

TOWU

TRANSPORT & OMNIBUS WORKERS UNION



3rd NATIONAL CONGRESS
REPORT ON ACTIVITIES
2004 - 2006

LABOUR CHALLENGES IN A
NEW FOUND DEMOCRACY

26 - 27 May 2006

Invocation by Edgar Lundall

*Lord make me clean
So I can smell
The roses of the morning*

*Make me kind
So I can hear the voices
Of plants call me to their sides*

*Make me strong
Firm to fight the good fight
Hold high your treasure
A name reached all the
Corners of the earth*

*Make me a hater
The rough and squalid scenes
So often entice the weak*

*Make me bearer of the word
Tell from your precious lips
Make me your child
So I can speak with tender tones
The little ones so much love
To us do give
Make me your instrument Lord*

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**DECLARATION OF THE LABOUR
TRUSTEES ON RETIREMENT FUNDS**

*VIVA TOWU VIVA
"TOWU FORWARD EVER BACKWARD NEVER"*

TOWU CONGRESS 2006

PROGRAM: FRIDAY 26TH MAY 2006

OPEN SESSION: 09H00

- 1. NKOSI SIKELEL'IAFRIKA**
- 2. PROGRAMME DIRECTOR'S REMARKS**
- 3. INTRODUCTION OF GUEST**
- 4. FRATERNAL MESSAGES**

**5. ADDRESS: LEROY CARLSE – PRESIDENT
OF TOWU**

6. ADDRESS FROM INVITED GUEST.

13H00 – 14H00 LUNCH

***14h00 – 16h30* CLOSED SESSION**

7. REPORTS

- Credentials**
- Standing rules**
- General Secretary**

SATURDAY 27TH MAY 2006 - 08H30

❖ **ADOPTION OF AUDITORS REPORT –**
Appointment of Auditors for 2006 TO 2008

❖ **RESOLUTIONS**

❖ **AFFILIATION TO FEDERATION**

❖ **HONORARY MEMBERSHIP**

TEA BREAK - 11h00 – 11h15

❖ **ELECTION OF OFFICE BEARERS**

❖ *Speech by Newly elected President*

❖ **CLOSURE**

COCKTAILS FOR ALL DELEGATES AND GUEST

PLEASE NOTE THAT PROGRAM TIMES MIGHT CHANGE

TOWU WELCOMES ALL IT'S DELEGATES AND SPECIAL GUEST TO OUR CONGRESS
AND HOPE THAT YOUR CONTRIBUTION WILL MAKE IT A SUCCESS.

Nkosi sikelela iAfrica

Nkosi sikelel' iAfrika
Maluphakanyisw' uphondo lwayo.
Yizwa imithandazo yethu,
Nkosi sikelela, thina lusapho lwayo.

Morena boloka setjhaba sa heso,
O fedise dintwa la matshwenyeho,
O se boloke, O se boloke setjhaba sa heso,
Setjhaba sa South Afrika - South Afrika.

Uit die blou van onse hemel,
Uit die diepte van ons see,
Oor ons ewige gebergtes,
Waar die kranse antwoord gee,

Sounds the call to come together,
And united we shall stand,
Let us live and strive for freedom,
In South Africa our land.

CREDENTIALS

- 1. ALL ELECTED SHOPSTEWARDS ARE DELEGATES TO THE CONGRESS.**
- 2. DELEGATES FROM WORKPLACES WILL BE ON THE BASIS OF ONE FOR FIFTY MEMBERS.**
- 3. OPEN SESSIONS WILL BE FOR ALL DELEGATES AND INVITED GUEST.**
- 4. CLOSE SESSIONS WILL BE FOR DELEGATES ONLY.**
- 5. ONLY REGISTERED DELEGATES WILL BE ALLOWED TO PARTICIPATE IN CONGRESS BUSINESS.**
- 6. OBSERVERS WILL NOT BE ALLOWED TO PARTICIPATE IN CONGRESS BUSINESS.**
- 7. VOTING WILL BE ON A BASIS OF ONE DELEGATE ONE VOTE FOR EACH POSITION CONTESTED.**
- 8. NO PROXY VOTES WILL BE ACCEPTED.**

