

INDUSTRIAL REL - WORKERS' ORG. (COSATU)

1995-1997

## NEWS

*Business and labour seek ways to reach consensus*

# Major union groups prepare joint action

Star 1/6/95

(140A)

■ BY HELEN GRANGE

Three major labour federations are joining forces and bracing themselves for a joint mass action campaign to break the impasse in negotiations on the new labour legislation.

The Federation of SA Labour Unions (Fedsal) announced yesterday that its affiliates will participate in the campaign being spearheaded by Cosatu, which has said it will embark on a national half-day strike on June 19, which will be preceded by a two-week mass action campaign beginning on Monday.

The National Council of Trade Unions is also expected to announce its participation in the campaign to break the deadlock

## LABOUR Minister Tito Mboweni says the Cabinet backs centralised bargaining

later this week.

Fedsal general secretary Dannhauser van der Merwe said this was the first time organised labour had united in a campaign to further trade union rights.

Labour Minister Tito Mboweni said last night the Cabinet supported centralised bargaining and he had received a mandate from the Cabinet to explore ways to achieve this.

He said it had become apparent that there were weaknesses in the structure of the ne-

gotiations in the National Economic Development and Labour Council (Nedlac) and both business and labour had agreed in discussions yesterday to find mechanisms "to accelerate negotiations and reach consensus".

"We are convinced that negotiations will show progress within the coming weeks."

Democratic Party labour spokesman James Selfe appealed to Mboweni to extend the deadline for the new Labour Relations Bill to next year's parliamentary session, saying Mboweni was establishing unrealistic deadlines "on extremely complex legislation".

However, Mboweni said last night the deadline was agreed upon by parties at Nedlac, and

not imposed by the ministry.

"I would appeal to all parties to support our endeavours to agree on a Labour Relations Act this year rather than opportunistically trying to postpone agreements."

Issues over which there are strong differences are centralised bargaining, the duty to bargain, industrial action, scab labour and workplace forums.

Selfe said Cosatu's proposed mass action was inappropriate and constituted an act of bad faith. "The message being sent to investors, both domestic and foreign, is that South Africa, despite all the positive changes that have taken place, is still not an economically stable environment in which to invest."

# Cosatu pushing for new Act this year

By Abdul Milazi  
Labour Reporter

*14011*

THE Congress of South African Trade Unions is pushing determinedly for the new Labour Relations Act to be finalised this year *Sowetan*

Addressing a conference to announce the programme of mass action for June 6, Cosatu assistant secretary-general Zweinzima Vavi said negotiations for the new act would have to be finalised before the June 30 deadline. Claims by business that they were not ready were unacceptable, Vavi said, adding that all parties in the National Economic Devel-

opment and Labour Council had ample time to review the proposals and assess their positions.

He said since the draft bill was presented in February, business had not put forward any proposal, but had merely rejected the contents of the bill. Vavi said Cosatu would fight until the demands of workers were achieved. He rejected the Democratic Party's suggestion on Wednesday that the deadline for the finalisation of the new Act be postponed to next year *2/6/95*

Vavi said the DP was playing into the hands of business, who wanted the old act to remain because it favoured them

Political comment in this issue by Aggrey Klaaste. Newsbills, sub-editing and headlines by Sy Makanng and Paul Drosdzo. All of 61 Commando Road, Industria, Johannesburg. Printed by The Newspaper Printing Company for the proprietors and publishers, New Africa Publications Ltd of 61 Commando Road, Industria, Johannesburg. The reproduction or broadcast without permission of articles published in this newspaper on any current economic, political or religious topic, is forbidden and expressly reserved to New Africa Publications under Section 12 (7) of the Copyright Act 1978. Sowetan abides by the Code of Conduct of the Press Council of South Africa and accepts its jurisdiction.

# Unions plan massive marches

■ BY HELEN GRANGE

Labour federations are preparing for huge marches country-wide on Tuesday, day two of a mass action programme aimed at forcing concessions from business in the deadlocked labour legislation negotiations

The Congress of South African Trade Unions (Cosatu) released details of the programme yesterday, an hour before labour and business representatives met to consider Labour Minister Tito Mboweni's proposals on breaking the impasse

Mboweni said last night the negotiations on new labour legislation were "on track" despite the mass action threat.

"We do not believe that this is

a crisis at all. I am positive all parties will have reached agreement on the contentious issues by the June 30 deadline," he said

The mass action programme, which was spearheaded by Cosatu and joined this week by the Federation of SA Labour Unions and the National Council of Trade Unions, begins on Monday with meetings by shop stewards to finalise activities

On Tuesday, workers will meet at 9am on the corner of Wanderers and Plein streets in Johannesburg to march to the Chamber of Mines in Sauer Street and then to the Gauteng Legislature in Simmonds Street.

The campaign is to reach a peak on June 19, when marches

will be held in all major cities, followed by a half-day strike.

Cosatu spokesman Neil Coleman said yesterday the campaign was an attempt to accelerate the negotiations.

Other issues tabled were

- Mboweni's suggestions on how to achieve centralised bargaining

- The proposal that Nedlac provide a backup technical team to assist the Labour Relations Act negotiating committee

- The proposal that Nedlac's secretariat be used in a more facilitative capacity

The SA Agricultural Union criticised the trade unions yesterday for their "blackmailing" approach. The SAAU said it favoured a negotiated solution.

STAR 2/6/95

(14)

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(132)



## Cosatu to go ahead with protest

ET 2/6/95 (140A) ~~(140A)~~ ~~(140A)~~  
JOHANNESBURG Cosatu said yesterday it would go ahead with protests to persuade business to let go of apartheid labour laws

"The fight is on. The gloves are now off between us and business. We want to show business they can't cling to the current labour legislation till 1996," Cosatu's assistant general secretary Mr Zwelanzima Vavi said here.

Cosatu announced last week there was a crisis between labour and business in the National Eco-

nomic Development and Labour Council talks on new labour laws

Cosatu publicity officer Mr Neil Coleman said the federation would press ahead with plans for lunch-hour protests and marches from Monday, culminating with a half-day strike on June 19.

On Tuesday there will be a march to the Chamber of Mines offices to demand centralised bargaining, increased rights of unions to organise workplace forums and an end to scab labour. — Reuter

# Cosatu, business square up over

The country needs a new dispensation for workers, and employers' attempts to delay change are creating massive tension, says Cosatu, which launches its mass action campaign on Tuesday. **KURT SWART** speaks to the parties at the centre of the dispute

Rising tension on factory floors, caused by the alleged reluctance of business to "enter the new South Africa", was cited by labour federation Cosatu yesterday as the driving force behind its proposed mass action programme.

Cosatu said it was committed to mass action to break the deadlock in negotiations on the draft Labour Relations Bill.

"The gloves are off and the fight with business is on," Cosatu said this week of its attempt to pressure business to agree to include in the Bill centralised bargaining and the right to strike.

The decision to launch mass action has been sharply criticised by the South African Chamber of Business, the Democratic Party and Business South Africa (BSA).

Yesterday, BSA negotiator Adrian du Plessis said "The resort to mass disruption is not reconcilable with the search for negotiated solutions, the new labour relations system has to emerge out of reasoned debate and not economic attrition."

Du Plessis said BSA was not opposed to collective bargaining but was opposed to the "compulsion" to bargain at central level. BSA accepted the right to strike, but did not accept that it could be pursued to the detriment of economic activity.

Cosatu spokesman Neil Coleman accused business of deliberately stalling to postpone legislation until next year "or even further".

"Negotiations must be finalised by the end of June to enable legislation to be passed this year. Their attempt at delay has been confirmed by the Democratic Party, which has blatantly come out in support of employers postponing until 1996. That is a completely uninformed and dangerous position to take," said Coleman.

He said millions of workers were governed by fragmented labour legislation in the public, farming, domestic and police sectors.

"We have seen the problems this has created at turn of the police force and on the factory floor. The apartheid labour legislation is still in place. Employers' attempts to delay change are creating massive tension."

"They have to come into the new South Africa. Negotiations are not about amending the old labour dispensation. The whole

## Labour Bill

(140A) Star 3/6/95

country wants a completely new dispensation

"This should send a clear message to employers that they are not only facing Cosatu, but a broad range of unions representing workers from unskilled to professional"

Coleman said Cosatu welcomed the decision by the 200 000-strong Federation of South African Labour Unions "to come on board" the mass action programme "This is a historic first time for a largely white-collar union with a large percentage of white workers

Coleman said mass action would start with a march in Gauteng on Tuesday and would "roll" until June 19 when workers would stage a national half-day strike

This could mean more than 1.5-million workers on strike



# Central bargaining tops unions' agenda

Sowetan 5/6/95

Labour Reporter **Abdul Milazi** looks at the issues behind today's rolling mass action called by Cosatu.

IN NOVEMBER LAST YEAR, when many South Africans were still celebrating the birth of a new democratic dispensation, about 3 000 South African Commercial, Catering and Allied Workers Union members went on strike at more than 200 Spar outlets in Gauteng.

Central to the action was the union's demand for centralised bargaining, which the trade union movement in general regards as vital to the future of negotiations with employers.

Management wanted the workers to negotiate wages with individual stores, while the union wanted to secure an umbrella agreement on minimum wages and other conditions of employment.

Daggers were drawn and workers defied court interdicts in their determination to achieve their demands. This led to fierce confrontations between strikers and the police. At least 2 500 workers were dismissed, while another 68 were arrested for defying court interdicts, intimidating customers and damaging property.

The case against the 68 was thrown out of court last week after Johannesburg Regional Court magistrate Mr LJ van der Schyff refused to give the State more time to draw up charge sheets.

However, the battle is not yet over. The union wants all the workers reinstated, while management wants to employ only those it selects.

## Conciliation Board

Saccawu spokesman Mr Sthembale Tshwete said the union had referred the matter to the Conciliation Board, and added that the retail chain store would face a national strike if the board could not resolve the matter.

The anger that led to serious confrontations between Spar owners and Saccawu, and Cosatu's call for mass action today, indicate the urgency around the issue of centralised bargaining.

Cosatu's decision to embark on rolling mass action from today stems from its dissatisfaction with the lack of progress at National Economic and Labour Council negotiations.

Cosatu is demanding that centralised bargaining, the right to strike, a ban on scab labour and the establishment of workplace forums be enshrined in the new Labour Relations Bill.

The federation has accused business in Nedlac of refusing to move into the democratic era.

According to Cosatu, the employers are demanding to have the right to lock out workers, to force them to accept lower wages, dismiss workers in legal strikes, ban the close shop, employ scab labour and refuse to negotiate with unions at industry level.

Cosatu secretary-general Mr Sam Shilowa told a Press conference last week that, while labour



**FLASHBACK:** A meeting between Cosatu and Saccola. The federation is now accusing business in Nedlac of refusing to move into the democratic era.

attempted to accommodate the concerns of other parties, business had rejected labour's proposals and many aspects of the draft bill.

Cosatu and its allies in Nedlac, the National Council of Trade Unions and the Federation of South African Labour, want the new Labour Relations Act finalised this year.

Tshwete said Saccawu believed bargaining was at the heart of the industrial relations system, and that centralised bargaining was far more efficient for both employers and unions than the current collective bargaining system.

He said the present bargaining arrangement in different sectors encouraged segmentation and inequality in conditions of employment and wages. Tshwete also said collective bargaining encouraged employers to compete on the basis of cheap labour because each sector negotiated their own wage agreements individually.

Despite this, the number of strikes has dropped considerably compared to previous years, according to a Andrew Levy and Associates quarterly report, which singled out the Spar strike as the major industrial action so far this

year. According to the Department of Labour's annual report, the number of strikes increased from 790 in 1993 to 804 in 1994 — and workers lost R148 million in wages. The greatest number of man-days lost were in the manufacturing sector (50,55 percent), followed by mining (23,55 percent).

The highest number of strikes were in the Witwatersrand, accounting for 26,24 percent, while Pretoria registered 10,3 percent and Port Elizabeth 3,23 percent, the lowest rate recorded.

## Better wages

Strikes over wages accounted for 27,11 percent, while 36,37 percent were over better conditions of employment, including better wages.

The Food and Allied Workers' Union was responsible for 51 percent of all industrial action, followed by Saccawu (17 percent), the Chemical Workers' Union (six percent) and the National Union of Mineworkers (4,6 percent).

The deadlock on centralised bargaining could see an upsurge in these figures for 1995 if this issue is not resolved speedily.

# No disruption as mass action starts

**T**HE FIRST DAY OF THE ROLLING mass action campaign led by the Congress of South African Trade Unions ended peacefully yesterday, with no disruptions reported from around the country.

Cosatu assistant general secretary Mr Zwelinzima Vavi said shop steward councils devoted yesterday's lunch hour to reporting back to workers their decisions on the type of action to be undertaken during the campaign in the various regions.

Thousands of workers will march to the Gauteng Legislature and to the offices of the Chamber of Mines today, while in KwaZulu-Natal two mass marches will be held in Durban and Mantsiwe.

The Northern Cape began picketing the busiest streets in the local towns as part of the build up to the national day of protest on June 19.

The Federation of South African Labour Unions and Cosatu will hold joint shop steward councils tomorrow

*(140A) (132) (30) some ran 6/6/98*  
**Labour Reporter Abdul Milazi** reports on Cosatu's first day of national mass action, with more marches planned today.

to assess the progress and build-up of the mass action.

On the same day the Eastern Transvaal region will hold marches throughout the area while the Eastern Cape will begin lunch hour demonstrations and also conduct television and radio interviews to publicise the campaign.

The South African Chamber of Business and the Afrikaanse Handelsinstituut yesterday said no disruptions to business were reported.

Sacob spokesman Mr Gerrie Bezuidenhout said, however, that if the mass action demonstrations were confined to the lunch hour, business would not be affected.

Meanwhile in KwaZulu-Natal, security forces fired teargas at hostel residents in Umlazi near Durban yesterday and the situation remained tense during an ANC-Cosatu march in the township.

Hostel residents of Unit 17 in T Section, an Inkatha Freedom Party stronghold, rushed at razor wire surrounding the hostel. Police and members of the SA National Defence Force fired teargas to disperse them.

A shot was fired at the Umlazi magistrates court, increasing tension as several hundred marchers rushed towards the direction of the shot. Security forces patrolled the area while marshals supervised ANC supporters.

**Mandela being**



# PAC supports mass action

THE Pan Africanist Congress yesterday threw its weight behind the labour movement in its confrontation with the business sector over new labour legislation

In a statement issued by PAC national executive member Mr 'Khoisan X, the organisation blamed business for the impasse over the Labour Relations Bill currently being negotiated in the National Economic Development and Labour Council. X said rolling mass action that began yesterday to highlight demands by labour, was the last resort in the process and was justified.

"Some of the issues in question . . . enforced centralised bargaining, sympathy strikes and socio-economic strikes have been negotiated before. The

mass action by workers as a last resort is justified," X said.

"We are calling on employers not to adopt a laager mentality in the wake of the worker protests but to continue with meaningful negotiations."

He said the PAC believed the solution to the impasse should be based on certain principles. These include

- The recognition of labour as crucial partners in the productive process,
- The establishment and maintenance of investor-friendly laws which do not trample on the rights of the workers, and
- The establishment and maintenance of the South African economy's global competitiveness.

"We believe a balance can be found in

accommodating these concerns in the new Labour Relations Act and that the concerns are not mutually exclusive," he said. He appealed to workers to stage disciplined and peaceful protests. The marches and other demonstrations end on June 19 with a partial general strike

— Sapa

**“We are calling on employers not to adopt a laager mentality in the wake of the worker protests”**

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# Mass action casts doubt on Nedlac

CT(BR) 6/6/95

~~1330~~ 140A

BY THABO LESHLO

STAFF WRITER

Business has questioned the ability of the National Economic Development and Labour Advisory Council (Nedlac) to foster a common vision between labour and capital on the eve of today's mass action by tens of thousands of workers

The workers are putting pressure on organised business to accept centralised bargaining and the unfettered right to strike in the labour relations bill

Janet Dickman, Sacob manager for labour affairs and social policy, said it appeared labour was not mature enough for processes like Nedlac

By disrupting the economy, organised labour was acting contrary to the spirit of Nedlac as a consensus-seeking body, she said

Dickman challenged labour to recognise that times had changed in South Africa "Mass action cannot be justified when we have a legitimate and union-friendly government."

She said although it was impossible to quantify the expected loss in production and wages, today's protest would cause "considerable" damage to the economy

Union leaders, however, blamed business for slowing down the process to reach agreement before the June 30 deadline imposed by the labour minister, Tito Mboweni, on the parties

Zwelinzima Vavi, Cosatu secretary general, said "The deadline has to be reached. Mass action will ensure that we speed up the negotiations and defeat the agenda of the bosses, (which is) to prolong negotiations in Nedlac until 1996."

He said a sizeable number of Cosatu's 1,5 million members would join the protests. So would affiliates of the 200 000-strong Federation of Labour Unions of SA (Fedsal). However, workers in essential services were exempt from the action.

The series of protests would culminate in a national half-day strike on June 19. Vavi warned that unless the deadlock was broken on that day, Cosatu would consider taking even harsher action — possibly a stayaway — to support its demands.

Although the National Council of Trade Unions (Nactu) meets tomorrow to discuss what action to take in the light of the deadlock in Nedlac, the organisation supports the position taken by both Cosatu and Fedsal

# Cosatu's fortnight of mass action begins today

OT 6/6/95

(140A) (52/116)

JOHANNESBURG: Cosatu begins a fortnight of mass action today to press business leaders to seek changes in proposed labour laws.

Labour Minister Mr Tito Mboweni has been lobbying Parliament to accept draft legislation entrenching a national minimum wage and workers' right to strike in

exchange for guarantees from unions to cut down strikes

Cosatu said for the next two weeks members would hold lunch-hour meetings and demonstrations at workplaces and in city streets to pressure businessmen into negotiating pro-labour changes to the draft legislation

"This phase of mass action will culminate in a national day of protest on June 19," spokesman Mr Neil Coleman said.

Cosatu had reached deadlock in negotiations with the National Economic Development and Labour Council set up by Mr Mboweni and had decided on the

mass action programme "to drive the negotiations forward", Mr Coleman said.

The South African Chamber of Business said the protests would have "an extremely negative impact on South Africa's attempts to attract foreign investment" — Reuter

# 40 000 join Cosatu march to demand Labour Act changes

ARC 6/6/95

## The Argus Correspondent

JOHANNESBURG — The city centre ground to a halt today as an estimated 40 000 workers took part in the biggest post-election march by the labour movement to press home demands for changes to the draft Labour Relations Act

The marchers, most of them members of the Congress of SA Trade Unions (Cosatu) and joined by Federation of SA Labour Unions and National Council of Trade Unions members, would present memoranda to Gauteng Premier Tokyo Sexwale, the Johannesburg Stock Exchange and the Chamber of Mines later today

African National Congress deputy secretary-general Cheryl Carolus told the crowd the party supported their demands for the draft Bill to be changed, saying it had to be a worker-friendly piece of legislation

"The ANC supports laws which will lead to the growth of the country, and that growth must be seen in the wealth going to the workers. If the workers are unhappy with the Act then it must be changed," she said

She said the ANC had consulted all its MPs and when the Bill was debated in parliament they would all support inclusion in the new Act of workers' demands

The march is part of the labour movement's mass action campaign to force business to accept its proposals on the draft Bill

Cosatu spokesman Neil Coleman said the march was one of

several planned across the country as part of the rolling mass action campaign to culminate on June 19 with a half-day general strike. Other marches were in progress in Durban, Maritzburg and East London, he said.

In the wake of the protests, business has threatened to review its participation in the negotiating forum on the Bill, saying the mass action showed labour did not take the negotiations seriously

Negotiators will meet for another round of talks on June 12 and 13

At the heart of the dispute are differences between labour and business negotiators in the National Economic, Development and Labour Council (Ned-lac) on centralised bargaining, industrial action and workplace forums

Labour wants the new Act to compel all parties to bargain at central level. Business believes "a compulsion to bargain at central level is unworkable".

Another issue is the employee's right to strike, which business feels is not balanced with the employers' right to lock-out, which it says is circumscribed in the current draft of the Bill

The third major obstacle is the proposal in the Bill that a union should be the sole agent which can call for the formation of a workplace forum. Business believes the formation of workplace forums should be more inclusive, with all workers, including those not belonging to a union, being able to propose that it be formed



# Trade unions warn of SA standstill as protests begin

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Arg. 6/16/95

## Staff Reporter

TRADE unions have launched a programme of protest action which they warn could bring the country to a standstill on June 19.

Two major unions — the Food and Allied Workers Union and the South African Clothing and Textile Workers Union — held rallies yesterday in the Western Cape to tell their members of the intended programme

Cosatu Western Cape chief Boss Nxul warned this was only a taste of what could be expected unless negotiators for the labour movement and big business could reach consensus at their next round of meetings on Thursday.

Mr Nxul said the labour movement — Cosatu, the National Council of Trade Unions (Nactu) and the Federation of South African Labour (Fedsal) — was working on regional and national programmes of action to try to persuade the business sector to see the urgency of getting a new labour relations bill tabled in parliament

He said that since the beginning of May, when negotiations began, employers had not budged from their position, saying they needed more time to discuss the draft labour bill

"This is totally unacceptable as we have been negotiating with big business since 1988 about changes to the Labour Act, and they are very aware of our thinking," Mr Nxul said

"They are just using this as another delaying tactic and the united labour

movement, and the country as a whole, cannot tolerate this as it is not in the interest of the country's economy to have uncertain labour relations"

Yesterday union organisers began laying the groundwork for the programme of action leading up to the big showdown in a fortnight

Activities planned for this week included informing all workers of the unions' position and plans and lunch-time demonstrations at factories

"On Friday we will assess the outcome of the meeting between our negotiators and the employers before finally deciding on what action to take on June 19," said Mr Nxul

André Kriel, national education officer for the SA Clothing and Textile Workers' Union, said employees wanted finality on important issues raised in the draft bill, and the government had set the end of June as the cut-off date for final submissions

"We believe this can be reached if business shows seriousness about finding solutions and comes forward with proposals that can be discussed

"But thus far they have only listed their rejection to a number of important clauses listed in the draft bill"

Mr Kriel said some of these issues, like the need for centralised bargaining, amendments to closed shop agreements, the right to strike and protest in solidarity for social economic reasons, were fundamental workers' rights which could never be rejected

"The employers want to drag us back to the dark days when workers had no rights and were entirely at the mercy of the bosses"

He said that in the past five years much economic restructuring had taken place with little or no consultation or input from the workers and that as a result rationalisation and retrenchments followed

"Part of the draft bill allows for workers and union members to make an input at a national level but the bosses are rejecting this. They are against central bargaining whether it's for wages or other aspects which affect the workers"

Mr Kriel said they were fed up with all the delays and would show on June 19 how serious they were about getting the draft legislation into parliament so that it could become law

The executive committee of the joint labour forum had already decided on a national half-day stayaway for June 19 — employees would work until noon then march through the different city centres

"Depending on the outcome of the meeting on Thursday, we could decide to call for a full day of protests with massive marches across the country which would effectively shut down the economy

"And if no agreement is reached, there will probably be lots of turmoil in the country as a result, and this could all be blamed on business's attitude to the situation," Mr Kriel said

# 150 000 march over labour Bill

out the history of the ANC  
7/16/95

The protest brought the city to a halt as workers marched on the legislative offices, the Chamber of Mines and the stock exchange in the biggest worker turnout since the anti-VAT campaign of 1990

Nedlac executive director Jayendra Naidoo said yesterday he was optimistic a solution to the impasse could be found if "both parties showed their cards"

BY JUSTICE MALALA  
LABOUR REPORTER

The SA labour movement yesterday sent its most serious warning yet to business that it would not compromise on its demands for changes in the draft Labour Relations Act when an estimated 150 000 workers in four cities took part in marches around the country to back their negotiators.

But the deadlock at the National Economic, Development and Labour Council (Nedlac) on negotiations about the Bill, which led to the marches, could be resolved today Business and labour representatives have agreed to meet to iron out their differences before they meet formally on June 12 and 13.

President Nelson Mandela appeared briefly at the Johannesburg march and gave his blessing to the 70 000 workers led by Congress of SA Trade Unions (Cosatu). He told them that the right to demonstrate and strike was used through-

## Workers desert patients - Page 2

But yesterday Cosatu leaders were unbending in their demands, saying if business failed to accede to them by June 19, when the mass action is set to culminate in marches and a half-day strike, further action, including a general strike, would be considered.

SA Chamber of Business spokesman Gerrie Bezuidenhout said it was still too early to say how much had been lost in production.



Worker power . . . Cosatu members march through Johannesburg yesterday demanding changes to labour law. PICTURE ETIENNE ROTHBART



# Fury as hospital workers desert patients

(140A) (S) SPAN 7/6/95

■ BY JANINE SIMON  
MEDICAL CORRESPONDENT

Yesterday's Cosatu march brought parts of the overflowing Johannesburg Hospital to a standstill, as between 85 and 100% of general assistants left to join the protest.

Theatres, kitchen and laundry facilities were worst affected.

Theatres were closed for everything but emergencies after 44 of the 50 general assistants left to join the march. A total of 41 patients, including seven children, scheduled for surgery had to be sent home after being prepared for general anaesthetics.

Parents, many of whom had taken the day off work and only informed of the cancellation at noon, were angry about the disruption. "I'm losing money at work, and my child needs to be in school," said one mother.

The children, who had been given pre-anaesthetic drugs, had not eaten since 7pm on Monday; paediatric ward staff battled to find plates, cups and boiling water to make a lunch of instant soup and sandwiches.

Paediatric surgeons said they had started with the scheduled operations, but had to stop because there was no clean linen and no one to clean theatres.

A source in the hospital's theatre department said there had been no warning that the theatres would have to close, and that medical and nursing



Waiting ... a mother stands with her child in the paediatric ward at Johannesburg Hospital.  
PICTURE MOTLHALEFI MAHLABE

staff were "furious" at the disruption.

"They fired the general assistants last time, and reinstated them. They should fire them and get a motivated workforce," said one angry doctor.

Hospital spokesman Trudi Schutte said the management had been informed at 3 50pm on

Monday that National, Education, Health and Allied Workers' Union (Nehawu) members would be joining the march — despite the union giving two previous assurances that services would not be disrupted.

Nehawu branch official Khumba Magudulela said hospital staff would have arranged with man-

agement to leave work, and this should have been communicated through the hospital.

Management was notoriously hostile to workers, he added.

■ Hillbrow Hospital superintendent Dr J Norman-Smith said he had received no reports of any staff stayaway or disruption in services

# Cosatu threatens further mass action as march paralyses city centre

Renee Grawitzky

B0 7/6/95

A MARCH by more than 60 000 Cosatu members — which brought Johannesburg's CBD to a halt yesterday — was characterised by warnings that the economy would be brought to its knees with a half-day stayaway on June 19 if employers did not respond positively to labour's demands.

The march was given legitimacy by the arrival of President Nelson Mandela, who said the ANC was fully behind the protest action, but warned workers to act in a disciplined manner. He said the right "to de-

monstrate and strike was used throughout the history of the ANC" and this right was included in the constitution.

Cosatu assistant general secretary Zwelinzima Vavi said the rolling mass action would "roll and roll until employers agreed to our minimum demands".

Business SA spokesman Adrian du Plessis said that in view of the threat of continued mass action, BSA was considering its position in the National Economic, Development and Labour Council (Nedlac).

At the Chamber of Mines building a memorandum setting out labour's core de-

mands was presented to Du Plessis. He said business recognised the right of peaceful protest, but "sustainable solutions came out of negotiations around a table and not out of the streets".

Nedlac executive director Jayendra Naidoo told workers that deadlock had been reached quickly with the parties having presented only their first positions.

His statement that "where a person starts is not where they finish" was met with a stony silence by the crowd.

Labour Minister Tito Mboweni said he was confident of a settlement if a solution

was found on centralised bargaining, the closed shop issue and the right to strike.

NP labour spokesman Leon Wessels said "such one-sided action will not make SA appear as an investor-friendly country".

Naidoo said meetings between labour and business were scheduled to start today.

The march, which was supposed to be part of a united labour campaign, was led by Cosatu's Vavi, Ebrahim Patel and George Nkandeni, the ANC's Cheryl Carolus and the SACP's Jeremy Cronin. There was no Federation of SA Labour representation and the National Council of Trade

Unions is holding a meeting today to decide on participation in the campaign.

Farouk Chothia reports that at a rally in Durban, Cosatu president John Gomoio said the union demanded the disbandment of provincial governments as they would lead to fragmentation and would bring about uneven development.

Addressing thousands of workers, he said the lifespan of provincial governments should not extend beyond 1999. "Political parties are deviating from the first declaration in the interim constitution — the sovereignty of central government."

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## Mandela not

### biased — unions

(140A) CT9/6/95

JOHANNESBURG President Nelson Mandela did not take sides by attending a Congress of South African Trade Unions (Cosatu) demonstration in Johannesburg as implied by Deputy President F W de Klerk in Parliament yesterday, Cosatu said.

Cosatu assistant general-secretary Mr Zwelinzima Vavi said Mr Mandela had "picked his words well" at the march.

Mr Vavi said Mr Mandela did not, at any stage, say he supported Cosatu's demands regarding a new labour dispensation, although he did assure Cosatu it had "a perfect right, guaranteed in the constitution, to assemble, to protest and to strike".

