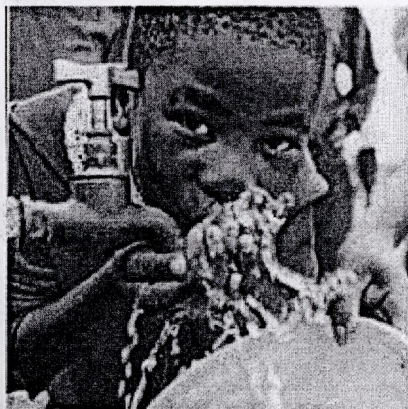




SAMWU's ANTI- PRIVATISATION CAMPAIGN



**1997
-1999**



- Press update 13 May 1997

Last week, SAMWU held lunchtime demonstrations around the country to protest against the privatisation of municipal services. The demonstrations were well attended with reports from the regions indicating that thousands of workers turned out.

SAMWU has received an overwhelming show of solidarity from the international community. The General Secretary of UNISON, Britain's largest public sector union with over 1 million members, wrote that "The UK experience of water privatisation has been huge windfall profits for the companies, record dividends for their shareholders, and massive pay rises for those at the top of these companies. At the same time, employees have suffered job losses, while consumers have had massive price rises. Drought restrictions are widespread and almost one third of all water leaks from old pipes."

The Community and Public Sector Union is Australia wrote that "the Victorian government has pursued similar policies since its election in 1992, and this has resulted in the loss of over 30 000 jobs. Despite the massive effort at privatisation, the state remains the highest taxed state in the nation!"

The President of the Public Services Association in Trinidad and Tobago wrote "Our own experience is that Severn Trent of the UK has been granted a loan facility by our government to cover all operational losses for the three year period, thereby taking no risks and collecting management fees of millions of dollars. Water is the most essential commodity for humans and it should never be handed over to the private sector profiteers."

The Executive Committee of Algemene Onderwijsbond, Netherlands wrote: "the evil of privatisation of public holdings is a worldwide problem...be convinced of our solidarity and support with your struggle."

SINTAP, the Portuguese Union representing public administration personnel wrote: "We hope the Ministry of Constitutional Development will be able to accept your pilot projects for public sector alternatives to privatisation of water and waste services."

The International Secretary of the 1.3 million member AFSCME (American Federation of State, County and Municipal Employees) wrote: "given its central importance to sustaining life, water must remain in public hands. We applaud your actions to ensure working conditions for those employed in these critical public services and your leadership in educating the community of the dangers associated with privatisation."

The President of the Lithuanian Trade Union Federation of Public Services faxed SAMWU's President a message saying that "in Lithuania, the capital city of Vilnius has been fighting French multinational Lyonnaise Des Eaux for four years. They want to buy our city's water system for 5 million US dollars and get 30% of the shares, which is valued at 660 000 US dollars. Its profit the company will get from our citizens pockets."

Timelines in the Campaign

March 1997

- [March 7th] Amidst rumours of water multinationals being eager to privatise in the country, SAMWU tables a demand for a moratorium on any ongoing Private/Public Partnerships at a meeting with the Department for Constitutional Development. This is rejected.

April 1997 -

- ① • [April 4th] SAMWU receives a tip-off from a journalist late in the afternoon of Friday that Nelspruit's water to be privatised on Monday 7 April, 1997 at 10am.
- ② • [April 4th] Press Statement issued
- ③ • [April 7th] Follow-up Press Statement issued informing press about programme of demonstrations for first week of May
- ④ • [April 9th] The announcement of the winner of the 30 year private-public partnership concession for Nelspruit Water and Waste Services is postponed until April 30th, 1997.
- SAMWU asks for R50 000 from government to test pilot project re-organising workforce and resources in Nelspruit TLC

May 1997 -

- ⑤ • [MayDay to May 9th] lunchtime demonstrations take place in workplaces
- ⑥ • [May 2] 100 thousand stickers go out in response to complaint about focus being on water only
- [May 13th] International support pours in
- Provincial Congresses resolve to intensify the campaign
- Inaugural CEC endorses launching of a petition - aims for one million signatures by June 30th, 1997

June 1997 -

7

- [early June] SA Local Government Bargaining Council agrees that "public sector is the preferred deliverer of services"
- [26 June] SAMWU makes a submission to the Parliamentary Portfolio Committee on Water Services Bill

July 1997

- [1st July] 15 thousand members from the Greater Joburg branch march against privatisation; council says a march is not necessary as no privatisation is planned

August 1997

7(a)

- PSI launches Water Code of Conduct; urges SAMWU to get multinationals and government to adopt it

September 1997 -

- [1st September] About 30 thousand members from Gauteng province march against privatisation in Joburg - city at a standstill
- PSI releases an international report on SAUR
- SAMWU's second Central Executive Committee decides to second an organiser to the post of full time anti-privatisation campaign co-ordinator

October 1997 -

8

- Thames water counter-propaganda released
- SACP and COSATU in Mpumalanga release statement condemning the water privatisation

November 1997

- [November 4th] Tygerberg Councillor Vuyani Ngcuka stabbed by workers during riot over implementation of private refuse removal scheme in Khayelitsha

December 1997 -

- National Strategising workshop held
- European Federation of Public Service Unions launches booklet on "The Municipal Waste Management Industry - Issues, Trends and Multinationals"

January 1998 -

- 8a
- Petition relaunched
 - [9th January] Half the refuse workforce in Tladi, Soweto employed by private contractor are fired on 24 hours notice, going on a rampage. SAMWU manages to get all 200 workers hired by Council and signs them up.

February 1998 -

- 9
10
11
- Anti-Privatisation structures adopted at the third CEC
 - Campaign strategy launched to be completed by end April 1998
 - [18th February] Tygerberg Councillor Buyiswa Kalako is shot - SAMWU is accused of assassination attempt by fellow councillor Vuyani Ngcuka
 - [20th February] SAMWU worker on tractor survives shot from an unmarked car

March 1998 -

- [March 2nd] SAMWU wins victory in Khayelitsha over refuse removal
- [March 21st] SAMWU launches "vision for water provision" on Water Day
- PSI Water Co-ordinator writes article that goes unpublished
- General meetings with Nelspruit workers
- SAMWU calls for Alliance water summit
- [March 30th] Jobs Summit national preparation workshop resolves that a summit will not succeed unless GEAR is radically altered; resolves to push in NEDLAC for a moratorium on privatisations before the Summit starts

April 1998 -

- Anti-Privatisation manual produced by ILRIG Local Government researchers
- General Secretary interviewed for Channel 4 TV programme on service delivery
- More alliance meetings
- Nelspruit TLC uses emergency plan to force workers to work 12 hour day fixing leaks before privatisation goes ahead
- Meetings with ANC Councillors reveal that they do not agree with the contract