TOWU CONGRESS 2006

RULES

DELEGATES ARE TO PLEASE OBSERVE THE FOLLOWING HOUSE RULES

1. ALL CELL PHONES OFF
2. NO SMOKING IN OR OUTSIDE AUDITORIUM (ONLY OUTSIDE)
3. NO CANVASSING WITHIN THE DIRECT LOCATION OF THE CONGRESS
4. NO ELECTION POSTERS
5. ALL SPEAKERS TO BE RESPECTED EVEN IF THERE IS DISAGREEMENT WITH THE VIEWS EXPRESSED
6. NO DELEGATE ARE TO LEAVE THE CONGRESS WHILST IN SESSION
7. NO UNRULY LANGUAGE TO BE USED.
8. TIMEKEEPING TO BE RESPECTED
9. DELEGATES NOT TO DISTURB OTHER GUEST OR PASS REMARKS TOWARDS OTHER PEOPLE THAT ARE OFFENSIVE.

ELECTION RULES

- ❖ National Congress elected delegates will have one vote for each post
- ❖ Candidates must have an absolute majority, further voting will take place after first round if no majority is obtained
- ❖ Office bearers will be elected in the following order
 1. *President*
 2. *Vice President*
 3. *Treasurer*
- ❖ If there is only one nominee for a position, such person be declared duly elected
- ❖ The newly elected Office Bearers shall take office from the closure of the Congress.
- ❖ The elections and counting shall be conducted by an independent person or body

We hope that the Congress will be a success and that by us observing these basic house rules we would make TOWU proud through our conduct.

GENERAL

SECRETARY

GENERAL
SECRETARY
REPORT

20101100100

OBJECTIVES OF THE UNION

The objectives of the trade union shall be -

- ❖ to regulate relations between employees and employers, including any employer's organizations and to protect and further the interest of members in relation to their employment;
- ❖ to promote the interest of members;
- ❖ to plan and organize its administration and lawful activities;
- ❖ to affiliate with and participate in the affairs of any international or national workers organizations or the International Labour Organisation;
- ❖ to promote, support or oppose any proposed legislative or other measure affecting the interest of members and/or the trade union;
- ❖ to use every legitimate means to induce employees to become members;
- ❖ to provide legal assistance, subject to such conditions as may be decided upon by the Executive Committee, to members in connection with their employment;
- ❖ to establish and administer a distress and/or benevolent fund for the benefit of its members and their dependants;
- ❖ to encourage the settlement of disputes between members and employers or employers organization by conciliation, mediation or arbitration;
- ❖ to do such lawful things as may appear in the best interest of the trade union and its members and which are not inconsistent with the objects or any other matter specifically provided for in the Constitution;
- ❖ to assist members to obtain or employment : and
- ❖ to borrow, invest, lend, subscribe, subscribe or donate money for the furtherance of the objects of the union.

Chapter 1

OBITUARIES

Some people come into our lives and quickly leaves. This is the way of live, we are but only travelers on this earth and as long we live it with that conviction and appreciate those around us the loss is easier to bear.

Nothing however could have prepared us for the departure of our dear comrades so soon.

Below is the names of our departed comrades whose's lives has been dedicated to the protection and promotion of Towu.

❖ J. RUITERS	04/06/04
❖ M.Y. AMBROSE	30/07.04
❖ D. FOURIE	03/09/04
❖ L. CARSTENS	06/12/04
❖ M. SMITH	29/04/05
❖ H. DE. BEER	15/07/05
❖ D. AVONTUUR	09/11/05
❖ M. COPE	19/01/06
❖ J.W. KOOPMAN	27/03/06
❖ V.E. PEFILE	31/03/06

*OUR PRAYERS ARE WITH THE FAMILIES AND LOVE ONE'S OF OUR
COMRADES WHO HAS PASSED ON.*

The Executive committee also regulate the working conditions of the staff of the union.

