

- c) That there are better options that the state can employ in dealing with the problem of crime.
- d) The security of citizens is the sole responsibility of the state and should remain that way.

Resolving:

- a) The running, control and management of all correctional facilities must and should remain the sole responsibility of government.
 - b) The privatization of operations and management of prisons must be rejected.
 - c) The already concluded system of correctional facilities by private proprietors must be returned to government.
 - d) Mechanisms and/ or options should be developed on the infrastructure for the shelter and lodging of offenders.
 - e) To engage government to come up with mechanisms to curtail any further private operations of correctional facilities.
-

2.18. Land: NEHAWU & SACTWU

Noting that:

- a) The Freedom Charter says “All land shall be re-divided among those who work it to banish famine and land hunger” and that “the state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers”.
- b) The Constitution obliges the state to take action towards ensuring equitable access to land, security of tenure and the restitution of land rights of the dispossessed and land hungry.
- c) Many acres of unused land are not utilized to full capacity and have been vacant for years. Landscapes such as golf courses are utilized only by an elite group of society, whilst the majority of South Africans are not eligible to enjoy the benefits of the land.
- d) The establishment of a new Ministry for Rural Development and Land Reform and that rural development, food security and land reform are part of the key priorities of government in the current term.
- e) Between 1994 and 2009, only 5.2% of agricultural land (including restitution) has been transferred to the black people and more than 80% of agricultural land remains in the hands of less than 50,000 white farmers and agribusinesses.
- f) The key decisions of the 2005 Land Summit are still not implemented, including replacement of the Extension of Security of Tenure Act (ESTA) and Labour Tenants Act (LTA) with a legislation providing stronger protection for farm-workers and farm-dwellers against on-going evictions.
- g) The delay in finalizing policy and legislation intended to regulate the ownership of land by foreigners.

- h) The majority of the rural-poor live under municipalities with the weakest human, physical infrastructure and financial capacity to effectively make socioeconomic interventions.
- i) The growing concentration of ownership, under-utilisation of vast tracts of land, capital intensity, job-shedding, the casualisation of labour and the monopolistic escalation of food prices.

Believing that:

- a) South Africa belongs to all who live in it.
- b) The Polokwane conference has provided a basis for a shift away from the “willing-buyer-willing-seller” approach, for socioeconomic transformation of the country-side including the empowerment of the poverty-stricken, marginalised and land-hungry mass of women headed-households in the former Bantustan areas.
- c) The resolution of the land question and the socioeconomic transformation of the country-side with regards to both the white commercial agricultural industry and the former Bantustan areas are crucial objectives of the NDR.
- d) Land reform and agrarian transformation must be directed at ensuring sustainable livelihoods for the rural-poor, in particular the empowerment of women.
- e) There is an urgent need for the allocation of additional resources, including technical capacity, in order to ensure that the pace of the land reform is improved and post-settlement support is adequate.
- f) The target to transfer 30% of agricultural land to the historically dispossessed by 2014 is an important milestone that must be met but one that is far from being an adequate basis for the transformation of the country-side.
- g) Government must not distribute publicly owned land to substitute for the expropriation of privately occupied land.

Therefore Resolves to:

- a) Support and work with mass-based land and rural development organisations and SACP in campaigning for the implementation of the key outcomes of the 2005 Land Summit, and to mobilize for the speedy implementation of land reform and socioeconomic transformation of the country-side.
- b) Campaign for:
 - i. the immediate implementation of the decisions of the 2005 Land Summit, including on tenure security and land rights and the “willing-buyer-willing-seller” principle;
 - ii. urgent introduction by the government of the legislation dealing with foreign ownership of land;
 - iii. Government legislation on the expropriation of privately occupied land that is not productively used.
 - iv. the review of the role of the Land Bank, with a view to ensure that it plays a central role in the agrarian transformation in favour of the poor;

- v. review of the post-settlement programme with a view to ensure that the beneficiaries are able to have access to the necessary resources to enable them to successfully live off the land; and
 - vi. A moratorium on all farm evictions because they seek to obstruct, reverse transformation and represent continuity with the deprivation of land rights.
- c) Firm criteria needs to be set for ownership of land. All vacant land to be utilized and secured in order to build houses. Communities needs to be uplifted by providing the necessary recreation facilities and sports grounds.
 - d) Golf courses to be diminished and government is to utilize these vast acres of land in such a way that all societies benefit by having proper housing, sports and recreational facilities for especially for the under privileged and previously disadvantaged communities.

2.19. Public Transport: SATAWU & NUMSA

Noting that:

- a) The development of an adequate public transport system presents opportunities for manufacturing and servicing of buses and rail coaches.
- b) Such development minimises the burden of imports, reduces balance of payments and creates opportunities for sustainable job-creation in the components and aftermarket sectors of the automotive sector.

Therefore Resolve:

- a) To support the development an efficient, safe, affordable and accessible public transport system that would meet the developmental needs of the country
- b) To support the government's Public Transport Strategy adopted in March 2007 which aims to transform the rail, bus and taxi system and implement networks of rail priority corridors and bus rapid transit systems in six of the country's metropolitan areas, in six other cities and in six rural districts by 2014
- c) To campaign against the privatisation of public transport and to persuade the incoming political administration to take immediate steps to nationalise the public transport system of the country.
- d) COSATU agrees to seriously review the bus and coach orders that have been given to foreign companies (including those for 2010 and the BRT system) and engage the authorities on the urgent need to invest and develop local capacities in the manufacture of buses and rail coaches. As a matter of urgency COSATU will meet with municipalities and the national Department of Transport which is the department responsible for procurement of a new fleet of buses and coaches.

Noting

- a) The delivery of affordable, safe and reliable public transport has suffered the same level of failure in the new South Africa as so many other basic services. Despite government's stated commitment to "safe, affordable and seamless" public transport, delivery has remained fragmented and unrelated to the real needs of users.
- b) Delivery has been hampered by inadequate planning and co-ordination between different spheres of government, as well as by the tendency of government to become neutralised by the competing demands of the owners of different modes of public transport.
- c) The shortfall in budget allocations for commuter rail and bus subsidies and the slow progress of taxi capitalisation has reinforced the problems. The shortfall in bus subsidies for 2009/10 alone is R900m, which if not paid will result in major cuts in services and jobs.
- d) The problems are further compounded by the absence of any enforcement of employment conditions and rights in the taxi industry by the Department of Labour and the low level of unionisation of taxi workers, resulting in super exploitation as well as taxi workers being used to further the interests of owners.
- e) As a consequence, the results of South Africa's first National Travel Survey of 50,000 households conducted in 2005 revealed that :-
 - 72% of respondents had problems with public transport
 - 24% said public transport is not available or is too far
 - 19% said that safety is an issue
 - and 19% said it is too expensive
 - In rural areas 62% said that it is not available or too far.
- f) The same Travel Survey showed that in contrast to the target set by government of no household spending more than 10% of income on public transport :-
- g) 32% of households spend more than 10% of household income on public transport
- h) 19% spending more than 20% of household income.
- i) 54% of households that have an income of R500 or less spend more than 20% of income on public transport.

Believing that

- a) Past strategies which assumed that market competition was the solution, have been unsuccessful in meeting our public transport needs
- b) A high degree of regulation, planning and investment in infrastructure by the state is needed before an effective public transport system is possible
- c) Government's introduction of Integrated Transport Planning at local government level, the devolution of licensing of operators to local government, and the scrapping of "life time" permits for taxis and buses is a positive step towards greater planning and regulation
- d) The allocation of additional budget to local authorities for the development of public transport infrastructure to meet the needs of 2010 and beyond is also a very positive step, and that the plans of seven cities to introduce new rapid and frequent public transport on dedicated road lanes with safe and secure bus stations (Bus Rapid Transport or BRT) is to be welcomed. The

incorporation of operators and employees who are currently working the planned routes is also to be welcomed.

- e) The success of the BRT system in Johannesburg for passengers, operators, and employees is critical for future developments in other cities and that the initiative therefore needs to be actively embraced and promoted.

Resolves

- a) To mobilise all COSATU members to voice their interest in safe, affordable, frequent and reliable public transport. To this end, all COSATU Locals will discuss public transport and will also encourage shop stewards to get involved in community based public transport forums. COSATU locals to invite local authorities to present their public transport plans and ideas.
 - o COSATU locals and provinces to build strong Alliances with community based and commuter based organisations to campaign for quality public transport
 - b) To call on local authorities to maximise consultation with all stakeholders, including operators, who are directly affected by any new plans. Operators who are not directly affected must not however expect to be consulted or incorporated into new developments.
 - c) To call upon taxi operators and their associations to think beyond their own interests, and to put the needs of the public first when they respond to public transport developments generally, and the introduction of BRT systems in particular. Threats of violent disruption are not acceptable, and neither is the practice of using drivers to withdraw services.
 - o To campaign for taxi ranks to stop being no go zones for trade union activities by violating the fundamental right to freedom of association given that workers had been assassinated for union association.
 - d) In all COSATU locals to discuss strategies to assist SATAWU in its drive to recruit more taxi workers.
 - e) Nationally as COSATU to put pressure on the Department of Labour to properly enforce the Taxi Sectoral Determination.
 - f) To lobby and campaign, including through NEDLAC, to ensure that public transport is adequately funded, and subsidised where necessary
-

2.20. Buy SA: SACTWU

Noting

- a) That the 2010 World Cup should be predominately an event which promotes local procurement and local jobs.

Therefore Resolve:

- a) COSATU and its affiliates must monitor all government tenders and ensure that it is allocated to local compliant companies.
 - b) Government tenders should have a preferential local content component and legislation to this effect must be introduced as a matter of urgency.
 - c) All organisations (community, trade union, religious, schools etc) should be encouraged to ensure that the promotional clothing and other paraphernalia is locally manufactured.
-

2.21. Basic income Grant Unnumbered: NUMSA

Noting:

- a) Basic needs of the people are still not met by our current Fiscal and Monetary Policies.
- b) The Basic Income Grant (BIG) has not been implemented by Government.

Therefore Resolve:

- a) There must be a research project on the Living Wage and Minimum Standards of Living (MSL) in order to determine the appropriate forms and levels of social wage including Basic Income Grant (BIG).
 - b) BIG should be implemented by our government as a matter of urgency.
 - c) COSATU must intensify efforts and lead an annual campaign to make the public aware of the People's Budget to achieve influence allocation at all levels of Government.
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2.22. BBBEE/EE: NUMSA, NEHAWU & NUMSA

2.22.1. On BEE:

Noting:

- a) That BEE was initially intended to transform the economy and broaden ownership especially benefiting the previously disadvantaged especially the poorest of the poor.
- b) That BEE has created black millionaires who have invested very little in productive capacity.
- c) Conglomerates and white ownership of the industries still in the South African economy.
- d) That the ANC has always identified itself as a revolutionary rather than a reformist movement and current economic reforms through BBBEE won't contribute to serious and fundamental change but will rather entrench inherited distortions.
- e) That the black bourgeoisie benefits on the sweat of workers through BEE companies operating outsourcing and casualisation companies.

Believing:

- a) That BEE has actually benefited a few elites who continue to reap the fruits of a deracialised capitalist system.

- b) That banks are still the majority owners of the majority of BEE enterprises.
- c) Workers have not benefited anything from the current BEE policy
- d) Large chunks of the economy remains in white hands in a very few conglomerates
- e) There are often contradictions between preferential procurement and BEE which more often than not results in corruption.
- f) When government departments give tenders to BEE companies they do not consider whether the product is manufactured locally.
- g) There is a fear of shop stewards becoming “skoppers” in that when a member owes him/her monies how is the shop steward expected to represent him/her in the best interests of the organisation (conflict of interest)
- h) The legacy of our apartheid past and those employers’ are sluggish in implementing Employment Equity Act.
- i) Some employers have done nothing to affirm African workers.
- j) There are still racist remnants amongst management echelons that are imprisoned in the apartheid psyche.
- k) Issues relating to equity for workers, women and workers with disabilities in particular are ignored in many instances.
- l) Training in technical skills is not happening fast enough to redress the imbalances of the past.
- m) As organised labour we have not fully taken advantage of the legislation introduced by government on dealing with employment equity relations practices.
- n) There are some individuals in Labour movement ranks that may be using their roles as shop stewards or organisers to advance their own interests in the context of Employment Equity.

2.22.2. On BEE deals within the factory

Believing:

- a) These days shop stewards are entering into business deals with immediate employers and suppliers
- b) How can we be a shop steward by day and an employer by night?
- c) Capitalism corrupts our shop stewards at the expense of our members

Therefore Resolves:

- a) Deals should be done outside the company premises and should not compromise our members’ situations in respective plants
- b) No shop steward must enter into business deals with employers whilst still a representative of a worker
- c) If a shop steward has an interest in doing so, he/she must relinquish his duties as a shop steward.

Therefore Resolves:

- a) That those who had immensely benefited from BEE should now be excluded.

