

Labour's Speech to the Launch of NEDLAC
Presented by the President of COSATU : John Gomomo on behalf of
FEDSAL, COSATU and NACTU.

NEDLAC AND THE GOALS OF LABOUR

**Chairperson, Comrade Thabo Mbeki,
Comrade President,
Representatives from the International trade union movement
Distinguished delegates and guests,**

The launch of NEDLAC offers a unique opportunity to our country - a chance to rebuild the economy and society through a consensus forged among workers, investors, government and the community. The road to that consensus will, no doubt, be stormy and rocky. You cannot bring together Jabu Xulu, earning R200.00 per week, after working for 15 years, with a family of five to feed; and John Smith, the Chief Executive Officer of a major conglomerate, earning R20 000.00 per week, and expect that it will be a calm and easy process.

But bring them together we must. The alternative is for the new democracy to flounder on the rocks of continual strife and conflict over all matters of production and distribution.

But if Jabu comes to NEDLAC, prepared to work on economic growth, he expects John to come to NEDLAC to work on redistribution of wealth. Jabu does not expect the previous traditions of days gone by, that is, participation based on the "Thatha lapha, beka lapha" fashion.

NEDLAC 's significance derives precisely from this creative dynamic that it produces : a search for the policies which combines high and sustainable economic growth with far-reaching programmes of wealth redistribution for the millions of working poor.

On 4 - 5 November 1991, three million workers downed tools to demand a say in economic decision-making. Their struggle led directly to the formation of the

National Economic Forum (NEF). And they ushered in a new way of making policy. It brought to our country the practice of tripartite negotiations.

Government no longer set the regulatory framework on its own. A major attempt was made to build consensus on issues as diverse as centralised bargaining, petrol prices, tariffs on imported goods and job creation. The agenda of interaction between labour and business widened significantly. It led to important processes of sectoral industrial restructuring programmes in the clothing and textile industry, in automobiles and in the electronics sector. It strengthened the work of trade unions and employers in the mining summit.

Now our country requires that we build on this tradition, that we increase the number of matters we negotiate with each other. (You may notice that we have become internationally competitive in negotiations, and are ready to export this important home-grown product!)

In the course of the negotiations, there are powerful voices at the NEDLAC table. There is a democratic government, with broad legitimacy in the society, able to advance broad programmes, such as the RDP. There is an organised business constituency, bringing together all the significant holders of private wealth, the conglomerates, the financiers, the investors. They bring too, the corps of managers who run the workplaces of the country. There will be the voice of community based organisations, bringing together civic organisations, rural organisations, women's movements, youth and other organisations. In short, the social movements who have done much to advance democracy in South Africa.

And, importantly, there is organised labour, represented by COSATU, FEDSAL and NACTU, directly representing 2 million workers who pay their weekly membership fees to their Federation. These workers are the other part, the often forgotten half of the wealth-creating machinery of the society, a vital and important part of our workplaces, yet anonymous in the media, only until intolerable conditions under which they work lead them to cease working, to exercise their fundamental right to strike, whereafter they are seen as the wreckers and spoilers. These workers, too, are, in practice, our country's social security net for the millions of unemployed. Cynthia Gumedze's wages must cover her husband, who is jobless. Her wage must also be used to buy food from the informal sector fellow selling his goods in Umlazi. She must - for no one else at present does - give money to her brother who has been unemployed since leaving school three years ago.

NEDLAC - these are the constituencies you bring together. They come together not because a law was passed which says they will, but because they all feel they can gain more by negotiating, and they all feel they will lose more by not negotiating.

NEDLAC offers the chance to work together on a number of matters where there is a set of common goals. It is also a place where the conflict which does arise in society from time to time - you cannot ban conflict - if such conflict is carefully managed, and resolved where possible.

But for NEDLAC to work requires some real commitments from all constituencies. These commitments can only come after the most extensive discussion and debate in our organisations and in the workplaces of the nation. It cannot be forced through guns and police. It cannot be tricked through clever words in documents. It has to be agreed by an informed, strong constituency.

Agreements are made to be kept. We are waiting for some agreements previously concluded, to be implemented. There is the clothing and textile industry plan. There is the agreed programme of reforms of Customs and Excise. There is the agreement of July 1993, to promote centralised bargaining in industry. Labour is prepared to work hard to ensure that our members implement agreements entered into with our support. We are hopeful that the business caucus equally is able and prepared to carry its members on agreements which we reach. We look forward to government too, to carry out its part of agreements.

We as workers, build on our experience. If we conclude agreements, and they are respected and implemented, we will conclude more agreements and more significant agreements.

An important challenge for NEDLAC is to promote economic growth. We know that we need growth to have more jobs, more resources for redistribution to the poor. However in recent years, it has become fashionable to find simple and simplistic answers to the growth question. Some people have argued, like in the Normative Economic Model of the CEAS, like in the editorials of the Financial Mail and the Business Times, that the simple trick is to deregulate, to let market forces free.

Markets play an important part in the promotion of economic growth. But it is not a god, at whose feet we will humble ourselves. It is a useful tool, often applicable and necessary, but sometimes destructive or ineffectual. We need to use it as an important tool, not as a new dogma or religion. It has weaknesses - in allocating resources for infrastructural development, in promoting social equity in a society where significant market power is controlled by a small section of the population, in dealing with past inequities, in promoting our industrial capacity in a world filled with hungry exporters spotting a lucrative market in democratic South Africa.

For organised labour, NEDLAC is the opportunity to address the ^{many} ~~many~~ problems of our society. I want to draw attention to five such challenges:

First, to ensure reconstruction and development in the country, and on the shop floor. Reconstruction is about jobs. It is about the provision of basic needs such as houses, health care, education and a living wage.

Second, to develop our industrial base, to create more jobs, stimulate production in sectors employing large numbers of people and transform our industries into productive, efficient places of production. We need to do this together with the promotion of social objectives, of social adjustment programmes funded by employers and government to take care of workers who are displaced by restructuring, of social clauses in trade agreements to promote human rights and worker rights throughout the world.

Third, to promote workplace democracy as a means of giving a voice on company level matters to workers, and in this way unleash the creative potential of those who do the work, and up to now, has been excluded from shaping the work.

Fourth, to take forward the struggle for social equity. This means addressing the vast gaps in pay between managers and workers that has done so much to divide the shop floor from the boardrooms. It means dealing with the vast concentration of ownership in a few hands, notwithstanding current efforts to coopt a few black individuals into a power structure which continues to fail ordinary workers and their aspirations.

Fifth, to develop the skills and resources of our people, through workplace training and industry wide training. We should rid ourselves of the view that there is a lost generation in South Africa. All those who were undeveloped by the policies of the past, are eager to develop in the new democracy. We cannot fail them. We need large sums, carefully spent, on a programme to promote basic literacy among all people, as the basic building block of a new human resource development strategy.

These five challenges are important. And there are many other important ones which our negotiators will table at NEDLAC in the next few months. Address them successfully and Jabu Xulu and Cynthia Gumeza will believe they have proper economic citizenship - that the days of slavery are over, and that true freedom has come to our country.

18 FEBRUARY 1995