



Level 3, Suite 3B, 110 Kippax St
Surry Hills, NSW, 2010
Phone: 02 9212 7242
Fax: 02 9211 1407
Email: campaign@aftinet.org.au
ACN 097 603 131
ABN 83 659 681 462
www.aftinet.org.au

AFTINET Bulletin No. 144

February 2008

If you would like to contribute to the Bulletin, please contact us at campaign@aftinet.org.au or Phone (02) 9212 7242 Fax (02) 9211 1407

Previous AFTINET Bulletins and resources are available at www.aftinet.org.au.

- 1. Growing Campaign against NSW power privatisation: public meeting and rally**
- 2. Don't pursue 'free trade' policies: PANG**
- 3. The Day After...**
- 4. WTO Update**
- 5. Free Trade Agreement Update**
- 6. AFTINET Website Revamp – Call Out for designers**
- 7. AFTINET Strategy Meeting: 5:30pm 13th February, Sydney Mechanics School of the Arts**
- 8. NT Intervention Protest – 12th February, Canberra**
- 9. "Sorry" – National Apology February 13th**

1. Growing Campaign against NSW power privatisation: public meeting and rally

By Dr Patricia Ranald

Since our last bulletin on this issue, public opposition has grown against the NSW Government plan to sell its electricity retail business and lease its power generating plants for 99 years to private companies.

The proposal is contrary to Labor Party Policy and before the last election Labor promised it would not privatise the power industry. Latest opinion polls show that over 80% of people oppose electricity privatisation. The previous Carr Labor Government's privatisation proposal was defeated at a Labor Party conference in 1997. Liberal governments in Victoria and South Australia were defeated after privatisation raised prices and increased blackouts.

UnionsNSW has convened meetings of union members and begun a community campaign against the sell-off. The website at www.stopheselloff.org.au has letters and petitions to the premier against the sale, as well the detailed submission to the NSW government from Professor Sharon Beder, an international expert on the power industry. This provides evidence that privatisation in other states and around the world has **not** increased government revenue, has reduced government's ability to regulate for social and environmental goals, and has resulted in higher prices for less reliable services.

Since our previous bulletin, the media debate (letters and articles) has been running strongly against the sale. The Australia Institute has published a study showing that

the planned Federal Government carbon trading scheme, which rightly ensures that coal generators pay for their pollution and removes the cost advantage that coal now enjoys over renewable energy sources, will make the sale less attractive. Private companies are likely to demand that NSW or Federal taxpayers guarantee payment for any future losses under such schemes. These payments are calculated to be as much as the \$15 billion that the government would receive up front for the sale. If this sounds absurd, just think about the private tollways, such as the M4, M5, M2, and Eastern Distributor, and the Lane Cove Tunnel, for which the government signed contracts that guarantee the future income based on high levels of traffic. When traffic and income fell below this level for the Eastern Distributor and the Lane Cove Tunnel, the government has paid the difference from tax revenue. The reason for these perverse contracts is that private investors simply will not invest without guaranteed short term rates of return to shareholders. That is why government has been and should be the main investor in essential infrastructure, which has long term, stable but relatively low returns. The study can be found at www.tai.org.au

Reacting to the strong community opposition to the sale, the Government has now established a committee to “consider the effect of the sale on families, environment and workers”. The Committee is chaired by former Premier, Barry Unsworth, and includes three union representatives, two community representatives, and four government representatives. The government says the sale decision has been made and the committee will make recommendations on implementation, but a union spokesperson says that, “if the economic and social benefits don’t stack up, then we will report accordingly” (Sydney Morning Herald 21/1/08).

Take action: website messages, public meeting February 16, rally February 26

Community campaigning defeated the privatisation of NSW electricity in 1997, and the privatisation of Snowy Mountains Hydro in 2006. Privatisation can be defeated again. Go to www.stoptheselloff.org.au to send a message to the Premier and get a petition to sign, and take to your family, friends and community group. Come to these events:

Public Meeting Saturday February 16

10.30 am Trades Hall Auditorium, enter at 377 Sussex St.

Speakers include Professor Sharon Beder, union and environmental speakers.

**Rally Tuesday February 26, first day of NSW Parliament, 11am, Macquarie St.
Further details at www.stoptheselloff.org.au**

2. Don’t pursue ‘free trade’ policies: PANG

Fiji Broadcasting Corporation Limited, www.bilaterals.org

The Pacific Network on Globalisation (PANG) says Pacific governments should not pursue foreign imposed ‘free trade’ policies that will lead to business closures and more job losses.