5. SCOPE / SECTORS

The union currently is organizing in the following sectors:

- ***Road Passenger Transport Industry***
- ***Goods Transportation and Storage Industry***
- ***Stevedoring Industry***
- ***Water Transportation and Storage***
- ***Cleaning Services***
- ***Aviation***

Four Sectors has been established in the following sectors:

- ***Passenger***
- ***Freight***
- ***Cleaning***
- ***Aviation***

Sectors has it's own chairpersons, secretaries and all shopstewards within those companies falling in that respective sectors.

6. ADMINISTRATION

a. Head Office

The union's Head Office is situated at ***Suite 309, 3rd Floor Premier Centre, 451 Main Road, Observatory, Cape Town.***

We have also ensured that a high standard has been set in the quality of reports, minutes, presentations , etc.

b. Provincial Office

We have been able to negotiate with one of our Nactu sister unions in PE to give us office space to service our members in E/Cape.

AFFILIATION

Towu is affiliated to **National Council of Trade Unions** (Nactu) and participate within all its structures both nationally and provincially.

Chapter 3

TRADE UNION DEVELOPMENT AND ORGANISING

1. Developments within the union

Towu are faced with a number of challenges being unemployment, casualisation contract employment, restructuring and government policy changes.

Towu is currently serving on a number of structures where some of these challenges are negotiated and the unions participation has proved crucial in achieving a number of improvements for members within the country.

Towu has made its voice known on a number of forums where workers working conditions has been challenged and made sure that it was challenged.

We have made huge inroads in the E/Cape where we previously had very little success with the recruitment of the majority of members in the passenger sector. The West coast has also become a union stronghold with all the members recruited in that part of the country. JHB however has not enjoyed the type of service deserved and is a challenged which would need to be taken as a priority.

Meetings are held on a monthly basis with organizers to evaluate the recruitment and service strategy of the union.

The union will face many more challenges in future and will plan accordingly.

The table below show the growth in membership and financial growth over a five year period. This should not be viewed as confidential as this are reflected in the audit reports as submitted to the department of labour.

YEAR	MEMBERS	INCOME	VARIANCE MEMBERS	% INCOME
2000	1350	R416 953.71	175	R64 416.98
2001	1550	R571 551.20	200	R154597.49
2002	2000	R673 566.01	100	R44 186.06
2003	2450	R823 537.77		R149 971.76
2004	3000			
2005	+ 3000	Presented to Congress		

DITSELA

Ditsela will be celebrating its 10th anniversary this year. Towu has been involved with workers education in this institution since its inception.

The Workers College was started in 1991 by trade unionist that saw that there was a need for an institution that will cater for the needs of trade unions.

Comrade Joe Sineke our then treasurer was the first person from Towu who sat on the board and was a founding member. Since his departure the General Secretary has continued and was part of the committee that negotiated the merger into Ditsela and still serve on the board.

Quality leader's who has gone through this institution has emerged that has contributed immensely to the growth of Towu. A number of leaders are currently attending development at Ditsela and are making the union proud through their attendance.

We are proud to be associated with an institution that has for five years as Workers College and ten years as Ditsela provided quality education to empower workers as well as making learning opportunities available to the disadvantaged.

Towu therefore want to congratulate DITSELA on the celebration of its tenth anniversary ***"VIVA DITSELA, LONG LIVE THE STRUGGLE FOR WORKER EDUCATION"***

Chapter 4

RESOLUTIONS FOR CONGRESS 2006

1. Resolution adopted at NEC.
 - Union scope to include the following
 1. Metal Engineering
 2. chemical sector
 3. Security
 4. General (eg. tyres, rubber, manufacturing, distribution.)
2. A union member who stands for an Office Bearer or Shopsteward should not apply for promotion during his or her term of office.
3. That all members who join the union automatically become members of the Benovolent Fund.

