

Angola.....	2
Ministry of Energy And Waters to Hold Round Table.....	2
Mauritius.....	2
Electricity: The CEB under Heavy Fire.....	2
Mozambique.....	3
Mozambique Might Nationalise Cahora Bassa.....	3
Namibia.....	5
Rundu Council Acts to Stem Illegal Water Connections.....	5
Keetmans Council Rejects Tariff Increase.....	6
Katima Water Crisis Worsens.....	7
Civil Servants Urged to Set Pace On Work.....	8
Residents Threaten to Tear Up SELCO Contract.....	9
Omaruru Residents Out to Stop the Rot.....	9
Report On Otjozondjupa Disturbing.....	11
Plug Pulled On Water Plunderers.....	12
Technical Team to Probe Okakarara Woes.....	12
Power Back On in Karibib.....	14
South Africa.....	14
Women Ministers "Invade" Orange Farm With a Good Cause.....	14
Major Infrastructure Upgrade in KZN.....	15
Where are all our doctors going?.....	16
Aids is reversing all SA's health gains.....	18
Planning Ahead in Capacity a Must.....	19
Eskom's Rivals Face Uphill Battle.....	21
Aspirin, Band-Aid Will Not Cure SA's Sickly Health Service.....	23
Unions Call On ANC to Intervene in Wage Dispute.....	25
Public Sector Unions Urged to Return to Wage Talks.....	25
Cosatu Threatens to Shut Public Service As Talks Fail.....	26
Stalinist Cabal Parodies ANC's Promise in Cape.....	27
'Poorly Paid Nurses Leave in Droves'.....	28
Chaos as guard shoots at Witbank protesters.....	29
Namibia to send surplus power to Eskom.....	30
Plans to move squatters from pylon danger.....	31
Electricity tax 'not a bigger burden'.....	31
Excuse me, why haven't you paid your bill?.....	32
South Africa Sets Pace On Rural Water.....	33
Zambia.....	34
'Address Diminishing Surplus Energy Generation Capacity'.....	34
Don't Strike, NGO Tells Civil Servants.....	35
Having Dialogue With Govt Isn't a Sign of Weakness - Hikaumba.....	36
Zimbabwe.....	37
Zimbabwe: Water Cuts Raise Spectre of Disease Outbreaks.....	37
Development Stagnates in Zim's Major Cities.....	38

Angola

Ministry of Energy And Waters to Hold Round Table

Angola Press Agency, August 2, 2004

LUANDA: The Angolan Ministry of Energy and Waters will hold on August 03, 2004, here a round table to analyse the the law on water and the usage of hydric resources and its supply to the population, a press note says.

During the gathering will be analysed the ways to manage the hydrographic basins, which includes inventory, assessment, studies, fiscalization and protection of hydric resources.

The incumbent Minister, Adriano Botelho de Vasconcelos, will preside over the opening ceremony.

<http://allafrica.com/stories/200408021097.html>

Mauritius

Electricity: The CEB under Heavy Fire

L'Express, July 20, 2004

Pauline Etienne

PORT LOUIS: The national electricity supplier is at the centre of great discontent. The 5% increase in tariffs as from next month and a conflict around the allocation of a contract are the bones of contention.

Fort George diesel power station is one of the latest built by the Central Electricity Board in the port area.

The Central Electricity Board (CEB) has not made anyone's day recently. To meet the rise in production costs and the huge investments it has soon to make the Board has decided to increase electricity tariffs by 5% as from 1st August. Moreover, the contract to be allocated for major investments in equipment is leading to protests from one of the companies concerned.

Consumers have reacted badly to the announcement last week that the price of electricity was going up. The Institute for consumer protection (ICP) has already made it clear that this 5% increase is unacceptable. They declare that this decision is "a provocation and an arbitrary decision in favour of the private sector."

However, the CEB is keeping its stand and the general manager, Donna Leclerc, has even declared that it was "the very minimum to avoid the financial situation of the CEB getting even worse." She further explains: "Since January 2002, the cumulative consumer price index has gone up by 13%. The price of heavy oil has increased by almost 37% and the main foreign currencies have appreciated compared to the Mauritian rupee. All these factors together have had an impact on the CEB's production costs that have gone up. As a result, the CEB is bound to readjust its tariffs despite its efforts to curb costs."

Three new turbines

The second issue concerns the CEB's intention of investing in three new turbines at Saint Louis thermal station in Bell Village in 2006. The six existing ones are very old and need replacement. They will not be dismantled in case of an emergency where they could still be used.

After the CEB launched the invitations to tender, two companies were retained: Burmeister & Wain Scandinavian Contractor (BWSC) and Siemens. The CEB made its recommendations to the Central Tender Board and this is where the problem arises: BWSC is said to be in a good position to win the contract though its bid is not the lowest.

The CEB is trying to get out of the situation by saying that the contract has not been allocated yet. It maintains, however, that the BWSC bid has a lower final cost. The turbines would be less expensive at Siemens but the CEB is adamant that the final cost will be more favourable at BWSC.

Moreover, the CEB's investments for the coming years do not stop with these turbines. There is growing consumption of electricity and the private producers want to invest to face the growing demand. Two companies are in competition to win the contract for the construction of a central station: Société Usinière du Sud (SUDS) and Fuel. Their first proposals - Rs 3.5 billion and Rs 2.7 billion respectively - do not fit with the CEB's financial means and are considered too expensive.

More particulars requested

As a result, no decision has been made and both companies are expected to give more explanations on their proposals. If SUDS obtains the contract, it will have to make changes. First, all the sugar activities of the company - particularly of two factories in the South, Riche-en-Eau and Mon-Trésor-Mon-Désert, which would close down - would be centralised at Savannah. As a result, the sugar-producing factory in Savannah would have to expand. All this would finally cost some Rs 4.5 billion. Work on the construction of the station could start within the next six months in Savannah if SUDS gets the contract and the first production line could start as from October 2006 - the second one would then be ready in October 2007.

The decisions that the CEB has to take are not easy: on the one hand, it has to be a profitable company; on the other it does not have much choice considering that some decisions are influenced by world events like fuel prices and the very recent EU announcement on sugar prices.

<http://allafrica.com/stories/200407200367.html>

Mozambique

Mozambique Might Nationalise Cahora Bassa

Agencia de Informacao de Mocambique, July 24, 2004

MAPUTO: The Mozambican government, irritated at the apparently interminable negotiations with Portugal over the future of the Cahora Bassa dam on the Zambezi, is considering taking unilateral measures to ensure Mozambican control over what is by far the country's largest source of energy, according to an article in this week's issue of the Sunday paper "Domingo".

Cahora Bassa was initially a colonial project - but it was completed after Mozambican independence. The company set up to run it, Hidroelectrica de Cahora Bassa (HCB), is owned 82 per cent by Portugal and 18 per cent by Mozambique, a shareholding structure that has remained unaltered for quarter of a century.

The original plan was that, as the debts incurred in building the dam were paid off, so shares would be transferred from Portugal to Mozambique. Three years after the debt was paid, the dam would be under Mozambican control.

But this never happened because, during the war of destabilisation, the apartheid-backed Renamo rebels blew up hundreds of pylons on the transmission lines carrying electricity to HCB's largest client, the South Africa power utility, Eskom.

Only after the war had ended was it possible to repair the lines and resume the sale of energy to Eskom. By then HCB was deeply in debt to the Portuguese treasury, and successive Portuguese governments have refused to alter the ownership of the dam without dealing with the debt (usually given as around two billion US dollars) at the same time.

The Mozambican negotiators have been frustrated by the frequent changes of government in Lisbon. "Domingo"s anonymous source remarked that, whenever an agreement on Cahora Bassa seems close, everything goes back to square one, because the Portuguese government changes.

This happened when the Portuguese electorate threw out the Socialist Party government, headed by Antonio Guterres. It was replaced by a right wing coalition (but hardly "ultra-right" as claimed by "Domingo"s source) under Prime Minister Jose Manuel Durao Barroso.

But now Barroso has been packed off to Brussels to head the European Commission, and a new coalition government formed under Pedro Santana Lopes. The members of the coalition are the same parties, but Mozambique fears this will make no difference, and everything achieved in the negotiations with Durao Barroso's team will be lost.

"It's as if every Portuguese government acted for itself, and not in the name of the Portuguese state", remarked "Domingo"s source. "It makes no sense that every time the government changes, all the pending dossiers on Cahora Bassa are dumped in the rubbish bin".

Normal international practice is that government changes do not lead to institutional amnesia. "There are questions which, if they are not brought to a conclusion during the term of office of one government, are continued under its successor, rather than starting everything all over again. But that's what we've had to do over Cahora Bassa", said "Domingo"s source.

So what might the government do to ensure its goal of Mozambican control over the dam? "Domingo"s source raised two possibilities - one would be outright nationalisation of HCB, with no compensation. A somewhat milder possibility would be for Mozambique to offer Portugal a non-negotiable sum (but lower than the debt claimed by Lisbon) for a controlling interest in the dam.

"It makes no sense at all, and we cannot accept that, almost 30 years after Mozambican independence, Portugal still dictates the rules for how the energy generated at Cahora Bassa is used", declared "Domingo"s source.

The "Domingo" article follows an editorial in a second Maputo weekly, "Zambeze", published on Thursday, calling for the nationalisation of HCB.

"Zambeze" editor Salomao Moyana wrote that nationalising Cahora Bassa was "a national imperative which all of Mozambican society should unconditionally support".

The Mozambican state gained nothing from the original "colonial type" agreements on the dam, said "Zambeze", and there was "an evident lack of interest on the part of the Portuguese government towards the case, and excessive and wearying tolerance on the part of the Mozambican government".

Mozambicans, continued the editorial "look powerlessly upon a gigantic undertaking in their territory, but which does not belong to them, and from which they do not draw the necessary dividends to mitigate absolute poverty and accelerate domestic growth". How many friends did the Mozambican government fear it might lose by nationalising Cahora Bassa ? "Zambeze" thought that the Mozambican government would win more friends than it lost, even among Portuguese public opinion, by taking a tough stand.

Mozambique would certainly win applause from its neighbours who are actual and potential consumers of Cahora Bassa power.

"Continuation of the present situation makes Mozambique look like a country too weak to defend its own national interests", said the editorial. "It leaves other SADC (Southern African Development Community) governments with the impression the Mozambique is closer to Portugal than to the region of which it is a part".

If the government lacks the courage to take the decision on its own, Moyana suggested it should organise a referendum to see exactly what the Mozambican people think of the future of Cahora Bassa.

<http://allafrica.com/stories/200407260476.html>

Namibia

Rundu Council Acts to Stem Illegal Water Connections

The Namibian, July 30, 2004

Lindsay Dentlinger

WINDHOEK: The Rundu Town Council is clamping down on illegal water connections, especially in the informal settlements.

A recent investigation by two local companies found more than 3 700 illegal connections along its water supply network, most of which were detected in the Kehemu and Kaisosi areas.

The council was incurring losses of up to 70 per cent on water it supplied to residents. Municipal spokesperson Benjamin Makayi told The Namibian yesterday that the council still had to comb the areas of Ndama and Sauyemwa in search of illicit water usage.

So far the exercise has cost the council about N\$250 000.

All the 3 700 illegal connections discovered had been shut down, reducing water supply losses to 48 per cent.

Makayi said it had been found that many homes were either not fitted with a water meter, or the meters were out of order, making it difficult for the municipality to calculate accurate water usage.

He said the pre-paid water system was also not functioning optimally.

The council said it was not finding it too difficult in encouraging residents to pay for their water supply and that the losses it suffered were mostly as a result of illegal water supply.

Most of the connections have been made by way of pipes directly from the main network, or from the homes of ratepayers.

This time around, however, the culprits would not be fined.