- b) BEE should be reviewed to address its short-comings taking into account challenges of economic transformation especially the aim of building a strong manufacturing sector and of guaranteeing members' jobs.
- c) Penalty for fronting should be punished through imprisonment and forfeiture.
- d) Department of Trade & Industry capacity to monitor compliance with BEE codes should be enhanced to ensure effective monitoring.
- e) BBBEE should be about spreading resources to historically disadvantaged communities.
- f) To relentlessly wage battles through campaigns against employers to speed up employment equity, including equity for women and workers with disabilities and in this regard expose certain companies like SAA technical and others in different industries which have been slow to transform.
- g) To condemn the failure of companies to comply with the Employment Equity Act, to report those that do not comply and to call their criminalisation by the Department of Labour and effect measurable fines and penalties thereof.
- h) *[To empower shop stewards and organisers educationally so that they are equipped to participate fully in Employment Equity processes, including monitoring implementation of employment equity at workplace.*
- i) *To develop engagement on employment equity at company level to ensure a common approach.]*
- j) To refuse to rubber stamp the Employment Equity reports and plans that are not consulted and verified with the unions.
- k) To adopt a zero tolerance position on racist managers and to expose all racist tendencies and individuals.
- l) To demand accelerated training of Black workers, especially in technical skills. To this end all employers must increase their spending on training to a minimum of 5% of wage bill, in line with the Transport BBBEE Charter.
- m) To safeguard the interests of labour movement and members against officials and shop stewards whose motivation in representing workers is only to advance their own personal interests in the context of BBBEE and especially Employment Equity

2.23. Labour rights: SATAWU & NUM

Noting

- a) That despite the limitations of the law, the Labour Court has played a significant role in establishing and protecting workers' rights
- b) That the draft legislation (the Superior Courts Bill) which seeks to change the architecture of the South African courts includes the abolition of the Labour Court and their absorption into the Provincially based High Courts

- c) That the abolition of specialist courts, including labour courts, runs contrary to modern international practice
- d) That at the ANC Policy Conference and 52nd ANC National Conference in 2007 it was decided that the issue be discussed at the Alliance level noting COSATU's disagreement

Believing

- a) That the strength of the Labour Courts lies in their national jurisdiction, their accessibility to workers and unions, and the fact that Labour Court judges are specialists in the field
- b) That the absorption of the Labour Courts into the High Courts system will take away all of these conditions, will remove the right of trade union officials to appear in cases, and will render workers vulnerable to class prejudice and discrimination
- c) Furthermore that the absence of national jurisdiction will create a multiplicity of legal rights and precedents, which will be impossible to track and enforce, and which will encourage a divide and rule environment
- d) That the absence of national jurisdiction will escalate legal costs for unions to a point where use of the Courts for labour matters will be impossible
- e) And that all of the above will render the Labour Relations Act meaningless to workers and trade unions

Therefore resolves:

- a) To urgently educate members on the dangers of the abolition of the Labour Courts
 - b) To engage our Alliance partners to enlist the support in opposing the abolition of the Labour Courts
 - c) To mobilise against the abolition of the Labour Courts, with a view to persuading the Minister of Justice and parliament to amend the Bill
 - d) And if necessary, to escalate such mobilisation to a General Strike in terms of Section 77 of the Labour Relations Act
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2.24. Enforcement of rights by the Department of Labour: SATAWU

Noting

- a) That despite the great strides made for workers who are covered by collective agreements, there remain large numbers of workers whose rights are enshrined only in Sectoral Determinations
- b) That COSATU affiliates have managed to improve on the conditions contained in Sectoral Determinations through rigorous representation to the Employment Conditions Commission
- c) That the conditions contained in most Sectoral Determinations are largely and deliberately ignored by employers, including in the following sectors :- taxi, commercial and catering, hospitality, contract cleaning, and contract security
- d) That the Department of Labour Inspectorate pays virtually no attention to inspection and enforcement of Sectoral Determination conditions, and that employers get away with breaking the law without any punishment
- e) That there are lessons to be learnt from Brazil, where a clampdown on employers who were non compliant with minimum wages, as part of an "anti slavery drive" by the Lula government, has been a successful intervention in lifting significant numbers of workers out of poverty.

Believing

- a) That the absence of compliance and law enforcement of the provisions of Sectoral Determinations makes a mockery of the law and as a result employers know they can get away with impunity

Therefore Resolves

- a) To run a mass campaign, per relevant sector, on the rights contained in the Sectoral Determinations in an effort to empower workers to assert their rights via their trade unions
 - b) To demand that the Department of Labour employs more and better trained Labour Inspectors to enforce compliance
 - c) To demand further that the Department of Labour be obliged to report annually per sector on its inspections and prosecutions in relation to non compliance with the Sectoral Determinations
 - d) To campaign for a change in the law so that the penalties for non compliance with the Sectoral Determinations as well as the Basic Conditions of Employment Act are drastically increased including prosecution
 - e) To co-ordinate these activities through a reinvigorated COSATU Living Wage Campaign structure involving all affiliates to build more strategic and coherent solidarity among affiliates organizing vulnerable workers
-

2.25. On exploitative forms of employment: SATAWU

Noting

- a) That by exercising their organized power, COSATU affiliates have and made great strides in improving the wages and working conditions of workers through collective bargaining
- b) That in response to this collective success, employers are increasingly seeking ways of ensuring that workers' conditions are not governed by any collective agreement, or are reduced
- c) That such exploitative forms of individualized employment include
 - o Fixed term contract employment
 - o Third party employment through a Labour Broker
 - o Casual employment
 - o Outsourcing

Believing:-

- a) That such employment practices are designed to keep workers in bondage by undermining the collective power of trade unions
- b) And are contrary to policy adopted by our Alliance Partner, the African National Congress, at its 2007 Polokwane Conference given the centrality of Decent work underpinning our strategy to fight poverty and unemployment
- c) That the argument that such "flexibility creates jobs" is fallacy in that these employment practices simply transfer the employment contract

Therefore resolves to campaign vigorously for:

- a) All fixed term contract workers to be employed on a permanent basis, with the only exception being where there is a genuine case for a fixed "season" of employment

- b) Where this fails, for fixed term contract workers to be covered by all collective agreements that cover permanent workers in a workplace until they become permanently employed
 - c) The outlawing of all third party employment through a Labour Broker
 - d) For the rigorous application and enforcement of the Basic Conditions of Employment Act which limits the rights of employers to employ on a casual basis
 - e) To put an end to the endless cycle of outsourcing which sees workers' rights diminished
 - f) To co-ordinate such a campaign as part of COSATU's Living Wage Campaign and develop a more coherent and strategic approach to stop such exploitative forms of employment.
 - g) To put the necessary time and human and financial resources into the campaign to make success a reality
 - h) And to back up the campaign with appropriate legal and negotiating strategies, including negotiating legislative changes at Nedlac.
-

2.26. LRA: (NUM)

Noting:

- a) The CCMA commissioners and Labour Court are not empowered by the LRA to order the payment of outstanding remuneration when they re-instate an employee or when they award compensation.
- b) This also result in frustration and disgruntlement on the part of members since in certain cases it amounts to many years wasted, as the matter might first go on review or the union may first have to apply to the Labour Court in terms of section 158 (i) (c) to make the award an order of court.
- c) Currently an employee has to approach a civil court separately with a claim for outstanding wages; The provision of legal representation for members is essentially to protect and defend members against exploitation, discrimination, and unfair dismissal .This is critical for COSATU and its affiliates to defend their members
- d) The adoption of the LRA of 1996 was widely and rightly welcomed by organized labour including the 1996 South African Constitution. And these are milestones defining the progressive struggles waged by workers under the burner of COSATU to advance justice and fairness at the shop floor and in industrial relations,
- e) A part from other groundbreaking benchmark provisions introduced by the LRA, such as the protection and promotion of unionism and collective bargaining, one of the hallmarks of the LRA is the primary importance that it accords to the efficient, prompt and expeditious resolution of labour disputes. This is stated as such in inter-alia section 1(a) (IV) of the LRA.
- f) The principles of expediency and efficiency have also been confirmed and adopted in many decision of the highest courts in labour matters, including Constitutional Court, Labour Appeal Court, Labour Court and even CCMA.
- g) These principles seek to ensure that members of the union are not frustrated by those in positions of power or those with free reign in accessing financial resources thereby protracting disputes as a tactic to weaken opponent to the point where workers become frustrated and lose faith in the system all together.

- h) Workers in some instances may do so out of distrust to their legal representatives in their own union or legal representatives caused by the lack of expediency and or effectiveness of the system, thus playing in the hands of capitalists and other unscrupulous employers. Labour Court proceeding is unfortunately not as expeditious as those of the CCMA. In one sense this is understandable as the Labour Court has the status of a high court which generally takes longer in the finalization of cases.

Believing:

- a) Both the CCMA and the labour court should not only have the power of re-instatement and of awarding costs, but also the power to order the payment of outstanding wages.
- b) This should happen in the same process as the dismissal dispute. Currently an employee has to approach a civil court separately with a claim for outstanding wages.
- c) A delay in concluding the proceedings expeditiously in the labour court affects the worker negatively.
- d) In instances where an application for review has been lodged, the situation becomes more pathetic for the affected member.
- e) Employers use delays as the tactic against the workers and not as part of ascertaining fairness process,
- f) This was not the intention when the LRA was adopted. Justice delayed is justice denied. Very often employers utilize the proceedings of the Labour Court simply to delay and thus deny justice.
- g) The Labour Court has a responsibility to advance and promote fairness by concluding matters within reasonable time;
- h) Employers frustrate attempts to expedite these processes, namely:
 - i) Correspondences are simply ignored in spite of their urgency;
 - j) Non compliance with directives compelling the employer s through their representatives to provide affidavits, heads of arguments, indexes
 - k) Ignoring the Registrar's office for written submissions particularly in instances where the employer who has lost a CCMA case and resultantly opts for review .which frustrates workers who would ultimately give up and settle for pittance ;
 - l) This scenario contributes to escalation of legal costs and demoralization of members who are vulnerable thus insists on constant legal council to expedite the process.

Therefore resolves that:

- a) Section 193 of the LRA be amended by adding a subsection 193 (d) to effect that the CCMA/the Labour Court, when considering an unfair dismissal/unfair labour practice dispute be empowered to order settlement of outstanding salary/salaries due to the affected employee/s obviously depending on the outcome of the dispute of unfair dismissal/labour practice dispute.
- b) The imperative to conclude legal matters expeditiously is paramount for a fair process in dispute resolution

- c) institutions such as Bargaining Council ,CCMA and Labour Court characterized by the competency to mediate /resolve labour or related matters as envisaged by the LRA should be intrinsic in their functions,
 - d) COSATU should seek intervention to amend the LRA to include enforcement clauses and benchmarks relating to define minimum and maximum periods for cases to be fianlised by the Labour Court. Campaign against the limitations on the right to strike through protests and legal challenges amongst others
 - e) COSATU should fight for the deletion of sect 67 (5) of the LRA and to amend Sections 64 (4) and 64 (5).
-

2.27. Retrenchment and the MPRDA: (NUM)

Noting:

- a) The MPRDA has been passed into a law.
- b) Section 52 of this Act makes provision on the procedural measures to be put in place before the ultimate retrenchment.
- c) Section 101 of the MPRDA provides a definition on the “Employee” which includes the employees of the sub-contractor as the employees of the Main Employer.
- d) Section 189 of the LRA is always used as a guide during retrenchments.
- e) Reading from experiences it appears that some instances during retrenchments companies tend to give workers notices of s189/189a thereby immediately issue out notices to retrench after 60 days
- f) There exists a grey area between the two Acts, in as far as the definition of the “Employee”.
- g) Employers take the advantage of this grey area in which the CCMA does not have clear jurisdiction over the MPRDA.

Therefore resolves that:

- a) Unavoidable retrenchments should be governed by both the relevant sections of the two Acts in particular, sections 52 and 101 of the MPRDA and section 189 of the LRA.
- b) At the time such retrenchments, the definition of “Employee” as per the MPRDA Should assume primacy in guiding the process;
- c) The CCMA should have jurisdiction to facilitate and mediate in the retrenchment processes using the sections of both Acts as mentioned above.
- d) The Social and Labour Plan as advocated in the MPRDA, section 85 (3) (c) must be in place and not to wait and only talk about it at the time of final retrenchment.
- e) COSATU must engage government for amendment of the current NUM s189 and/or s189A about consultation, and that the Severance Pay must not be less than four weeks.
- f) In matters of disputes around retrenchment the Minister of Labour should have powers to intervene pre-emptively on the matters before the Labour Court could hear and ascertain the

reasons thereof. Particularly with the referrals /notification to the minerals and mining development board pertaining to section 52(1) (a) of the Act.

2.28. Unemployment Insurance Fund: (NUM)

Noting:

- a) It is by law that workers who are the Citizens of South Africa contribute into the UIF.
- b) That only the spouse has the right to lodge application to the fund in case the husband or the wife passes on.
- c) That the other beneficiaries who are registered as direct dependents of the father or the mother do not have the right to lodge applications in a similar manner as in second bullet point above.

Resolves:

- a) That the Unemployment Insurance Fund Act is amended to accommodate applications by other registered beneficiaries.
-

2.29. Retrenchment: (NUMSA)

Noting:

- a) Power relations between employer and employee in dealing with VSP in exclusion of trade union in bargaining is an ideological power play by the Capital which undermines the intention of Sect.189 and Sect.189A
- b) Employers have tried to circumvent law to pursue their own self interest
- c) Affiliates are often not able to defend workers from the onslaught of retrenchments

Therefore Resolve:

- a) Severance pay must be an issue of bargaining
 - b) COSATU at NEDLAC to push for amendment of Sect.189 and Sect. 189A to include VSP
-

2.30. Farm workers and farm dwellers: (FAWU) & (NUMSA)

Noting

- a) After 15 years of democracy farm workers are still subjected to physical attack and abuse by farmers which have led to loss of lives and left some of the workers completely paralysed.
- b) When these workers call for help from the police, farmers seem to have power to interfere with the police services.
- c) Brutal eviction of farm workers continues who know no other place than the farms.
- d) Super-exploitation of farm workers by the farmers.

- e) The ninth COSATU national congress resolution and its incomplete implementation as well as progress on many aspects, including publicity and media coverage.
- f) The ANC Limpopo national conference resolutions, the ANC's 2009 election manifesto, the February 2009 State of the Nation address, the Finance Minister's Budget Speech and Government's Medium Term Strategic Framework (2009-2014).

Believing:

- a) Any physical attack or abuse on any worker is crime.
- b) Any eviction without giving shelter is a criminal offence
- c) The plight of Farm Dwellers (inclusive of workers) remains extremely disturbing, from their terrible working conditions to horrible living conditions to rampant human rights violations.
- d) Rural Development and other Government Policies may not deal with their plight, as things stand now.

