



# Campaigns Bulletin

TRADE UNION  
LIBRARY AND  
EDUCATION CENTRE

ANTI-PRIVATISATION CAMPAIGN SPECIAL ISSUE

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## Intensify the war against privatisation!

The SAMWU anti-privatisation campaign goes right to the heart of all members in their role as service providers to the community. Any privatisation of municipal services would mean that people in community not have access to basic services. It would also mean a loss of jobs through retrenchment and restructuring. This has already happened in other parts of the world. Internationally, public sector unions are fighting privatisation.

For all these reasons, SAMWU calls on all members to intensify the anti-privatisation campaign!

Experiences internationally have shown that privatisation results in increase in tariffs and a decline in quality services. Our communities have never received a quality service under apartheid. Now things will even be worse: under privatisation only those who can afford to pay, will get services.

A major political responsibility that confronts SAMWU: we must ensure that we win the struggle against privatisation. We are confident that based on the democratic participation of 'our gold', SAMWU workers, COSATU and the community we can be victorious.

At a national workshop in December, workers from around the country came up with ideas for intensifying the campaign:

- Political clarity of vision: we must be clear about what we are doing and why. This will help us to keep our focus and overcome any obstacles.

- Political firmness: we will not succumb to pressure for quick solutions as this leads to confusion and demoralisation in the union.

- We are prepared to negotiate on the basis of a strong union organisation.

- Strong workplace organisation will carry the campaign.

- There must be democratic community participation in the campaign.

- The struggle is broader than SAMWU. We must show communities that privatisation is not in their interests.

- Negotiations must be underpinned by a preparedness to struggle.

- We must have a clear plan and phases to the campaign.

- We need a Vision, an Emergency plan and a long term transformation plan.

It is important for shopstewards to discuss these principles in their structures and in their depots with workers. The success of the campaign depends on each and every SAMWU member!



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### Introduction

Comrades, this is the first issue of *Campaigns Bulletin*. SAMWU is going to be using media such as this newspaper to mobilise and inform all members about campaign developments on a regular basis. In this issue, we look at the anti-privatisation campaign. Keep looking out for Campaigns Bulletin at your branch office.

**PRANTSI I-  
PRIVATISATION!**



# Anti-Privatisation

**S**AMWU is fighting against privatisation for two main reasons. The first is that privatisation is bad for communities and workers. The second is that keeping services in Local Government is part of SAMWU's long-term plan to reform the public sector in South Africa.

In line with this thinking, a strong campaign plan based around phases was devised at two national workshops, held in December 1997 and February 1998. This campaign plan was adopted by the most recent SAMWU Central Executive Committee meeting which took place from February 25-27, 1998. These are the main points:

## The campaign will take place in phases

**Phase 1** will be to popularise the campaign in SAMWU and the community. This newsletter is part of phase 1. It will bring you regular updates on the campaign and it can be used at community meetings to highlight SAMWU's positions.

An important part of Phase 1 is building structures within SAMWU from the ground upwards. The union needs a well-organised campaign if we are to fight privatisation successfully. On the next page you can see the type of committees we need to start to be the core of the campaign.

**Phase 2** is to implement SAMWU's Emergency Plan for service delivery. You can read about the Emergency Plan on page 5.

**Phase 3** is a long-term strategy for transformation of the workplace and Local Government. This may take a long time. Areas that need transforming are national funding to Local Government, training, and a new public sector culture.

So the SAMWU Campaign Plan maps out the phases, uses a short-term emergency plan for service delivery now, and develops a long-term vision for restructuring of Local Government. Different parts of the country will need to adapt the Emergency Plan to suit their circumstances.

## The Pilot Projects

These form an important part of the Emergency Plan. There are already pilot projects in Nelspruit, IKapa and Newcastle. The campaign may identify more pilots in strategic sectors or at flashpoints of privatisation.

## Know and use National Agreements to SAMWU's advantage

The union has agreements at National level that apply to each and every municipality. We must make sure that they are implemented! A very important National Agreement was made on June 30th, 1997 at the National Labour Relations Forum for Local Government (now the Local Government Bargaining Council). This NLRG agreement states:

**(Clause 5.3 {v}) The parties to the NLRG support local government as the preferred form of service delivery and before PPP's or any other form of privatisation is considered, local government be given the opportunity to ensure the effective functioning of such service delivery.**

Comrades, if you are called to any meetings with management to discuss privatisation of certain services, or if they want to start contracting out you can tell them that they must stick to the NLRG agreement and explore every possible means of public sector delivery first. In the meantime, all comrades are asked to take this agreement to management to implement. The agreement is also going to be placed on the agenda of the Bargaining Council.

## The campaign needs Alliance, Community and International support

The campaign must be put on COSATU agendas at all levels. In Nelspruit, the SAMWU campaign is now a COSATU campaign. This is what we want! All Shopstewards must participate in all COSATU activities, and we must try to popularise the campaign with other affiliates by organising workers forums.

The community must be engaged through meetings and debates. We can all try to arrange meetings where we bring the civics and alliance groups together to form a united position against privatisation.

