

SALHA 22a: COSATU 2000

# COSATU

TRADE UNION LIBRARY AND  
EDUCATION CENTRE

## 7th National Congress

18-21 September 2000

**Second Draft  
Socio-economic  
Resolutions**



# Crush Poverty! Create Quality Jobs!



## Proposed amendments to the Secretariat Report

### 1 Economic policy

1. The government's macro-economic and trade policies, originally presented in the GEAR, have failed to deliver on the promise of growth, employment and redistribution. Rising unemployment, high interest rates, accelerated tariff reductions, privatisation and cuts in the budget for social services and infrastructure threaten to reverse working class gains since 1994. The policy leaves the economy increasingly open to external forces with no interest in our country, while systematically overestimating the power of capital. It will not contribute to the fundamental restructuring of the economy and the society to ensure growth based on job creation and increasing equality in incomes and wealth.
2. Our campaign against the GEAR strategy has not been sufficiently sustained and consistent.
3. We therefore reiterate our rejection of current fiscal, monetary and trade policies.
4. We reaffirm our demand that economic and social policies must take forward the NDR. Critical steps are fulfilment of the demands arising out of the Jobs and Poverty Campaign for sector summits to generate an industrial policy, which would guide trade policies; increased investment in infrastructure and housing; and increased resourcing of government programmes.
5. COSATU will
  - 5.1. build a sustained mass campaign among workers and communities against the current package of conservative economic policies, articulated originally in the GEAR, and
  - 5.2. develop an alternative economic strategy based on research in the context of the Freedom Charter, the RDP and existing COSATU policy proposals, and engaged on in the Alliance and in public forums.
6. The People's Budget campaign should form an integral part of this campaign, and should be fast tracked.

SAMWU, SACTWU, NUMSA

### 3. Health, safety and environment

1. The Federation and affiliates must inform workers in all workplaces about their role in health and safety committees, and give them skills to intervene decisively where necessary to protect workers.
2. Affiliates must dedicate more capacity to health and safety issues, and ensure vigorous participation in the Health and Safety Committee.
3. Health, safety and compensation legislation must be extended to domestic workers, and enforcement must be improved in all industries, including the informal sector.

4. *Ensuring that workers use their new legal rights effectively requires a consistent campaign of information and capacity building. The COSATU education Department should develop material to assist in this process.*
5. *To take these proposals forward, the CEC shall develop a programme of action to take forward the resolutions of the inaugural CC on Health and Safety, which will deal with*
  - 5.1. *a review of existing legislation and its implementation and strategies to extend legislation to cover all workers.*
  - 5.2. *the impact and implications of the integration of the inspectorates.*
  - 5.3. *development and establishment of an alternative vehicle for the facilitation of health and safety compliance*
  - 5.4. *a mechanism to assist victims of radiation with lifetime treatment and compensation, and*
  - 5.5. *a strategic approach to health, safety and environmental issues, including ways to ensure a more effective October campaign this year.*

## **SECOND DRAFT: Resolutions for Seventh National Congress**

### **Socio-economic**

#### **1 Proposals to amend the LRA and the BCEA**

##### *Noting*

1. Attempts by the government to impose greater flexibility and reverse our hard-fought gains through the proposed amendments to the BCEA and the LRA,
2. Widespread retrenchments and the accelerated casualisation of labour.
3. Failure to implement the commitment to make retrenchment negotiable in the ANC's 1999 Election Manifesto and the attempt to withdraw from Alliance agreements on labour legislation.

##### *Believing*

1. The vision captured in the Inaugural Central Committee resolutions guides our policy and is more relevant than ever before,
2. The proposed amendments roll back the rights which workers have won through hard struggle over many years and impose greater labour-market flexibility,
3. Our campaign to stem and reverse the tide of job losses has laid a foundation for carrying this battle to a victorious conclusion.