May 1998 -

- 12 • [5th May] SAMWU finds out that Dolphin Coast water will be privatised for 30 years - French bidder already chosen, Minister Moosa announces at press conference
- [8th May] Dispute over Dolphin Coast lodged in KZN Provincial Bargaining Council - referred to a working group - SAMWU uses Clause 19 (2) of Water Services Act that states that "all known public providers must be exhausted before a private sector provider is contracted."
- [18th May] Working group meets - unable to resolve issue - sets up another working group specifically for this case
- [19th May] SAMWU finds out that Nelspruit TLC is continuing discussions on transfer of workers
- Non-Aligned Movement NGO Summit passes a resolution against the activities of water transnationals in Africa
- 13 • [20th May] PSI issues worldwide statement condemning Biwater
- [26th May] Mpumalanga Bargaining Council meeting to set date for Alliance Water Summit

June 1998 -

- [June 2nd, 1998] Centre for Development Enterprise publishes article in Business Day arguing that the only way the poor will ever access services is through privatisation
- [June 5th] SAMWU Joburg branch threatens 3 day strike of 22 000 workers from June 9th-11th - called off after threat of interdict

- [June 18th] 1500 Matatiele, KZN workers down tools after threat to privatise entire town. Privatisation called off.
- [June 23rd] SAMWU opposes privatisation of ambulance services by Netcare in Joburg

July 1998 -

- (14)
- [July 7th] Sunday Independent finds Nelspruit council guilty of "apartheid style job and spending practices"
 - [July 16th] SAMWU finds out that refuse removal to be privatised in 3 East London townships municipalities - demands immediate disclosure of money spent on tendering so far; retraction within 14 days or dispute

August 1998 -

- (15)
- (16)
- [6th August] a Lyonnaise des Eaux subsidiary in Fort Beaufort reservoir found to be filled with dead cats, dogs, and industrial chemicals. Sydney Australia has similar case week earlier, same multinational.
 - [7th August] COSATU Mpumalanga announces a general strike in Province on August 19th after conciliation fails to resolve Nelspruit dispute - postponed to 23rd September

September 1998 -

- Minister Valli Moosa labels SAMWU ultra-leftist and accuses the union of blocking transformation
- Business Day runs article saying that talks between SAMWU and government around a framework agreement will begin soon

October 1998 -

- (17)
- [October 1st, 1998] civic group in Philippines files case against mayor and Biwater executive - press too scared to run story
 - SAMWU CEC - fierce debate around whether to get involved in a framework agreement

November 1998 -

- [November 4th] Jubilee 2000 South Africa launched - SAMWU calls for debt to be scrapped and money released for service delivery
- [November 7th] Launch of water leaks repair project in Cape Town
- [November 28th] 200 unions at PSI Afrecon pass emergency resolution condemning Biwater
- Talks and workshops around framework agreement continue

December 1998

- Framework agreement signed between SALGA and COSATU with Minister Valli Moosa as witness

January 1999 -

- Minister of Agriculture announces privatisation of Fresh Produce Market; withdraws after SAMWU points out he has no jurisdiction
- Dolphin Coast and Nelspruit award contracts; disregard framework agreement
- Deputy Director Chippy Olver tells the press that local government is autonomous and therefore does not need to abide by the framework agreement

February 1999 -

- Joburg Metro Council appoint new City Manager, announce Igoli 2002 restructuring plan
- SAMWU opposes the budget as it does not give enough money to local government, thus forcing privatisation

March 1999 -

- NALEDI researcher investigating case studies of private refuse removal says there are more than 60 schemes operating countrywide
- Opposition to Igoli 2002 formally launched
- All progressive organisations notified
- Media strategy adopted by province

April 1999 -

- Workers involved in November 1997 stabbing of Khayelitsha councillor sentenced to 5 years in prison
- Production of Igoli 2002 video starts
- SACP Jhb Branch takes up the fight

May 1999

- Bargaining Council negotiations committee discovers secret minutes of "Transformation Lekgotla" indicating that plan is being implemented
- After threatening walkout, City Manager signs written guarantee that privatisation is on hold
- Meeting with COSATU BSSC's and locals

June 1999

- National Restructuring workshop to discuss new legislation and metro cities
- Igoli 2002 workshop - PSI researcher attends from London
- Framework Agreement adopted in Bargaining Council

July 1999

- SAMWU participates in Igoli Summit - afterwards, different things are implemented

August 1999

- [18 August] Special edition of Anti-Igoli 2002 newspaper distributed at COSATU Congress and to clinics, schools, civics, affiliate branch offices in Joburg
- International Solidarity Alert issued

September 1999

- [4th September] Country's first public water initiative launched by Minister Kasrils
- [30th September] SAMWU members rally at Library Gardens in Johannesburg against Igoli 2002; joined by SACP Greater Jhb Branch

October 1999 -

- [5th October] Dispute formally lodged with Bargaining Council against Igoli 2002
- [8th October] SAMWU CEC resolves to widen fight against restructuring to all metro cities and investigate various legal options
- [9th October] Workshop for the community on privatisation, dams, corruption and water TNC's
- 22 • [10th October] World Bank announces it will give R20 million to Igoli 2002 plus another loan of R200 million
- 23 • [14th October] PSI releases article linking World Bank, corruption and privatisation
- 24 • [19th October] Dispute declared with Nelspruit TLC over unilateral transfer of employees
- [26th October] All progressive organisations are going to attend a march from Library Gardens with SAMWU against Igoli 2002 - international solidarity alert issued

Some burning questions ...

- **Running a campaign**

- **Public policy**
- **Propaganda**
- **Local level involvement**

- **How does a union know when to engage on macro level and when on a micro level?**

- **how are the differences between the two levels reconciled?**

- **Different COSATU locals operate differently**

- **Do they function at all?**
- **Does taking a campaign to a local only entail political discussion**
- **Are unions happy with other unions engaging their workers?**

- **The role and effectiveness of collective bargaining**

- **What is the effect of working groups on a campaign and on an organisation?**
- **Do they stop implementation?**

E-mail messages have come in from branch offices of international trade unions as well. Local support has been streaming in, with filled petition sheets being sent in by labour and community organisations, including Earthlife Africa.

At the Eastern Cape Regional Congress held last weekend, a resolution was taken to intensify the campaign by continuing with demonstrations this week. Western Cape will also be intensifying their campaign by encouraging sympathetic people to fax President Mandela. The KwaZulu/Natal region has heard that the Industrial Council has somehow placed a moratorium on all proposed privatisations in the region, but this has not been confirmed by the council.

