

## Raw water pricing further marginalizes the poor

Contributed by Administrator  
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The claim of National Water Resources Board (NWRB) executive director Ramon Alikpala that the raw water pricing scheme will help the poor improve their access to water is an outright deception. In a country where 8 out of 10 families do not earn enough to afford a decent life, charging a fee on raw water would only aggravate the existing inequity in access to water, where the rich is favored over the poor.

Due to poverty, 1 out of 5 Filipino families does not have access to safe drinking water, 2 out of 5 Filipinos do not get water from formal sources, and 5 out of 10 poor households consume water below the minimum human requirements. At present, water services in the country already consume a significant amount of an ordinary household's expenses. The average monthly rate of water districts in the Philippines range from P93 to P139 for 10 cubic meters while the minimum wage (excluding Metro Manila) only range from P170 to P246 per day. In Metro Manila, where the daily minimum wage has remained at P250, water rates range from P16 (Manila Water) to P30 (Maynilad) per cubic meter.

Even without raw water pricing, many people are already burdened with high water costs because of the trend towards privatization and commercialization of water services. Manila Water and Maynilad, for instance, aside from the basic charge collect several fees to offset inflation and foreign exchange movement as well as for environmental protection. With skyrocketing oil prices, additional taxes like the expanded value-added tax (VAT), low wages, job scarcity, etc. every centavo that would add up to the cost of living is unbearable for many Filipinos. This is the harsh social reality that the NWRB seems to conveniently ignore with its proposal to collect a fee on the use of raw water.

Instead of penalizing the most wasteful users of water, the raw water pricing scheme would punish the ordinary people more. It will not encourage conservation, as the NWRB claims, but will legitimize the wanton exploitation of big corporations of our water resources. Raw water pricing means that water will go to those who can pay for it a premium, regardless of whom truly needs it more. This means that an 18-hole golf course which depletes groundwater at an average rate of more than 3 million liters per day (enough to meet the daily water requirements of 200,000 people) but represents a higher opportunity cost will be prioritized over domestic users or irrigation. Such twisted logic has dire social implications that will put public welfare, people's livelihood, and our water resources at a terrible risk.

If the NWRB seriously wants to protect our country's dwindling water resources, then raw water pricing is not the answer. It is grossly unfair to let our people shoulder most of the burden of water conservation, when millions do not even have access to basic water and sanitation services while those who have access have to contend with exorbitant charges. An effective nationwide education campaign is enough to convince ordinary people to save water instead of holding them hostage by imposing additional fees to encourage conservation. On the other hand, asking businesses to pay for raw water will not reduce their propensity to waste water, especially the government-pampered big foreign investors in favored industries like power, mining, water services, export-oriented manufacturing, tourism, etc. Corporations can easily pass the raw water fee to consumers because they can treat it as part of production cost.

The NWRB adds insult to injury by arguing that its collection from the raw water pricing scheme will be used to fund water-related projects including the protection of water resources. While government imposes a 10% VAT on water services, collects high irrigation service fees from farmers, etc., it gives numerous fiscal incentives such as tax exemptions to private corporations that exploit our water resources. Worse, the people's money does not return in the form of benefits like water conservation programs, subsidies for poor farmers and consumers to access water, etc. but are siphoned off by debt servicing. Last year, for example, debt servicing accounted for 50% of the Arroyo administration's expenditures and 89% of its revenues.

A truly sustainable and pro-people water resource management should first and foremost ensure universal access to the basic uses of water for the people. This means that government has to guarantee that people have water to drink, for sanitation, and for livelihood before allowing private corporations to exploit our water resources. Genuine development does not mean more private investment, which what raw water pricing narrowly promotes. The foundation of genuine development is the realization of the essential needs of the people such as their inherent entitlement to water.

Water is life and not an economic commodity that must be left at the mercy of market forces. President Gloria Arroyo should tell the NWRB to drop its proposal now. She cannot afford to give the people another reason to despise her administration and in the process risk further social unrest and political instability stirred by oil price hikes, VAT, low wages, unemployment, and the general economic crisis gripping the country today.

JUNK THE RAW WATER PRICING SCHEME!

OPPOSE THE PRIVATIZATION AND CORPORATE CONTROL OF OUR WATER RESOURCES!

WATER FOR THE PEOPLE NOW!