SAMWU has been collecting signatures against privatisation - this needs to be taken out into the community in order to make this a significant figure. Masakhane and community projects such as fixing water meters, and cleaning under serviced areas are other ways that we can win community support.

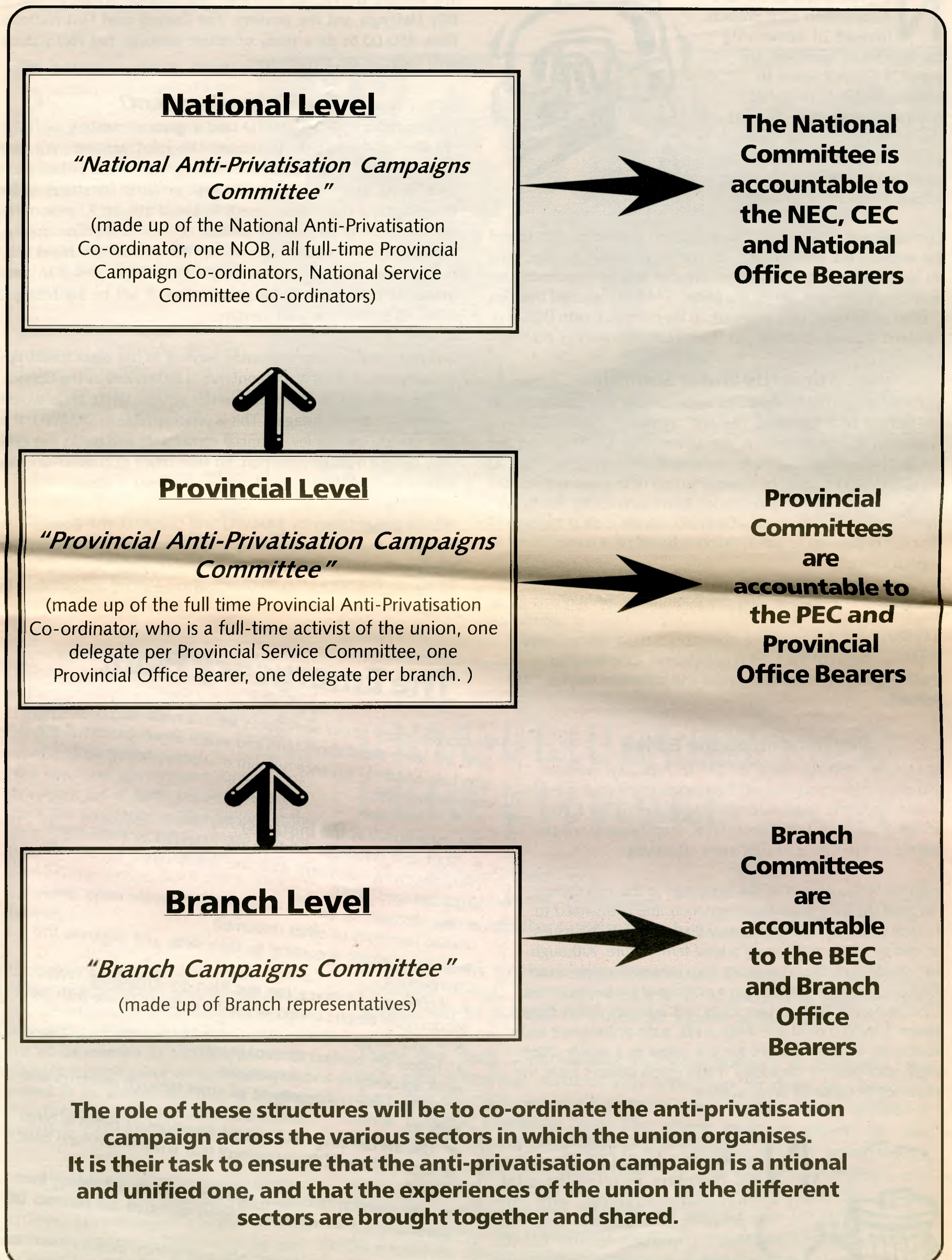
SAMWU will continue to build international solidarity for the campaign. SAMWU is an affiliate of Public Services International (PSI). PSI has a resolution against privatisation. SAMWU must implement this and build campaigns with unions in other countries against multinationals which are involved in privatising.

## Water and Sanitation

A specialised campaign plan is planned for water and sanitation, including organising workers in the water boards and activities during Water Week of 17-23 March.



# Campaign Plan



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



# SAMWU Pilot Projects

**N**elspruit is one of our anti-privatisation pilot projects. Instead of addressing the legacies of apartheid, the Nelspruit Council wants to privatise water. In Nelspruit, apartheid inequalities still exist. The white minority has clean piped water and swimming pools while water is rationed weekly to the black townships.



Comrades are all aware that the Nelspruit Council wants to sell the water in the area to a private company, British Biwater, on a 30 year contract, or concession. Biwater will be responsible for providing water and setting the prices. SAMWU rejected this idea as soon as we heard of it, and took up the campaign with COSATU. Nelspruit Council has now put these plans temporarily on hold.

