

# NATIONAL COALITION AGAINST PRIVATIZATION OF WATER (NCAP)

FOR WATER SERVICES YOU DESERVE.....

## AVRL MUST GO NOW! SUPPORT GWCL WORKERS!

**W**ater services delivered to the Ghanaian public must be among the worst in the world. Under Aqua Vitens Rand Limited (AVRL), the private company that is being paid millions of dollars of our public resources to 'manage' the water service, things are getting worse. In addition to unbelievable scandal of millions of hard currency paid to these most undeserving 'foreign management experts', ordinary people's water charges are going up all the time – water prices for consumers have gone up a MINIMUM of 67% since AVRL took over in 2006. We do not deserve this. **AVRL MUST GO NOW!**

### Human Problem, Human Solution

We should never accept that the situation that is being imposed on us – bad water supplies, bad water quality, rising water tariffs, public health epidemics such as cholera and guinea worm and child mortality, family and community conflicts over water scarcity, etc., etc., - is normal or natural. These problems are human made. And we know those immediately responsible: the AVRL management!

AVRL is supposed to be a non-profit organization. Yet they are declaring record profits. Water revenue and company income have gone up by about 80%. Yet AVRL's own reports show (among others):

- Under-spending on Water Treatment
- Under-spending on Repairs and Maintenance

AVRL spends millions of Ghana cedis more on Advertising than on Repairs and Maintenance. As we

have said before: "the whole operation of AVRL has been reduced to fraudulent media hype at the expense of core expenditures such as repairs and maintenance, the outcome of which is the poor service delivery the country is presently experiencing". **AVRL MUST GO NOW!**

### THE SHAMEFUL RECORD OF AVRL MANAGEMENT

But these show AVRL's real priorities. It has shown its so-called 'management expertise' by re-organizing water company operations "to be more commercial and customer focused" (compared to what it believed was previously a mistaken "engineering emphasis"). Let's see what great achievements have been attained by this new magic of 'commercial and customer focus':

- Customer charges have increased from GHc0.51 to GHc0.94 per litre of water in less than 2 years
- Commercial losses (due to AVRL complete failure to meet its contract target in reducing 'non-revenue water losses) have increased by almost 100%, from about GHc 51million in 2005 to GHc108million in 2008.
- Controversy and allegations of corruption and dumping of unusable technology and chemicals on Ghanaians (recall the recent outcry over old meters from Netherlands)
- Widespread staff discontent and a regime of divide-and-rule and super-exploitation of Ghanaian water workers.
- Deteriorating water services to the consuming public
- Deterioration of water facilities and infrastructure (see: Insight newspaper, Wednesday 3<sup>rd</sup> June and today, 5<sup>th</sup> June 2009)

The Ghanaian public and NCAP members were rightly up in arms against the quality of the old GWCL management. We said that mismanagement was because managers were driven by private interest and private gain (such as corruption), even though there were managing a supposedly public company in the public interest. We predicted that more privatization, such as the private AVRL management will make things much worse. We are sorry to say: we were right then, and we are still right today. We are sorry to have been proven right because this proof has come at the inhuman and intolerable cost of:

"Ghanaians dying of cholera, while communities wallow in thirst, and thousands of children and adults die every year of water-borne diseases, while malaria and other water-related illness cripple our health services and our economic productivity; while water workers, our own home grown experts in the sector are subjected to "hardship, exploitation and disrespect" and denied their legal exercise of trade union rights such as negotiating a new Collective Bargaining Agreement– a few expatriates calling themselves AVRL are being paid millions of dollars from public funds".