This follows news that Flour Mills of Fiji (FMF) has closed down two milling factories and put on hold \$30 million worth of projects that would have created 120 new jobs.

The closure of the mills, which have been operating for 15 years, forced 20 people into unemployment and affected at least 20 more.

The reduction of import duties on competing products (split peas and rice) led to the closure of the mills.

PANG coordinator Roshni Sami says the private sector in Fiji was not ready for open competition with far larger corporations in developed nations and that signing free trade deals with the EU, Australia and NZ would devastate local industry.

Meanwhile she has welcomed calls from the Suva Chamber of Commerce president Dr Nur Bano Ali for the Fiji government to support a thriving local private sector and to ensure existing employment levels are maintained.

Sami says sweeping trade liberalization would result in major losses of government revenue, cuts to public services, business closures and job losses, and a flood of imports undermining local producers.

3. THE DAY AFTER...

Walden Bello*

(Bali, 16 December 2007) -- A day after the dramatic ending of the Bali climate talks, many are wondering if the result was indeed the best outcome possible given the circumstances. The US was brought back to the fold, but at the cost of excising from the final document -- the so-called Bali Roadmap -- any reference to the need for a 25 to 40 per cent reduction in greenhouse gas emissions from 1990 levels by 2020. This is the reduction required to keep the mean global temperature increase to 2.0 to 2.4 degrees Celsius in the 21st century.

Reference to quantitative figures was reduced to a footnote referring readers to some pages in the Intergovernmental Panel on Climate Change (IPCC) 2007 Report which simply enumerates several climate stabilization scenarios. The alternative scenarios ranged from a 2.0 to 2.4 degree rise in temperature to a 4.9 to 6.1 degree increase. This prompted one civil society participant to remark that "The Bali roadmap is a roadmap to anywhere."

Would it have been better to have simply let the US walk out, allowing the rest of the world to forge a strong agreement containing deep mandatory cuts in greenhouse gas emissions on the part of the developed countries? With a new US president with a new policy on climate change expected at the beginning of 2009, the US would have rejoined a process that would already be moving along with strong binding targets. As it is now, having been part of the Bali consensus, Bush administration negotiators, say sceptics, will be able to continue their obstructionist tactics to further water-down global action throughout the negotiations in 2008.

One wonders what would have happened had Washington remained true to its ideological propensities and decided to stomp out of the room when the delegate from Papua New Guinea, releasing the conference's pent up collective frustration, issued his now historic challenge: "We ask for your leadership and we seek your leadership. If you are not willing to lead, please get out of the way." As everyone now knows, after last-minute consultations with Washington, the American negotiator backed down from the US's hard-line position on an Indian amendment seeking the conference's understanding for the different capacities of developing countries to deal with climate change and said Washington "will go forward and join the consensus."

The single-minded focus on getting Washington on board resulted in the dearth of hard obligations agreed upon at the meeting, except for the deadline for the negotiating body, the "Ad Hoc Working Group on Long-term Cooperative Action under the Convention," to have its work ready for adoption at the Conference of Parties in Copenhagen in 2009 (COP 15).

Many delegates also felt ambivalent about the institutional arrangements that were agreed upon after over a week of hard North-South negotiations.

* An Adaptation Fund was set up, but it was put under the administration of the Global Environmental Facility (GEF) of the US-dominated World Bank. Moreover, the seed funds from the developed countries are expected to come to only between \$18.6 million to US\$37.2 million -- sums which are deemed severely inadequate to support the emergency efforts to address the ongoing ravages of climate change in the small island states and others on the "frontlines" of climate change. Oxfam estimates that a minimum of US\$50 billion a year will be needed to assist all developing countries adapt to climate change.

* A "strategic program" for technology development and transfer was also approved, again with troubling compromises. The developing countries had initially held out for the mechanism to be a designated a "facility" but finally had to agree to the watered-down characterization of the initiative as a "program" on account of US intransigence. Moreover, the program was also placed under the GEF with no firm levels of funding stated for an enterprise that is expected to cost hundreds of billions of dollars.

* The REDD (Reducing Emissions from Deforestation and Degradation) initiative pushed by host Indonesia and several other developing countries with large forests that are being cut down rapidly was adopted. The idea is to get the developed world to channel money to these countries, via aid or market mechanisms, to maintain these forests as carbon sinks. However, many climate activists fear that indigenous communities will be victimized by predatory private interests that will position themselves to become the main recipients of the funds raised.

