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Conference of Leaders of Religious Institutes (NSW)

"The human right to drinking water is fundamental to life and health. Sufficient and safe drinking water is a precondition for the realization of human rights."

[United Nations 'General Comment' on the Right to Water.]

The UN has declared 2005-2015 to be the international 'Water for Life' decade.

"Water is essential for life. Yet many millions of people around the world face water shortages and a daily struggle to secure safe drinking water for their basic needs. Millions of children continue to die every year from preventable water-borne diseases. Water related natural disasters such as floods, tropical storms and tsunamis exact a heavy toll on human life and suffering. And all too regularly, drought afflicts some of the poorest countries, exacerbating hunger and malnutrition."

Kofi Annan, UN Secretary-General 22 March 2005, New-York

ACCESS TO WATER IS AN ISSUE IN BOTH DEVELOPED AND DEVELOPING COUNTRIES STRUGGLING TO ACCOMMODATE HIGH DEMAND AND SCARCE RESOURCES.

Many people are facing the privatisation of their water supply. Governments are relinquishing control over the supply of this precious resource in an attempt to open their economies and to satisfy the conditions of bodies like the World Bank and the IMF.

Water privatisation causes problems for the poor all over the world.

In **Britain**, water supplies were privatised under Margaret Thatcher. Half a million people had their water supply cut off because they could not afford their water bills. This affected some of the most vulnerable people in society - people with disabilities, seniors... were cut off because the prices skyrocketed... and a **basic source of life and health became a source of profit instead.**

In **South Africa**, water privatisation has led to an increase in water-borne diseases. Because three quarters of the population cannot afford the reconnection fees that were implemented by corporations when they took control of the water supply, they are forced to drink dirty water, and are at high risk for cholera.



Nowhere has water privatisation led to rights abuse as in **Cochabamba in Bolivia** where a subsidiary of Bechtel, (an American corporation), after taking over the water supply in September 1999, increased the water rates and disconnected the supply lines of all those who could not afford to pay the increased prices. This soon led to violent demonstrations by the people of the city, prompting the government to declare martial law. Bechtel was ultimately forced to leave Cochabamba in April 2000.

WATER PRIVATISATION AND INTERNATIONAL AID

The World Bank, the Asian Development Bank and the International Monetary Fund are part of a push for privatisation of water services in countries that receive their aid. They do this by:

1. Imposing water privatisation as a condition of loans and debt relief
2. Financing water transnationals in preference to public enterprises
3. Encouraging governments to sell water utilities to reduce national debt

The rationale of organisations like the World Bank is that private ownership will increase economic efficiency and thus reduce public debt and improve national budget management. The general practice of the World Bank is to discourage debt and deficit-ridden governments from subsidising water and to push for full cost recovery from water consumers. Cost recovery involves water consumers paying the cost of operating, maintaining, and expanding the water utility. **These policies in reality, have forced people to pay as much as 1/3 of their income on purchasing water, leading to chronic poverty.**

Environmental Concerns

Privatisation also means that there is less incentive to save water. A private company looking for profit is more likely to try and maintain high levels of water use, and thus increase their profits, than to invest in conservation and encourage demand management.

Alternatives to Privatisation?

Some countries have been able to resist pressure to privatise, preferring community based, grass roots alternatives that address community concerns

In Kenya, the Kola people of Machakos have created 120 sand dams to harvest floodwaters from the long rains. Mountain catchments recharge ground water and reduce soil erosion, improving the livelihoods of 10,000 pastoralists between 2002 and 2004.

In Bangladesh, partnerships between government, civil society, and multilateral institutions are promoting sustainable financing of household sanitation. These and other successful community-based initiatives show there are alternatives to privatisation — alternatives that respect local traditions, satisfy local needs for development, and preserve water's legacy as a common good.

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WATER PRIVATISATION IN AUSTRALIA?

The WTO GATS Agreement

The General Agreement on Trade in Services (GATS) came into force in 1995. It can apply to all services, from banking, transport and telecommunications, to health, education and water. GATS treats services as traded commercial goods, ignoring the social aspects of many services.

GATS has been promoted by transnational services corporations which want to expand their markets. Although some GATS rules apply to all services, many rules only apply to those services that each government agrees to list in the agreement. However, GATS commits governments to increase the range of services included in the agreement, without any review of its impacts. The negotiations are secret, with little public information until after the deal is done.

Global Water corporations are lobbying governments to include water services in the GATS. **This would pave the way to more water privatisation.** The Australian Government has just announced that water will not be included in the current GATS agreement, thanks to lobbying by organisations like AFTINET. This is no guarantee that it won't be included later on.

[www.aftinet.org.au]

Semi-privatisation of water providers is a concern even without the threat of GATS. Sydney Water is a state owned corporation. One of its stated goals is to be a successful business. The profit motive of the corporation is bound to conflict with commitment to limiting water use for the environment. The management of such a precious resource with reference to profits is a concern.

Take Action!

Get Informed – decision makers need to be held accountable for their decisions. To do this, individuals need to be aware of the decisions being made and the rights that are at stake. The Australian Fair Trade & Investment Network (AFTINET) is a good place to start. (www.aftinet.org.au)

Keep up the Pressure – get in touch with your representatives and voice your concerns! Write to your State and Federal members and ask for their stance on the issue. Inform them that it is an important issue to you.