RESOLUTIONS FOR CONGRESS

1. Chapter 12. Clause f. to be removed from constitution. Supported by Mega Coach.
2. T.O.W.U. and W.C.O.S.U. to merge as matter of urgency.
3. Honorarium and performance bonuses to be given to Shopstewards.
4. Union officials salaries and perks to be adjusted to bring it in line other union trends to retain staff.
5. Amend the constitution to accommodate new companies that joined T.O.W.U.
6. Member's being a deputy shop steward for a full term (2years) should be eligible for office bearer position.
7. Shop steward with the lowest vote to work the afternoon shift.
8. As a union we organize in various industrial sectors such as road passenger, road freight, contract cleaning and coach drivers.
Therefore our orientation should be towards specialization of work in these sectors.
Resolution therefore is that union should be sub-divided into the above sectors.
 - a. Sectors should than handle sector specific matters.
 - b. Have their own Chairman, etc.
 - c. Sector exco's to meet monthly
 - d. Union exco to meet every three months and only to deal with policies and finances

CHALLENGES FACED BY LABOUR

Daily, we are confronted with many struggles and challenges as labour. Some greater than others, some more challenging than others, some more serious than others: but make no mistake about it - struggles and challenges are inherent to the lives of the working class of this country and indeed the world.

For the working class people, dock workers, factory workers, utility workers, hotel workers, public safety workers, transport workers our challenges, our struggles from now on are sure to be more complex, and more sophisticated than ever. Be not deceived, the attacks of the global capitalists on working class citizens of every nation have been carefully orchestrated. Masterfully designed to put workers against workers. Instead of locating plants and factories in over-populated third world countries for the purpose of raising the standards and improving the economic conditions that are found there, the relocation of the plants are done primarily and specifically to take advantage of cheap labour, weak environmental laws, and to advance the cause of global capitalism. Labour so cheap, it might as well be free. Wages so low, most of the workers would never be able to afford the goods they produce.

As we look at the many issues facing us, facing working people, each one must be viewed from a new global perspective. Every one of our jobs is impacted by global economic conditions and a global agenda that does not include the welfare of my family, your family, or any other working family.

Surely, the reports are in. Surely, our government is aware of the statistics compiled by its own agencies. They do not need us to tell them what is happening to us. They already know. And even if they wanted to do something about it, they opted not to because they too have co-opted out. The corporate dollars being generated by Free Trade agreements are also the dollars that has become so attracted that it does not matter what affect it will have on the ordinary worker out there.

What Can We as workers Do? How Can We Do It?

When we study this global corporate phenomenon the magnitude of this problem, and the vast resources fuelling this agenda, it can become overwhelming, overwhelming to the extent that we feel we are already defeated. We feel there is nothing we can do but try to survive.

Well, let me tell you, we do not have the luxury of feeling defeated and we do not have the luxury of time.

In our struggle against global capitalism, losing is simply not an option.

Probably all of you can identify with me that sometime we find ourselves confronted with situations or a set of circumstances where losing is not an option. We find ourselves in a situation where we must win at any cost.

Such is the current case of workers at Transnet who are willing to put their jobs on the line to fight against unilateral restructuring. These workers know that if government is allowed to now succeed it will become almost impossible to stop others on embarking on the same line.

Losing our work to the non-unionised is not an option.

That is why on every account we cannot afford to lose the battle of worker control.

We must guard against Labour friendly consultants who are only out to exploit workers. We must guard against politicians who only support us when they need our vote and when that is done they change labour laws, which we fought for. We must guard against leaders within our own ranks, which only use their positions for personal gain.

After years of political activism and political spending, we have very little to show for it.

- The decline in union membership is alarming.
- Free trade agreements are wiping out unionized plants.

A willingness to fight is one thing,
and fighting is another thing.
But knowing how to fight and win is the Better Thing.
Lets Fight To Win

TOWU GENERAL SECRETARY'S PAPER PRESENTED TO EDUCATORS OF DITSELA AT
THE HOLIDAY INN IN NEWLANDS ON THE CHALLENGES BEING FACED BY LABOUR

ANNEXURE B

THE LEKOA DECLARATION OF THE 2005 LABOUR TRUSTEES CONFERENCE ON RETIREMENT FUNDS

HELD AT THE RIVERSIDE HOTEL AND CONFERENCE CENTRE, FROM
16 - 19 OCTOBER 2005.