##### *Resolves*

1. To reject amongst others
  - 1.1. Amendments that would make it harder to extend bargaining council agreements, which would undermine centralised bargaining.
  - 1.2. The inadequate formulation on Section 189 (retrenchments) and Section 197 (transfer of businesses), of the Labour Relations Act.
  - 1.3. The weakening of procedural rights at the workplace.
  - 1.4. Changes to the sections on Workplace Forums that give minority trade unions and non-unionised workers the right to trigger Workplace Forums.
  - 1.5. The removal of the premium for Sunday work.
  - 1.6. Ministerial right to vary core rights.
  - 1.7. Attempts to weaken centralised bargaining and extension of agreements to non-parties.
2. To call for
  - 2.1. inclusion of the duty to bargain,
  - 2.2. amendment of Section 189 of the LRA to ensure that retrenchments are negotiable,
  - 2.3. the right to strike over dismissals,
  - 2.4. the right to picket inside and outside company premises during protected strikes,

- 2.5. no right to lockout,
- 2.6. a severance package of no less than four weeks' pay per year of service.
- 2.7. Systematically to campaign for the extension of the collective bargaining agenda to cover new areas, as provided in the Inaugural Central Committee resolution.
- 2.8. To monitor the activities of the CCMA and ensure that measures outlined in our Inaugural Central Committee resolution apply as a matter of extreme urgency.
- 3. To supplement the negotiations process, call for a programme of sustained action including sit-ins and if necessary a week-long general strike to register our protest.
- 4. The campaign around these issues must draw in communities and other progressive and mass-based organisations.

*SACCAWU, SACTWU, SAMWU, CEPPWAWU, SASAWU*

## **2 Centralised bargaining**

### *Noting*

- 1. The Federation's objective of centralised bargaining
- 2. The plans by different sectors, notably the public service, to decentralise bargaining
- 3. The amendments to the LRA that would weaken centralised bargaining,
- 4. The CC resolution that this Congress should deliberate on this matter

### *Believing*

- 1. Decentralisation would lead to lower labour standards.

### *Resolves*

- 1. The Federation must continue to advance its objective on centralised bargaining, and commit to wage a relentless struggle until bargaining councils are established in all sectors of the economy.

*SACCAWU, SACTWU, SADTU*

## **3 Basic Income Grant**

### *Noting*

- 1. The demand for a Basic Income Grant for all those who are unemployed and live in poverty forms an important unifying point for the struggle of the working class.
- 2. The Basic Income Grant forms a critical element of a comprehensive social security system
- 3. The Presidential Job Summit agreed that the government should consider a Basic Income Grant
- 4. Workers' wages are not sufficient to support the unemployed.

### *Resolves*



1. The state and business must contribute to the elimination of poverty through the establishment of a Basic Income Grant.
2. COSATU must monitor and interact with the inter-departmental task team on comprehensive social security.
3. Legislation to establish a Basic Income Grant must be introduced in the 2001 Parliamentary session.
4. Government departments and institutions should provide free services to the aged, the disabled and the unemployed, with the provision of free lifeline services for all households
5. The cost of the Basic Income Grant must fall on the rich.

*NEHAWU, NUMSA, SAMWU*

## **4 Cooperatives**

### *Noting*

1. The support for cooperative economic enterprises from the September Commission, the Tenth Party Congress of the SACP, and the Draft Reports of the Commissions on Programme of Action (Economic Transformation) of the National General Council of the ANC held in July 2000, as well as in the final Declaration of the Presidential Jobs Summit
2. The success of co-operative structures in South Africa, including in the agricultural sector, union initiatives (NUM and NUMSA), stokvels, burial societies, etc.
3. That no national policy framework presently exists on cooperatives to support and create conditions for the development of cooperatives, although government has acknowledged the significance of cooperatives in pursuing the national development agenda.
4. The cooperative structure can be abused in the process of outsourcing and privatisation, and marketing cooperatives do not necessarily benefit workers.
5. Substantial international experience exists in the development of cooperatives.

### *Believing*

1. Co-operatives provide mechanisms through which our people can overcome social and economic problems, especially if a co-operative movement emerges as a distinct social and economic force at the national level,
2. That cooperative strategies and mechanisms hold the potential to:
  - 2.1. Mobilise the savings, skills and energies of a wide strata of working people
  - 2.2. Extend ownership and control to workers, and provide additional quality employment and income for workers
  - 2.3. Empower large numbers of workers and poor communities
  - 2.4. Contribute to social and economic transformation, by shifting emphasis from individual enrichment to community development
  - 2.5. Develop collective capital

### *Resolves*

1. The Federation must commission further research into cooperative ventures that ensure a socialist perspective and labour standards, and to evaluate the obstacles to the development of cooperatives, drawing on international experience.
2. To call for the convening by the Alliance of a Co-operative Movement Forum, which would also include civics, land reform movements, NGOs etc.
3. The Federation must engage with government at all levels:
  - 3.1. to support cooperative initiatives, including in the financial sector
  - 3.2. to draft legislation to promote and regulation co-operatives that contribute to greater equity and development
  - 3.3. to identify forms of support for cooperatives that may be necessary in order to encourage their development, including priority tendering and accessing development finance, training and practical assistance, with a statutory body for cooperatives.
4. Government policies should set out objectives as well as means of support and collaboration as valuable instruments for ensuring that co-operatives are meeting their goals.
5. The Investment Coordinating Council of COSATU together with the SACP should embark on serious initiatives and discussions to advocate jointly for and establish the Cooperative Movement.

