



# PRIVATIZATION WATCH

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Public Services International

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## PSI Privatization Update: 23 June 2018

PSI organized a [workshop on debt sustainability](#) in Castries, St Lucia, with the participation of Jubilee USA network and Jubilee Caribbean, during which case studies were examined and the impact of the recent hurricane season was discussed. PSI affiliates in the Caribbean sub-region adopted [a joint statement on Debt Sustainability and Financing for Development](#) in Castries, St Lucia on 5 July.



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"The world is off-track in terms of achieving sustainable development and fundamental policy changes are necessary to unleash the transformative potential of the SDGs." This is the main message of the [Spotlight Report 2018](#), the most comprehensive independent assessment of the implementation of the 2030 Agenda. The report was launched on the opening day of the High Level Political Forum (HLPF) at the United Nations in New York by a global coalition of civil society organizations and trade unions.

PSI will produce a special edition of Privatization Watch on the HLPF outcomes including a [summary of the work PSI and partners have done at the HLPF](#) and the 2030 agenda for sustainable development.

## Africa & Arab Countries

Ethiopia: Responding to serious financial pressure and a shortage of foreign exchange, the government has announced that it will privatize a broad swathe of public companies. “But a party in the ruling coalition is calling for an emergency meeting, saying the dramatic reforms **were decided on without full consultations**. The statement by the Tigrayan People’s Liberation Front (TPLF) appears to be the biggest challenge so far for Prime Minister Abiy Ahmed.” **The World Bank urged Addis Ababa** “to make good regulatory frameworks if it is to reap the economic growth from its privatization.” Privatization has also been pushed by real estate executive and Wall Street veteran Ermias Amelqa. Companies to be privatized include Ethiopian Airlines, Ethio Telecom, ESLSE, railways, power plants, industrial parks, sugar factories, hotels and other assets. But **Getachew Alemu**, an investment and development consultant with over 13 years of experience in government and the private sector, notes that “**there are tons of stories and researches on the failure, chaos and economic crises resulting from ill-advised privatizations done in developing countries from Asia to Latin America.**”

Gabon: The government and Veolia are locked in a major struggle over control of the country's water system. “On 16 February, the **Gabonese authorities physically took over the headquarters of the company** that was 51% owned by the French firm and cancelled its concession in a dispute about service quality. On 8 March, **Veolia launched a complaint at the World Bank's International Centre for Settlement of Investment Disputes (ICSID)** after a month of unsuccessful attempts to make peace. At the center of the dispute is President Ali Bongo Ondimba’s government’s claims that **Veolia has provided poor services and has not spent what it was supposed to on infrastructure investment and upkeep**.” Gabon “is an important Africa market for Veolia. In Africa, the French group is also active in Egypt, Morocco and Niger. (...) Veolia regularly **has turnover of about €1bn from its African operations**.”

Nigeria: The Director-General, Bureau of Public Enterprises (BPE), Alex Okoh, says about N550 billion (about US\$1.5 billion) was realized from the **privatization or commercialization of some federal government assets**. Mr. Okoh claimed that this “was not a callous way of depriving workers of their entitlements because those factors were considered before the institution was privatized.”

Nigeria: The Socio-Economic Rights and Accountability Project (SERAP) has sued the Minister of Power, Works and Housing, Babatunde Fashola, over “failure to account for the spending on the privatization of the electricity sector and the exact amount of post-privatization spending on generation companies (GENCOS), distribution companies (DISCOS) and Transmission Company of Nigeria to date, and to explain if such spending came from budgetary allocations or other sources.”

Nigeria: The Commissioner for Health in Adamawa State denies that the Specialists' Hospital in Yola is going to be privatized, but admits that “**government decided to go into Public Private Partnership with Bank of Infrastructure** to finance the project which at the end will put the hospital in a better position to deliver quality services.”

South Africa: Marianne Thamm of the Daily Maverick tells the story of the troubled contracting out of the South African Social Security Agency (SASSA). “The twist in our tale is that **these profits were made off the backs of the most vulnerable in South Africa, those who depend on social grants to stay alive**. (...) Cash Paymaster Services has had an enchanted run in spite of ConCourt rulings against it. The company’s illegal tender to pay social grants was extended three times to avert Sassa and Dlamini’s ‘self-generated’ national catastrophe in April 2017, when the contract was meant to come to an end.”