## Tripartite Water Summit

COSATU presented its Vision for water and its Emergency Plan at the Summit on 8 February. The ANC agreed to discuss COSATU proposals. In the meantime, we agreed that SAMWU and the Council begin negotiations to implement the Emergency Plan (E. Plan). SAMWU invited the Council to join us in implementing the E. Plan on 16 February. The council didn't turn up for the follow-up meeting on 23 February. SAMWU made it clear to Council that our opposition to privatisation is based on a commitment to service delivery.

Together with COSATU and the community, SAMWU is going ahead with the E. Plan even if the Council does not support us. SAMWU will be meeting communities to discuss the implementation of the E. Plan in Nelspruit. Communities must be part of process to improve and transform service delivery.

## Implementing the E. Plan

At general meetings on 6<sup>th</sup> and 21<sup>st</sup> of February, workers and office-bearers committed themselves to improving the service. SAMWU hopes to begin implementing the E. Plan on the 1<sup>st</sup> of April. In the meantime, shopstewards will be trained to run the campaign more effectively.

In terms of the phases of the campaign in the Emergency Plan and the long-term transformation, the pilots need to be seen as part of the emergency Plan. Some of the issues tackled by pilots might be of a long term nature. Although the adoption of the Emergency Plan means that the union must begin to take initiatives in a number of areas, the union must recognise that certain areas will advance faster than others. SAMWU must use these areas, such as Nelspruit and Newcastle, to draw lessons for the union as a whole. Pilots might also become necessary if the union doesn't have the resources to tackle all areas at once.



**N**ewcastle was made a pilot project by the most recent CEC. The union will therefore monitor the pilot nationally, together with the province. This way the union will learn important lessons for the future. In Newcastle, Council wants to privatise refuse removal through a joint venture.

The venture will include the Newcastle Council, private company Billy Hattingh and the workers. The Council paid First National Bank R50 00 to do a study of refuse removal. But FNB's study only focusses on privatisation.

## Black Empowerment?

In December 1997, SAMWU held a general meeting with the workers of Newcastle to discuss the joint venture. We saw Council's plan as a means of co-opting workers to privatisation by offering them 'shares' in the joint venture. For shares to be meaningful, a shareholder needs to spend at least R1million. No worker is able to do this. The amount of votes or decision-making powers of shareholders depends on the amount of shares they hold. So workers would have very little control - this plan was merely to clear the way for privatisation. It will be big business who will control the joint venture.

The joint venture was to provide services to the black townships only. The white areas would continue to be serviced by the Council. As the public sector provides a better service, white areas would continue to be advantaged. This is unacceptable to SAMWU. It is only private companies, financial consultants and banks like FNB who benefit from privatisation. So after much discussion workers agreed that SAMWU would oppose the joint venture.

After a presentation by SAMWU and COSATU, the Council has agreed to put its privatisation on hold. Basic services are not for profit and must be delivered by the public sector to bring about equity. In this way councillors will also be more accountable to the people.

## 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.



# Beating privatisation of refuse in Khayelitsha!

**S**AMWU won a major victory in Khayelitsha on March 2nd, 1998 when the Commission for Conciliation, Mediation and Arbitration (CCMA) ruled that the privatisation of refuse removal in the area was unfair labour practice. The CCMA also upheld the NLRF decision that the public sector is the preferred deliverer of services.

Refuse removal was privatised in November, 1997 under the Billy Hattingh subcontracting scheme. Since then Khayelitsha has not been clean for a single day.

SAMWU's first Vice-President, Xolile Nxu, is a shopsteward in the area. Comrade Nxu told *Campaigns Bulletin* that the Billy Hattingh scheme was making use of unemployed people to clean the area on foot. This has failed so dismally **that municipal workers have been called in** to assist the private sector in cleaning up the area!

Although the Billy Hattingh scheme has failed to provide an adequate service in the area, Councillors from the City of Tygerberg have decided to waste even more time and money by taking the CCMA's decision on review to the Labour Court. To do this they will use local government funds to pay lawyers a fee of R700 per hour! SAMWU finds this unacceptable. The reason for the privatisation in the first place was that the council did not have enough money to perform the service. But it seems they are willing to spend thousands of rands on lawyers.

The union has called on Minister Valli Moosa of the Department of Constitutional Affairs and Development to investigate exactly why certain of these Tygerberg Councillors are so interested in keeping the Billy Hattingh scheme going, when it has already proved to be useless. SAMWU is alleging that these Councillors have their own interest in privatising the refuse collection.

When the arbitration began last November, the community was divided about the scheme. Unemployed people in the community had heard there would be jobs for them, and they saw the privatisation as a job creation project.



To win community support, about 3000 SAMWU members spent a Sunday cleaning up the area as part of Masakhane. These members showed clearly that municipal workers with proper equipment are the best deliverers of a refuse removal service!