We the Labour Trustees of the organized labour movement representing Congress of South African Trade Unions (COSATU), National Council of Trade Unions (NACTU) and Federation of Unions of South Africa (FEDUSA), meeting here, united in spirit and resolve;

To:

- Consider labour positions and perspectives on the prevailing retirement fund structure and operations.
- Engage on the retirement fund reform triggered by the National Treasury's discussion document.
- Review progress towards the attainment of our social and economic transformation objectives as articulated in amongst others, the Growth and Development Summit (GDS), the Financial Services Sector Charter and other Sector Transformation Charters.

And:

- Cognisant of the urgency and critical role that the Financial Sector can play in the realisation of our national developmental objectives
- Underscoring the persuasive role that the labour movement should play in giving form and momentum towards the attainment of these objectives

Hereby adopt the following declaration, which shall be referred to as the *Lekoa Declaration*.

1. RETIREMENT INDUSTRY REFORM

Labour Trustees welcome the reform of the retirement fund industry and the initiative taken by the National Treasury to engage social partners and the nation through discussions and consultations.

Labour reaffirms its commitment and participation in this process but seeks to implore the National Treasury to be more inclusive and transparent in their consultations and public engagements, so that the voices and concerns of the poor and the working class are captured in the design of a more responsive, democratic and equitable retirement fund framework.

The following principles must underpin the review and reform of the retirement fund industry:

1. All workers must by law belong to a collective retirement fund scheme.
2. Fragmentation must be reduced and diversification must be limited.
3. The principle of a National Savings Fund must be integrated in the new framework.
4. Joint representation by workers and employers on all retirement funds.
5. One regulatory and adjudication authority for all retirement funds
6. Minimum prescription must be legislated on insured benefits; investment prudential requirements and contributions.
7. Taxation on retirement fund assets must be minimized and taxation on withdrawals benefits should be abolished for low capital savings.
8. There must not be discrimination based on race, gender, sexual orientation, religion, culture and age.
9. Withdrawal benefits before reaching retirement age must be discouraged and disincentivised.
10. The principle of joint contribution by the employer and the employee must be upheld.
11. The choice between Provident, Pension, and Hybrid funds must be maintained, without making members vulnerable to economic shocks or compromising their retirement future.

2. INVESTMENT STRATEGIES

Retirement savings and benefits are often the only means for disabled and retired employees to survive on; therefore, the primary objective of investment must be to preserve the capital of the fund.

Labour trustees commit themselves to direct members' savings towards assets that are socially desirable as articulated in the Nedlac Trustees conference declaration of 2004.

The current prudential requirements or regulation 28 in the existing pensions fund act must be urgently reviewed. It is our considered view that it affords undue exposure and weight to high risk and speculative assets classes such as equities and offshore-based investments.

Labour Trustees adopt the position that a balanced and prudential investment strategy that affords greater weight to government bonds, municipal bonds and money market instruments that are developmental in their nature and target should be encouraged.

Labour trustees call upon the financial sector to originate financial instruments and facilitate project finance in previously disadvantaged communities, economically depressed regions and industrial development projects in rural areas, in order to arrest deepening poverty and widening inequality in our country.

The challenges of residential, commercial and industrial development in black and poor communities remain, and must be urgently addressed, through mobilization of pension fund investment and commercial banks savings.

National savings must serve national development goals; to this end, we must address the problem of capital migration or repatriation from the country and outside of black, poor and underdeveloped communities.

Members' savings must work for members during and after their working lives, and as such, retirement fund savings must be channelled to improve the living conditions of members through providing essential services such as housing and infrastructural development.

The overriding principle of investment capital protection and inflation linked growth rates, should always be pursued in the investment management strategies of our funds.

3. FUND GOVERNANCE

The principles underlying fund governance were given serious scrutiny at this conference. The fiduciary responsibility of trustees was broadly defined as "acting in the best interest of members". This would entail, amongst others, giving priority to members' interest above all other objectives and against all influence from any side.

Labour trustees have committed themselves to act with the highest ethical and moral standards in their stewardship of members' interest and assets.

Codes of conduct of trustees must be established and negotiated jointly by all social partners.

All trustees must take out fidelity protection to indemnify themselves against personal liability.