South Africa: South African Municipal Workers Union (SAMWU) Port Elizabeth regional chairperson, Nomvula Hadi has explained [why public municipal workers have gone on strike](#). “These included disputes over which workers qualify for allowances, **insourcing of long-term contract workers**, and the municipality bringing lawyers to disciplinary hearings, reinstatement of suspended workers.”

South Africa: [South African Municipal Workers' Union \(SAMWU\) members embarked on a lunchtime picket](#) outside Sol Plaatje Municipality in Northwest Province. “Union members stated that overtime payments for fire brigade workers was outstanding since 2014 and **they are also calling for all contract workers to be employed on a permanent basis.**”

Tunisia: Samir Saied, vice president at BlackRock London, warns that if the lessons of the past are not learned, [then the privatization or fusion of the three public banks](#) STB, BNA and BH could “**be a second disaster.**”

## Asia Pacific

Australia: The Community and Public Sector Union (CPSU) says it “[has your back on privatization](#). CPSU members are winning the community's support to defeat major privatizations and cuts. While we haven't yet defeated proposals to privatize the visa system and Centrelink, we know we can win: CPSU members working together have already defeated the privatization of Medicare, Australian Hearing and the ASIC registry. The community are coming into bat for the work we do. **Almost 8,000 people have signed up to the campaign to defeat visa privatization.** Hundreds of donors have together chipped in more than \$17,000 just in the past month, to stop cuts to the ABC. And more than 3,000 members of the community put in **submissions against the privatization of Centrelink.**”

Australia: [New fees and charges from New South Wales' newly privatized land title registry office](#)—including a new \$50 penalty charged every time there is a mistake on an application—are mounting up. “**The new fees and charges for simple human errors is private price gouging at its worst,**” shadow finance minister Clayton Barr said. ‘When Land and Property Information was in public hands, fixing errors was a service to community, and free of charge, but under the private operators a simple typing error will cost you \$50.’ He estimated the numbers of mistakes would run into many thousands every year. The NSW government capped fee increases to inflation when it leased the registry to a private consortium for \$2.6 billion last year. But extra charges—including \$138.80 to record an ongoing interest in a property and \$50.90 for clerical errors—**have been introduced since then.**” The Telegraph reports that an Italian billionaire is “[one of the biggest winners of the privatization of the land title registry.](#)”

Australia: [New South Wales authorities are reevaluating their policy toward 'public private partnerships.'](#) “NSW is worried that it won't find enough contractors to build some \$80 billion of infrastructure over the next four years if it does not better manage construction risk and **break contracts into smaller sizes**, giving smaller companies an opportunity to compete against bigger companies. **The average size of new social infrastructure projects undertaken as public-private partnerships has more than doubled** in the five years to 2015 to about \$753 million compared with the five-year period to 2010, according to Allens. **Some of the PPPs have also been controversial, such as Maitland Hospital, which will now be built by the government following opposition to the hospital's privatization.** Mr. Donnelly said governments needed to better plan PPP as the size of projects increased, and be careful about rushing proposals into the market to meet political timetables.”

India: Julie Snorek of the Autonomous University of Barcelona, a researcher for the [Environmental Justice Atlas](#), has helped map out [the world's top ten environmental justice battles](#), including a conflict involving waste privatization in

**Delhi**, where “middle class residents and informal recyclers joined together to oppose the privatization of waste management and the resulting introduction of incineration.” The [Global Alliance of Waste Pickers](#) defends the informal recycling sector in more than 28 countries.

**India**: Explaining the difference in attitude between doctors and patients, **Dr. Ravindranath of the Doctors Association for Social Equality** says, “We must provide quality healthcare to all. That will help the confidence of doctors as well. [Because of privatization, patients keep doubting doctors saying he/she is doing it for money](#). People think doctors are doing unnecessary procedures for money. **This is mainly due to privatization of healthcare in India**. Our education system should ensure that we are not producing doctors like machines.