It is clear that resources are available to deliver adequate services to all areas. There is no need for privatisation - municipalities must rather redeploy workers from the overserved advantaged areas to perform an efficient service in the townships.

## ANTI-PRIVATISATION COMPETITION!

**C**alling all members, shopstewards, organisers, administrators and office-bearers!

**Win a  
Revolutionary  
Prize!**

**SAMWU needs a national logo and slogans for our anti-privatisation campaign. A logo that makes people throughout the country think immediately of SAMWU's campaign against privatisation.**

**There are many creative and talented workers in SAMWU. We have rich histories, cultures and traditions to draw on. Don't let down the struggle: we don't want to ask private sector artists to draw a public campaign logo! The slogan must be short, in any language. It should show clearly our struggle against privatisation and our struggle and commitment to improve the workplace and service delivery to the community. We already have one slogan from the Northern Cape: "Moenie vat wat nie aan jou behoort nie!" And of course, the favourite, "Phantsi i-privatisation, phantsil!" If you want to design something around these slogans, please do so. Give your ideas to your shopsteward to be passed on to Head Office. Closing date for submissions is 31 April, 1998.**



# SAMWU's Vision

## ◆ Representativeness:

### **Problem Statement:**

Water services in South Africa are male dominated. There is also racial division with blacks being labourers (semi and unskilled), and whites exclusively dominating the managerial layers.

### **Vision:**

An affirmative action policy must be implemented to redress the gender and racial imbalances within the service. The service and its management must reflect the demographics of the country. There must be a special consideration for the accommodation of the physically disabled within the entire service. This also entails the provision of workplace infrastructure to assist the concerned individuals. There must be mechanisms to ensure the employers do not practice discriminatory actions.

## ◆ Legitimacy and Service Delivery

### **Problem Statement:**

The providers of water do not enjoy legitimacy due to lack of accountability, high tariffs, poor infrastructure, erratic water supply, insufficient water tanks in the case of rural areas. Inferior service to black areas as compared to other areas (white areas) also contributes to the lack of legitimacy of the services. The service providers are also not properly educated on the role of communities. There is no community participation in the running of the service.

### **Vision:**

There should be 50 litres per person per day provided for free. Over and above this free amount, there should be rising block tariffs with a cut-off point. This principle of rising block tariff should further be debated in terms of which areas it will cover since there are indications that certain sections of communities might be disadvantaged by this for example, working class areas, rural communities & emerging farmers.

There should be access to clean and tapped/piped water to all households. This means a metered supply into each house. There should be uniformity in the quality of services and equitable service to all. There should be re-deployment of workers and re-allocation of resources to previously disadvantaged communities. Services must also be delivered at affordable prices. There should be a strong civil society to control and manage water provision.

The union must take a position on the user charge and the cost-recovery principles as pursued by the ministry and the government. There should be cross-subsidisation from urban to rural, and from rich and poor, and from industry to households. There needs to be a review of the price structure of the water services.

## ◆ Developmental Role of Water Provision

### **Problem Statement:**

There is no developmental approach in which water is used and provided in some areas. This can be seen in that there was no empowerment of communities. There was no education provided to communities and some communities have to travel distances to fetch water. For example, there was no water provided for recreational facilities such as swimming pools, parks, or gardening.

### **Vision:**

Service delivery should be speeded up. Our vision should also take into account the cultural use of water by communities. Our vision should facilitate subsistence farming and community based economic activities such as vegetable gardening and brick-making. There should be subsidised tariffs or infrastructure for small black farmers. There should be provision of education about the importance of water in terms of health and hygiene standards, its conservation and good quality and the cost of providing the water service. The provision of water to households should happen with a view to reduce the heavy domestic burden on women. There should also be an integrated developmental approach to the provision of housing, health and water.

## ◆ Community Participation and Accountability

### **Problem Statement:**

There is no community participation and forums to address problems experienced by communities. The service providers are not accountable to the communities.

### **Vision:**

There should be community participation through development forums at local, provincial and national levels. The community should own the process of delivering water services. They should also take part in decision making and policy formulation and budgetary processes around the provision of water services. The issue of community participation should also be seen as a way to hold councillors accountable and democratic in carrying out their

responsibilities. All forums need to be accountable to the community. Community participation will also help realise integrated development by bringing other social concerns into the process of water provision.

## ◆ Worker Participation, Staff Development and Utilisation, Wages/Salaries and Conditions of Service

### **Problem Statement:**

There is no worker participation in the development of policies. There is also no change in apartheid policies. Workers are made to perform jobs without any form of training. There has not been any transparency in the functioning of the services. Workers are demotivated by low wages and lack of incentives. There is also racial discrimination in the distribution of benefits such as training. There is no participative management, there is lack job mobility, and there are no opportunities. Salaries are low.

### **Vision:**

Workers must take part in decision making and form part of the organisational structures. All workers should be developed to become educators in their own right. There should be resources devoted to the education and training of staff with specific reference to the 'front-line' workers. Workers must also be involved in the actual implementation of decisions and policies. There should be worker control in the workplace and the union should interact with other community stakeholders.