The transformation of the Retirement Fund Industry must necessarily include the review of current institutions such as Life Offices Association (LOA), Institute of Retirement Funds (IRF), Banking Association of South Africa (BASA), Investment Managers Association of South Africa (IMASA), and South African Insurance Association (SAIA); to ensure that they are inclusive, representative and are sensitive to stakeholder concerns.

These institutions, while serving sectoral interests, must recognize that they are custodians of our assets as workers and communities; and must therefore provide space for representation and engagement with broader society.

All funds must by law issue benefit statements at least annually, and that member education and communication must be integrated into all fund administration to be provided by independent service providers.

Conflict of interest and separation of roles was addressed. It is recommended that underwriting, investment management, and administration should be

separated; so as to facilitate objectivity, transparency and to obviate the tendency to manipulate information and evade proper and full disclosure.

The Labour Trustees Conference also asserts that all pension funds including the Government Employees Pension Fund (GEPF), South African Local Government Association (SALGA), Transnet and Eskom must fall under one regulatory framework and be subject to the same principles of access to information, communication and dispute resolution.

4. GROWTH AND DEVELOPMENT SUMMIT (GDS) COMMITMENTS

The GDS was a product of social dialogue among social partners including labour, community, government and business. All social partners made commitments to realise certain goals, this includes, the halving of poverty and unemployment by 2014.

These goals were to be achieved primarily through the mobilization of national savings towards socially responsible investment (SRI). These SRI investments would in turn be used to finance productive investment and capital expansion in projects that are aimed at job creation and poverty eradication.

Labour Trustees note with dismay, that three years since the GDS agreement was reached, there has been little discernible and demonstrable commitment on the part of the Financial Sector, on one of the critical delivery areas of the agreement, viz. the establishment of a 5% investible income fund to finance transformational investments.

While the Conference notes progress on some of the Financial Charter goals such as employment equity and BEE financing, we deplore the fact that the 5% investible income target is not receiving urgent and sufficient attention.

We reaffirm that this is the one target, with its focus on transformational infrastructure financing, that can facilitate access to basic services and sustainable livelihoods, through improved access to basic services such as housing, water, sanitation, electricity, schools, hospitals, roads and transport to all our people, especially the poor and workers.

This conference has therefore resolved:

To call on social partners at Nedlac, the financial charter council and other sector councils to consider urgently the reasons and factors impeding delivery on all the GDS commitment, and in particular the 5% investible income target and the lack of transformational infrastructure financing.

To harness its collective force to leverage delivery on the GDS, including section 77, Investment Mandates and Trustee Activism to impel the financial sector and other sectors, to honour their GDS commitments and other sectoral charter targets.

5. LOA CHALLENGES TO PENSION FUNDS ADJUDICATOR RULINGS.

Labour Trustees have noted with condemnation, the intention by the Life Offices Association (LOA), to take recent rulings of the Pension Fund Adjudicator for legal review.

It is our conviction that it will be ill advised for the LOA to undertake such a move, as these rulings are corrective and seek fairness for consumers. The LOA would be better advised to engage on dialogue with the regulatory structures and consumer bodies, and not to pursue this self-serving path.

Labour Trustees also call for an urgent meeting with the LOA and NEDLAC partners, for dialogue on this public interest matter.

6. REAFFIRMATIONS

Labour Trustees reaffirm the following principles as guidelines that should frame engagement in the reform of the operations and transformation of institutions:

1. Inclusivity, Transparency and Consultation with stakeholders on transformation and reform initiatives of the retirement fund industry.
2. Resources and technical assistance be made available to facilitate dialogue by all sectors and stakeholders to develop inputs to this process.
3. Engagement with our continental and global solidarity unions towards developing a retirement fund framework that is universally recognized as fair, open and equitable. To this end, we acknowledge the inspirational role played by our comrades from Zimbabwe, Nigeria and the United States in the deliberations of this conference.

All Labour Trustees delegates to this conference, representing COSATU, NACTU and FEDUSA hereby adopt this *Lekoa Declaration* and commit themselves to work in solidarity, towards the implementation and realization of this declaration and resolutions of this conference.

We all recognize the urgent and crucial tasks ahead for the labour movement, to ensure that we do not betray our GDS goals, and that we meet the challenges of development and equity faced by our young democracy.