Makayi said the intention was to rehabilitate the town's supply network and to create awareness among residents.

By law, a person found guilty of obtaining water through an illegal connection can be fined as much as N\$2 000 or six months' imprisonment.

<http://allafrica.com/stories/200407300116.html>

Keetmans Council Rejects Tariff Increase

New Era, July 30, 2004

Anwar Thomas

KEETMANSHOOP: The Keetmanshoop Municipal council has voted against an electricity tariff increase proposed by the controversial Southern Electricity Company (SELCo).

The council at its ordinary council meeting held early this week unanimously voted for a zero rate increase as opposed to SELCo's 7.5% proposal.

In a capacity-packed chamber DTA councillor Moses Titus was on his feet when the item was introduced by the Chairperson of Council, Reverend Simon Petrus Tiboth.

The councillor, who has now become the vanguard of the rights of the formerly disadvantaged residents of Tseiblaagte, in eloquent fashion read his statement to the full chamber on why a tariff hike could not be entertained by the council.

Titus said the council could not approve a tariff increase unless SELCo provides it with a detailed report of the implications of a zero tariff increase:

"SELCo must provide the council with financial implications of a zero or lesser rate increase than the 7.5% proposed by the company."

Titus to the delight of the majority of those in attendance further added that the company should also provide the council with a detailed report on the structure of the pre-paid meter tariffs.

"SELCo must provide us with the formula on which they have arrived the 7.5% tariff increase," Titus said.

The councillor, who is known for wearing his tie in the colours of the American flag and Statue of Liberty, further noted that the council should stop SELCo from implementing the tariff increase without council approval.

"SELCo must be stopped from implementing the new tariffs," he said forcefully.

In the absence of the opposing motion, the council unanimously voted in favour of the Titus motion.

The resolution means that the 7.5 percent increase SELCo has billed the residents on their new accounts starting July 15 is illegal.

It is the first time since the signing of the 15-year long electricity management contract with SELCo that the council has asserted itself and rejected an electricity tariff increase proposed by the company.

Last year, the company without prior approval of the former council increased rates, displeasing the residents of Keetmanshoop.

In terms of the Local Authority Act, rate increases are subject to council approval and promulgation thereof in the Government Gazette, but the company had side-stepped this provision, forcing the former council to endorse the hikes long after they had been passed onto consumers.

This year, it appears things did not go SELCo's way.

The newly elected council invited SELCo to a public meeting last week to explain to the residents of the southern capital why a tariff increase was necessary.

At the community meeting attended by close to 4000 residents of Tseiblaagte last week, leader of the Karas Poverty Straight Chain, Karl Christians, argued that SELCo

had committed a breach of contract since the contract between the parties stipulates that the "parties shall reach an agreement on rate increase".

In terms of the contract, SELCo can only recommend to the council a rate increase but not enforce it on the council, he added.

Speaker after speaker were in agreement with Christians and urged the council to terminate the contract with SELCo.

However, it remains to be seen how the council's decision will affect the residents since SELCo has already started with what they term routine electricity disconnections to non-paying residents.

One resident who expressed his doubts was Eddie Goliath who asked what would happen with the new tariff already on the SELCo accounts and distributed to the residents.

"What will happen if we refuse to pay the new rates?" he wanted to know.

<http://allafrica.com/stories/200407300302.html>

Katima Water Crisis Worsens

The Namibian, July 29, 2004

Lindsay Dentlinger

WINDHOEK: THE water crisis at Katima Mulilo is spiralling out of control - resulting in a myriad of problems.

Businesses have been forced to close, residents' health is at risk, poverty is on the increase and tourism is on the decline.

It has been nearly a year since NamWater reduced the town's water supply to only three hours a day because of the N\$21,5 million it is owed.

Only the hospital now receives an unrationed supply of water.

The Chief Health Inspector for the Caprivi, Hoka Kangai, told The Namibian this week that although his office still planned to carry out a thorough assessment of the effects of water shortages at the town, it was obvious that residents' hygiene was being compromised.

"People are coming to work without washing themselves. They also can't wash hands before they eat," he said.

He said health facilities were noticing an increase in food-related diseases, but it could not yet be said for certain that this was linked to hygiene.

Kangai said his office was also checking on the shelf-life of food being sold at local supermarkets.

He said the effects of the intermittent water supply on ablution facilities was creating a serious problem.

"If nature calls, you just have to wait until night when there is a little water," he said.

Acting Chairperson of the Namibian Chamber of Commerce and Industry Caprivi Branch, Tryphina Sikopo, said the water situation was exacerbating poverty.

Many unemployed residents are known to grow and sell vegetables, but with virtually no water supply, gardens were now bare.

"It is so much of a heartache for the people because the river is so close by," said Sikopo.

"People are disillusioned already. Even tourists are just passing by," she added.

Sikopo said the business community was becoming increasingly frustrated and many had bought their own generators and water tanks to keep their produce fresh.

Since the water cuts started, both the town's butcheries have closed down, leaving only one supermarket from which to buy meat.

Several smaller shops have also stopped trading.

Although both the Town Council and NamWater claim to be in continuous discussions to solve the problem, the council has not paid a single cent to the water company since last year June.

The town council blames residents for not settling their accounts.

Municipal spokesperson Chrispin Muyoba said the situation meant that even customers who were not in arrears were suffering.

"The problem lies with the community. The only solution is for them to pay so we can pay NamWater," he told The Namibian.

He said the limited water supply had also made it harder for the council to sell water and that customers were buying less.

NamWater's Corporate Communications Manager Johannes Shigweda said this week that the problem of non-payment for water at Katima Mulilo had been handed over to the Minister of Agriculture, Water and Rural Development for action.

"We are looking at alternative solutions and see whether we can implement them," said Shigweda, declining to divulge what these measures were.

Last weekend, the town was without water for two days when the power supply from Victoria Falls was interrupted because of a broken generator.

Since January 2002 the town has raked up a debt to NamWater of nearly N\$9 million. Its total bill of N\$21,5 million includes what has been termed "historical debt".

<http://allafrica.com/stories/200407290302.html>

Civil Servants Urged to Set Pace On Work

The Namibian, July 29, 2004

RUNDU: Information and Broadcasting Deputy Minister Gabes Shihepo on Monday urged public servants to spend their full eight working hours "on the job" for the sake of efficiency and effectiveness.

Addressing a meeting of Ministry staff, Shihepo said public servants should be exemplary employees by getting to work on time and leaving their office at five o'clock - not before.

The Deputy Minister also asked public servants to look after Government facilities under their control and to refrain from abuse and vandalism of State resources.

He assured his audience that Government, through his Ministry, was working hard to ensure that some very important legislation, such as the Constitution of Namibia, was translated into local languages so that everyone could understand the supreme law of the country.

According to Shihepo, the Namibian Broadcasting Corporation (NBC) was trying to do its best to promote local programmes on television in order for young Namibians to know the history of their country.

He cited examples such as young children refusing to take traditional food to school because, they claimed, other children would laugh at them.

As a result, Shihepo complained, young children nowadays were only interested in taking bread and soft drinks to school.

"By promoting local programmes on television, young people might start realising the importance of culture.

This can only become a reality if parents take the lead." - Nampa

<http://allafrica.com/stories/200407290273.html>

Residents Threaten to Tear Up SELCO Contract

The Namibian, July 28, 2004

Luqman Cloete

WINDHOEK: Distressed residents of Keetmanshoop have mandated their town council to cancel the contentious contract signed between the Southern Electricity Company (SELCo) and the previous town councillors.

Close to 500 aggrieved residents attended a meeting on Thursday where they were briefed on the reasons for a 7,5 per cent electricity tariff hike.

However, the information triggered dissatisfaction and protest over the escalating costs with residents responding that they "don't want SELCo".

Angry residents were relieved when Councillor Moses Titus promised them that the town would seek legal advice to review the contents of the controversial contract and thereafter act accordingly.

"Now that we have the mandate from the residents, we will not rest until the SELCo issue is resolved," said Titus.

"They (SELCo) are parasites sucking the blood of the pensioners to earn huge profits," the protesters said.

It was also revealed at the meeting that SELCo had implemented the electricity hike without prior approval from the town council.

The Mayor of Keetmanshoop, Simon Petrus Tiboth, who chaired the meeting, and the Managing Director of SELCo, Allen van Zyl, who was asked to explain the tariff increase, both claimed the council did not 'rubber stamp' the tariff hike.

Tiboth informed the community that SELCo had not presented his council with a tariff increase proposal.

However, Van Zyl was quick to lay the blame at the town council's feet.

"We made several futile attempts to arrange a meeting with the council in order to offer our electricity tariff increase proposal to them," he said.

Van Zyl said councils like Windhoek had already announced increases of their tariffs and SELCo was falling behind.

On the question of whether SELCo, the council or the consumers should absorb the increment, Van Zyl played his cards close to his chest by saying that either SELCo or the town council should absorb it.

Van Zyl further pointed out that the increase would be reversed if the council declined the tariff hike proposal.

His company would also then credit consumers.

The aggrieved residents also accused SELCo of removing municipal property including two electricity transformers to neighbouring South Africa without consent from the council and demanded that the council scrutinise its asset list and brief them at the next community meeting.

Local Councillor Fiina Elago urged SELCo to "come clean and clear" by explaining its aims and objectives to the community at large.

"If SELCo had operated in good faith, the residents would not have been up in arms against them," she said.

<http://allafrica.com/stories/200407280178.html>

Omaruru Residents Out to Stop the Rot

The Namibian, July 23, 2004

Tangeni Amupadhi

WINDHOEK: Omaruru residents have banded together to stop the rot of corruption, and mismanagement that has caused municipal services to grind to a halt in neighbouring townships.

Various sections of the northwestern town's residents have held meetings with their municipal council demanding accountability, transparency and an end to corrupt practices.

This week, they forced the councillors to reverse questionable decisions, put a moratorium on the sale of land and other property and to investigate suspected corrupt deals involving municipal officials and councillors.

At one meeting two weeks ago, the community submitted about 40 questions and issues to the council demanding answers.

Omaruru has about 7 000 residents.

"There has never been an opportunity like that... for the community to confront its leaders," said Skii Wasserfall, a member of the Omaruru Development Concerned Group.

The group has been trying for the past two years to get "a proper" hearing from the council.

They said they got even more worried about information that other towns have fallen victim to water and electricity crises.

Public amenities at the town are clearly in a dilapidated state.

"We are very much concerned that what is happening in other towns will spill over to us," said Skii Wasserfall of the Concerned Group.

The Mayor of Omaruru, Michael Tjirera, pointed out yesterday that his council was new and had undertaken to "get closer to the people", hence the meetings with the community.

However, Tjirera told The Namibian in an interview, the council had not agreed to halt the sale and transfer of municipal property.

Instead he promised greater transparency.

But Musambani, the Chairman of the Omaruru Chamber of Commerce said councillors at the meeting held on Wednesday had agreed to a moratorium until a joint committee was formed between the council and the community "to ensure transparency".

Tjirera said there might have been a misunderstanding.

The businesspeople appealed for openness alleging that municipal officials had sold land and other public assets irregularly without tender.

Previous councillors had refused to provide information.

The council this week also cancelled an agreement to outsource the management of the local museum to a group that turned out to be led by the girlfriend of the municipal public relations officer, Frans Gauseb.

Residents alleged that for a long time officials had ignored their call to get involved in the running of the museum, until it emerged last month that a group by the name of Mubasen had been given permission to operate the historical centre in town.

The deal came to light after Gauseb, the PRO, tried to get a N\$9 000 donation from the chamber of commerce for a "familiarisation tour to Swakopmund and Windhoek. Gauseb, his girlfriend Maureen Hoebes, and her friend Venessa Nancy Gawitas were to undertake the tour.