Meanwhile, SAMWU has still not received a reply from The Ministry for Constitutional Development regarding their request for R150 000 to fund the cost of a consultant to draw up public sector alternatives to water and waste privatisation in Johannesburg, Nelspruit and Cape Town. Nevertheless, SAMWU has decided to forge on with community and worker consultation so as not to waste time. At the moment, SAMWU has 3 months before the Nelspruit tender is announced to finish the pilot proposals and submit them to government. It is strongly hoped that the government will not stall funding in an attempt to block the pilot proposals, especially as they have already given Nelspruit TLC alone 3.3 million rand to cover their costs of privatisation so far.



CAMPAIGN OF THE YEAR 1997

SAMWU members and the people of South Africa say NO to privatisation of municipal services! We call on government to provide services according to need, not profit!

[illegible]

Please assist our campaign by collecting signatures, and faxing back to SAMWU Media Department, 021 6969175 by June 30th. Thanks for your support!

Fighting privatisation on many fronts

SAMWU continues to fight against the privatisation of more and more services. Every region is facing different struggles, but let's not forget that we are all fighting against one thing: the notion that services should be provided for profit and not to meet needs. Let's learn about each other's struggles so that we can prepare for united mass action!

Cde Alfred Sithole reports from Northern Province....

Local Authorities here are proposing to privatise the security departments of Duiwelskloof and Potgietersrus TLC. In Naboomspruit, it has been proposed that meter reading services be contracted out to private companies. Council has also spoken of putting out tenders for the maintenance of the Tzaneen cemetery. So comrades can see that we are fighting privatisation on many fronts!

Cde Thobile Maso reports from the Eastern Cape...

In Queenstown, council is attempting to privatise the refuse collection service. IMATU has joined SAMWU in rejecting this. At the moment we are trying to arrange a meeting with community structures in order to put our position forward to them. Umtata municipality proposed privatisation of the ambulance and fire departments, but noting union opposition, scheduled a meeting with SAMWU and IMATU to discuss this further.

Our Aberdeen comrades are to be congratulated! We have heard that they have gone from door to door in their communities educating others about the dangers of privatisation!



Free State Regional Secretary, Jonas Nhlapo, reports...

Comrades, we have good news to report. Welkom City Council was proposing privatisation of the cemeteries maintenance, but after talks with SAMWU, put an end to their plan. Meter reading has been privatised for many years, but we now want to reverse this.

Because of a shortage of labour, private cleaners were brought in to some of our municipalities. There have also been prisoners working in the parks. Comrades, we regard prison workers as a poor excuse for slave labour! The question of whether prisoners should be unionised is an interesting debate! We will be demanding that Council disclose the terms of conditions they have with private and prison workers.

Cde Sanjay Tuckooriah reports from KwaZulu-Natal...

Privatisation is rife in KwaZulu Natal! After a massive march on Friday 9th May, SAMWU handed the Mayor a demand that a list of all proposed privatisations be handed over to SAMWU. So far we have discovered that these services are about to be privatised:

- Newcastle - water
- Matatiele - caravan park, crusher plant
- Scottburgh/Umzinto North - parks & gardens
- Verulam - parks & gardens
- Zinkwazi - traffic

We have also called for an end to all forms of privatisation in the Industrial Council. We are hoping to be successful.

Sam Mazabane reports from North West....

We received a detailed document from Klerksdorp City Council and found that many departments of water and waste have already been privatised or partly privatised. Roads have been partly privatised, and some sewage departments. We will be investigating each service as this privatisation has formed a framework upon which future privatisation can be built. We will keep all comrades updated!

Privatisation in Mpumalanga. . .

Over the past two months, Mpumalanga has made headline news with it's anti-privatisation fight against Nelspruit TLC. There is a story on page 8 devoted to SAMWU's research in the Nelspruit area, which we urge comrades to read.

At the moment, SAMWU is still awaiting funds from the government so that we can appoint a consultant to draw up a worker and community based public sector plan for water and waste services. We will keep you informed through news bulletins that will be issued by fax to your Regional Office by Head Office.

Northern Cape reports...

At the Congress of Nogloga, which took place in Upington in April this year, we issued a strong statement against privatisation and GEAR. We in the Northern Cape believe that GEAR and privatisation are a recipe for disaster! There have been rumours that Kimberley city council has been granted a sum of R250 000 to privatise various resorts. We are in the process of carrying out a full investigation into this. We want to establish what this money is for!

Victor Mhlongo, Gauteng Regional Secretary reports..

In the Vaal Metro, attempts have been made to put water out for tender. On the East Rand, Council is trying to privatise the crushers and bus services. In Alexandra, refuse removal has been contracted out, and a private company has attempted to take over the electricity. In Carletonville, we are holding a campaign to stop the privatisation of meter reading.

Job creation or refuse racism?

It appears that areas that formerly fell under the Black Local Authorities are still being dealt with separately by Metro Councils, who are reluctant to upgrade services to the standard of that in former white areas. Robert Adams, SAMWU's Cape Town Branch Secretary, has been fighting this issue for several months.

Western Cape ...

A storm is brewing in Cape Town over a proposed "Clean and Green" campaign. This campaign, backed by Ikapa Town Council and the ANC, proposes to recruit jobless people to provide a refuse removal service for townships and informal settlements. These workers will be given one year contracts at R750 per month.

SAMWU has refused to support the plan. Local Government MEC, Peter Marais, accused SAMWU of having a political agenda unrelated to the best interests of workers. "SAMWU speaks for the few who have jobs, and not for the many jobless," Marais told the press.

But Comrade Adams explains the situation a little differently. Firstly, Adams says that it is not right for casual refuse removal workers to be earning a salary that is half of what permanent municipal employees earn. "The salary of R750 being offered is not enough to live on," said Adams. The issue here seems to be about cheap labour and not living wage jobs.

"This proposal is clearly privatisation of the refuse removal services of the Ikapa areas, and it is our view that cleaning of this area should be done within a strategy that encompasses the whole of the Cape Town Municipality's geographical area."

Cde Adams went on to explain that, once again, Council was misleading the press. "If you are saying that SAMWU is against job creation, you must also explain that Council is seeking to maintain the apartheid boundaries that existed before."

Residents of the areas in question will pay existing municipal flat rates. "Although residents of former BIA's are paying different rates from residents in former white areas, it should be part of our new democracy to standardise the services".

Adams continued "If Council is serious about cleaning up the area, why don't they show some responsibility by employing more staff on a permanent basis?"

