



COSATU Central Executive Committee statement

-29 November 2018

The Congress of South African Trade Unions held a Central Executive Committee meeting between the 26th-28 November 2018 to discuss organisational, political and socio-economic issues affecting the workers and the working class. The meeting took place in the context of COSATU get ready to celebrate her 33rd Anniversary on the 1st December 2018.

Organisational Assessment

The CEC spent a considerable amount of time discussing the state of the federation and that of its affiliates. The meeting welcomed the visible improvement in fixing some of the problems that have engulfed some of our affiliated unions.

We congratulate our affiliated union the South African Commercial Catering and Allied Workers Union (SACCAWU) for their massive victory against the Woolworths. This follows Woolworth's unmerited retrenchments of nearly fifty one (51) workers six (6) years ago. The meeting also condemned the attack directed at NUM members by AMCU members at Sibanye-Stillwater Beatrix mine in Welkom, Free State. We continue to call on workers to unite and support each other during these precarious times.

While we are happy with the progress our unions have made so far, there is still a lot of work to be done to help the affiliates deal with a failing economy and massive retrenchments. The federation will continue with its work of strengthening its affiliates in the course of forging a united and militant federation under these current difficult conditions. The federation shall continue to prioritise campaigns that are aimed at reducing wage inequality, improving workers working conditions and their retirement benefits.

16 Days of Activism Against the abuse of women and Children

The CEC noted with concern and anger the escalation on the abuse of women and children and agreed that all provinces and affiliates will continue to heighten the campaign for the protection of women and children and make this campaign a permanent feature of our society.

Fourth Industrial Revolution

It is clear that with the arrival of the fourth industrial revolution, we need to make sure that we are ready to adjust and adapt. What is deeply worrying is that businesses are not taking an active role in supporting their current workforces through retraining and also government is not creating an enabling environment to assist these efforts.

This massive dislocation of jobs is going to continue into the near future and our government needs to wake up. It is very disturbing to witness their unpreparedness and overall indifference to the impact this will have on the

lives of many workers and their families. COSATU is working with its affiliated unions and organisations like ILO to conduct research and look at the sectors that will be greatly affected by mechanisation and automation.

We shall work to revitalize and reengineer the role of SETA's and make sure that they deliver on their mandate. It is very critical that the SETA's are focused on giving proper training to the workers at a time when there is a lot of high skills instability across all job categories. They are going to be very critical, when it comes to skills development and the re-skilling of the workforce.

Anti- Retrenchment Strike

The recent poverty and unemployment statistics are shameful and represent a crisis of leadership in this country. COSATU has made a call that retrenchments must be stopped but after the private sector rejected this proposal at the Job Summit; the CEC has resolved to mobilise for a national strike on the 13th of February 2019. We have exhausted our processes of engagement and now what is left for us is to fight. It is not acceptable that the private sector is not using the tax breaks of 2012/13 to save jobs but have used them to maximise profits and replace workers with machines. In 2012, the Corporate Tax was reduced from 34% to 28% but we are not seeing any benefits as the workers, because wages are stagnating and we are losing jobs every day.

May Day

The CEC also resolved that the 2019 main Mayday event will be held in the province of KZN under the theme; *Deepen the Back to Basic Campaign, Consolidate the Struggle for NDR and Advance the Struggle for Socialism*". A special focus will also be given to the North West Province .

From Minimum Wage towards a Living Wage

The meeting welcomed the President's signing into law of the National Minimum Wage, Basic Conditions of Employment, Labour Relations and Labour Amendment Acts. This represents a huge step and represents a historic victory for the millions of workers who will benefit from this law.

This is the first step in the journey towards a Living Wage which is a cornerstone of a just and equitable society. A huge determining factor in the levels of poverty and inequality in South Africa is the pervasiveness of low-paid work. There is a need to move beyond the economic cost of labour and consider a number of factors including the historical and social development of the South African labour Market.

The history of colonialism and apartheid centred on oppressive and deeply discriminatory labour laws, which resulted in a system with no rights and exploitative wages. The CEC has resolved that the Living Wage should be the cornerstone of the work of the federation going forward. This also means a salary cap for senior executives, who are currently paying themselves exorbitant and vulgar salaries.

COSATU reiterates its call on President Cyril Ramaphosa not to sign the 4% salary hike recommendation by the “Independent” Commission for Remuneration of Public Office Bearers for all politicians and public office bearers to get. This is unacceptable when millions of South Africans are facing a Black Christmas. Many families are struggling with the cost of living, thousands are losing their jobs everyday and the economy is on its knees because of the decisions of the political office bearers. The CEC also resolved that the preparations towards the 2020 National Bargaining conference should commence as soon as possible.