*NEHAWU, SACCAWU, SADTU, NUMSA*

## **5 National Health Insurance**

### *Noting*

1. Wasteful and inefficient private health systems use national resources inefficiently and push up the cost of health care for all South Africans.
2. Private health care reaches only 20% of South Africans but uses almost two thirds of national health resources.
3. Cuts in the budgets of the public health system since 1996.
4. The 1998 Central Committee resolution supporting the introduction of a National Health Insurance Scheme

### *Believing*

1. That comprehensive health care can be achieved only by
  - 1.1. Improving the funding and efficiency of the public health system
  - 1.2. Limiting the growth of the private health sector
  - 1.3. Asserting the major role of the labour movement in advancing the free health care system

### *Resolves*

1. Systematically to move toward a public health care systems for all.

2. COSATU reaffirms our fight for a National Health Insurance (NHI) programme that would
  - 2.1. cover everyone under a single public health insurance programme that takes into account the cost and affordability, timing and introduction of the programme;
  - 2.2. pay all hospitals, clinics, nursing homes an annual amount that would cover operating expenses,
  - 2.3. gradually limit the extent of the private health care and improve the services of the public health system, and
  - 2.4. go hand in hand with increases in the health budget, in order to maintain a strong public-health system.
3. Private insurance coverage for services included under the NHI would be eliminated, leading to substantial savings for society as a whole.
4. The NHI would permit doctors and other health professionals either to charge fees at NHI rates, or to take salaried positions in clinics or hospitals.
5. Funds for NHI could be raised through a variety of mechanisms, including
  - 5.1. a progressive tax that raises revenues at least equal to the sum currently spent on private health care, adjusted for inflation, and
  - 5.2. a uniform employer contribution covering all employees.
6. Together with Alliance and progressive health formations, to work for introduction of the legislation needed to implement this proposal in the 2001 Parliamentary session.
7. To campaign for government support and funding for sectoral provision of primary health care services by the labour movement and bargaining councils.
8. To avoid conflicts of interest, union investment companies should avoid investment in private health care and insurance, and should redirect existing investments of this kind.

*NEHAWU, CEPWWAWU, NUMSA, SACTWU*

## **6 Resolution on HIV/AIDS**

*Noting:*

1. The HIV/AIDS pandemic threatens the social and economic fabric of our society and could undermine the gains of our democracy,
2. The poorest and the most vulnerable of our society are most at risk,

*Further noting*

1. Government's current macro-economic framework is largely responsible for
  - 1.1. the lack of a comprehensive and coherent response to the demands for access to effective treatment of HIV and other opportunistic diseases,
  - 1.2. inadequate social infrastructural resources for education, prevention, research and appropriate treatment of HIV/AIDS, and



- 1.3. inadequate supply of free male and female condoms, although most South Africans cannot afford to buy their own.
2. The pandemic has been a terrain of fierce ideological contestation as various forces assert their class interests in shaping society's response,
3. The failure of the pharmaceutical companies to respond constructively to the pandemic, especially by providing free drugs, underlines the gender and class attitudes of these imperialist elites who profit from the death and misery of millions of our people.

#### *Believing*

1. There is scientific evidence to support the efficacy of anti-retroviral drugs in the control of HIV/AIDS.
2. Providing medication to HIV-positive pregnant women is morally and medically right and makes economic sense in terms of costs saved on treatment of HIV-positive children,
3. Providing medication to rape victims is morally and medically right,

