

whites at the top getting all the benefits. We don't want to be partners with them. It is the supervisors and managers [in the municipalities] who should be replaced. Workers just do their job as they're told. If they're not being properly managed that is the municipalities' problem ... it's not our problem. We don't want to know about this privatisation ... we will just reject it.'

The Public Service Union of Namibia (PSUN), has hinted at some of the deep-seated problems in the public sector which are being sidestepped in the restructuring process. The union said commercialisation will not remove fundamental problems which exist such as cronyism, corruption and poor management.

These 'ills of the system' will just be displaced from government to the commercialised entities. So why should we expect any better performance from these companies, the union asks.

The PSUN argues that while some outsourcing can promote black economic empowerment, 'We need to be cautious. We don't just want to create new elites - benefits must go to the whole population.'

Towards the end of the year, the NUNW prepared a presentation to the cabinet sub-committee on public sector restructuring and thereafter, met with the President. The federation proposed the following:

- ❑ Establishing a single board for all SOEs consisting of representatives of all 'social partners' to formulate policies to regulate SOEs, and to monitor and evaluate service delivery.
- ❑ Broadening participation of trade unions with regard to representation on or inputs into all government appointed committees dealing with SOEs.
- ❑ Safeguarding affordable services for the poor. The federation said the impact of privatising service delivery has been very harsh for the poor. Once SOEs were

commercialised/privatised, prices of services increased - Telecom Namibia increased local calls by 80%; Namwater has increased the water price by 20% each year and Nampost increased its rate by over 40% recently. The NUNW therefore, proposed tariff ceilings to be set by the overall controlling board according to the social goals.

- ❑ Improving public health services by recruiting more doctors from friendly countries, to provide training opportunities for Namibians in the field of medicine, and to set up a board controlling the fee structures of private doctors - 'otherwise health care will be the privilege of the few'.
- ❑ Implementing cross-subsidisation from the wealthy to the poor at all SOEs involved in service delivery.
- ❑ Grouping SOEs into different categories according to the functions they perform and the services they provide. 'This will enable the drafting of guiding policies for each group of SOEs in terms of regulation, performance monitoring and service delivery. This is essential for the controlling board to ensure maximum public benefits from SOEs.'
- ❑ Revising existing SOEs with regard to their assets and functions and to redirect their activities according to public interests. 'The private sector is driven by a profit motive and should only be allowed to participate in SOEs which do not provide essential services and cause continuous losses to the government like Air Namibia.'
- ❑ Putting in place safety measures for workers so that they do not become unemployed as a result of poor management. Management packages in SOEs need to be reviewed as they are out of proportion and unsustainable. 'Management packages need to be reduced while the management

structures need to be streamlined.'The packages need to be performance-based and in line with the economic realities of our country.'

- The introduction of greater transparency and accountability with regard to the operation of SOEs. Salary structures and financial reports of SOEs should be public documents.
- SOEs should avoid falling into the traps set by consultants like Deloitte & Touche who believe in the inherent superiority of the private sector over the public sector. 'This view is more ideologically driven than backed by evidence. Deloitte & Touche might also have a vested interest to encourage the Namibian government to privatise SOEs so that some of their clients can buy our national assets.'
- To investigate how the performance and efficiency of SOEs can be enhanced while retaining them under public ownership.

## Conclusion

The federation's proposals indicate that unions are not going to take privatisation lying down, although they might not have initially thought through the full implications of commercialisation and outsourcing. Opposing and halting current privatisation initiatives will, however, be an uphill battle.

The government's commercialisation policy gives greater decision-making autonomy to company boards and executive management who place commercial interests above social ones. The Namibian government is also supportive of the concepts of outsourcing and public-private partnerships in municipal service provision. This suggests that unions will have to be particularly innovative and proactive in their anti-privatisation campaigns.

They will have to build a common vision among the different unions and

with other civil society organisations (such as non-governmental organisations) whose constituency will also be affected by the consequences of privatisation. These organisations may have to pressurise government not to renege on its fundamental obligations regarding the delivery of basic services. It may also mean unions getting more involved in addressing the problems of inefficiency in government, and suggesting alternative ways to reduce government spending and to increase efficiency.

After all, privatisation (in all its forms) might create even bigger problems than what it may be able to resolve. In Zambia, for example, the government and the World Bank presented the privatisation programme as a major success because it has reduced the government's budget deficit and brought in foreign investment.

However, the programme also had a devastating social impact in terms of growing unemployment and poverty. This sends a warning to Namibia to carefully assess what type of public sector reform will increase efficiency, while at the same time safeguarding employment and affordable service delivery for the disadvantaged majority.

## References

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