

Thursday 27 July, 2017

Soaring power prices under privatisation heaps more pain on Australia's growing class of 'working poor'

A new report today from the Australia Institute is the latest to confirm that privatising energy assets significantly drives up power prices.

Instead of delivering on promises of cheaper and better electricity supply, privatisation has delivered the exact opposite – higher prices and lower services – allowing sky-rocketing managerial salaries, sprawling sales departments and record corporate profits.

The government's own regulators back this up. The 2017 Australian Energy Market Commission Retail Energy Competition Review, published 48 hours ago, shows 1 July 2017 power price increases were significantly higher in states that had privatised their energy:

- New South Wales (Private) 15-21% increase
- South Australia (Private) 6-21% increase
- Victoria (Private) 11-43% (excluding Alinta)
- Queensland (Public) 4-9% increase

Quotes attributable to ACTU Secretary Sally McManus:

"Privatisation of our key public services has led to higher prices and lower service. It is the foundation on which neo-liberal free market ideology is built and after 20-30 years the verdict is in – it's been a total failure."

"The Turnbull Government won't admit that privatisation plays a key role in the national energy crisis."

"It's clear the privatised energy market is broken for people who have to pay the bills."

"It's unfair that while ordinary wages flatline, power prices continue to skyrocket in line with company profits and executive salaries."

"This is what inequality in action looks like. It's why full time workers are having to take on extra work just to make ends meet."

"The Turnbull Government should be standing up for working people, not looking the other way while the broken system they protect is allowing the wealthy and big companies rip them off."

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