

FOOD & ALLIED WORKERS' UNION



MEDIA STATEMENT

10 JULY 2026

FAWU REFUTES MISLEADING CLAIM BY NDIFUNA UKWAZI OVER GUGULETHU HOSTEL DWELLERS

The Food and Allied Worker's Union [F.A.W.U.] strongly rejects the recent media statement by NGO Ndifuna Ukwazi **titled "FAWU Fails Gugulethu Residents"** on 8 July 2026.

We categorically reject the claim that the union is mistreating hostel dwellers. The fact of this matter tells a very different story of residents who have enjoyed accommodation, electricity and water for over a decade at the union's expense while refusing to take any responsibility for their own consumption. Several years went by during which resident used electricity and water without contributing a cent toward these services and refused to pay rental fees due to the union.

FAWU does not have an accurate record of how many people occupy each room or unite on the premises as a result of intimidation, and refusal to even allow FAWU officials onto the property for verification and inspection exercises. It is not reasonable to expect the union to foot a bill for consumption it cannot monitor, verify or control.

Compounding these obstacles, residents have in recent years operated a car wash business on the FAWU -owned property which is a business from which FAWU does not receive a cent, yet it is expected to underwrite the water and electricity costs that sustain it. This is not a reasonable ask. It is exploitation of the union's goodwill.

The dispute hails from when FAWU had members who lived there and from who their employer deducted rental fees and paid it over to FAWU for the use of the accommodation. The company stopped this practice several years ago and since then FAWU had faced an enormous uphill battle to recover rental fees and to audit the occupiers to confirm that they are indeed employees or descendants of Premier Food workers.

Over the years , FAWU attempted to negotiate with a committee set up by residents to represent the group . These occupiers have stated that they believe FAWU is responsible for settling this spiralling municipality bill despite their ongoing consumption of water , operating a car wash business and refusal to pay rent or any contribution whatsoever.

During all this time , these hostel dwellers refused to engage constructively with FAWU and instead intimidated, harassed and chased away municipal and union officials that attempted to access and evaluate the property. Even when the union attempted to put in place fire extinguishers by a relevant company, they were chased away by these hostel dwellers.

Illegal Electricity Re-Connection

When the electricity was cut by the City in previous years to allow FAWU to square up this bill, the occupiers took the law into their own hands and illegally reconnected the electricity themselves without the city's authorization causing a steep increase in the bill. For five years, these occupiers have benefitted from this illegal connection without a shred of consideration for who must ultimately foot the bill.

Hostility and Intimidation

For years and up until this day, FAWU has tried to negotiate with a committee set up by the hostel dwellers to engage on the issue of non -payment and for years our efforts were met with utter hostility and intimidation tactics when we sought to do verification of hostel dwellers. This refusal to engage coupled with intimidation of FAWU Head office personnel, forced the union to seek alternative office accommodation elsewhere at an additional cost to the union and a direct financial consequence of residents' intransigence.

Residents Cannot Have it Both Ways

It is disingenuous for residents to enjoy accommodation , electricity and water for years on end without any monetary contribution whatsoever, refuse every opportunity to engage on the matter and then claim victimhood the moment the City enforces the law. Hostel dwellers cannot demand unlimited free services while assigning the bill to someone else.

FAWU's Commitment Remains Genuine

FAWU continues to engage with the City of Cape Town in good faith in an attempt to find a resolution that assists these hostel dwellers. The union has even committed to put pressure on the City to speedily resolve the R3 million municipal debt which is the direct result of the conducts of residents.

FAWU's leadership has met with some of the hostel dwellers just two weeks ago and expressed a commitment to pursue putting in prepaid meters with the City which is a process that "will take a while" according the City officials. FAWU also indicated willingness to work with the City of Cape Town and the Department of Human Settlements to assist these hostel dwellers.

FAWU reserves all its rights in this matter. A resolution requires residents to acknowledge their own responsibility such as signing lease agreements with the union and allow negotiations to proceed constructively and not to deflect accountability through public accusations that do not reflect the facts.