The residents complained that Mubasen members did not have any expertise in tourism or community-based projects.

They also disclosed during the meetings that Mubasen was, in fact, Hoebes's name.

"This thing should be benefiting the community, but instead it was given to benefit a household," Musambani of the chamber of commerce said about the museum deal. Gaoseb yesterday defended the deal saying his girlfriend took the "initiative" by requesting to administer the museum, but confirmed that the process was not opened to the community.

As regards the criticism about experience, Gaoseb said: "As a black man, who has experience?" One community member, Reinhold Basieman Tourob, said he had worked as a tour guide and at a conservancy and thus considered himself as having experience to run tourism projects, including a museum.

One of the businesspeople reportedly expressed concern that there may be other irregularities taking place that had not yet become known.

"I really want council to guard against favouritism, nepotism.

This is but one issue.

How many others like this have happened," asked the businessman.

Meanwhile, Mayor Tjirera said "no red lights are flickering" with regard to Omaruru's finances "but it does not allow us to rest".

<http://allafrica.com/stories/200407230196.html>

Report On Otjozondjupa Disturbing

New Era, July 23, 2004

Utaara Hoveka

WINDHOEK: The Otjozondjupa Regional Council has finalised its investigations into a damning report on the financial activities and operations of the council by the Ministry of Regional, Local Government and Housing and is due to present them at a full council meeting soon.

Otjozondjupa Mayor Theophelus Eiseb confirmed the completion of his council's investigations into the ministry's findings, which it would forward to government after its endorsement by council.

Eiseb however refused to be drawn into commenting on his council's findings, saying it would be premature to make the report public before council endorses it.

An investigation carried out by the Ministry of Regional, Local Government and Housing's Deputy Director of Finance Gabes Shivolo on instruction of his Permanent Secretary Erastus Negonga disclosed some shocking findings.

The Shivolo report revealed that there were numerous payments made without the authorisation of Regional Officer Otniel Uatjaera Kazombiaze, while the Senior Chief Control Officer Tiranus Tshifhome had authorised payments without an authorising letter from Kazombiaze.

"Huge amounts were spent on furniture for the governor's residence, and the signature of the regional officer is nowhere on these transactions which involve more than N\$100 000. Instead, cheques were written in the name of a junior officer (the accountant) Brian Swartz," the report said.

Swartz, according to the report, knows the passwords of both the regional officer and the senior chief control officer "for releasing money electronically" - something Shivolo described as illegal and inappropriate. His report also suggests possible embezzlement of funds by the council's accountant. "The accountant (Brian Swartz) ordered cartridges from South Africa for an amount of N\$83 000 where he transferred the money in advance and the goods were only received a month later. When the goods were checked, the value was only N\$14 229. The difference of N\$69 695 could not be accounted for at all," the report surprisingly revealed.

According to sources the two, Kazombiaze and Tshif-home, are not computer literate, and had entrusted Swartz to do electronic financial transactions on their behalf. The Shivolo investigation further indicated a serious shortage of revenue collected from the sale of prepaid electricity.

Okamatapati showed a shortage of N\$240 365 between April 2002 and November 2003, followed by Ovitoto with N\$148 235.

Kalkfeld where Bethuel Kandanga is officer in charge reflected a shortage of N\$26 413, while Tsumkwe reflected a N\$2 250 shortage during the same period.

At Ovitoto, it was discovered that the former DTA councillor who has since defected to Nudo, Theophelus Uaho-ngora, "was in charge of the selling of the cards" and "wrote a letter appointing himself".

"The permanent secretary stressed that it is unacceptable that a councillor was allowed to handle money. He further raised the question as to how the council was going to recover money from Uaho-ngora since he resigned," the report says. The investigation further revealed that an amount of N\$10 000 was released each year for the birthday party of President Sam Nujoma, but no single receipt was available. "These cheques were all issued in the name of B. Swartz", and "the name of the regional officer did not appear anywhere".

It was also discovered that the council paid subsistence and travel allowance to Kazombiaze (regional officer) while he was on study leave in Windhoek.

The council, according to the investigation, also has an account with First National Bank, where only the junior accountant has signing rights.

<http://allafrica.com/stories/200407230122.html>

Plug Pulled On Water Plunderers

The Namibian, July 21, 2004

Oswald Shivute

WINDHOEK: Two Ongwediva residents were arrested on Friday for making illegal water connections.

Ongwediva Town Council Liaison Officer Andreas Uutoni told The Namibian that the suspects, Levi Shaendelwako and Ismael Mikka, believed to be brothers, had been handed over to the Police.

They have been charged with water theft and contravening Section 37 of the Local Authority Act no 23 of 1992 and the Government Gazette no 72 of 1996 Section (11) sub-section A, B and C.

Uutoni said the duo's water supply was disconnected in 2001.

Since then they had made no effort to pay their outstanding bills.

Instead, Uutoni said, they had allegedly reconnected their water supply, bypassing the water meter.

Shaendelwako and Mikka have allegedly not paid their electricity bills since 2001 and had allegedly also made illegal power connections.

"I want to tell Ongwediva residents that the Town Council has competent officials at all levels and will root out all water and electricity thieves," Uutoni said.

<http://allafrica.com/stories/200407210203.html>

Technical Team to Probe Okakarara Woes

New Era, July 23, 2004

Utaara Hoveka

WINDHOEK: The Ministry of Regional, Local Government and Housing has sent a technical team to investigate the financial operations of the Okakarara Town Council. Regional, Local Government and Housing Chief Administrator Erastus Negonga told New Era that the technical committee's mandate is to "find out the root cause" of the town's state of affairs. Negonga reaffirmed government's firm stance not to bail out the town. "Bail out is out. It doesn't help. We want to know what led to these problems and make appropriate recommendations," Negonga said.

The technical committee is headed by Negonga's Deputy Director of Finances Gabes Shivolo and is composed, among others, of NamWater and NamPower representatives. It is said to have gone yesterday and is due to complete its investigations today.

There was once again no water at Okakarara, following the town council's failure to honour agreements it signed with NamWater. The water cut came two days after NamPower terminated electricity supply at the town, and then restored it the following day after tough negotiations with the town council, during which the town pledged to pay a substantial amount towards its N\$1,6 million debt on Monday. NamPower which initially demanded at least N\$900 000 is reportedly now demanding N\$200 000.

Under a recent arrangement between NamWater and the Okakarara Town Council, the town will only receive water to the value of 67 percent of any amount it pays to the water entity while 33 percent will go towards the outstanding 1,4 million-dollar debt.

Okakarara uses water to the value of about N\$100 000 a month, while it is only able to collect between N\$30 000 and N\$40 000 in water revenues every month. About half of Okakarara's population or more have been getting water free of charge ever since the proclamation of the town in 1992.

These include shack dwellers and farmers at Okatumba, Ousaira, Oha-kane, Okakango, and Oru-ndjoromakuja who have never been billed for use of water, and continue to receive water absolutely free of charge.

Apart from NamWater and NamPower's long outstanding dues, the Okakarara Town Council owes the Receiver of Revenue N\$860 000 in unpaid taxes, of which N\$524 000 is for value added tax (VAT), while N\$335 400 is unpaid staff taxes deducted from the employees' salaries.

The council has further fallen short of paying N\$100 900 for staff insurance policies and Legal Shield premiums, N\$300 000 in pension fund contributions, N\$58 025 in social security contributions, N\$7 701,76 in medical aid payments, and N\$3 285 in unpaid labour union monthly contributions for those employees who are registered union members. The council has a Standard Bank overdraft of N\$187 987.

Okakarara Mayor Tji-tjatjirani Kandukira however remained firm in his belief that the situation at the town would normalise over time. He told New Era that his council would soon meet to deliberate on suggestions by residents to retrench some staff members to ease the town's expenditure.

Another burning plan is to buy and install prepaid meters for shack dwellers and farmers within the town's boundaries. "The problem is that we do not have the money even to buy these meters so that these people can start paying," Kandukira said.

<http://allafrica.com/stories/200407230159.html>

Power Back On in Karibib

The Namibian, July 21, 2004

Maggi Barnard

WINDHOEK: The electricity at the debt-ridden town of Karibib was switched back on last Friday after the Council managed to make an urgent payment.

Chief Technical Advisor at NamPower Reiner Jagau confirmed that the utility had cut the town's power for 24 hours starting last Thursday.

While the town's CEO Lourens Hoëseb also confirmed there had been a power cut, he told The Namibian he was not sure whether the cut was made by NamPower or whether it was due to a technical problem at the town.

According to Jagau, the town did experience a local problem at the same time.

While both men did not want to discuss the details of how much had been paid and the amount that was still owed, a source at the town said about N\$300 000 was paid on Friday.

Some of the money was apparently provided by the Navachab gold mine.

The CEO said several residents had also paid their outstanding accounts.

<http://allafrica.com/stories/200407210254.html>

South Africa

Women Ministers "Invade" Orange Farm With a Good Cause

BuaNews, July 29, 2004

Matome Sebelebele

PRETORIA: Several women ministers descended on the Orange Farm township, south of Johannesburg today calling on local women to speak out against abuse and poor living conditions some of them are facing.

Led by Home Affairs and Communication Ministers Nosiviwe Mapisa-Nqakula and Ivy Matsepe-Casaburri, the Ministers combed the township's dusty streets inspecting life-changing projects run by women as well as providing guidance to the latter on how to further shape and improve their projects.

The occasion was the launch of Women's Month which government has set aside August to raise awareness against women and children abuse.

The Ministers paid courtesy visits to an orphanage, a centre for the disabled, a community vegetable garden and a day care centre.

Before departing for the local hall for a community meeting they listened to the locals' requests for low-cost houses, water and sanitation.

At the Itsoeng Day Care Centre established in a two-roomed shack, the Ministers were met with cries from the toddlers who felt "overwhelmed by the powerful women invading" their tiny space.

Though the residents warmly welcomed the visit, it was however bad news for the local councilors who were taken to task by the Ministers for not taking the local women serious in their demand for access to clean water, sanitation and related government services.

Women rights activists there claimed they were frustrated over their cries falling on "deaf ears".

"You must really help these women in accessing all these things including finding alternative land [for gardening] and water even if it means boreholes, 'asseblief'," asserted Dr Matsepe-Casaburri.

The minister later officiated at a local graduation ceremony where about 13 residents obtained certificates in Information Technology benefiting from a government-sponsored IT centre.

Feeling the heat, councilors Dan Bovu and Tumelo Phohleli committed to "taking up" the issues adding that they would immediately attend to the problems raised.

The Ministers also took time to launch the Women's Month with Ms Mapisa-Nqakula appealing to the community to speak out against violence against women and appalling living conditions.

Women however, have a lot to celebrate these days following the ushering of the democratic rule a decade ago.

This, the Minister affirmed that was reflected by the pro-women legislation that not only ensured women representation at decision-making processes but also protected them against abuses and harassment.

However, residents lodged their complaints with the authorities over the lack of jobs, basic services and infrastructure such as clinics, houses and recreational facilities.

Welcoming their concerns, Ms Mapisa-Nqakula urged them to capitalise on the new democratic government and its instruments to ensure that their voices were heard, promising to return soon to address their concerns, especially the "horrible conditions" at the orphanage.

Government, she asserted, was now receptive to women issues.

She however called on women to seek peaceful resolutions to family conflicts by registering their customary marriages, ensuring that their partners maintained their children and not "beat them up".

Health Minister Manto Tshabalala-Msimang, Foreign Affairs Deputy Minister Sue van der Merwe, Arts and Culture Deputy Minister Nomantombazana Botha, Deputy Minister Correctional Services Gillwald and Social Development Deputy Minister Jean Benjamin graced the event as well.