Therefore Resolve:

- a) To call for a mini-Alliance Summit on the Plight of Farm Dwellers preceded by an internal COSATU position-making workshop.
 - b) The resolutions of such a summit would be the basis for government policy and laws in addressing the plight of farm dwellers.
 - c) Farmers that continue to physically attack workers must be prosecuted and their farm must be taken away.
 - d) Police must act vigorously when called to rescue farm workers from the grip of the farmers.
 - e) Farmers that continue to evict workers must be prosecuted.
 - f) Farm workers Union (FAWU) must work tirelessly in making sure that all workers are organised so that they can be able to liberate themselves from super-exploitation.
 - g) Sectoral police head should be called to account on what he is doing with current brutality and violation of workers' rights on farms.
 - h) Farm workers who have resided on a farm for more than 5 years must own a piece of the farm.
-

2.31. Labour Brokers: (NUM), (FAWU), (CEPPWAWU) & (SAMWU)

Noting:

- a) Casualisation in all industries is at unacceptable proportions, and impact negatively on the quality jobs and/ or permanent jobs.
- b) That outsourcing, contracting out of permanent jobs and the introduction of Labour Brokers to the Labour market has led to the exploitation of workers. Conditions facing workers employed through the Labour Brokers are very squalid.

- c) The purpose of engaging Labour Brokers, in the main, is to blockade workers from enjoying and fighting for benefits that the client company (main contractor) should provide or is providing.
- d) Labour Broker divides workers who work for the same company thus doing damage to organization of workers.
- e) The initiative taken by the Minister of Labour in taking a lead in redrafting the legislation to outlaw the Labour Brokers practice
- f) The 2007 ANC Polokwane national conference resolutions and the 2009 ANC Manifesto
- g) More and more employers are resorting to the use of labour brokers to satisfy their staffing requirements.
- h) Most of the workers engaged via labour brokers are not unionized.
- i) Labour broking is regarded as a legitimate activity by the legislation.
- j) The legislation defines the labour brokers as the employers of workers they provide to a client.
- k) These workers are subjected to inferior conditions of employment while they earn meagre salaries and no form of job security.
- l) Women workers are especially subject to exploitation by casualisation and short term contracts that are essential areas of profiteering by labour brokers.
- m) While the ANC promised in its election manifesto that there will be decent work and that labour brokers would be banned, Government in the post election period is adopting a softer approach to labour broking by seeking to regulate this activity as opposed to the outright banning of labour broking as trumpeted by the Minister of Labour, prior to the elections.
- n) The Namibian High Court has upheld the amendments to labour legislation in that country which outlaws labour broking by declaring it akin to slavery.

Believing that:

- a) Companies must employ workers directly without involving go-between in the form of Labour Brokers.
- b) The Labour movement should guard and jealously defend the hegemony of worker unity and gains made in the bloody struggles of yester year.
- c) The Minister of Labour attack on the Labour Brokers is in line with the ANC election manifesto
- d) That decent work is cornerstone of the overall development trajectory of government.
- e) That decent work will contribute to the reduction of poverty and income inequalities and creation of more employment.

Therefore Resolve:

- (a) To call for the stringent regulation, if not outright outlawing, of the labour brokers industry and practices.

- (b) To call for the amendment of the LRA to make outsourcing an issue of interest, such that strikes are allowed in case of disputes.
 - (c) Campaign against the limitations on the right to strike through protests and legal challenges amongst others
 - (d) COSATU should fight for the deletion of sect 67 (5) of the LRA
 - (e) Amend Sect 64 (4) and 64 (5).
 - (f) Labour Brokers to be banned from all our industries.
 - (g) That all temporary, contract and casual jobs must be converted to permanent quality.
 - (h) To fully support the Minister of Labour's initiative.
 - (i) COSATU should spearhead a campaign to convert all temporary/casual jobs into permanent quality jobs.
 - (j) At a political level through the Alliance and bilateral with the ANC should be held directly responsible for ensuring that the government takes the necessary steps to create quality jobs and decent work through amongst others, the banning of labour brokers.
 - (k) Should government fail to outlaw labour broking by the end of 2010, COSATU must embark on a section 77 campaign to ensure that our objective of doing away with labour brokers is taken forward.
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2.32. Ratification of all ILO conventions (FAWU)

Noting

- (a) The South African government has still not ratified several ILO conventions and recommendations (instruments).
- (b) That SA's three social partners have been members of the ILO governing body for several years.

Believing

- (a) That our country has been a democracy for more than 15 years, since the April 1994 breakthrough.
- (b) That our country is held in high regard on the labour legislation front.

Therefore Resolve:

- a) To call on government to ratify all the ILO conventions and/or recommendations (instruments) that it has not ratified as yet.
 - b) That in doing so, it makes it explicit that where our laws are more favourable, then these laws will take precedence.
-

2.33. Plight of fishers and labour laws: (FAWU)

Noting

- a) That the sea-going fishing sector workers (fishers) are not covered effectively by existing pieces of labour legislation.
- b) The ILO Fishing Workers Convention (C188) and recommendation of 2007.

Believing

- a) That working and living conditions for fishers are reminiscent of slavery.
- b) That the sea-going fishing sector is a hazardous industry.

Therefore Resolve:

- a) To call for the amendments to the Merchant Shipping Act to be revised such that fishers are covered by labour laws.
 - b) To call for the introduction of a Sectoral Determination for Fishing Workers in terms of the Basic Conditions of Employment Act, with provision of minimum wages.
 - c) To call on government to ratify the ILO Fishing Workers Convention instrument.
 - d) To call for the extension of all labour laws to cover fishers.
-

2.34. Non-trading public holidays: (SACCAWU)

Noting

- a) During the struggle against Apartheid for Political Freedom and Social Emancipation we, on different occasions lost some of our gallant freedom fighters through massacres as well as made certain advances,
- b) The struggles for recognition of many commemoration days as Public Holidays were but some of these advances,
- c) Since 1994 all commemoration days are treated by Capital as ordinary holidays thus trading and provide double pay, with many poorly paid workers falling into this trap whose long term might have a negative bearing to our own history and legacy.
- d) Our calendar of Public Holidays is regulated by the Public Holidays Act of 1994.
- e) The Public Holidays Act does not say anything on trading on Public Holidays besides reference to non-business days for bills of exchanges and promissory notes.
- f) Whilst further Public Holidays are declared on various Governmental Election days from time to time, some employers and retailers in particular continue with normal trading on such days. This reactionary practice denies the workers affected in affected industries the right to vote since most African workers in particular reside miles away from their workplaces.
- g) Whenever Elections days are pronounced as Public Holidays, the State President falls short of announcing / calling for such holidays to be Non-Trading Public Holidays at the expense of the Right to Vote being pitted and subordinated against the capitalist greed coated and masqueraded as the right to trade.
- h) Failure to declare the Elections days Non-Trading Public Holiday result in vulnerable workers being subjected to the Employers' whims to either cause such workers' inability to vote as some are expected to work until late at which time they find the voting stations closed, whilst

for some employers such action is politically motivated; given the political affiliation and allegiance of some workers, so as to deprive their Political Parties such valuable contribution and potential overwhelming majority victory.

- i) Our calendar of Public holidays include the following days, which are associated with the history of our struggle:
 - Human Rights Day, formerly known as Sharpeville Day
 - Freedom Day
 - Workers' Day, commonly known as May Day
 - Youth Day
 - National Women's Day
 - Day of Reconciliation
 - The Services Sector in general and retailers in particular trade on all Public Holidays listed above.
 - In some instances workers get dismissed for not working on these Holidays and at times ridiculed by some unrepentant employers to go and complain to their (workers') President (in reference to the State President).

Believing

- a) Without those struggles March 21, May 1, June 16, August 9 and eventually April 27, now known as Freedom Day, these days would remain insignificant without due recognition.
- b) Trading on Holidays associated with our struggles is a direct insult to our revolution and those who sacrificed their lives for the achievement of the objectives of the National Democratic Revolution.
- c) Other than just public Holidays, including to some extent the heritage days, these days are of enormous significance and as such historical commemoration days to which the entire nation one way or the other relates.
- d) Political commemoration days that are declared Public Holidays are very crucial and important in retaining historical memory of our struggle and equally serve as educational to the New-Generation; hence trading on such holidays therefore negates this noble objective.

Resolves

- a) To campaign for the amendment of the Public Holidays Act to declare the following Public Holidays as NON-TRADING PUBLIC HOLIDAYS.
 - i) The 21st of march
 - ii) The 27th of April
 - iii) The 16th of June
 - iv) The 1st of May
 - v) The 9th of August
 - vi) The 16th of December

- vii) Any other day declared to be Government General Elections day (Local, Provincial and National Government elections.)
 - b) There be a Presidential Declaration to the effect that all the above-cited Commemoration Days be non-trading Public Holidays, thus allowing all and sundry the space to reflect on and commemorate these days, without fear of losing employment or enticed to betray the Revolution through meagre double pay.
 - c) The Presidential Declaration should further declare all Public holidays declared as a result of various Governmental Elections non-trading holidays.
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2.35. Advancing the decent work agenda: (SACCAWU)

Noting:

- (a) The medium term vision of the federation; the 2015 Plan; places the defence and creation of quality jobs firmly on the federation's agenda, in line with commitments of the Freedom Charter and the RDP to ensuring work for all,
- (b) The 9th National Congress resolved that the jobs and poverty campaign should be the centrepiece of COSATU and affiliate campaigns in the three years ahead;
- (c) The federation and affiliates have waged a number of campaigns that seek to advance the objectives of the Jobs and Poverty campaign;
- (d) Decent work is one of the main elements of the ANC's election manifesto;
- (e) The issue of abusive and exploitative labour brokers has already been placed on the National Agenda through parliamentary processes as well as engagements at NEDLAC.
- (f) The rise in atypical and/or non-standard forms of employment over the past decade;
- (g) We have concluded that the first decade of our Freedom had disproportionately benefited the super-rich hence the need to ensure that the second decade of freedom benefits workers and the poor in economic terms;
- (h) We have not yet fully realised the objectives of the jobs and poverty campaign;
- (i) Whilst the 9th National Congress had debated the inclusion of the right to work in the constitution it did not necessarily adopt such resolution whilst there was no principled objection to same.

Believing

- (a) Whilst the legacy of Apartheid-Capitalism is responsible for abject poverty and vast inequalities confronting our nation; the politics of the 1996 Class Project are responsible for lack of progress and effectively confronting this challenge;
- (b) The strategic defeat of the 1996 Class Project in Polokwane in December 2007 has created a more favourable climate for confronting challenges of unemployment poverty and inequality;
- (c) The need to translate all elements of the ANC's election manifesto into concrete gains for ordinary workers and the poor cannot be over-emphasised;

- (d) The capitalist greed for profit is responsible for lack of progress in driving the decent work agenda;
- (e) Labour brokerage amounts to human trafficking and modern slavery;
- (f) Whilst it is still early days in engagements over labour brokerage the bosses have demonstrated their reluctance in acceding to our demands without a fight;
- (g) Notwithstanding the Polokwane breakthrough workers and the poor should continue mobilising in support of their demands;
- (h) The inclusion of the right to work in the constitution of the land will go a long way in strengthening our fight for decent work.

Therefore Resolve:

- (a) To intensify the campaign for decent work which should include job retention and creation of quality jobs;
 - (b) Such campaign MUST include the progression of casual work to permanent or fulltime work in phases, with the intent of completely eradicating casual work and converting all registered casuals to fulltime workers in the context of the commitment of creating 500 000 jobs made by the State President as well as elimination of the need for Labour Brokers supply.
 - (c) To reaffirm the 9th National Congress resolution on the Jobs and Poverty Campaign;
 - (d) To aggressively campaign for the inclusion of the right to work in the constitution of the land;
 - (e) To aggressively campaign for the banning of labour brokers and in this context we will mobilise our mass base for the success of this life and death struggle;
 - (f) To ensure that the campaign for decent work is not only limited to a fight against Labour brokers but extends to all non-standard forms of employment like casualisation; part-time work and outsourcing;
 - (g) To mandate the CEC to ensure that aggressive organising of workers in atypical forms of employment is a central pillar of our fight for decent work;
 - (h) To further mandate structures at all levels to ensure that the fight for decent work is driven by the Alliance at all levels;
 - (i) To further ensure that the federation coordinates all affiliate campaigns for decent work.
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2.36. Impact of the property clause on the right to picket: (SACCAWU)

Noting

- (a) The Property Clause is entrenched in the country's Constitution
- (b) The right to strike and picket is enshrined in the Labour Relations Act and the Bill of rights
- (c) The Bill of Rights provides for the limitation of rights and specifically states that:

- (d) "The Rights in the Bill of Rights maybe limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society based on human dignity, equality and freedom, taking into account all relevant factors, including;
 - the nature of the right
 - the importance of the purpose of the limitation
 - the nature and extent of the limitation
 - the relation between the limitation and its purpose; and
 - Less restrictive means to achieve the purpose.
- (e) SACCAWU has since insisted on the need to picket inside the premises of the employer given that workers in shopping malls have been effectively denied the right to picket, in many instances out of collaboration between the employers and Mall owners with Mall owners using the Property Clause reserved rights of ownership to interdict workers whilst not a Party to the dispute(s)
- (f) Various CCMA commissioners have since imposed conflicting picketing rules, in that whilst some have granted permission for picketing inside the premises of the employer others have arrogantly refused to grant such permission, notwithstanding the Code of Good Practice providing for such access and the attitude by Mall managers prohibiting any action other than inside the affected workplace/ tenant premises.
- (g) Retailers and property owners often run to the Labour Court seeking orders that compel workers to picket 500 metres away from their establishments
- (h) Orders granted in line with 1 above are viewed by some white and some conservative/reactionary members of the police force, who act like the running dogs of white monopoly capital, as a license to harass, intimidate, assault and arrest workers
- (i) Some unrepentant judges of the Labour Court do not even appreciate the challenges facing workers who elect to exercise the right to picket
- (j) Court Orders are often accompanied by huge legal costs which have the potential of rendering Unions insolvent.