Mr Mandela had assured Cosatu its demands were not in conflict with the programme which Mr De Klerk claimed to support, and Cosatu found it surprising that he chose to make an issue of it to score political points.

Mr Vavi added that Mr De Klerk should not forget that during his "reign of terror", he had tried "every trick in the book" to smash the trade unions.

"He must accept that that era is now over," he said — Sapa

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BUSINESS ACTING 'RECKLESSLY'

CT 15/6/95

# Cosatu rejects '3rd World' labour laws

**BIG BUSINESS** and trade unions are deadlocked over future labour legislation, and Cosatu is planning a march to Parliament tomorrow to highlight their demands.

**S**OUTH AFRICAN workers will not agree to a Labour Relations Act which will put them on a par with workers in the Pacific Rim countries — because cheap labour is a feature of those economies

This was said yesterday by Cosatu acting general-secretary for the Western Cape Mr Joseph Williams

Cosatu unions, he said, had drawn up a Labour Relations Act which was in line with other First World countries and which protected the rights of the worker

"We will never agree to the

Third World option being proposed by the Business South Africa alliance because it will undermine the power of the unions "

Big business and trade unions are deadlocked on a number of points in the new Labour Relations Act — including centralised bargaining, industrial action and work-place forums.

Business want the right to lock striking workers out — a clause which, they say, balances out the workers' right to strike

This week organised business said it would take "a six-month

(132) (133) (140A)  
strike" before they were forced into accepting the unions' proposed labour legislation changes.

## March

The trade union alliance said it was "amazed" at this "reckless" challenge and accused business of being immature. To highlight their demands trade unions are planning a march through Cape Town to Parliament tomorrow

Labour Minister Mr Tito Mboweni said yesterday he was confident agreement would be reached on a new labour law this month, despite a half-day strike planned by trade unions for Monday — Staff Reporter, Reuter

# Strike on Monday

STAFF REPORTER

CT 16/6/95

(140A)

RELATIONS between labour and business are expected to take a turn for the worse on Monday when unions in 24 different towns engage in a half-day strike and mass action to break the deadlock in negotiations over the new labour relations bill

The strike, according to Mr Peter Roman, National Council of Trade Unions (Nactu) Western Cape co-ordinator, was called to break the stalemate in its negotiations with employers

Mr Roman said yesterday the strike was a joint action between the Congress of SA Trade Unions, Nactu and the Fedal.

Although these unions have political differences, they have united to fight for worker demands in the new bill

"We demand the right to strike, to organise, to have workplace forums and the right to centralised bargaining," the union official said

Monday's half-day strike and mass action will start at 10am at the Grand Parade and be followed by a march to Parliament and the chamber of business.



# Cosatu struggles to find new direction

(140A) PA 27/6/95

BACK in October 1993 Cosatu assisted the constitutional negotiators of its ally, the ANC, by threatening a programme of mass action over the interim constitution as it related to strikes and lockouts, with Cosatu demanding that the employers' right to lock out be eliminated from the Bill of Rights.

After a couple of weeks of frantic, confused talks, minor amendments to the wording were agreed — changes which had no practical effect whatsoever. It was just sufficient to allow Cosatu to withdraw its threats, having saved face. But it was generally agreed (not least by the pro-labour SA Labour Bulletin and the ANC hierarchy, which was simply irritated) that the entire affair had been ineptly conceived and carried out by Cosatu. It was a sign that the ANC, though dependent on Cosatu as a strong ally, would not treat the federation's views as gospel. Further, some major affiliates, including the NUM, had let it be known that they thought it a rather silly campaign and had no intention of participating in it.

These events occurred just a few weeks after 20 or so top Cosatu officials were selected by the federation as its nominees for the ANC general election list. The 20 — who included almost all of the organisation's top strategic thinkers like Alec Erwin, Marcel Golding and departing general secretary Jay Naidoo (Cyril Ramaphosa had been lost earlier) — had just moved over to the ANC's election division.

Newly appointed acting general secretary Sam Shilowa, rather unfairly, was blamed by much of the media for the fiasco. Still busy establishing himself, he had been helpless to influence events. Rather he was dragged along by them. The brains behind the initiative was the SA Clothing and Textile Workers' Union's Ebrahim Patel, who was rapidly taking over the mantle of Cosatu strategist-in-chief.

Since then, Cosatu has lost more of its experienced strategists to government — Numsa's Bernie Fana-roff is now ensconced in Naidoo's office, his former colleague Les Ket-



ALAN FINE

Some involved in the negotiations believe Shilowa is potentially a more skilful negotiator than recent events suggest, and that he is not comfortable with the direction talks have been taking, but that he has been unable to stand up to the more intellectual Patel, who has succeeded in bulldozing through what might be termed the 'naive hardline' approach throughout the negotiations. Others see Shilowa as happy with the Patel line.

There are two possible explanations for the misjudgments which have pervaded Cosatu's approach to the labour Bill negotiations — probably a combination of them. The first is simply inexperience — the cost of the departure of the federation's most canny thinkers to Parliament and government.

The second is the realisation within Cosatu over the past two years that the leadership has failed to carry the rank-and-file as it has entered ever more sophisticated forms of interaction with employers and the state, and that a dose of old-style conflict would help cement relationships between the leadership and rank-and-file.

This is not to say that the ability to think strategically has been lost within Cosatu and its affiliates as a whole. At the executive committee meeting in March at which the basic approach was decided, the "naive hardliners" won by only a narrow margin over a grouping which would have preferred a more considered, strategic approach.

This grouping — found within some of the main affiliates — would have approached the negotiations much the same as Business SA has done: accepting the Bill's basic framework, principles and internal balance, while angling for marginal changes which would have slightly tipped the balance their way. There would then have been a bit of horse-trading, but the essentials of the Bill would have survived — as will be the outcome anyway, but without the upheavals and desperate deal-



SHILOWA

making to prevent loss of face.

This outcome will not be any stretch of the imagination representing a "selling out" of Cosatu by the ANC. The Bill is union-friendly — comparable with anything that exists anywhere in the world where parties close to labour have won power. But business will be able to live with it because it contains elements which make it sufficiently flexible to give SA a chance of competing in the global economy.

And that is the important point which the Cosatu majority missed and misread. It has no excuse — the signs have been there all along. Ever since his appointment, Mboweni has repeatedly, if sometimes obliquely, said that labour market policy has to be compatible with participation in the world economy. His ANC Cabinet colleagues, including Deputy Finance Minister Erwin and Trade and Industry Minister Trevor Manuel, have taken equivalent views in their fields.

Cosatu's entire campaign, however, has apparently been based on the conviction that it would be able to use its alliance with the ANC to undermine that approach, at least in the labour sphere. It has intimidated more than once that it believed Mboweni would be putty in its hands and, if not him, they would be able to sway the ANC as a whole.

That may be Cosatu's next step,

even though it, too, is doomed to fail. It may have one last shot at undermining Mboweni through appealing directly to the ANC leadership or caucus. But Mboweni is understood to have done his homework there — he has a Cabinet mandate and he has presented his position to the caucus and won its approval.

Once Cosatu negotiators accept defeat on their unwinnable demands, they will have to think of ways of explaining this to the constituency. It has mobilised so easily but vainly. They will then have to return to negotiations on the rest of the Bill, and be satisfied with a couple of less extensive victories on issues like the closed shop and the right to strike.

Thereafter, Cosatu would be wise to undertake a major post-mortem on their performance over the past 21 months, and to re-examine the assumptions under which they have been operating.

Cosatu may understandably consider it "unfair" that it has to settle for second best because of the nasty international economic realities that the ANC has to take account of in its work as senior government partner. But that is the way it is. And if the current generation of strategic thinkers are unable to grasp this, the leadership of the major unions may wish to wonder whether they are the right people for the job.

Because this dispute has demonstrated the realistic limits of union ambition. The second best option is the "golden triangle" approach, which all members of the government of national unity support, and much of business accepts as its best possible scenario.

But if tripartism is going to be able to operate at Nedlac level, it will require a new approach by labour. Tripartism does not require that labour steer clear of conflict under all circumstances and become docile. But it does require a more considered approach — rather than the knee-jerk resort to mass action whenever things are not going all its own way.



arguments against a well reasoned case, they on occasion attack the individual. I have that sense about a recent Business Day article

Alan Fine has misunderstood Labour's proposals on the draft Labour Relations Bill That is sloppy journalism, but not an unpardonable sin Less forgivable is the number of inaccuracies in his "facts", from which an elaborate, and ultimately flawed set of conclusions are drawn (Business Day, June 27.)

A central allegation made against Cosatu in the article is that it seeks to advance policies, particularly in the labour market, which are incompatible with participation in the world economy This old chestnut has been repeated with regularity over Cosatu's 10-year history, whenever the business community has disagreed with policies advanced by the federation Yet the evidence advanced — as distinct from the claims made — is pretty thin

Is it perhaps union policies on centralised bargaining, or the promotion of cohesion in the labour movement, or the campaign against scab labour and the use of offensive lockouts that constitute the evidence? Yet any serious observer of the world economy will notice that there is not one single set of labour market policies which results in successful economic performance

National economies, and the public policies followed within them, vary greatly across the globe A case in point is policies towards the labour market Not only do they differ markedly, but the simplistic conclusions repeatedly advanced by certain commentators in our country are simply not borne out by the evidence Take Germany and the UK as an example.

In economically successful western Germany, centralised bargaining is the very foundation of the wage bargaining system The highly efficient engineering and motor sectors have not been hobbled by the conclusion of central wage and working condition deals

Their labour movement is cohesive — the DGB, their equivalent of Cosatu, has one union in each major sector, and each of these unions are the major representatives of organised workers in the German economy and workplace.

# Cosatu is united

## and knows where

(140A)  
29/6/95

# it is going

(140A)

EBRAHIM PATEL

29/6/95

tions, or indeed that of a number of European countries European unionists were puzzled when questioned on this matter, for their very industrial relations culture frowns on the use of scab labour to replace legally striking workers, to the point where it has become unnecessary to legislate this issue

While defensive lockouts are permitted in Germany (and accepted by organised labour in SA), the courts have not accepted the right of German employers to use offensive lockouts

Businesses do not lock out workers in order to cut wages, increase hours of work or compel women to work night shift Yet German industry has managed quite nicely to capture markets, to sell their products, to register constant growth in their gross domestic product

Contrast that performance in the UK, which has been characterised by substantial decentralised bargaining, a proliferation of trade unions in each workplace and the use of scab labour by employers. The UK's economic performance has been less than sparkling, with a higher unemployment rate and a declining manufacturing base Indeed, in the post-Thatcher period, western German economic performance, as measured by GDP growth, has been significantly better than that of the UK

Germany is not, incidentally, the only successful economy with centralised bargaining and the absence of scab labour during industrialised disputes A number of other European countries have similar arrangements — some expressly pro-

trahised bargaining is not incompatible with participation in the world economy Indeed, I am tempted to argue the opposite

Fine's article does not stick to the labour position only It trawls the past, the Cosatu executive committee and the alliance in search of evidence of labour's unreasonableness Some of the claims are laughable, others downright mischievous A few bear a short response

Business Day's history is inaccurate — the 20 people released by Cosatu to the ANC list were still firmly ensconced in Cosatu at the time of the 1993 campaign on the lockout, and indeed contributed to discussion and debate on the mat-

ter The NUM, for the record, supported the Cosatu stand on the lockout in 1993, and does so today

Fine lambasts labour for its action in 1995, and contrasts this with "famous victories" scored in the early 1990s, particularly in relation to VAT and the anti-LRA campaigns How short are our memories! And how much fun to compare today what was written years ago, during those "famous victories"

The same newspaper editorialised in 1991, during the VAT struggle, about the "Stone Age economic views sometimes expressed by the ANC and its allies" Two weeks before the general strike, it asked rhetorically about the Cosatu

leadership. Now praesens... do they believe they will benefit from the rising tide of anarchy?, before going on to urge government to implement VAT, and resist political trade-offs!

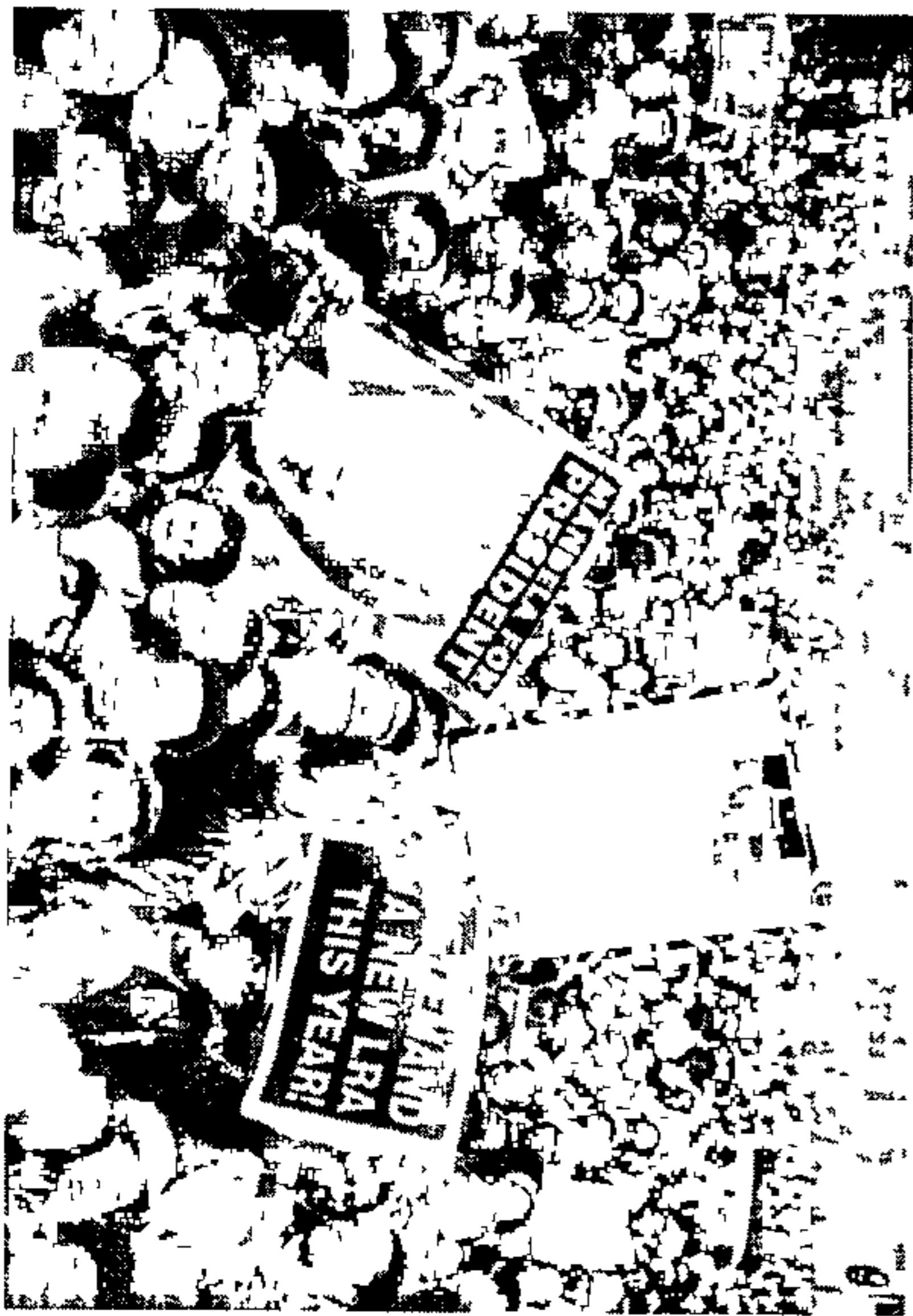
But, it is a nice tactic that Jay Naidoo, demoted in his trade union years, was a fine strategic fellow, unlike these naive hardliners in Cosatu today It is called the science of hindsight! And of course, if yesterday's demons are today's heroes, we need new demons!

The alliance is misrepresented with Cosatu accused, for instance, of intimating that Labour Minister Tito Mboweni is putty in its hands This is not only false, but also downright mischievous At the same time, Cosatu does not apologise for campaigning for a worker-friendly LRA We argue strongly, and publicly, for the commitments entrenched in the RDP, and in the ANC election platforms, to be given legislative effect

The old ploy of dividing the leadership — does Cosatu's Sam Shilowa support Patel, are the hawks in charge, is there a moderate grouping which has been defeated in a vote at the Cosatu executive committee? — is used quite generously, woven in as a central motif in the article It relies on unattributed claims to create factions, radicals versus moderates Goebels used the tactic of repeating an untruth to the point where it became accepted truth The danger is that, unless rebutted, these ludicrous charges, devoid of truth, will become the received wisdom

Negotiations are robust, as they have been through the 10 years of Cosatu's existence Critical public comment is part of that process Fine's piece, however, goes beyond that, and in the process misses the point already, in several areas, changes are being considered to the draft Bill in consequence of robust negotiations The detail of strategic approaches are generally not disclosed during the course of negotiations by parties Suffice to say that, at the conclusion of negotiations, a very different interpretation will be recorded to that forwarded by Fine

A short time is available to do what few societies, if any, have attempted to construct a workable labour law system in the late 20th century, in a society riven by social and economic inequality, through a





# Cosatu spearheads campaign to end abuses in Nigeria and Swaziland

Renee Grawitzky

(140A) BD 31/7/95

COSATU has entered the international diplomatic arena by resolving to put pressure on Nigeria and Swaziland to stop human rights abuses and attempts to squash independent trade union movements.

Cosatu general secretary Sam Shilowa will be part of a delegation of representatives from the international trade union movement to visit Nigeria to try to influence the military government headed by Gen Sani Abacha. Shilowa said the decision to work for

change elsewhere in Africa, as well as calling on the SA government to fight injustice, had been taken at a recent Cosatu executive committee meeting.

The Nigerian visit, which will take place shortly, is intended to pledge solidarity with the trade union movement in Nigeria and put pressure on the military junta to restore the previous leadership of the union movement. Nigeria's rulers removed the leadership and appointed an administrator to run the unions.

Cosatu would also stage a march on the SA offices of the Nigerian high commis-

sion. Criticism of the military government has grown after the secret trial and sentencing of former ruler Gen Olusegun Obasanjo and others for allegedly plotting to overthrow the junta.

Numerous heads of state, including President Nelson Mandela, have criticised the actions, and there have been calls to ban Nigeria from the next Commonwealth summit in New Zealand.

Shilowa said the SA foreign ministry "should lobby the Commonwealth heads of state . . . they should stand up against what is happening in Nigeria in the same way

they stood up against apartheid."

Shilowa said a decision was also taken to try to force Swaziland to halt the deportation of a number of senior unionists, and to get the country to review its labour legislation. Demonstrations would be organised if King Mswati III's proposed visit to SA went ahead.

Other resolutions adopted at the Cosatu executive committee meeting included plans to refocus on building organisational capacity, to highlight AIDS and health and safety, and to develop a position on the parliamentary process for the draft Labour

## Relations Bill

Shilowa said the executive had broadly endorsed the package agreed to on the draft Bill, but opposition would continue against the use of scab labour and the banning of strikes over unfair dismissals.

Attempts would be made to get private undertakings not to use scab labour and approaches would be made to government not to grant contracts to companies using scabs during strikes.

But Shilowa said the law should not prescribe whether workers could go on strike over unfair dismissals.

Swaziland

# Cosatu criticises liberalism

CT 4/8/95 (BR)

(140A)

FROM SAFA

The special Cabinet committee appointed to deal with economic matters should be wary of those wishing to impose a "neo-liberalist policy" on the South African economy, Cosatu warned at a worker and management conference held in Durban yesterday.

In his address, Sam Shilowa, the general secretary of Cosatu, said that while Cosatu supported the Cabinet committee as a possible vehicle for economic reform, there were fears that business might seek to steer the committee towards "failed" economic policy.

The special committee, which included President Nelson Mandela, Trevor Manuel, the minister of trade and industry, and Jay Naidoo, the minister without port-

folio, was set up last week to stimulate the economy.

Shilowa said Cosatu was weary of policies that favoured "short-term growth spurts" at the expense of long-term socio-economic upliftment.

He said the country needed a radical departure from policies pursued in the 1960's, when South Africa experienced rapid economic growth, but failed to secure sustained growth.

"If we were not able to achieve a super-highway to growth in the 1960s with cheap labour, how do we expect that the same medicine will lead to a freeway into the 21st century?"

Business needed to accept the reconstruction and development programme as the most efficient route to international competition. At present, however, it still

appeared reluctant to invest in the country.

"The number of investors investing internally are a drop in the ocean compared to those taking money out," Shilowa said.

Further, business needed to move away from the notion that South Africa could be internationally competitive "with just about anything under the sun". It would aim at niche markets.

The ability to compete on the international market required fundamental changes in business practices, Shilowa said.

These included co-determination of economic and workplace policies, a higher level of skills training and a different approach to wage levels. International competition was not dependant on low wages, Shilowa stressed.

Cosatu merges

Natal structures  
(140P)

THE RIVA The Council of SA trade  
Union is today merging into  
Kwana's structural structure  
into one provincial pro-independence  
as to oppose the but with freedom  
Party pro-independence movement

The southern Natal branch of the  
the union is now the outcome that  
the IIP plan to form a national trade  
union federation in the provinces  
should be considered in a union light

the point and one that time could  
members to refer to relate to the pro-independence  
could be a time to consider the 250000  
members in the union and support

CT 7/8/75



# Cosatu slates state intervention

BY THABO LESHILO

STAFF WRITER

The government should stay out of core industrial relations issues, John Gomomo, the president of Cosatu, said yesterday

"We do not believe in a commandist approach to the economy, just as we do not support communism politically," Gomomo told delegates at Cosatu's fourth annual Them & Us conference in Johannesburg

However, he said the state had a role to play in reversing years of accumulated disadvantage and discrimination

Gomomo said "Economically, (the state) needs to ensure that it addresses the need for appropriate

et(MR) 24/8/95 (140A)  
industrial and technology policies, investment in research and development, national training and education, trade and tariffs, and beneficiation of our natural resources "

The government needed to reform labour laws and labour market institutions

But core industrial relations issues, including negotiations over wages, working conditions and industrial restructuring needed to be driven by centralised and localised bargaining between employers and trade unions

"In this respect, Cosatu is opposed to heavy-handed state intervention. With regard to minimum wages, for example, we don't believe that state regulation should replace agreements between

employers and workers

However, this did not mean that the state had no role in these matters "Where organised workers are involved, for example, the state has a duty to protect them from super-exploitation," said Gomomo

"Further, where employers are not prepared to address issues through negotiations, they force the state to resort to direct intervention," he said

Cosatu did not favour power plays between employers and workers, characterised by employers defending what they saw as their managerial prerogative against the tide of change and workers using their collective strength to enforce democracy on the shopfloor

*Call for reorientation of labour federation*

# Corruption, greed in own ranks a threat to Cosatu - Gomomo

Star 28/8/95  
(134) (140A)

East London — Corruption within Congress of SA Trade Unions affiliates was weakening the organisation, Cosatu national president John Gomomo said in King William's Town, Eastern Cape, at the weekend.

To murmurs of agreement from over 600 delegates at the Cosatu Eastern Cape and Border-Kei conference, Gomomo said the federation was being frustrated by corrupt and conniving members.

He said it was difficult to discipline such people because they were being defended by their allies. "This is weakening us and taking us nowhere."

Earlier, Eastern Cape region chairman Melvin Manentsa said Cosatu had lost its militancy and workers no longer had the political understanding and unity of the past.

"How do we organise our workers in this lull? People are defecting to other labour organisations that were never there before." If Cosatu did not reorient itself, it could "kiss goodbye" its "noble" objective of establishing a classless society

in SA.

"It is unfortunate we reunite at a stage when we don't have the leadership we are used to. Our leaders have become weak and self-concerned and have adopted a myopic approach to the problems confronting us."

SA Communist Party regional chairman Mcebisi Jonas said Cosatu was in danger of losing its mass-based character.

"Comrades who have new positions in the Government now have fundamentally changed material positions. How does this impact on the movement?"

"The gravy train discussions are ideological issues. We must avoid the character of our movement being transformed under our own noses. If we allow opportunism and careerism to take root in our movement, it will cost us in decades to come."

He said transformation and the leadership of the working class relied on the participation of the masses.

ANC Eastern Cape province chairman Dumisani Mafu said the alliance needed honest and "sound, daring leadership that

can analyse the state of our struggle and live up to the challenge of complex times."

"The politics of emotion passed by on April 27 (the national election date). People are no longer impressed by revolutionary-sounding speeches. They are now concerned about the quality of their lives."

Gomomo said it had been a mistake for Cosatu to say it would not play a leading role in the local government elections.

This was a political error because now "jackals are caucusing 24 hours a day" to get on to the "gravy train" they had heard so much about.

"Our role is to go to those dreaming of the gravy train and tell them money mustn't control their thinking."

Gomomo said the decision to merge the Eastern Cape and Border-Kei provinces was driven by financial constraints rather than political problems.

He said it would be difficult for the federation to service its members properly with one central office in such a large region.

— Ecna

VL

# Dishonesty worries Cosatu

Sowetan 28/8/95

(#34) (140A)

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He said it was difficult to discipline these people because they were defended by their allies.

"This is weakening us and taking us nowhere," he said.

Earlier Cosatu Eastern Cape region chairman Melvin Mantsisa said Cosatu had lost its militancy and workers no longer had the political under-

## Workers are defecting because they feel Cosatu is losing its militancy

standing and unity of the past

"How do we organise our workers in this hull? People are defecting to other labour organisations that were never there before"

He said if Cosatu did not re-orientate itself it could "kiss goodbye" its 'noble' objective of establishing a classless society.

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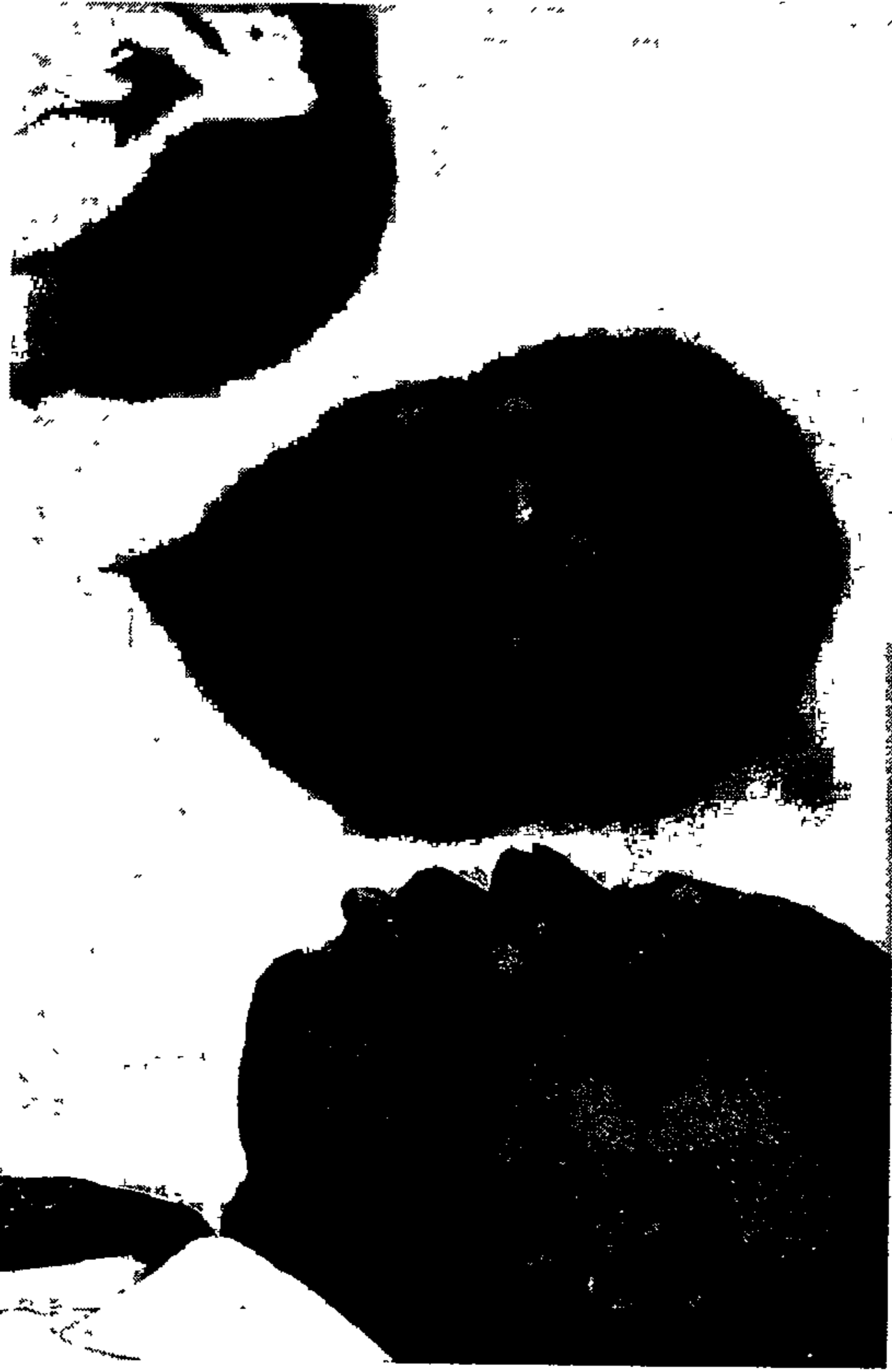
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Cosatu general secretary Sam Shilowa at a media conference unveiling decisions taken at this week's central executive committee meeting. Assistant general secretary Zwellinzima Vavits in the background. Picture NEIL SPENCE

# Cosatu seeks control of

## pension, provident funds

Renee Grawitzky (UJDA)

THE future of insurance companies administered by pension and provident funds of workers could be in jeopardy following a Cosatu decision to set in motion the establishment of a company to take over this responsibility.