**Indonesia**: The **Coalition of Jakarta Residents Opposed to Water Privatization (KMMSAJ)** has submitted to the Central Jakarta District Court [a counter memorandum to the judicial review on the water privatization case filed by the Finance Ministry](#). “The Supreme Court has ruled in favor of civil society. We’re very disappointed that the Finance Ministry still cannot accept it,’ the plaintiffs’ representative, Nurhidayah, said on Tuesday, as quoted by kompas.com. Through the judicial review, the Finance Ministry is attempting to challenge the Supreme Court’s decision.”

**New Zealand**: Senior doctors are relieved that the [Taranaki District Health Board “has finally put the brakes on its attempt to privatize its hospital laboratory](#) after dragging its heels on the matter,” says **Ian Powell, Executive Director of the Association of Salaried Medical Specialists (ASMS)**. “ASMS was taking legal action against Taranaki DHB on this matter with the Employment Relations Authority because the laboratory service is so critical to clinical decision-making of hospital specialists and the provision of quality care to patients. **In trying to push privatization through, the DHB breached its engagement obligations under our national collective agreement.**”

**Thailand**: Private firms have lined up as potential bidders for [the 200 billion baht \(about US\\$6 billion\) development project for U-Tapao airport in Rayong](#). **A public-private-partnership is the likely investment method for the project**, Adm. Naris said. However, it is currently undecided if the 200-billion-baht plan will be split into several contracts, or if just one ToR document can refer to the entire megaproject, he added.”

**Vietnam**: The **European Union-Vietnam Free Trade Area**, which is expected to be signed this year, [could bring a wave of privatizations](#). “Vietnamese companies should also be aware of the challenges brought about by free trade agreements, and especially the EVFTA. These are related to higher requirements from the EU market in terms of transparency and competition, both for private and state-owned enterprises (SOEs). The FTA is **not necessarily seeking complete privatization, but** rather the opening up of those economic sectors where SOEs are present. Vietnamese enterprises may expect to see an impact from this process, provided that the FTA **promotes reforms in public procurement.**”

**Vietnam**: **Nguyen Khac Giang**, a Vietnamese researcher at the Vietnam Institute for Economic and Policy Research, says the public is losing control of public land. “[Corruption soars alongside privatization, which is reaching new highs](#). (...) This situation has been obvious to the people for a long time, but it has become even more blatant lately, as Vietnam’s privatization efforts are at an all-time high. The current aim is to reduce the number of state-owned businesses to 150 in 2020. This is important. Not just for our average citizens whose homes stand on top of these “public land,” but for our society as a whole. Vietnam’s land is currently priced at \$34 billion, the most valuable commodity for the public. Half of this most precious resource is being managed by numerous public firms and authorities. For the government, our land is literal money bags.”

**Vietnam**: [The government has raised private capital requirements for ‘public-private partnerships’ from 15% to 20% of equity](#). “The Vietnamese government is encouraging PPP investments in areas such as transportation, power generation and transmission, public utilities, **social infrastructure**, commercial infrastructure and agricultural and rural development. Other sub-sectors can also be targeted under the prime minister’s discretion.”

## Inter-Americas

Antigua and Barbuda: As recovery efforts from Hurricane Irma proceed in Barbuda, concerns are being heard about the privatization of land ownership. “The new law does this by granting private property deeds to the Barbudans. But also by enclosing them in their historical village, Codrington, and undermining their historical use of commonly held land for farming, grazing of animals, and restricting their use of beautiful pink sand beaches.” The people of Barbuda “have been expressing frustration over being left out of the discussions concerning the future of their land,” the Huffington Post reports.

Argentina: The long and hard-fought two month strike against EPEC, the state electricity company in Cordoba, has intensified with no end in sight. The workers, represented by the **Union of Regional Light and Force (SiReLyF)**, say that the company’s intention to outsource the reading of residential meters and introduce what they consider a “labor flexibilization” **are steps toward privatization**.

Argentina: FESPROSA, the trade union federation of health professionals of Argentine warns that, through the recent extension of credit granted to Argentina, the Government and World Bank are seeking "to advance the privatization of the Argentine public health system" and are blackmailing the provinces into accepting."