Still, many felt that the meager and mixed results were better than nothing.

Perhaps the best indication on whether the conference was right to bend over backward almost 180 degrees to accommodate the US will come next month in Honolulu during the Major Economies Meeting, a Washington-initiated conference that was originally designed to subvert the United Nations process. The question on everyone's lips is: Will the Bush administration revert to form and use the conference to launch a separate process to derail the Bali Roadmap?

* Walden Bello is senior analyst at Focus on the Global South and professor of sociology at the University of the Philippines. He was an NGO participant at the Bali Conference on Climate Change

This article first appeared on Focus on the Global South's website www.focusweb.org

4. WTO Updates

This year has started off with 9 days of talks on trade in manufactured products (NAMA) which unsurprisingly have yielded little movement. The Chair on NAMA has released 8 new working papers which have produced little positive response from developing countries. One issue that could divide some of the developing country voices includes the adoption of "additional flexibilities" for some countries. This may result in some countries being more willing to compromise on NAMA and split the bloc which some developing countries had previously consolidated.

Talks around trade in Agriculture have continued since the New Year at the WTO. Chair Falconer said that progress has been made and is looking to have a draft text of liberalising measures out at the end of January. Despite the apparent positive outlook there are still major differences on a number of issues. One such issue is "Special Products" which the G33 (a grouping of over 40 developing countries) feels has been completely ignored. The G33's previous proposal allowed much greater room for protection of sensitive products for developing countries as opposed to tariff rates applied to developed countries. Developing countries want discussions around

any revised draft before the process of 'horizontalisation' (equalising these tariff rates) occurs.

There are rumours at the WTO that the 'Horizontal' process is being considered by the WTO Director General Pascal Lemy and pushed by the EU. The 'horizontal' negotiations involve a selective, behind closed doors meeting that discusses both agricultural and NAMA proposals in the hope of gaining agreement. Many countries are worried that they are being locked out of the process and fear that a bad decision may be made.

At the recent World Economic Forum meeting in Davos, Switzerland, trade ministers hinted at a WTO Ministerial Meeting happening during Easter this year. Whilst this may appear to be a major step towards completing the Doha Round, many believe that the meeting has been on the cards for some time now and isn't an indication that a deal is substantially closer. Much of this uncertainty will be clearer when new texts on agriculture and manufactured goods emerge in February.

5. Free Trade Agreement Updates

China - No updates on the actual negotiations but the Rudd government has taken \$10 million out of its budget for the negotiations. This may indicate that at the very least the government recognises that negotiations will be a slow, ongoing process.

PACER – On February 15 the Department of Foreign Affairs and Trade will be a hosting a meeting with NGOs about their concerns about a potential "PACER Plus" agreement. PACER Plus would see an economic agreement between Australia, New Zealand and the Pacific Islands that would aim to include goods, services, investment and closer economic integration.

Early 2008 will see the trade ministers from the Pacific Islands Forum meet to discuss a way forward on possible negotiations with such a road map endorsed at the Islands Forum meeting late this year.

Japan – The Australian Government stated recently that it will not be pushing hard for an agreement in the short term. The statement indicated a willingness to give Japan the space they need to deal with the current political and institutional difficulties that its government is facing. Following last years loss in the upper house elections and subsequent opposition control of the house, the Japanese Government is struggling to maintain popularity. An early election is possible, which if forced upon the government, any proximity to a perceived bad deal on agriculture from an FTA with Australia would result in the same electorate backlash seen last year.

India / Australia Feasibility Study – Public consultations for the India / Australia Feasibility Study have been delayed by two months. Public meetings and submissions were originally scheduled to happen in late January / early February, but will now happen in March. On his visit to India in January, the Trade Minister Simon Crean highlighted India's sugar subsidies and mining regulations as areas of interest in any FTA.

6. AFTINET Website Revamp – Call Out for designers

AFTINET is planning to revamp its website to make it more functional, accessible and informative. We are looking to make contact with web designers in the community to proceed on the project.

If you are, or know of any web designers who might be interested please get them in touch with us. Contact Adam Wolfenden on 9212 7242 or campaign@aftinet.org.au

7. AFTINET Strategy Meeting: 5:30pm 13th February, Sydney Mechanics School of the Arts

At the start of every year AFTINET plans out the campaigns that it is going to undertake and the way in which they will go about them. The next strategy meeting will be held on the **13th of February, 5:30pm, at the Sydney Mechanics School of the Arts.**

You are invited to come along and be involved in the process. Possible areas for campaigns this year include the Pacific Agreement on Closer Economic Relationship (PACER), the Japan / Australia FTA, implementing the 2003 Senate Voting on Trade recommendations, climate change and trade, plus others.