Cosatu general secretary Sam Shilowa told a media briefing yesterday after the federation's biannual executive committee meeting this week the federation had been grappling with the "redirection of investments away from speculative areas and wastage to areas that are critical for the implementation of the RDP and improving the lives of our people."

Shilowa said the federation needed to consid-

er where investments should be made — "investments are capable of benefiting our members who are being heated of millions in administration fees".

The committee had also discussed other issues including its continued participation in the National Economic Development and Labour Council, the continued growth of the federation and trade union unity, the merger of unions in public and transport sectors, violence in KwaZulu-Natal and attempts by political parties to "stall transformation". Federation membership had increased to just below 1,6-million with the recent affiliation of the Police and Prisons Civil Rights Union and the Institute for Public Servants.

fective default procedures and changing local government budget priorities.

The restructuring of local government would entail reviewing the functions of local government and installing the need for greater efficiency and effective use of resources and accountability for those resources, Meyer said.

Ideally, each level of government should generate enough revenue to finance its own expenditure, but fiscal disparities had made this impossible.

He said that there were problems associated with the existing system of

that the aims of Masakhane were not producing desired results, and that politicians at all levels of government should seriously advance the cause for payment of services.

Government should also, he said, take a firm stand and resolve a minimum standard of services, since communities were expecting more than they could afford.

If current trends of service delivery and payment for services continued, local government would face collapse, Meyer said.

## Phosa angered by blacklisting

Kevin O'Grady

ANGRY Mpumalanga premier Mathews Phosa yesterday gave a Witbank-based credit bureau 48 hours to reverse a blacklisting imposed on him because of debts incurred by the former KwaNdebele homeland.

Phosa said he had instructed state attorneys to proceed with a defamation case if his name was not removed from the list, which has been published in credit-rating bulletins and circulated to banks and retailers in the province.

"Something like this has never happened in government before. It's very malicious," he said. He was informed of the blacklisting by his spokesman, Oupa Pilane, while he was on a trip to New York.

It had been drawn to Pilane's attention that Phosa's name appeared in the Eastvaal Bulletin.

The blacklisting followed a Supreme Court judgment against the

Mpumalanga government for a R44 294 debt incurred by KwaNdebele for vehicle repairs carried out by Lazarus Ford.

Phosa said he accepted Mpumalanga was the legal successor to KwaNdebele and that "if you talk about who is responsible (for the debt) it's Mpumalanga ... but it has nothing to do with me personally."

The summons stated "very clearly" that he was named as the defendant in his capacity as premier "and they had a responsibility to check who was being sued", Phosa said.

The blacklisting would theoretically prevent Phosa from opening accounts or qualifying for bank loans, but he said it was unlikely it would have this effect. "Everybody is very angry about this," he said.

He did not want to "overreact" and had decided to give the bureau, which he could not name, the opportunity to reverse the blacklisting.

## Cape office for Cosatu

Wyndham Hartley  
BD 3/10/95

COSATU is to open an office near Parliament before the end of the month to ensure that the interests of the working class are looked after effectively in the legislative process.

Prominent Johannesburg trade unionist Neil Coleman is to head the office, which will mean in effect the relocation of a department of Cosatu to Cape Town.

Coleman said that the old style lobbying of government "behind closed doors" was a thing of the past, but the Cosatu office would ensure the interests of the working class were carried forward and "the culture of openness" asserted.

Cosatu secretary-general Sam Shilowa said yesterday that while Cosatu was a member of the ruling alliance along with the ANC, it would be failing its members if it relied on alliance meetings to protect its members' interests in the Parliamentary process.



# Board backs compulsory environment evaluations

BD 9/10/95

Edward West

CAPE TOWN — The Steyn board of inquiry has suggested that Environmental Conservation Act provisions should be invoked to make environmental assessments compulsory for all major development proposals

The board was set up to investigate the proposed siting of the R4,7bn Saldanha Steel plant after the initial development plans, which have since been scuttled, drew sharp fire from a variety of environmental interest groups

Its written summary and conclusions were handed to Environment and Tourism Affairs Minister Dawie de Vilhiers on Friday

The report's main recommendation was that the plant be situated further inland to reduce perceptions of a polluted environment and to reduce the risk to the mariculture industry as a result of potential dust fallout over Saldanha Bay

"The present situation in which developers can choose whether or not to undertake formal environmental impact assessments appears to us to be undesirable," the board said

Major projects did not, under SA

legislation, require formal environmental impact assessments

The proposal for a permanent representative tribunal to oversee future major developments should be considered, the board said

Board chairman Judge Jan Steyn said the pendulum had swung too far in the direction of creating public forums with their inherent capacity for delay and opportunity for grandstanding by those with parochial agendas

He said that the board had encountered a confrontational situation between the various parties over the Saldanha Steel controversy which had also involved incidents of "harassment and filibustering".

"If we have that in future we will discourage development," he said

Saldanha Steel had failed to comply with a government directive that alternative sites be investigated for development and the board concluded it was unreasonable for Iscor not to have seriously considered any other site in the vicinity of the preferred site

De Vilhiers said the board's inquiry represented the first attempt in SA's history to give the environment "proper weight" in the consideration of an industrial development project

## Cosatu offended by 'sabotage' claim

Renee Grawitzky

COSATU unionists have criticised the Gauteng ANC for lack of consultation, following the latter's claims that a "hidden hand" was stoking labour unrest in the province

Cosatu's Wits region was reacting to recent ANC statements that "certain forces" had used the municipal strike to "undermine the democratic process".

Cosatu's regional secretary Dan Mohapi said yesterday that the statements could undermine the alliance, in that they implied that elements in Cosatu were trying to sabotage the local government elections.

He said that in subsequent discussions, ANC provincial secretary Paul Mashatile had assured him that his reference to a "hidden hand" had not been intended to implicate Cosatu

Mohapi said the issue would be discussed with the ANC Referring to

BD 9/10/95

Mashatile's call for a summit between the two regional organisations on the strike wave, he said Cosatu had received no notification of this.

On Friday the Wits region extended its support to the SA Municipal Workers' Union's demand for the repeal of Annexure J of Local Government Proclamation 42, which Cosatu said should be repealed before the election.

Annexure J seeks to devolve certain powers from metropolitan councils to their substructures

Mohapi said Cosatu and its affiliates supported the repeal of Annexure J. He said local government MEC Dan Mofokeng's office believed that this would not happen before the election, despite a decision of the ANC provincial executive council.

Cosatu's Wits region also supported the view that Johannesburg municipal workers should not be disciplined for their actions during the strike



# Dorbyl report to destabilise union 'forged'

Renee Grawitzky

(140A)  
BD 16/10/95

THE National Union of Metalworkers of SA (Numsa) has informed its regional structures there was a "good chance" that documents received last week implicating Dorbyl in attempts to destabilise the union were false and were an attempt to discredit Dorbyl.

Numsa said that, for now, it could not publicly disclose reasons for this belief, but it was significant documents had been circulated to a range of people linked to the transport industry.

Sources in the industry point to intense competition between Dorbyl's bus manufacturing division, Busaf, and certain of its rivals. They said allegations against Dorbyl could have damaged the company's reputation in the eyes of regional and local government transport authorities.

The document in question — resembling covert operations against the union movement in the 1980s — allegedly compiled by Johann du Plooy of Investments Survey and commissioned by Busaf, outlines strategies to destabilise Numsa's power base and influence operations within Busaf as well as plans to "remove" certain Numsa officials.

The document was circulated to Numsa, Cosatu, high-ranking officials in the transport ministry and members of the parliamentary standing committee on transport.

Numsa and Dorbyl said it was suspicious that the document was circulated to senior government officials in the transport ministry instead of safety and security officials, in view of the fact that the document outlined people targeted for attack.

Dorbyl's CE Bill Cooper said last week: "Certain investigations are go-

Continued on Page 2

## Dorbyl

BD 16/10/95

(140A)  
Continued from Page 1

ing on which we believe are sub judice, and this incident is tied up with that investigation." The document was an attempt to discredit Dorbyl in the eyes of the investigating authorities.

He said the document was a forgery and unfortunately Numsa had become a victim in this deception.

Transport economists say there are seven bus manufacturing companies in SA, with Busaf and Durabuild, a sub-

sidary of Comark, having captured between 75% to 80% of the market.

Comark forms part of the Northwest Transport Investment Company, previously known as the Bophuthatswana Transport Investment Company, now owned by Northwest province but which originally fell under Lucas M. ngwenyane's government.

A spokesman for the National Crime Investigation Service said a high-level investigation team was trying to ascertain the origins of the document. He said the investigation was receiving co-operation from the union and from Dorbyl.

# Workers get a Parliamentary voice

MGT 20-26/10/95 (140A) ~~(140A)~~

Gaye Davis

**C**OSATU'S decision to have a presence in Parliament — in the shape of former communications head Neil Coleman — marks a start in "peoples' access" to the institution

For while parliamentary committee hearings are now open, those taking advantage of the opportunity to influence law and policy-making have largely been those with the resources and skills to do so

Now Coleman will spend most of his time in Parliament, pushing the case of South Africa's workers. The tag "lobbyist" galls, although that is essentially what he will be doing

Says Coleman: "In the South African context, lobbying has the connotation of back-room deals by elite groups. But the people taking advantage of the openness and transparency of the new democratic parliament are precisely those old elites who used to lobby in back rooms.

"Mass-based organisations have to get their act together and find the resources to meet the demands of the new democratic process. It's not good enough making broad policy statements and interacting from time to time."

Coleman's key function will be communicating Cosatu positions to the ANC, its alliance partner. "But we'll be conveying our views at an organisational level rather than trying to convince individual members of parliament — we haven't the funds to wine and dine 400. And we'll engage with other parties, if only to defuse some of the misunderstandings they have about our positions."

Being in Parliament has already paid dividends. Last week Coleman was able to spell out the federation's position and mobilise a response from its rural constituency to help put paid to a bid by the South African Agricultural Union to get farmers' representation on rural local councils increased.

"We were getting demands from

Parliament, the Constitutional Assembly and provincial legislatures virtually on a daily basis to make inputs on policy and other initiatives, yet we've been at an arm's length and unable to engage directly," Coleman says.

"At the same time, other interest groups like the Chamber of Mines and Sacob have been pouring resources into doing just that. It became clear to the alliance as a whole there had to be much more intensive engagement."

Coleman said Cosatu could initiate legislation by engaging directly with ministries. It would also push for amendments to legislation already passed.

"For example, the Aliens Control Act was piloted through in what appears to be a very unsatisfactory way. There is a provision in the act forcing illegal immigrants to pay for their own deportation through docking of their wages — which turns on its head the government's official policy that employers should be penalised for exploiting illegal workers."

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# World focus at Cosatu ~~(140A)~~ (140A) congress

CT 23/10/95

JOHANNESBURG: Trade unions needed to pull together internationally and Commonwealth countries like Nigeria should respect trade union and human rights, Cosatu general secretary Mr Sam Shilowa said on Saturday.

He was addressing more than 1 000 delegates at Cosatu's regional congress here

International solidarity was one of Cosatu's challenges and priorities and would be addressed at an international trade union summit in Egypt next year

He also said the human rights records of Commonwealth countries like Nigeria would need to be scrutinised at the Commonwealth conference next month.

There was also a need for worldwide support for a social contract clause in trade agreements.

"There must not only be free trade but there must also be fair trade," said Mr Shilowa.

"This means countries we trade with must respect freedom of association, collective bargaining and a ban on child labour"

Cosatu would continue to work with the ANC and the government, he said — Sapa

● See Page 19

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# Cosatu avoids alliance debate

BD 23/10/95 (1409)

Renee Grawitzky

CONTROVERSIAL resolutions calling for the dissolution of the Cosatu/ANC alliance and criticising the new Labour Relations Act were withdrawn at the last minute from the agenda of the Cosatu Wits regional congress at the weekend, left-wing sources in the congress said yesterday.

The sources claimed the move was an attempt to suppress debate within the ranks about the future of the alliance.

In addition, the incident was seen as an opportunity by the political leadership in the Gauteng region to attack forces within the democratic movement who they believed were trying to "exploit weaknesses within the alliance for their own ends." Other sources claimed the views of individuals in the Wits region did not represent the general position of the national leadership or other regions.

Gauteng Premier Tokyo Sexwale told the regional congress, attended by 1 000 delegates on Saturday, that the proposals to end the alliance with the ANC had been introduced by opportunists.

The premier also criticised the SA Municipal Workers' Union for the recent strike of members in Johannesburg where public property had been damaged.

The resolutions on the alliance

and the Act were originally tabled by the Wits branch of the Chemical Workers' Industrial Union and withdrawn after they were deemed to be unconstitutional.

According to Cosatu sources, the resolutions were declared unconstitutional as they were adopted by the branch shop stewards' council instead of the branch executive committee.

The union said in its resolution that the ANC had adopted policies "of the capitalist class" and had abandoned many of the policies of the mass democratic movement. On that basis, the Wits region could not see the alliance continuing and it should be dissolved after the local government elections.

On the question of the Labour Relations Act, the union noted that while certain gains were achieved for labour, it was essentially a capitalist Bill and it compromised on demands presented by the working class.

The union resolution said the legislation would push the working class into a consensual and co-operative relationship with capitalism, and this would ultimately destroy the ideological fabric of the labour movement.

The congress did not adopt any resolutions and it was agreed that issues not discussed would be referred back to the regional executive committee.

# Phosa denies anonymous allegations

BD 24/10/95

Ingrid Salgado

MPUMALANGA premier Matthews Phosa denied allegations yesterday that he was living "virtually rent free" near the province's capital or that renovations to his home had been paid by the provincial government.

Phosa was responding to allegations made anonymously in a document handed to the ANC's national office five months ago. ANC secretary-general Cheryl Carolus is conducting an internal investigation into the source of the allegations.

Phosa's spokesman Oupa Pilane said the premier occupied "an old house", renovated at his own cost, on which he had a R700 000 bond taken by himself. Phosa paid

rent over and above a monthly bond of about R10 000.

"The premier turned down an offer to live in a fancy state-owned house in a Nelspruit suburb and preferred to live with a community of farm workers," Pilane said. Phosa used it as his official house.

The document also claimed Phosa and environmental affairs MEC David Mkhwanazi owned a hotel that the Mpumalanga government was leasing at more than R177 000 a month. But Pilane said the Drum Rock Hotel was owned by the Lunro Family Trust and the lease agreement had been entered into by the former transitional executive council, effective from July last year.

Pilane said the premier had "no idea" where the allegations came

from. "This is a stale, cheap and unsustainable smear signifying not very much. It just shows how far desperate dirty tricks manufacturers can go in lying."

Responding to claims there was suspicion the document had emanated from the ANC's provincial caucus, Pilane denied there was tension among top ANC officials in the province. However, there were "people who feel threatened by Phosa and may do anything to smear his name".

The Mpumalanga government recently investigated anonymous allegations that the province had paid consultant Eugene Nyati excessively for work for the government. Pilane said it was possible there were links between the origins of the two sets of allegations.

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## Cosatu leader quashes 'suppression' charges

Renee Grawitzky

(140A)

BD 24/10/95

COSATU's Witwatersrand regional leadership yesterday reacted strongly to allegations made by some members that a weekend congress had tried to suppress debate on the future of the organisation's alliance with the ANC.

Cosatu Wits regional chairman Velaphi Nkosi said individuals were trying to mislead workers in the region, "and they should understand that Cosatu is not controlled by individuals but by the mandates given by workers".

He said the tradition within Cosatu had always been one of debate around issues. In addition, there had always been a tradition within the federation of differing views being held by members.

The resolutions allegedly submitted by the regional structure of the Chemical Workers' Industrial Union had, in fact, not been submitted by any constitutional structure within the union but by certain individuals, Nkosi said.

He said the regional executive committee had agreed before the congress that resolutions submitted by affiliates had to be within the framework of parameters adopted at the federation's national congress in September last year.

The congress had resolved to maintain the alliance with the ANC, although the alliance should be reviewed from time to time.

He said that if the so-called resolution on the ANC-Cosatu alliance had been discussed "it would have only been the beginning of the process of discussion around the alliances".

The national congress was the only body which could rescind the position adopted at the previous national congress.

Velaphi said the role of the alliance in relation to the government was highlighted in the secretariat report which would be discussed by the regional executive committee.

Outstanding issues not addressed at the congress, including the resolution tabled by the SA Clothing and Textile Workers' Union on the role of the International Monetary Fund, would be referred to the regional executive committee for discussion.

# Cosatu to focus on shop floor

Renee Grawitzky

*AD 30/10/95*  
COSATU would increase its emphasis on issues directly affecting workers on the shop floor, for instance health and safety, and would call not only for the disbanding of the National Occupational Safety Association but for government to stop funding it.

Speaking at the close of Cosatu's three-day health, safety and environment conference in Johannesburg yesterday, general secretary Sam Shilowa said Cosatu would vigorously campaign on health and safety demands.

He said affiliates should table the demands as formulated at the conference as part of the broader living wage and collective bargaining struggle.

Cosatu called on the leadership of affiliates to ensure there was effective co-ordination of the health, safety and environment policies of the federation.

At the start of the conference, Cosatu president John Gomomo questioned the commitment of the leadership of affiliates to issues concerning health and safety.

*(134)* *(135)* *(140A)*  
He said the absence of a number of affiliates' general secretaries from the conference raised the question of who, at the senior level of affiliates, would co-ordinate strategies in line with decisions adopted at the conference.

The conference called for the restructuring and improvement of the Occupational Health and Safety Act (OHSA) and the Compensation for Occupational Injuries and Diseases Act.

In terms of the safety committees established under OHSA, the conference resolved to build the capacity of worker representatives in these committees through training, and would call on government and business to provide funding to build this capacity.

Other demands related to the automatic prosecution and heavier penalties for negligence imposed on employers, the training and employment of more inspectors; job security, retraining and redeployment of permanently disabled workers; paid time off for AIDS education, and that employers cover medical costs and support families of workers who are HIV positive.

UNIVERSITY OF CAPE TOWN



Star 30/10/95  
**Environment on  
Cosatu agenda**

(140A) (16)  
The Congress of South African Trade Unions is to urgently develop a policy on environmental issues such as pollution control, recycling, water management and toxic waste dumps

Cosatu resolved at its weekend Health, Safety and Environment Policy Conference to campaign against companies which refused to take responsibility for pollution, and to expose and resist the dumping of toxic waste

It also demanded that communities be informed and consulted about waste disposal and recycling schemes

The conference called on affiliates to educate members about the National Occupational Health and Safety Act, as well as on demands to improve it.

The conference was Cosatu's first to focus solely on health, safety and environmental issues

Cosatu spokesman Nowetu Mpati said the conference signalled organised labour's intention to integrate these issues into the collective bargaining process.

- Medical Correspondent

# Cosatu's fight goes on

Sowetan 31/10/95

140A

By Brian Sokutu

MORE than 430 workers are injured daily in South Africa, and 52 of them are permanently disabled, said Congress of South African Trade Unions president Mr John Gomomo

Addressing Cosatu's three-day health, safety and environment policy conference in Johannesburg, Gomomo told delegates on Friday that in the past, workers' struggle for political liberation was so high on the agenda that it overshadowed health and safety at the workplace

## Living wage

He said the trade union federation's role in toppling the apartheid government and replacing it with the African National Congress-led Government of National Unity was recognised

Cosatu had also won victories in struggles for a living wage, centralised bargaining and putting the new Labour Relations Act into place

"While we claim all the above victories - because we earned them in the battlefield and struggles - we remain with a long agenda of issues that we still have to tackle in pursuit of



**Cosatu president John Gomomo ... trade unions have failed to develop an effective programme to engage bosses on health and safety.**

the struggle to further advance the interests of workers

"Key to this agenda is the need to struggle for a fundamental change in the policies related to occupational

health, safety and the environment"

Gomomo said the fight for the rights of workers to health and safety had to be waged at industry and government levels

"We work not to be injured or killed but to develop the economy, build the social infrastructure for our country, feed and educate our families, and to support the unemployed"

He called on unions to defend the right of workers to refuse dangerous work

In his address Gomomo not only slammed management for failing to create a safe working environment, but also gave unions a tongue-lashing

"We as trade unions have also failed to develop an effective programme for engaging the bosses on health and safety issues," he said

"We have not accepted that - despite acknowledgement of the hazardous nature of our working environment - health, safety and environmental issues are organisational in nature and are collective bargaining issues"

Occupational accidents, said Gomomo, had increased in South African industries "at an alarming rate" - Sapa.

# Cosatu announces shock KwaZulu poll day strike

BD 1/11/95

(140A) (circled)

DURBAN — Business in KwaZulu-Natal was caught off guard when Cosatu yesterday announced its provincial affiliates would down tools at midday today to protest against postponement of local government elections.

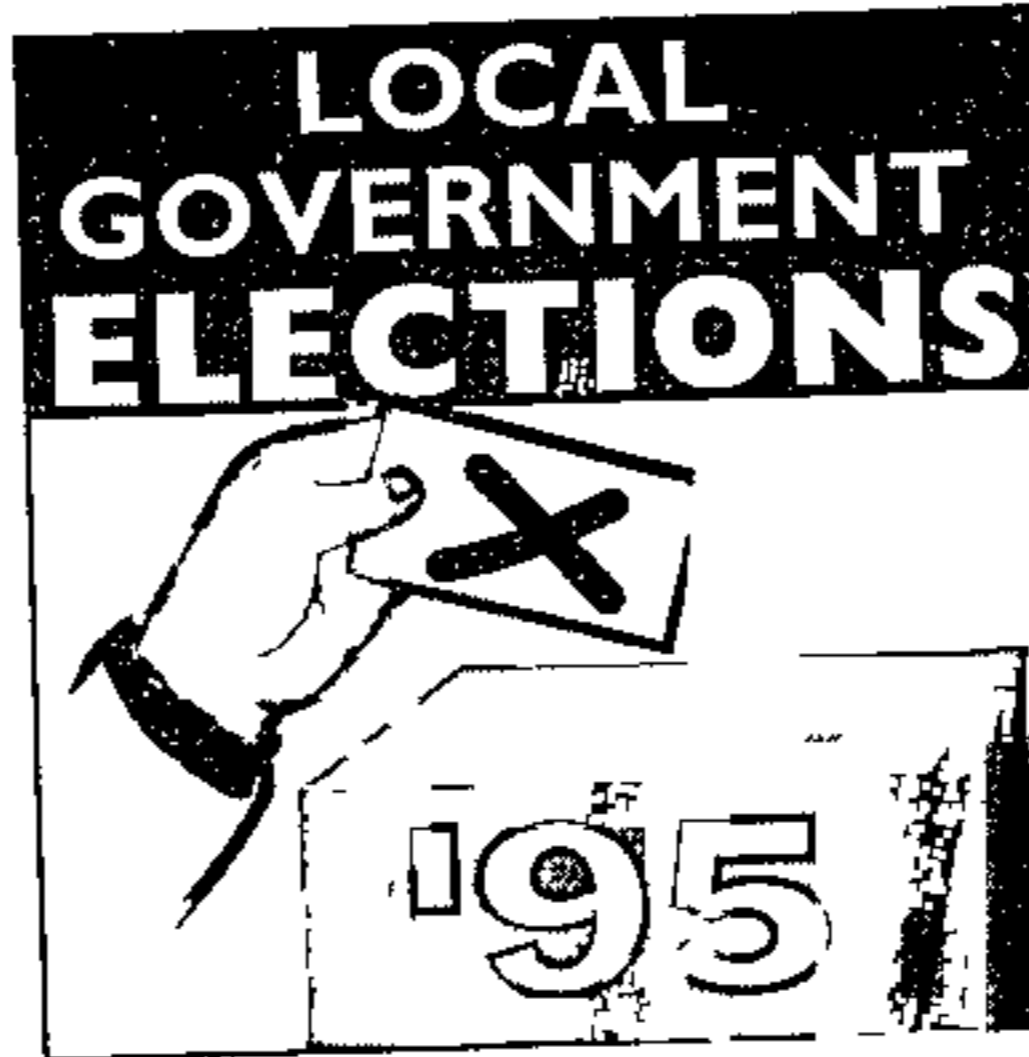
Sapa reports that Cosatu provincial secretary Paulus Ngcobo confirmed the union had called on all members in KwaZulu-Natal to stop work at midday and join marches organised by the ANC to protest against the postponement of the province's poll.

The Durban commerce and industry chamber said the announcement had caught business in the city by surprise.

The chamber reiterated that today was not a public holiday in KwaZulu-Natal and employees were expected to report for work as usual.

If the stayaway went ahead it could cost the province millions of rands, chamber officials said.

Chamber CEO Geoff Tyler said the move was "pointless" considering KwaZulu-Natal was not holding local government elections. "There is no reason for a



stayaway and anybody not coming to work will presumably be treated according to whatever procedures are in the workplace for absenteeism," he said.

Ngcobo said that if the IFP-led provincial government had not delayed the election, employees would have had today off anyway.

Asked if this meant another public holiday should be announced when the province went to the polls on March 27, Ngcobo replied. "We'll cross the bridge and see."

He said protesters would march to Durban city hall to deliver a memorandum protesting against violence in the province.

When the ANC initially voiced its plans for a protest last week, the DP in the province condemned the idea, saying the ANC should be out in the field persuading potential voters to register for next year's election instead of marching in the city.

Susan Russell reports Cosatu also warned employers in other parts of the country who were threatening to force employees to work today that they faced the wrath of the union if they did so.

Cosatu said it had received reports certain "right-wing" employers had threatened workers.

"Cosatu calls on the employers who intend to force employees to work during this special holiday, for the sake of peace and democracy, to allow workers their right," the union said.

□ The provincial affairs and constitutional development ministry said yesterday polling stations would be open from 7am to 10pm today. No extension was possible.



# Cosatu threatens Australia with boycotts

By LACHLAN COLQUHOUN

Sydney — Cosatu has become embroiled in a growing controversy over proposed anti-union laws in the state of Western Australia (WA), and has threatened to disrupt shipping, postal and telecommunications links with the state.

The potential for Cosatu action has already reached the highest echelons of the government and diplomacy, with President Nelson Mandela understood to have been briefed on the situation last Saturday, and the Australian High

Commissioner in Pretoria sending a communique back to Australia after meeting Cosatu leaders last month.

Zwelanzima Vavi, Cosatu's assistant general secretary, said in Johannesburg yesterday that Cosatu could not "simply fold its arms while right-wing governments attack the rights of workers".

"Cosatu will take all sorts of actions, including having its members refuse to touch goods imported from or intended for Western Australian companies," said Vavi. He said Cosatu believed that workers across the globe should co-

operate in their struggle for basic rights, including the right to join trade unions of their choice and to outlaw forced labour.

Australia's Deputy Prime Minister, Kym Beazley, whose Labour Party opposes the legislation, said on national television at the weekend that he "perfectly understood" and welcomed Cosatu's involvement in the dispute.

The union body has been called to help fight the legislation by the West Australian Trades and Labour Council (WATLC) — an organisation it has built close ties with over

the last six years in a newly developing Indian Ocean conference of unions.

Negotiations between the WA government and local union leaders over changes to the legislation have deadlocked before its introduction to Parliament next week, but if the laws are passed without amendment, Cosatu is expected to make good its threats if requested to act by the WATLC.

An international officer with the WATLC — South African-born Rob Lambert — said Cosatu was prepared to take action through both

the South African Railways and Harbour Union and the Post and Telecommunications Workers Association.

He said an average of three ships travelled both ways each week between the WA port of Fremantle and Durban, adding that there was significant postal and telecommunications traffic between both the large expatriate South African community in WA, including both countries' mining industries.

Lambert said the involvement of Cosatu could not be underestimated,

ed, as it would elevate the dispute to an international level and cause the WA government great embarrassment.

The Cosatu threats follow a recent visit to the WA capital of Perth by the organisation's senior vice-president, George Nkadumeng, who told a rally of 10 000 workers there that if union rights were eroded — in a country generally perceived to have a highly developed labour code — then a dangerous precedent would be set for industrial relations in countries like South Africa.

(140A)

CT (Bak) 7/11/95

# Cosatu branch rules on media dealings

BO 7/11/95

(140A)

Renee Grawitzky

COSATU's Wits regional executive committee has decided that only regional office bearers may have dealings with the media

Speaking after an executive committee meeting at the weekend, regional secretary Dan Mophapi said the decision followed an assessment of the regional congress held in October and the subsequent media coverage. Media reports of the congress, quoting an unofficial source, indicated that debate on the future of Cosatu's alliance with the ANC and criticism of the new Labour Rela-

tions Act had been suppressed. The inference was drawn from the last-minute withdrawal of resolutions tabled by a group within the Chemical Workers' Industrial Union (CWIU) after they were deemed to be unconstitutional.

Mophapi said the CWIU had explained to the regional executive committee that the resolutions had been withdrawn the day before the congress by the branch coordinating committee which did not approve of them.

