



## **FEDUSA SAYS IT AIMS TO FIGHT AGAINST ESKOM TARIFF INCREASES**

The Federation of Unions of South Africa (FEDUSA) strongly opposes the very unreasonable electricity tariff increases of 35% proposed by State Owned Enterprise, Eskom. The National Energy Regulator of South Africa (Nersa) will be announcing its decision on the application of Eskom on Wednesday this week.

Eskom has under the Multi-Year Price Determination 2010/11 to 2012/13 applied for a price increase of 35% for each of the next three years.

According to FEDUSA General Secretary Dennis George, if the 35% increase is granted by Nersa it will be the second-biggest tariff increase that Eskom has had in more than 40 years which could lead to devastating consequences for the labour market of our country as well as our inflation rates.

“We firmly believe that if the increases are approved it would be a dire mistake for our recovering economy as it could result in major job losses as the very high increases would affect small and medium enterprises that may be forced to retrench more workers adding to the already high unemployment rates of the country,” said George

FEDUSA further says that it was already concerned that there was no mention of Eskom's tariff increases or its capacity expansion was made in finance minister Pravin Gordhan's budget speech, nor in President Jacob Zuma's State of the Nation speech.

“FEDUSA says that we need to ensure that government takes the opinion of the trade unions seriously to avoid a social crisis. We need to fight for the rights of our workers and allowing such as huge electricity tariff increase would be a mistake. Such an increase would add devastating pressure on those already impoverished households, as poverty levels in South Africa remain extremely high. We will have no alternative but to embark on industrial action,” concluded George.

ENDS

**FEDUSA is the largest politically non-aligned trade union federation in South Africa and represents a diverse membership from a variety of sectors in industry. See [www.fedusa.org.za](http://www.fedusa.org.za) for more information. Join FEDUSA on facebook.**

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