

# THE Daily Telegraph

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## lemma told unions he would not privatise power sector

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By Simon Benson, State Political Editor  
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**PREMIER Morris lemma's office gave written assurances via email to unions three weeks before the 2007 election that it had no intention of privatising the power industry and that it would remain in public hands.**

The unions have now released the correspondence to accuse Mr lemma of lying to workers - and voters - who had no idea the power sell-off was on the agenda ahead of polling day.

With only one in eight delegates expected to back the power sale at this weekend's ALP state conference, the emergence of Mr lemma's post-election switch will further damage his standing.

An email from Mr lemma's senior staff to a key power union in March last year categorically rejected any plans for the Government to privatise the electricity sector, claiming it would remain a "key service" of government.

With the lemma Government desperately trying to avoid confrontation on the issue ahead of this weekend's conference, unions deliberately dropped an 11th hour bombshell to scuttle Government plans.

The correspondence, leaked to *The Daily Telegraph*, was clearly designed to derail Mr lemma's campaign four days before he faces the party faithful to press his case for privatisation as the only model to secure the State's future energy needs.

The email detailed Government commitment to retaining public ownership of the power system.

On March 2, 2007 - three weeks before NSW voters went to the polls - an email was sent to an official of the Electrical Trades Union by a media adviser on behalf of Mr lemma's then chief of staff Mike Kaiser.

The quotes, attributed to Mr Kaiser, assured ETU communications officer Emma Brindley there were no plans to privatise.

"This is what Mike K has given me as per our phone conversation," the email said. "There is no plan to privatise our electricity network.

"That includes the generators, the poles and wires.

"Making sure NSW has a stable and secure power system is a priority because it's a key service of government and vital for our economic growth."

It mirrored a similar commitment made 10 days later in a letter to United Services Union secretary Ben Kruse in which Mr lemma made a personal pledge that "privatisation was not on the agenda". Last night a spokesman for Mr lemma said there was no broken promise because the assets would be leased to the private sector for 99 years, not sold.

"The Government is maintaining ownership of all electricity infrastructure under its plan to secure the State's future energy needs," he said.

Unions NSW boss John Robertson accused the Government of using weasel words.

"This sort of playing on words is why people are disillusioned with the politicians they elect," he said.

"These commitments would have been a major factor in the way workers in the industry voted.

"Opposition to power privatisation is widespread as is shown in all polls on the issue."

The ramping up of the campaign against plans to sell the \$3 billion retail sector of the power industry and lease power stations came as peace talks between Labor Party officials and unions broke down.

It is increasingly likely that Mr lemma may fail to get 100 of the 800 delegates' votes when the issue is debated on Saturday.

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