Brazil: President Temer has approved the sale of the publicly held shares of São Paulo state power distributor Eletropaulo. “The president **authorized the inclusion of the shares in the national privatization program** and development bank BNDES will be responsible for the sale process.” The Italian energy group Enel has purchased 73% of the company. “The acquisition sees Enel become the leading electricity distributor in Brazil, overtaking Chinese-owned CPFL Energia, after also purchasing CELG Distribuição and winning the public auction for Volta Grande’s power plant—all **within the past 18 months**.”

Brazil: The head of Brazil's national electricity regulator, Aneel, **is still not completely behind the Eletrobras privatization plan, saying it will have a significant and prolonged effect on electricity prices**. “Selling off assets has filled government coffers, but ended up boosting power prices, Aneel president Romeu Rufino said following the approval of a 16% increase in power prices at utility Copel. If the government sells assets with amortized investments, it should pass on savings to consumer power prices, he said.”

Canada: The Ontario NDP, which just became the official opposition on the province, ran its campaign on a promise **“to devote government funding solely to not-for-profit providers of public services, signaling a sweeping shift in how government programs are delivered**. The NDP has drawn much attention for **its pledge to buy back the privatized half of Hydro One**, but that’s just one way the party aims **to diminish the role of private business in the public sector**. (...) As well as largely barring profit-making companies from offering taxpayer-funded services, **the NDP is vowing to end the private-public P3 projects often used to build hospitals and other infrastructure, and launch the biggest expansion ‘ever seen’ of non-profit community health centers**, an alternative to private doctor’s offices.” **Fred Hahn, Ontario president of the Canadian Union of Public Employees**, “argued the academic data does unequivocally show social and health services are best provided by not-for-profits. There is a principle at stake, too, he added.”

El Salvador: Bishops call for laws defending the human right to water, and urge preventative legislation against the privatization of water sources. “It added that leaving the allocation of water to private entities is ‘absolutely anti-democratic.’ El Salvador legislators have begun debate on a national water law. Some lawmakers are pushing for more private-sector involvement in managing water in the country. (...) ‘It is up to the State to be the legitimate guarantor of the right to water for all,’ the El Salvador bishops said in their letter. Therefore, the committee that

governs such a guarantee must have equal and strong citizen representation." Opponents [rallied against the proposed privatization](#). "The main point of contention," reports El Nuevo Diario, "is the intention of the right-wing parties to include representatives of private companies in the National Water Authority (ANA) [with a number of votes that, according to social organizations, would give them the domain of the organization.](#)"

**Mexico: Private companies are preparing to move into the health sector.** "Mexico will surely follow the path of Brazil, where there was no privatization of clinics or hospitals, but private investment was favored to build infrastructure," said **Jaime Salazar**, president of [UBM London](#), an organizer of business events, including in the health sector. "In the country, public investment in the health sector is around 3.2 percent of GDP, according to OECD reports. 'If this happens (follow the Brazilian scheme), **investment in clinics and hospitals will quadruple in the next six years**,' he said. In the diagnosis we made to invest in the medical sector in Mexico, we talked with legislators, even private hospital associations, and **what we feel is that this reform will be promoted once the July elections pass**, he added." [CE NoticiasFinancieras, 20 June 2018].

**Mexico:** The Economist is worried that [Andrés Manuel López Obrador will halt education privatization](#), and blames **the power of the Coordinadora Nacional de Trabajadores de la Educación (CNTE)**. "The greatest threat to the reforms, however, comes from Mr. López Obrador. Leading the polls by up to 25 percentage points, on May 13th he vowed that 'the so-called educational reform will be cancelled.' He also demanded justice for 'political prisoners'—as union officials locked up for corruption call themselves. He argues that the law is a gateway to school privatization, and that poor states like Oaxaca should not be held to nationwide standards."