Believing

- (a) The property clause in the Bill of right is an impediment on the ability of workers to exercise their right to picket,
 - (b) Whilst strike action is a universal weapon of the labour movement there can be no effective strike without the right to picket.
-

2.37. Strategies and Publicity /Media coverage (NUMSA)

Noting:

- (a) COSATU and affiliates have held a number of successful campaigns but there are weaknesses in publicizing such campaigns

- (b) The experiences and stories around these campaigns are not being recorded and shared
- (c) The bourgeois media is biased against our struggles and campaigns as little is covered and at times only if there are incidents which is of their interest

Therefore Resolves:

- (a) COSATU to create a stronger linkage between campaigns, education and publicity in order to deepen educational impact of campaigns
- (b) Create stronger linkage between campaigns and international work
- (c) COSATU media desk to play an important role in effective coordination media desk of affiliates and provide capacity
- (d) COSATU to sign with all media houses a percentage on labour issues that will be aired at prime time and in general time
- (e) COSATU affiliates to partner with community radio stations and intensify involvement including occupying strategic seats on their boards.
- (f) Regional/provincial office bearers to be empowered to write.
- (g) The media department to release information about when NOBs will participate in debates
- (h) COSATU media department to develop a writer's data base of all affiliates.
- (i) Affiliates to train shop stewards as action researchers to conduct interviews and observation analysis during campaigns
- (j) We extend the collection of experience to other issues like "life post retrenchments" and other experiences by workers.

2.38. Energy: (CEPPWAWU) & (NUM)

Noting

- (a) Fuel is arguably the most sought after commodity in a modern industrial economy and has a major influence on an economy such as that of South Africa
- (b) The importance of fuel in our country today is such that it remains the most important to the people live of ordinary people in our country.
- (c) The current fuel prices remain high
- (d) The rise in the cost of fuel has had an impact in many areas of our economy.
- (e) Higher food prices, costs of heating, and transportation have had the largest affect on the average on the workers and the poor.
- (f) The Fuel Price Hike takes effect at the time when the National Energy Regulator of South Africa (NERSA), has just approved 31, 1% of Eskom electricity tariff increases

- (g) South Africa produces about 40% of our fuel through SASOL, we are still being charged for oil and petrol at the international price.
- (h) SASOL shareholders reap billions in profits while workers remain continues to be living below poverty line.
- (i) Sasol produces about 4 500 barrels of oil per day, which is about 23% of the country's liquid fuel requirements.
- (j) Sasol is allowed to practice import parity pricing.

Believing:

- (a) Fuel Price hike are unjustifiable
- (b) Fuel prices have a huge negative impact on transport costs and access to basic necessities like paraffin, on which many of our people rely as a source of energy.
- (c) The interests of the workers and the poor are not taken into consideration when reaching a decision on Fuel Price increases
- (d) Stakeholders who include are not consultant when such decision is taken.
- (e) SASOL's approach is not in line with the 1998 Energy White paper

Therefore Resolves

- (a) Organised labour and civil society to take stronger responsibility to be actively involved in energy policy matters.
- (b) The government must take a lead in promoting a more collective approach to short and long-term and solutions to energy issues rather than individualism that has been practiced over the years
- (c) To underline the importance of national energy policy debates that would take into account the concerns of the different stakeholders, and break the monopoly of access to government held by corporate and other large users of electricity
- (d) Immediate nationalisation of SASOL.
- (e) The state with its social partners must continue to enhance issues which contribute to the stability and growth of the sector such as Research & Development and technology innovation,
- (f) This must ensure that growth in the sector is mirrored by key elements of social and economic justice to benefit all the people of South Africa.
- (g) The campaign to re-nationalise Sasol, along with other strategic companies such as Arcelor Mittal, Denel, Telkom, Eskom, SARB must be intensified through mass action.
- (h) Use state intervention to create a platform for diversification.
- (i) Use Coega to deliver infrastructure e.g. railway lines etc
- (j) Outlaw import parity pricing in South Africa generally and make Sasol's oil in particular available to South Africa at a reasonable price.
- (k) Reduce the tax burden on fuel. At present 27.9% of the pump price of fuel is direct taxation via the fuel levy, however the total tax burden in the price of fuel is 40% once customs duties and other changes are included.

- (l) Government must lead a drive to convert to renewable sources of energy, such as solar panels.
-

2.39. Electricity Restructuring: (SAMWU)

Noting that:

- (a) Eskom has, since 2001 been marked by the neo-liberal restructuring models that were imposed to turn it into a shareholding company and to open up space for the entry of Independent Power Producers (IPP).
- (b) As COSATU we have consistently opposed such privatisation.
- (c) The distribution of electricity to domestic, commercial and small industry users has historically been the domain of local government.
- (d) Electricity is part of a package of services including water and sanitation, waste removal, roads and storm water and the development and planning of housing estates and other community amenities that make up the essence of the integrated development of sustainable human settlements under democratic participatory control set out in the Municipal Systems Act.
- (e) COSATU has previously rejected that current form of restructuring of the electricity distribution sector.
- (f) It is correct that there is a need for rationalisation within wider reticulation areas, to introduce cross-subsidisation between local areas, to take advantage of economies of scale and to rationalise domestic tariffs.
- (g) The greatest inequality in tariffs however is between the larger industrial, mining and commercial users on the one hand and domestic users on the other.
- (h) Government has introduced the 17th Constitution Amendment Bill primarily aimed at forcing through the establishment of Regional Electricity Distributors.

Believing that:

- a) The rationalisation of the local government distribution sector has been retarded rather than being advanced as a result of the imposition from above of the same neo-liberal grand plan and its so-called Regional Electricity Distributors.

Therefore Resolve:

- (a) The work of rationalising electricity must be undertaken by local government using the existing legislation like the Municipal Systems Act which calls for wide-ranging participation in deciding on appropriate service delivery mechanisms, including the option of multi-jurisdictional local government entities.
 - (b) It is completely unnecessary to seek to amend the Constitution as is currently intended.
 - (c) Government must take steps to reverse the commercialisation of Eskom to bring it under tighter state control.
-

2.40. Xenophobia: (SAMWU)

Noting:

- a) Xenophobic attacks continue to blight our democracy and generate unacceptable insecurities in many communities.
- b) There has not been a single conviction for a serious offence (for example rape, murder or assault) arising from the 2008 attacks that took place when no less than 62 innocent people lost their lives.
- c) Compelling evidence has emerged of an increase in 'institutionalised xenophobia' for example through inhumane treatment, harassment and corruption suffered by immigrant workers at the hands of Home Affairs and other authorities.
- d) The increasing role that private companies are playing in the detention of immigrants and the profits they make from the misery of the 'repatriation industry'.
- e) The media and police attacks that have been made on those who provide emergency shelter for immigrants such as those on the Methodist Centre in Johannesburg and elsewhere.
- f) The existence of progressive union policies on xenophobia, coupled with positive interventions by some unions to counter xenophobia, but the lack of any central, coordinated and consistent campaign.

Therefore Resolve:

- a) COSATU must organise a broad based conference on Xenophobia early in 2010 to develop an on-going campaign against xenophobia that will involve all unions, immigrant organisations, social movements, and others.
 - b) We ensure that the campaign works towards the elimination of xenophobia in all of its forms and including harassment, corruption, misrepresentation, exploitation and exclusion.
 - c) All unions are urged to include xenophobia and the threat it poses for the working class in union education programmes and in union publications.
 - d) Unions who organise workers in Home Affairs and the Police and Immigration Departments must not condone or unconsciously act in any way which is xenophobic, and must be supported to address these issues more broadly within their unions.
 - e) Government be engaged to develop and put in place, a progressive and humane immigration policy that reflects the realities of our continent and which is based on working class internationalism and solidarity.
 - f) Government must work for regional and continental development so that workers are not forced by economic necessity to migrate in order to support their families and communities. Furthermore to see immigration not as a "problem" but as opportunity to address regional co-operation.
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2.41. Legalization of sex workers industry: POPCRU

Noting that:

- a) According to the laws of the country, any form of prostitution is prohibited.
- b) There is a practice of sex workers increasing at an alarming pace within the country.
- c) The practice is done illegally and there are all forms of abuse.
- d) The practice is not monitored; it is health risk and thus results in the rise of all sorts of sexually transmitted illnesses.
- e) Those involved in human trafficking hide behind the unregulated industry and actively participate in organized crime.

Believing that:

- a) The Sexually Transmitted Diseases [including HIV/ AIDS] are alarmingly high among women in prostitution.
- b) Regulating the industry for the sex workers will cut crime and protect sex workers from assault and rape because they could report crimes without fear of being arrested.
- c) Sexually transmitted diseases be reduced and the country will be saved some expenditure currently spent on prosecuting prostitution.
- d) Regulating will free needed police resources to prosecute violent crimes.
- e) The regulation of the industry will bring about dividends for the country's economy and healthy status for the sex workers.

Therefore Resolve that:

- a) The industry for the sex workers must be synchronized and regulated.
 - b) The industry should be able subjected to stricter health conditions.
 - c) Part of the regulation should entail the taxing of the industry.
-

2.42. Macro Economic Transformation: (Nehawu, Numsa & Satawu)

Noting that:

- a) South Africa remains a capitalist society and as a result the legacy and remnants of Apartheid Capitalism are still with us a decade after the democratic breakthrough.
- b) The post-Apartheid economic policy has left the inherited colonial-Apartheid development path, which is mainly based on the mineral-energy-complex, largely intact.

- c) Since 1996 when GEAR was introduced the working class has experienced the negative dominant effects of financial capital over productive and industrial capital. This has led to casualisation, outsourcing of production, deepening of inequalities and poverty, massive job losses, trade deficit, balance of payments crisis, persistence of patterns of uneven development and de-industrialisation.
- d) The Capitalist class, more especially domestic white monopoly capital and global capital, are the main economic and social beneficiaries of the current democratic rule whereas the working class, especially the down trodden black majority suffer the most from socio-economic ravages of the legacy of apartheid-capitalism and the current neo liberal discourse
- e) The Alliance constantly pronounces on a Developmental State that progressively and decisively intervenes in the economy to address the plight of the workers and the poor.
- f) A capitalist Developmental State cannot and will not adequately, consistently and permanently address the plight of the working class as shown by the failures of the various "third world" and social democratic regimes. In this regard the global crisis of capitalism as it is experienced in South Africa demands an urgent abandonment of the current macro-economic regime.
- g) The new ANC government has inherited an economic policy that is still entrenched within GEAR's Neoliberal framework despite some shifts in aspects of the framework in the recent past.
- h) The South African economy is facing a deep crisis of contraction of its industrial capacity, falling exports, declining savings, spending and revenue to the fiscus that have combined to plunged our society into a crisis of massive job-losses, growing unemployment and inequality.
- i) The rapid lowering of import tariffs by South Africa, exceeding WTO targets and thus rendering a number of sectors especially labour intensive sectors such as clothing-textile and agriculture vulnerable has led to massive job-losses and deindustrialisation since 1994.
- j) The present status of South Africa as a "developed economy" in the WTO when other countries with bigger economies than ours are regarded as "developing economies" has further compounded our situation in the global trading system.
- k) In response to the global economic crisis, a number of governments especially those promoting free trade in the global-North, have embarked on various measures to protect their domestic sectors whilst at the same time they are calling for further concessions from the global-South in the context of the DOHA round.
- l) Both the Alliance Summits in May and October 2008, developed consensus on key macroeconomic policies, agreed to engage further on other issues after proper consultation within their constitutional structures and agreed to set up a task group to receive reports and to assess the effectiveness of our macro-economic policies in the face of the global crisis.

Believing that:

- a) The Polokwane-watershed and the prevailing international context provide an opportunity for a decisive shift towards a transformatory and sustainable developmental path in pursuit of the goals and demands of the Freedom Charter.

- b) Unless the inherited structural features of the colonial-Apartheid economy are fundamentally transformed, our society will remain characterised by massive unemployment rate, massive absolute and chronic poverty and deep social inequalities.
- c) At the heart of the economic policy to structurally transform our economy must not only be the eradication of poverty, reduction of unemployment and inequality but also a redress of the prevailing social relations in terms of class, race and gender.
- d) The present contraction in our economy has not been merely caused by the impact of the global capitalist crisis but also by the cumulative impact of a series of interest rate hikes undertaken by the Reserve Bank in a futile attempt to meet its inflation-target prior to the recession.
- e) The Reserve Bank cannot be regarded as an independent institution when its governance and policy making structures are occupied and heavily influenced by financial capital through its shareholding in the bank.
- f) Whilst it is important to maintain price stability, the monetary policy must be aligned with the fiscal policy in a manner that prioritises economic growth and job-creation as agreed at the Alliance Summit in October 2008.
- g) South Africa is a “developing” economy located in the periphery of the global capitalist system that exploits, marginalises and perpetuates unequal and colonial patterns of trade and economic development.
- h) Only a centrally planned socialist economy can deliver to the workers and the marginalized poor from the present day economic, social and culture of slavery and misery.
- i) The SACP is the only political, leading progressive formation of the working class and other democratic formations and progressive forces at large that can and should undertake this great historical act.
- j) There is no alternative to the present global financial capitalist crises except for socialism.
- k) We should draw lessons from our comrades in Latin America and adopt common positions as a means of confronting the economic crisis.
- l) An opportunity exists for the alliance to build a broad consensus on a socialist economic strategy that will among others confront poverty, unemployment, work and job insecurity thereby advance the objective of a better life for all.
- m) The Freedom Charter’s vision on a society in which “people shall share the country’s wealth” is still relevant in the current socio economic conjuncture.