The committee also resolved to urge the ANC to amend or repeal local government proclamation 42, annexure J, which implied the

devolution of certain powers from the metropolitan councils to their substructures.

During the recent municipal strike, members of the SA Municipal Workers' Union in the greater Johannesburg metropolitan council took strike action in sympathy with other municipal strikers and to demand the repeal of annexure J. The strike by this branch unleashed strong opposition from many quarters.

The Cosatu Wits region met the ANC last night, where they agreed on a process to rectify problems around annexure J. Further meetings have been scheduled.

# Cosatu threatens Australia with boycotts

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(140A) *AW (OK)* 7/11/95



# Cosatu in bid to take over pension funds

Tim Cohen

(140A)

BD 14/11/95

CAPE TOWN — Cosatu intervened yesterday in the drafting of legislation on SA's R200bn pension funds, demanding that employees form the majority on pension fund boards

Cosatu spokesman Neil Coleman made the submission during a hearing on the Pension Funds Amendment Bill, which was being discussed by the parliamentary finance committee

Financial services board CE Piet Badenhorst said he was "totally surprised" by the demand because the finance department had consulted Cosatu extensively in the process of drawing up the legislation.

The Bill was enabling legislation and did not prohibit unions negotiating 50-50 or even total membership of the boards of pension funds.

The legislation was intended to ensure the funds had boards and merely provided for employees to have at least one member if they wanted a representative. Although the board was not in principle opposed to 50-50 membership, the process should be progressive and the legislation was a massive step in the right direction. "Why force the issue," he said after the meeting.

Cosatu spokesman Neil Coleman told the committee he was not aware of the position Cosatu representatives had taken while the Bill was being drawn up

In any event Cosatu did not favour the legislation in its current form and wanted an amendment which would require employees to be in the majority on pension fund boards.

Badenhorst said that in most cases, employers would not necessarily object to employees holding half the seats or even most seats, but they might do so

Continued on Page 2

Cosatu

(140A)

BD 14/11/95

Continued from Page 1

in the case of defined benefit funds, in which they had in effect promised a definite payout. If the funds were badly managed it was possible companies would still be required to make payouts even though they had no control over their funds' investment decisions

If this was the case companies would be less inclined to establish funds which would affect the economy. Existing funds might also be closed, he

said Coleman responded saying it was patronising to suggest employees would necessarily manage funds more poorly than employers. In fact, many funds were affected by exorbitant administration charges

Employees wanted good returns, but they also wanted to be sure their contributions were being invested in companies with responsible employment policies

Finance committee chairman Gill Marcus said employer representatives would be consulted again

A decision would be made by the committee this week

# Cosatu v Sacob on labour rules

(140A) (255)

*Sowetan 23/11/88*

By Abdul Milazi Labour Reporter

THE Congress of South African Trade Unions supported a regulated labour market as a means of alleviating poverty while maintaining macro-economic stability, Cosatu general-secretary Mr Sam Shilowa said yesterday.

Addressing the Labour Market Commission investigating a national labour market policy, Shilowa said "Cosatu rejects the notion that in order to create employment, workers should accept any wage they can get"

Other unions which favoured a regulated labour market were the National Union of Mineworkers (NUM), Farmworkers Research and Resources Project and the South African Agricultural, Plantation and Allied Workers Union (Sapawu)

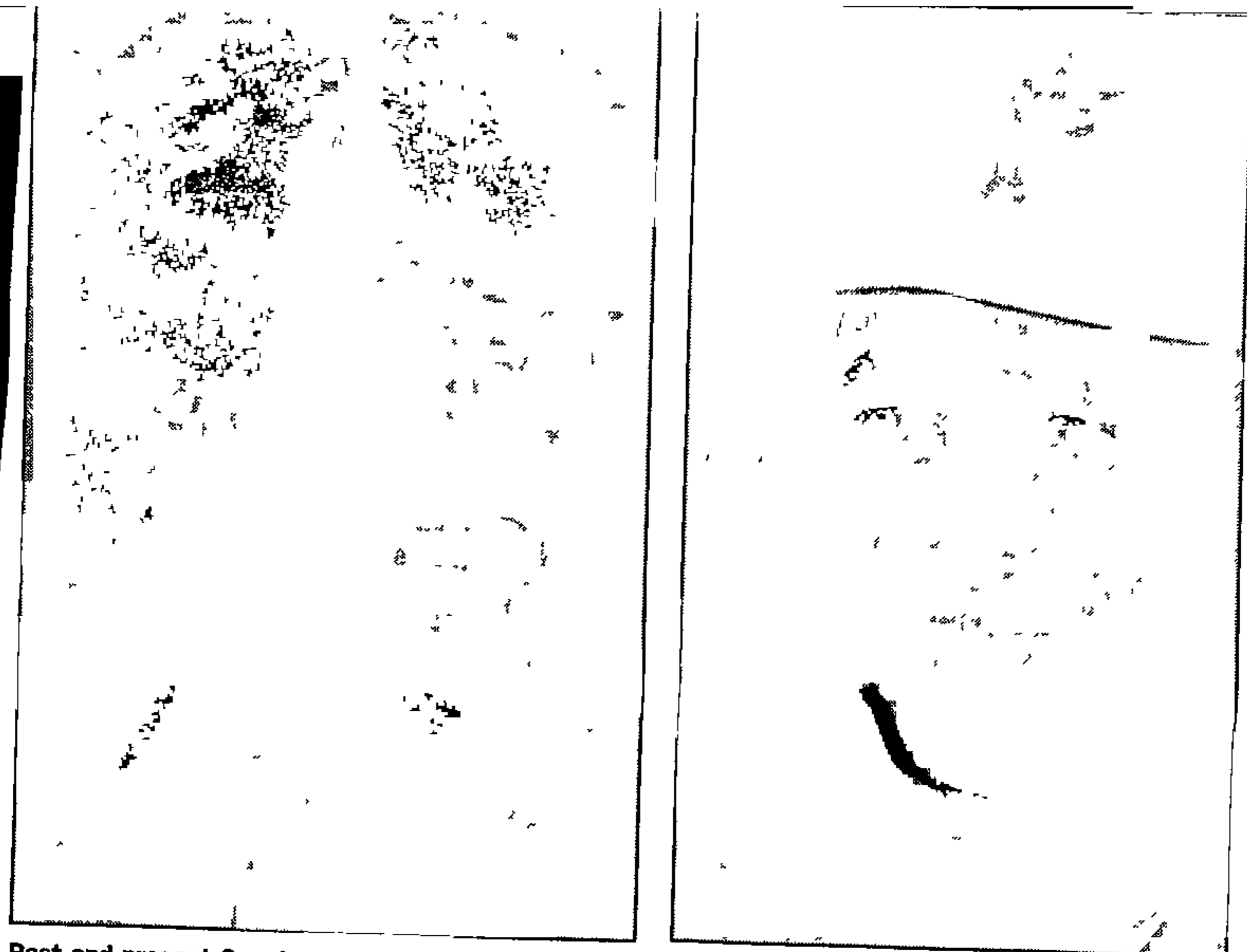
The NUM suggested R650 a month as a target minimum wage while Sapawu suggested R750. Cosatu did not give a figure

Employer organisations, on the other hand, were against a statutory minimum wage, saying it would force many businesses to cut down on their workforce and would lead to poverty

The SA Chamber of Business argued in a written submission to the commission that setting a minimum wage would not achieve the desired objective of improving the lives of the poor and protecting vulnerable workers from exploitation

The document argued further "A national minimum wage which is aimed at protecting the less well-off must be set at a relatively high level, given the highly unequal distribution of income in South Africa. The labour market functions like a market, and such a strategy will reduce employment and increase unemployment"

Shilowa said there was a need for a system of maintaining productivity and economic growth while ensuring that employers paid a living wage



Past and present Cosatu general secretaries Mr Jay Naidoo and Mr Sam Shilowa.

# Cosatu's big 10th birthday bash

140A  
Sowetan  
30/11/95

By Abdul Milazi  
Labour Reporter

## Celebrating 10 years of workers' unity and struggle

**T**HE LATE Mr Elijah Barayi would have loved to be at the 10th anniversary celebration of the Congress of South African Trade Unions on Saturday

When the firebrand became Cosatu's first president, he shook the National Party government when he gave then president Mr PW Botha six months to abolish the pass laws at a time when government brutality against political activists was at its worst

It was on December 1 1985 that thousands of black workers defied a state of emergency and gathered in Durban to form what then National Union of Mineworkers general secretary Mr Cyril Ramaphosa called "a giant"

On the same day Barayi issued his ultimatum, sending the workers into a frenzy. The emotionally charged meeting marked the birth of Cosatu and the beginning of a new era in the history of workers in South Africa

At its launch, Cosatu represented 460 000 workers organised in 33 unions. By 1992 it represented over 1,3 million workers in 14 industrial unions. This made it the largest trade union federation in the country

Cosatu's fight for better working conditions and its road to political glory was never easy. Besides facing the wrath of government and employers, many of its offices were destroyed and several leaders were arrested

In 1992, for instance, then general secretary Mr Jay Naidoo (now Minister Without Portfolio), his assistant Mr Sydney Mufamadi (now Minister of Safety and Security), Mr Baba Schalk and Mr Moses Mayekiso (now an ANC MP) were arrested and charged with kidnapping after union members caught a police spy outside the federation's head office

But Cosatu demonstrated its full

might when the NP government announced its intention to introduce a new labour law in 1987 aimed at curbing the power of the union movement

Employers welcomed this but Cosatu rejected it and embarked on a mass action campaign in protest. This campaign, including a two-day general strike in September 1989, forced the government to withdraw the amendments

At a time when much political progress was being made in the struggle against apartheid, workers were keen to make their voices heard

Cosatu decided to call for the drafting of a workers' charter and urged all workers to formulate workplace social and economic demands

### Major victories

Looking back on the past 10 years, Mediation and Conciliation Centre director Mr Mahmood Fadal says workers have achieved countless major victories

Fadal says Cosatu made great strides in reshaping labour relations in South Africa and ensuring that organised labour was taken seriously

"Cosatu made sure that labour has a voice and that it is involved in the decision-making process, which was not the case under the previous dispensation," says Fadal

He adds that Cosatu saw economic opportunities and "very skillfully used them to the advantage of their members"

Fadal's sentiments were echoed by South African Institute of Race Relations public affairs manager Mr Paul Pereira, who says Cosatu provided a platform for political expression when many liberation movements were banned

It went on to win scores of wage and employment agreements with

bosses at plant, company and industry level. These gave workers' rights that were denied by the apartheid Labour Relations Act and other laws

Pereira said Cosatu won both labour and political victories. It managed to establish a strong voice for workers as well as ensure that legislation was passed to improve the living standards of the oppressed

In February 1995 Labour Minister Mr Tito Mboweni published a draft Labour Relations Bill and presented it to organised labour and business for comment and negotiation

By then Mr Sam Shilowa was at the helm. After Naidoo became a cabinet minister, Naidoo was one of several unionists who joined the ANC-led Government after last year's election

Former Cosatu vice-president Mr Chris Dlamini, National Union of Mineworkers' Mr Marcel Golding and National Union of Metalworkers' Mr Alec Erwin are among those now in Parliament

In a recent move to keep an eye on the Government, Cosatu opened a parliamentary office in Cape Town where its former media spokesman Mr Neil Coleman will attend Government meetings and voice the federation's views

Pereira said of all Cosatu's achievements, the most notable was getting business and labour to work together for the first time in the country's history

"Ten years of workers' unity and struggle," boasts the anniversary pamphlets and posters - and rightly so

To celebrate its tenth anniversary, Cosatu will have a fun-filled bash at King's Park, Durban, on Saturday. Sankomota, Mzwakhe Mbuli and Boom Shaka will perform



# Cosatu faces splits and paralysis, says consultant's report

Star 13/3/96

(140A)

By JUSTICE MALALA  
Labour Reporter

The 1,5 million-strong Congress of SA Trade Unions is in crisis and could become incapacitated if it does not resolve its internal problems, a labour consultant's report prepared for more than 250 company directors has warned.

The report also cautions that the union federation's long-standing alliance with the ANC and the SA Communist Party could end because of increasing differences between the ruling party and the federation over issues such as privatisation.

"Over the past two years much has changed and Cosatu is now in crisis. Never before has the federation been faced with so many centrifugal forces that could ultimately render the organisation incapacitated," SPA Consultants director Stuart Pennington writes in the report, which looks at the year ahead.

SPA Consultants is a labour research consultancy to which companies subscribe.

Pennington says the 10-year-old federation has made a mark in the country through its substantial membership, by contributing a huge chunk of leaders to the

Government of National Unity, and by being involved in the formation of structures such as the National Economic Development and Labour Council.

But vacuums left by the loss of leaders to the Government, management and other positions meant internal splits between affiliates became more and more likely, the report says.

Other problems faced by the federation are that economic realities in developing countries militate against strong unionism, that as the Government takes on the mantle of employer, the federation's reliance on the tripartite

alliance will end, and that there will be increasing disillusionment among shop stewards.

The report says the federation has some fundamental challenges to consider, including how much control should rest with its central structures, and the recruitment of intellectuals able to contribute to the national debate and explore with business and the state a new economic dispensation.

"If Cosatu is unable to make these changes, the alliance will certainly end, the federation will certainly split and some affiliates will probably collapse," the report concludes.

By CAROL PATON

## Cosatu's protest pledge

COSATU is ready to take to the streets to support the ANC's stand on the right to life and other issues of deadlock in the constitutional assembly

The general secretary, Sam Shilowa, said yesterday that Cosatu's central committee, which met over the weekend, endorsed the ANC's positions

on the right to strike and a version of the property clause that would allow land reform to take place

The federation recognised that the ANC had stood firm in support of workers' right to strike and had refused to equate this with an employer's

right to lock out workers

"We also decided that we should look to the issues on which the ANC has stood alone — such as the right to life — and support them. If it means we have to take these issues to the streets we will.

"As a federation, we be-

lieve the positions the ANC has taken (on abortion and the death penalty) are correct and we think we should back them," Mr Shilowa said

He said Cosatu branches in the Western Cape were already preparing for mass action and that na-

tional protest action could be expected from workers.

Mr Shilowa added that the central committee had reaffirmed its alliance with the ANC.

"While there has been a problem in co-ordinating the formulation of policy, we believe that this can be improved. The alliance remains relevant at this point," he said.

(152)

(140A)

ST 31/3/96

Unions challenge SA Foundation strategies

# Labour tables its blueprint for the future

BD 2/4/96 (140A) (102)

Renee Grawitzky

ORGANISED labour has called for a review of trade and financial market liberalisation policies, the raising of corporate taxes, ensuring the role of the state in economic activity and the strengthening of unions and maintenance of labour standards.

Following similar initiatives by government and the SA Foundation, Cosatu, the Federation of SA Labour Unions and the National Council of Trade Unions yesterday released their framework for an alternative economic vision, titled social equity and job creation — the key to a stable future.

Cosatu general secretary Sam Shilowa said the document outlined labour's priorities and positions to guide debate and possible areas of agreement within the National Economic, Development and Labour Council (Nedlac). It was not a response to the SA Foundation's growth for all document. However, it challenged a number of the foundation's strategies and claimed it was an attempt to reduce the capacity of the state to "moderate the use of market power", weaken trade unions and divide society, "strengthen the wealthy and reduce the prospects of negotiated agreements on the key challenges facing society".

Labour cautioned government and business yesterday that to achieve the

"economic miracles" of the East Asian countries some level of state intervention was required to ensure growth. Market deregulation was not necessarily a recipe for faster growth.

Labour proposed six (instead of the foundation's five) policy pillars: promoting social equity through job creation; redistributive fiscal policy; breaking up economic concentration; promoting worker rights; building industrial democracy; and steps to promote equity and economic development globally.

Among the most controversial proposals are an increase in secondary tax on companies; a "super tax" on luxury goods; no VAT on any basic foods, medicines, water, domestic electricity or education; a 55% tax on annual income above R200 000; and a capital gains tax. The document noted a shift away from corporate tax. In 1970 47% of income tax was derived from companies; by last year the figure was 14%.

Labour opposed a sharp reduction in the budget deficit as this would bring deflationary pressures and would slow economic growth and job creation. Italy and the UK, with higher deficits and lower unemployment levels, did not reduce their deficits because of the effect it would have on unemployment, the unions said.

Continued on Page 2

Labour

Continued from Page 1

BD 2/4/96  
The document called for moderation of "restrictive monetary policies" followed by the Reserve Bank to stimulate economic activity and job creation.

On job creation, labour proposed the intensification of public works programmes with the possibility of creating 550 000 jobs, directly and indirectly, by building 300 000 houses over three years.

The funding of such a programme would be shared jointly by labour, government and business through a 5% levy imposed on company pre-tax profit over three years.

Labour's convener at Nedlac, Ebrahim Patel, said workers would contribute to job creation with the introduction of a prescribed invest-

ment requirement on pension and provident funds, the life assurance industry and the assets of the Public Investment Commissioners of 5% of funds in special government bonds to finance RDP projects.

Patel warned that organised labour was also prepared to take a number of commitments — which should not be seen "in terms of trade-offs" — to negotiations on future economic policy.

Workers would commit themselves to an agreement on production increases and to give up some lucrative income obtained through overtime worked to facilitate job creation.

Labour had proposed a "worker rights index" for companies tendering for public contracts. This would require companies to spend the equivalent of 4% of their payrolls on training if they were to qualify for tendering.

Picture: Page 4



John Dlodlu

THE SA Chamber of Business has criticised labour's recently unveiled economic blueprint, saying that its proposals were "highly prescriptive" and would undermine attempts to create jobs and wealth.

In its initial response to labour's plan, titled Social Equity and Job Creation — the key to a stable future, Sacob said yesterday the implementation of a number of the unions' proposals would impose severe restrictions on the ability of employers to conduct their labour affairs in a flexible manner.

"These measures are unlikely to contribute to job creation if they merely serve to raise employment costs, and could in fact have the opposite effect," it said.

Among others, the la-

## Unions' economic blueprint 'too rigid'

(140A) (132) BD 3/4/96

bour plan, released this week, called for an increase in secondary tax on companies (STC), a "super tax" on luxury goods, no VAT on basic foods and medicines, a capital gains tax and a 55% tax on annual income above R200 000.

Sacob said most of the tax reforms, notably on VAT and the STC, were contrary to the thrust of the Katz commission's recommendations which had been largely accepted by the parliamentary standing committee on finance. The unions appeared to have paid almost no attention to the important role small business should play in job creation, raising lev-

els of competition and increasing participation in the economy

"The international comparisons offered by the unions in relation to the fiscal deficit, fail to take account of the fundamental differences which exist between those countries and our own in areas such as population demographics, savings rates and infrastructural needs.

"The labour proposals fail to allocate any role to privatisation," it said.

A positive feature of the labour document, Sacob pointed out, was a commitment to the process of the National Economic, Development and Labour Council.

# Cosatu 'fails to consult members'

BY TERRY BELL

(140A) (142) CT(MR) 4/4/96

Cosatu's official alternative economic strategy document, tabled this week, was never referred to its affiliates. It was drawn up by specialists, discussed by the executive and decreed the official position.

The government's municipal infrastructure investment framework document was also drawn up by specialists, approved by the now-disbanded RDP office and released to stakeholders. The RDP office admitted to trade union representatives that the document was not an official position but "a discussion document".

These two documents are the latest shots in the battle to determine future economic policy for South Africa. How they were drawn up gives a clear indication that this battle is being fought in an increasingly rarified atmosphere. Teams of specialists undertake the work, commissioned and sanctioned by executive committees.

It could be argued it is more efficient, and more expedient, to conduct policy debates in this way. But these

arguments are not made public. Instead there are constantly reiterated commitments to transparency and democratic debate.

In the Cosatu offering, specialists, operating through the labour caucus of the National Economic Development and Labour Council, were from the National Institute for Economic Planning, headed by Vella Pillay.

Those behind the document, operating through the urban infrastructure investment planning team, were drawn from the Development Bank of Southern Africa and the World Bank.

This area of investment was addressed behind closed doors at a two-day conference in Cape Town last week where trade unions were conspicuous by their absence.

The Cosatu executive was meeting at the same time in Johannesburg to discuss its broad economic vision. Top leadership could, therefore, not attend what was billed as a major event.

Only two trade union representatives sat in on the Cape Town confer-

ence. One was a Paarl municipal worker delegate, representing the Federation of South African Labour Unions, the other a municipal workers' union official, representing Cosatu. Neither seems to have been impressed by the proceedings and there was little debate or mention of the response presented to the government by the South African Municipal Workers' Union (Samwu).

Samwu's document should be released next week. Proposals to "limit the influence of private capital on the form and content of the restructuring process", contradict an official view from the Cape Town conference.

Marinus Daling, the chairman of Sanlam insurance company, said the conference opened the way to private investment in infrastructure projects. But his market-based approach contradicts the Cosatu and Samwu documents.

There is some stirring among trade unionists over Cosatu's proposal to cut overtime to increase jobs and because nobody asked if the rank and file approved.

# Cosatu digs in heels over strike

CT(B)

(140A)

BY SEAN FEELY, CHARLOTTE MATHEWS AND CHRISTO VOLSCHENK

Johannesburg — Cosatu's strike will go ahead tomorrow despite a meeting between the government, business and trade unions yesterday to settle a deadlock over the labour relations and property clauses in the new constitution.

President Nelson Mandela met senior politicians and labour and business leaders in Pretoria to try to resolve the conflicting views on whether the constitution should include a right to lock out striking workers and to what extent property rights should be protected.

The constitutional issues and Cosatu's strike have sparked concern among investors, prompting the rand to fall to a record low of R4,58 against the dollar in trading on Friday.

The rand recovered to R4,445 in late trade before firming to R4,36 in thin after hours trading at the weekend after the Reserve Bank boosted its key rate by one percentage.

Sam Shulowa, the general secretary of Cosatu, David Brink, the chairman of Absa, Conrad Strauss, the chairman of Standard Bank, FW de Klerk, the deputy president, and

the senior NP negotiator Roelf Meyer and his ANC counterpart Cyril Ramaphosa were among those who attended the meeting. Trevor Manuel, the finance minister, and Alec Erwin, the trade and industry minister, were also at the talks.

"I think that the meeting was very frank and therefore constructive because all the parties were addressing the urgent problems of the nation," Brink said.

Shulowa said after leaving the meeting that the parties would continue to meet to discuss economic issues, even as Cosatu pursues tomorrow's national strike.

Parks Mankahlana, Mandela's spokesman, said after the meeting that the negotiating parties would gather again today "to finalise the wording of these clauses".

Ramaphosa said he was optimistic that the constitution would be ready by the May 8 deadline.

Analysts remained unconvinced that Mandela's prompt meeting with stakeholders in the economy would calm jittery investors, especially foreigners who have largely been responsible for the rand's 18 percent devaluation in the past nine weeks.

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# Mass action drive

CP 21/4/96

(140A)

## 'Key labour provisions forgotten'

STEADY mass action would be launched this month to protest key labour provisions "forgotten" in South Africa's draft Constitution, Cosatu general secretary Sam Shilowa said on Saturday.

Constitutional negotiators on Friday morning drafted the document after marathon debates, but union leaders say lock-outs, property rights and local government voting had not been agreed on and had been left out of the draft.

"We need to mobilise so the bourgeoisie does not get away with this," Shilowa told delegates at a Johannesburg conference.

His assistant Zwellinzima Yavi said Cosatu members would begin

a series of demonstrations on April 26 and would embark on a general 24-hour strike on April 30.

The disputed issues he said could allow employers and other parties to challenge issues in the Constitutional Court, despite most being dealt with in the Labour Relations Bill.

For example, there was no provision against lockouts, which enabled employers to lock employees out of their workplaces for either refus-

ing to work under new conditions or for striking.

There was also disagreement on the property clause called for by business and groups including the African National Congress.

"They want there to be a Constitutional clause that says government will respect private property," Yavi told Sapa.

"But if this happens, land reform programmes and other programmes of distribution could be hampered"

Yavi said despite land reform legislation, which allows for people to get land back lost during apartheid, a property clause could allow angry land owners to take the legislation to the Constitutional Court.

A final issue that needed to be defined in the Constitution was voting in the local government elections.

Yavi said the ANC was in favour of allowing voters multiple votes in local elections - a move that Cosatu

opposed  
"Say for instance if there is a migrant labourer from Umtata and he is working in Johannesburg," Yavi said

"He should only be allowed to vote once in elections."

Another issue Cosatu remained opposed to was federalism, a notion Inkatha Freedom Party leader Mangosuthu Buthelezi has striven for in the provincial powers of KwaZulu-Natal.

"If federalism happens, you may end up without any uniform labour standards around the country and poor provinces such as the Eastern Cape will not be able to survive," Sapa

By CAROL PATON

(140A) ST 21/4/96

# Labour flexes muscle

COSATU is to call a national one-day strike on April 30, when it will march on Parliament to push for its demands to be included in the final Constitution

Sam Shilowa, the secretary general of Cosatu, said the federation aimed to bring about a complete shutdown, including schools. He said Cosatu planned to ensure that workers, students, youths and peasants would join city marches on the day to break the deadlock in the

Constitutional Assembly that remained on important issues

"We want to send a clear and unambiguous message, so our action must leave no room for doubt," he said.

Cosatu's constitutional demands include that

- The right of employers to lock-out workers be excluded from the Constitution,

- The right to property

be excluded,

- Powers granted to provinces do not lead to fragmentation in important areas like education and the labour market,

- The Constitution allow for only one person, one vote at a local level as opposed to additional votes for property owners, and

- The right to life, including a ban on the death penalty, be included

If the Constitutional As-

sembly fails to adopt the Constitution by a two-thirds majority, the next step is a referendum.

Mr Shilowa said Cosatu would prefer a referendum if its demands were not met: "Rather than agree to a wishy-washy formulation on these issues, we would go for a referendum. We are ready to mobilise for an ANC victory."

The decision to go for a national strike was made

by an emergency meeting of the Cosatu executive committee on Friday.

Mr Shilowa said he felt certain that the ANC and the SA Communist Party would support the strike. He said that Cosatu and the ANC shared many of the same positions on the Constitution. Their only difference was over the property clause, which the ANC believed should be included in some form.

The strike on April 30 will be preceded by pickets and demonstrations on April 26.

# Strike will target business, NP and DP

Renee Grawitzky ~~(152)~~ (140A) BD 22/4/96  
ing process to ensure Cosatu concerns were addressed

THE April 30 national strike called by Cosatu would target big business, the NP and DP — to press them to accede to Cosatu demands on the constitution, particularly exclusion of a lockout clause, Cosatu said yesterday.

A decision to this effect was taken by a Cosatu special executive committee meeting, following an updated report by Constitutional Assembly chairman Cyril Ramaphosa on the outcome of bilateral meetings he had held with the ANC and NP. The intention was to put pressure on the constitution writ-

Cosatu is demanding the exclusion of lockout and property rights clauses from the constitution; that powers granted provinces do not lead to fragmentation of "national cohesion", and a ban on the death penalty

Cosatu general secretary Sam Shilowa, speaking after Cosatu's living wage policy conference yesterday, said the NP wanted to use the lockout clause as "a bargaining chip for other issues" In addition, he said, the NP

Continued on Page 2

## Cosatu ~~(152)~~ (140A)

Continued from Page 1

BD 22/4/96  
was trying to force a confrontation between the ANC and Cosatu.

He indicated, however, that the draft constitution Bill before Parliament this week would not include the lockout provision.

Cosatu called on the ANC to opt for a referendum on constitutional issues rather than accept positions that would make "political, social and economic transformation impossible"

The strike on April 30 would be preceded by mass demonstrations on April 26, while Cosatu warned that further action could be announced at May Day rallies nationwide.

Shilowa warned "we really mean business" and "will show FW de Klerk, Tony Leon and big business that workers of this country will not rest until our objective has been achieved"

The announcement of a national strike overshadowed discussion and adoption of a number of resolutions at Cosatu's wage policy conference.

Resolutions adopted related to employment standards, public sector transformation and state asset restructuring; the implementation of the LRA; a national minimum and living wage; strategies around wage bargaining; developing consensus within the National Economic, Development and Labour Council and restructuring the electricity distribution industry

Picture: Page 3





# ANC backs Cosatu plans for strikes

CT 22/4/96

(140A)  
~~(140A)~~  
(2011)

## POLITICAL STAFF

THE ANC has thrown its weight behind the national strike called for April 30 by the Congress of South African Trade Unions

The national strike — as well as strikes and pickets this Friday — are intended to give weight to Cosatu's positions on the final constitution, which the ANC shares

The constitution is to be tabled as a bill before a joint sitting of Parliament tomorrow. Cosatu's action has been timed for the run-up to the Constitutional Assembly's vote on the constitution on May 8

"The constitutional positions around which Cosatu is mobilising are those that the ANC has long maintained," the ANC said in a statement yesterday. "They are critical to

ensuring that the constitution lays the foundation for a society based on equality, justice and freedom"

ANC sources said the party supported Cosatu's demand that the final constitution should not include the rights of employers to lock striking trade unionists out of production plants. The rights have been a feature of the interim constitution

The sources said the ANC was confident that even without this being entrenched in the constitution, employers had rights within the law that enabled them to exercise the lock-out option

They also said that the ANC, if faced with the prospect of having to vote for a clause it could not fully support, would back Cosatu's demand that the "property clause" be dropped from the final constitution

# ANC supports strike over lockouts

At one with Cosatu that boss's right should be dropped from constitution

By **PATRICK BULGER**  
Political Correspondent

The African National Congress has thrown its weight behind a one-day national strike on April 30 called by the Congress of South African Trade Unions at the weekend in support of their common constitutional objectives.