**Mexico:** Experts are warning against steps they see as [a prelude to water privatization in Jalisco](#). "For his part, the researcher **José Antonio Gómez Reyna** explained that the ban now lifted was to protect the social interest in the limited availability of water in the basins, and now he is guaranteeing **legal certainty for transnational corporations so they can operate freely**. 'My question is: who will be the owner of the Rio Lerma Santiago River, Lake Chapala, [and] Green River,' he said." The [PT-Moreno has vowed to seek an injunction](#) against the federal executive decree that "aims to encourage businesses that are behind the exploitation of watersheds."

**Peru:** A [partial teachers strike](#) for better wages and working conditions [is continuing](#). One of the items raised in the negotiation has been the possibility of "[educational privatization through PPPs](#)."

**St. Lucia:** The President of the Saint Lucia Trade Union Federation (TUF), Julian Monrose, "[has come out in opposition to the privatization of health care and other social services, asserting that trade unions have a responsibility to oppose such measures](#). 'We examined the current situation in the last 30 years—trade unions have been under tremendous attack and the whole movement now around the world is to privatize public services like health care and education.'" Monrose "had earlier addressed the conference of delegates of the Saint Lucia Civil Service Association (CSA), under the theme: 'Safeguarding Workers' Rights in a Changing Environment.' Monrose declared that **workers, and especially poor ones, would suffer if social services are privatized.**"

**United States:** Public sector unions have weighed in against Trump's brutal treatment and policies on migrants, such as separating families, which [are filling the coffers](#) of private contractors, for-profit prison companies, military contractors, [and NGOs](#). **AFT President Randi Weingarten** delivered a formal complaint to the United Nations on June 20, [framing the inhumane immigration policy as abusive and trauma-inducing](#). AFSCME co-signed the complaint to the United Nations High Commissioner for Human Rights, with **President Lee Saunders** saying "this inhumane policy is a cruel choice that does not make us safer, and it does not make us great. [There is no law that mandates traumatizing children, only the prerogative of this president.](#)" **Service Employees International Union** members participated in actions across the country, [demanding that Trump "immediately halt the practice of separating immigrant children and youth from their families](#) and to investigate and account for the allegations of abuse to children in immigration custody."

The American Federation of Government Employees (AFGE) [reported that](#) “the massive influx of new detainees will exacerbate the short-staffed prisons, endangering the lives of correctional officers, inmates, detainees themselves, and the surrounding communities. AFGE Council of Prison Locals, which represents more than 33,000 Bureau of Prisons employees nationwide, has been urging Congress to increase staffing and has pushed back against the administration’s decision to slash 6,000 positions from correctional facilities. ‘The men and women who work at the Bureau of Prisons risk their lives every day they show up to work, and now **they’re being asked to jeopardize themselves further** by looking after an even larger population without the proper training, support, or planning,’ said **Council President Eric Young**. ‘How are our officers supposed to protect and care for these detainees when they barely have enough resources to care for the prisoners under their charge now?’”

United States: A new report by the [California Reinvestment Coalition](#) reveals that **the privatized system of public debt collection is pervaded with systematic racism**. [Jeremy Mohler of In the Public Interest says](#), “In other words, California counties are imposing excessive fines and fees on their poorest residents not so much to fund government **but to enrich a handful of corporations**. (It’s important to note that two corporations, AllianceOne and GC Services, hold a majority of the contracts, and have been sued in other states for [worker overtime violations](#) and making [unlawful collection calls](#).”

United States: The Partnership for Working Families, which recently co-authored [a new report on the unique power of cities to make progressive change](#), has launched “[We Make This City](#),” a 10-city national campaign “**for community-controlled, publicly owned institutions, structures, and services**. We are fighting to ensure all people have access to the systems and structures needed to live full and healthy lives. This includes transportation systems that connect us to work, schools and services, the ability to afford housing in the communities we love, access to clean water and energy and organized power for workers who make all this possible. **Public infrastructure** connects us all and should serve the needs of the people, not the pockets of corporations. (...) As we struggle to meet our people’s basic needs, corporate interests tell us that they are actually the solution to our problem. [Private entities are taking over our roads, our water and our schools — the building blocks of our cities — to create more profit for themselves. It isn’t working for us.](#) The rich are getting richer and our people are suffering.”