# for Water Provision

## 💧 Management of the Service

### **Problem Statement:**

Management is inexperienced, there is no transparency, no clearly structured organisation of work and unilateral policy making.

### **Vision:**

There must be participation of workers and the community in management, affirmative action and flat management structures. There must be transparency and accountability to workers and the community, and devolution of decision-making.

## 💧 Financing of delivery

### **Problem Statement:**

Poor delivery because of a lack of finance from central government, and advantaged communities are still benefiting from the present the structure of local government finance.

### **Vision:**

There must be full cost recovery provided basic needs are met. There must be block financing, cross subsidising, and free 50 litres per person per day.

## 💧 Utilisation of physical resources

### **Problem Statement:**

There are poor budgetary allocations, poor management of resources, for example there is insufficient transport for maintenance.

### **Vision:**

Union/worker involvement in the budgetary process, proper prioritisation of expenditure, accountability to workers and the community, SAMWU to encourage self-discipline of its members.

## 💧 Technology

### **Problem Statement:**

There is a lack of staff assessment of resources, equipment, conditions and alternatives kinds of technologies. There is no worker participation in technological development. The technology that is employed is not worker and community friendly. Few are skilled to use equipment, and there is a lack of recognition of skills informally acquired. There is no consultation with the union around the introduction of new technology. The introduction of new technology frequently leads to refrenchments.

### **Vision:**

Working conditions must be improved, including health and safety. The introduction of new technology must lead to extended services and it must be introduced in a transparent manner. There must be worker participation in technological development and research. Technology must be locally developed and resources must be put aside for the development of appropriate technology. SAMWU and the community must set the agenda of the Water Research Commission.

## 💧 Relationship to other services

### **Problem Statement:**

Generally there is no relationship, and there is fragmented planning and this affects service delivery.

### **Vision:**

There must be an integrated approach and planning, joint accountability and responsibility between different services.

## 💧 Conservation and Environment

### **Problem Statement:**

There is no uniform approach to conservation issues, and there is no relationship between water services and other services around conservation. There is also a lack of conservation education. There is no improvement in water quality, dams are of poor standards, dumps are set up next to rivers, and there is no maintenance of reservoirs. There is also no recognition of water table (level of ground water).

### **Vision:**

The integrated development strategy that must be approached in a way that takes into account conservation and environmental concerns. These considerations will make the delivery of water sustainable over long periods.

## 💧 International Issues

The workshop agreed that there is a need to look further into this question as there was not sufficient information to be able to deal with it adequately.

### **Problem Statement:**

There is a poor relationship between countries. For example, the Lesotho Highlands Project will impact on price and it will impact on local communities in Lesotho.

### **Vision:**

Enhance the quality of life of communities affected by international water agreements, study the impact of inter-basin transfers and limit these. Countries should be able to export/import water freely but must pay for infrastructure. Neighbouring countries should be able to utilise water free of charge where they share rivers, the population of each country to determine how much water it can import/export.

## 💧 Institutions of water supply

### **Problem Statement:**

The existing institutions distribute water inequitably. There are too many institutions delivering water. Private companies are also allowed to deliver water.

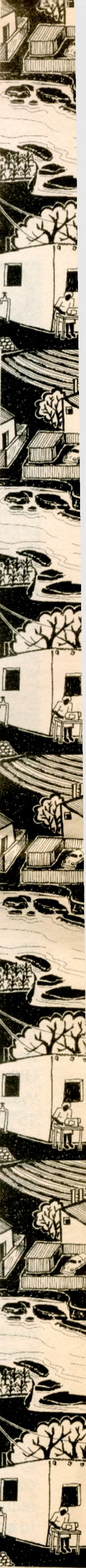
### **Vision:**

Democratise and organise water institutions, and local authorities must take responsibility to deliver water and not shift these to private companies. Water boards must provide services where local authorities cannot. Institutions that deliver water must be transparent and accountable, and they must be rationalised.

## 💧 Overall Water Policy

### **Vision:**

Water services must be of high quality, affordable and accessible. The payment for water must be based on the principle of 'more you use more you pay'. Water provision must be public sector driven, sustainable and there must be delivery with no profits for the private sector. There must be on-going education and awareness, integrated approach with all related departments, cross subsidisation, and policy formulation must include all role players.





# Water is life!

## Do not sell it!

Comrades may have heard of the multinational companies Generale des Eaux and Lyonnaise des Eaux. These are the companies that are buying up water all over the world. But they don't only own water - they own smaller companies who in turn own television channels, cellphone networks, street cleaning machines, bus companies and the list goes on. So we can see that these water privatisers are very powerful. In fact, Generale des Eaux Group is one of the 10 largest private sector employers in Europe.

**Generales Des Eaux** recently pulled out of a contract to run the water supply in Tucuman province in Argentina. Right from the beginning there were problems with the contract. At one point, Generales agreed to cut the price of water because of the water was of bad quality. After a number of disputes, Generales has decided to pull out because it is not making the profit it wanted to. So we can see that governments have no control over these unaccountable multinationals.