There will also be strikes and pickets on Friday. These actions take place in the run-up to the Constitutional Assembly's vote on the final constitution on May 8.

The constitution is due to be tabled as a bill before a joint sitting of Parliament tomorrow opened by President Nelson Mandela.

The ANC's backing of the Cosatu action - reminiscent of the ANC alliance mass action before the adoption of the interim constitution - suggests a period of intense political manoeuvring ahead both inside and outside of the CA as the parties jostle for their positions to be included in the final constitution.

ANC sources said the party supported Cosatu's demand that the rights of employers to lock striking trade unionists out of production plants as contained in the interim constitution be done away with. The sources said the ANC was confident that employers had rights within the law to allow them to exercise the lockout option without this being entrenched in the constitution.

The sources also said the ANC would back Cosatu's demand for the so-called "property clause" in

the final constitution to be dropped if the ANC was faced with the prospect of having to vote for a property clause it could not fully support.

The ANC said in a statement yesterday that it would also back actions over the next two weeks by "workers, students and citizens of this country (who) will be articulating their support for a fully democratic constitution."

"The ANC supports the right of all South Africans to demonstrate peacefully in support of their positions on the constitution,"

The ANC said it was calling on "freedom-loving South Africans to support Cosatu's 24-hour national strike on 30 April around key outstanding constitutional issues - and to participate in the pickets and strikes on April 26."

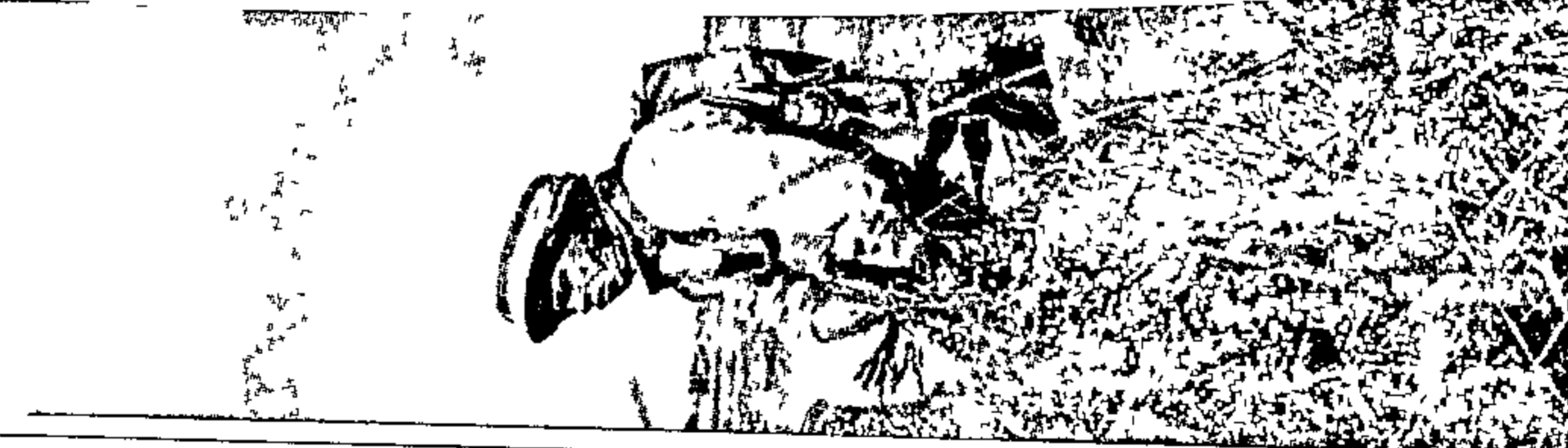
"The constitutional positions which Cosatu is mobilising around are positions which the ANC has long maintained. They are issues which are critical to ensuring that the constitution lays the foundation for a society based on equality, justice and freedom."

Those parties which are seeking to entrench fundamentally undemocratic provisions in the constitution must realise that the people of this country will not accept a constitution which hampers the democratic transformation of this country.

The tabling of the Constitution Bill tomorrow is a historic moment for the country's political evolution and signals the start of intense jockeying on the part of political parties to have it amended.

▶ To Page 2

## PROTECTING MADIBA



Action station SANDF soldiers keep a watchful eye as President Mandela's helicopter leaves an ANC rally at Creighton, in the Ixopo area yesterday. Mandela also visited the scene of the Donnybrook massacre and addressed a rally in Edendale.

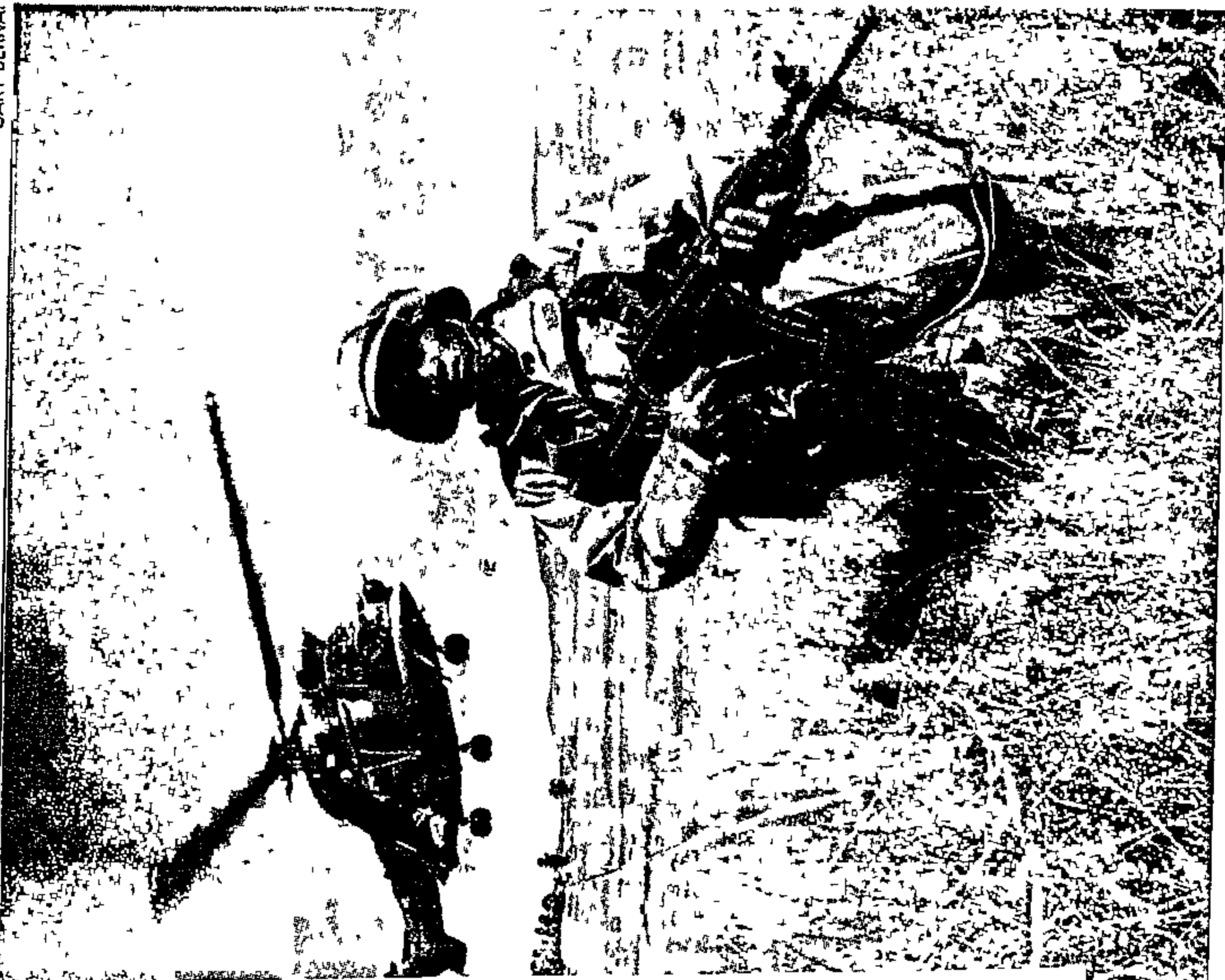
ANC backs Cosatu strike  
(140A) (10)  
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An ANC source said he did not expect that the ANC would bring amendments but that this would depend on the final wording as produced by the CA's technical experts who worked throughout the weekend to finalise the draft. Printing was due to have begun yesterday afternoon.

At the weekend, National Party secretary-general Roelf Meyer indicated that he was confident the constitution would be passed by a two-thirds majority on May 8. Both the NP and the Freedom Front will be arguing for stronger guarantees for cultural groups, especially in respect of language and education, in the week ahead.

FP leader Constand Viljoen has welcomed last week's constitutional committee agreement on a cultural commission.

GARY BERNAR





# Cosatu seeks the revival of weak union structures

Renee Grawitzky

(140A) (1000)  
BD 23/4/96

COSATU emerged from its three-day living wage conference with a range of campaigns which the federation hopes will revive weak local union structures. Cosatu general secretary Sam Shilowa said at the close of the conference at the weekend that failure to implement resolutions adopted would not lie with the Cosatu secretariat but with those at the conference. Shilowa said the conference had emerged with a number of resolutions and campaigns around which workers could be mobilised. The challenge was whether "we can implement these resolutions".

Cosatu reaffirmed its commitment to campaign for a 40-hour week, an overtime ban, the elimination of scab labour, opposition to lockouts and one month's severance pay.

These demands would be taken up in negotiations on the green paper on employment standards.

Shilowa acknowledged that in some sectors, where workers were not organised, it could be extremely difficult to implement a total overtime ban.

On the implementation of the new Labour Relations Act, delegates resolved that the Act as a whole should not be implemented later than July 1 and called for a minimum of 20 days' paid leave for the training of shop stewards on the legislation.

In view of recent action by NUM members at Eskom on restructuring, an emergency resolution was adopted on the restructuring of the electricity industry. Cosatu would lobby government against "giving away the distribution industry to the employer bodies, with distant involvement of central government".

Other resolutions adopted on the green paper on employment standards related to parental rights, child labour and compassionate leave.

In addition to six months' paid maternity leave, Cosatu would demand five days' paternity leave and up to 20 days' paid child care leave and crèche facilities.

Intense debate took place on the restructuring of state assets and public sector transformation, with Shilowa calling for a clear document on state asset restructuring.

Delegates agreed that "where there is evidence that any parastatal management is undermining National Framework Agreement provisions, the appropriate minister should use his or her powers to remove these managers".

In view of recent attempts by the National Economic Development and Labour Council (Nedlac) secretariat to initiate debate around building consensus and a social partnership, a number of resolutions were adopted on Cosatu's Nedlac role.

Shilowa said "we are not being dragged into Nedlac" as it was a product of "our own struggles". He said the social equity document had to guide Cosatu in discussions and negotiations within Nedlac.

Delegates resolved that Cosatu would not put all its hopes in Nedlac, but needed to use Nedlac to "challenge and change the power relations in favour of the working class".



# ANC still 'to decide' on support for strike

Renee Grawitzky

23/4/96 (140A)

THE ANC yesterday declined to give full backing for the April 30 strike, called by Cosatu at the weekend in support of outstanding constitutional demands.

ANC spokesman Ronnie Mamoepa said last night that the ANC supported the right of Cosatu to mobilise around any issue, and in principle supported the right to strike in support of general demands and specifically to press for the exclusion of a lockout clause from the new constitution.

However, a decision within the ANC's constitutional structures had yet to be taken as to whether the ANC would fully back the proposed strike.

Clarification of the ANC's position comes amid strong reaction from employer organisations and the NP, IFP and DP to the ANC's apparent support for the strike.

Employer organisations, including Business SA, the Afrikaanse Handelsinstituut and the Johannesburg Chamber of Commerce and Industry, highlighted the economic costs of the action. They stressed that in its recent economic policy document, organised labour had acknowledged the need for improved productivity and job creation. Business viewed the action as "short-sighted" and appealed to the union leadership to find less disruptive and "more acceptable ways to present its views to the negotiators".

Business SA said it was alarmed at the ANC's apparent support for "this confrontational approach".

The constitution was intended to unite the country in a common vision and had to enjoy the support of all stakeholders. "This will not be forged

through mass action, which experience has shown divides the society and disrupts the economy."

The NP said it was unacceptable that the ANC supported Cosatu's actions while it was party to the negotiations. Threats and strikes are not justifiable when negotiations and democratic decision-making processes were already being conducted, it said.

The DP said the ANC's support for the strike was an "exercise in bad faith. It also represents allowing a strike against precisely the positions to which they have already agreed".

Cosatu indicated it was consulting its alliance partners, including civic organisation Sanco. The SACP indicated its support for the strike.

Sapa reports that the IFP said the strike was intended to press political parties into weakening provisions in the proposed Bill of Rights. "Nothing has prevented Cosatu from making submissions to the Constitutional Assembly, and nothing prevents it from still so doing."

The PAC said it supported the stay-away call.

The PAC has been against the property clause and locking out of workers being in the constitution since the Kempton Park negotiations, PAC labour secretary Khoisan X said.

Property should be dealt with in legislation, and legislation should provide access to property for the poor rather than protecting the rich.

Big business should ensure that working class demands were met rather than supporting injustice and complaining about the effect of a national strike.

Comment: Page 14

# Opposition slams ANC's strike stand

**POLITICAL STAFF**

CT 23/4/96

OPPOSITION parties in Parliament have come out strongly against the ANC's support for a one-day national strike next Tuesday.

Cosatu called the national strike, as well as strikes or pickets on Friday, to protest against the continued inclusion of the so-called lockout clause in the draft constitution. The clause gives employers the constitutional right to lock striking workers out of production plants.

The lock-out was a controversial inclusion in the interim constitution which Cosatu opposed in 1993 and which it said then it would oppose in the final constitution.

The ANC said at the weekend it supported Cosatu's strike action and the federation's position on the "lock-out" clause.

The constitution is due to be tabled at a two-day sitting of the Constitutional Assembly which starts today.

NP secretary-general Mr Roelf Meyer called the strike "irresponsible, silly and unacceptable", saying it was unjustified during negotiations. "It is also unacceptable and disappointing that the ANC supports Cosatu's actions while being a party to the negotiations."

DP negotiator Senator James Selfe said the strike was "an outrageous example of irresponsibility" and said the current draft "is already one of the most labour-friendly in the entire world". Further concessions to labour "will tip SA into one of the most investment-unfriendly countries".



# ANC now doubtful over strike wisdom

Apparent backtracking by ruling party after criticism from several quarters

By JOVIAL RANTAO, JUSTICE MALALA AND PATRICK BULGER

The Cosatu call for an April 30 general strike is under a barrage of condemnation from political and business organisations, and the ANC appeared to be backtracking today when it moved to "clarify" a statement in which it expressed full support for Cosatu's actions.

ANC spokesman Ronnie Mamoepa said the final decision on whether or not to fully support Cosatu's action will be taken by the ANC constitutional structures. He expressed hopes that the ANC's national working committee, which meets every week, will also deliberate on the issue.

Mamoepa said in principle the ANC supported Cosatu's right to strike and engage in other peaceful protest in support of their demands.

He repeated the organisation's backing for Cosatu's position on the lock-out clause.

National Party leader Deputy President F W de Klerk yesterday joined the chorus which rejected what would be the giant trade union federation's first major protest against the Government of National Unity.

De Klerk said the planned one-day national strike would lead to a further fall in the value of the rand.

He challenged the ANC to reject Cosatu's stayaway call.

Political and business organisations have warned that investors will be scared off and that the beleaguered rand will take a further dive.

The strike, which has been supported by the Pan Africanist Congress, may also lead to some workers taking next Monday off to give themselves a five-day long weekend that would end with the official May 1 holiday, the Afrikaanse Handelsinstituut (AHI) warned yesterday.

The 1,6 million-member Cosatu said at the weekend it would mount the strike, as well as marches and pickets on Friday this week, to support its demand that the rights of employers to lock striking trade unionists out of production plants, as contained in the interim constitution, be scrapped.

The National Council of Trade Unions, the second party in a shaky alliance of trade union federations, has supported the action.

But the third party, the Federation of SA Labour Unions (Fedsal), is unlikely to join Cosatu's action, secretary-general Dannhauser van der Merwe said.

The federation's executive will meet today to decide whether to join Cosatu, but Van der Merwe said the two parties had areas of disagreement and it was unlikely Fedsal would join Cosatu.

Business South Africa said it deplored the strike call and was

Tuesday April 23 1996

## Anger at call for national strike

(140A) (140A) (140A)

From Page 1  
Star 23/4/96  
alarmed at the apparent support by the ANC for "this confrontational approach"

"Apart from the serious consequences for constitution-making, the signals Cosatu's campaign send to the international and investing community are also to be greatly regretted," BSA said.

National Party secretary-general Roelf Meyer said the country could ill afford the action, which he said was "irresponsible, silly and unacceptable".

"There's no justification for such actions. It is also unacceptable and disappointing that the ANC supports Cosatu's actions while being a party to the negotiations itself."

The Democratic Party said the rand would go into freefall because of the action, and that the ANC's backing of it was inexcusable. "What responsible government anywhere in the world would encourage a nationwide strike?"

The IFP said it was "absurd that Cosatu should encourage an extremely costly and confrontational strike merely because it ostensibly wants to express its views".

It said employees' right to strike should be counterbalanced by employers' right to lock out.

The SA Chamber of Business's Gerrie Bezuidenhout said the strike was unfortunate. Its impact would depend on whether workers supported it, but it would likely incur millions of rands in lost production.

AHI president Mof Terreblanche said the strike could lead to further depreciation of the rand.

Although this could improve South Africa's price competitiveness in the short term, it could also lead to higher wage demands by workers, he added.

The strike has been called in the runup to the May 8 vote on the constitution.

The constitution is due to be tabled ahead of a two-day sitting of the Constitutional Assembly beginning in Parliament today.

Cosatu is also calling for the property clause in the new constitution to be dropped and for the constitution to make no mention of property rights. Although the ANC supports this position, ANC sources have indicated the party could support the Cosatu position if it is faced with the prospect of supporting a property clause it is not happy with.



# Cosatu 'will go it alone if necessary'

BD 24/4/96

(140A) (S)

**Renee Grawitzky**

COSATU last night reiterated its call for a strike on April 30 — in support of outstanding constitutional demands — and its position that it would “go it alone” if it did not receive support from other trade union federations and mass democratic structures.

This call comes in the wake of equivocal statements by the ANC and indications that although the Federation of SA Labour Unions (Fedsal) supported Cosatu's position on the lockout clause being excluded from the constitution, it would not support the strike.

Ambiguity about ANC support resulted from the fact that there had not been any consultations yet within its structures. At the same time it wished to give a clear indication of support to Cosatu.

The ANC reiterated its support for Cosatu on the lockout clause and called on all South Africans to support Cosatu's position.

Cosatu assistant general secretary Zwelinzima Vavi said as far as the federation was concerned it had the ANC's support and it was confident that the ANC would not leave the federation in the lurch. Vavi said there was no possibility of the strike being called off.

The NP yesterday attacked Cosatu's strike call and the ANC's support. NP secretary-general Roelf Meyer said “the country can ill afford this irresponsible, silly and unacceptable decision by Cosatu. There is no justification for such actions.”

The SACP, in supporting the strike, criticised those who were complaining that the ANC was supporting the strike “despite its participation in the constituent assembly”.

“It is an attitude typical of those who believe that the majority of people in our country should be seen but not heard.”

National Union of Metalworkers of SA general secretary Enoch Godongwana said condemnation of the strike “reflects the apartheid divide”, with the white establishment supporting its past privileges. He said the outstanding constitutional issues were not about technical details, but could result in “precluding the deepening of democracy and transformation in the long term”.

The SACP agreed and said those trying to entrench a lockout and property clause were, “at the end of the day, seeking to entrench powers and privileges derived from an apartheid past”.

## Farming unions warn on strikes

Louise Cook

(140A) (14) (132)  
BD 24/4/96

AGRICULTURAL unions yesterday added their voices to a barrage of criticism from political and business organisations on Cosatu's call for a national strike next Tuesday.

The unions warned that farm strikes were still illegal and would lead to "large-scale" job losses on farms. Transvaal Agricultural Union manpower committee chairman Laurie Bosman said workers would not be paid if they did not work. Strikers would run the risk of dismissal, he said.

Free State Agricultural Union manpower committee chairman Daan Slabbert also warned of job losses if union leaders were guilty of "irresponsible actions" on April 30. Workers would "carry the consequences".

# ANC backs one-day strike action – Cosatu

Star 24/4/96

140A (132)

By **PATRICK BULGER**  
Political Correspondent

Cape Town – Congress of South African Trade Unions secretary-general Sam Shulowa said yesterday he was confident the ANC was fully behind Cosatu's proposed one-day strike on Tuesday next week.

Shulowa made his comments to journalists here as the ANC appeared to back away from its earlier statement of support for the strike.

President Mandela yesterday sought to allay fears about the consequences of the looming action.

He told reporters at Waterkloof air base that "this is not the first time we are going to have a strike".

The one-day strike next Tuesday, as well as strikes and pickets on Friday this week, have evoked protests from opposition parties and the business sector.

Shulowa said he had discussed the strike with ANC leaders and that discussions had taken place with ANC structures at regional and local level at the suggestion of

the ANC leaders

Yesterday, however, the ANC issued a statement saying that while it supported Cosatu's positions and its right to call a strike, the action had to be referred to the ANC's constitutional structures.

At the weekend the ANC had called on "all freedom-loving South Africans to support Cosatu's 24-hour national strike on April 30 around key outstanding constitutional issues, and to participate in the pickets and strikes on April 26".

Cosatu has called the strike to rally support around its demand that the employers' lockout clause right be dropped from the constitution, a position opposed by the NP, the DP and business.

Shulowa said the strike action was not directed at the Government or at the ANC, but solely at those three opponents.

He warned that further industrial action, which will attempt to pressure the three groupings, would be announced at Workers' Day rallies on May 1.

The National Council of Trade Unions, will decide tomorrow whether to join the strike.



NEWS | POLITICS

(140A) (1257) (1257)

# Division shown up by strike call

*somebar 24/4/96*

**By Abdul Milazi**  
Labour Reporter

THE Congress of South African Trade Unions' (Cosatu) call for a national strike next week in protest against the inclusion of the lockout clause in the final Constitution has exposed the country's political and racial divide

Major white political parties such as the Democratic Party (DP) and the National Party (NP) have criticised the action, while progressive black organisations, including the African National Congress, Azanian People's Organisation (Azapo) and Pan Africanist Congress, cast their lot with Cosatu

Since the beginning of negotiations between organised labour and business at the National Economic Development and Labour Council (Nedlac) last year, Cosatu has strongly opposed the locking out of striking workers and the inclusion of the property clause in the Constitution

Cosatu spokeswoman Ms Nowethu

Mpati said "The reason why the white parties are supporting big business' call for the inclusion of these clauses in the Constitution is that it is black people who are affected. The economy is also still in the hands of the white minority"

Mpati warned that the strike, which is expected to draw millions of black workers around the country, might take more than one day if big business, the DP and NP do not change their positions on the matter.

Azapo president Mr Mosibudi Mangena said victory for big business and the white parties would undo the achievements notched up by workers over the years

"The whites are making sure that we remain where we are economically and socially. Ours will remain the politics of toy-toying and demonstrations"

Mpati echoed Mangena's sentiments, saying "workers are stakeholders in the economy. The future of their children and generations to come is at stake"

# 'Lockout' strike may be averted - Ramaphosa

(140A) Star 25/4/96

By **PATRICK BULGER**  
Political Correspondent

Cape Town - Constitutional Assembly chairman Cyril Ramaphosa is confident outstanding constitutional issues will be resolved in time to avert a planned national strike on Tuesday

Ramaphosa, speaking to The Star at Parliament during the second day yesterday of the two-day first reading debate on the Constitution Bill, said the negotiators were also confident of resolving the outstanding issues without resorting to the intervention of party leaders "I think we will resolve all issues before April 30," he said

Yesterday, however, Ramaphosa met President Mandela, NP leader and Deputy President F W de Klerk as well as NP secretary-general Roelf Meyer. It is understood the meeting discussed the possibility of convening a weekend bilateral involving the ANC and the NP if the outstanding issues are still on the table

Ramaphosa identified them as the education clause, the language clause and the lock-out clause

Earlier in the day, Congress of SA Trade Unions general secretary Sam Shilowa told a media conference in Cape Town that he would

be prepared to discuss calling off the strike with Cosatu's executive if the trade union federation's demands were met.

Cosatu has called on workers to engage in strikes and pickets tomorrow and take part in a one-day national strike on Tuesday

Cosatu is demanding that the lockout clause contained in the draft constitution be dropped in its entirety. Both the interim constitution and the draft before the CA allow employers to lock striking workers out of production plants

Shilowa warned that more industrial actions were in the pipeline and these would be announced at May Day rallies on Wednesday

Yesterday the political parties continued to attempt to resolve outstanding issues. Today the parties will table their proposed amendments to the constitution as the document goes back to the CA's constitutional committee

The debate continued on a fiery note yesterday with Justice Minister Dullah Omar taking a hard line on the lock-out clause and the Bill of Rights

Describing the Bill of Rights as the most enlightened rights document in the world, he warned the ANC would not agree to a constitution which entrenched privilege

## Weekend meeting 'if necessary'

# Call for lockout after Cosatu strike

(102) (140A) (102)  
Renee Grawitzky  
and Tim Cohen **BD25/4/96**

A PRETORIA company, Silk and Textile Industries, has called on other companies to join it in a planned lockout of Cosatu-affiliated union members on May 3. It was reacting to the federation's decision to strike next week against a lockout clause being included in the final constitution.

Meanwhile Cosatu tried to strengthen its ANC ally's bargaining position yesterday by reiterating its opposition to the constitutional entrenchment of any form of lockout, and threatened additional labour action beyond Tuesday's stayaway if its demands were not met.

Gauteng premier Tokyo Sexwale told a business breakfast this week that if asked, he would have advised labour to rather strike on May Day, May 1, which is a paid public holiday. He said, however that he did recognise the right to strike.

Cosatu general secretary Sam Shilowa said the lockout clause was not negotiable.

Asked if Cosatu would oppose the inclusion of a "defensive" lockout clause in the constitution, similar to that which is included in the new Labour Relations Act, Shilowa warned that Cosatu would not compromise on the issue.

Cosatu had accepted the inclusion of a defensive lockout mechanism in the new Labour Relations Act based on pragmatic considerations and the parties' relative bargaining strengths.

Shilowa said any intervention by President Nelson Mandela and NP leader FW de Klerk to break the deadlock would be unacceptable if Cosatu was not consulted.

**BD 25/4/96** Continued on Page 2

## Lockout (102) (102) (140A)

Continued from Page 1  
**BD 25/4/96**

Asked about claims that Cosatu's stayaway call would cause further instability of the rand and a decline in investor confidence, Shilowa agreed with ANC MP Philip Dexter who said investors who failed to subscribe to basic rights should be told "thank you but no thank you".

Shilowa took issue with Business South Africa's arguments that Germany and Sweden specifically included the right to lockout in their Bills of Rights. Neither country in fact did so, he said.

Shilowa reiterated Cosatu's claim

that the right to strike did not balance the right to lock out because of the "huge inequality in power" between employees and employers.

If the lockout became a right, the right to strike would be neutralised, thus rendering collective bargaining nothing more than collective begging, he said.

Silk & Textile Industries wrote to the Rosslyn Industrialists Association in Pretoria saying it would stage a lockout on May 3 "to protect our right to lock out for as long as workers have a right to strike". The company asked if other companies would "consider this exercise in democracy".

Cosatu and the SA Clothing and Textile Workers' Union rejected the plan as a "cheap publicity stunt".



THURSDAY  
APRIL 25, 1996 ★

RAMAPHOSA CONFIDENT

# 'Issues will be resolved in time to avert strike'

CT 25/4/96 CF

(140A) ~~(140A)~~ ~~(140A)~~

**COSATU** secretary-general Mr Sam Shilowa says he is willing to discuss calling off Tuesday's general strike if his organisation's demands are met.