United States: The city of Chicago, home to one of the worst infrastructure privatizations in history, the sale of the city’s revenue producing parking meters, [is poised to conclude another disastrous ‘public-private partnership’ deal](#) with Tesla mogul Elon Musk to build an underground express train from downtown to O’Hare International Airport. “**Decades of tax cuts in the name of austerity have shrunk infrastructure spending at all levels** of American government. As roads, transit, schools, and water systems crumble nationwide, **a burgeoning industry of private equity investors, construction giants, and global water companies are shopping “public-private partnerships,”** i.e., private financing, as a silver bullet.”

## Europe

Campaigners and trade unionists are calling for the water industry to be nationalised – without compensation – 29 years after the sector was sold off. Activists from We Own It, (a campaign group for public services) and trade unions, like Unison and UNITE, took part in a ‘[splash mob](#)’ to highlight the huge payouts going to water company directors and shareholders – while prices rise for the public. [Video: <https://youtu.be/-xMaXeR0sNk>]

Belarus: [Japanese private investment is poised to enter the healthcare sector](#). “The Belarusian minister underlined that the country would like to invite Japanese companies to take part in the upgrade of facilities that provide services to

people with special needs, rehabilitation centers and pharmaceutical companies. Japan can view Belarus as a window of opportunities in the Eurasian Economic Union, Valery Malashko said.”

France: [A new round of privatization battles is coming to France](#). The Macron government is [planning to sell stakes in airport operator ADP along with energy utility Engie and state gaming monopoly Française des Jeux](#). “The plans to privatize ADP, previously known as Aéroports de Paris, have also proven contentious since the government had to decide whether it wished to maintain control of the land, which is held by ADP through a perpetual license. (...) **Vinci**, the French construction and infrastructure operator, holds 8 per cent of ADP and is seen as a **likely bidder for any stake that the state sells**.” But “[opposition groups are already up in arms](#). Marine Le Pen, head of the far-right National Rally party, said it is ‘insane’ to try to privatize ADP, while far-left leader **Jean-Luc Mélenchon vowed to nationalize all major state companies if ever his movement comes to power**.”

Germany: On the occasion of the **United Nations Public Service Day**, the deputy head of the **German Trade Union Confederation (DGB)**, Elke Hannack, called for [a forward-looking personnel policy by public employers](#), including more hiring and training, and provision of attractive working conditions and pay offers. The DGB called for “a forward-looking human resources policy.” **The civil service was characterized in Germany for many years by privatization and job cuts**. On June 22, the Federal Statistical Office said that **more staff have been hired for the public service again**, 47,500 employees more than in the previous year, for an overall total of 4,740,000.

Greece: As the government signs on to **another draconian agreement involving austerity and privatization** with European institutions and the International Monetary Fund, [its people wonder when the pain will end](#). “Mr. Tsipras’s political opponents, who have been gaining ground in opinion polls, have noted that the country will remain under foreign supervision for years to come and will still be subject to harsh austerity measures, including a package approved by Parliament last week that includes **further pension cuts, tax increases and privatization** of state assets. That view is often echoed by regular Greeks. ‘What exit? This is a life sentence,’ said Giorgos Amanatidis, a 67-year-old pensioner in Athens. He added, ‘Taxes, taxes and more taxes.’ Where’s the light at the end of the tunnel? What kind of future do my grandchildren have here?’ [The pace of privatizations has recently been accelerating](#). For an analysis of **how privatizations are harming the Greek economy**, see “[How Greece’s Busiest Port Reveals the Perils of Privatization](#),” by Alexander Saeedy.

Portugal: Airport workers [demand greater protection after recent attacks by passengers](#). “The representative structure of the handling staff (who provides assistance at airports) considers that this increase in conflicts is due to two reasons: the ‘exponential increase of passengers unsuitable for airport infrastructures’ and **the transformation of the market, with ‘privatization of companies and companies’ and ‘reduction and precariousness of the workforce.’**”

Spain: Hospital support workers are taking [a job action to protest outsourcing](#) at the Hospital Infanta Margarita in Cordoba. “Almost all of the hospital’s maintenance technicians “began a confinement of 24 hours in the center, like those taking place in other Andalusian provinces,” following a call by the **Asociación de Profesionales de Mantenimiento del SAS (Apromansas)** to show their rejection of the situation and opposition to privatization.