National Health Insurance

The CEC reiterated its full support for the implementation of NHI. The NHI represents one of the most significant social policy reforms since 1994. It is about guaranteeing all South Africans quality and affordable health care, based on their health care needs, irrespective of their income status and will be free at the point of service. We are ready to fight all attempts to water down and undermine its implementation.

COSATU rejects the calls by a grouping of civil society organisations for Cabinet to send the NHI Bill back to the Department of Health for further consultation. COSATU views this call as a blatant effort to slow down the implementation of the NHI policy and any enabling legislation, i.e the NHI Bill. The reports by the DG of Health of “sidelining” are a cause for concern and are

correctly reported as a clear break in ranks by the DG. COSATU urges the DG as the accounting officer for the Department of Health to work more effectively with the Presidency to achieve Universal Health Coverage (UHC). President Cyril Ramaphosa is providing leadership and stewardship on the NHI process and has reiterated the commitment of the entire South African government to overcome the two-tier health system.

Agencification and Outsourcing in the National Department of Health

COSATU is deeply concerned about the impact of agentisation and outsourcing in the Health Department. The government as the employer has entered into PSCBC Resolution 1 of 2015, wherein they committed on Review on the Impact of existing Outsourcing and Agentisation practices with the public service. This was supposed to look at the following:

- Impact on co-ordination of government operations in executing its function or delivery of services, where certain support services are managed or delivered by private sector institutions
- The quality of service i.e effectiveness of private sector partnership in carrying out certain functions
- The cost incurred by government related to creation of capacity in managing the tender and operationalization of the tender contracts

Despite this commitment the National Department of Health continues to create agencies and entities which defeat not only the objective of the state to deliver services but to erode power and responsibility of the

government towards its citizens. The department with its poor services is leading in this practice; to date it has created a number of entities.

Over the years, the Department has created the following entities; Council for Medical Schemes, National Health Laboratory Services, Medical Bureau for Occupational Diseases, Office of Health Standards Compliance, South African Health Products Regulatory Authority

Currently, there is a Bill in Parliament to create National Public Health Institute of South Africa ,which the department claims it will “conduct disease and injury surveillance and to provide specialized public health services, public health interventions, training and research directed towards the major health challenges affecting the population.” The Department is also considering moving the Forensic Laboratory Services out of the public services. This is an unacceptable attempt to privatise the entire health department and leave a hollow shell. COSATU will be demanding an urgent meeting with the Minister so that he can account on this matter.

Reserve Bank/State Bank and Workers Bank

COSATU continues to call for the review of the mandate of the reserve bank. The federation continues to argue for an approach that incorporates both the developmental imperatives and the protection of the currency. These according to us are mutually reinforcing rather than contradictory.

We also reiterate our call for the implementation of an ANC Conference resolution for the establishment of a

State Bank. Government will never be able to pursue its developmental agenda, while relying on commercial banks.

The CEC has also resolved to take forward its resolution to put in place a process that will result in the establishment of a workers' bank. This is our old resolution that is very necessary now that we are faced with an economic crisis. Workers have no say on how the current commercial banks should benefit society. The monopolistic control of banks by the previously advantaged minorities continues to dominate the economic scale in favour of those minorities and perpetuate the imbalances of property relations and ownership in South Africa.

Privatisation

COSATU remains uncompromising in its position that we cannot expect the market forces to help transform our economy, drive the creation of decent work and provide basic services to the majority of our people.

We expect government through the National Treasury to ensure that the Job and Investment Summits outcomes are implemented so that they give us the desired results. The issue of the recapitalisation of SOE's cannot be delinked from the improvement of management and governance systems in these entities. The SOE's needs to be used to deliver on the government's developmental agenda. We warn government that we stand ready to fight as labour against any rightwing developmental model or policy proposals. We call on president Cyril

Ramaphosa and the ANC to reign in Minister Tito Mboweni , who thinks that he is a free agent. He needs to clarify his statements on the future of SAA and Eskom.

Politics

The CEC expressed concerns about the dangers and weaknesses that continue to bedevil the ANC since its Nasrec National Conference. The organisation has so far failed to put a coherent political message and programme and as a result, it finds itself engaging in mechanical strategies like its anti-corruption crusade that lacks a political content and direction.

