficult to reduce NSW's contribution to climate change.

Householders and small businesses will have to pay more for power as the aim of the gentraders will be to increase profits.

Once the employment protection period is over, it can be expected that Australian jobs will be lost with functions such as call centres being located overseas.

By selling power generation assets, NSW is losing a source of future income that could contribute to vital community services, in particular health and education. To compound the damage, profits from the sale of electricity will go to the private sector while much of the financial risk will remain with the NSW public.

The arrangements by which the NSW Government plans to subsidise coal prices for the gentraders would result in NSW taxpayers paying for cheap coal for the gentraders for years – an incentive to their further contributing to greenhouse gas emissions.

The people of NSW have consistently opposed electricity privatisation. Privatisation was not raised at the last election so the Keneally Government has no mandate to pursue any form of privatisation.

In contrast, public ownership of the electricity industry gives NSW a unique opportunity to become a world leader in the transition to renewable energy and energy efficiency which has the potential to create thousands of new jobs.

Large scale public investment in large-scale renewable power projects such as solar thermal generators and wind turbines will secure energy supplies for several decades.

Subsidies for small-scale renewable energy systems including feed-in tariffs will help households and communities to play a major part in a green energy revolution in NSW.

I welcome the opportunity to express this Inquiry my opposition to the proposed sell-off of NSW's power industry.