#### *Resolves*

1. To reaffirm the declaration and resolution on HIV/AIDS passed at the Special Congress in August 1999
2. To condemn pharmaceutical companies who put profit above people, since they deny poor and working people access to appropriate treatment for HIV and opportunistic diseases, thus deriving super profits out of this social disaster. We call on them to provide affordable medication for HIV and opportunistic diseases.
3. To call on Government to declare the HIV/AIDS pandemic a national disaster requiring extraordinary measures and resourcing, including
  - 3.1. to end its scientific speculation and expand education, prevention, treatment and research on the basis that HIV is the medical cause of AIDS,
  - 3.2. in that context, to draw up a programme of action to make affordable treatment available to people living with HIV/AIDS, to investigate cheaper sources of medication, and to increase government spending on treatment,
  - 3.3. immediately to provide the necessary medication to HIV-positive pregnant women and rape victims,
  - 3.4. to respond to the immediate and long-term needs of AIDS orphans and people living with AIDS, and
  - 3.5. urgently to address issues of gender inequity as this is feeding the AIDS pandemic.
4. Government and employers must ensure that all adult South Africans have access to an adequate supply of condoms, including female condoms.
5. Demand that employers contribute to the cost of treatment for workers with HIV/AIDS and abide by the Code of Practice on HIV/AIDS in terms of the Employment Equity Act.

6. COSATU must lead a campaign to end discrimination against people with HIV/AIDS, especially in rural areas, and to promote community care and support of people living with HIV/AIDS.

*CEPPWAWU, SACTWU, SADTU, SACCAWU, SATAWU, CEPPWAWU, NUM*

## **7 Higher education**

### *Noting*

1. The current fragmented state of the Higher Education system as inherited from an apartheid legacy needs to be reconfigured to address the national development needs of the country.
2. The recommendations of the Council on Higher Education task team on the size and shape of the higher education system will sharpen class stratification by establishing three tiers of tertiary education in a way that will essentially downgrade historically black institutions.
3. The absence of a National Framework Agreement and centralised bargaining in this sector.
4. The current restructuring at individual institutions around the neo-liberal principles of core business, which results in massive retrenchments.

### *Believing*

1. The configuration of the higher education system must result in the production of a new South African cadre who has been schooled within an anti-racist, anti-sexist and a democratic paradigm with a high level of patriotism.
2. The state must commit to providing a strong, accessible and affordable public higher education system
3. The higher education systems hold make community service compulsory for all students
4. A National Framework Agreement should be negotiated that will regulate the restructuring and transformation of the tertiary institutions
5. Labour relations in this sector be governed by a centralised bargaining chamber
6. The Minister of Education must regulate the provision of private higher education.

### *Resolves*

1. No implementation of proposals on higher education be taken forward without agreement in the Alliance based on consultation in the structures of the Mass Democratic Movement.
2. The Federation must oppose attempts to down-size higher education and to resist attempts to retrench or out-source workers from tertiary institutions
3. The Federation must argue within the Alliance and with government for an education system friendly to those who have been historically excluded on grounds of class, race and gender.

*SADTU, NEHAWU*



## **8 Nuclear power**

### *Noting*

1. The restructuring of electricity supply industry is an ideological one perpetuated by capitalist agenda to realise the markets interests rather than address the socio-economic deficiencies in our country.
2. The white paper on Energy Policy 1998 has not excluded nuclear technology as possible supply option for the future.
3. Enormous financial and human resources have been deployed to develop nuclear power technology in the form of Pebble-Based Modular Reactor (PBMR), from both the state and Eskom.

### *Further noting*

1. South Africa has realistically more than 300 years worth of coal deposits in existence thus securing jobs in the collieries and coal fired power stations.
2. Current energy infrastructure supplies can last up to the next 20 years without any significant new capital injection.
3. Current positive strides have been achieved in terms of management of coal emissions through electro static precipitator technology that captures more than 98% of the emissions.

### *Resolves*

1. To re-affirm the OAU stance that Africa should remain a nuclear free zone.
2. The nuclear expansion programme through the PBMR project be stopped with immediate effect.
3. Resources targeted to PBMR are redirected to alternative energy technologies like hydro, biomass, solar, wind etc.
4. The current nuclear waste from Koeberg Power Station be stored in a safe and sufficient protected area and not be sold to other poorer countries in the continent.
5. Department of Minerals and Energy be forced to take overall accountability for unacceptable radiation levels within both the mining and energy sectors.

### *NUM*

## **9 The proposed ban on plastic bags**

### *Noting*

1. The Minister of Environment and Tourism announced a ban on plastic bags without a socio-economic impact analysis
2. Banning of high-density plastic bags will lead to the loss of 3000 jobs in manufacturing and many more in retail trade, including the informal sector
3. Customers will have to buy re-usable bags at a cost of over R1 per bag, which will hit the poor hardest
4. Other environmental issues, such as pit latrines and lack of electricity, are more important for working people and the country as a whole.

