

# Australia: Unions call off rallies against NSW electricity privatisation

Terry Cook  
31 May 2008

Unions in New South Wales (NSW) are working overtime to prevent an open confrontation with the state Labor government as Premier Morris Iemma pushes ahead with plans to privatise the state's electricity industry.

This week, the Newcastle Trades Hall Council called off a mass rally planned to coincide with a cabinet meeting on May 27 at Maitland in the NSW Hunter Valley. The region is home to the state's largest power stations and a centre of deep-going anti-privatisation sentiment.

Trades Hall secretary Gary Kennedy told ABC News the rally had been scrapped to avoid "inflaming the issue". He explained that negotiations with the government "are at a very delicate stage" and declared: "We don't want any sort of incidents to jeopardise negotiations. Everyone's a bit pumped up."

When the WSWS asked Kennedy about the "delicate" negotiations, however, he said the talks between the unions and the government had reached a stalemate because the government refused to give ground on its preparations to sell or lease the power stations and electricity providers.

Kennedy and other union officials had good reason to worry that the government ministers gathered at Maitland would have been the target of public ridicule and derision. The Iemma government's decision to press ahead with the electricity sell-off is in direct opposition to popular sentiment, and in defiance of the Labor Party's own state conference, which on May 3 overwhelmingly inserted a clause in the party platform rejecting privatisation.

The rally was cancelled only days after Iemma took further steps to facilitate the privatisation plan, informing a caucus meeting of Labor parliamentarians on May 15 that the government had fast-tracked three

"enabling" bills to be put before state parliament on June 3. The bills formalise arrangements for the sales and for the transfer of the current workforces to the new owners, establish an "infrastructure fund" for the sale proceeds and set price controls to remain in force until 2013.

The caucus meeting was accompanied by intimidation and bullying, with Iemma threatening disciplinary action against anyone contemplating voting against the bills. Not a single Labor MP challenged Iemma, or called for a caucus vote against the bills, or for his expulsion for defying the party platform.

On Thursday, state Treasurer Michael Costa underscored the government's determination to ride roughshod over widespread opposition by announcing that the government would meet all the conditions set for the sale by the conservative Liberal-National Coalition, in order to secure its votes to pass the bills through parliament.

John Robertson, the head of the state's peak union body, Unions NSW, declared on Thursday that negotiations with the government on various alternative sale proposals had broken down. Speaking at the NSW Public Service Association annual conference, he said: "At no point has this Premier or his Treasurer offered to give any ground on the Treasurer's fundamentalist, ideological agenda to privatise electricity. Negotiations are over. They are finished... I want you all to get that message loud and clear."

Robertson offered no perspective other than calling on "MPs from all political parties to listen to their electorates". He said Unions NSW would lobby every MP to oppose the sell-off when the legislation went before parliament. Robertson has also opened talks with the Coalition leaders, even though they have pledged their in-principle support for the privatisation

scheme.

The cancellation of the Maitland rally is only one of a number of steps taken by the unions over recent days to shield the government from anti-privatisation protests and contain any industrial action by power workers.

Unions NSW has called off plans for a rally outside state parliament on June 3, the day the three enabling bills are due to be presented for debate, and has set no date for the statewide “Day of Action” that power workers’ delegates called for at a meeting on May 15.

Fearful that the government’s intransigence might provoke industrial action, union officials spent last week telling on-site meetings of power workers there was nothing they could do except send emails to pressure Labor MPs to vote against the bills. At one meeting, a worker’s call for Iemma to be thrown out of the Labor Party for openly defying state conference was side-stepped by the union bureaucrats, who said that to go down that road would have no immediate effect.

Union websites are also calling for people to email MPs to oppose the bills. The United Services Union site calls on Labor MPs “not to support privatisation, but to support the 85 percent of those surveyed who do not support privatisation” and “the 40,000 people who signed the petitions who do not support privatisation”.

Labor MPs are well aware of the overwhelming popular opposition to privatisation but the stark truth is that no amount of appeals, emails or lobbying will induce them to oppose the government’s plan, because they fundamentally agree with it.

This was demonstrated by the unanimous backing for Iemma at a May 6 caucus meeting called two days after the premier publicly declared he intended to defy Labor’s state conference decisions. Not one of the 71 MPs called for a vote against the privatisation or moved for Iemma’s expulsion.

Timid threats by a small number of MPs to vote against the enabling bills have nothing to do with concern for the conditions of working people, including the wholesale destruction of jobs and sharp electricity price increases that will inevitably result from privatisation. Their primary concern is to maintain at least some credibility with their constituents while working alongside the unions to fashion “a possible compromise” to accommodate the government’s agenda.

From the beginning, the unions’ campaign of limited

protests and rallies was designed to let off steam and press the government to guarantee them a place in the new privatised power industry, possibly as partners in joint ventures. The unions are both unwilling and unable to conduct a genuine fight against the privatisation plans. To do so would risk unleashing a broad movement, not only against Iemma’s entire pro-business agenda but also the federal Rudd government, which has backed the NSW power sell-off as a vital part of its own sweeping pro-market “reforms”.

With the Rudd government facing growing discontent over the soaring prices of petrol and food, on top of a series of interest rate rises, matters could rapidly get out of the control of the unions. That is why they have moved to wind down even their own limited protest campaign.



To contact the WSWS and the  
Socialist Equality Party visit:

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