Therefore resolve to:

- a) Vigorously campaign for the nationalisation of the commanding heights of the economy, under workers control, as a route to a centrally planned socialist economy.
- b) Actively join forces with those campaigning for the immediate implementation of the progressive taxation to finance public and social expenditure, among others.

- c) To actively participate in the SACP-led campaign for a state owned, people centered affordable, integrated, reliable and safe public transport system as part of the struggle for a socialist economy.
- d) To render all possible forms of support to the SACP and YCL to provide genuine working class leadership for a socialist economic transformation.
- e) To vigorously campaign for a centrally planned socialist economy including cooperatives as the only and the ultimate solution for the actual realization of a better life for all.
- f) To vigorously campaign for the nationalisation of the commanding heights of the economy, under workers control, as a route to a centrally planned socialist economy.
- g) To actively join forces with those campaigning for the immediate implementation of the progressive taxation to finance public and social expenditure, among others.
- h) To actively participate in the SACP-led campaign for a state owned, people centered affordable, integrated, reliable and safe public transport system as part of the struggle for a socialist economy.
- i) To render all possible forms of support to the SACP and YCL to provide genuine working class leadership for a socialist economic transformation.

We further resolve to strengthen our Job and Poverty Campaign by calling on government to:

- a) Scrap inflation-targeting and to shift towards job-creation and economic growth at the centre of the country's monetary policy in addition to price stability.
- b) Move towards a 100% state owned Reserve Bank, completely independent from the undue influence of capital through its shareholding and participation in the governance and policy making bodies of the bank.
- c) Consider available options with a view to speedily undertake a course of action towards the nationalisation of strategic industrial monopolies such as SASOL, Telkom and Mittal Steel (South Africa), in line with the resolutions of Polokwane.
- d) Embark on a review of our trade policy with a view to urgently raise import tariffs to protect vulnerable sectors, especially labour intensive sectors that have been shedding jobs as a result of the increasing imports and to aligning it with our industrial policy.
- e) Scrap the current policy of the gradual relaxation of exchange controls with a view of putting in place necessary restrictions on the external flow of capital out of the country in order to create exchange rate stability and to alleviate the negative impact of speculators.
- f) We also resolve to engage the Alliance partners on the implementation of all key macroeconomic and other policy issues on which there is agreement, including:
- g) On urgent action regarding the strengthening of the Competition Commission and legislation to criminalise price-fixing and collusive behavior by those found responsible, including the need to break up monopolies in various sectors.

- h) That the Competition Act should be amended to make considerations of decent work an explicit goal of the competition authorities.
- i) Removing VAT on a wider range of basic food.
- j) Revamping and increasing financial allocations to the school feeding schemes.
- k) Subsidies to cushion the effect of price rise on the poor.
- l) Moratorium on privatisation and outsourcing and the review of current outsourced public sector utilities.
- m) Improvement of support for the development of co-operatives and other forms of social economy ownership.
- n) Establishment of an Alliance task team for agricultural reform and rural development with relevant government departments, to drive forward rural development.
- o) Government considering introduction of requirements on investments to promote investment in social infrastructure, housing for the poor and job creation on prescribed investments.

We furthermore resolve that:

- a) That Cosatu should champion the struggle for a socialist macro-economic framework that will enable the implementation of a socialist orientated industrial strategy in South Africa. This socialist macro-economic framework must be based on:
 - A new set of parameters for fiscal and monetary policy
 - The scrapping of inflation targeting
 - Price stability could and should be managed through measures such as employment growth, real growth in productive economy, the ratio between GDP and debt and any such measures in the economy that promote the objectives of a socialist economy and society.
 - Reinstatement of exchange controls to prevent the asset-stripping of South African industry.
 - The alignment of macro-economic strategy with a people-centred industrial, agrarian and environmentally friendly policy.
- b) It must promote diversification away from the dominance of the minerals and energy finance complex.
- c) It must promote rapid growth of decent jobs.

2.43. Industrial and Trade Policy: (SACTWU, FAWU, NUMSA)

Noting that:

- a) There is growing de-industrialization in our economy
- b) Demands by the developed countries to the developing countries to open markets on industry and services sectors are unfair and anti-developmental
- c) Our future economic sustain ability requires the growth of SA industrial capacity

Therefore resolve:

- a) That an Industrial Strategy Project should be launched for each sector, to develop a developmental industry plan for each, which caters for the needs of our people, strengthens the developmental state and safeguards jobs.
- b) The federation should launch a project to develop industrial research capacity within the affiliates.
- c) To call on our government to apply for/insist on a correct status as a developing country in the WTO.
- d) To call on government to completely conclude its industrial strategy/policy as a basis to finalize its trade policy approach.
- e) To call on government to reject the current proposed EU's EPA agreement with SACU and/or SADC and insist on renegotiations
- f) Demand that Government must be transparent in Trade Agreements (TA) processes and respect the imperative of employment creation and protection in deciding to enter into such agreements.
- g) Affiliates through COSATU must hold a quarterly review/engage vigorously with the Trade and Industry (DTI) and government industrial policy around products that affect the sectors where Numsa is involved and ensure that it nurtures the metal industry and is beneficial to the people of South Africa as a whole.
- h) Demand reinstatement of exchange controls to prevent the asset-stripping of SA industry
- i) The Alignment of macro-economic strategy with a people-centered industrial, agrarian, and environmentally friendly policy
- j) Affiliates and COSATU must further put in place practical mechanisms to monitor both quantitative and qualitative changes (e.g. employment trends such as retrenchments and changes in;
- k) The nature of employment such as casualisation and short-term contracts with regards to employment in all employers and sectors where it organizes.
- l) Revise tariffs where necessary and increase to bound rate levels as allowed by WTO
- m) Renegotiate trade agreements with the purpose of creating a fair trade system

- n) We further resolve to struggle for a vibrant industrial policy /strategy characterized by the following features:
- i) Transformation of production, ownership and control patterns in the economy in the interests of the working class and the poor in line with the Freedom Charter's call that the people shall share the country's wealth.
 - ii) Government must seek to transform the shareholding of Multi National Companies or foreign companies in South Africa so that their shareholdings make up less than 51%. Foreign shareholders must bring productive benefits to the company.
 - iii) State intervention in favor of the working class and the poor.
 - iv) Emphasis on downstream industries and small scale agricultural production which includes co-operatives.
 - v) Strengthening of competition laws to impose heavy fines and to bite.
 - vi) The reversal of colonial, apartheid, neo-liberal, dependent development trajectory.
 - vii) Adequate balance between industrialization on the one hand and agriculture and rural development on the other.
 - viii) Prevention of dumping.
 - ix) Local content promotion.
 - x) Heavy tax on scrap metal export.
 - xi) Aggressive drive against illegal trading and counterfeit goods that stifle economic growth and development.
 - xii) The promotion of investment in the productive sectors of the economy rather than speculative financial markets.
 - xiii) COSATU to lead on conceptualization of innovative employment-creating industrial sectors.
 - xiv) Access research funding for cleaner vehicles.

2.44. Fiscal Policies: (NUMSA, Sadtu)

Noting:

- (a) That the economy is in economic recession and there are huge job losses in our economy
- (b) The NEDLAC framework agreement on SA response to the economic crisis
- (c) The recent increases in electricity costs and the need for clarity on the revenue (price/volume) collection model the Government is using from municipal to provincial to national level.
- (d) the need for an expansionary countercyclical and pro-growth fiscal policy stance
- (e) Speedy implementation of the ANC manifesto and the NEDLAC framework agreement
- (f) That workers must make monetary contribution in solidarity with the unemployed

(g) The Cosatu position on capital gains tax.

Therefore Resolved that:

- (a) Government must increase Personal Income tax by two percentage points.
 - (b) Government must:
 - o View 1: increase Corporate Taxes by two percentage points.
 - o View 2: introduce progressive increasing of corporate tax
 - (c) Government must introduce capital gains tax for multiple property owners.
 - (d) Government to introduce a once-off infrastructure tax at a rate of five percent (5%) of gross profit of all companies
 - (e) Call for the maintaining of the current fiscal obligations and for a steady fiscal expansionism going forward.
 - (f) Call for a once-off electricity levy (at inflation rate for households and double that figure for corporate) to fund the capital expenditure/capitalization of Eskom
 - (g) To call on all our members and employed workers in the country to contribute one day's wages every quarter in 2010 calendar year.
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2.45. Monetary Policy: (NUMSA, FAWU, Sadtu)

Noting:

- a) Over the past years in our country monetary policy continued to retain its neo-liberal and conservative character and a one-sided focus on inflation with negative consequences for industrialisation, social development and jobs creation.
- b) The current South African Reserve Bank (SARB) policy on inflation targeting to use interest rates as a blunt instrument to control inflation, meanwhile disregarding the policy's impact on the value of the currency, on investment, employment and social development
- c) The SARB is the only reserve bank in the world that is wholly owned by private shareholders.

Therefore Resolve:

- a) There should be a review of the independence and mandate of the SA Reserve Bank to subject its conduct to democratic processes.
- b) The State to take full ownership and control of the SARB.
- c) Inflation targeting should be changed to also focus on job creation and growth.
- d) Price stabilization measures must be abandoned and different instruments be explored.
- e) Government must tightly regulate capital flows and restrict speculative investment with a goal to eventually eliminate such.

- f) COSATU must make use of the 'Walking through the Open Doors' to engage progressive experts in responding in favor of the working class and the poor how inflation must be handled.
 - g) COSATU must take up a campaign for SARB to lower repo rate by a minimum of 5% to create employment and re-industrialize South Africa.
 - h) Reinstatement of exchange controls to prevent the asset-stripping of South African industry.
 - i) All credit to be concentrated in the hands of the state and the state to have the sole responsibility to create money.
 - j) Restate the Cosatu resolution on the establishment of the workers' bank. The state to facilitate the creation of this workers' cooperative bank which will among other things handle workers' pension, provident funds.
 - k) In order to move in line with the Freedom Charter, the state must establish its own bank bringing together the land bank, post bank, commercial banks and development finance institutions that it already owns to break the private monopoly of the South African banking institutions.
 - l) The mandate of this bank should include addressing the issues of transfer of ownership of property in SA.
 - m) That the spread between repo and prime rates must be regulated and that Banks must be prohibited from charging interest rates way above the prime rate.
-

2.46. Composite resolution on the Economic Crisis: (SADTU, CEPPWAU, NUMSA)

Noting

- (a) The world is in crisis. The global economy is facing a meltdown
- (b) The South African economy is in recession
- (c) The current economic conditions has eroded the buying power of the wages of our workers
- (d) Unemployment rate remains one of the highest in the world , this is worsened by the current recession which has led to 208 000 job losses in the first quarter of 2009
- (e) These jobs were lost in the key industries such as Mining and Manufacturing.
- (f) The Capitalist have not been investing to create new jobs in any formal sector of the economy.
- (g) The level of income inequality remain high in South Africa
- (h) Significant economic challenges continue to face the majority of working people and the poor
- (i) With unemployment declining from 2004, the jobs created were predominantly in the services sectors, such as wholesale and retail, construction and private security amongst others.
- (j) Low labour absorption rates, low wages, continued poverty and poor service delivery has made South Africa one of the most unequal societies across the globe.
- (k) The commitments made by the stakeholders including labour on the Framework for South Africa's response to the International Economic crisis document.
- (l) The commitment by the new administration of President Jacob Zuma to create 500 000 jobs before the end of the year

- (m) It is a crisis of financialised capitalism which has impacted seriously on all sectors of the economy.
- (n) The dependent nature of our economy and reliance on commodity exports puts us in a grave situation.
- (o) This is a vindication of the policy positions that labour has been lobbying government to adopt.
- (p) In the past 15 years or so we have argued for the following positions. An industrial strategy that:
 - is orientated towards job-led growth
 - fosters development of local productive capacity
 - meets social needs
 - diversifies the economy and orientates it away from a concentration on raw material extraction and exports and beneficiates our mineral resources
 - Improves infrastructure especially in previously disadvantaged areas.
- (q) The Framework for South Africa's Response to the Economic Crisis concluded between social partners comprising the Presidential Economic Joint working Group namely organised Labour, Business and Government and also the Nedlac Community Constituency.
- (r) The importance of interrogating the policy whether liberalized capital markets are a necessary condition for growth or should South Africa pursue a selective strategy to attract productive capital.
- (s) The current rate of unemployment
- (t) The COSATU position on a Basic Income Grant

Believing

- a) The current global economic meltdown and the recession in the country is as result of the failure of capitalism
- b) The new administration has demonstrated a willingness to create and save jobs
- c) Living wage must be the cornerstone of fighting poverty
- d) To an extent the current economic crisis imposes serious limitations on what is possible.
- e) The exports especially from the manufacturing are constrained by unstable, volatile and over-valued exchange rates and high cost of capital due to high real interest rates.
- f) Imposing severe austerity measures such as hiking interest rates to stem outflow of capital will worsen rather than improve the downturn
- g) Poverty and inequality are constraints to growth and development

Resolves

- a) To push for a speedily implementation of the Framework for South Africa's response to the International Economic crisis
- b) To continue to fight for a living wage