<http://allafrica.com/stories/200407290547.html>

Major Infrastructure Upgrade in KZN

BuaNews, July 29, 2004

Chris Khumalo

PIETERMARITZBURG: The KwaZulu-Natal Public Works Department has announced a multi-million Rand upgrade of provincial infrastructure including hospitals, schools and other governmental buildings.

Some of the major projects include the redevelopment of King George V Hospital, a TB hospital, in Durban at the tune of R160 million.

Public Works MEC Blessed Gwala revealed this in his budget presentation in the legislature yesterday afternoon.

Other public institutions to receive major facelift are the KwaZulu-Natal 's biggest hospital, the King Edward V111 Hospital in Durban, whose nursing home would be refurbished at the cost of R20 million.

Greys Hospital in Pietermaritzburg will see a new oncology department being constructed at the cost of R6.6 million while R10 million will be spent to finalise the upgrading of the casualty and administration block at Vryheid Hospital in northern KwaZulu-Natal.

Mr Gwala said also a new community health centre would be built at Paulpietersburg, northern KwaZulu-Natal, at the cost of R20 million.

Other departments to benefit include the Department of Education with renovations of Malgate Office Complex in Durban to be done for R6 million.

Mr Gwala said his department was also working flat out to complete 561 classrooms and 1498 toilets whose construction had started in the previous financial year.

Several school building projects were also underway in the Midlands, Southern Regions of Education at the cost of R7 million.

Delivering his budget, Mr Gwala said his was focused on delivering infrastructure to the provincial government with R960 million have been set aside in the new financial year to meet this mandate.

His said his department would be also responsible for implementing the Expanded Public Works Programmed in KwaZulu-Natal.

This programme, announced by President Thabo Mbeki in his State of the Nation Address, seeks to reduce poverty and alleviating unemployment through labour intensive projects.

"My department is currently formulating plans to utilise clients' budget in order to draw significant numbers of the unemployed into construction work and also to provide them with training as part of skills imparting programme," said Mr Gwala.

<http://allafrica.com/stories/200407290651.html>

Where are all our doctors going?

29 July 2004-08-10

Anso Thom

South Africa's hospitals are critically short of doctors and nurses - yet thousands are filling lucrative positions overseas.

Six-hundred South African doctors are registered to practise in New Zealand; 10 percent, or 1 300, of Canada's hospital-based physicians are South African; and about 1 360 doctors (6,3 percent) of Britain's hospital doctors are South African.

According to the General Medical Council in the United Kingdom, 143 775 of the doctors registered there are from the United Kingdom, 22 043 from India and 9 330 from South Africa.

In 2002, the UK Nursing and Midwifery Council released figures showing that 2 114 nurses and midwives from South Africa were registered to practise in the UK.

This is just part of this country's exodus of healthcare skills, reflecting only three countries profiting from our expertise.

These losses to South Africa were reflected in the 2003/4 South African Health Review, which is an annual report on the state of the nation's health produced by the non-governmental organisation Health Systems Trust.

The report - which also cautions that Aids-related mortality, burnout and work overload will result in the continued loss of health staff - was launched by Health Minister Manto Tshabalala-Msimang in Cape Town on Wednesday night.

On Tuesday, Sapa quoted the Democratic Alliance, reacting to an article in The Star about the shortage of nursing staff in Gauteng hospitals, as saying: "As at October 31 last year, there were a shocking 18 437 vacancies among nursing posts, with 2 152 nurses having resigned from the public health service in the preceding 12 months. A similar situation exists for doctors and other healthcare professionals."

The Star reported on Tuesday that Johannesburg's health system is buckling because doctors and nurses are not prepared to accept public-hospital salaries - which amount

to about a third of private sector pay packages.

South Africa faces a number of health personnel problems. These include an overall lack of staff in key areas, an inequitable distribution of available health personnel, and a significant erosion of trained personnel from the health sector and country.

According to the Health Review, only the Western Cape and Limpopo have fewer than 20 percent of their posts vacant. The situation in Mpumalanga is described as dire, with more than two-thirds of posts empty.

The greatest imbalance in personnel distribution is between the private and public sectors. Private health services consume 58 percent of the total health expenditure and capture a higher proportion of all types of personnel (except nurses) than the public sector.

In 1998, 52,7 percent of all general practitioners and 76 percent of all specialists worked in the private sector.

By 1999, 73 percent of all general practitioners were estimated to be working in the private sector, despite the fact that this sector catered for less than 20 percent of the population.

South African Medical Association chairperson Dr Kgosi Letlape said on Wednesday night the loss of qualified doctors was reaching crisis proportions.

"We're not concentrating on what we need to concentrate on," Letlape said. This included better working conditions, particularly in rural areas, appreciation of doctors and better remuneration.

He pointed out that the private sector was also suffering and that practitioners were abandoning medicine because of factors such as the controversial new medicine-dispensing legislation. "The pressure on the public health system is going to become much worse," he warned.

The government has taken several policy measures to try to turn the tide in the health personnel sector.

One option is to recruit health professionals from outside South Africa, but this is complicated. Our official policy on the recruitment and employment of foreign health professionals expressly states that such initiatives are designed to recruit workers to under-served, mostly rural areas. No doctors may be recruited from developing countries, especially Southern African Development Community member states. The health department has implemented community service, as well as rural and scarce-skills allowances, in the hope of attracting staff to under-resourced areas.

Vacant public health posts in 2003 (percent)

Mpumalanga 67,4

Free State 40,7

North West 33,0

Gauteng 31,9

Eastern Cape 28,4

Northern Cape 27,3

KwaZulu-Natal 24,5

Western Cape 13,8

Limpopo 13,4

South Africa 31,1

Source: Persal

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http://iol.co.za/index.php?set_id=1&click_id=13&art_id=vn20040729035853419C237304

Aids is reversing all SA's health gains

July 29 2004

HIV and Aids is reversing all the health gains that have been made in the past two decades and is affecting South Africans at every age and stage of their lives. In addition, our increasingly unhealthy lifestyles are killing us.

These are some of the findings in the 2003/4 South African Health Review (SAHR), an annual report on the state of the nation's health produced by the non-governmental organisation, the Health Systems Trust, and launched by Minister of Health, Manto Tshabalala-Msimang in Cape Town on Wednesday night.

South Africans are most likely to die of HIV and Aids, which was responsible for 39 percent of all deaths in 2000.

Those who don't die of Aids may fall victim to homicide and violence, which is the country's second-biggest killer overall (7,5 percent), followed by tuberculosis (five percent) and road accidents (4,1 percent).

But an increasingly westernised, sedentary lifestyle is also leading to more deaths. The report found that when all categories of non-communicable diseases - chronic non-infectious diseases usually associated with lifestyle - are combined, they are responsible for around 37 percent of deaths.

The biggest chronic killer in South Africa is heart disease, followed by strokes, cancer, chronic obstructive pulmonary disease and diabetes.

The chances of women dying in, or as a result of, childbirth (maternal deaths) is also increasing. In 1998 in Gauteng's public health sector, 67 women died in childbirth per 100 000 births, but by 2002 the number had risen to 112.

More children under the age of five are dying: 95 per thousand births in 200 compared with 89 per thousand in 1975. Aids-related illnesses were responsible for 40,3 percent of deaths of children under five, followed by low birth weight (11,2 percent) and diarrhoea (10,2 percent).

The HIV and Aids pandemic has effectively reversed the health gains made in child health as, by 1998, the death rate for the under fives had been reduced to 59.4 per thousand.

The report also exposes a deterioration in the quality of healthcare services for a range of reasons including a significant lack of staff.

The report revealed that the exodus of skilled health personnel for the year under review has been substantial - 600 South African doctors are registered in New Zealand and 10 percent of Canada's hospital-based physicians and six percent of the total health workforce in the United Kingdom are South African.

Nationally, the percentage of vacant public sector posts was reduced from 57 percent in 2001 to 31 percent in 2003. However, this was achieved by reducing the number of public sector posts during the same period from 268 122 to 169 121, of which 116 547 were filled in 2003.

The head of the School of Public Health at the University of the Western Cape, David Saunders, says the biggest problem with the South African healthcare system is lack of implementation of sound policies.

"The reason there is this huge gap (between policy and implementation) is the lack of capacity of human resources at all levels. When we say the health systems are not functioning it is because the human resources are not functioning," said Saunders.

The human resources factor was even more critical in the face of the Aids pandemic. South Africa's Operational Plan for Comprehensive HIV and Aids Care, Management and Treatment would continue to come unstuck unless this crucial element of attracting health professionals was addressed.

The department of health has implemented community service as well as rural and scarce skills allowances in the hope of attracting staff to under-resourced areas. Community service for doctors was introduced six years ago and has since been extended to dentists, pharmacists, physiotherapists, occupational and speech therapists, clinical psychologists, dieticians, radiographers and environmental health practitioners. The new Nursing Bill provides for introducing community service for nurses for a period of one year before they can be registered with the South African Nursing Council.

According to the review, community service has had limited success in increasing the supply of personnel in under-served areas. Problems have arisen including students opting for urban in preference to rural placements. The absence of supervision has also been a problem - in some hospitals community service doctors end up as the only doctor. One study found that between 20 and 45 percent of all community service practitioners were planning to work overseas afterwards.

More funding has been directed to health care in the public sector, but real spending per person has not matched spending levels of the mid to late 1990s as the uninsured population grew by almost seven million in the last 10 years.

Mark Blecher, director of the Social Sector at National Treasury and Stephen Thomas of the Health Economics Unit at the University of Cape Town, caution in the review that a real growth of R3-billion in personnel expenditure has masked a reduction of 19 000 filled posts.

This is due largely to a 28 percent increase in average wages.

Overall the Western Cape remains the best-funded province and Limpopo the lowest funded per capita. Limpopo also has one of the largest numbers of uninsured (those not on medical aid) inhabitants while the Western Cape has one of the smallest. - www.health-e.org.za.

□ The 2003/4 South African Health Review, published by the Health Systems Trust, consists of 24 chapters, each describing a key health concern. Atlantic Philanthropies funded the development and printing. Funders of the Health Systems Trust include the Department of Health, the Department for International Development (United Kingdom), Henry J Kaiser Family Foundation (United States), Commission of the European Union, Rockefeller Foundation, Ford Foundation and WW Kellogg Foundation. - Health-e News Service

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http://iol.co.za/index.php?set_id=1&click_id=13&art_id=vn20040729031350814C447903

Planning Ahead in Capacity a Must

Business Day, July 29, 2004

Anton Eberhard

JOHANNESBURG: SA will experience routine electricity blackouts in a few years unless new electricity policy and investment decisions are formulated and implemented this year.

This is the inexorable conclusion that emerges from scenario and modelling exercises undertaken separately by the National Electricity Regulator, Eskom and large energy-intensive industries.

Hydro-electricity imports, mainly from Cahora Bassa in Mozambique, will provide respite for about another year. Thereafter, we need further generation capacity or significant energy savings and demand-side measures.

Eskom has started recommissioning old mothballed coal-fired power stations to meet this challenge. If successful, these old generating stations will give us a breather until about 2008. And then we need new generation capacity.

Although 2008 may seem a long time away, investment decisions, environmental impact assessment, plant-building and commissioning take many years.

For a hydro-electric or pumped storage scheme, this could take 10 years. A coal-fired power station could take six years or more, and gas turbines two to four years. If our economy grows faster, or we are not able to implement effective demand-side measures, new power generation capacity might be needed earlier.

Government will award a tender for new capacity early next year. However, the schedule indicates the contract with a new independent power producer will be concluded only early in 2006, and this will happen only if the bid manages to comply with the treasury's public-private partnership regulations.

Given such tight time constraints, it is likely we might need to buy, on an emergency basis, a series of very costly, paraffin-burning open-cycle gas turbines.

