**MEDIA STATEMENT**

**COMMITTEES RECOMMEND WATER DEPARTMENT AND SALGA TO MEET TO FIND EACH OTHER ON WATER TARIFF INCREASES**

**Parliament, Wednesday, 3 June 2020 –**A joint meeting of the Portfolio Committee on Human Settlements, Water and Sanitation and the Portfolio Committee on Cooperative Governance and Traditional Affairs has instructed the Department of Water and Sanitation and the South African Local Government Association (Salga) to urgently meet to find a common ground on the proposed 2020/21 water tariff increase.

Both committees highlighted their concerns on the impact of the proposed increase on the mostly poor end users. The concerns were also raised in the context of the current economic challenges facing the country that are exacerbated by the Covid-19, and that will have an impact across the water value chain.

Furthermore, according to the committee, the proposed increases are concerning especially in the context of the reality of unaffordability by the majority of the clients of the municipalities and the ripple effect they will have on the current revenue collection system of the municipalities.

While the committees acknowledge that bulk water tariff increases are required to ensure that water boards remain financially sustainable, they remain of the view that consideration should be holistic in nature and not only self-serving. Also, they said, if the increases are implemented as proposed, the cumulative increase will be higher if they factor in the additional increases by the municipalities which will make water unaffordable to the end users.

The committees also raised concerns over the highlighted differences on the tariffs between the Department of Water and Sanitation and municipalities as represented by Salga. Also concerning to the committees was the allegation by Salga that the amount and the quality of information provided by the water boards for increases also differed.

That difference, according to the committees, restricts the paradigm of assessing the rationality of the tariff being proposed hence the committee’s instruction for a meeting which is purely an attempt by the committees to ensure that both parties resolve their differences and agree on a reasonable and a practical way forward.

The committees proposed a follow-up joint meeting to take place next week where the department and Salga will probably have workable solutions to their current differences.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, WATER AND SANITATION, MS MACHWENE SEMENYA, AND THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, MS FAITH MUTHAMBI**