Comrades, it is clear that Council must review it's political agenda. It is not being forceful enough in destroying old apartheid boundaries. It does not take a clever person to realise that playing on the feelings of desperate, jobless people is another attempt at privatisation and exploitation. It seems that the sickness of privatisation is spreading rapidly throughout all municipal services.

Forward in struggle against privatisation of services!



South African Municipal Worker's Union

HEAD OFFICE

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175

Email: samwu@wn.ape.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X 9
Athlone
7764
Cape Town

79

PRESS STATEMENT

Gauteng's municipal workers to strike on Monday!

29th August 1997

It is expected that major municipal services will come to a halt in Johannesburg on Monday September 1st, 1997, when the Gauteng Region of the South African Municipal Workers Union (SAMWU) intensifies its campaign against the privatisation of municipal services.

At a Regional Executive Committee meeting held last weekend, SAMWU worker leaders expressed their anger and frustration at the continued privatisation of municipal services by individual councils. The REC meeting endorsed a call from members to take the battle to the doorsteps of employers.

Thousands of members from local authorities throughout the region will gather at SAMWU's New Street South Regional Office early in the morning and march towards the Library Gardens at approximately 08h00. SAMWU has over 32 000 members in the Gauteng Region.

In a march on July 1st this year by SAMWU's Greater Johannesburg Branch only, over 20 000 members brought Central Johannesburg to a standstill in support of SAMWU's national campaign against privatisation.

SAMWU's action will intensify across the country, until a complete moratorium be placed on all major contracts currently under negotiation between the private sector and local authorities

..../ends

Andrew Nkoenyane is SAMWU's Media Liasion person in Gauteng, and he can be contacted on (011) 8153586 for further details. Alternatively, contact the the Media Department on the number above.

COSATU and SACP statement against water privatisation in the Nelspruit TLC

Press release 14 October 1997

The South African Communist Party and COSATU in Mpumalanga Province would like to reject with uttermost contempt the announcement of the "successful bidder" for the management of Water and Sanitation in Nelspruit.

We uncompromisingly reject the privatisation of water for 30 years. More so that we have noted that the process of reaching this decision whereby some key councillors have bulldozed the process even when some constituencies (like Matsulu) were objecting to the envisaged scheme. We cannot understand why, even if there were two marches - one led by COSATU President John Gomomo - the TLC still remains arrogant. It is unbelievable that some ANC councillors have defied their Provincial Leadership by calling on the leadership to suspend the process and consult communities instead. We are unfortunately beginning to confirm that certain key individuals are going to financially benefit in the long term. We cannot call such people our leaders.

Our rejection is further informed by our belief that the privatisation scheme will affect our under privileged communities the worst. Some National Party Councillors have correctly confirmed that their constituencies will not be affected. To cloud this process, the council has identified a bidder in the name of black economic empowerment. It is continuously becoming a culture that a group of Africans with some links to the Mass Democratic Movement will be opportunistically used to violate the economic interest of the poor. We cannot support this emerging "unpatriotic bourgeoisie".

ACTION

To show our course we call upon our alliance structures to support us in our action by:

1. Unequivocally rejecting the influence of a small financial clique that runs the economic investment of Nelspruit to protect major property that they own. This clique of privileged whites should stop manipulating decision-making as they have done over the years.
2. Joining us in the community meeting on the 19th of October 1997 in Matsulu, KaNyamazane and Pienaar areas to further expose the dangers that lie ahead.
3. Joining us in a stayaway and march to the Nelspruit TLC on the 27th October 1997.
4. Supporting the ANC League standpoint on further rejection of the process.

Issued by: Norman Mokoena, COSATU Provincial Secretary, Tel +27 17 6851711
Irvin Phenyane, SACP Provincial Secretary, Tel: 082 4521041 (cell)



Public Services International

from the desk of the General Secretary, Hans Engelberts

phone: +33.4.50.40.64.64

fax: +33.4.50.40.73.20

email: psi@world-psi.org

Press Statement

May 20th, 1998

International Trade Union Federation Condemns Biwater in South Africa

Public Services International, the global federation of trade unions representing 20 million public service workers, condemns Biwater, a privately-owned multinational company, for attempting to silence democratic debate about water privatisation in South Africa.

PSI calls on trade unions and democratic governments worldwide

- to reject Biwater's behaviour as unacceptable, and
- to encourage open and critical debate on privatisation

PSI is releasing a specially researched report showing that there are plenty of reasons for raising critical questions about the performance of Biwater - as with other water multinationals.

PSI has taken this action because Biwater has made a triple attack on free media in South Africa. The company issued a threatening letter after a critical TV programme broadcast by South African Broadcasting Corporation in November 1997, and in April this year threatened legal action against two internet sites for carrying a press release by the trade union SAMWU and a year-old article from a South African newspaper.

In each case Biwater spurned the opportunity to make its own comments and suggest corrections. Biwater refused an invitation to appear on the TV programme to comment on the criticisms, but chose instead to use its economic power to threaten hundreds of jobs unless the criticisms were retracted, stating: ["Until an apology and corrections are issued by SABC3, parent company Biwater plc in the UK has indicated its intention to withhold its R200million investment in the proposed pipe factory in Brakpan, Johannesburg, which was to have created jobs for several thousand local people." (Biwater statement 17th November 1997)].

PSI general secretary Hans Engelberts said today:

"This behaviour is unacceptable bullying from any multinational. It is especially shocking that the owner and chairman of Biwater, Adrian White, is a governor of the BBC, whose World Service has enjoyed the reputation for objective broadcasting without fear of powerful corporate interests."

PSI notes that Biwater itself has issued seriously misleading statements claiming that it is 'one of the world's largest water companies, when in fact it is the smallest of those internationally active, and smaller than many public sector water companies around the world. Such statements should not pass unchallenged, and PSI urges Biwater to retract this misleading claim.