There is a dangerous assumption that the existing tender process for new generation capacity answers concerns on supply security. It does not. We need to make decisions this year about procuring far more capacity than the about 1000MW anticipated in the current tender.

A likely planning scenario indicates that this year we need to make investment decisions on a new pumped-storage scheme, a new pulverised coal-fired plant and a greenfield coal fluidised-bed combustor or a combined-cycle gas turbine. In short, we need to start placing orders for a range of new power plants.

These challenges raise the question of what market structure is appropriate to encourage the most efficient and cost-effective investment decisions.

The public enterprises minister has indicated Eskom will not be privatised. Eskom is thus likely to continue to dominate the market. It may even be permitted to build a new generation plant. Private sector investment will be permitted only on the margins in the form of independent power producers.

They will sign long-term power purchase agreements with Eskom (or with an independent transmission firm or system operator, if these are eventually separated from Eskom).

Few recall the controversial electricity price hikes by Eskom in the late 1970s and 1980s when it made investment mistakes that resulted in huge unused power generation capacity. History shows the potential weaknesses of the old industry model where state-owned monopoly utilities simply pass the costs of poor investment decisions to consumers.

The tender process is also full of risk. A small number of officials and technical advisers will decide how much new power is needed, using which fuel sources, when and where. While a degree of (once-off) competition might be possible via tender bids, long-term power purchase agreements could tie up noncompetitive electricity prices for decades.

Plans for a new market structure, where investors compete to sell their power in a power exchange or a contract market, have been sacrificed in the face of security of supply concerns.

Periods of supply uncertainty and shortages are never a good time to design and implement new competitive market structures. The long period of large capacity surpluses that provided a window of opportunity for major reform has disappeared. Now we have to patch up the system and prepare for the future.

The default independent power producer/single-buyer model which is emerging now requires the establishment of a robust and sustainable institutional structure probably best attached to the power system operator that will be responsible for long-term planning, security of supply and procurement of generation capacity.

We can avoid future blackouts. But we must act now.

Eberhard is a professor at the Graduate School of Business at the University of Cape Town.

<http://allafrica.com/stories/200407290155.html>

Eskom's Rivals Face Uphill Battle

Business Day, July 29, 2004

Fiona Thompson

JOHANNESBURG: Demand for electricity hit a record high on July 13 and concern over the looming shortfall in SA's supply is growing. At the same time, there has been a considerable change of emphasis in government's plans for the electricity supply industry.

Cheap abundant power is one of SA's key competitive advantages, providing a major social benefit as well as the basis for many energy-intensive businesses.

Shifts in government priorities thus have a profound effect on the country and, given Eskom's role in providing power for many of the country's neighbours, on the region as a whole.

During the past few years, in line with the 1998 white paper on energy, the consensus has been, first, that the private sector be responsible for building new capacity as part of government's "managed liberalisation" of the industry.

Second, 30% of Eskom's generating capacity would be sold to the private sector.

Arguments for private investment include generating proceeds for the fiscus, providing opportunities for black economic empowerment, and creating competition in the electricity supply industry, thereby driving efficiencies in operating costs as well as investment decisions.

The risk of new investment would be transferred from the state and therefore taxpayers and consumers to private producers.

However, both elements of this strategy now appear to be in some doubt.

Government has confirmed a tender for a new 600MW-1000MW power station will be offered by the end of the year. Terms of reference issued in February by the minerals and energy department for the appointment of advisers specifically stated: "Eskom is not being permitted to build the next power station."

Hitherto, Eskom appeared to accept it would not play the primary role in capacity additions in SA, aiming to generate half of its revenue abroad to balance the decline in its local capacity.

Many are, however, questioning the rationale of excluding a possible low-cost alternative to "expensive" foreign investors, given Eskom's apparently good record.

Potential investors in the new plant have not, so far, been able to obtain a clear response from the ministry as to whether Eskom will in fact be allowed to participate in the tender.

Senior Eskom officials have recently indicated the company is preparing for new plants.

Energy Minister Phumzile MlamboNgcuka's budget speech in June also highlighted a rethink on restructuring, emphasising that "the state has to put security of supply

above all, and above competition especially", although she did promise that future legislation would provide an enabling environment for independent power producers. There are good reasons to question the benefits of Eskom's participation in the tender not least that it is likely to deter private bidders.

Eskom would not be competing on a level playing field. It has a head start in understanding the requirement, the processes and the people.

As a state-owned player, Eskom is not necessarily working to the same hurdle rates for investment as private investors. The company maintains its real rates of return are lower than those of private companies. Assuming that its costs are in line with other efficient power producers, as Eskom claims, this represents a hidden redistributive policy, with government subsidising consumers through lower electricity prices. The biggest electricity consumers are energy-intensive industries, which are not generally labour-intensive but do contribute to economic growth and exports. Even while shortages loom, government is continuing this policy by promoting more heavy users (such as the Coega aluminium smelter) through long-term cheap electricity deals.

Eskom's massive overinvestment in the past, eliminating the necessity of building new plants since the 1980s, has increased recent cash generation, reduced debt and interest payments and facilitated SA's low electricity prices.

In the long run, once new investment takes place and the mix of assets changes from old to new, average costs will rise.

However, this will take many years and Eskom can meanwhile afford to cross-subsidise returns on a new plant with those on its older plants to bid a far lower electricity price. These prices are not high enough to provide adequate returns to attract new investors without the benefit of Eskom's existing asset base.

Private investors will thus be at a competitive disadvantage to Eskom.

In the absence of restructuring, the only basis on which they will tender is with a long-term power purchase agreement at rates higher than existing prices, with guarantees of offtake and access to transmission (still controlled by Eskom).

Of course, this applies to any private investor foreign or black empowerment partner. Finally, does Eskom have the requisite experience? It is years since the company built a new power plant. By deterring other investors, government may prevent SA benefiting from expertise that would ensure more efficient investment in the new plant.

In the meantime, plans to sell off 30% of Eskom generation 10% to black investors and 20% to foreign investors are now firmly on the back burner.

Piecemeal privatisation was not necessarily the best option. Eskom's continued dominance put its effectiveness in doubt and it failed to address many other government goals. However the change of emphasis ignites uncertainty.

New capacity must be built soon. The best way of ensuring this is done most cost-effectively is to provide clarity over the shape of the future electricity supply industry and an effective legal, fiscal and regulatory environment. In particular, the role of Eskom should be determined.

Uncertainty can only increase perception of risk for new investors, whether in a share of Eskom or a new power plant, thus lowering the sums they are prepared to pay and raising the cost of guarantees they will need. Due to global conditions, there is no surfeit of potential investors in the power industry beating at the door.

Further, many black empowerment investors have already committed resources to investigating the opportunities. Delays raise the cost and therefore the degree of facilitation that may be required for their entry.

On the other hand, if Eskom is not to participate, should it be planning for power stations it will neither build nor operate? As well as possibly pre-empting better options from other investors, it may waste time and resources. Although Eskom's willingness to undertake new capacity additions is welcome in such uncertain times, forcing the firm to examine all future scenarios will divert efforts from running the existing business as efficiently as possible. As the capacity shortfall deadline approaches, it seems government may be pursuing apparently "safer" options, leaving the status quo fairly untouched. Yet "doing nothing" on restructuring does in fact represent a decision, and is not cost-free. Government objectives outlined in the energy white paper will be sacrificed and there are real benefits to restructuring. It is possible to restructure, including introducing competition, without privatisation but it is much more difficult to restructure during a supply crisis. Government's approach may be a perfectly legitimate political choice, but it is currently going ahead without the public debate about trade-offs that such decisions should entail.

Dr Thompson is an independent energy consultant. A longer version of this article first appeared for the BusinessMap Foundation, Johannesburg.

<http://allafrica.com/stories/200407290235.html>

Aspirin, Band-Aid Will Not Cure SA's Sickly Health Service

Business Day, July 29, 2004

Tamar Kahn, Science And Health Editor

JOHANNESBURG: While 700 new clinics have improved access to treatment, service has been weakened in places by a shrinking workforces

SA's health service has declined in many areas while having to serve an increasing proportion of the country's population over the past 10 years.

According to the latest SA Health Review, conducted by the Health Systems Trust on behalf of the health department, there have been significant interventions since the advent of democracy such as the building of more than 700 clinics and the provision of free primary health care.

But the health service has declined in many areas, and inequalities between provinces loom large, says the annual publication, first published in 1995.

District level spending on primary health care ranges from R389 a person a year in richer districts to just R42 in poorer areas. As a result many districts are unable to provide adequate primary health care, which has an estimated cost of R220 a head. The explanation for this shortfall is that although government spending on the public health sector is projected to have increased by R8,7bn in real terms over 10 years much of this funding has been absorbed by HIV/AIDS, medical inflation and relatively higher salaries.

Current real spending a person is struggling to match levels seen in the mid-to-late 1990s, as the number of people using public-health facilities is estimated to have grown by 7-million since 1996.

The number of patients using private-sector health care, largely with medical scheme membership, has remained static during this period. As the population grows, a greater proportion relies on the state to provide for medical needs.

The review highlights the paradoxical situation where real spending has increased, but the sector has 19 000 fewer employees.

Although personnel budgets increased by about R3bn over a 10-year period, average wage costs increased about 28% in real terms (to an average wage of R98 153 last year).

One of the biggest drains on the public health system is HIV/AIDS.

The review estimates that the epidemic costs about R6bn a year, and it says that the sector is not being compensated adequately for this.

"Reviewers make the point that despite the gains we have made in many areas, the impact of the HIV/AIDS epidemic has reversed many of the early health status gains," says health department spokesman Sibane Mngadi.

"We need to better understand this impact and the extent to which our interventions are reversing this trend the 2003 SA District Health Survey, which should be available later this year, should be able to assist us to understand this."

Perhaps the most damning chapter in the review is one on tuberculosis (TB). It highlights how even when the health department has the right programmes in place it can still fail to treat an easily cured disease.

"Improvements in the overall management of the national (TB) control programme have not translated into effective control of the TB epidemic the incidence of TB continues to grow, whilst cure rates remain unacceptably low and treatment interruption rates unacceptably high," says the review.

The World Health Organisation (WHO) estimated that in 2002 SA had 243 000 TB cases, the seventh highest case load in the world. It also has the highest HIV and TB coincidence rate in the world, with 60% of TB patients coinfecting with HIV.

Although SA now has DOTS an internationally agreed treatment strategy designed to ensure patients take their medicines properly in 182 out of 183 districts only 54% of patients with TB were documented to have successfully completed their treatments, a far cry from the WHO's 85% target. Western Cape achieved the highest cure rate, and KwaZuluNatal performed worst.

The review says the TB problem is due largely to a lack of funds and inadequate human resources. In urban areas health workers and "treatment supporters" supervised by health workers are providing DOTS effectively, but in rural areas treatment supporters are poorly supervised.

There are also problems in maintaining patient records, and the data being collected is not being used to improve service delivery.

Data collection is a major shortcoming in the public health system, says the review, making it difficult for managers to monitor progress.

Although there has been some improvement, and the health department has initiated monitoring programmes, there are still major gaps no one knows how many disabled people there are in SA, for example.

The review also highlights government's glaring failure to manage its human resources and effectively combat the exodus of skilled staff to the private sector or abroad.

An estimated 600 South African-trained doctors are registered to practise in New Zealand, and 10% of Canada's hospital-based physicians and 6% of the UK's health workforce are South African.

The review emphasises that the shortage of doctors and nurses is felt most acutely in poor rural areas, and adds its voice to the growing chorus calling on government to develop a strategy to combat the paucity of skilled health-care workers.

As a final note of warning, it cautions that the shortage of skilled health workers threatens to undermine government's ambitious promise to provide free AIDS drugs.