Spain: **The Federació de Serveis Pùblics of UGT-PV has called an indefinite strike of ambulances** in the Valencian Community for the “breach” of an agreement reached in the Court of Labor Arbitration (TAL) last June for a “fair” collective agreement. Among the issues are **what the union calls a “disguised privatization”** that contrasts with the policy of reversion of the department.

United Kingdom: **Dave Prentis, the general secretary of UNISON**, writes that “[Labour must commit to fully reversing the privatization of public services](#).” He says “over many years, **our country’s future has been auctioned**

**off in the pursuit of an absolutist dogma that says private profit matters more than the common good. UNISON has always stood firm against those who seek to profit from public services**, fighting to end the creation of two-tier workforces, which are fast becoming multi-tier ones. In too many workplaces, staff frequently do the same jobs as their colleagues, but with a multitude of different levels of pay, annual leave, sick pay and pension arrangements.”

United Kingdom: [NEU protests action by Ofsted authorities](#), who told them 2 months after an inspection that the John Roan school has been judged “inadequate with serious weaknesses.” **Southwark NEU–NUT Section** says “we as dedicated staff think this a grossly unfair judgement and we do not accept it. We are being punished by a Government that is starving our schools of funds and creating such a crisis that teachers are leaving in droves and our schools are crumbling under the pressure. We are doing over very best in these circumstances. (...) The very same **teachers and support staff** that worked with Des when we were judged a ‘good’ are now being told we are not good. How can this be? This judgement **empowers the Secretary of State to issue an academy order immediately** and the University Schools Trust (UST) has been named as the preferred sponsor. **This is cynical move by a Government hell bent on privatization to run our schools down then judge them to have failed”**

United Kingdom: In the wake of [a £120 million fine levied against Thames Water by Britain’s regulatory authority for failing to stop leaks](#), critics are **calling for the water system to be brought back into municipal operation.** “But if the minister thinks a slap on the wrist will be enough to make Thames Water mend its ways—or even its pipes—he hasn’t been doing his homework. A firm with **monopoly control of the supply of water to the capital**, which registered **operating profits of over £600m last year** and which has paid out billions in dividends to private shareholders even while more than doubling its long-term debt (which was over £10 billion in 2016) **will hardly feel the pinch at being fined a few million.** (...) Thames’s owners—a faceless coterie of Canadian pension funds, the Abu Dhabi and Kuwait investment funds, BT and the China Investment Corporation—can sleep sound in the knowledge that **the privatized water supply in England and Wales will keep the payouts flowing.** (...) Water belongs to us all and its supply is a natural monopoly. **Let’s take back what’s ours.”**

United Kingdom: The British parliament has issued [a devastating autopsy](#) on the collapse of Carillion, the large public services outsourcing company, that has led to thousands of job losses, [abuse of subcontractors](#) and stresses on public services. Their conclusion, “[Carillion could happen again, and soon.](#)” Owen Jones of the *Guardian* [writes](#), “Until we have a government that rips up these contracts and brings all these public services back in-house, there will be many more Carillions to come.” [[Full report](#)]. The Financial Times has also published [an in-depth and damning indictment of the corporate stewardship of Carillion’s directors](#), and the dodgy accounting practices allegedly abetted by its outside accountants.

United Kingdom: The Good Hope Hospital in Sutton Coldfield [will become the first in the country to be run by a private company.](#) “It emerged that the final two bidders are both private companies. The hospital’s new chief executive will be chosen from the successful organization. The companies were chosen from **a government list of organizations considered appropriate to take over control of failing hospitals.** The companies are Secta and the Canadian company Interhealth, which owns a new hospital in Abu Dhabi.”

[Public Services International](#) is a global trade union federation representing 20 million working women and men who deliver vital public services in 150 countries. PSI champions human rights, advocates for social justice and promotes universal access to quality public services. PSI works with the United Nations system and in partnership with labour, civil society and other organisations.