**Lyonnaise des Eaux** has launched an offensive to ensure it has it handles the daily drinking water of millions of people, in Manila, Buenos Aires, Jakarta... Wherever water is privatised in the world, Generale des Eaux and Lyonnaise des Eaux-Suez will bid for it.

There are only a handful of private water companies active in the world. The list is so short that we can all mention them here. Apart from the two mentioned they are Bougyes-SAUR (France), United Utilities, Severn Trent and Thames Water, all from England. Their aim is to make a profit of 12-15% when they sell water. To do this they sell water of bad quality at a high price. And if we let them privatise our water, we won't be able to complain. After all, who can do without water?

Public Services International (PSI) does not believe water should be provided at a profit. In fact, privatisation of water is very unpopular with citizens across the world. Consumers refuse to pay their bills in Buenos Aires, workers defeat privatisation in Lodz, Poland, the majority of the population in the UK was never in favour of privatisation. The privatisation leads to hardship for workers, currently experienced by our comrades in Manila. Lyonnaise des Eaux and United Utilities dismiss hundreds of workers there. Is fighting privatisation around the world too large a task? Let's look at the companies involved.

Lyonnaise des Eaux is not only one of the largest water companies. In Europe it is the largest private waste company. It reduced the internationally active companies in the waste sector to a handful by buying out company after company until it was one of the largest. And Generale des Eaux operates one of the largest European private transport companies, including trains

across the UK and the Netherlands. Its energy branch is active from the US to China. Behind the companies stand the financial and ideological interests of the World Bank and others which assist them with loans.

Lyonnaise Des Eaux has a very bad track record. In 1993, Aguas Argentinas, a consortium which Lyonnaise des Eaux is part of, won the water and sanitation contract in Buenos Aires. At the time, they signed a contract with the local authority which spelt out extensions to the water system, so that all residents would eventually have access to water. It also included a structure for tariffs that the company could charge residents. Towards the end

of last year, however, the Buenos Aires municipality agreed that Lyonnaise des Eaux could increase water prices to residents, even though this increase is not part of the original contract.

Aguas Argentinas had extended the water system to many residents who didn't have access before. But poor residents could not afford to pay the high connection fee. The municipality, under a political obligation to make sure all residents had access to water, forced Aguas to connect all residents, even those that couldn't pay. The result? The company started making financial losses.

The company then approached the government and told them they wouldn't be able to continue the contract unless they got more money. After lengthy negotiations, the government agreed that the price of water could be increased, so that Lyonnaise des Eaux could

continue to make enough profits. In addition, the poor customers will still pay the connection fees - but they can pay them off over five years.

We can not accept that the world is to be run by a handful of companies out of the control of national states and beyond the powers of international institutions. Water workers are part of the ground swell that is building to halt the madness of globalisation that destroys our planet. New rules need to be set to benefit workers and citizens, and the environment. World Water Day on 22 March 1998 marks a further step in the campaign for clean and safe water and fair labour practices.

Public Services International is the voice of 20 million public services workers in close to 500 trade unions in more than 130 countries. These workers provide services to the public in often difficult and dangerous circumstances in health and social services, local, regional and central government, utilities such as water, sewage treatment, energy and waste.

*This is an edited version of an article was written by Jan Willem Goudriaan, who is PSI Regional and Vocational Secretary for Europe and co-ordinates PSI work on water.*





# The politics of water

There are almost 12million people in South Africa without water and sanitation. When discussion water provision, very often the emphasis is on water as a scarce resource. This is true, but this is not the whole truth. We also need to understand how water provision is decided: this is based on the power of the capitalist class and the working class. In SA, historically the capitalist class is white and the workers are largely black. This division is also reflected in the provision of water. How different social classes relate to each other make up the the social and political relations in a country.

There are two factors that determine the availability of water in any country:

- ◆ climatic conditions and
- ◆ the social and political relations in a country (rich and poor, workers and capitalists).

But even in the worst climatic conditions the availability of water is determined by the socio-economic and political relations in a country.

SA has a low rainfall and is therefore an arid country. Often there are droughts and floods. But the availability of water is determined by the socio-economic and political power relations. For example, 60% of water used in urban areas is used for swimming pools and for watering gardens, primarily of the white population.

## Water and Land: patterns of inequality

With the 1913 Land Act the conquest of the land was consolidated. The Act gave 87% of land to whites and 13% to Blacks. White land was also the most fertile. The distribution of land was also t determine the allocation and availability of water for many years.

The present pattern of water availability can be traced to the NP victory in 1948. The water policy of the NP was geared towards serving the interests of Afrikaner capitalists, the Afrikaner Middle classes, the Afrikaner farmers and white workers.

The history of land acquisition in SA combined with the importance of the farmers for the NP, led to the riparian system in SA's water policy. The riparian system means whoever owned the land next to a river also owned the water that flowed through it. This policy enabled agriculture to use large volumes of water without having to pay for it. Other farmers were served by the Irrigation Boards. Today farming accounts for more than half of the water use in SA.