**C**ONSTITUTIONAL Assembly chairman Mr Cyril Ramaphosa is confident that outstanding constitutional issues will be resolved in time to avert a national strike on Tuesday

Ramaphosa, said in an interview yesterday — the second day of the two-day first reading debate of the Constitution Bill — that the negotiators were also sure they could resolve the outstanding issues without the intervention of party leaders

However, he met President Nelson Mandela, National Party leader and Deputy President F W de Klerk and NP secretary-general Mr Roelf Meyer yesterday to discuss the possibility of convening a weekend meeting of the ANC and the NP if the issues have not been resolved by then

Ramaphosa said the outstanding issues were the clauses on education and language and the lockout clause

Earlier in the day, Cosatu secretary-general Mr Sam Shilowa told a media conference in Cape Town he would discuss calling off the strike with Cosatu's executive if their demands were met

Cosatu has called on workers to stage strikes and pickets tomorrow and to take part in a one-day national strike on Tuesday. It wants the lockout clause in the draft constitution dropped in its entirety

Shilowa warned that further industrial action would be announced at May Day rallies



**WILLING TO TALK:** Cosatu secretary-general Mr Sam Shilowa at a media conference yesterday

Today the parties will table their proposed amendments to the constitution when the document goes back to the Constitutional Assembly's constitutional committee for consideration

The debate continued in a fiery spirit yesterday

Justice Minister Dullah Omar described the Bill of Rights as the most enlightened rights document in the world, and warned that the ANC would not agree to a constitution that entrenched privilege

Parties were expected to flood the Constitutional Assembly's administration with amendments to the bill last night and today

Democratic Party leader Mr Tony Leon told the assembly's plenary yesterday afternoon that his party would

table more than 80 amendments by the end of the day

The Pan Africanist Congress gave notice of at least seven

The National Party said its amendments would include education, the preamble and the security and freedom of the person

It would also table an amendment on the retention of the death penalty under certain circumstances

The ANC is expected to propose an amendment on the language clause

The NP and Freedom Front say that they feel particularly strongly about education, while the DP and other parties have strong views on the property and lockout clauses in the Bill of Rights

The African Christian Democratic Party has voiced strong concern about what it sees as a reduction of God in the constitution's preamble, as well as the right to life clause dealing with abortion in the Bill of Rights

A Constitutional Assembly spokesman said yesterday it had been decided to adopt a flexible approach to accepting amendments

The assembly's management committee, which meets at 8am today, would be given an idea of what amendments had been submitted by then, but further amendments would still be accepted during the day

The amendments would then be discussed by the constitutional committee until the next scheduled sitting of the full Constitutional Assembly on Friday next week

The assembly's plenary completed its two-day first reading debate on the bill for the final constitution last night — Political Staff, Sapa



# Test of strength

## Cosatu to challenge lock-out clause in new constitution

(140A) (P2) (P1) ARG 25/4/96

**ESTELLE RANDALL**  
Labour Reporter

THE Congress of SA Trade Unions (Cosatu) has given constitutional negotiators five days to drop the controversial lock-out clause from the final constitution before it goes ahead with a general strike on Tuesday.

There could be no compromise. The National Party and Democratic Party must agree to drop the lock-out clause in the final constitution, said Cosatu general secretary Sam Shilowa.

Cosatu called for the strike last weekend to back its demand that the final constitution exclude employers' right to lock out workers.

It also wants the clause protecting property rights dropped and wants changes to clauses on provincial powers, and education and language, and a right to life clause which bans the death penalty and gives women the right to have abortions.

Business South Africa has expressed "alarm" at the strike call and the Cape Chamber of Commerce and Industry has labelled it "outrageous and irresponsible".

"A national strike will have a devastating effect on prospects for economic growth," Chamber vice-president and chairman of its human resources committee Johann Baard said in a statement on Tuesday.

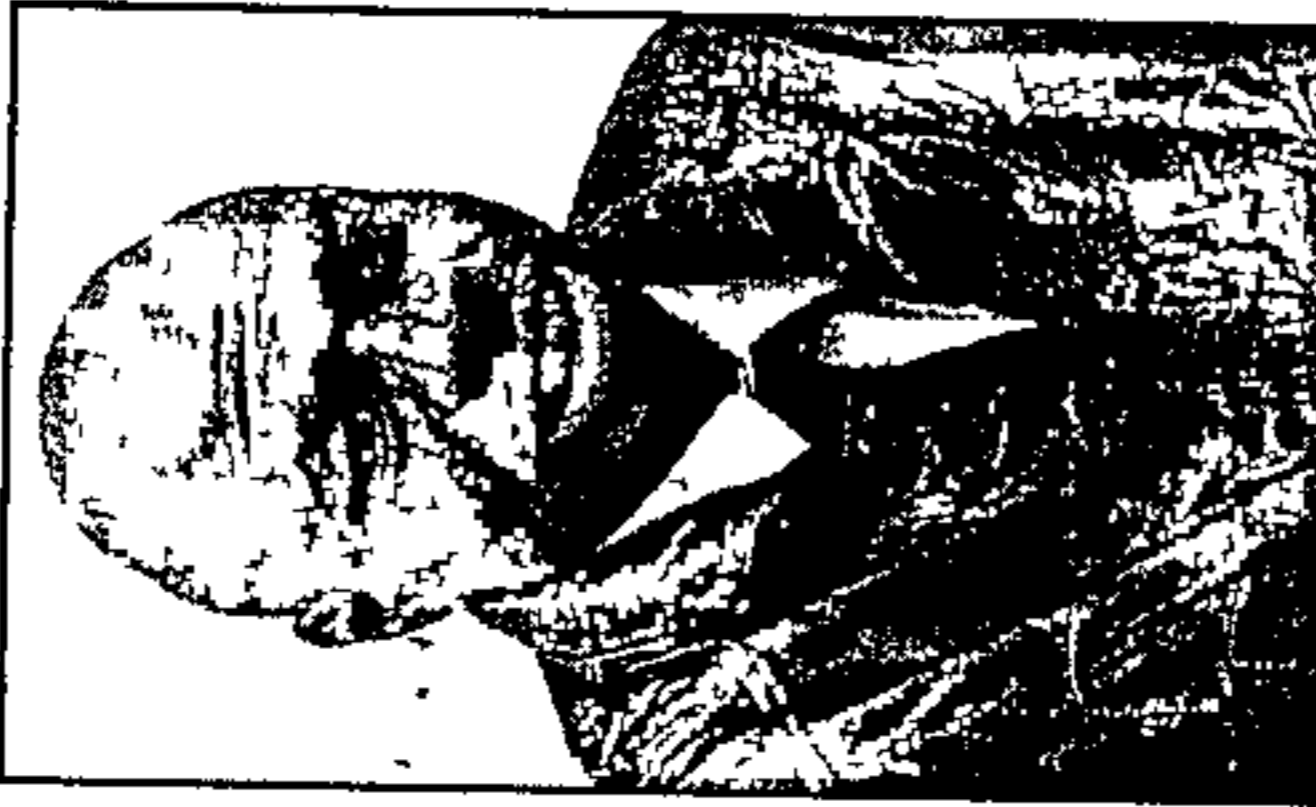
"The immediate impact in terms of loss of earnings in the economy is bad enough. But a national strike on this wholly inappropriate topic will send worrying signals to business people in this country and abroad that will severely prejudice prospects for economic growth in the years ahead."

Business South Africa expressed similar fears about the signals which Cosatu's campaign would send to the investors, "particularly at a time when the lack of overseas confidence in the rand has had such demonstrable impact."

Mr Shilowa, in Cape Town for a whistlestop round of factory and affiliate visits, put back at these warnings of doom.

"If you go to the archives on strike action you will find that these warnings are like an old record," he said. "The time has never been right for workers to exercise their power."

Mr Shilowa was firm that there



Cosatu boss Sam Shilowa



BY THE LEFT Protesters on the march Cosatu may take to the streets on Tuesday to protest against some of the proposals in the new constitution

could be no compromise on the federation's demand for the lock-out clause to be dropped.

"The inclusion of the right to lock out would empower bosses not only in the locking out of striking workers, but the lock out could also be used as an attempt to compel non-striking workers to accept variations in terms and conditions of employment."

He gave the recent example of De Beers which had locked out mineworkers to force them to accept fewer leave days. The National Union of Mineworkers (Num) was currently taking the company to court over the issue.

If the lock-out could have been used against a strong union such as the Num what would happen to the means of production. It is a

workers in sectors which were poorly organised, such as agriculture, Mr Shilowa asked.

Employers have argued that if the right to strike is included in the constitution, then employers' right to lock-out should also be included, so creating balance favour labour rights at the expense of employer rights. This would substantially disturb the balance within our industrial relations system," Business SA has said.

Cosatu has questioned this view, arguing that the reality is that there is a huge inequality in power between workers and employers.

"Workers have only their labour to sell. Employers own and control the means of production. It is a

commonly accepted view that without the right to withdraw one's labour, collective bargaining would be nothing more than collective begging," Mr Shilowa said.

He said excluding a lock-out clause from the constitution did not mean legislation could not include lock-outs under specific conditions. Cosatu had accepted that employers' be given a circumscribed right to lock out workers in the new Labour Relations Act.

This was in line with international trends where most countries had the right to strike but not a lock-out clause in their constitutions.

Arguments from Business South Africa that Germany and Sweden

specifically included the lock out in their constitutions were incorrect, he said.

"They have lured to the country and have treated political parties with contempt," he said.

The Swedish constitution gave employer organisations - not individual employers - a general right to industrial action. And there was no right to lock-out in the German constitution.

Instead German legislation gave employers the right to "defensive lock-outs", if these would be conducive to collective bargaining.

Mr Shilowa added that the United Nations Convention on Economic, Social and Political Rights, the European Social Charter and the International Labour Organisation explicitly recognised the right to strike but were silent on the right to lock out.

Regarding Cosatu's demand for the property rights clause to be dropped from the constitution, Mr Shilowa said that besides hindering land reform, including such a clause could curtail workers' rights to picket on factory premises.

He argued that property rights could be dealt with adequately through legislation and did not have to be elevated to a fundamental right through inclusion in the constitution.

He said that arguments from business that excluding a property rights clause from the constitution would scare off foreign investors was a myth.

"Even the American Chamber of Commerce has publicly, in its submission to the Constitutional Assembly, said that few countries have such clauses," he said.

The American Chamber of Com-

merce's submission advised that there was no need for a property clause in the constitution, since existing expropriation provisions and common law of ownership were well-developed in South African law.

These would not necessarily be improved by a property clause in the constitution. Underpinning Cosatu's stand was that the constitution should reflect the years of struggle.

"It's not just being drafted in a vacuum," Mr Shilowa said, "and we can't pander to people who want to retard progress."

Meanwhile, the African National Congress has reaffirmed its support for Cosatu's strike action call.

Senior ANC constitutional negotiator Pravin Gordhan said this week that the ANC supported the call for a nationwide strike on April 30 as labour's calls for the removal of the lockout clause was consistent with the ANC's negotiating position.

He said Cosatu was a major role player in South Africa's political life and that its views on vital clauses such as labour relations had to be taken into account.

"It is a great pity that the minor opposition parties allow themselves to be lobbied and act as spokesmen for business interest in South Africa, but at the same time mischievously cry foul when Cosatu and the ANC state their position on the lockout clause."

Mr Gordhan said there were still some days before the Constitution had to be finalised and that "intensive efforts are being made to negotiate an acceptable solution".



# Mandela, De Klerk to seek a compromise as Cosatu girds

Renee Grawitzky  
and David Greybe

PRESIDENT Nelson Mandela and NP leader FW de Klerk will meet at the weekend to hammer out a compromise constitutional package which could see Cosatu call off its 24-hour strike scheduled for Tuesday.

As Cosatu geared up for mass action starting today, organised business joined attempts to resolve the deadlock over, among other things, the lockout clause which Cosatu wants excluded.

Marches would take place at lunchtime today around the country.

Cosatu general secretary Sam Shilowa said last night there was no question "at this stage" of the action being called off. Cosatu's executive committee was the only body which could take such a decision and no executive meeting had been planned. He said Cosatu had refused an NP request for a discussion with big business. He had indicated to the NP at a meeting yesterday that while Cosatu was open to discussion, a "solution cannot be

found in... a lockout clause" (152) Cosatu's Gauteng regional secretary Dan Mohapi said the ANC's national working committee would decide on whether to back the strike at a meeting scheduled for last night.

Shilowa said the decision to strike came after ANC leaders had indicated to the labour movement that they could not abandon the "streets to right-wing forces", and that if they did so "we would have betrayed our revolution".

Cosatu lambasted what it called the "tripartite alliance of the right" — big

business, the NP and DP — for using yesterday's sharp drop in the rand as a "propaganda tool". It said the rand had been falling for two months and other fundamentals were behind the slide.

The Chamber of Mines said "the hard line ... by Cosatu on the constitutional lockout clause confirms the perception that Cosatu prefers threats and consequent damage to the national economy rather than to exhaust the negotiation process". The Afrikaanse Handelsinstituut called on Cosatu to call off the strike in SA's interests.

for battle

The Association of Industrial Minerals, Metal and Mining, representing small and medium-sized companies in the formal mining sector, yesterday backed a call by Silk & Textile Industries to lock out its employees on May 3 in reaction to Cosatu's strike.

Amanda Vermeulen reports textile companies have rejected the call for a lockout of Cosatu members. Frame's David Sable said a lockout would not improve links with unions.

See Pages 2 and 5



## Cosatu strike to go ahead

~~(752)~~ (140A) ~~(752)~~  
JOHANNESBURG - President Mandela said today a planned national strike by the country's largest labour federation would go ahead on April 30

"It will take place, but not in a confrontational manner," Mr Mandela said after talks with Congress of South African Trade Unions general secretary Sam Shilowa

The South African currency took a battering this week, partly over fears about the strike, called by Cosatu to force its political opponents to give in during constitutional negotiations - Reuter

ARG 26/4/96

# Mandela steps in over lock-out dispute

ST 28/4/96

(140A)

PRESIDENT Nelson Mandela will meet Deputy President F W de Klerk in Pretoria this morning, and in the afternoon bring together Cosatu and representatives of big business in an effort to resolve constitutional disputes threatening the economy.

The decision to involve Mr Mandela and Mr de Klerk in the talks follows almost two years of negotiations, after it has become clear that political decisions will be required to take the process further.

This week political parties came up with almost 200 pages of amendments. Most were technical; some substantive, but some could not be resolved between the NP and the ANC, the main parties driving the process.

The plummeting rand and the 24-hour strike planned by Cosatu for Tuesday sparked a renewed resolve to reach agreements as soon as possible.

As Mr de Klerk warned during the debate on the new constitution Bill this week, the pressure on the rand could be related to the present constitutional uncertainty on the property and labour relations clauses.

"What is contained (in these clauses) will have a profound impact on the future of the economy," he said.

The impasse over the labour relations clause revolves on whether workers' right to strike should be balanced by employers' right to lock them out.

Cosatu argues that, unlike employees' right to strike, employers' recourse to lock out workers is not a "universally accepted fundamental right", a view endorsed by Justice Minister Dullah Omar during the debate on the Bill this week.

He said: "A right to lock out can only exist in a situation in which there is equality between employer and employee, and in South Africa no such equality exists."

"If members (of Parliament) want a lock-out clause, they must first create real equality between employer and employee."

Talks between the NP and Cosatu failed this week to resolve the lock-out dispute, and it has been left to Mr Mandela and Mr de Klerk to settle.

On the agenda for today's meeting will also be the education clause. The ANC is at loggerheads with the NP over whether the constitution should



**FACING THE PRESS:**  
Cosatu's Sam Shilowa and Nelson Mandela  
Picture: JULANI VAN DER WESTHUIZEN



**CYRIL MADLALA**

At the Constitutional Assembly

as a medium of instruction. The NP has consistently argued that its proposal is not meant to benefit Afrikaners only, but all language, religious and cultural groups.

The parties appeared to be close to an agreement on the property clause which they are refining from a formulation proposed by experts.

The DP, in its amendments to the constitution, has rejected this whole compromise formulation. But the party has been effectively sidelined in the constitutional discussions.

There is strong feeling in the NP and ANC that the DP is inflexible.

As ANC MP Pravin Gordhan said: "The DP is so self-righteous and it arrogates for itself the belief which it enforces on all of us, that it is the only party that has solutions to democracy in South Africa, that it is the only party that can give guidance to all of us on what the democratic content of this constitution should be."

Fighting back during the debate, DP MP Ken Andrew said his party would not compromise a principle in order to strike a deal.

entrench single, parallel and multi-medium institutions.

Both parties are committed to the constitutional entrenchment of the right to be taught in one's mother tongue, or language of choice, where this is reasonably practicable.

The ANC, however, believes that entrenching single-medium schools amounts to reverting to apartheid education.

According to MP Blade Nzimande, the ANC spokesman on education, it also violates the spirit of the constitution. "It undermines some of the attempts by many Afrikaner schools to make themselves accessible to all children and students in our country," said Dr Nzimande, who denied that the ANC was against Afrikaans

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140A

# Strike — Cosatu's big power test

140A APR 29/14/96

**ESTELLE RANDALL**  
Labour Reporter

THE Congress of SA Trade Unions' (Cosatu) decision to call a general strike tomorrow was not one which was taken lightly. Cosatu general secretary Sam Shilowa has said

He spoke to The Argus while visiting factories in the Western Cape to talk to workers about the strike and also about the coming local elections in which the trade union federation aims to play a leading role

Tomorrow's general strike is possibly the most important test of Cosatu's strength since the 1994 election — and the stakes are high

It is the first time since then that they are publicly testing their political strength and in a sense their future as a key political player outside the workplace

First stop on Thursday was the Central Laundry in Pinelands where he was scheduled to speak to members of the National Education, Health and Allied Workers' Union (Nehawu)

For the meeting, workers had gathered in the dining hall, clustered around tables on which the remains of lunch were spread

Songs of worker unity and struggle greeted Mr Shilowa's arrival, punctuated by clapping and the banging of coldrink bottles on tables

At the meeting he explained that the decision to call a general strike was made because the federation saw no other way of ensuring that the controversial lock-out clause was dropped from the final constitution

"We received a report about how the African National Congress had been fighting for the clause to be dropped and heard how the National Party

*"When Cosatu sees there is a change being made, we will reassess and make a new decision".*

and Democratic Party were refusing to do so," he told the workers, mainly women  
"We held meetings with the NP but they continued to say no. Eventually, we decided to put forward a clear demand"

This was that either the lock-out clause be dropped or the federation would call for a 24-hour general shut-down of the economy

"I met the National Party again today," he reported

"They told me that big business was pushing them to include the lock-out clause in the constitution. Some NP members of parliament have come to me to say that they do not support this, and that they agree with Cosatu about the clause being dropped"

However, he said, the NP was still insisting that the clause be retained

Asked by workers whether the strike would be called off if an agreement was reached to drop the clause, Mr Shilowa's answer was pragmatic  
"When Cosatu sees there is a change being made, we will reassess and make a new decision. It won't

be a silly decision. We would be prepared to call a meeting at midnight if necessary"

But meanwhile preparations would go ahead, as the federation's highest decision-making body had ruled

Tomorrow, he said, workers in the Western Cape would meet at the Grand Parade in Cape Town. From there they would march to parliament where they would hand a memorandum to FW De Klerk. This, he said, would say that workers did not want the lock-out clause in the final constitution. The memorandum would appeal to Mr De Klerk, as leader of the NP, to choose between promoting the interests of workers or those of bosses

"If you're too embarrassed to say that the lock-out clause must be dropped, at least say publicly that you won't oppose the constitution if the clause is not in it," said Mr Shilowa, adding that the appeal would be in the memorandum

The answers seemed to satisfy workers. But tomorrow will prove whether they were convinced enough to act. If they do, the action will improve the federation's ability to push through some of its other constitutional concerns. These include issues that are not narrowly union-centric but have a wider working-class resonance, such as the property rights clause, the amendments to the right-to-life clause, as well as the education and language-clause

On a more immediate note, support for the general strike call could also signal support for Cosatu's campaign for an ANC victory in local elections in the Western Cape and Kwazulu-Natal

The federation has been linking NP and DP support for the lock-out clause inclusion in the final constitution to reasons why workers shouldn't vote for these parties



**UNION LEADER:** Sam Shilowa . . . heading for a constitutional showdown



# Strike goes on, says union boss

ARG 29/4/96

(140A) (S)

ESTELLE RANDALL  
Labour Reporter

TOMORROW'S general strike will go ahead Congress of South African Trade Unions (Cosatu) general secretary Sam Shilowa said in Bellville today

He said the strike would go ahead whether or not there was in-principle agreement on outstanding constitutional issues, including the controversial lockout clause in the constitution, between the African National Congress and the National Party, as had been reported

He said no such agreement had yet been reached with Cosatu.

Mr Shilowa told members of the Cosatu-affiliated National Union of Mineworkers (NUM) and the all-white Mineworkers Union (MWU) in Bellville that the leader of the Freedom Front, Constand Viljoen, had asked for a meeting with him

"I'm going to meet him," Mr Shilowa said, "to say to him he was elected by workers, white workers who don't want the lockout clause in the constitution I'm going to try to persuade him to support Cosatu in having the clause dropped"

In a first for worker unity in the mineral and energy sector, members of the Cosatu-affiliated NUM and the all-white MWU today joined forces to protest against proposals to privatise Eskom electricity distributors.

Mr Shilowa called for the workers to build on the unity they had achieved in the joint protest in Bellville today, to protest against the proposed fragmentation and privatisation of Eskom.

"You need to ensure that this position of worker unity grows so that the divisions between the NUM and MWU are seen as a thing of the past."

"Workers are asking one question: whose constitution is it? Are there going to be workers' rights or is it going to be a constitution which gives employers rights at the expense of workers?"

"The constitution is not being drafted in a vacuum. It is being drafted to give effect to the struggle which workers and other sectors have waged," he said to enthusiastic applause

In a memorandum to Eskom and the government, the NUM called for consolidation and rationalisation of the electrification distribution industry to channel resources to national needs. In the short term it meant Eskom taking over distribution rights from local authorities which were unable to meet RDP electrification targets efficiently

In the longer term it meant that government should eventually take ownership of a national distributor, the NUM said

Recommendations from the electricity working group, which excluded labour representatives, should be rejected - the group had recommended Eskom's National Distributor be divided and privatised

# Cosatu plans to launch its own investment company this year

Labour Reporter

THE Congress of South African Trade Unions (Cosatu) plans to launch its own investment company this year.

This follows the launch of such companies by Cosatu's largest affiliates and their bid to acquire Anglo American's 48 per cent stake in Johnnic Cosatu General secretary Sam Shillwa said the plan to form a Cosatu investment company was part of a "conscious decision in the federation to take advantage of the current program of economic empowerment. If we don't get involved, black economic empowerment could mean the employment of a few token blacks in top positions - the few will benefit," he warned.

The Cosatu company would operate under several guidelines. These included investment in social delivery-oriented production, instead of speculative investment, and changing the composition of company boards so that black people or workers made up half their members.

"We can either theorise and say we won't dirty ourselves or we can do it in such a way that doesn't deviate from the mission of economic empower-

ment."

He said trade unions abroad had become involved in investing their members' money and had used the wealth generated from these investments to fund trade unions in South Africa.

However, he said, Cosatu's planned investment company and the increasing entry of its affiliates into this arena did not mean the union movement was transforming itself into a business entity.

Trade union moves to establish investment companies were also part of implementing the need for union involvement in decision-making over the investment of members' pension and provident funds.

"We don't want a situation where others decide where workers' money is invested," he said.

In 1992 this thinking resulted in the formation of Unity and the Community Growth Fund, a unit trust run by Syfrets Unity is a company, comprising trade unions, which authorises investments made by the Community Growth Fund.

The Community Growth Fund was accompanied by the formation of union-linked investment companies,

financed with members' retirement funds and subscriptions. The investment companies are controlled by union trusts whose function is to reinvest the wealth generated into social programmes, for union members and their families.

More recently, the National Union of Mineworkers (NUM) investment company entered into a joint venture to form the Mathomo Group, which was listed on the Johannesburg Stock Exchange in April.

The NUM, SA Clothing and Textile Workers' Union (Sactwu), and the Posts and Telecommunications Workers' Union have also explored a stake in Vodacom. And NUM and Sactwu investments have a stake in Pepsi Cola through the National Empowerment Consortium (NEC), at least six Cosatu affiliates are now part of the bid to buy Anglo American's shares in Johnnic.

Cosatu unions involved are the National Union of Mineworkers (NUM), the Food and Allied Workers' Union (Fawu), the Paper, Printing, Wood and Allied Workers' Union (PPWAWU), the South African Commercial Catering and Allied Work-

ers' Union (Sactawu) and the South African Railways and Harbour Workers' Union (Sarhwu). The SA Clothing and Textile Workers' Union's investment company has also endorsed the bid.

Johnnic has minority holdings in SA Breweries, Toyota and the Premier Group. Shares also include 43,2 per cent ownership of Omni Media which controls Times Media, publishers of the Sunday Times and Business Day newspapers. Mr Shilowa said he saw the Johnnic bid as a viable option as it could give unions a foothold in major companies such as SA Breweries and the Premier Group. However, he would not commit himself on whether this would result in black economic empowerment.

"I don't doubt their integrity," he said of the unions' stated aims, "but it's difficult to judge what their success will be because I don't know how they will handle it."

The unions were likely to push for a transformation strategy which could see more money going into areas such as training, more worker participation in the running of companies and expansion which could generate more jobs, a union insider has said.



## FAMILY TIES



President Nelson Mandela, right, and Sam Shilowa, the general secretary of Cosatu

# With no apologies

CT (BR) 30/4/96

(140A)

ZWELINZIMA VAVI

While millions of people support today's Cosatu-led stayaway, others have voiced outrage

Cosatu has been accused of "bullyboy" tactics and attempting to ride roughshod over the consensus-seeking style which has characterised the constitutional negotiations. The strike is also claimed to have caused the value of the rand to plummet and to have put off potential investors. Cosatu rejects these spurious attacks and defends the legitimacy of the stayaway.

Cosatu remains committed to the RDP's undertaking, which received majority support as part of the ANC's election manifesto, that there should be no lock-out clause in the new constitution.

All democratic South Africans should be outraged at the attempt by the NP and DP to use a 4 percent veto, being the amount by which the ANC is short of a decisive two-thirds majority, to include provisions simply because some business leaders want a constitution to entrench a mechanism with which they can threaten trade union organisation.

Just as business displayed poor timing when the SA Foundation proposed a two-tier labour policy shortly after the negotiations over the new Labour Relations Act had been concluded, it is now parading its political naivete in expecting organised workers, who played a central role in the anti-apartheid struggle, to accept the weakening of their position in the constitution. The provisions of the constitution represent the fruits of the anti-apartheid struggle, or as Cyril Ramaphosa puts it, the "birth certificate of the new South Africa".

A moment's contemplation makes it quite clear that if anyone deserves the title "bullyboy" it is not Cosatu, but the captains of industry and their 4 percent veto in the Constitutional Assembly. They may not be embarking on a work stoppage — which, by the way, is legally guaranteed in the present constitution and in the Labour Relations Act

— but they are capable of using far more insidious means, like the threat to withhold investment due to "shattered confidence", to try and get their own way.

It is also worth noting how quickly new dogs can learn old tricks. Thami Mazwai, a well-known campaigner for black economic empowerment, writing in *Business Day* on Friday, criticised the ANC for remaining too close to Cosatu and for supporting a stayaway action. He believes that it would be better if the ANC focused on the job of "protecting the fragile economy and making it grow". The breaking up of the tripartite alliance has long been the battle cry of the business establishment and it must have brought smiles to many faces to hear Mazwai adding his voice as a late-comer to their chorus.

Obviously, the ANC and Cosatu share Mazwai's concern with the need for economic growth and "the protection of the fragile economy". But, on a basic level, this means that for Cosatu members, being mainly part of that 70 percent of households that earns less than R1 500 a month, it is crucial that the constitution provides them with every possible protection and ability to negotiate and act to improve the conditions of their families' fragile economies.

Some respond by arguing that what's good for Cosatu members is not necessarily good for South Africa, particularly the unemployed who they claim will be unlikely to get jobs if investors are frightened away. This view is too simplistic because, while it is correct to say that investment stimulates growth and employment, a further analysis of what stimulates investment is necessary. A recent survey by Professor Robin Less of the Nedcor Project shows that the key to stimulating investment is the potential for "market growth of product", and contrary to expectations, worker-friendly legislation does not serve as a significant disincentive to investors.

The growth path envisaged in the RDP sees a critical role for an active trade union movement and constitutional expression

needs to be given to this in the labour relations clause of the new constitution. This will create an environment which will stimulate increased investment, but there has to be acceptance that, as in all leading economies, action by workers as a counterbalance to the power of employers will be a normal feature of our industrial relations.

The argument that the right to strike should be balanced by the right to lock out is false. It is a commonly held view that, without the right to withdraw one's labour, collective bargaining would become nothing more than collective begging. If the right to lock out is included in the constitution, then the right to strike is neutralised as the employer has the right to prevent workers from working until they concede to its demands. In principle the lock-out is not necessary to keep the balance of bargaining power between employers and employees.

Allegations that Cosatu is being reckless in that its actions are causing the rand to slide are ill-informed and are usually an attempt to bully workers into submission. The rand began its slide long before Cosatu even started contemplating the stayaway action and it is more symptomatic of the volatility of the international currency markets and the vulnerability of medium-sized emerging economies than it is of our domestic disagreements.

Rather than merely fiddling with interest rates and the Bank rate, the authorities should seek more fundamental means to protect our currency. This includes ending uncertainty around exchange controls and by acting firmly against speculators.

Cosatu seems to be an easy target, blamed for all sorts of dilemmas from unemployment, to lack of investment, to the weak rand. We reject these spurious attacks and call on the population to support our campaign for the entrenchment of just and equitable labour relations provisions in the new constitution.

Zwelinzima Vavi is the assistant general secretary of Cosatu.



# Cosatu geared for national protest

Renee Grawitzky

COSATU members countrywide take to the streets today in support of labour's demand for the exclusion of the lockout clause from the final constitution — amid uncertainty regarding the outcome of NP-ANC negotiations.

On the eve of the national strike, Cosatu leaders remained adamant that they would not accept any reformulation of a lockout clause tabled during talks between the two parties.