8. NT Intervention Protest – 12th February, Canberra

12th February, 2008

Calling all Aboriginal people and supporters to converge on Canberra:

Stand up for Aboriginal rights on the first day of the new parliament.

Tuesday, February 12 2008

Meet Aboriginal Tent Embassy 11:30am

March to Parliament for 1pm rally

Turn back Howard and Brough's racist legacy!

- Reinstate the Racial Discrimination Act
- Demand immediate review of the NT intervention
- End welfare quarantines, compulsory land acquisition and 'mission manager' powers
- Implement the UN Declaration on the Rights of Aboriginal People
- Aboriginal control of Aboriginal affairs

In the final months of government, John Howard introduced a package of discriminatory, unfair and punitive measures against Aboriginal people in the Northern Territory. Aimed at controlling Aboriginal lives and land, the legislation was a stark violation of basic human rights and dignities.

Federal Labor is promising a new era in Aboriginal affairs. They are pledging to say sorry to the stolen generation and to sign the UN declaration on the Rights of Indigenous People. They have promised to restore both the CDEP (Community Development and Employment Program) and the permit system, which will ameliorate some of the worst effects of the NT intervention.

Unfortunately there are aspects of ALP policy that is still disturbingly similar to the Liberals with the added proposal of extending some intervention measures into Queensland.

Plainly discriminatory measures such as mandatory welfare quarantines, compulsory land acquisition and the presence of non-Aboriginal "business managers" with extraordinary powers are being suffered under right now. There has been no move to allow the operation of the Racial Discrimination Act. The cry for immediate review of the legislation coming from across the NT has been ignored.

The Labor Government must comply with accepted international human rights laws and standards of non discrimination, equality, natural justice and procedural fairness. Legislation being implemented in the NT breaches commitments Australia has made as a signatory to major human rights treaties and conventions; such as the Convention on the Elimination of All Forms of Racial Discrimination and the International Covenant on Economic, Social and Cultural Rights. The Human Rights

Commission must immediately review the legislation to ensure compliance with these obligations.

The federal election revealed overwhelming opposition to the intervention among Aboriginal communities. When Labor MPs in affected areas emphasised political differences to the Coalition they consistently received over 80% of the vote; with 95% voting Labor in the town of Wadeye.

Despite government claims that the intervention is a response to the Anderson & Wild "Little Children are Sacred" report, no new community-based services to ensure the safety and protection of children have been established, and there has been a notable duplication of services - particularly in the area of child health checks. There is an urgent need for delivery of essential services, infrastructure and programs genuinely targeted at improving the safety and well being of children and developed in consultation with communities. Huge amounts of public money have been wasted, with \$88 million alone going towards bureaucrats to control Aboriginal welfare.

Moving Forward

A vibrant, mass convergence Canberra on the first day of parliament will be an important step in challenging the lingering legacy of Howard's racism. We can strongly push for an immediate end to what Aboriginal communities have themselves described as an invasion. We can send a strong signal to Kevin Rudd and his new government to put Aboriginal rights at the centre of their agenda; to massively increase the resources available to communities across Australia and to respect Aboriginal control of Aboriginal affairs.

Initiated by the Aboriginal Rights Coalition, Sydney

Contact:

Shane Phillips 0414077631

Greg Eatock 0432050240

9. "Sorry" – National Apology February 13th

The national apology on February 13 will be on behalf of the government. Here are some things you can do on 13th February if you personally want to apologise to the stolen generations:

- Wear some Sea of Hands pins. You can buy them from ANTaR.
- If you have a social networking account such as Facebook, MySpace or Bebo, change your status to say "is sorry" and encourage others to do the same. If you have a Flickr or Picasa account, put an image of the Aboriginal flag online and write about the apology.
- Talk about the national apology to friends, family, colleagues, clients, or your class! This sounds like an insignificant action, however you'll get people thinking about things, and might even debunk a few myths that are going around!
- Add your name to the Seven Steps for Justice pledge. Step 4 asks for a *full implementation* of the Bringing Them Home report recommendations.
- Ask your MP to support the apology. You might like to use the form on GetUp's website (see More Information below).

For more information see <http://www.antar.org.au/sorry>