<http://allafrica.com/stories/200407290231.html>

Unions Call On ANC to Intervene in Wage Dispute

Business Day, July 27, 2004

Sphiwe Mboyane

JOHANNESBURG : Congress of South African Trade Unions (Cosatu) public service unions have called on the African National Congress (ANC) to intervene in their protracted wage dispute with government.

The unions have threatened to go on strike if their demands are not met, and that could lead to a collapse of crucial public services. The unions are demanding an 8,5% salary increase while government is offering 5,5%.

The unions said conciliation talks had "collapsed", increasing the possibility of a strike.

The affected unions include the South African Democratic Teachers Union, Police and Prisons Civil Rights Union, the National Health and Allied Workers Union, the Democratic Nursing Organisation of SA , the South African Democratic Nurses Union and the South African State and Allied Union.

Cosatu deputy general secretary Bheki Ntshalintshali said the unions wanted the ANC, as the ruling party and the federation's alliance partner, to persuade government to inject more money to improve employment conditions.

The public servants, said Ntshalintshali, were critical in the attainment of the ANC's vision of creating a caring public service.

He said this also followed the ANC's call for a public sector union summit to discuss issues affecting public servants.

"It is the responsibility of the party in government to ensure that public servants' salaries and conditions of employment are better," said Ntshalintshali.

The unions are also demanding medical aid and housing benefits for the more than one third of the lower category staff and a review of the current grading system, which they say does not deliver fair and efficient career-path opportunities for employees working in the public service.

The current impasse between the unions and the Public Service and Administration Minister Geraldine Fraser-Moleketi follows her decision, few weeks ago, to declare a dispute saying that wage negotiations were "not achieving anything".

The unions have accused government representatives of negotiating in bad faith, adding that the officials were not even willing to entertain the unions' offer, which was reduced from 10%.

<http://allafrica.com/stories/200407270237.html>

Public Sector Unions Urged to Return to Wage Talks

BuaNews, July 25, 2004

Thabo Mokgola

PRETORIA: Public Service and Administration Minister Geraldine Fraser-Moleketi has called on public service unions to return to the negotiating table in an effort to come up with an amicable solution to the wage stand off.

It has been reported that the various public service unions representing civil servants at the negotiations had threatened to embark on a strike if their demands were not met.

The unions, PSA, SA Democratic Teachers Union (SADTU), National Education, Health and Allied Workers Union (NEHAWU), Police and Prison Civil Union

(POPCRU) and the South African Police Union (SAPU) are demanding an 8.5 percent increase.

Government is offering a salary increase of average projected CPI-X over the 3 financial years. The adjustment in the first year being 5.5 percent, made up of the average projected CPI-X for 2004/05 plus 0.5 percent (based on Reuters Consensus poll of Economists).

The offer also includes a protection clause for employees. In the event that the actual inflation for the period is higher than the projected, the difference will be added to the adjustment for the following year.

If it is lower, the employer will only deduct the percentage above 0.3 percent, therefore an additional benefit of 0.3 percent over the following two years.

Adjustments are to be implemented with effect from 1 July each year and an independent consensus poll of economists is to be used in the determination of the average projected CPI-X.

The Pay Progression system for all public servants provides for an annual adjustment of 1 percent, over and above CPI-X adjustments. The 1 percent is linked to satisfactory performance and seniority. Therefore, over the three-year period of this proposed agreement, the majority of employees will receive CPI-X plus 3 percent. Departmental spokesperson Madoda Mxakwe says the offer ought to be seen in the broader context of improving the lives of all citizens and within the context of competing pressures on the single national fiscus.

He said the state as employer was deeply disappointed in the breakdown of the conciliation process.

"However, we remain committed to continue with discussions with all trade union parties in the PSCBC and hope that we will be able to find a solution," he said.

At this stage, he explained, government had no intention to embark on any unilateral actions, including the unilateral implementation of the salary offer.

Mr Mxakwe said the current offer was based on certain principles including a multi-term agreement covering the current and following two financial years, public servants receiving a general cost of living adjustment that keeps up with inflation and addressing the current inequities in the provisioning of macro-benefits such as namely housing and medical aid.

Others include the implementation of a framework, together with compensation, to improve government's ability to retain and recruit scarce skills in the public service and the general cost of living, adjustment to compensate employees for satisfactory performance and seniority.

<http://allafrica.com/stories/200407261549.html>

Cosatu Threatens to Shut Public Service As Talks Fail

Sunday Times, July 25, 2004

Sabelo Ndlangisa

JOHANNESBURG: The labour federation Cosatu has threatened to cripple the public service after the collapse of conciliation talks with the government this week.

Eight public-sector unions have demanded a wage increase of about 10%, while Public Service Minister Geraldine Fraser-Moleketi has offered to increase public-sector salaries by 5.5%.

Fikile Majola, vice-president of the National Education, Health and Allied Workers' Union, said that because of the "lack of progress in conciliation" Cosatu would mobilise its members for "a possible strike".

However, while the unions would embark on pickets and joint marches, he said Cosatu would engage the government to avoid "a possible disruption to service delivery".

The last public-service strike five years ago brought public-service delivery to a virtual standstill.

Bheki Ntshalintshali, Cosatu's deputy general secretary, expressed concern about what he called the "intransigence" of the government in the wage talks.

Madoda Mxakwe, the spokes man for the Public Service Department, said the fact that the department had not unilaterally implemented the salary offer showed that it

[was committed to finding a solution.](#)

<http://allafrica.com/stories/200407260601.html>

Stalinist Cabal Parodies ANC's Promise in Cape

Business Day, July 22, 2004

JOHANNESBURG: Something is rotten in the city of Cape Town. Governance is a far cry from what the African National Congress (ANC) promised it would be under the new mayoral system.

The language of transformation used with nauseating frequency during election time is not reflected in the kind of governance under the new order.

While key words such as democracy, transformation and transparency mark the current political discourse, in reality a Stalinist cabal rules the city.

Described by a former mayor as an "impregnable fortress", the mayoral committee operates in total secrecy. Meetings are closed to the public, agendas and minutes are not published.

Decisions are reported to the council months after they are taken. No debate or questions are permitted. Opposition parties have no seats in accordance with proportionality, and are in effect silenced.

The analogy with Parliament and the cabinet is often made to justify operating in secret. Yet this comparison is out of place. The committee hardly deals with security issues, unless drains, potholes, sewage, electricity and roadworks qualify as such! Complaints about the flawed tendering process reveal that in this climate of secrecy the law of the jungle prevails. The city's forensic investigative unit is, at the request of the public protector, investigating two tenders for roadworks in Gugulethu and Tambo Village.

The Big Bay tender award has been overturned by an appeal committee of the city. The officials and legal adviser reporting to the tender and procurement committee on the roadworks tenders did a thorough job assessing all applications for compliance. All the nonresponsive tenders with bad references and track records and lacking resources were duly eliminated. Those getting the highest adjudication points were recommended for awards.

For some reason, ANC councillors favouring the worst firms were able to convince the mayoral committee and council to overturn the recommendations. The awarding of the Big Bay tender was more alarming. The city received six tenders for this property, but the mayoral committee awarded the tender to the fourth highest tender at R36m less, without following due process.

The tender and procurement committee did not even have a proper opportunity to consider all proposals before it, to make a fully informed recommendation. The committee also lacked a quorum when it referred the matter to the mayoral committee.

Partial decisions of this nature are of course always open to litigation. Not only does the city lose when tenders are awarded to the worst bidder, the prospect of costly litigation negatively affects good governance.

Third-rate firms are hardly able to ameliorate the challenges facing the city of Cape Town. And these challenges are formidable, as shown in the report of the integrated development plan 200304. With unemployment at 21% generally, and 30% for blacks, generating economic growth that will lead to jobs will require the wisdom of Solomon in a municipality that is cash-strapped.

The growth of informal settlements, the decline in the provision of housing and the increase in TB rates, prove that the situation in the city is deteriorating.

The politics of secrecy do not create a climate conducive to public sector delivery.

The executive mayoral system, as it operates now, is structurally incapable of lending itself to open, accountable, transparent governance.

As a citizen of the city of Cape Town, I object to the secrecy with which we are being governed, given that we pay the highest per capita rates at R666,55 a year.

Capetonians should demand that our executive mayor operate like democratic mayors elsewhere in the world where their electoral mandate comes from policies approved by the public and the constituency to whom the mayor accounts and apologises.

The mayor is too silent and invisible, described by some as a "Queen Bee in her malignant hive". For someone who comes from an admirable history of struggle and detention, a victim of a repressive regime that operated in secret, I expect the mayor to live up to her commitment to democracy and openness.

The essence of democratic governance is building public trust. This is achieved when the mayor's office is open and accessible to the public and when decisions are communicated honestly. The way it operates now leaves much to be desired.

Kadalie is a human rights activist based in Cape Town.

<http://allafrica.com/stories/200407220274.html>

'Poorly Paid Nurses Leave in Droves'

Cape Argus, July 19, 2004

Candice Bailey and Dianne Hawker

In the first few months of this year alone more than 1 000 nurses in South Africa have asked that their qualifications be sent abroad because they are considering leaving the country in search of better prospects.

According to the SA Nursing Council, from January to May more than 1 000 nurses had asked for a verification of their qualifications to be sent to health agencies abroad. While this means about 300 verifications are requested per month, a spokesman for the council said this did not necessarily mean the nurses were leaving, but that they were considering it.

He also said there had been more than 4 000 such requests last year.

Nomsa Hawker, a 48-year-old nurse who left South Africa three years ago to gain financial security by working in Saudi Arabia, said nurses were leaving the country in droves because they were underpaid and overworked and were looking for more financially stable prospects abroad.

Hawker, who has been a nurse for 25 years, said: "It was physically draining and I was getting paid peanuts in South Africa. I was in a top position - a district manager - but I couldn't even afford to pay my four kids' school fees. Now I earn three times my previous salary."

The provincial health department has reported that about 1 700 of the 9 500 nursing posts in the Western Cape are vacant.

Professor Sheila Clow, the University of Cape Town's associate professor in nursing midwifery, said the intensive care unit, theatre and labour wards were under the worst pressure regarding staff shortages.

And Dr Christopher Narramore, a private orthopaedic surgeon, said Victoria Hospital was facing such a shortage of trained theatre nurses that they could not process patients booked for elective surgery.

"About 30% of the normal theatre staff have left," said Narramore.

He said there were usually three sisters in theatre but last week during his weekly session, there was only one.

He blames the low salaries and difficult working conditions for pushing nurses out of the profession.

According to Bongani Lose, provincial secretary of the Democratic Nursing Organisation of South Africa, nurses are grossly underpaid.

"The highest-ranked nurse - a chief professional nurse - who could be in service for about 10 years, would be paid just under R9 000 a month.

"And an auxiliary nurse, or a staff nurse, who has done a two-year training course, would earn about R3 500 per month," said Lose.

"They save lives and work long hard hours. Globally, there is a huge demand for nurses, which means that there should be an increase in their salaries," Lose said.

But Clow said money was not the only issue as nurses were unwilling to work under current conditions at hospitals.

"Hospitals are trying to cover shifts with agency nurses, but they can't even find any."

She said the vacancy rate at hospitals were so high that agency nurses formed part of the staff plan at certain state hospitals in the city.

"Some nurses tell me they are so tired but at the same time so anxious that they will be the only one carrying the responsibility that they would rather not go to work."

Dr Beth Engelbrecht, deputy director-general for secondary, tertiary and emergency services in the health department said she was aware of nurses' salary packages but added: "I wouldn't say nurses are underpaid.

"If there was action at national level, the province will support it. We are in the process of looking at the responsibilities involved and the salary levels."

She felt that nurses were leaving because of the working environment and abusive patients but said that payment plans were a factor.