*Residents of Buisplaas in the Western Cape first received clean, running water in September 1994. Many other communities are still waiting...*



But the NP was committed to a capitalist system and also looked after the interests of industry and mining. The Water Boards served industry ( and the white middle classes). The importance of water boards can be seen in the composition of the governing Boards: they are dominated by business representatives.

The 1994 elections marked an important landmark in the evolution of water policy. Some of the key changes were captured in the White Paper on National Water Policy for SA. With the ANC victory in 1994, the old base of the NP became marginal and government policy shifted from the riparian principle. The new policy was now geared towards promoting industry, tourism and greater equity. This reflects the new classes or new social forces at play in South Africa.

In 1996 the government announced its Growth, Employment and Redistribution (GEAR) economic strategy. This strategy is based on export-led growth, deregulating labour markets and financial markets to make SA more 'competitive' and open to foreign multinational companies. SA's integration into the global economy is based on terms set by the World Bank and the International Monetary Fund. Privatisation is a cornerstone of GEAR. Overall the emphasis is on creating a favourable climate for 'investors', capital and profit making.

COSATU has criticised GEAR for being a neoliberal programme geared to the needs of financial capital - bankers and other financial investors, both local and foreign.

## Impact of GEAR on Water Policy

- ◆ Firstly, one of main problems is that the state will no longer provide water but will only regulate or make the laws

governing water. As we can see this is a big change from the past, where the might of government resources was used to provide water to (minority) sections of the population. The government is therefore shirking its responsibility to the provide water provision to historically disadvantaged communities.

- ◆ Secondly, while DWAF recognises that millions have no water, it does not have the resources to provide water. The government's budget cuts will have a devastating effect on DWAF's water delivery. Many communities will remain without water.

- ◆ Thirdly, provision is made to privatise water in various forms, from concessions (Nelspruit) to BOTT(build, operate, train and transfer), to subcontracting. This will mean that people are at the mercy of private companies. You can get access to water only if you can afford it. In a short space of time we have seen the growth of multinational companies, both foreign and local. In Nelspruit while the privatisation is on hold, the major tender is British Biwater. In Stutterheim and Queenstown, the company running the water is Waster and Sanitation Services (WSSA), a subsidiary of a large French multinational company.

- ◆ Fourthly, an important factor that influences the supply and availability of water is the nature of the transition in SA, the negotiated settlement. While recognising the inequalities in water provision, the White Paper says that 'there will neither be a surrender to a vested interests nor a water grab'. Basically, the inequalities in water provision will remain. This is different to the RDP which states that people have a right to water provision as a basic need.



# Review the National Framework Agreement!

In 1995 COSATU accepted the National Framework Agreement (NFA). The NFA was the basis on which all state assets would be restructured in the new South Africa.

SAMWU expressed strong reservations about NFA including the following:

- ◆ members/workers did not have the opportunity to discuss the NFA adequately
- ◆ the NFA represented a major shift in COSATU's position on privatisation. Previously COSATU had a clear rejection of privatisation. Now the NFA includes privatisation as a tool for restructuring state assets. This also has major implications for implementing the RDP and addressing the historical legacy of apartheid and exploitation.
- ◆ SAMWU is opposed to all forms of public sector privatisation
- ◆ SAMWU believes that for services to be efficient, effective and affordable they must remain within the public sector and not be profit-oriented.

SAMWU agreed to abide by the COSATU majority decision and participate in the tasks teams on restructuring state assets. At the same

time the union gave notice to COSATU that if necessary we would resist any attacks arising from privatisation initiatives. SAMWU's anti-privatisation campaign, includes public sector reform, in the interests of workers and the community. Community participation is vital in this campaign.

At the 1997 Congress COSATU resolved that all basic services must be delivered by the local government. This will address the apartheid legacies and will also ensure that councillors we elect are accountable.

COSATU has also been supportive of the struggle against privatisation in areas like Nelspruit, Khayelitsha and Newcastle where privatisation is now on hold.

However, it is important that we review the NFA. The current approach has opened many unions to opportunism. Some unions are even tendering for privatisation contracts where their own members are at stake. Privatisation is attacking the very fabric of society and the public sector's ability to deal effectively with poverty and apartheid inequalities.

The restructuring/privatisation of the parastatal Transnet is a good example of the problematic nature of the NFA.

The 10 unions involved in the restructuring committee of Transnet have recently suspended their participation because government was spending "millions" on its advisers in the restructuring process, while unions had to make do with far less.

The unions have also argued that government is being inconsistent in its approach to labour advisers. Government is allowing labour to advise on the privatisation of the Airports Company, but does not seem to see a role for labour advisers in Transnet. Unions have said that there does not seem to be a clear way forward in the process.

SAMWU feels that these problems are signs of more problems to follow in the restructuring of further parastatals and state assets.

It seems also that the role of unions in the restructuring of state assets is defined to focus on 'labour' issues only. This undermines COSATU struggle for workers to participate in the running of society as a whole.

We need to review our participation within the NFA. We need a thorough assessment of COSATU role in the NFA and the gains made for the workers' movement since its inception in 1995.