Cosatu assistant general secretary Zwelinzima Vavi warned yesterday that if the ANC and NP chose to go ahead with a reformulated lockout clause, they did so at their own peril.

He said that "at this late hour" the strike could not be called off. The strike was not against ANC policy as the president and first deputy-president had shown their support for the exclusion by going to deadlock on the issue.

The DP warned that the strike would contravene the current Labour Relations Act.

The Chamber of Mines said the strike would have "little effect on member mines" as initial indications were that support for the strike was not "tremendous".

The National Union of Mineworkers said mines would be affected as the vast majority of workers were union members.

Workers in the metal, clothing and motor industries could be pe-

nalised by not being paid for May Day. A number of old industrial agreements provided that workers not be paid for a public holiday if they are absent without permission on the preceding day or after the public holiday.

Sapa reports Gauteng premier Tokyo Sexwale said government employees who went on strike today would not be victimised. He appealed to other employers to take a similar approach, and to strikers to respect those not supporting the strike.

Johannesburg Metrorail said that while a train service would be provided on all sections, trains would not run on schedule because one third of conductors were expected to join the strike.

(152) (140A)

BD 30/4/96

# Shilowa chuffed as 75% turn out for Cosatu strike

ESTELLE RANDALL  
Labour Reporter

THE Congress of South African Trade Unions (Cosatu) says the positive response of workers to its strike call indicates that its viewpoint enjoys wide support.

Cosatu made the call to strike six days ago to support its demand that the controversial lockout clause be dropped from the final constitution.

Cosatu general secretary Sam Shilowa said he was "satisfied" with the response to the strike call, and that it had sent a clear message to business and political parties that workers did not want the controversial lockout clause in the final constitution.

Since this had been the first general strike after the April 1994 elections, it showed workers were not prepared to leave their futures and demands to only those they elected into parliament.

Mr Shilowa said independent reports had indicated about 75 percent of workers in key industries had heeded the call and that about 300 000 had taken part in marches country-wide.

"Cosatu has only 1.9 million members," he said.

"That it was possible to pull off a strike call which was supported by 75 percent of workers in major industries shows our support extends beyond our membership."

He said it was also significant that workers had responded in spite of "the timing and the propaganda around the strike."

"Our first priority was for a successful strike and on that score our mission has been accomplished."

Worst hit by the strike was the Eastern Cape, with the Western Cape least affected.

Cape Chamber of Commerce and Industries deputy director Colin Boyes said that in the Western Cape there were significant stayaways in the milling, baking and building industries but virtually no stay-away in the major clothing, engineering and textile industries.

teason  
2006/11/15/196

"There were on the other hand a number of clothing factories in the Cape Peninsula area, including small and medium enterprises, which closed down completely for the day and where support for the strike was 100 percent," said Sactwu.

Mr Shilowa said he was puzzled at the National Party's continued insistence that the lockout clause, or a variant of it, be included when they had told him in meetings that this was not an issue on which they would be prepared to stake their political future.

He said Cosatu would not accept "any wording which has the impact of entrenching the lockout in the constitution or of bringing it in through the back door."

However, he acknowledged that the final decision would be made by political parties and that this would be a "political decision."

In a statement, the federation also called on employers who had threatened workers with lockout action when they

returned to work on May 3, "not to risk a chain reaction by workers in defence of each other."

Commenting on confrontation between strikers and Democratic Party members in Cape Town and Pretoria, Mr Shilowa said Cosatu did not condone acts of violence.

"But in relation to the incident in the Western Cape we need to ask whether there was provocation."

He said that while representatives of the National Party, the Inkatha Freedom Party and the Freedom Front, who were also given memoranda detailing Cosatu's demands on the lockout clause, had taken into account "that emotions were running high", those from the DP had not.

Mr Cape Town, DP leader Tony Leon said he was punched on the side of his face and DP Western Cape MP, and former Cosatu member Joe Marks was punched in the stomach.

In Pretoria, DP deputy leader William Mankai and others from the DP had to be escorted to safety.

(1408)



**VOICING THEIR OPPOSITION:** Senior Democratic Party members, from left, Joe Marks, Tony Leon and Douglas Gibson, try unsuccessfully to speak to the crowd at yesterday's Cosatu march on parliament

However, the SA Clothing and Textile Workers' Union (Sactwu), Cosatu's biggest affiliate in the Western Cape, said about 43 000 workers in the leather, clothing and textile, and the clothing-retail sectors had supported the strike call.

The union said its figures were based on a sample of 75 companies covering the leather, clothing and textile, and the clothing retail sectors.

"Participation in the strike varied greatly, from support of 10 percent to 100 percent being registered," said Sactwu.

While textile workers largely supported the strike and some large factories in the Boland, South Cape area and Epping closed down for the day, support in the clothing and footwear industry was more mixed.

In the Atlantis area, about 80 percent of clothing workers supported the strike.

In areas such as Salt River, support was much lower, with many factories reporting 30 percent support for the strike. "Some workplaces in Parow had less than 10 percent absent."

# 'Cosatu rhetoric' blamed for attack on Leon

Wyndham Hartley

CAPE TOWN — Cosatu and a striking worker could face charges for an assault on DP leader Tony Leon during a march on Parliament which was part of Tuesday's national strike.

Pictures published in newspapers yesterday show Leon being hit from behind, and his attacker is recognisable. Leon was struck as he and a DP delegation made their way through the crowd and back to Parliament after the marchers refused to allow him to address them.

Leon said he was considering pressing charges against the individual and

against Cosatu. He blamed the "inflammatory rhetoric" of Cosatu secretary-general Sam Shilowa and SA Clothing and Textiles Workers' Union deputy secretary-general Ebrahim Patel for "the incendiary and intolerant climate" which led to the attack.

Cosatu spokesman Neil Coleman said yesterday it was Leon's right to take legal action, but any charge against Cosatu would be "judicious" and would be defended. He said the federation would not take disciplinary action against the worker and said there was also an indication that Leon's bodyguard had lashed out first.

During speeches from the back of a

truck, Patel and Shilowa slammed the DP for calling for a lockout clause in the constitution. Shilowa, in response to Leon's desire to speak, said "he can speak in front of his own masses".

The DP leader expressed dismay at the anti-Semitic and racist tone of some of the posters at the rally.

He said it was a sobering day for SA when democracy was subverted by Cosatu "thuggery" and "brute force".

Coleman said Leon's behaviour in climbing aboard the speakers' truck was "irresponsible" and had provoked the crowd. But Leon said he had been "set up" as Shilowa had invited him to come aboard and address marchers.

DP 2/5/96

(140A)



# Cosatu stumbles

(140A)  
ST 12/5/96

**Ironically, having at last reached a position where it is able to wield tremendous power, Cosatu is at its weakest, writes CAROL PATON**

SLOGANS from the old days were revived when, on Wednesday, Cosatu leaders celebrated the adoption of the Constitution at the Cape Town home of one of its officials.

"Lockout or death, victory is certain," said general secretary Sam Shilowa, obviously delighted that two weeks of hard lobbying had ended in the exclusion of the lockout from the Constitution — a clear victory for Cosatu.

The triumph was important for the trade-union organisation, coming as it did at the end of a year-long battle with business on the question of the lockout, beginning with negotiations around the Labour Relations Act last year.

The organisation's success, however, was more a result of its relationship with the ruling party than of the mass action it took.

There is no doubt that the ANC — including President Nelson Mandela — backed Cosatu's demand. The majority of the party's leadership also supported the strike.

The stayaway was, therefore, not a necessary part of Cosatu's strategy.

But the union organisation chose to go ahead with the action nonetheless, despite facing mounting criticism and the risk of another battering to the currency.

The fact that it did is an indication of Cosatu's weakness rather than its strength.

At its wage policy conference 10 days before, an emergency meeting had taken a last-minute decision to call the strike.

Mass action around constitutional demands, in particular the lockout, provided the federation with a good opportunity to demonstrate to workers that, contrary to their growing perceptions, the federation still had the capacity to pull off mass political action.

Following the cancellation of the January national strike over privatisation two days before it was due to have taken place, some affiliates felt strongly that calling off this strike would send a signal to workers that the federation had lost its clout.

Ironically, while Cosatu's influence has been enormously enhanced thanks to its political ally being in control of the government — and the establishment of a range of corporatist institutions which accord it a major role in policy and law making — the organisation's structures are weaker than they have been for many years.

Enoch Godongwana, the general secretary of the National Union of Metalworkers of South Africa, says that adapting to the new context and "redesigning its role" is where the federation's biggest weakness lies.

It is also weak financially and the membership of key affiliates — the National Union of Mineworkers of

South Africa and the South African Clothing and Textile Workers' Union — is declining as a result of retrenchments.

The loss of many talented and experienced individuals to the ANC — beginning with Sydney Mufamadi, Cosatu's assistant general secretary, and Cyril Ramaphosa, the general secretary of the NUM in 1991, and including more than 20 key leaders who were elected to Parliament in 1994 — has also had a profound effect.

While unionists strongly deny that the "brain drain" is severe, they concede that it has had an effect. But of far greater concern, says Mr Godongwana, is the number of shop stewards being lost to the movement as they are appointed to management.

In the auto sector alone, the metalworker's union is replacing 80 percent of its shop stewards this year.

Mr Godongwana says that one manager told him "Take a trained Numsa shop steward and you've got a good manager."

In addition to its human resources problem, the issues facing the union movement are now much more complex.

Says Musi Buthelezi, the general secretary of the Chemical Workers' Industrial Union: "The politics of resistance were much easier than the politics of engagement."

New issues, like demo-

cratising the workplace, training and affirmative action, are difficult areas of policy where affiliates need servicing.

There are also difficult industrial strategy questions arising from the globalisation of the world economy.

Mr Godongwana says "This poses a challenge to us to reposition ourselves. Unions and business are both trying to redesign their roles."

Cosatu has felt its capacity problem sorely within the National Economic Development and Labour Council (Nedlac).

Generally, unionists feel that their gains there have been mostly symbolic.

But, as the battle over the Constitution shows, although Cosatu might be lacking capacity and resources to seize many of the new opportunities open to it, the federation has recently begun to use its alliance with the ANC to good effect.

The federation has gained immeasurably in this area with the setting up of a parliamentary office in July to lobby for labour's benefit.

But, while lobbying the government provides a quick route into the corridors of power, Cosatu and its social partners need to address the federation's weaknesses.

If the corporatist model, on which South Africa's new labour law is based, is to work, it would be in everyone's interests to do so.

## IFP asks govt to bear costs of election delay

~~(140A)~~ BD 16/5/96  
Farouk Chothia

DURBAN — The IFP had asked government to carry financial costs incurred by the party as a result of the one-month postponement of local government elections in KwaZulu-Natal, IFP secretary-general Ziba Jiyane said yesterday.

Jiyane said the IFP expected the delay to cost the party at least an extra R3m, and he had written to Constitutional Development Minister Chris Fisser to find out whether government was willing to meet additional IFP costs.

Jiyane said the IFP had raised the issue of "compensation" with President Nelson Mandela at the extended cabinet meeting where the postponement decision was taken.

"He smiled. He did not say no," Jiyane said.

There had been a spirit of consensus at the meeting, and the IFP believed that Mandela was not averse to the idea of compensation. This was a "significant factor" the IFP took into account when agreeing to a postponement.

Jiyane said while the IFP was asking for taxpayers' funds, it should be noted that Mandela wanted the postponement. There would have been no such request from the IFP if elections had been held on May 29, rather than June 26.

Constitutional development ministry spokesman Mpho Mosimane said the IFP's request was under consideration. The DP provincial executive decided at the weekend to seek legal advice on whether it could force central government to meet its additional costs. KwaZulu-Natal local government MEC Peter Miller said he had asked Fisser for an additional R40m to prepare for elections. Mosimane said this request was also being considered.

## Cosatu will not let officials enter poll as independents

Mduduzi ka Harvey ~~(140A)~~ BD 16/5/96

COSATU has said it will not allow its officials to stand as independent candidates in the June 26 KwaZulu-Natal local government elections.

During last year's local government elections, Cosatu secretary-general Sam Shilowa said members who stood as independents had been removed from union structures.

Cosatu spokesman Nowethu Mpati said during the liberation struggle union members had stood together for the goals of a united people. That individuals now wanted to stand as independents raised questions about why they wanted to "go it alone" when they belonged to an umbrella body or a political party. Their motive could only be one of self-interest.

Mpati said the federation's members came from various political parties. They would be allowed to stand for the party of their choice. Most Cosatu members supported ANC policies, and the union would encourage its membership to vote for the party.

Nicola Jenvey reports that Shilowa told a media briefing in Durban yesterday that business wanted to entrench black inequalities by calling for Budget deficit cuts which limited the delivery of basic services. He said cutting government spending on health, education and social pensions maintained the status quo. This denied blacks access to infrastructure, a recipe for disaster.

He also criticised business for wanting the security forces beefed up to quell problems caused by inadequate infrastructure in the townships.

# Cosatu <sup>(140A)</sup> challenges Buthelezi

*Rosemary / 96*  
*19/5/96*

THE Congress of South African Trade Unions yesterday called on Inkatha Freedom Party leader Chief Mangosuthu Buthelezi to "disclose his full salary and pension accumulated from his long and loyal service to the previous evil apartheid government"

"After this full disclosure the public will see who is the real fat cat between Chief Buthelezi and Sam Shilowa and or Cosatu members," Cosatu said

Cosatu also demanded that Buthelezi "submit himself and his colleagues to the Truth and Reconciliation Commission"

It was responding to an attack on its general secretary Mr Sam Shilowa by Buthelezi, who called on trade unionists to "kick political muggers out of their plush offices"

Calling Shilowa "Mr Striking Sam", Buthelezi said Cosatu was not interested in the unemployed "as long as they themselves have jobs" - *Sapa*



# Cosatu warned of potential for split

Reneé Grawitzky

COSATU could be a divided and increasingly marginalised federation with no power to influence ANC policy by 1999 if it did not constructively address its crucial challenges and develop strategic policy positions

Karl von Holdt, who co-ordinates the work of Cosatu's commission on the future of unions, in the latest edition of the SA Labour Bulletin outlined a future where Cosatu's power within the alliance had been reduced to that of "junior partner" with the ANC finally abandoning the RDP.

This would force Cosatu to threaten to withdraw from the alliance with subsequent splits developing among the federation's affiliates

He said such a future scenario could develop if Cosatu failed to take the initiative and "develop the policies and ideas to set the agenda and take labour and the nation forward".

In the article, which formed part of a presentation to unions on the work being conducted by the commission, Von Holdt said the transition to democracy had changed the terrain of struggle so fundamentally that people were still battling to adapt to the changes

He said the terrain was not yet stable with few certainties about the future, what direction the ANC government and the ANC it-

self would take, strategies adopted by business, or the future of the alliance

The Cosatu commission, headed by Cosatu vice-president Connie September, was established earlier this year to investigate and address two fundamental questions. These were identifying and highlighting possible future scenarios facing labour and how Cosatu could influence the future and develop strategies to respond effectively and powerfully to those future developments

Von Holdt, writing in his personal capacity, identified seven challenges facing labour in the future, which ranged from consolidating and increasing membership and developing strategies around Nedlac, centralised bargaining and workplace democratisation, to economic and political policies

He emphasised that labour's failure to develop clear political and economic strategies could ultimately undermine the future of the alliance. It was crucial for labour to develop a vision of "who we are and what we are fighting for — a vision that can unify our membership and leadership".

Political strategies had to be developed around building broader coalitions and ensuring the alliance worked for labour and was guided by the RDP

He warned that the RDP vision was in danger of becoming fragmented and lost

BD 12/8/96

(140A)

# NEWS

*Macroeconomic strategy 'won't be pushed down our throats'*

## Cosatu edges closer to ANC clash

CR (NR) 14/8/96 (140A)

By Guy Oliver

LABOUR EDITOR

Johannesburg — Cosatu, South Africa's largest labour federation, has rejected out of hand the government's stance that its macroeconomic strategy, released in June, is non-negotiable

Zwelanzima Vavi, Cosatu's assistant general secretary, edged closer to a rift with the ANC, its alliance partner, in his keynote address, "The Union Movement's Key Challenges", at Cosatu's Them and Us conference in Johannesburg yesterday

He said "There is no way that government will succeed in simply pushing its framework down our throats. It is just not possible

"While we do not believe that the government has moved away

from its commitment to the goals laid down in the RDP, we do not believe that it is employing appropriate means to achieve these goals," said Vavi

"It is the entire framework which we wish to discuss. We are not simply seeking the amendment of minor details here and there, but a complete reassessment of their view of the role of the state in stimulating reconstruction and development," he said

The government's new macroeconomic policy was part of a trend towards a minimalist state, he said. The policy was described at the time of its release by some labour movement quarters as Thatcherite in its conception

Vavi said that successful examples of reconstruction and development in Europe, the US, Japan and

East Asia, entailed "massive state involvement"

However, Jennifer Wilson, the finance ministry spokesman, said the government had said right from the beginning the macroeconomic policy "was a framework which had some core elements which were not up for negotiation

A 4 percent deficit, the dismantling of exchange controls and the restructuring of state assets were examples of these

"The meat on the bones, that was up for discussion," she said

Vavi, however, was forthright in his criticism of the government "I wish to comment in some detail on the failure to deliver low-cost housing, despite the promise of one million houses during the first five years of the new dispensation

"Government housing policy

reflects the trend towards the minimalist state as it relies exclusively on the sudden appearance of large-scale private-sector investment"

Answering questions, Vavi said "This housing policy driven by the private sector is not working"

Vavi also criticised the government's fight against crime "The anti-crime strategy appears to be strong on ideas but weak on implementation"

He said, however, there was no crisis in the alliance

"The alliance will break if the ANC increasingly moves to the right. If the ANC consistently employs ideas which come from big business. If, in the future, we can't see any difference between Tony Leon, FW de Klerk and anybody leading the ANC, that is when the alliance will split"



**STANDING FIRM** Zwelanzima Vavi says no to the ANC

# Restructuring high on agenda at Cosatu talks

209/7/96  
Renee Grawitzky

RESTRUCTURING of state assets, the labour market commission report and government's macroeconomic policy could form the focus of debate during a special Cosatu executive committee meeting over the next three days

Cosatu general secretary Sam Shilowa said yesterday the special executive would make proposals, sector by sector, on restructuring state assets. He said during a march last week that labour had established a number of task groups to report back to the federation on each sector so that labour could respond to government.

Anti-privatisation marches and strikes have been a repeated feature in recent weeks where transport, municipal and metal unions have expressed opposition to government's privatisation plans.

The Communication Workers' Union (CMU), in line with affiliates opposing privatisation, reinforced its opposition to privatisation.

The union leadership said last week that, contrary to the perception created in the media, it had not been "cowed

to accept the notion of privatisation"

CMU's general secretary Seleboho Kiti said no agreement had been reached with government and Telkom on privatisation. The union had established a number of task groups to consider various options, including strategic equity partners and joint ventures and a decision would be guided by mechanisms that could be used to achieve RDP objectives.

He said the union had agreed to take part in the world trip with Post and Telecommunications Minister Jay Naidoo on the basis of a fact-finding mission.

It was not intended to find or approve a strategic equity partner.

Cosatu's initial response to the macro policy was tempered. However, following the release of the commission's report, less hesitant opposition was expressed, especially in the area of wage restraint.

During a march last week Shilowa indicated that although there were some areas of disagreement with the macro policy, some "areas in the document come close to giving expression to some of our positions as labour"



# Unions set for hard look at strategy, alliances

Labour Reporter

**THE** Congress of SA Trade Unions (Cosatu) has appointed a 12-member commission to investigate its future strategy in the light of post-apartheid challenges

A key question which the September Commission will probe is what political role trade unions

should play, entailing fresh scrutiny of the federation's alliance with the African National Congress and the SA Communist Party

Also under the spotlight will be internal organisational issues such as trade union structures, staffing levels and competence, services and benefits which unions offer members, and unity

with other federations

And, it will look at adopting coherent long-term approaches to the changing economic environment - focusing on remuneration, economic globalisation and competitiveness and labour market policy

The commission, chaired by Cosatu vice president Connie September, includes Cosatu gen-

eral secretary Sam Shilowa, National Union of Mineworkers' president James Motlatsi, National Union of Metalworkers' general secretary Enoch Godongwana, and former trade unionists ANC MP Phillip Dexter and Deputy Minister of Mineral and Energy Affairs Susan Shabangu Its report is due in March 1997

(140A) ~~102~~ ARG 15/7/96



Cosatu vice-president Connie September, left, Southern African Clothing and Textile Workers' Union representative Freddie Magugu and assistant general-secretary Zwelinzima Vavi, right, at yesterday's announcement that Cosatu has appointed a 14-man commission to investigate the future of labour. Picture TREVOR SAMSON

# Cosatu to probe future of labour

Reneé Grawitzky

COSATU has appointed a 14-man commission to investigate the future of labour in the current changing political and economic environment to ensure its continued survival and growth into the next century.

The commission's chairman and Cosatu vice-president Connie September — hence the commission being dubbed the September commission — said yesterday the aim of the project was to "look at the changing context within which unions are operating and key organisational and policy challenges facing them" The project was being conducted in conjunction with the National Labour and Economic Development Institute (Naledi).

These could include the political challenges facing labour as it operates under a democratically elected government, the future of alliances and the economic pressures in the face of globalisation and restructuring.

The commission is being co-chaired by Abraham Agulhas of the Chemical Workers Industrial

Union and includes 12 unionists and ex-unionists now in Parliament including MP Philip Dexter and recently appointed Deputy Minister Susan Shabangu

Former SA Labour Bulletin editor Karl von Holdt, who will be assisting the commission, said in developing new strategic positions, Cosatu would draw heavily on its experiences from the past and the history of social movement unionism.

September said workers, shop stewards, unionists, independent experts and even businessmen would be called on to make submissions to the commission.

This week Richard Hyman, an industrial relations professor from Warwick University in the UK, addressed the commission on a wide range of issues.

Hyman said that in periods of stabilisation it was difficult for a union to be a social movement as it was first and foremost an organisation representing people in jobs He said it was difficult to adopt an agenda which took into account worker demands and those of communities It had been

difficult in the past, however, for unions not to focus on broader social programmes "Labour has to do its best to deliver on bread and butter issues as well as connect with broader communities", he said If labour intended appealing to a broader constituency, it would require the adoption of more finely tuned demands

Hyman said in discussions on a social accord it was all too easy to talk about unions selling out On a daily basis trade unionists and shop stewards were involved in various forms of negotiations and making compromises on issues

Agreement did not necessarily imply selling out However, if unions did not carry the rank and file, any agreement reached would be seen as a sellout position

European unions, he said, faced major challenges as a result of the intensification of competition, multinationals, budgetary cuts from governments, the changing structure of the labour force and the increased sophistication of management The changing structure of the labour force made it necessary for unions to review their recruiting strategies

(140A)  
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# Cosatu ponders its role in new South Africa

(134) (140A) ARG 18/7/96

Johannesburg - The Congress of SA Trade Unions is to scrutinise its role in a changed South Africa

But assistant general secretary Zwelinzima Vavi insisted that the Cosatu/African National Congress/SA Communist Party alliance would remain "There is currently a resolution of the (Cosatu) congress that we are in the alliance That is not in question"

Cosatu's September Commission, chaired by the Cosatu vice-president, Connie September, will look at the federation's long-term political policies and relations with non-governmental organisations and government structures on dif-

ferent levels

Cosatu general secretary Sam Shilowa said the commission would not replace union structures in decision-making, but was a "resource to the labour movement"

The September Commission would look at broad issues facing trade unions in the light of political changes in the country, such as transformation, reconstruction and development, economic globalisation and restructuring

It would get inputs from members, shop stewards, local and international labour experts, business leaders and politicians

Mr September said former

unionists Sydney Mufamadi and Jay Naidoo, now the ministers of Safety and Security and Posts, Telecommunications and Broadcasting respectively, had been contacted for feedback on the federation and its role

The South African labour movement sprang up in the 1980s during the struggle against apartheid

"Now we have to look at the changed economy," Mr September said

The commission would further address social issues like housing and transport, commission member Siphso Kubeka said

Labour analyst and former SA Labour Bulletin editor Carl

von Holdt, who will assist the commission, said it would draw on Cosatu's historical role of social involvement to develop new strategic positions

The commission first convened in March this year after being established by Cosatu's central executive committee

The September Commission's other members are deputy chairman Abraham Agulhas of the Chemical Workers' Industrial Union, Deputy Minister of Mineral and Energy Affairs Susan Shabangu, Mxolisi Nkosi, Freddie Magugu, Sheila Sikiti, Herbert Mkhize, Phillip Dexter, Nelson Ndinisa, James Motlatsi, Enoch Godongwana and Jeremy Baskin - Sapa



# Cosatu sets up probe on future

By Abdul Mifazi  
Labour Reporter

**T**HE CONGRESS of South African Trade Unions yesterday announced the establishment of a commission to investigate the future of the federation and find ways of adapting to a changing global labour market

Cosatu vice president and head of the September Commission investigating the future of the unions Ms Connie September said Cosatu would not remain the biggest federation forever and would have to take up the challenges of a changing environment

September said the commission's task would be to ensure that Cosatu defined its structures and

*Sowetan 18/7/96 (140A)*  
Commission will find ways of  
adapting to global labour market

shop-floor and political vision in ways that were appropriate to a democratic South Africa

"The birth of democracy in our country, our aspirations for transformation and the economic pressures of globalisation and restructuring present us with new challenges on many fronts," said September

#### Advisory body

September said the commission would act as an advisory body to Cosatu and would not take over the function of its existing structures

"It aims to analyse the issues and options. It will seek input from a range of sources including business, trade unions and former unionists"

Other members of the commission include federation general secretary Mr Sam Shilowa, former editor of the *SA Labour Bulletin* Mr Karl von Holdt, National Union of Metalworkers of South Africa president Mr Enoch Godongwana and National Union of Mineworkers president Mr James Motlatsi

Shilowa said Cosatu's role was proactive and it did not merely react to events

A DOCUMENT drafted by the Minister of Finance and detailing the government's macro-economic framework has been slammed by Sam Shilowa, general secretary of the Congress of South African Trade Unions (Cosatu).

Speaking at the University of the Western Cape yesterday, Shilowa called the document a "neo-liberal" plan which posed serious difficulties for the working class and the country as a whole. He warned that if the issue was not handled

# Shilowa's bombshell

correctly, it might lead to a crisis in the alliance between the ANC, the South African Communist Party and Cosatu.

The document was drafted by ANC minister Trevor Manuel. Shilowa, who was addressing a seminar marking the South African Communist Party's 75th anniversary, said Cosatu intended drafting alternative proposals and presenting them to the govern-

## Cosatu rejects macro-economic framework

The Cosatu general secretary, a member of the communist party's central committee, said the framework would never have emerged from the ANC before the 1994 general elections. The communist party and Cosatu were finding it very difficult to deal with,

Shilowa said. "It means something has gone terribly wrong that such a document is able to emerge and be on the table." He said he intended making even harsher criticisms out of earshot of the media. Manuel's plan rejected an expansionist monetary

policy — a rejection which conflicted with the principles of the reconstruction and development programme and which would stifle the economy, Shilowa said. The framework's commitment to loosening exchange controls was also problematic. The government was

proposing to create an investor-friendly climate without any guarantee that investors would come. "It's the equivalent of saying there are certain sufferings we've got to accept on earth because we are hoping we are going to have a better life after death," Shilowa said. ● Historian Professor Colin Bundy also addressed the seminar, saying that the far Right had

been a conspicuous casualty of recent political change. He asked whether the socialists Left had fared any better and whether the communist party offered anything that the ANC and Cosatu did not. Why, when ANC secretary Cyril Ramaphosa had announced he was taking up a post on the board of New Africa Investments Limited, had the communist party not warned that it was a major step towards enrichment of a black bourgeoisie, Bundy asked — Sapa

ST 21/7/96

# Cosatu seeks new strategy for SA of the 21st century

By KOLISA VAPI  
(140A)  
ATW 22/7/96

The Congress of SA Trade Unions (Cosatu) has established a commission to investigate new strategies to overcome the challenges facing labour under a democratically elected government.

These challenges include the future of alliances, economic pressures of restructuring and globalisation in the 21st century.

Commission chairman Connie September said the aim of the initiative was to "look at the changing context within which unions are operating and key organisational and policy challenges facing them". The commission will also examine new labour strategies appropriate to a democratic South Africa.

The project was initiated in conjunction with the National Labour and Economic Development Institute (Naledi) and former labour analyst Well-known labour researcher Karl von Holdt, a '80s was born under apartheid and that the current issues of development were so critical that there was a dire need for Cosatu to assess the role of its strategies, policies and structures in a democratic South Africa.

He said Cosatu's engagement in the National Economic Development and Labour Council (Nedlac) meant the congress had to adopt a new approach to productivity and competitiveness.

September said business people, unions and labour experts would be invited to make submissions to the commission. Cosatu has appointed 14 senior unionists and ex-unionists to the commission to provide interim reports to Cosatu and affiliate structures before presenting its final report next year.

After being debated, the report will be taken to Cosatu's 1997 national congress.

Other commissioners include deputy chairman Abraham Agulhas, Cosatu CAPS secretary-general Sam Shilowa, Numsa CAPS secretary-general Enoch Godongwana and Von Holdt.