<http://allafrica.com/stories/200407191051.html>

Chaos as guard shoots at Witbank protesters

July 16 2004

A security guard seriously injured eight people when he allegedly fired at protesters in Hlalani Kahle informal settlement in Witbank, police said on Friday.

The crowd attacked council officials who were cutting off illegal electricity connections in the area on Thursday, said police Captain Malcolm Mokomene.

He said angry community members gathered and threw stones. They surrounded one council vehicle and assaulted the driver.

"One security guard fired at the mob with a shotgun. He managed to injure eight people."

He said they were all taken to hospital with gunshot wounds to the face, neck and hands. The assaulted driver was also taken to hospital.

Mokomene said the security guard had been arrested "for his own good" because he lived in the area and was known to the community.

Correct procedure would have been to fire warning shots above the crowd's heads, said Mokomene.

"The correct procedure is to give a warning shot, but it must be determined by the situation. The intention was to rescue the official, and he did rescue him."

However, a case of attempted murder had been opened.

Mokomene said the crowd - hundreds of people - dispersed once police arrived at the scene, but not before throwing more stones at the police vehicles.

One person was arrested for malicious damage to property.

The residents had tapped the official electrical installations and were siphoning off electricity illegally, said Mokomene. – Sapa

Namibia to send surplus power to Eskom

July 08 2004

Melanie Gosling

When the billion-rand Kudu gas power project comes into operation in 2009, South Africa is to get the "leftover" power not used by Namibia.

But this is likely to be only about 200 megawatts, a "tiny blip" in the 40 000MW consumed by South Africa.

"Namibia has capacity of 400MW," said Rhidwaan Gasant, chief executive of Energy Africa, which has a 90 percent interest in the Kudu gasfield.

"About half of this is generated by the Ruacana hydro-electric power station and the rest comes from South Africa.

"The first stage of the project will produce 800MW, which will be sold to Namibia and anything left over will come to South Africa. Eskom will be the consumer of the balance.

"It's difficult to quote figures exactly, but this would be around 200MW. Eskom generates about 40 000MW, so 200MW is a just little blip."

When the second phase was completed, it would generate 1 600MW, Gasant said. The electricity would be supplied through the transmission system between South Africa and Namibia, which was to be upgraded. An advantage of the Kudu gas supply to South Africa would be a limit to the energy lost in transmitting power from the Highveld to the Northern Cape, Gasant said.

Philip Lloyd, of the Energy Research Institute at the University of Cape Town, said gas-based power plants were much cleaner and more efficient than coal-fired power stations.

"There is no ash, so there's not that waste to deal with, and because gas is more efficient, there is not a need for so much water for cooling," Lloyd said.

"And because gas contains more hydrogen than carbon, it produces less carbon dioxide emissions - the big baddie of the greenhouse gases.

"The Kudu gas project will make a contribution to our energy needs, but it is a pity there is not more of it. South Africa's gas reserves are only one percent of its coal reserves."

http://www.iol.co.za/index.php?set_id=1&click_id=68&art_id=vn20040708041832843C256058

Plans to move squatters from pylon danger

7 July 2004, Ashfak Mohamed

Residents of an informal settlement in Paarl's Mbekweni township, who have been squatting dangerously among electricity pylons, may soon be moved to safety.

Authorities want to move them to serviced land a distance away, but the squatters fear they may be forgotten if moved.

Hundreds of wood and corrugated iron shacks are dotted around the area next to a train line. Only a small part of the settlement has electricity, although the shacks are next to the huge pylons.

One is in the front garden of Nomaseru Babane, 28, who said she had long wanted to move from the area but did not have an alternative place to live.

She placed her name on a housing list last year, but nothing came of it.

When the Cape Times visited the site, a number of children were playing around and hanging onto the pylon's struts, apparently oblivious to the danger as they ran between washing lines attached to the pylons.

Eskom spokesperson Marius van Rensburg said on Tuesday that the squatters were in real danger of being electrocuted.

"Also, many residents use gas or firewood to cook food. The materials they use to build their shacks are highly flammable, which presents a danger to the power lines," he said.

Van Rensburg said Eskom had informed the Drakenstein municipality of the settlement in 2000 when the first informal dwellings went up.

The residents did not want to move, he said.

"They believe that if they stay there, they will get help from the municipality in the form of land and housing," he said. "We just hope nothing tragic happens before they are moved."

Drakenstein municipal manager Jacques Carstens said illegal squatting on undeveloped ground was a continuing problem.

"The land is normally not suitable for occupation because of the lack of infrastructure and services.

"In the case of Mbekweni, it is also dangerous because of overhead power lines.

"The municipality is planning to relocate the illegal settlers," he said.

Adelina Shoto, 52, said her shack had burnt down in December last year, but that this was not due to any falling power lines.

Power lines run directly above her shack.

There is a communal tap a few metres away.

She said the municipality had told her they would find another place for the squatters to move to, but that nothing had happened yet.

"I lost everything in the fire. It is dangerous to live here, but I have no other place to stay," she said.

"I don't have money to pay rent in another place. It's too expensive."

This article was originally published on page 3 of Cape Times on July 07, 2004

http://www.iol.co.za/index.php?set_id=1&click_id=13&art_id=vn20040707041022619C208614

Electricity tax 'not a bigger burden'

7 July 2004

The suggested tax on electricity is "a new name for what is currently hidden", says the director of electricity services for the city Cape Town, Neil Croucher.

The tax would be "no new burden for electricity consumers to bear".

Although the city of Cape Town is still to decide on whether it will tax electricity once the Western Cape's Regional Electricity Distributor (RED) becomes operational next year, it is envisaged in a Financial and Fiscal Commission report that was handed to Finance Minister Trevor Manuel last week that a tax will compensate any loss of income municipalities may experience when the new system is introduced.

The funds that could be lost if a tax was not introduced are currently being used to subsidise services including road maintenance and libraries.

"Job cuts may be a result, but it has never been an aim (of RED)," said Croucher.

http://www.iol.co.za/index.php?set_id=1&click_id=13&art_id=vn20040707130220492C990356

Excuse me, why haven't you paid your bill?

1 July 2004, Eleanor Momberg

The Tshwane Metro Council is to appoint 65 people to visit defaulters in problem areas to find out why they are not paying for their electricity and water.

These officials will be assisted by ward councillors.

The appointments are part of an effort to eliminate the council's R1,7-billion debt arrears and to assist indigent people to make arrangements to pay their accounts, in terms of the council's social package.

Tshwane mayor Smangaliso Mkhathshwa said the introduction of the social package was "a very generous decision". In terms of the arrangement, people get 100 days to pay arrears.

"That is a long time. So you really have enough time to plan properly, to pay - even if it is 'bietjie, bietjie' over a certain period of time. That is very, very generous and understanding."

The council, he said, had been doing as much as possible to recoup monies owed to it. In dealing with poverty, the council had introduced an indigent policy through which social workers determined, via a means test, whether a particular person qualified for free services or a flat rate.

It was, however, not only poor households that did not pay for their services. "You still find some businesses and, unfortunately, some government departments... not paying on time."

Arrangements had been made with problematic government departments to pay their bills within a specified period.

Special arrangements had also been made with members of the diplomatic corps who were in arrears. Because of the "sensitivity" of diplomats owing the council money, measures had been taken to send them reminders and to phone them.

"We do all kinds of things, because they are our special guests and we want to make sure that they feel at home," said Mkhathshwa.

The present 97 percent collection rate, Mkhathshwa said, was not too bad.

"We are not satisfied with it, because it is not 100 percent."

Prepaid meters were being installed for indigent people so they could control their electricity consumption.

Mkhathshwa said the council also wanted to see prepaid meters installed for general consumers as this would obviate some of the measures that "we don't enjoy taking". The council, he said, could not rely on an equitable share of the municipal

infrastructure grants allocated by government to continue providing services that had to be paid for.

The equitable share, he said, was "just spit on a hot iron".

"I know the minister of finance won't be happy about that, but that is the reality because the bulk of our own revenue is raised by us as municipalities."

"The allocation we get from national government has certainly improved, but it is still lacking. Therefore we have to rely primarily on the people who use our services," said Mkhathshwa.

This article was originally published on page 3 of Pretoria News on July 01, 2004

http://www.iol.co.za/index.php?set_id=1&click_id=13&art_id=vn20040701024634480C792712

South Africa Sets Pace On Rural Water

July 1, 2004

Gumisai Mutume

Government promises to reach all by 2008

As South Africa celebrates 10 years of freedom, it also is being hailed by the international community as a model for other developing countries in providing rural water. By the end of this year, 10 million South Africans who were deprived a decade ago will have access to clean water.

"We are really past the international millennium development targets," South Africa's then-Water and Forestry Minister Ronnie Kasrils told Africa Renewal in April. "In the year 2008, all our people will have access to clean water." Mr. Kasrils, who has since been appointed intelligence minister, was in New York attending the 12th session of the UN Commission on Sustainable Development.

A basic right

In 1994, some 14 million of the country's 40 million people did not have access to safe drinking water and 21 million were without adequate sanitation. To confront those challenges, South Africa wrote into its constitution provisions guaranteeing access to sufficient food and water as a basic right. The government adopted the Reconstruction and Development Programme, a social development policy that emphasized state provision of basic services. One of its goals was to ensure that there was a tap within 200 metres of every household in the rural areas.

South Africa also introduced a policy providing the first 6,000 litres of water per month per family for free. If the family consumes more than that, it is charged a stepped tariff. "That is designed to ensure that the wealthier are able to cross-subsidize the very poor," said Mr. Kasrils.

His government inherited a country with no single national institution responsible for water delivery. New legislation had to be written and municipalities had to be established in many black rural areas that lacked even these basic institutions. Mr. Kasrils conceded that much still has to be done. Some of the newly created municipalities are only beginning to become functional. In rural areas, some 5 million people still have to walk to distant rivers and springs to fetch water.

South Africa's success has a lot to do with political will, but unlike many other developing countries, it also has the resources to implement its programmes. It is sub-Saharan Africa's wealthiest nation with an average per capita income of \$2,800, compared to a continental average of \$300.

Against privatization

But even for South Africa, the provision of sustainable water services in urban areas remains a major challenge. Government critics insist that cost-recovery programmes have rendered water unaffordable for the urban poor. The non-governmental Anti-Privatization Forum has charged that the new policies have cut off millions of urban South Africans from their water supply.

Mr. Trevor Ngwane, an activist with the Anti-Privatization Forum, says privatization acts against every South African's constitutional right because water is "no longer provided on the basis of need but on the ability to pay. Many poor people in South Africa simply cannot afford to pay for water." In urban areas, the group says, the cost of water is rising and private corporations are installing pre-paid metres that stop delivering water when the payment has been exhausted. The NGO estimates that millions of poor urban dwellers have been cut off, but the government disputes its figures.

Following the adoption of market-led economic policies in 1996, the government reduced grants and subsidies to urban municipalities, forcing some to turn to commercialization as a way of generating revenue. Mr. Kasrils maintains that out of 284 municipalities in the country, only 5 have service and management agreements with private water companies.

South Africa's two major cities, Cape Town and Johannesburg, have the highest number of private water ventures in Southern Africa. Zambia has two projects, while Angola plans to establish two and Tanzania three. "There is no other way to create sustainable service providers, than by ensuring that those who get services pay for these, with appropriate transparent arrangements made for subsidizing the poor when a government deems that necessary," argues Mr. David Grey, senior water adviser at the World Bank. He says that simply charging for what is delivered and collecting bills in a timely manner is a pragmatic starting point for governments in the region, but adds that they need to attract service providers with sound finances.

<http://allafrica.com/stories/200407270065.html>

Zambia

'Address Diminishing Surplus Energy Generation Capacity'

The Times of Zambia, August 4, 2004

NDOLA: The Southern African Development Community (SADC) has urged private investors in the energy sector to address the diminishing generation surplus capacity. This was announced in a communiqué released after the Energy ministers' meeting which ended last Friday in Namibia.