PSI advocates that any privatisation proposals should be subject to open, public and rigorous evaluation against public sector alternatives. This must include an honest and public scrutiny of the relative merits of private and



South African Municipal Worker's Union

HEAD OFFICE

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175
Email: samwu@wn.apc.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X 9
Athlone
7764
Cape Town

12

SAMWU Press Statement 5th May 1998 11am

Privatisation of water on the Dolphin coast

Minister Valli Moosa is expected to arrive within the hour at the Dolphin Coast municipality in KwaZulu-Natal to announce to the media the winning bidder for the privatisation of water and sewerage in the area. The privatisation initiative has been lauded by the Town Clerk as a project of "national importance". Yet among the bidders are the notorious French multinationals Lyonnaise Des Eaux and Generales Des Eaux, as well as British privateer Thames Water. These three companies have privatised water in different parts of the world with disastrous effects for communities as these case studies reveal:

- Buenos Aires, Argentina - Lyonnaise Des Eaux privatises water, increases the rates way above the prices agreed on in the contract, and then threatens to cut people off completely when they cannot afford to pay
- Tucuman province, Argentina - after long-standing problems with the quality of water, a Generales Des Eaux subsidiary pulls out of the contract. Government money spent on the initial bidding process is wasted. One wonders how many millions council has spent on this Dolphin Coast bidding process?
- Water privateers claim to be investing billions of rands to improve water delivery when they first privatise. In actual fact, they usually take up loans instead and cover the repayment costs by raising the prices charged to consumers - in Britain, 70 per cent of all the investment made since privatisation has been paid for by consumers. Why else would Thames Water be bidding for a contract here in South Africa?
- Privatisation will ultimately cost the government more money. The U.K. Department of Trade and Industry has acknowledged that some R480m was given to various British water privateers up to five years after privatisation. Similarly in Khayelitsha last year when the private refuse removers could not keep up with their work, council had to send municipal workers back into the area to assist with cleaning!

The Dolphin Coast privatisation initiative goes completely against the binding ruling of the South African Local Government Bargaining Council last year that the "public sector is the preferred deliverer of services". SAMWU has already demanded that Minister Valli Moosa intervene decisively in privatisation initiatives at municipal level, which SAMWU alleges are often initiated by councillors for personal gain. SAMWU has already used the Commission for Conciliation, Mediation and Arbitration (CCMA) to halt the privatisation of refuse removal in Khayelitsha. We will not hesitate to make full use of the Commission to enforce the Bargaining Council decision. SAMWU would like to take this opportunity to make an press announcement of its own - this coming Friday, 8th May 1998, SAMWU will be taking up this issue in the KZN provincial Bargaining Council to demand an immediate stop to the privatisation of Dolphin Coast's water and sewerage. Failing that, general meetings will take place among membership, who will then decide on a course of action.

.../ends

For comment, please phone the Provincial Secretary Richard Hlope on 031 3329561/2 OR 083 5602048



South African Municipal Worker's Union

HEAD OFFICE

ga

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175
Email: samwu@wn.apc.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X-9
Athlone
7764
Cape Town

SAMWU NEGOTIATES FOR CLEAN COMMUNITY **AND JOBS FOR 200 WORKERS**

Press Release 9th January 1998

SAMWU would like to shed light on the situation in Tladi, Soweto, where garbage has been piling up over the past week, creating a health hazard for residents of the community.

Contrary to press reports, the garbage pile up is not as a result of a strike by SAMWU workers, or due to the "laziness" or "non-capacity to deliver a good service" by SAMWU workers. In fact, Tladi has been cleaned by a mixture of municipal workers and private sector workers employed by Wade Refuse and Wykom Waste. These workers are all employed on a contract basis and were dismissed with 24 hours notice earlier this week, with Council citing lack of funds. SAMWU immediately negotiated for the municipal workers to return to work. This obviously did not please the Wade/Wykom workers, who went on a rampage in Tladi, overturning bins and threatening the lives of the municipal workers. The threat posed by the Wade/Wykom workers reached such a high level that municipal workers were no longer able to clean the area, and SAMWU's Deputy Chairperson of Gauteng, Pahlani Mkhabela, was forced to leave her home in the area as her life was at risk.

This morning, in an urgent meeting with the Chief Executive Officer of the Johannesburg Metropolitan Council, SAMWU negotiated a six month contract for both the existing 150 municipal workers and the 200 workers previously employed by Wade/Wykom. All workers are now to be employed by Council. It is due to SAMWU's efforts in negotiating for a peaceful, clean community that Tladi's refuse will now be removed by an adequate, municipal workforce.

The root of the problem here is clearly enormously bad judgement on the part of council by contracting out refuse collection to Wade/Wykom. These companies clearly have neither the capacity or the morality to be employed in providing such a vital service. Last month in Balfour we witnessed Wade Refuse firing half it's workforce when they did not get the R40 000 per month increase they demanded from the Council, although they had already agreed to service the area for a set tariff of R118 000 per month.

Council claims that privatisation of municipal services will lead to cost-effective, more efficient delivery are being rapidly proved ridiculous. Furthermore, the policy employed here by the Southern Metropolitan Substructure in dividing private and municipal workers in order to shift the blame, could have had dire consequences for the entire community. SAMWU resolves to continue the fight for municipal services to be delivered by accountable local government through a sufficiently staffed municipal workforce and adequate resources.

.../end

Please contact Themba Khumalo, Branch Secretary of the SAMWU Greater Johannesburg Metro Branch, on 011 8385627 for further comment.

National Level

"National Anti-Privatisation Campaigns Committee"

(made up of the National Anti-Privatisation Co-ordinator, one NOB, all full-time Provincial Campaign Co-ordinators, National Service Committee Co-ordinators)

The National Committee is accountable to the NEC, CEC and National Office Bearers



Provincial Level

"Provincial Anti-Privatisation Campaigns Committee"

(made up of the full time Provincial Anti-Privatisation Co-ordinator, who is a full-time activist of the union, one delegate per Provincial Service Committee, one Provincial Office Bearer, one delegate per branch.)

Provincial Committees are accountable to the PEC and Provincial Office Bearers



Branch Level

"Branch Campaigns Committee"

(made up of Branch representatives)

Branch Committees are accountable to the BEC and Branch Office Bearers

The role of these structures will be to co-ordinate the anti-privatisation campaign across the various sectors in which the union organises. It is their task to ensure that the anti-privatisation campaign is a national and unified one, and that the experiences of the union in the different sectors are brought together and shared.

Building Campaign Structures...strong constitutionally accountable structures are necessary for a well-organised campaign

TASKS & DEADLINES FOR THE ANTI-PRIVATISATION CAMPAIGN

Issues affecting the anti-privatisation campaign as a whole

Task	Details	Deadline
Integrating National Agreements into the Campaign	Circulate the exact wording of the DCD and DWAF agreements to all comrades	End March 1998
Educating Members	Use next Shopsteward and Workers' News to popularise agreement; multilingual pamphlets; prepare branch packages on privatisation	End March 1998
Bargaining Councils	POB's and NOB's to put implementation of Agreement onto provincial and national BC agenda	End March 1998
COSATU	Put issue of non-implementation of Agreement on agenda of all locals and other structures. To become part of COSATU's campaign against privatisation, and link our campaign in each province to a COSATU plan	End March 1998
Tripartite Alliance	Make this a National Alliance Campaign, like Nelspruit	End March 1998
Community	Meet with local organisations; Produce a pamphlet	End March 1998
Councillors	Utilise local and provincial bargaining councils; GS to send a letter to all Councillors	End March 1998
IMATU	POB's to set up joint meetings at provincial level to deal with implementing Agreement; release a joint statement on on-compliance with Agreement	End March 1998
Broader Public	Use local newspapers; release national statement on non-implementation of agreement	End March 1998
Implementing SAMWU's public sector approach	Develop a package for all Local Authorities on using SAMWU's document on pilot projects as a guide to restructure the Local Authorities	End March 1998
International Support	International Sub-Committee to develop plan for international support, including a budget	End March 1998
National Conference	Ongoing mobilisation of COSATU and broader MDM structures	3 rd quarter of 1998