- c) The best assurance for COSATU in the current unfolding economic crisis should not be mere undertakings by leaders but a concrete implementation with clear implementation strategies, as well as monitoring and evaluation.
- d) For a change of direction from the stabilization project towards structural transformation agitated for by Polokwane resolutions.
- e) Macroeconomic stability should be subordinated to the broader goal of economic transformation, growth and reduction unemployment, poverty and inequality, not the other way round
- f) Demand a bailout for workers and the poor because of their being in debt
- g) Demand that government should initiate the development of a policy on closure of the wage gap across the whole spectrum of our society
- h) Any government stimulus package should:
 - i) Bail out companies in distress e.g. through credit guarantees, low interest loans and emergency bridging loans
 - ii) Ensure maximum local content
 - iii) Ensure provincial governments receive equitable shares
 - iv) Not pay for inefficiencies.
- i) Any company that is a beneficiary to a stimulus package or bailout must comply with these conditions with clear monitoring mechanisms
 - ii) moratorium on retrenchments
 - iii) business and labour must jointly approach government
 - iv) information disclosure
 - v) information agency to investigate if companies are deserving
 - vi) maximise local content
 - vii) report quarterly on business progress
 - viii) bailout must not be used for CEO bonuses
 - ix) must provide training to its workers
- x) When workers are placed on short-time they should not be penalized but instead their wages subsidised.
 - i) Where companies are facing closure:
 - i. We should explore whether state ownership would be a viable option.
 - ii. In companies where there is no demand, workers must be supported (financially and technically) to take over and convert them into coops or use ESOPS as new forms of ownership.
 - iii. To make worker ownership a reality, a Workers Cooperative Bill should be passed to complement the Cooperative Act of 2005
 - iv. Any liquidation must perform a skills audit of its affected workers

- v. Innovations or conversions of production should take place
 - vi. We should discuss the role of our retirement funds for investing in these new forms of ownership
- j) For workers on short-time, layoffs and/or retrenchments
- i) full wages must be guaranteed by government for those on short-time/layoffs – source funds from Setas + government injection
 - ii) keep people in their homes by demanding a moratorium on foreclosures (evictions), renegotiate their bonds, increase government rental housing
 - iii) Government, Setas, UIF, tax deductions to be used to fund training for those on lay-off and short-time especially on hard core skills
 - iv) training for retrenched workers on hard core skills, especially on ABET, etc
 - v) accelerate RPL for all workers and train to become artisans
 - vi) call for facilitation from NPI once notice given on short-time
 - vii) workers on lay-off to be absorbed in expanded public works programmes (EPWPs)
 - viii) negotiate indigent policies for retrenched workers
 - ix) Work Security Fund to be established across all sectors
 - x) Government to assist those retrenched to set up coops and ensure institutional support (financial and technical)
 - xi) Ensure obligatory disclosure of all retrenchments

2.46.1. Procurement in the public and private sector

Therefore Resolve to:

- (a) Leverage the capital expenditure programme through our procurement policies.
- (b) All procurement policies must prioritise job creation and retention and must be linked to South Africa's alternative industrialising agenda.
- (c) If there exists no immediate capacity to produce goods and services locally, attempts to have the product assembled in South Africa should be our fallback position. Such an arrangement must involve transfer of skills.
- (d) We need to pressure government in all spheres to review procurement policies.
- (e) COSATU should push for a single and coherent procurement policy that will bind all government departments, parastatals and all levels of government.
- (f) COSATU must campaign for 75% local content to be at the centre of state procurement policies including in procurement regulations currently being formulated by the national treasury.
- (g) Whilst supporting the improvement of public transport, COSATU must take up a campaign to

reverse the procurement processes which have been undertaken by municipalities

- (h) That we need to publicly name and shame State Owned Companies such as Eskom which have not procured their products in South Africa
- (i) that development finance institutions must use their leverage to force companies that get support from these institutions to procure locally so as to build and protect local manufacturing base
- (j) that we note that BBBEE companies have undermined local content through importing goods which can be manufactured locally, and therefore resolved that as part of reviewing procurement policies, the BBBEE point system should prioritise local content
- (k) that we need to foster the ANC government to live up to its manifesto promises by procuring all goods and services that will be used for its rural development, health and education programmes
- (l) that government should use procurement leverage of state-owned enterprises (SOEs) to refocus the private sector so that it produces socially-useful products
- (m) that an anti-corruption campaign be undertaken by COSATU at all levels, targeting tender practices because corruption around these processes undermines industrial growth and development
- (n) COSATU to campaign for representation of labour in tender boards of parastatals such as Eskom and Transnet
- (o) Government to renegotiate its loan conditions to parastatals so as to include the issue of local procurement.
- (p) Intensify our buy local campaign:
- (q) push provincial and local state to buy goods and services locally
- (r) all shop steward councils to engage their employers and source supplies locally
- (s) engage parastatals and SOEs to comply with buy local around procurement
- (t) All of the above will necessitate the reviewal of BBBEE policies and legislation, so that they are compatible with the above proposals and that BBBEE does not undermine value-adding, jobs and our manufacturing capabilities.
- (u) Shopstewards should engage management about where the companies in the private sector source their supplies with the aim to compel them to also buy locally. This will make it clear that our “buy local” campaign is not only directed at the state.

2.46.2. Stimulate local production

- (a) teach employers how to apply for government incentives
- (b) increase local production and reduce reliance on foreign direct investment (FDI)
- (c) funding for R&D from government

2.46.3. Government Infrastructure Programmes to be used to stimulate economy. These conditions must be followed:

- (a) have localised focus
- (b) Must be used to promote the change of ownership patterns at all levels of government. Any change in ownership must benefit the local economy
- (c) focus on rural areas: proper infrastructure, state-led agricultural sector, supply tractors, seeds, water for food security
- (d) road workers must be employed by government and paid a living wage
- (e) assess programmes of provincial governments
- (f) beneficiaries must be local communities – no labour brokers in these programmes
- (g) shop stewards to discuss with management how private companies can take advantage of the programme
- (h) increase allocations from central government to provincial government for services because of expected decline in revenue because of job losses

2.46.4. Training

- (a) Skills training centres that were closed in the 1990s to be reopened and the poor quality and high failure rates at FETs addressed.
- (b) If companies that are liquidated have useful machinery that can be used to train people on technical skills, these training centres to buy that machinery.
- (c) Target critical skills within and outside Merseta
- (d) Establish and control Union technical training colleges
- (e) Revive regional accreditation centres
- (f) Reinstate ratio on artisan: apprentices (e.g. 1:4)
- (g) Incentives for employers to train
- (h) Develop a data bank of workers who are on short-time or laid off in each local
- (i) Put to Setas our demand for training programmes for those laid-off, retrenched or on short-time
- (j) Such training be funded through the grant system from the Setas

2.46.5. Solidarity economy/co-ops

- (a) Implement affordable universal health coverage
- (b) Speed up rollout of ARVs, employ and train more nurses, produce drugs locally,

- (c) Government to help set up co-op support agency
- (d) Community-based childcare facilities
- (e) Community laundries
- (f) Food programmes

2.46.6. Campaigns

- (a) Build a strong consumer movement – stop blacklisting
- (b) "Operation Open Book" - campaign for disclosure of earnings of executives including perks and demand salary cuts for them because of these crisis conditions
- (c) Engage with communities e.g. through community general meetings and provincial MDM structures
- (d) Mobilise workers and communities against worst employers.

2.47. Home-owners

- a) Government to put moratorium on evictions/confiscations of houses of those workers with mortgage bonds who are retrenched, on short-time etc.

2.47.1. Production of socially-useful products:

- (a) We should use the crisis to move and shift our economy away from production of luxury goods for domestic and foreign consumption to production of socially-useful products.

2.48. Diversification in the metal & related industries: NUMSA

Noting:

- (a) The centrality of the metals industry in the structure of the economy (NUMSA).
- (b) The lack of diversification and how the price of steel is one of the contributors to lack of progress on this front (NUMSA).

Resolve that:

- (a) COSATU must audit existing proposals on possibilities of using existing manufacturing capacity to diversify and beneficiate products in the metal & related industries as a way of developing practical policies on the matter (NUMSA)

- (b) In pursuit of this, the federation must engage its affiliate in the metals industry and research institutions such as, but not limited to the Council for Scientific and Industrial Research (CSIR) (NUMSA).

2.49. *Electro-technical sector: NUMSA*

Noting that:

- (a) The move from analogue to digital TV presents an opportunity for creation of jobs in the decoder sector (NUMSA).
- (b) There exists no plan to ensure that these decoders are manufactured locally; this is serious given the fact that government has committed itself to subsidise the decoders for poor households (NUMSA).

Therefore Resolve that:

- (a) COSATU to immediately meet with Departments of Communications and Trade and Industry to discuss a plan to have these decoders manufactured locally (NUMSA).

2.50. *Capital equipments including agricultural: NUMSA*

Noting that:

- a) As part of the move towards ensuring food security and rural development, it will be important to produce agricultural implements and equipment locally (NUMSA).

Therefore Resole that:

- (a) Any state-led or supported agricultural projects should use locally-produced implements as a way of rebuilding our industrial base and integrating agrarian reform into a broader industrial strategy (NUMSA).
- (b) There is a need to invest and expand our manufacturing capacity in other sub-sectors of capital equipment and heavy engineering if we are to avoid reliance on imported machinery (NUMSA).

2.51. *Electrical Lighting: NUMSA*

Noting That:

- (a) The move to Compact Fluorescent Lamps (CFLs) is a good strategy in saving energy.
- (b) The problem is that many of these bulbs are imported (e.g. from China which has 85% of the global market).

- (c) There exists no plan to recycle CLFs locally and this is dangerous because of the mercury in these lamps.

Therefore Resolves that:

- (a) All the lamps and bulbs that are used in the Department of Energy's campaign for efficient use of energy must be produced and procured locally (NUMSA)
- (b) COSATU must engage the Department of Trade & Industry which is the department that is working on the Customised Sector Plan for the sector in order that the CLFs are produced in South Africa (NUMSA)
- (c) COSATU must support the government plan to have these lamps recycled safely. This may have job-creation spin-offs.

2.52. Household durables: NUMSA

Noting that:

- (a) Household durables such as stoves, fridges and microwaves have the potential to make the livelihoods of ordinary people better and contribute positively in resolving household gender division of labour (NUMSA).
- (b) The production of the household appliances also has the potential to create jobs (NUMSA).
- (c) South Africa has as part of its actions under GATT and the 1996 Growth, Employment and Redistribution (GEAR) agenda destroyed the local white goods (stoves, fridges, microwaves, washing machines etc.) manufacturing industry through liberalisation.

Therefore Resolve:

- (a) The white goods industry must be revitalized with products (stoves, fridges, microwaves, washing machines etc.) produced locally with locally owned industries prioritised.
- (b) All government-subsidised houses must be built with energy-saving geysers that include the use of alternative energy.

2.53. Automotive sector: NUMSA

Noting:

- a) Automotive vehicles are part of the major contributors to carbon emissions.

Resolve that:

- (a) That all vehicles must be fitted with catalytic converters as part of the exhaust system. These must be produced locally as part of beneficiation
- (b) To support the development of an environmentally-friendly South African car.

- (c) COSATU must take up the campaign on free, accessible, integrated, affordable, safe, reliable and environmentally friendly public transport system the infrastructure of which will transcend the pathetic state of uneven development between rural and urban. The federation should establish broad alliances to take this campaign forward. The SACP remains a reliable force in this regard, in addition are commuters and other social forces.

2.54. ICT Sector: CWU

Noted :

- a) In 1998/99 access to ICT sector service was racially skewed and in 2009 the situation has multiplied in that rural and urban communities, rural communities in particular have no ICT services access and these in the main are predominantly African populated areas.
- b) Our centres of education and health have not benefited or gained access to the desired levels of universal ICT services. It is not acceptable that 11 years to date the above scenario still prevail.
- c) The abovementioned scenario has been perpetuated by neo-liberalism which in the main is driven by profiteering, racism, self-imposed structural adjustment programmes and mismanagement of resources.

Telkom

- d) Telkom has failed to serve as a vehicle for universal service access in the urban and worst in the rural areas of South Africa. It has become a profiteering machinery at the expense of providing universal service to rural and poor communities and is in the process of removing the only service poor communities have access to, i.e. public payphones. It is claimed by the company that these public payphones are not generating enough revenue.
- e) ICASA has not done enough to enforce compliance to the licence obligations as required by legislation.
- f) As a result of the above scenario and the recent sale of Vodacom there is a potential of job losses. Telkom has not met its 2008/2009 financial targets. The power to sustain its operations has therefore shrunk.
- g) Telkom is not immune from what seems to be an endemic problem experienced by some parastatals that of mismanagement and jobs for pals of executives.

SABC

- h) The biggest challenges noted and to overcome:
- The public broadcaster's funding model.
 - Working class representation, workers in particular, in the SABC board.

- Mismanagement.

Multichoice

- i) Multichoice serves as a vehicle to promote foreign content and it serves the interests of few particularly those who have the financial means to acquire their service. It also lacks local content.

e-tv

- j) e-tv is not assisting in the promotion of the noble goal of moral regeneration especially the youth. It is not promoting the proudly South African campaign. Employment patterns do not reflect a commitment to affirmative action and Employment Equity. Lastly it promotes the morally repugnant pornographic material.

South African Post Office

- k) The South African Post Office has gone a long way in delivering one of its key responsibilities which is that of providing addresses to households across the country. There is still more to be done. The establishment of the Post Bank has contributed to the alleviation of the plight of the poor.
- l) Regardless of the abovementioned successes the Post Office has not been immune from the endemic problem of mismanagement and nepotism.
- m) In recent months Sapo management has gone out to consult the public and other players because they intended to corporatise the Post Bank.

Mobile Telephony

- n) The mobile providers of telephony have after 10 years not contributed to the South African economic development especially in the rural areas.
- o) Rural areas remain outside of the broadband coverage. This serves as a deterrent to job creation. Some of the mobile providers will go to any length to deny workers their rights to freedom of association.
- p) In recent months Vodacom has become the property of Vodafone, a known multinational union basher.