**No to privatisation in any form!**

## What are the roots of privatisation?

*Today many governments, big business and the media say that privatisation is the answer to most economic and social problems. In South Africa we hear the same: privatisation is the only root for economic growth. But privatisation is only recently dominating international economies.*

### Before - a strong public sector

Historically, in most countries the public sector provided vital services and infrastructure like roads, bridges and

railway networks. The main reason for this was because capitalists were not prepared to put up the finance needed.

For example, after World War Two, it was through the public sector that European countries were rebuilt. The United States gave financial assistance to European governments. One of the main reasons for the public sector provision of basic services was due to workers' strength. Through their unions and their electoral vote workers exercised their power.

Besides infrastructure, industries were developed. The national health and education systems were developed and paid for from tax revenues. Basic

services like water and electricity were delivered by local government affordably.

### Capitalism in crisis

But in the late 1960s and early 1970s the capitalist system experienced problems. Capitalism is the international economic and social system based on making profit.

The capitalists' profits were decreasing because of overproduction. Overproduction is when more goods are produced than people can buy. Warehouses were filled with goods while factories went bankrupt and unemployment increased.



## **Globalisation & Neoliberalism: the search for profitable investments**

The crisis of overproduction forced capitalists to seek secure investment. One of the 'safe' investments is the buying and selling of money or finance and charging interest. The banks charge high interest rates. For example, Standard Bank has just made R1billion profit from the interest it charges people. The world is going through an information revolution - with internet and e-mail, banking is quick and money is easily moved from one part of the world to another. The capitalists prefer investing in countries where worker and human rights are few, because lower wages for workers mean higher profits. Capitalists have no responsibility to develop the countries where they make huge profits! This is called globalisation.

International finance organisations like the World Bank and the International Monetary Fund pressure governments to make laws to help the capitalists. For example, taxes for capitalists are reduced and they can take profits made in SA to another country where labour is often cheaper or more exploited. Governments are pressurised to cut expenditure on vital services like health, welfare and education.

There is also pressure to privatise public assets, which are profitable because the state has already invested in infrastructure and other resources. Governments are also pressurised to sell basic services, because they are good investments for capitalists. Everyone needs water, electricity and healthcare. This programme that governments are implementing to help the capitalists resolve their crisis is called neoliberalism.

### **Let's look at SOUTH AFRICA:**

#### **The public sector**

Historically the public sector helped to develop the economy. Infrastructure and industries were built through the Iron and Steel Corporation (ISCOR), formed in 1928 amongst others. Other public services included the SA Transport Services (SATS), made up of railways, harbours, SAA and road transport.



#### **Public sector workers**

***must unite against the strangleholds of privatisation and globalisation!***

At one point SATS was the largest employer in SA. Today SATS is called TRANSNET. The government also set up the Land Bank to assist white farmers with loans. ESKOM was formed to provide electrification.

Particularly after 1948, the public sector was used to uplift 'poor whites' through job creation, building houses, schools and hospitals. Local government provided efficient and affordable services to whites. The Aventura holiday resorts provided cheap holidays to poor white families.

#### **GEAR and Neoliberalism**

In SA neoliberalism is expressed in the government's Growth, Employment and Redistribution strategy, (GEAR) in July 1996. The COSATU September Commission criticised GEAR as a neoliberal programme serving the interests of finance capital and multinational companies. A cornerstone of GEAR is privatisation, based on 'job-shedding growth' for the capitalists.

#### **Public sector under attack**

The public sector was used to develop the economy and uplift white people in SA. But now that the legacy of apartheid needs to be addressed, the public sector is being privatised.

Already TRANSNET is organised into divisions in preparation for privatisation, yet working people have never had a decent affordable transport system. Other examples of privatisation are Telkom, SABC, Sun Air

and SAA. Housing is also privatised: loans are controlled by commercial banks at high interest rates.

Aventura is being privatised and once again black workers will be excluded from taking their families on well-deserved holidays because they can't afford it.

But it is in local government where workers are feeling the pinch. Basic services are being privatised even before these services have been extended to the people. It is estimated that about 12million people in SA have no access to clean water and sanitation services, yet water is being privatised.

Workers and unions are being co-opted into privatisation in the name of joint ventures and black empowerment. But international experience has shown this will not address the historical inequalities of South Africa's people.

#### **Strengthen the Anti-privatisation Campaign**

The COSATU Platform with the ANC for the 1999 elections must include the scrapping of GEAR and privatisation. We must ensure that workers interests are implemented. All comrades should take the anti-privatisation campaign to their COSATU locals, emphasising that privatisation is part of GEAR.

We need a strong public sector to provide basic services to communities and to create jobs. In this way we will be uplifting the society and beginning to address apartheid legacies.



# 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 <sup>rd</sup> 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 <sup>th</sup> April, 1998
Identify target audiences	For special campaigns meetings at all levels	7 <sup>th</sup> 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 <sup>th</sup> 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 <sup>st</sup> draft ready, to be finalised by end of March 1998