

# Australia: Power workers oppose NSW Labor government's privatisation bid

Our reporters  
27 February 2008

Around 8,000 people rallied outside parliament house in New South Wales on February 26, protesting the Iemma Labor government's bid to privatise key sections of the state-owned electricity industry.

Workers from power stations on the NSW South Coast, the Upper Hunter Valley, the Central Coast and Lake Macquarie were joined by state government workers, pensioners and community groups, and other working families opposed to the power sell-off.

Alongside banners and placards condemning power privatisation were signs castigating the government's pro-market policies, including those facilitating the unbridled operations of property developers and the sale of publicly-owned assets and land, such as the Callan Park psychiatric hospital site.

Placards were scathing of the Iemma government and its treasurer (former Unions NSW chief) Michael Costa. "Remember what we did to the Howard government" read one banner (referring to last November's electoral rout of the federal Liberal government). Others read: "Flog Labor Not Power", "No mandate, no debate. What a disgrace!", "Costa will Costya", "Even Brendan 9% would be better" and "Costa, Iemma, say sorry for the stolen generators".

Power workers who spoke to the *World Socialist Web Site* said privatisation was connected to broader issues, including the ongoing rundown of social services, health and education, and the destruction of decent permanent jobs and training for young people.

But Unions NSW, the state's peak union body which led yesterday's rally, has no intention of initiating a broad political and industrial campaign to defend the conditions and rights of ordinary working people.

The real purpose of yesterday's rally was to let off steam and channel anti-government sentiment back behind Labor. The unions are working to contain the opposition of power workers and ensure it does not come into open conflict with either the Iemma government or the federal Labor government of Prime Minister Kevin Rudd, which has declared its support for the power sell-off.

While some power delegates had originally proposed that the February 26 action should be a mass picket of parliament, Unions NSW insisted that this be watered down to a community rally and that MPs not be prevented from entering the building.

The peak union body is promoting illusions that Iemma can be pressured through limited protests to drop its privatisation plan, with claims that a section of Labor MPs will lead some kind of fight to force a back-down.

Opening Tuesday's rally, Unions NSW assistant secretary Matt Thistlethwaite declared there were 15 state Labor MPs on the platform and commended them for their "courage" in "opposing" Iemma and Costa. Their supposed opposition, however, has more in common with concerns over the future loss of seats. Public opposition to the privatisation of state electricity is running at 64 percent and Iemma's approval rating is at a 10-year low.

Significantly, the very same MPs lauded by Thistlethwaite have supported every pro-market initiative of the Iemma government, from the

handing of millions of dollars to private enterprise under Public-Private-Partnership schemes and the wholesale closure of public enterprises, to the introduction of a plethora of laws undermining democratic and legal rights.

Labor MP for Blacktown Paul Gibson made clear that the "dissident" MPs promoted by Unions NSW had no fundamental differences with the Iemma government's plans. Gibson told the media, "If the Labor platform and policy said tomorrow that we were in favour of privatising electricity then I would speak against it but I would go along with the party."

Unions NSW secretary John Robertson revealed the union bureaucracy's underlying support for the Labor government, telling the rally, "It is disappointing that we find ourselves campaigning against a Labor government, one that you would think would be looking after the interests of workers." "I am very sad to be here".

Robertson won applause when he declared: "We just threw out a federal government that had become arrogant and lost touch with the people," but quickly added: "We don't want to throw out a Labor government that has lost touch."

Then in a show of abject grovelling Robertson issued an appeal to Iemma, declaring "it is not too late to listen to the people of NSW" "What we want is a political leader who has the courage and strength to admit he got it wrong. It is not a sign of weakness to stand up and say privatisation will not proceed."

As Robertson and Thistlethwaite are well aware, the Labor government has no intention of backing down on its plans to privatise the state's electricity. As power workers prepared to rally yesterday, Iemma told ABC radio's 702 that the privatisation bid would proceed.