Therefore resolve :

- a) COSATU should call for the the establishment of the ICT Sector Development Strategy (Framework) which will on among others include the establishment of the ICT development agency.
- b) The framework must seek to achieve the following:
 - Set clear targets for the companies in the sector on how underdeveloped, poor and rural communities will be served to achieve affordable universal access.
 - Using the ICT as an economic development vehicle particularly in the rural areas the framework must compel companies to play a meaningful constructive role.
 - spell out the role of the state especially on issues of non-compliance to the goal of achieving universal access. All sectoral procurement policies must be at the centre of the ICT sector development strategy to promote local manufacturing.
- c) Service provision to centres of education/schools and health institutions must not be only limited to the provision of public payphones. If the education and health is to improve all ICT services must be in the centre of that programme.
- d) Provision of ICT services in centres of education/schools and health to be made compulsory to all service providers including the SITA.
- e) Telkom to be de-listed and be 100% owned by the state.
- f) Mobile Telephony:
 - Option 1: 50% state ownership.
 - Option 2: They must be directed to areas where they must build
 - Infrastructure in particular in rural communities. Government must develop an incentive scheme for the effort of economic development in rural communities.
 - However, in the event of them failing to comply with the government's call of building infrastructure as a vehicle for economic development at the identified areas, stiff penalties including the license withdrawal must be imposed.
- g) Broadcasting:
 - Government should put strict monitoring mechanisms to monitor compliance with the objectives of transformation and reconstruction of the South African society. Government to monitor the fulfillment of its license obligations by a public broadcaster.
 - Government must ensure that the funding model is completely changed such that the public broadcaster is not dependant on vagaries of the market forces.

- Migration to digital from analogue should be done in such a way that it contributes to the unemployment reduction. The unemployed must be assisted in forming cooperatives to serve as a distribution and installation vehicle.
- h) Multichoice & E-TV:
 - The regulatory framework has to compel Multichoice & E-TV to promote 50% local content. E-TV must be compelled to cancel their pornographic material but rather use the airtime available for programmes that promote moral regeneration.
- i) South African Post Office:
 - Corporatization of the Post Bank must be rejected. If it is allowed to proceed, the first casualty will be workers through job losses. The second group to be negatively affected by this will be the poor South African citizens who enjoy the free services currently provided by the Post Bank in its current form. The Post Bank must be transformed to become a state bank.
 - Post Office workers have for a number of years been the victims of poor mismanagement. Each time the Post Office fails to improve its operational inefficiencies workers have been subjected to low salary increases.
 - In view of the fact that in the last 10 years all of the CEOs who have been appointed to run the Post Office have not managed to achieve the required improvements including the current CEO, we call for her dismissal and that the mobile distribution contracts she terminated be re-instated.
 - Strict monitoring of the Post Office's performance must be put in place

2.55. *Production reorganisation: NUMSA*

Therefore Resolve:

- (a) The Federation should encourage affiliates to go back to the basic demands for complete democratisation of the workplace and to assert the principle of worker involvement in work and production organisation.

2.56. *South African Bureau of Standards (SABS) (NUMSA)*

Resolve that:

- (a) COSATU must demand that the South African Bureau of Standards (SABS) should ensure that products that are imported the comply with specific standards required (NUMSA)

2.57. *Import Parity Pricing (IPP): (NUMSA)*

We reaffirm 9th COSATU National Congress resolutions as follows.

NOTING THAT:

1. Import-parity pricing by monopolistic producers is stifling the growth of downstream manufacturing in South Africa and pushes up the prices of low-cost housing, food and medicine.
2. The unregulated export of scrap metal also deprives local producers of needed inputs.

Therefore this Ninth National Congress resolves:

- a. To ensure that the practice of import-parity pricing in our industries is corrected, and to campaign against upstream companies who persist in pursuing this practice at the expense of downstream industries.
- b. To push for the regulation of key industries involved in the manufacturing of industrial goods through consultation between the stakeholders at NEDLAC and international level.
- c. To call for amendment of the Competition Act to establish a price and monitoring system to ensure compliance by companies and prevent companies from exerting undue market influence.
- d. To ensure that import-parity pricing is strictly controlled with respect to products that are significant to poor people such as food, medicine and housing material.
- e. The state should play a central role in regulating the exportation of scrap metal, in order to allow local businesses access to scrap metal at a competitive price.
- f. CEC to establish a focus group to discuss IPP in all sectors of the economy.
- g. COSATU should be regularly highlighting the negative effect of import-parity pricing on jobs.

We Further Reaffirm:

- (a) COSATU's 8th National Congress resolution that immediate steps must be taken to implement the establishment of a tripartite body to investigate and monitor whether companies are making windfall profits.
- (b) Scrap discriminatory pricing that undermines growth of downstream industries.

Other Sector Specific Issues From:

- (a) An Industrial Strategy Project should be launched for each sector, to develop a developmental industry plan for each, which caters for the needs of our people, strengthens the developmental state and safeguards jobs. The federation should launch a project to develop industrial research capacity within the affiliates.

- (b) COSATU and its affiliates must monitor all government tenders and ensure that it is allocated to local compliant companies. Government tenders should have a preferential local content component and legislation to this effect must be introduced as a matter of urgency. All organisations (community, trade union, religious, schools etc) should be encouraged to ensure that the promotional clothing and other paraphernalia is locally manufactured.
- (c) *To campaign for the IDC ACT to be amended to serve our needs for decent jobs as opposed to narrow commercial considerations.*

2.58. Trustee Training: NUMSA

Noting that

- (a) The pension legislation places judiciary duties upon shoulders of trustees which mean that if they can be negligent they can be sued in their personal capacity.
- (b) Trustees' knowledge on matters of pension fund is very limited and therefore they completely rely on service providers for expert advice.
- (c) Training that is provided by asset managers in most cases which may be bias towards the service providers instead of focusing on members interests.
- (d) Affiliate Education Department is not ready to provide training to trustees and union leadership on pension matters.

Therefore resolves that

- (a) Trustees must be made aware of the pension legislation but empowered to carry out their duties with due care.
- (b) Expert advice on its own is not detrimental to members' interest, however it becomes dangerous if trustees entirely rely on experts especially on basic issues rather than specialized knowledge. The union must play a role in ensuring that in the case the asset managers want to provide training it should focus on soft and core issues.
- (c) As a transition phase the union education departments may outsource trustee training but work towards providing the trustee training. The training must empower trustees to deal with all challenges which are confronting trustees like governance, risk and return, etc.

2.59. Surplus : NUMSA

Noting that;

- (a) COSATU has embarked on a protracted struggle to get the surplus legislation passed.

- (b) Unions are not playing a meaningful role to celebrate the victory instead it is left to the financial service board to ensure the surplus distribution.

Therefore resolve that:

- (a) COSATU and its affiliate must celebrate the victories by ensuring that former members benefit out of surplus distribution.
- (b) Unions must make sure that shop stewards, trustees, local offices and funds reach members by embarking on a massive publicity campaign in all forms for maximum distribution.
- (c) We must make sure that employers are not even getting a cent out of the surplus money instead it should be allocated to members' credit.
- (d) Out shop stewards in Auto and Tyre must make sure that they are informed about the status of surplus distribution and where necessary drive the process.

2.60. Bulking: NUMSA

Noting that

- (a) Service providers have collected members' contributions and negotiated higher interest rates with the banks. The difference of that higher negotiated value has accrued to the service providers' account instead of members benefit account.
- (b) Some service providers have refunded the surplus money accumulated through interest rate to the funds, however some did not instead they have either hide it or want to negotiate with some trustee to pay only part of the surplus money because they claim that they did not steal the money.
- (c) Another wave of bulking is taking place in a form of house loan. Service providers have negotiated with banks that because there is a big number of workers who acquired loans therefore the service provider will get discounts. However the discount is credited to the service provider not members of the funds. The deal is not disclosed to the fund trustees. Those service providers claim that it is their business model.

Therefore resolve that:

- (a) No service provider has a right to negotiate any bulking service or benefit on behalf of the members without the knowledge of trustees and/shop stewards. Any benefit negotiated in the name of funds/members must accrue to the members because of economics of scale.
- (b) All service providers must declare any bulking that they had negotiated and/or benefited from service providers must make arrangement to repay all the money accrued through bulking.
- (c) Service providers must declare all business interest which relate to the funds to the trustees.

2.61. Term of office for trustees: NUMSA

Noting:

- (a) The pension act does not state the duration for trustees and therefore funds determine in their rules of the funds the duration. The term of office differ from one fund to the other ranging from one year term to four years.
- (b) There is no recalling in the act and even in some of the rules.

Resolve that:

- (a) COSATU should propose an amendment to the act which must reflect:
 - The term of office for trustees of four years
 - Recalling clause for trustees
 - Compulsory mandating and feedback
 - The election of trustees in all funds must take place at the same time like shop stewards elections.

2.62. Trustee court actions against union: NUMSA

Problem statement

Saccawu retirement: SACCAWU established a provident fund for the workers with good intentions; however individuals were entrusted to take care of future savings for the workers retirement. Some of the individuals have been proven to be corrupt in that the court has proven that they have abused workers' retirement savings which led to curatorship of the fund.

In the Ceppwawu case the union mandated the trustees to do specific things and the trustees refused. The union decided to remove them but they were reinstated by the courts. The courts stated that the pension fund trustees are independent.

On the other hand the unions have played a critical role in reforming the retirement industry but they are expected not to intervene even if it is in the interest of workers.

Noting that

- (a) The unions have played a critical role in the process and triggering the reform of the retirement industry.

- (b) The pension fund does not allow space for union participation in the retirement funds.
- (c) It is a primary role of the unions to enhance members benefits, wages and other conditions of employment but there may be individuals who may be corrupt who have/may put his hands into the workers only savings for their retirement.

Therefore resolve that:

- (a) Unions are more relevant and must continue to play that revolutionary role given that the country does not have a national social security system, nor an integrated health system and that there is an imbalance in the whole social security system.
- (b) The legislation must give unions space to participate in the retirement industry such as amending the Act to allow union representation on the funds. However individuals seconded to funds must account to union structures and they must be subjected to union recall and accountability.
- (c) The union must ensure that the trustees seconded to the funds comply with the pension fund circulars.

2.63. Socially Responsible Investment (S.R.I.):NUMSA

- (a) There is a lack of clarity amongst some trustees about the definitions of S.R.I. hence implementation, policy and monitoring is weak. Some perceive listed shares as not as S.R.I. investment and only consider infrastructure development as real S.R.I.
- (b) Whereas others consider S.R.I. as bad investment or charitable investment; Muslims consider Sharia compliant investment which excludes companies that sell liquor or make profits through interest.
- (c) The United Nations has adopted the Universal Declaration on Socially Responsible Investment of which funds and countries are expected to ratify; J.S.E. has its own index which companies can apply to for accreditation. Association of Asset managers has also adopted the S.R.I.
- (d) However because of the confusion about the definition there is no conscious effort to implement it to the extent that only one percent of the asset is committed to S.R.I.
- (e) In 1998 a job summit was held and it was agreed that trustees will commit five percent of their asset to S.R.I.
- (f) However, ever since the issue has been riddled with debates about the definition of S.R.I. However, there are key principles which underlie the S.R.I. whether the share is listed or not. The key principles are as follows:
 - Infrastructure development and social services
 - Broad base Black Economic Empowerment funding
 - S.M.M.E. and enterprise development
 - Agricultural development and land reform

- Consumer and business access to finance
- Low income and affordable housing
- Environmental preservation
- Community development and redevelopment
- Positive screens of listed/rated instruments
- Investor involvement
- Investor activism

(g) We once more emphasize that S.R.I. investment may on listed and/or unlisted shares. However the risk with unlisted shares is that is not liquid as investment is for a longer period as well as the valuation is a challenge. The unlisted investment needs huge lump sums e.g. R100m and above and it may be too risky for smaller funds unless they do joint ventures.

Noting that:

- (a) There is confusion about the definition of S.R.I.
- (b) Unions have committed five percent on S.R.I. at 1998 presidential job summit but currently only two percent has been invested on S.R.I. assets.
- (c) There is no institution that as union that we are using to monitor and accelerate S.R.I.

Therefore resolve that:

- (a) The definitions on S.R.I. are universal and we will use the eleven abovementioned principles.
- (b) COSATU undertakes to encourage its affiliates to achieve the five percent within thirty six months.
- (c) We will investigate an institution that will assist us to achieve S.R.I. which may be Unity Corporation or establish an S.R.I. desk or even use Kopano Ke Matla or one of the affiliate investment companies (e.g. NUMSA Investment Company).

2.64. B.B.B.E.E. on Pension Fund Service Providers: NUMSA

Problem statement

1. That the country has attained liberation in the last fifteen years but the major portion of wealth is still held by a minority.
2. The government through the DTI and financial service charter has introduced codes on BBBEE in attempt to transfer wealth to black people but white companies find ways to avert the codes.
3. The extreme is when black individuals are offered shares which they cannot sustain due to market failure and other challenges which make it difficult.

Noting that:

- (a) Although the BBBEE codes are in place but black companies only manage about one percent of the industry.
- (b) Retirement Funds Trustees have not shown confidence on black asset managers as they consider them higher risk.
- (c) Black asset managers/consultants have acquired skills and qualifications through bear and bull markets and they have demonstrated performance.
- (d) White managers establish multi managers to manage black asset managers and call it BEE

Therefore resolve that

- (a) COSATU and the Alliance has a duty to ensure that wealth is transferred to black people and to that extent twenty five percent of asset to be managed should be transferred to black owned companies by 2011.
- (b) Trustees should acknowledge that black asset managers have acquired skills overtime.
- (c) The black managers should be considered based on the following principle to avoid risks
 - Registration with F.S.B. – legal and compliance
 - Business management
 - Administration
 - Adequacy of professional indemnity
- (d) The people working for the company should have the following attributes: adequate industry experience, and previous record of creating value to clients.
- (e) COSATU should produce a mechanism to monitor the implementation of targets.