### *Believing*

That a campaign to change attitudes on littering would prove more effective

### *Resolves*

1. To call on government to consult with all stakeholders to find an amicable solution, and to extend the timeframe until 2002 to permit adequate consultation
2. To call on the Minister to review its announcement to reduce 80 micron to 25-30 micron bags, which is the specification in most countries.
3. To call on the Minister to focus on more urgent and important environmental problems.
4. To condemn the unilateral announcement of a ban on plastic bags as another example of some politicians and government officials arrogantly projecting themselves as sole custodians of the national interest.

*CEPPWAWU, SAMWU, NUMSA*

## **10 Restructuring transport**

### *Noting*

1. Transport is vital to the social and economic life of the country
2. Transnet has already lost many jobs through outsourcing and downsizing, and proposals to restructure Transnet further involve privatisation in various forms, and could cost up to 50 000 jobs.
3. Government has not tabled its proposals on Transnet under the NFA or consulted adequately on its overall policy for railroads and ports, and is unilaterally pursuing a social plan.
4. The restructuring of SAA, with the involvement of a private partner, has led to anti-union actions by management.
5. The almost non-existent shipping industry in South Africa places the country at a disadvantage by raising trading costs and reducing job creation.
6. The National Land Transport Transition Act entrenches competitive tendering in the bus industry and is likely to result in the break up and privatisation of municipal and parastatal bus operations, leading to substantial job losses and a downgrading of services in poor communities.
7. The continuing violence in the taxi industry and proposals to recapitalise the industry in an effort to formalise it as a means of reducing conflict and violence.

### *Believing*

1. Democratically accountable, publicly owned and controlled bodies must plan and regulate the transport system to ensure it is integrated and efficient.
2. The transport system must contribute to development and equality, and retain and create jobs.
3. Large, long-term investments in infrastructure are required in the transport sector, including in the rail freight and port systems.

### *Resolves*



1. To reaffirm the comprehensive statement on transport policy contained in the Alliance programme adopted at the Special National Congress in 1999, and to commit the Federation to implementing the campaign for affordable, efficient and safe public transport that is publicly owned.
2. Vigorously to oppose any restructuring of Transnet and other public-sector transport operations that do not align with our vision for transport policy and development in general, or that is unilaterally imposed.
3. To oppose the undermining of stable employment through casualisation and outsourcing at Transnet.
4. To demand that Transnet and the government adhere to the NFA in negotiating any substantial changes in work organisation, ownership or structure at Transnet.
5. To call on government to embark on a thorough and open investigation of all aspects of shipping policy.
6. To support SATAWU's opposition to the current process of restructuring and downsizing at Transnet, including supporting a national strike of transport workers.
7. To call on government to speed up the implementation of the tax recapitalisation programme, and in the process to take steps to prevent job losses in the taxi industry, as well as taking into account the need to prioritise job creation in the selection of manufacturers for the new taxis.

*SATAWU, SAMWU*

## **Declaration on iGoli 2002.**

### *Noting*

1. The Greater Johannesburg Metropolitan Council is relentlessly implementing its iGoli 2002 plan.
2. Discussions with the ANC have been inconclusive around the issue of a moratorium and other broader local-government restructuring issues.
3. Management is victimising hundreds of workers who have taken action against the implementation of the iGoli 2002 plan, including the dismissal of two shop stewards.
4. A wide range of organisations opposed to privatisation has been drawn into the campaign against the iGoli 2002 plan.
5. Restructuring plans similar to iGoli 2002 have emerged in other municipalities.

### *Resolves*

1. To intensify the campaign among our members and other COSATU members, in the broader community and in organisations opposed to privatisation, against iGoli 2002 and similar plans in other communities.
2. To call for an end to the victimisation of our members, for the disciplinary charges against our members to be dropped, and for the re-instatement of the dismissed workers.
3. To develop as a matter of great urgency an appropriate programme of action to support these demands and the anti-iGoli 2002 plan. A dedicated team should be set up to take all work around iGoli 2002 forward.
4. To call for and build support for a moratorium on the implementation of the iGoli 2002 plan, in order to block
  - 4.1. the unilateral transfer of employees to new business units
  - 4.2. the corporatisation of bus services
  - 4.3. privatisation of water, electricity and other services.
5. To continue to work on the anti-iGoli 2002 campaign and build solidarity action for workers facing dismissal.
6. To consolidate support among other organisations in opposing the iGoli 2002 plan and draw them into building solidarity for workers facing victimisation.
7. To seek appropriate political solutions for the current problems, including engagement within the Alliance.

*SAMWU, NUMSA*



