MYTHS OF PRIVATISATION

It transfers risk

This is false. Risk can never be transferred with essential services.

- When G4S failed to recruit and train enough security staff for the Olympics it was public servants who stepped in
- When the private company National Express failed on the East Coast mainline rail franchise, the state stepped in to run services
- When South London Healthcare was on the verge of bankrupcty due to crippling PFI debts, it was bailed out by the state

It's more efficient

- The public sector reinvests any surplus in improving the service, lowering costs, improving staff pay or cross-subsidising other public services, whereas the private sector gives profits to shareholders or bonuses to directors
- Since privatisation, the public subsidy going to the railways is four times as much as it was under British Rail

It reduces costs

- Since privatisation water bills have risen 45% above inflation
- On the railways, we now have the most expensive fares in Europe

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