Developing a campaign plan for Water and Sanitation

Identify Provincial Co-ordinators	PEC's must do this	End March 1998
Popularising Vision	In depots and communities through multilingual media such as pamphlets	30 th April, 1998
Identify target audiences	For special campaigns meetings at all levels	7 th April, 1998
Community meetings	To be held nationally with target audiences	April/May 1998
Implementing Emergency Plan	Plan to be adapted to local conditions and implemented not necessarily at the same time	May/June 1998
Identify potential pilots	National committee to come up with a proposal to deal with this	Still to be decided
Transforming the Water Sector	Co-ordinate and identify transformation issues as a parallel process to the Emergency Plan	30 th April, 1998

Towards a National Campaign Plan

Prioritise the establishment of Service Committees	Provinces to set up all Service Committees, Provincial Service Committees to draw up a programme of critical flashpoints. National Service Committees to elect Co-ords and develop programme of work. National Service Committees to elect Co-ords and develop programme of work.	Mid March, 1998 for Provinces End of March, 1998 for National
Popularising Visions/Emergency Plans for each sector	Visions for different sectors to be finalised and timeframes set	April, 1998
Shopstewards Education and Training Manual	To be developed in order for shopstewards to deal with privatisation	1 st draft ready, to be finalised by end of March 1998

is going
support us.
the

equity. In this way service delivery by the public sector to bring about the people. councillors will also be more accountable to

The Emergency Plan:

Comrades, many of our workplaces are in a crisis. An Emergency Plan will bring about short-term and visible improvements. It will also help SAMWU advance our aim of workers taking control of their workplaces.

The main points of the Emergency Plan are:

- Staff and resources must be re-organised to meet needs (for example, workers can be redeployed to service disadvantaged areas)
- Fix obstacles to service delivery (for example water leaks, unused reservoirs or other resources)
- Place workers according to their skills and organise the unorganised
- Achieve legitimacy for the Plan by engaging DWAF, encouraging illegal connections to be replaced in line with the RDP with water meters
- Encourage workers to manage service delivery by becoming more accountable and responsible
- Involve the community at all times through meetings and debates
- Use the campaign to highlight development needs in other sectors, and the RDP requirement that government fund basic services
- Use physical resources, such as requesting funding from government that would have been allocated for councils to investigate PPP's.

SAMWU must implement our emergency plan as soon as possible and bring about visible changes to service delivery.

Sunday Independent 5/7/98

114

Town accused of apartheid-style job and spending practices

GENERAL

Township residents in Nelspruit are in an uproar over the town council's alleged apartheid-style employment, spending and service provision practices, and the sale of its water service to a British company.

Residents maintain that the town is still as segregated as it was under apartheid, with the old, predominantly white centre surrounded by Kanyamazane and Matsulu townships. Last week residents called for a commission of inquiry into the town's financial affairs.

The South African Municipal Workers' Union (Samwu) has also laid an official complaint with the province's bargaining council and with the national department of water affairs. Pogisho Pasha, the union's provincial secretary, said Samwu had declared the dispute "because the national framework agreement makes formerly disadvantaged companies preferential bidders for government contracts".

Pasha said that in the townships 62 percent of the community earned less than R600 a month, yet Biwater, the British company, was paying about R300 million for the 30-year water concession from which it would expect to make a profit. "The community is asking, how will the company be able to squeeze a profit out of people earning less than R600 per month?" he said.

Town council documents in the possession of The Sunday Independent show that out of a population of 234 337, just over one tenth is white (24 600) yet the town's water department servicing the white area has 130 workers, compared with 22 workers for the two townships. The total water budget for 1996-97 was R33,2 million, of which almost R23,5 million went to the water department for "white" Nelspruit only.

Pasha also said that many of the predominantly black union's members earned less than their white counterparts – in some cases more than R40 000 a year less – despite having the same qualifications and doing the same job.

Isaiah Khoza, mayor of Nelspruit, said the alleged apartheid employment practices of his town council had not been formally brought to his attention.

He also said that he had asked community and union representatives on numerous occasions to suggest ways for the council to bring water cheaply

to township residents. But “they failed to come up with viable alternatives”.

By: William Mervin Gumede

Sunday, July 05, 1998

2**11 Sep 1998 South Africa: Cosatu to oppose privatization plan: SOWETAN
Asia Intelligence Wire (Q1:36)
By MZWAKHE HLANGANI, LABOUR REPORTER

Johannesburg - A major confrontation is looming between the Congress of South African Trade Unions (Cosatu) and the Government after the protracted talks over the planned privatization of water provision and municipal services reached a stalemate this week.

Cosatu has filed a notice to the National Economic Development and Labour Council (Nedlac) of its intention to proceed with a nationwide work stayaway on September 24 in protest against privatization, spokeswoman Ms Anna Weekes said. The planned protest action includes picket demonstrations.

Cosatu and its affiliate, the South African Municipal Workers Union, Nedlac management and the directors-general of Constitutional Development and Water Affairs have been engaged in lengthy discussions since last August. "The parties agreed, however, that the matter had been properly considered by Nedlac, which is the requirement of the Labour Relations Act," Nedlac spokeswoman Ms Jennifer Wilson said.

Demands forwarded by Cosatu include an immediate end to all privatization of basic services and the reversal of all privatization processes in Nelspruit, Dolphin Coast and Tygerberg in Cape Town.

The Government was also urged to consult labour and communities in regard to the implementation of the public service delivery plan.

Weekes said resistance to the privatization initiative had been mounting since May last year when the Dolphin Coast municipality in KwaZulu-Natal announced it was privatizing water and that a French multi-national, SAUR, was the winning bidder.

In Nelspruit a British transnational, Biwater, is the preferred bidder for a 30-year water contract, while the Cape Metropolitan Council Tygerberg decided to privatise refuse removals for Khayelitsha last November.

Copyright(C) 1998 SOWETAN
SOWETAN

Company: Biwater Ltd (005514).