The pages of the corporate-controlled media have responded to yesterday's rally with blunt orders. A full-length editorial in today's *Sydney Morning Herald* contemptuously declares the Iemma government, "should have little difficulty dismissing [yesterday's] ragged show of people power", while the *Australian Financial Review's* editorial states: "Mr Iemma must stick to his guns and press ahead with the energy reforms." The swift response from the Fairfax media indicates extreme nervousness in the face of a Labor government that is rapidly imploding.

The *Herald* editorial is particularly noteworthy for its denunciation of recent union-sponsored television advertisements opposing the power sell-off. "The unions' evocation of evil capitalists," the *Herald* thunders, "does more than trivialise the debate on an important subject—it points to the ideological nature of some opposition to privatisation. As the Treasurer has pointed out, in such conflicts argument is useless. Those who hold to the ideology that capitalism is responsible for all society's ills are immune to rational thought."

The *Herald's* editorial writers are articulating the fears in ruling circles that mass opposition to privatisation, and the debacle of public health, education, roads and transport is producing a climate in which ordinary people will increasingly start to criticise the basic priorities and economic structure of society.

The only perspective offered by Robertson to the thousands of workers present at Tuesday's rally was to "go back to your communities and talk to your family and friends". "Go and bang on the doors of your local MPs and ask them what is their position on privatisation, and if they are Labor why they are not opposed." He later told the media that the campaign would now "focus on community based events".

There has been no campaign of industrial action. During yesterday's rally, Unions NSW officials ensured skeleton crews kept power stations running.

Despite the fact that many workers had travelled for hours to attend the rally, the speeches from the platform lasted barely 30 minutes and the demonstration was then abruptly wound up.

A leaflet distributed by supporters of the Socialist Equality Party made the following call: "Power workers and other working people need to take the campaign out of the hands of the trade unions, who are working to contain it to limited protest and dead-end attempts to pressure and appeal to Labor; and mobilise a broad political and industrial campaign to stop the sell off.

"The fight must raise the demand that publicly-owned utilities, necessary for the provision of the essential requirements of masses of people in a modern society, be placed under the democratic control of those who work in them and of working people generally. Such a campaign can only be carried forward on the basis of a socialist perspective, aimed at the complete reorganisation of society as a whole, where production is organised and operated to meet needs of the many, not the private profits of the few."

Among those workers who spoke to *World Socialist Web Site* reporters was **Merv**, from Energy Australia. "I came with the union. It's more than just what it means for people working in the power industry. The issues are far broader. At the end of the day it is important for all people in the state.

"I am upset that the privatisation is being carried out by a Labor government. They have no right. They went to the elections putting forward one position and then changed that position when they came into office. No one voted for this sell off of power.

"Politicians have no right to say one thing—'there will be no privatisation' and then do another. I have no idea why they are putting privatisation forward now when the majority of people in the state are against it and want to keep this asset publicly owned.

"We campaigned in the federal election to get rid of Howard but the unions also campaigned for Iemma and Labor in the NSW state election last year. In fact the anti-WorkChoices campaign did a lot to get Iemma back into government. They say 'thanks for getting us back into power but now we are going to stab you in the back'.

"I can only say it is now up to caucus to pull Iemma into line—they should have done it by now. This government is already under pressure with politicians involved in accusations and scandals.

"I believe the Liberals would sell us down more quickly. Labor could do a lot of things. Instead of pumping money into private health, it could pour that into public health and completely nationalise the health system in this country."

Tim Murphy, also from Energy Australia, said "I don't see why the government has the right to flog off something that doesn't belong to them. The power industry belongs to the people of NSW. These are public assets not the property of a bunch of politicians. Iemma and Costa have no mandate for the sale. They did not go to the last election on this policy.