In our view at the heart of these weaknesses is the demobilization of the motive forces, the subsuming of the ANC under the dictates of the state bureaucracy, the undermining of the autonomy of the ANC as a ruling party to formulate state policy and monitor its implementation, and the tendency to elevate (untransformed) state power over mass power.

The central feature of the elevation of the state over the movement has been to see mass-based activism against the deficiencies of the state as being counter-revolutionary, oppositional and thereby distancing the ANC from such activities. This has led to a situation where a gap between the masses and the ANC develops and the ANC is forced to sometimes uncritically defend the inherent horrible deficiencies of the inherited colonial and capitalist state. As a result the masses are starting to gradually lose confidence in the capacity of the ANC to drive transformation.

There is still a lot of work that needs to be done to rescue the ANC and make sure that it has the calibre of leadership to take the movement into the future. This leadership should act as the centre and also be guided by the resolutions of the ANC. We reiterate our position that only a reconfigured Alliance holds any chance of delivering on the goals and aspirations of the working class. The future of the Alliance is not guaranteed if the process to reconfigure it becomes stillborn. The message is clear for the Alliance “reconfigure or die”.

The 2019 Election and the call for a reconfigured alliance.

The CEC reaffirmed the 13th National Congress Resolution to Support the ANC in the forthcoming national general elections. In this regard all COSATU affiliates will make resources available towards a success campaign. This will include ensuring that workers’ demands find expression into the ANC election manifesto. The CEC also insisted that the campaign for the victory of the ANC will happen simultaneously with the campaign the reconfiguration of the Alliance.

State Capture Commission

The meeting acknowledged the ongoing work by the Judicial Commission of Inquiry under the leadership of Judge Raymond Zondo. The work of this commission is very important if we are to defeat the cancer of corruption that is eroding our gains and also undermining our democracy. We want to see all those people implicated in looting by the State Capture Commission prosecuted and sent to jail.

The hysterical noises from those who are attacking the State Capture Commission is informed by their guilty consciences.

Corruption costs our country dearly and the latest Auditor-General (AG) Kimi Makwetu's report shows that irregular expenditure has increased from R45, 6 billion in the 2016/17 financial year to R51bn.

We cannot fight corruption and state capture though if we do not acknowledge that the South African capitalist system itself is a deeply corrupted system. The current economic system as symbolised by the NDP reproduces rather than address our triple crisis of unemployment, poverty and inequality. The government's neoliberal policies have weakened the state and allowed the private sector to be in charge of policy formulation. The Treasury continues with its restrictive fiscal policy which is obsessively focused on achieving budget-deficit targets and the Reserve bank continues to pursue its inflation target thus excessively restricting the economy on a low-growth path.

VBS

The CEC noted developments on the revelation regarding looting at the VBS and in this context made a call for the culprits to be arrested and convicted with long sentences for stealing from the poor and for acting against transformation.

The CEC also asserted that the VBS matter should be treated in the context of the transformation of the financial sector in which COSATU has made a call against the monopoly by four banks and

foreign white ownership. In this context the CEC said that the reserve bank must not be allowed to easily take a decision to close the doors of the bank without being forced to consider a developmental route, as it happened with many banks which have in the past been bailed out by the state.

The CEC also agreed that the federation should pursue the resolution to establish the Workers Bank.

Free State Dairy Farm investigations

We are disappointed that the NPS has decided to withdraw the case on the alleged corruption regarding the Free State Dairy farm .We demand that this matter be taken to its logical conclusion.

International

The CEC noted that the Zionist Lobby in South Africa has been on an offensive trying to silence the federation using the courts of law. Cde Tony Ehrenreich and Cde Bongani Masuku have been in and out of court because of cases brought by the Zionist Lobby, especially the South African Jewish Board of Deputies. The CEC meeting has resolved to pushback and intensify its solidarity work for the People of Palestine. We firmly reaffirm our support to the Palestinian people and demand an end to the Israeli aggression against Palestinians in the West Bank and Gaza. We demand the removal of all settlements from the Palestinian lands which Israel seized after 1967

We reiterate our international solidarity with Cuba in defence of the Cuban revolution, against US imperialism

and to assert the country's sovereign right to pursue an independent path of social, political and economic development

We offer our solidarity to the leadership of the Bolivarian revolution led by the President Nicolas Maduro, who is under attack from the imperialist forces and their internal rightwing agents.

We re-affirm our support for the Saharawi people and all people suffering occupation and colonial aggression as Western Sahara.

We also support the struggle of the people of Swaziland.

End

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