### The New Evidence from 'Inside' – Listen to the Water Workers', Support the Workers

But well-resourced propaganda (the same type of propaganda funded by AVRL's overblown expenditure on 'advertising and commercials) led many to believe that a more formal and fully legal privatization will be better than the backdoor one of previous times (we say 'all privatization of water' is bad for us!). Water workers felt they had no

choice; some felt things were so bad already that they couldn't get any worse under AVRL. Well, they were wrong. And the workers themselves are saying so today. They are saying, as all of us must say: **AVRL MUST GO NOW!**

On 1<sup>st</sup> May, Labour Day, Concerned Workers of AVRL issued a strong public protest against AVRL management performance and methods. In particular, they pointed to the discriminatory and illegal practice of hand-picking selected GWCL staff, re-appointing them as 'AVRL staff' at pay and salary scales far better than their 'GWCL counterparts' doing similar work. But 'EQUAL PAY FOR EQUAL WORK' is an enshrined constitutional requirement. AVRL divide-and-rule is not only destroying workers' morale, it is illegal, and it is super-exploitative.

Perhaps AVRL are aware of this illegality. Which is why their annual reports boast of their new 'commercial and customer focused' re-organization, but not a single word about the illegal parallel structure of AVRL employees vrs GWCL employees. In fact, throughout their reports AVRL refer to a single 'AVRL-operator' staffed operation. No wonder the General Secretary of the Public Utilities Workers Union (PUWU, the water workers union) has called for an enquiry by the Public Enterprises Commission into some of AVRL's apparently illegal appointment practices!

Meanwhile, PUWU and the water workers efforts to exercise their legal right to a new Collective Bargaining Agreement (CBA) is being illegally

thwarted by AVRL. Only a week ago today, Friday, May 29<sup>th</sup>, AVRL boss Andrew Barber failed to attend a scheduled standing committee meeting on the CBA. Instead he chose to take 'shareholders' from Netherlands around to inspect part of their 'empire' at the Kpong works.

AVRL are cheating Ghanaian water workers and the public. AVRL **MUST GO NOW!**

### **The Way Forward, First Steps:**

- i. Since the workers and the public alike are victims of AVRL mismanagement and of illegal and legal private interests running roughshod of over the needs and fundamental human rights of Ghanaian workers, taxpayers' and water consumers, the first step we need is unity. Our unity must be consolidated, first and foremost, around the cry from the workers: **AVRL MUST GO NOW!**
- ii. The workers and their union must now launch a strong campaign among their membership, among water-deprived communities and the public at large about their case, about the overall situation and about alternatives that will truly serve the public. They should work with all willing allies in this important initiative.
- iii. All GWCL workers must be immediately put on the same pay scales as their counterparts in AVRL. This must be funded from AVRL 'profits' and from penalties and surcharges on the millions of dollars worth of salaries and benefits paid to top AVRL management.

iv. The new CBA must be negotiated and concluded immediately. **BUT** any new pay must be based on the higher AVRL pay scales.

v. The Mills Government **MUST TAKE IMMEDIATE STEPS** to put in place an emergency water supply programme, prioritizing distribution and storage to the most-deprived low income communities.

vi. The Mills Government must **IMMEDIATELY TERMINATE AVRLs MANAGEMENT CONTRACT** and take the water sector back into Public Management. It must set clear and publicized targets and penalties for the newly re-nationalised water management.

vii. The Mills Government must simultaneously initiate genuine and open consultations with the water workers and the public for transparent public-community partnership in the water sector. Water & Sanitation boards must be activated at unit committee and other levels of local government. There must be plans to make these committees fully electable as soon as possible, according to a transparent time table.

These first steps will put us on the path to better water services for the public and better employment conditions for Ghanaian water workers. We must re-build on the basis of their expertise at all levels. NCAP is committed to work for increasing participation by ordinary Ghanaians and the public at large to ensure a truly accountable service that delivers what we deserve.

**AVRL MUST GO NOW! SUPPORT THE WATER WORKERS! BECOME INVOLVED IN THE STRUGGLE FOR BETTER WATER SERVICES!**

**BETTER WATER MEANS A BETTER GHANA!**

**IN UNITY IN ACTION, THERE IS VICTORY FOR US ALL!**

Accra, 5th June, 2009