2.65. Shareholder Action/Proxy Voting: NUMSA

Noting that:

- (a) The PIC has done an extensive research on this area and to a greater extent they have been influential.
- (b) The PIC has adopted a forty page document which is entitle Corporate governance and proxy voting. (Principles, policies and practical applications)
- (c) We should not re-invent the wheel by writing our own policies and principles more so the P.I.C is progressive and this is demonstrated by their performance.
- (d) The principles are as follows:
 - i. Discipline – proper behavior of senior managers
 - ii. Transparency – ensuring that outsiders have the power to view and thus assess corporate philosophies and actions.
 - iii. Independence – the entrenchment an actions and balances of power in corporate structures.
 - iv. Accountability – the mechanism to expose policies, decisions and actions to investor scrutiny
 - v. Behavior – the ability to correct actions where necessary
 - vi. Fairness
 - vii. Social Responsibility – good co-operative citizenship, non exploitative and responsible actions in relations to environmental and human right issues.
 - viii. Good stakeholder relations – the ultimate aim of conserving the repository of value represented.

Resolve that:

- (a) Continue to strengthen our relationship with P.I.C and other funds to enhance proxy voting and Corporate Governance.
- (b) Adopt the 8 PIC principles as well policies and applications and customize it to our environment.

2.66. National Health Insurance: NUMSA

Noting:

- (a) The democrats have inherited a health system that was disintegrated, racially based, inefficient.
- (b) The health system has been commodified which means the poor will die as a result of lack of facilities for the poor.

- (c) The current system is not justifiable in that the tax system subsidize the highly paid persons more than those who have no or little income.
- (d) The inefficiency of the health sector is a legacy of the apartheid regime and cannot be repaired.
- (e) The current health expenditure of medical aid membership of ten million is equal to that of the rest of the population which cannot afford medical aid scheme.
- (f) There are empty beds in private hospitals but hospitals are over populated to the extent that patients sleep on the floor.

Therefore resolve that

- (a) The national health insurance will integrate the national health system and make it efficient. It is not possible to repair the system but it need to be overhauled.
- (b) The system must be fair and equitable and universal
- (c) Health system should be decommmodified so that all citizens must have access to health facilities.
- (d) Resources should be pooled so that it benefits all.

2.67. National Social Security Fund: NUMSA

Noting that:

- (a) There is a government discussion paper on National Security Fund which has the following key principles:
 - Wage subsidy for those workers earning less than R40 000
 - A compulsory retirement scheme for all workers
 - A scheme that has defined contribution and defined benefit (60% for DB and 6% for D.C) and a risk benefit of three percent.
 - The administration of the fund will be central
- (b) Currently there are 13 000 funds ranging from 4 workers to millions of workers
- (c) Running small funds is expensive such that workers in those funds pay as much as four percent for administration fee whereas in large schemes members pay less than half a percent.
- (d) South Africa has not yet ratified the International Labour Organization decent agenda on social security because we do not meet any of the three pillars of the eight which are as follows:
 - C.102 Social Security (minimum standard), 1952
 - C.103 Maternity Protection 1952
 - C.118 Equality treatment (social security), 1962

- C.121 Employment Injury Benefits 1964
 - C.128 Invalidity, old age and survivors benefits, 1960
 - C.130 Medical Care and Sickness Benefits, 1969
 - C.157 Maintenance of Social Security rights 1982
 - C.168 Employment promotion and protection against unemployment.
- (e) One of the key requirements is “any benefit in cash should be a periodical payment provided throughout the contingency”
- (f) Since the country has a permanent social grant if N.S.S.F and NHI can be implemented it will have met the I.L.O minimum standard.
- (g) Our resolutions on universal protection are more relevant than before although they were adopted sixteen year ago. We were even ahead of I.L.O.

We therefore resolve that:

- (a) We agree with the government in principle however there are transitional arrangement challenges such as that the wage subsidy should not be transferred to employers
- Our members are not happy with the DB arrangement or preservation because there is no sufficient unemployment insurance; therefore the DC is used to protect workers against loss of income.
 - We must have provincial/regional footprint
- (b) Bigger schemes with sound corporate governance may be exempted e.g. schemes with more than 5 000 members as they can achieve economies of scale. No scheme should charge more than 1% or R50 whichever is the greater.

2.68. Transitional Arrangement for NHI and N.S.S.F

Noting that:

- (a) We are envisaging implementing NHI and N.S.S.F. within five years which is a huge task given that the current social security and national health schemes are highly disintegrated. This will impose financial, systems, technical and many technical and many challenges which may result into a failure.

Resolve that

- (a) It is critical that we must successfully implement both the NHI and N.S.S.F. given that the reactionary forces are holding the ruling party on service delivery.
- (b) We must put together a team of expert to work out a transition project plan which amongst other must consider the funding model, skills required, facilities required etc.

2.69. NHI Campaign:NEHAWU

Noting that

1. a national priority in the 2009 ANC elections manifesto is the implementation of a National Health Insurance within the 5 years before the 2014 general elections
2. the National Health Insurance Framework has been adopted by the ANC National Executive Committee
3. that the Minister of Health has appointed a special advisor who will oversee the implementation of the NHI together with a Ministerial Advisory Committee
4. the persistent attacks on the NHI by medical aids, medical aid administrators and the private health sector particularly in the media

Believing that:

1. the implementation of the NHI Draft Plan is an important step in the transformation of the SA health system and is in line with our long term view of the delivery of health care under socialism
2. the implementation of the NHI must be initiated during October 2009 in order to realise the 2009 election promise of delivery within 5 years
3. the implementation of the NHI must be defended in all sites of struggle
4. COSATU should play a lead role in mobilising all workers and communities to support and defend the NHI

Resolves to:

1. Take a lead in the mounting a centralised campaign in defence of the NHI by
 - a. providing information to all COSATU members through education campaigns
 - b. mobilising members to occupy the space in the public and in the media in defence and support of the NHI
 - c. ensuring that COSATU members monitor the implementation of the NHI thus holding the Ministerial Advisory Committee accountable to the priorities outlined in the framework
 - d. ensuring that the implementation of the NHI is not diluted by the remnants of the 1996 Class Project in government, especially in the Treasury and the Department of Health with regard to Public Private Partnerships
 - e. mobilising all workers in non-COSATU trade union structures
2. Participate in all the "red" campaigns mounted by the South African Communist Party to mobilise all community members
3. Launch campaign activities during October 2009 so that the election promise of implementation within 5 years is realised.

2.70. PF 130 Circular

Noting that:

- (a) Circular PF130 is a guideline issued by the Financial Service Board (F.S.B.) not a regulation
 - o PF 130 circular is a major step towards enhancing good governance for retirement funds. It has the following principles.

- Roles responsibilities and accountabilities of the board
 - Composition and competency of the board and the use of subcommittee
 - Board orientation and education
 - Board assessment and breach of code of conduct
 - Internal controls
 - Expert advisors
 - Risk management
 - Investment performance of the fund assets
 - Communication and access to information
 - Members and beneficiaries
- (b) Employer and sponsor
- (c) Regulatory authority
- (d) All funds are expected to adopt the document however not all have implemented it.

Resolve that

- (a) We compliment the F.S.B. for imposing such an effective document
- (b) We urge all funds to adopt and implement the PF 130 circular as a matter of urgency

2.71. *Impact of life expectancy on retirement funds*

Noting that:

- (a) The scourge of HIV/AIDS has impacted negatively on the country's population. The funds' members were not immune and therefore the average life expectancy rate has reduced in the last 20 years from 70 years to 43 years.
- (b) The government and some employers have made some efforts e.g. engineering sector has adopted a code of good practice, auto employers were running a comprehensive programme including provision of anti-retrovirals but are withdrawing some because of the economic meltdown. Motor Sector has just done a survey but very little has been further down.
- (c) However, Retirement Funds have done nothing despite the fact that it has impacted negatively on the contributions as well as the payouts on the Risk Benefit in that members leave those funds due to AIDS related illnesses or death.

Therefore Resolve that:

- (a) The retirement funds must do an actual evaluation about the impact of HIV/AIDS so that the risk to the workers must be quantified.

- (b) The funds must also assess the provisions which other institutions have done such as medical aid, employers etc.
- (c) The funds must model a solution for each according to the gap realised however the attempt should be to partner with those institutions instead of working in parallel or in competition with them. The ultimate objective should be to increase the life expectancy.

2.72. Impact on P/P Funds

Noting

- (a) Serious decline on the fund values because of the global financial crisis
- (b) Zero declaration on the fund credits
- (c) No prior warning by fund managers
- (d) Further considered input by the fund managers

Resolved that:

- (a) Fund managers should possess a high level of dexterity which must enable them to foresee and advise on envisaged economic crisis in order that we invest correctly.
- (b) Mandate or service level agreed to fund managers must have safety clause for our funds to be always safe.
- (c) Fund managers must be paid based on their performance i.e. performance of the funds.
- (d) Investment strategies should be informed by our goals and be spread to cushion negative impacts.
- (e) NUMSA must be represented in the funds managers' board meetings.
- (f) There should be transformation of the fund managers in all respects.
- (g) Our trustees should be trained and advised accordingly.
- (h) We need to control, lead and direct investments of the funds.
- (i) Re-look at our investment and location of funds strategy based on our objectives.

2.73. Black fund managers

Noting:

- (a) Problems with some black fund managers whose approach is self enrichment and non-transformatory.

Therefore resolve:

- (a) The role of the fund manager should be transformatory in all respects and reflect the demographics of our country in terms of ownership – management admin structures, control and ideologically towards the working class perspective. Such transformation should be cascaded beyond fund managers.

3. Organisational Resolutions

3.47. Skills development and employment equity: (CEPPWAWU, NEHAWU, NUM, SACTWU)

Noting that:

- (a) The Skills Development Act (SDA) of 1998 was introduced to help build the necessary skills among the country's citizenry in order to address the country's developmental challenges as identified in the Reconstruction and Development Program (RDP).
- (b) The skills shortages in our country require urgent attention.
- (c) The institutions delegated to implement the objectives of the SDA have not helped as they continue to operate in silos.
- (d) Since the establishment of the SETAs, skills development amongst the workforce has been moving at a snail-pace.
- (e) The SETA landscape is complex, as a result, some of the SETAs were open and subject to corrupt activities making it difficult to meet the delivery targets on actual industrial skills development to the extent needed to resolve our skills crises.
- (f) The establishment of JIPSA and the development of the new National Human Resource Development Strategy (NHRDS).
- (g) The references to the developmental challenges in the current economic crises, as set out in South Africa's Framework Response to the International Economic Crises.
- (h) Acts and Regulations are amended without proper, effective and coordinated labour input. (As a result, we have recently lost our gains on consultation issues in the SDA regarding workplace skills committees and the appointment of Skills Development Facilitators.)
- (i) The SDA does not compel employers to train workers.
- (j) The SETAs have been moved from the Department of Labour to the new established Department of Higher Education and Training.
- (k) The inclusion of white women in the Employment Equity Act definition of designated group resulted in employers preferring white women over black women in top company positions.

Believing that:

- (a) Skills development and the programs of SETA's should meet the developmental needs and interests of workers and the transformational economy and not just simply be a source of easy funding for employers.
- (b) Our country has the necessary human and material resource to meet our skills challenges.
- (c) Central to the success of the skills revolution is the realignment of the National Skills Development Strategy to the National Human Resource Development Strategy.
- (d) The transfer of the SETAs to the Department of Higher Education and Training is the correct direction towards improving the delivery of skills development in our country.

Therefore resolve that:

- (a) The development of the national skills development strategy should be based on the sectoral needs of the country.
- (b) Special focus on skilling and re-skilling in the coming five years should be on the youth, women and blacks in particular.
- (c) To support the merger of SETA's in the same value chain, as identified in the Framework Response.
- (d) All sectors of the economy should conduct a sector skills audit and that these should be consolidated into one national, economy wide skills audit.
- (e) Each economic cluster must communicate the skills needs to the relevant SETAs, which must in turn respond with an appropriate skills development implementation program to address the identified skills shortages in consultation with sector stakeholders, especially representatives of labour.
- (f) Each SETA must be given the targets that should be met within a specific period and SETAs should in the long-run be accountable to specific economic cluster.
- (g) SETA's should allocate resources for capacity building for trade unions, where this has not yet happened.
- (h) Skills Development Parastatals or School of Excellence should be established, funded by National Skills Fund, to act as employers for workers who want to enter long term education and training courses.
- (i) The SDA must be amended to ensure that employers are enforced to deliver training and to empower SETAs to have control and monitoring mechanism for proper utilization of mandatory grants, beyond submission of Workplace Skills Plans.
- (j) SETAs to develop a monitory and quality control mechanisms on utilisation of Discretionary Funds.

- (k) Re-affirm our belief that RPL and ABET are crucial components to helping resolve our skills crises and to call on SETA's to identify challenges in the delivery of RPL and ABET, including the creation of concrete programs to implement these.
- (l) RPL to be included in the SDA and clear time lines for its implementation to be in place.
- (m) Previously disadvantaged black persons and disabled persons should be given preference in the definition of 'designated groups'.
- (n) COSATU coordinates labour inputs and workshops on amendments and the development of legislation around skills development and employment equity.
- (o) COSATU should embark on intensive employment equity and skills development implementation campaigns.

3.48. Co-ordination of COSATU participation In SETA's :(NUM)

Noting that:

- a) As COSATU, our participation in SETAs is fragmented, ineffective and inefficient.
- b) The absence of a collective Federation led strategy results in affiliates engaging in SETA meetings with individual and independent affiliate approaches.
- c) There is no COSATU coordination in SETA participation and engagements.
- d) Our capacity in the SETAs is inconsistent.
- e) Employment equity implementation remains a challenge, as it's driven by management and lacks a coordinated strategy on our part.

Believing that:

- a) Our effectiveness and efficiency depends on a collective and well coordinated approach to SETA work that will ensure uniformity in our engagement and that will avoid individualistic and fragmented engagements in advancing skills development and economic emancipation for our members.

Therefore resolve that:

- a) COSATU must develop a National Skills Development and Employment Equity Strategy that will guide and inform a coordinated approach in SETAs and at workplace level.
- b) COSATU establishes a National Skills Development and Employment Equity Committee consisting of Affiliate representatives for engaging on these issues.
- c) Capacity building programme for representatives to be in place.