The communiqué obtained by the Times yesterday said the surplus capacity had been estimated to run out by 2007 if there was no new investment in the energy sector, hence the governments' commitment to supporting generation and transmission projects in the region.

The SADC ministers of Energy also agreed to create an enabling environment for investors, both private and public, to invest in generation and transmission infrastructure.

Other resolutions were to revise the inter-governmental memorandum of understanding to reflect the new structure of SADC and improve the Southern African Power Pool .

It was agreed to allow participation of independent power producers into the pool.

The members will meet regularly to discuss energy issues as they appreciated that the region was endowed with sufficient resources of gas, coal, hydro, and renewable energy.

The gathering also tasked the Namibian minister of Mines and Energy to lead a delegation to the SADC summit in Mauritius and present the issue of the region's diminishing generation surplus capacity to SADC heads of state.

Energy Minister George Mpombo represented Zambia at the summit.

<http://allafrica.com/stories/200408040725.html>

Don't Strike, NGO Tells Civil Servants

The Times of Zambia, August 4, 2004

NDOLA: A non-governmental organisation (NGO) in Ndola has advised civil servants not to go on a countrywide strike as the action is retrogressive.

Constituency Concerned Citizens Forum (CCCF) national publicity chairman Wilbroad Mutoloka, however, advised Government to honour its promises and explain any pitfalls that arose.

"Government should stick to its promises and when there is failure, leaders should quickly go back to the workers and explain the problem," he said in an interview. He said it would not be prudent for public service workers to go on strike because the action would negatively affect the already weak economy.

Civil Servants and Allied Workers Union of Zambia (CSAWUZ) president Leonard Hikaumba last week announced that a ballot would be conducted to decide if workers could proceed on strike.

But Government has advised the labour movement to allow Cabinet to look at the outcome of the conciliatory board.

Mr Mutoloka said it was inconveniencing for Government to decide to pay housing allowance in 2006 when the members of Parliament were agitating for mid-term gratuity which was colossal.

Meanwhile, Mr Mutoloka urged Government to channel money recovered by the Task Force on corruption to pay outstanding pensions in the civil service.

He said there was no need to keep the money in the bank when it was needed in many sectors.

And academic staff at the University of Zambia (UNZA) want vice-chancellor Robert Serpell and his deputy Geoffrey Lungwangwa removed for reinstating the professional allowance objected to by Government in February.

University of Zambia Lecturers and Researchers Union (UNZALARU) general-secretary Evans Lampi said in a statement yesterday that lecturers wanted the two chancellors to be unconditionally removed from their offices.

UNZA spokesperson Mulenga Musepa, when contacted, said he would only comment on the matter today after he had gathered more details.

Mr Lampi accused management of having paid K2 million to professors and K1.5 million to associate professors in arrears from January.

He said when the professional allowance for professors and their associates was withdrawn it was agreed that a fairer application of the allowance should have graduated across all academic scales.

He said the withdrawal of the allowance was effected after Government intervened and the registrar of the university recently admitted that the introduction of the allowance was not sustainable under UNZA's current financial position.

<http://allafrica.com/stories/200408040727.html>

Having Dialogue With Govt Isn't a Sign of Weakness - Hikaumba

The Post, August 2, 2004

Alfarson Sinalungu

LUSAKA: Zambia Congress of Trade Unions (ZCTU) president Leonard Hikaumba on Friday said having dialogue with government was not a sign of weakness.

Officially opening a two-day workshop on developing advocacy and lobbying skills for top ZCTU affiliate leaders at Masiye Motel in Kabwe, Hikaumba said as social partners, they had to discuss issues with government so that they could improve the levels of industrial harmony in the country.

"It is unfair for people to condemn us when we meet government as our act is purely based on the principle of tripartism as enshrined in the International Labour Organization (ILO) convention," said Hikaumba.

He said it was wrong that ZCTU had critics who condemned it for engaging government in dialogue over critical issues affecting workers.

Hikaumba said issues of policy analysis, advocacy and lobbying as well as defining leadership roles were critical to the effective execution of duties as trade union leaders.

He said with the economic and political complexities confronting the society, it was important that trade unionists sufficiently equipped themselves with the necessary skills to enable them tackle the challenges.

He said the role of lobbying and advocacy had become very crucial to trade union work.

He said as trade unionist members, they had a duty to effectively use the tools of lobbying and advocacy if they had to bring social justice for their membership's welfare as well as that of other marginalized sections of society.

He said currently, the country was embroiled in conflicts over Constitution issues such as the mode of adoption.

"These are issues cardinal to our lives and governance of our country, we can't leave such issues to few individuals and we need to be part of the change," said Hikaumba.

He urged the top union leadership to form alliances with other social groups in society in order for their lobbying to have an impact.

"This is why the ZCTU has always stood for the promotion of dialogue because it was a very strong ingredient of lobbying and advocacy," Hikaumba said.

And reacting to chief government spokesperson Mutale Nalumango's caution to the labour against resolving to go on strike, ZCTU general secretary Sylvester Tembo said Nalumango was not in order to make threats to the labour movement.

Tembo said what was expected from government was a positive response from the cries of the workers in the country.

Nalumango on Thursday appealed to the public service workers planning to hold a strike ballot to exercise resilience, as work stoppage would harm the national economy.

She said government learnt with great shock the planned move by the labour movement.

<http://allafrica.com/stories/200408021142.html>

Hikaumba Gives Mwanawasa Tips for Ending Sleepless Nights

The Post, July 29, 2004

Bivan Saluseki

LUSAKA: President Levy Mwanawasa will continue having sleepless nights if his government does not address the problems the country is facing, Zambia Congress of Trade Unions president Leonard Hikaumba has said.

Meanwhile, the Civil Servants and Allied Workers Union of Zambia (CSAWUZ) and the National Union of Public Service workers (NUPSW) have asked their members to vote on whether to go on strike or not.

This follows government's position that there would be no salary increments and no improved conditions of service.

During a briefing yesterday, Hikaumba, who was commenting on senior chief Mukuni's statement that opposition leaders should stop giving President Mwanawasa sleepless nights, said it was not anyone's intention to give him sleepless nights.

"If the leadership is not doing what is expected of them, the people will cry out," he said.

Hikaumba said if leaders could not do what the people wanted, people were right to complain.

He said leaders should meet people's expectations.

"After they do that, they will have all the time to sleep," he said.

Hikaumba, who is also CSAWUZ president, said following the failure of the board of conciliation, the two unions had decided to refer the matter of salary increment to members for a vote, at dates to be announced soon.

He said the unions had made efforts to agree with government on the salary increment.

Hikaumba said this was after starting from an initial 150 per cent increment down to 30 per cent salary increase across the board which government has still rejected.

He said government's position was such that there should be no salary increment, no improvement of existing conditions of service and no introduction of new conditions of service.

"We were of the view that these negotiations could be concluded before the budget preparations for the year 2005. However, the state of affairs is counterproductive. We strongly feel that we cannot go on negotiating forever," he said.

Hikaumba said members should turn up in large numbers to cast their votes and the unions would bless any decision the members decided to take.

He said it was inevitable that government improved salaries and conditions of service for its employees.

Hikaumba said it was clear that the government was not ready to offer anything, even a one per cent salary increment to its workers despite the steady increase in the cost of living, which now stands at K1,113,894 according to the JCTR monthly food basket for June 2004.

Hikaumba asked members to join today's demonstration to National Assembly on the gratuity for members of Parliament.

<http://allafrica.com/stories/200407290435.html>

Zimbabwe

Zimbabwe: Water Cuts Raise Spectre of Disease Outbreaks

UN Integrated Regional Information Networks, July 28, 2004

HARARE: Residents of Zimbabwe's capital, Harare, have been forced to use river

water because of ongoing breaks in the purified water supply, raising concern over possible outbreaks of waterborne diseases.

Like many other urban residents, it's a daily routine for 12-year-old Stella Chiyangwa to walk six kilometres to a river to fetch water for household use - she now lives a life not much different from that of her counterparts in remote rural areas.

The suburb of Mabvuku, where Stella lives, often goes without water for days, and sometimes weeks at a time, due to the rundown state of the city's water and sewer reticulation infrastructure.

Sources at the Harare city council say the Morton Jaffray Waterworks plant needs a major overhaul of its purification and distribution capacity. But the municipality does not have the resources, and neither does it have the foreign currency needed to import water purifying chemicals. As a result, foreign suppliers have cut credit lines to Harare and now only supply chemicals when paid in advance.

These problems have combined to create major water shortages, forcing residents to make use of the Mukuwisi river running through parts of the city. Although bottled mineral water is available in the shops, at a price of just under US \$1 it is far beyond the reach of many.

Water cuts were initially experienced mainly in the high-density suburbs of the city, but recently the plushest of them, like Glen Lorne, Borrowdale and Graystone Park, have also been without piped water, and the municipality has introduced 24-hour water cuts in some.

Although residents in the upmarket low-density suburbs can afford to sink boreholes, those in the overcrowded areas have no such option.

Long queues of women carrying heavy buckets to and from unpurified alternative water sources have become a common sight, raising concern that there could be outbreaks of waterborne diseases. Public and household latrines in several high-density suburbs have become blocked and emit a suffocating stench.

"The council is not taking its duties seriously," said Kuda Hingi, who lives in the suburb of Eastlea. "Employees do not seem to be dealing with our complaints with any urgency."

Residents blame the Harare municipality for their plight and warn that the city is now on the verge of an epidemic because of the lack of water and proper drainage; municipal officials in turn blame the national government, saying the macroeconomic problems causing the crisis are not of their making.

The Harare municipality's public relations manager, Leslie Gwindi, said the council was doing all it could to resolve the water crisis but was constrained by the foreign currency problems affecting everyone. He appealed to residents to conserve water until the authorities could raise money to buy the necessary purification chemicals and overhaul the water treatment works.

<http://allafrica.com/stories/200407280727.html>

Development Stagnates in Zim's Major Cities

Financial Gazette, July 22, 2004

Munyaradzi Mugowo

HARARE: Development in all major cities has stagnated since the Public Service Investment Programme (PSIP) was scrapped, home-seekers have noted with concern. Housing demand has increased sharply over the last decade, when the government, through the Ministry of Local Government, Public Works and National Housing, scrapped its traditional housing provision programme during the structural adjustment programme.

Zimbabwe Institute of Regional and Urban Planners (ZIRUP), president Percy Toriro this week told The Property Gazette that housing, which is classified under "capital projects", has stagnated as a direct function of the financial woes plaguing local authorities.

"Providing new residences means a higher demand for water and sewerage treatment. It also means constructing new roads, which in turn means a higher demand for tar and numerous other construction inputs and equipment, Toriro said.

"At the moment the city council is failing to adequately carry out road maintenance, sewerage removal, and street light replacements and even to collect litter. Certainly, under these circumstances, urban development is completely out of the question," he added.

The Harare City Council has resorted to intensive water rationing in desperate efforts to counteract acute water shortages, which engineers ascribed to infrastructural flaws at the city's Morton Jaffray water treatment plant, which at the optimum capacity can only pump 550 megalitres, against the city's daily demand of over 700 megalitres.

The Reserve Bank of Zimbabwe (RBZ) at the beginning of the year unveiled a rescue package for local governments to tap cheap loans from the central bank with a view to revitalising their service provision capacity.

Sadly, Toriro said: "All but one small local authority do not qualify to obtain the concessional loans because their accounts are not up to date."

The RBZ has mulled probing local authorities and parastatals, which are accused of flouting basic accounting procedures.

<http://allafrica.com/stories/200407220518.html>