ASIA INTELLIGENCE WIRE

Copyright Chamber World Network International Ltd 1994-1997



COSATU

CONGRESS OF SOUTH AFRICAN TRADE UNIONS

MPUMALANGA REGION

Metis House
25B Haig Street
Corner of Mayor
Witbank
Tel: 0135 6560289/90
Fax: 0135 6560291
E-mail: cosatlump@wn.apc.org

PRESS STATEMENT

FRIDAY AUGUST 7TH

General strike planned for August 19th against privatisation!

Conciliation in the Mpumalanga Division of the Local Government Bargaining Council last night failed to resolve the dispute lodged by the South African Municipal Workers Union against the Nelspruit Transitional Local Council. The union lodged the dispute against the municipality over its intentions to privatise the water on a 30 year contract to British multinational, Biwater.

COSATU is deeply concerned about Nelspruit TLC's determination to privatise the water, despite an existing agreement in the Local Government National Bargaining Council that the public sector is the preferred deliverer of services. There had also been agreement within Mpumalanga's alliance structures that the privatisation should not go ahead - this has been undermined by the TLC. The federation will be now considering all options to put an end to the privatisation for once and for all.

In accordance with COSATU Central Committee resolutions that water should not be privatised, the province has designated August as a month of action against privatisation in Mpumalanga. Masakhane cleanups, picketing and community meetings will culminate in a general strike on August 19th, 1998. About 100 000 workers are expected to strike, bringing the province to a complete standstill.

In the first test case of the new Water Services Act, SAMWU is claiming that the privatisation contravenes clause 19 (2) in Chapter Three. The clause states that "a water services authority may only enter into a contract with a private sector water services provider after it has considered all known public sector water services providers which are willing and able to perform the relevant functions."

A recent article in the *Business Report* newspaper revealed that Nelspruit TLC has made no effort to redistribute existing resources and services since the days of apartheid. The newspaper revealed that only 17 water workers service the "township" areas of Nelspruit which has a population of around 100 000 people, while 125 workers are used to deliver water to less than 25 000 people living in advantaged areas of the town.

COSATU will be using the general strike on August 19th to implement an "emergency plan" for water delivery, that will include the redeployment of workers and equipment into Nelspruit's township areas as an urgent means of providing water for those with no access.

Resistance to the privatisation initiative is also mounting overseas. Public Services International, the federation of over 20 million public sector workers worldwide, has been corresponding with Minister of Water Affairs and Forestry, Kader Asmal on the issue for some time. The federation received an undertaking from the Minister that any privatisation that is not in line with existing water legislation will be ruled invalid.

In a recent interview with British magazine *Utility Week*, Biwater Chairman Adrian White admitted that water contracts "are not good for the client. They are, however, superb for the contractor. The contractor gets four sources of profit: construction, financial engineering, equity dividend and management contract."

For comment, please call the COSATU Mpumalanga Regional Secretary, Norman Mokoena on 0135 6560289 or SAMWU Provincial Secretary, Pogisho Pasha, on 082 975 4588.



South African Municipal Worker's Union

HEAD OFFICE

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175
Email: samwu@wn-ape.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X/9
Athlone
7764
Cape Town

Press Statement

October 1st, 1998

10am

Nelspruit's private water company accused of corruption in Philippines

The British multinational company that has been selected as the preferred bidder for a 25 year contract to privatise Nelspruit's water has been formally accused of corruption in the Philippines.

The Philippine based Business World newspaper revealed recently that residents of Olongapo City had filed a case against former city mayor Richard Gordon, accusing the mayor, the water district chairman, and a Biwater executive of forging an allegedly anomalous joint venture agreement in 1995.

In a charge filed with the Office of the Ombudsman, the Olongapo residents alleged that Gordon and the other accused "caused undue injury to consumers and the government" by giving "unwarranted benefits" to Biwater through the agreement, in violation of the Anti-Graft and Corrupt Practices Act.

The residents allege that the joint venture - Subic Water - formed between the local authority, Biwater and a Philippine company, DMCI, was forged with "manifest partiality, bad faith and gross negligence" on the part of the officials.

The joint venture and the process towards concluding the contract are almost an exact mirror of events that have transpired in the Nelspruit TLC. The Philippine complainants allege that the joint venture pact was pushed through by the accused officials despite the legal opinion of the Office of the Government Corporate Counsel that the privatisation may be "legally questionable".

"Officials at Nelspruit TLC have similarly insisted on bulldozing through privatisation despite the Water Services Act forbidding privatisation until all known public sector providers willing and able to provide the service have been considered," said SAMWU General Secretary Roger Ronnie.

Allegations of this type are not new to Biwater. Earlier this year, a Pakistani newspaper, The Nation, challenged Biwater to certify that it had not paid bribes to win a water concession currently being tendered.

Malaysian communities seem equally angered by the company's activities. "Biwater is finding it hard to win new water contracts in Malaysia, the country where they obtained a multi-million pounds rural water supply contract in 1986 after a personal intervention by Mrs Thatcher and an unprecedented grant of aid from the then UK government," says the latest PSIRU (Public Services International Research Unit), report. The report alleges that Biwater made huge profits from a rural water supply contract that could easily have been carried out for far less money by Malaysian undertakings.

Last week, the United Kingdom's regulatory water watchdog, OFWAT, said that private water companies would need to spend over R80 billion to clean up their water to acceptable levels. "It is madness for government to push ahead with contracting multinationals to deliver water here while at the same time turning a blind eye to the devastating effects of these companies on water internationally" concluded Ronnie.

.../ends



South African Municipal Worker's Union

HEAD OFFICE

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175

Email: samwu@wn.apc.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X/9
Athlone
7764
Cape Town

Press Statement

November 28th, 1998

12 noon

200 trade unions at PSI Africa Conference condemn Biwater!

The PSI Africa Conference closed one hour ago, with over 200 trade unions unanimously passing an emergency resolution condemning the privatisation of water to British transnational Biwater.

The emergency resolution called on the South African government to stop the Biwater contract immediately.

Although COSATU and the Department of Constitutional Development have been in talks to set up a framework agreement for the restructuring of municipalities for months now, the Nelspruit municipality has persistently ignored the talks and continued with it's own negotiations with Biwater - the Conference was vociferous in its condemnation of this.

Yesterday, Biwater's head office launched an unprecedented attack on SAMWU on it's new website. Biwater accused SAMWU of using "every means as its disposal to publish unsubstantiated accusations, misquotations and untruths, and appears unwilling to retract them even when it has been made aware that they are clearly erroneous."

Yet Biwater has never once contacted SAMWU to inform us that our allegations are erroneous. As journalists who have been covering the story know, Biwater is almost impossible to get hold of in South Africa.

