Water

More than 70% of England's water industry owned by foreign companies



It's time we put the water industry back into public hands

Almost three quarters of England’s water industry is currently owned from overseas.

At least 71% of shares in England’s nine privatised water companies are owned by organisations from overseas including the super-rich, banks, hedge funds, foreign governments and businesses based in tax havens.

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These revelations show the need to end the scandal of water privatisation - and on the eve of Conservative Party conference Environment Secretary Michael Gove should put water back in public hands.

The figures come from a new investigation into company accounts as part of GMB's Take Back the Tap Campaign.

> If Michael Gove is serious about taking back control, he will end the water privatisation rip-off racket and put water back in public hands.

Tim Roache, GMB General Secretary

Earlier this week Shadow Chancellor John McDonnell announced to Labour Party Conference in Liverpool he would end the profiteering of privatised water and set up a new publicly owned water system that puts control back in the hands of the people.

Some of the leading overseas owners of England's privatised water companies include:

- Malaysian company YTL Corporation Berhad which owns all of Wessex Water
- Cheung Kong Group, a multinational registered in the Cayman Islands run by family of Li Ka Shing (Hong Kong's richest person). They own 80% of Northumbrian Water.
- U.S. hedge funds Blackrock, Lazard and Vanguard each own a stake in Severn Trent, United Utilities and South West Water
- Between Germany's Deutsche Asset Management and US private equity company Corsair Capital own half of Yorkshire Water
- 40% of Southern Water is owned by US investment company JP Morgan Asset Management
- A third of Thames Water is owned by investment fund companies from the United Arab Emirates, Kuwait, China and Australia
- Australia's Colonial First State Global Asset Management owns a stake in Anglian Water, Severn Trent, United Utilities and South West Water

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In recent months, GMB investigations into England's nine privatised water companies have revealed the following:

- Dividends worth £6.5 billion were paid out to shareholders in the past five years, with £1.4 billion paid out in 2017 alone.
- 2.4 billion litres of water is wasted through leaks every single day in England.
- CEOs of the nine privatised water company trousered a whopping £58 million in salary, bonuses, pensions and other benefits over the past five years.
- While shareholders pocketed these eye-watering sums, consumer water bills in England and Wales have increased by 40% above inflation since privatisation in 1989 according to a report by the National Audit Office

Tim Roache, GMB General Secretary, said:

"It's a scandal that the supply of water that falls from England's skies is in fact now overwhelmingly owned by overseas profiteers. If Michael Gove is serious about taking back control, he will end the water privatisation rip-off racket and put water back in public hands.

"Every time we turn on the tap big businesses around the globe are making money at our expense. The spivs and speculators must be laughing at us as they make billions in profits while our water bills go up and leakages go unfixed. This is yet another damning example of a failed privatisation experiment. GMB is campaigning to Take Back the Tap and return England's water to its rightful owners – the public."

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