



# RIGHT2KNOW

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To all eThekweni Councillors

As Right to Know, we are writing this open letter to you, in this difficult period for Governments, Central or Federal including municipalities. It is obvious that not consumers only but also state institutions and other spheres of Government will not only feel the effects of the pandemic. At the beginning of the lockdown, the eThekweni Municipality took prudent decisions to mitigate the effect of the pandemic. Those decisions included:

- Assisting vulnerable communities with food parcels
- Relief for rates and services

This was a good initiative by our Municipality and must be commended to have taken up such noble ideas. However, media reports surfaced on the 27/05/2020 that the municipality was on the verge of financial collapse. It was reported that the Municipality collection rate for April was 56%, the report is alleged to have been compiled by the City revenue department. It was further reported that the Municipality was contemplating disconnection of services as a means to improve collection as it was unsure when a lockdown would end.

It was later reported that the “the Municipality considered the fact that some customers were going to struggle with the payment of rates and services, and decided to assist with the Covid19 lockdown relief scheme” this must be commendable from the Municipality. It is true that our economy has been in technical recession and even before lockdown and recently downgraded by Moodys. All these factors will have an impact on the consumers and will translate into less revenue than expected to the Municipality.

In a Report by CFO Krish Kumar in Esi Africa Journal dated 08/03/2017 titled, “Finance structures within Municipalities” it stated that funding sources of 2015/2016 Municipal sources of revenue were property rates 14%, service charges 46.1%, transfers and subsidies 30% and other revenue 9.9%. The services charges which make up the bulk of the revenue at

46% include electricity, water, sewerage and refuse rates. The report shows the importance of the rates and services to the Municipality

In Antoine de Saint –exupery’s Classic a story of authority, public obedience is narrated, the King opined “authority rests first of all on reason. If you command your subjects to go and throw themselves into the sea, there will be revolution. I have a right to demand obedience because my orders are reasonable” the question then is, can our Municipality demand obedience in respect of the recent salary and tariff increases in the 20/21 budget?

The understanding was that with the municipality having acknowledged that revenue will be down due to consumers being strained financially, the issue of salary increases will be the last thing in the Councillors minds. The Treasury and Minister of Public Service implemented salary cuts instead of increases, no salary increases were given to Public sector employees despite the existing agreement. It may be legally correct based on section 43, 156 and 160(2)(b) of the Constitution. However, it is expected for politicians to lead by example. The decision to increase Councillors salaries may pass the constitutional muster. As R2K we doubt if it can pass the Court of public opinion.

The Public elected you as their representatives; we say that cautiously being aware that others are political appointees. They did so with the hope and believe that you will always act in their best interest; however, in your decision of increasing your own salaries, you did not act in their best interest. It seems as if you acted for your own interest, than for the interest of the Communities that you represent or are supposed to serve. We want to appeal to your conscience as representatives of the people across political parties to reverse this decision.

Philosopher Quassim Cassam once called the state of simply not caring what are the facts “epistemic insouciance” meaning it does matter what are the facts but will proceed and implement whatever decision we feel is good for us. While this appeal is based on your conscience not illegality, the question that you must ask yourself is, irrespective of who voted for what, is whether this was a correct moral decision? Will history judge you correctly, you might say yes, we have a right to increase, have you ever thought about that man and woman trying to ink out a living in these difficult economic conditions in the inner City. If not, think about it. If yes, re-think about it.

In conclusion, we all understand that the Municipality needs revenue and part of getting revenue is to implement increases, but based on current conditions an increase cannot be implemented if it will be unaffordable. No cost cutting measures have been implemented or announced by the municipality as yet. Despite the fact that you are aware, that revenue will be down. Instead, the Municipality is burdening consumers with unreasonable tariff increases and Councillors are burdening the Municipality with their own salary increases. The decisions are unaffordable and must be reviewed and rescinded, relief on payments be extended, interest charged on defaulting customers and service cuts be suspended . The 6 Billion returned to the national Government as contribution in Covid19 relief is all-good, but the rot will not start at the head but the tail.

Regards

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