"We campaigned for Labor in the last state election and now they are selling power workers out. At all levels federal and state, Labor better realise they are only there thanks to us. If they go ahead, by the time the next election comes around they might find themselves out of a job. There are plenty of other people coming onto the scene who are fed up with the ways things are going that could be an alternative. There will be more in

the future because people are becoming fed up with Liberal and Labor."

**Tony Roeth**, a dozer driver at Bayswater power station in the Hunter region said, "I have come down from Bayswater because I think the privatisation has to be opposed. It is no good for the people of NSW and it is no good for power workers and their families. You only have to look at where it has been done in other states to see that. Prices increase and workers lose jobs.

"I feel Labor and the Liberals are pretty much the same. Labor does not seem to care about workers that much. They all want to bring in American conditions for workers here. I am not sure how it should be fought.

"All I can do is go on strike and protest against it and I am prepared to do that. But I don't think the unions will do that because we can get fined under the IR laws."

**Albert Falzon**, a public servant with the NSW Department of Primary Industries, took the day off work to attend the rally, travelling from Maitland in the Hunter Valley: "This is a public asset, paid for by the people of NSW and it shouldn't be going to the hands of a few just for profiteering. Prices will increase and there will be disregard for the environment and the community. The main thing for them will be the dollar sign.

"We are totally against it. I didn't bring my kids today only because they are at university and my son is away at camp, otherwise they would be here shoulder-to-shoulder with me. This is mainly for them—and the kids of our kids. We have to respect that, and we have to respect the environment and not just profits.

"It is sick and sheer arrogance on the part of the Labor Party. It is immoral and against Labor Party policy. The current NSW Labor government was elected in March 2007 on the virtue of 'no job losses' in the public sector. It was also a very good dry run for the federal election in terms of 'Your Rights at Work' and now we find ourselves here today with a Labor government that wants to privatise, which will result in job cuts and also higher prices for utilities."

Gonzalez said he was unaware of recent statements by Kevin Rudd in support of privatisation. "Maybe he should take heed of what's happening here. John Howard got tossed out of office, most unceremoniously, through WorkChoices. The people don't like to be taken for granted anymore."

**Phil Garland**, also from Bayswater powerhouse in the Upper Hunter, said, "When you look at it—this is the last state that has government run power. Once it is privatised, electricity will be like petrol—the private owners will be able to charge what they like for it.

"How are ordinary people and the poorest sections of society going to be able to meet power costs? It's more than about our jobs—it is about people being able to afford what is essential to live.

"This can open the way for further privatisations. Anytime they want to swell the government coffers for some reason, they will sell off more public assets. All that the Iemma government sees is a big pot of money. What will be the future for our kids if this type of thing continues?

"Why did they set up the State Electricity Commission in the first place? To ensure a stable supply of electricity for the state, that's why, but once it is sold off that can't be guaranteed any longer—not by private enterprise that is only interested in returns.

"The power industry is an asset not a liability, and anyway power provision is a public service. I am really disappointed that Rudd came out

in support of the sell-off. I thought originally he had opposed it but next thing I read in the papers was he is backing it.

“His playing up to the private sector flies in the face of all that he said before the federal elections, like standing for working families. The money boys are talking. Rudd’s support for the sale, especially straight after winning the election, gives Iemma and Costa’s claims about the benefits of privatisation more credibility than they deserve.

“We have already lost jobs at Bayswater and Ledell power stations over the last decade and under Labor governments. We once employed 3,000 across the two units, now we have just 600.”

Garland said he was disappointed, but not surprised, that a Labor government was pushing privatisation saying he remembered that the previous Hawke and Keating Labor governments had carried out privatisations. “They sold off the Commonwealth Bank and Qantas but it didn’t do the country or workers any good.”

Commenting on the demand of the Rudd government that workers accept wage restraint in the so-called fight against inflation, Garland said: “A book tells you to beware of the money lenders. Anything that is created by your hand, by workers’ hands is real wealth—money making money like the speculators and banks does not create anything—that is inflationary.”



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**