The Biwater website goes on to say that they will seek "redress" in the protection of their good reputation. Given that they are currently suing the Mail and Guardian newspaper, and have sued the Independent and Private Eye publications of Britain in the past, SAMWU wonders why they have not acted against us. Perhaps it is because the reports used by the union disclosing bad practices by the company are the product of hours of painstaking research by an independent South African NGO and the PSI's research unit based in London and contain absolutely no factual errors whatsoever.

These reports show that the water privatisation of the Philippines, lauded on the new Biwater website as a success, is in fact under dispute at the moment. Last week, the French head office of the 20 million public sector worker federation PSI released a worldwide press statement disclosing that another Biwater contract in Baguio, Philippines had been cancelled and that formal accusations of corruption and allegations of improper conduct have been made in other cities.

.../ends

For further comment, please call Anna Weekes at the number above.



South African Municipal Worker's Union

HEAD OFFICE

SAMWU
Trade Union House
8 Beverley Street
Athlone 7764
Cape Town

Tel: 021 697-1151
Fax: 021 696-9175
Email: samwu@wn.apc.org
Website: <http://www.cosatu.org.za/samwu/>

SAMWU
Private Bag X/9
Athlone
7764
Cape Town

Press Statement

Thursday 28th January

2pm

SAMWU will not accept privatisation of Joburg fresh produce market

Contrary to the story in today's Business Day newspaper, the Johannesburg fresh produce market is *not* about to be privatised.

In fact, a framework agreement around restructuring of local government was concluded between COSATU and the Department of Constitutional Development over one month ago. The agreement rules out blanket proposals of privatisation to municipal services running at a loss, compelling municipalities rather to enter into negotiations with the union to finding a public sector solution.

SAMWU finds it very odd that Hanekom, the Minister of Agriculture is not aware of this agreement.

"The Minister of Agriculture does not have jurisdiction in this area," said SAMWU Deputy General Secretary, Mncedisi Nontsele. "This is a matter governed by the Municipal Services Partnership framework agreement."

SAMWU's Greater Johannesburg branch treasurer, Mpho Mokone, added that the union would fight any attempt to unilaterally privatise the fresh produce market. "It is not possible for the Greater Johannesburg council to deviate from the national agreement and privatise," said Mokone.

SAMWU's Greater Johannesburg branch is the union's largest branch with more than twenty thousand members.

.../ends

For more information, please contact the SAMWU Media Office on 021 6971153/4.



designers @ fashion

click here for fashion by 24.com



WE'LL SHOW YOU THE MONEY

- Home
- News
- markets
- companies
- economy
- technology
- news 24
- Unit Trusts
- Shares
- Money Markets
- Assurance
- Insurance
- Offshore
- Tax
- chat room
- forum
- quick poll

08 February 1999

Cosatu threatens Moosa with court action

Jan de Lange

Cosatu is considering legal action against Provincial Affairs and Constitutional Development Minister Valli Moosa, after he consented to the Dolphin Coast municipality privatising its water services last week.

The French consortium, Saur, said it had signed a contract with the municipality to supply water to Umhlanga residents on the North Coast for the next thirty years. Cosatu was taken by surprise, and heard about the signing on Monday.

Protracted negotiations are under way between Cosatu and Moosa's department regarding policy to protect workers' interests in such privatisation deals.

Cosatu says that, on 26 January, trade union representatives and Moosa's officials agreed that the Dolphin Coast contract would be discussed at a sectoral forum meeting on Friday. The forum was created last year to clear up differences between Cosatu and Government on the privatisation of water services.

In mid-January Moosa addressed a letter to Cosatu secretary-general Mbhazima Shilowa, in which he pointed out that signing the contract could no longer be postponed. The tender had been completed a year ago and Saur was considering withdrawing.

Cosatu is obtaining legal advice on challenging the legality of the contract. It is also planning to take the matter to the ANC alliance structures.

Sake

[to the top](#)

[back to category](#)

[news on fin24](#)

20

public sector companies. PSI supports the right of trade unions throughout the world to engage in these debates and advocate alternatives to privatisation.

In South Africa, PSI affiliate SAMWU is urging that a public sector alternative plan must be developed, instead of introducing privatisation on ideological grounds. In developing countries, the growth of democracy requires free media and free trade unions. The interest of a multinational company should not be allowed to suppress the interests of South African citizens in a universal, efficient, democratically accountable water system.

As a contribution to the debate on the water privatisation proposals in South Africa, PSI has a special detailed research report on Biwater prepared by the Public Services Privatisation Research Unit, PSPRU in the UK. The report is a contribution to a critical debate on the proposals at Nelspruit, South Africa, not an attack on one particular company; if another company were selected in a water privatisation, then it would be appropriate to focus critical attention on their record. **(Note to Editors: Please call SAMWU on the number below for a faxed copy of this report.)** This press release, and the PSPRU report, are being released simultaneously in a number of countries around the world. It is also being published on a number of www sites, in collaboration with Labournet.

Note: the PSPRU, which was established 12 years ago, carries out research on privatisation for trade unions in the UK and for PSI.

Key points from the PSPRU report:

- Biwater have made the seriously misleading claims that they are 'one of the world's largest water companies', when they are the smallest of the private companies which are internationally active, and smaller than many public sector water companies in many countries, including South Africa.
- A recent report by the UK regulator, OFWAT, puts Bournemouth Water, Biwater's water supply company in the UK, in the lowest category for customer service.
- A World Bank report noted 'operational, financial, and political difficulties' with Biwater's sewerage concession in Puerto Vallarta, Mexico.
- Biwater's overseas contracts for constructing water supply schemes in Malaysia and Nigeria have been the subject of disputes over satisfactory completion.
- Biwater has relied heavily on support from British governments in winning contracts, and was a major beneficiary of trade-for-aid deals in the past.

CONTACT:

PSPRU: David Hall, office phone: +44.171.388.2366; home phone: +44.181.858.1605;
fax: +44.171.388.3646; email: pspru@pspru.org
SAMWU: Anna Weekes, phone: 021 6971151/2/3; fax: 021 6969175.

Note to editors

Public Services International (PSI) is the International Trade Union Federation which represents public sector trade unions in 137 countries around the world. The affiliated unions, 513 in number, cover some 20 million public sector members. PSI is an autonomous body which works in association with Federations covering other sectors of the workforce and with the International Confederation of Free Trade Unions (ICFTU). PSI is an officially recognised non-government organisation for the public sector within the International Labour Organisation and has consultative status with ECOSOC and observer status with other UN bodies such as the UNCTAD and UNESCO. PSI has taken a number of initiatives over water privatisation.