"The commission will help to position Cosatu to grow both qualitatively and quantitatively into the 21st century", September said.



# Cosatu slates new govt framework

(140A) 2023/7/96

Kevin O'Grady

COSATU yesterday came out strongly against certain aspects of government's macroeconomic framework — slating them as “a certain recipe for economic disaster”. However, the federation committed itself to “engage actively” with government and its alliance partners to find alternatives.

General secretary Sam Shilowa said the framework had been discussed at a Cosatu executive committee meeting at the weekend, at which it was agreed that certain aspects would “take us in a direction diametrically opposed to the economic growth path outlined in the RDP”.

These included proposals on slashing the budget deficit, contractionary monetary policy and the lifting of exchange controls, labour market policy and unemployment, and investment, industrial and trade and tariffs policy.

Cosatu believed that “whatever economic difficulties and challenges the country is facing, there are alternative ways to develop a macroeconomic framework which would be able to promote a developmental growth path”.

“This growth path would see redistribution, elimination of unemployment, improved labour standards and increased social spending as not just being a long-term objective of economic development but the means by which society will attain rapid economic growth,” Shilowa said.

This approach was the only one with a “reasonable prospect” for success. A framework based on “conservative” World Bank, IMF or Reserve Bank models were a “certain recipe for economic disaster”.

“To be successful, an economic strategy could not rely on one party to drive the process but must be the product of a truly national effort.” This would require an active role by government, business and labour in the strategy's development, Shilowa said.

“A special onus will need to be placed on South Africans to invest massively in our economy, since any strategy which is premised solely on foreigners investing in our country, while we fail to show confidence in ourselves, is doomed to failure,” he said.

The committee was currently formulating alternative proposals for further discussion with Cosatu's allies. “We are convinced that it is possible for the alliance to reach consensus on an approach.”

Cosatu's response to the plan was tame compared to comments by Shilowa at a weekend SACP meeting, where he said “something has gone terribly wrong that such a document is able to emerge and be on the table”.

However, Shilowa said yesterday he spoke at the meeting in his capacity as an SACP central committee member and had no bearing on Cosatu's position.

Shilowa also warned of a possible deadlock in negotiations in Nedlac's labour market chamber on employment standards legislation “unless business changes its approach”. There was currently no agreement on key issues “except for the issue of child labour”.

Sapa reports that Finance Minister Trevor Manuel's spokesman Jennifer Wilson said yesterday Manuel would not react publicly to Cosatu's criticism of his framework, which he had described as non-negotiable.



Cosatu general secretary Sam Shilowa, right, addresses a news briefing on resolutions made at the union federation's recent executive committee meeting. Assistant general secretary Zwelinzima Vavi and internal relations officer Neil Coleman, left, look on.

Picture: TREVORSAMSON

# Cosatu faces challenge

## over wages

(140A)

By Shadley Nash

CT (BR) 18/9/96

Port Elizabeth — Cosatu in Port Elizabeth has the mammoth task of winning over workers after a historic agreement with organised business to deduct municipal service payments from workers' wages.

With services arrears now totalling R86 million, and rising by more than R1 million a month, the initiative by the trade union federation has been widely supported.

On Monday Cosatu and the Port Elizabeth Regional Chamber of Commerce and Industry concluded an "in principle" agreement, believed to be the first of its kind, as part of a campaign to forestall rising arrears and to put the Masakhane programme back on track in the city.

But Cosatu still has to gain the support of its members who will have the final say. Mbuyiselo Ngwenda, Cosatu's regional secretary said: "It's going to be a massive priority campaign."

Ngwenda said Cosatu was due to meet its shop stewards council yesterday to develop a programme whereby shop stewards would be dispatched to their workplaces to iron out practical problems.

"Our members are fully aware of our stand point. Workers want to pay and we are now looking at resolving problem areas," said Ngwenda. — Ecna

# Cosatu refuses to meet visiting IMF director

## *Plan for picket protest*

ARG 18/10/96

(140A)

The Congress of SA Trade Unions has refused to meet International Monetary Fund managing-director Michel Camdessus today and plans instead to picket outside parliament to protest against the IMF visit.

Mr Camdessus arrived in Johannesburg yesterday on his first official visit to South Africa.

He met Finance Minister Trevor Manuel, Deputy-President Thabo Mbeki and Reserve Bank governor Chris Stals in Pretoria.

Today he met President Mandela in Johannesburg before flying to Cape Town to meet members of the National Economic Development and Labour Council (Nedlac) and members of parliament.

Mr Mandela said after the meeting that he had asked the IMF for financial assistance and for help in increasing South Africa's foreign reserves, a move which would aim to stop the depreciation of the rand due to speculation in the exchange market.

Mr Mandela said the IMF chief had made some proposals on how South Africa could tighten its monetary policy and improve its economic growth in a sustainable way.

The president said nothing would stop the government from going ahead with its decision to privatise certain state assets. He said the trade union movement, which initially opposed the move, was now being brought on board.

Ebrahim Patel, Nedlac's labour convenor, confirmed Cosatu's pullout from today's meeting with Mr Camdessus.

Cosatu apparently also boycotted a "one-on-one" meeting with Mr Camdessus yesterday.

Mr Patel declined to give reasons for the boycott but said Cosatu would issue a statement later today.

It is understood Cosatu opposes the IMF's policy of pressuring poorer countries to adopt structural adjustment economic programmes which cut social welfare spending.

Trade unions have been drawn into a loose coalition co-ordinated by the Campaign Against Neo-liberalism in South Africa (Cansa) which this week organised the protest action over Mr Camdessus's visit. Cansa has said that if Mr Camdessus wanted to meet critics of the IMF he should make himself available for a publicly televised debate. - Labour Reporter and Political Staff



# Federation is a 'boys club'

Farouk Chothia

*20/11/96*  
**DURBAN** — Cosatu KwaZulu-Natal secretary Paulos Ngcobo has painted a bleak picture of the federation's state in the province, saying it had failed to devise a strategy to win new members and was turning into a "boys club".

At Cosatu's provincial congress at the weekend Ngcobo said that attendance at provincial executive committee meetings was unimpressive and a similar problem existed nationally where Cosatu president John Gomomo had been forced to call off leadership meetings.

"We are starting to be a boys club that puts heads together for fun," Ngcobo said.

There had been a lull since 1994 because members expected President Nelson Mandela to double their salaries as they voted for him.

With the exception of the SA Clothing and Textile Workers Union, Cosatu affiliate in KwaZulu-Natal had failed to come up with a programme to increase membership. Cosatu's 12 local branches were struggling to survive, and three — Tongaat, Estcourt and Uphen-goli — had died.

Affiliates were not treating organisers well, and they should remember the "high price they will pay" since opportunities are great in the government and private sector.

The days of commitment were gone, and good fringe benefits had to be offered to staff to ensure they remained in unions, Ngcobo said.

# Cosatu 'may become more fragmented'

Reneé Grawitzky

BD 11/11/96

(140A)

COSATU could become increasingly fragmented along racial and ethnic lines as the divisions in a society obsessed with self-enrichment and the self-empowerment of black business are felt and begin to undermine union solidarity, says Karl von Holdt of the September commission.

At the start of Cosatu's three-day conference on education and training, Von Holdt presented delegates with three possible scenarios encompassing the uncertainties facing labour.

These scenarios were developed by the September commission, which was established to investigate challenges the labour movement would face.

The scenarios are called the desert and the promised land, skorokoro, and pap, vleis and gravy.

The three scenarios depicted various stages of economic growth from stagnant (the desert and the promised land), moderate, as explored in skorokoro; to massive growth in pap, vleis and gravy. Each scenario focused on how Cosatu could deal with uncertainties.

# Call to strengthen Cosatu structures

By Abdul Milazi

THE CONGRESS OF SOUTH AFRICAN Trade Unions (Cosatu) has to strengthen local structures to enhance its capacity to face the challenges of a changing working environment

The organisation's general secretary, Mr Sam Shilowa, said beefing up the organisation's shopfloor structures would also go a long way to consolidating democracy in the country

Shilowa was addressing the Cosatu conference on education and training in Johannesburg at the weekend

Cosatu faced the threat of losing the gains made before and after 1990 if the local structures were not strong enough, he argues

He also warned Cosatu members at the gathering not to focus only on militant wage bargaining and lose sight of broader working class issues

Education and skills training were identified as the key need towards building Cosatu's capacity to face the globalisation of the labour market

"We are operating Cosatu as if it's still 1985. We have not looked at what role the federation needs to take in the changing situation"

Shilowa said the major challenge facing Cosatu was how to mobilise its members, who were so used to oppos-

*(4019) November 11/11/96*  
Federation should be ready to tackle new labour market challenges

**‘We are operating Cosatu as if it's 1985. We have not looked at what role the federation needs to play’**

ing things, to use their power to support the transformation process

"Labour has mastered opposition, now it has to learn to support change"

In May Cosatu set up the September Commission aimed at generating debate on the future of the federation and to plan ahead

The other objective of the commission was to come up with a plan to assist Cosatu deal with the pressures of globalisation and the changing political and economic terrain

Shilowa said Cosatu faced the task of ensuring that the basic needs of the poor were addressed on one hand, while on the other hand it had to respond to the changing labour market "Organisation is the only weapon

we have to tilt the balance of economic power. If we have weak organisation, if we don't have a clear political direction, we won't be able to change the balance of power," Shilowa said

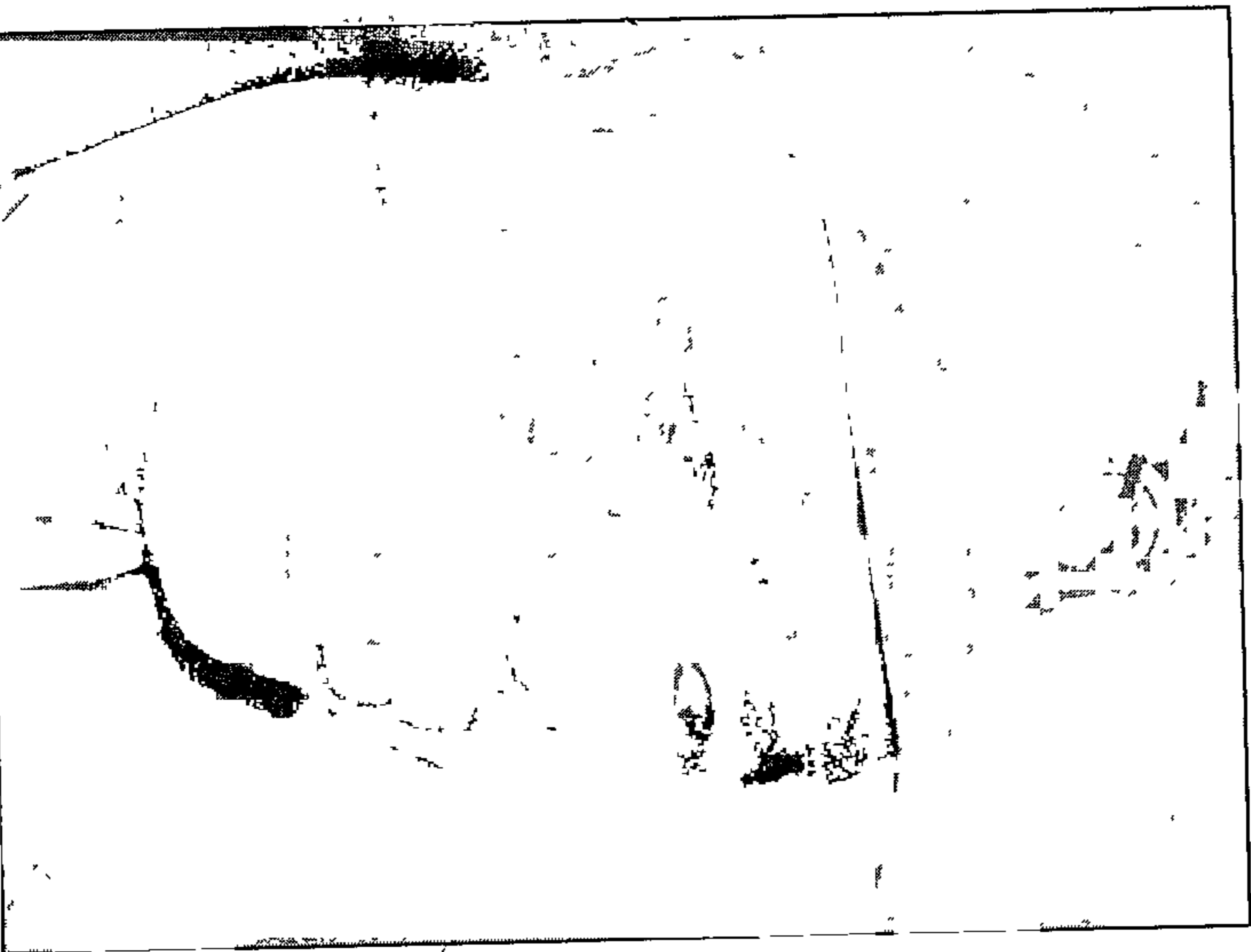
The federation had to ensure that the state machinery was transformed to cater for all people, instead of having black people included in the process merely as part of the Reconstruction and Development Programme

"For instance if (Minister of Water Affairs) Kader Asmal has a budget, it should not cater for white areas as before, and then he asks for an additional RDP fund to put up a tap here and there for black areas

"The whole budget should ensure that water is distributed equally to all areas"

Another problem identified by the conference was that affiliates did not have the capacity to conduct their own education and training

"Many affiliates do not develop their own education and training policies and they come here (to Cosatu congress) and raise a motion that the federation should undertake education and training for all affiliates," he said



Workers have to look beyond militant wage demands, says Cosatu chief Sam Shilowa



# Cosatu 'lacks vision' - commission

~~24~~ (140A) Sowetan 12/11/96

By Abdul Milazi

THE Congress of South African Trade Unions (Cosatu) lacks the political vision and clear strategy to attain a socialist state, the September Commission has found

The commission was appointed by Cosatu in May this year to chart the way forward for the organisation

In its report released at Cosatu's Conference on Education and

Training at the weekend, the Commission says members are confused because of a lack of direction in the workers' struggle

The commission organised forums countrywide where workers were given a chance to raise their grievances

Submissions at these forums raised a wide range of issues including problems at shop floor level, the way Cosatu operated, the relationship

between affiliates and the federation as well as the need for a plan to achieve socialism

Other key problems raised were the federation's apparent lack of political vision, organisational discipline and the lack of communication between the federation and its affiliates

"There is a gap in the flow of information between affiliates and Cosatu Shop stewards are more in touch with the decisions of affiliates, but they do not receive enough information on decisions of the federation"

The report says the gap between the leadership and members is widening and this has a negative effect on the federation's structures

"Cosatu should seriously consider employing local organisers, as local office bearers are at work for most of the day," the report says

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# Fedsal's swelling membership poses threat to Cosatu

**Reneé Grawitzky**

COSATU could face increasing competition if the Federation of SA Labour Unions (Fedsal) succeeds in its attempt to boost its membership to more than half a million by merging with unaffiliated unions or federations

This emerged at the start of Fedsal's

*(FOA)*  
*BD 15/11/96*  
conference in Pretoria yesterday when it was announced that the federation would merge with the Federation of Organisations Representing Civil Employees (Force), which has an estimated membership of 300 000

Fedsal general secretary Dannhauser van der Merwe said yesterday that membership had increased to 255 000 with

predictions that it could increase to 500 000, if discussions with a range of unaffiliated unions panned out

Fedsal, Cosatu and Nactu had held talks on the issue of unity, he said. However, recently it had become clear that a formal joint federation encompassing Fedsal, Cosatu and Nactu was "not high on the agenda of any of the three"

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# Cosatu will seek talks with ANC to resurrect a working alliance

BD 27/11/96

Reneé Grawitzky

COSATU is to call on the ANC to enter negotiations on an "alliance accord", intended to resurrect a working alliance and commit government to an agreed programme of action.

If the ANC agrees, business would face a united front of Cosatu and government in Nedlac and other forums.

Cosatu said such an arrangement would not easily be accepted by business and would "represent the most serious concrete challenge by the demo-

cratic forces to the relations of economic power in the country."

The call is outlined in a Cosatu discussion paper released yesterday and circulated to alliance partners. The alliance agreement should ensure delivery by the state.

Areas of delivery by government relate to housing and infrastructure, a national health system, welfare provisions, public transport, land reform, job creation, state restructuring to ensure delivery and investment strategy. Issues relating to an incomes policy,

training, investment and the creation of a national pension scheme would be implemented in the private sector, but regulated by the state.

Cosatu general secretary Sam Shilowa said yesterday he was confident the ANC would accept the proposal.

In the absence of a shared strategic vision and joint programme, Cosatu faced the danger of becoming increasingly reactive and defensive, leading to its marginalisation.

In exchange for an ANC accord binding it to "collective decision-

making" and a clear range of programmes, Cosatu would commit itself to collective responsibility and provide resources to rebuild ANC structures and facilitate mass mobilisation in the buildup to the 1999 elections.

Collective responsibility would not necessarily imply acceptance of a wage restraint or suspension of the right to strike, but implied the imposition of certain limits, Shilowa said.

Until now decision-making on key political issues had "not been made in alliance structures. Rather this has

taken place in individual ministries, and the alliance only engages with the product." This was the case with government's macroeconomic strategy.

A Cosatu source said ministers should not have unlimited space to decide their own agendas.

Shilowa said an accord with the ANC did not imply that Cosatu had abandoned tripartism, nor did it negate the negotiation of agreements with other interests, such as business.

See Page 15



# Cosatu wants sweeping economic policy changes

GUY OLIVER

LABOUR EDITOR

Johannesburg — Cosatu's executive committee proposed sweeping economic measures yesterday, including the freezing by the government of management salaries in the private sector, the restructuring of the Reserve Bank and the capping of interest rates as part of a package to resurrect the RDP.

But Sam Shilowa, the secretary-general of South Africa's largest trade union federation, said details had yet to be approved by the federation's rank and file. The paper, A Programme for the Alliance, evolved from a recent executive discussion on the alliance between Cosatu, the ANC and the South African Communist Party.

The flattening of the wage and salary structure to reverse the apartheid legacy of pay disparities would represent "a massive gain for redistribution and reduction of inequality," Cosatu suggested the freezing of top and middle-management salaries.

The paper suggested a reconstruction bond and the transferral of the Reserve Bank "to ensure that its monetary policies assist rather than frustrate expansionary and developmental economic policies."

Cosatu also suggested the reintroduction of the prescribed asset requirement, whereby a certain amount of assets must be invested in government and semi-government stocks.

Cosatu proposed the creation of a national pension fund and a national employment strategy to limit retrenchments, create jobs and discourage capital-intensive ventures. A land tax and a training levy for companies were also proposed.



WAITING Sam Shilowa  
PHOTO JOHN WOODROOF

# Cosatu wants formal accord for 'shaky' tripartite alliance

By **MONDLI MAKHANYA**  
Political Reporter

Cosatu has called for a formal accord among members of the tripartite alliance to strengthen the increasingly shaky union with the ANC and the SA Communist Party

The accord should make it necessary for all legislation and Government programmes to have the approval of the three parties, it said

The accord would serve a revitalised Reconstruction and Development Programme and bind the ANC to objectives determined by all components of the alliance

The document comes only months after the alliance faced one of its most testing periods when the SACP and Cosatu criti-

cised the Government's macro-economic strategy and its privatisation plans

The proposals, prepared by Cosatu's national executive committee and released by Cosatu secretary-general Sam Shulowa, will now be presented to Cosatu affiliates and other alliance partners for discussion.

The document, the first major sign that Cosatu is feeling marginalised in its relationship with the ANC, is highly critical of the Government's apparent ditching of the RDP. It says that since the 1994 general election the alliance has been suffering from a "general demobilisation", a lack of a "shared strategic vision" and increasing lack of consultation by those members of the alliance who are now in Government

(140A)

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# Government's credibility is core issue

AM Shilowa, general secretary of the Congress of SA Trade Unions (Cosatu), denies that the federation's discussion paper, "A Programme for the Alliance", published yesterday, was conceived as a response to the African National Congress's "The State and Social Transformation", released earlier this month.

That may be so. But the two documents cover much the same ground — which is not surprising as the country's and the tripartite alliance's burning issues of the day are apparent to all. There are two key questions up for grabs.

Firstly, given a population seeking the economic benefits of political liberation in the context of the global economy of the 1990s, how much can government realistically offer, and how rapidly?

Secondly (though not secondarily) how — from the perspective of the African National Congress (ANC) — can we convince our pesky alliance partners that, as much as we would like to implement the reconstruction and development programme (RDP) promises immediately, our options are severely limited? Or, from Cosatu's point of view, how do we convince the ANC in government to take us more seriously than it takes the World Bank and the business lobby? But while the partners' questions are the same, the answers are very different.

The ANC paper has accurately been characterised as an attempt, directed by the office of Deputy President Thabo Mbeki, to "sell" to the more left-wing alliance partners the rationale for government's economic programme — dismissed derogatorily by Cosatu and the SA Communist Party (SACP) as a neoliberal sop to conventional interests which will fail to meet the needs of the ANC's constituency.

## Alan Fine looks at the Congress of SA Trade Unions' challenge to the African National Congress on an alliance accord

The paper uses the Marxist terminology with which Cosatu and SACP thinkers would be comfortable. But its conclusions are not what those thinkers would like to hear. For relationships within the alliance, the question is whether the thinkers will accept the ANC view even if they do not like it. The Cosatu paper shows that, if that acceptance is to be achieved, there is still a way to go. But that can hardly be surprising given the belated timing of ANC efforts to engage with its alliance partners.

Cosatu's intervention reflects the federation's frustration with the ANC's cavalier attitude to alliance relationships and the slow pace of delivery. Hence the proposed "alliance accord" (as opposed to a tripartite social accord including business).

However, there is little new in it. It is an attempt to resuscitate the pre-election line propagated by some affiliates, primarily the metalworkers, that ANC governance should reflect the primacy of the party's working class base. Instead of a "golden triangle" of government, labour and business, Cosatu would prefer a see-saw weighted on the alliance side, leaving business up in the air.

Similarly, the proposed content of the alliance accord reflects an attempt to resuscitate the RDP or, at least, to ensure its implementation. It is also substantially a re-treaded version of the federation's "Social Equity and Job Creation" document produced earlier this year as a response to the SA Foundation and government economic strategy contributions.

Cosatu, wary of previous accu-

sations against it, is careful to preface its proposals by stating they are not a wish list, but rather a "carefully thought out identification of strategic issues".

But what follows will look very much like a wish list to many of Cosatu's critics — including those in government. The federation, weary of accusations that it represents a privileged labour aristocracy, is also at pains to point out that many of its proposals are designed to benefit the poor and marginalised as much as organised labour.

The shopping list of strategic issues identified include housing, infrastructure, national health insurance, a welfare net, land reform, government job creation, income policy, investment policy, a national pension scheme, training and supply-side measures.

Most would require new financing sources (corporations and the wealthy) and/or mechanisms Cosatu would like also looser monetary and fiscal policies generally. The proposal does not envisage this would have any costs in terms of upward pressure on interest rates — instead it wants lower rates — downward pressure on reserves or any effect on business confidence whatsoever. Business would accept the accord as a sacrifice after all the benefits of apartheid it enjoyed.

To the extent that the programme is a coherent whole — which Cosatu would say it is — it is based on the work of think-tanks such as the National Institute for Economic Policy which takes neo-Keynesianism to its limits. It is certainly not what

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"The State and Social Transformation" has in mind when it says "The democratic movement must never entertain the notion of voluntarism with regard to economic questions, according to which the concept takes hold that the subjective can assume ascendancy and preponderance over the objective, in violation of the laws of motion governing the objective sphere" (What this means in ordinary English is that the movement cannot think it can do what it likes economically without regard to reality.)

That reality, as the ANC puts it, is that the "main current feature of the state is that it champions the majority who have been disadvantaged by the many decades of undemocratic rule.

However, there is a need to recognise that the SA democratic state has the responsibility also to attend to the concerns of the rest of the population" in the interests of stability and "seek to forge a democratic and equitable partnership as well as a working relationship between labour and capital."

"The theoretical and practical reality and the enemy of uncertainty is that social reformers are neither slaves nor free agents they are both."

Cosatu's paper pays brief lip service to the same concept. But there is little in its programme to suggest any further reference to this idea. Which is why the ANC, in response to Cosatu, is likely to rely on the passage in "The State and Social Transformation" which argues that "The task of educating the working class on the need to correctly balance short-term

material gain with the longer-term objective of building sustainable economic growth and a secure democracy is not a task to be left to the progressive trade unions alone. It is the task of the entire democratic movement.

"Furthermore, the democratic movement as led by the ANC should make it one of its priorities to ensure that, at all times, the progressive trade union movement is made to appreciate its strategic role in the total emancipation of SA society."

These are the terms of the debate likely to be conducted within the alliance over the next year or so. The SACP is, obviously, likely to be a more reliable ally for Co-

satu than the ANC in this process. The question is whether Cosatu is likely to have any more impact on the ANC in terms of process and substance now than in the past two-and-a-half years.

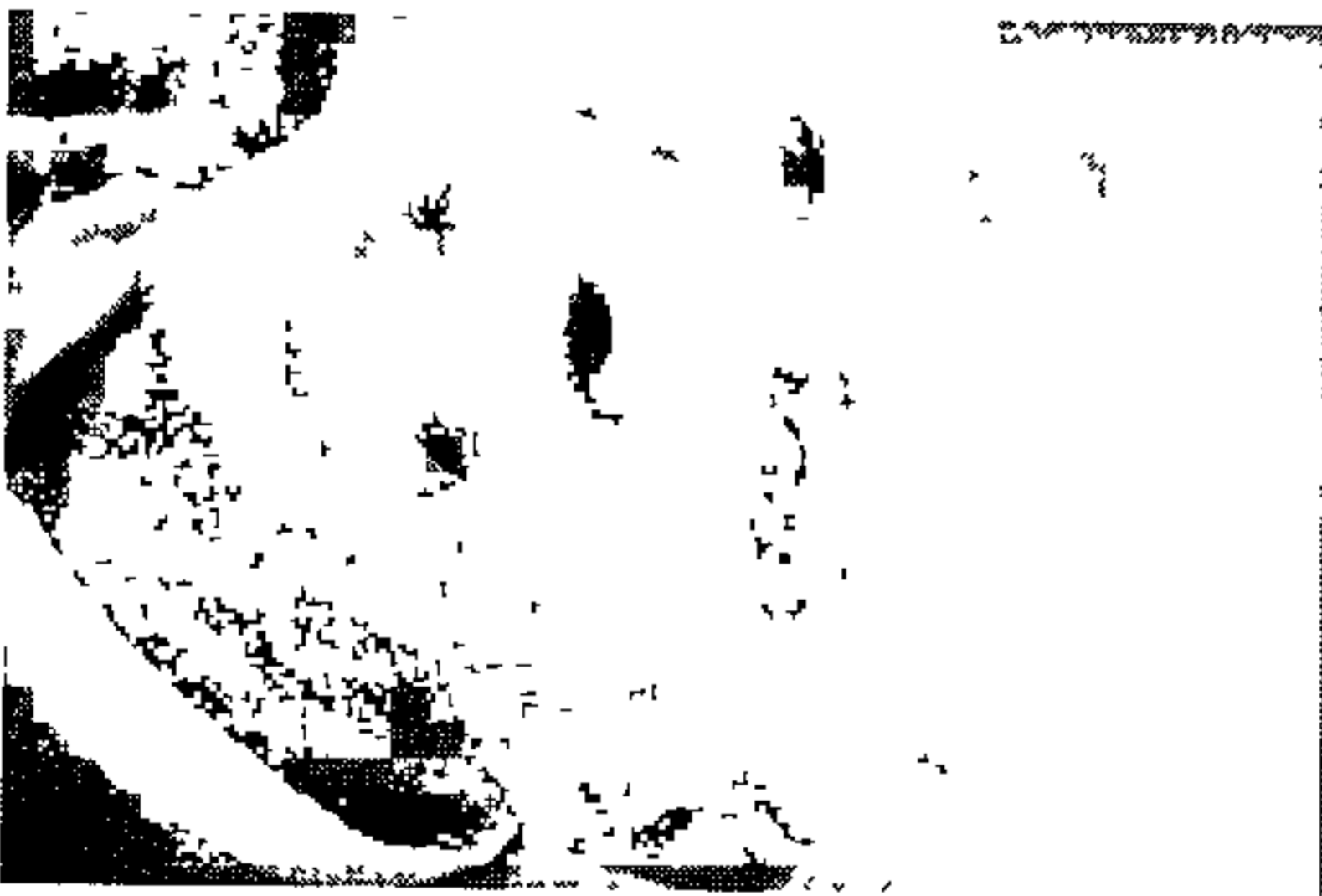
The ANC document contains an implicit acknowledgement of the party's failure to keep its partners — and particularly Cosatu — "on board." The betting should be on the ANC's allies being brought into policy-making processes at some level — rather than the situation in the past where key policies have usually been presented as a fait accompli.

It is not clear, though, that more inclusive processes will have much of an impact on policy outcomes. Cosatu, it is true, offers much to the ANC with the next general election just more than two years away in terms of votes and election workers. Cosatu's ultimate lever, always unstated, is its participation in the alliance.

However, how useful is that lever? It is difficult to envisage loyal ANC supporters voting for some other party because peeved union leaders tell them to.

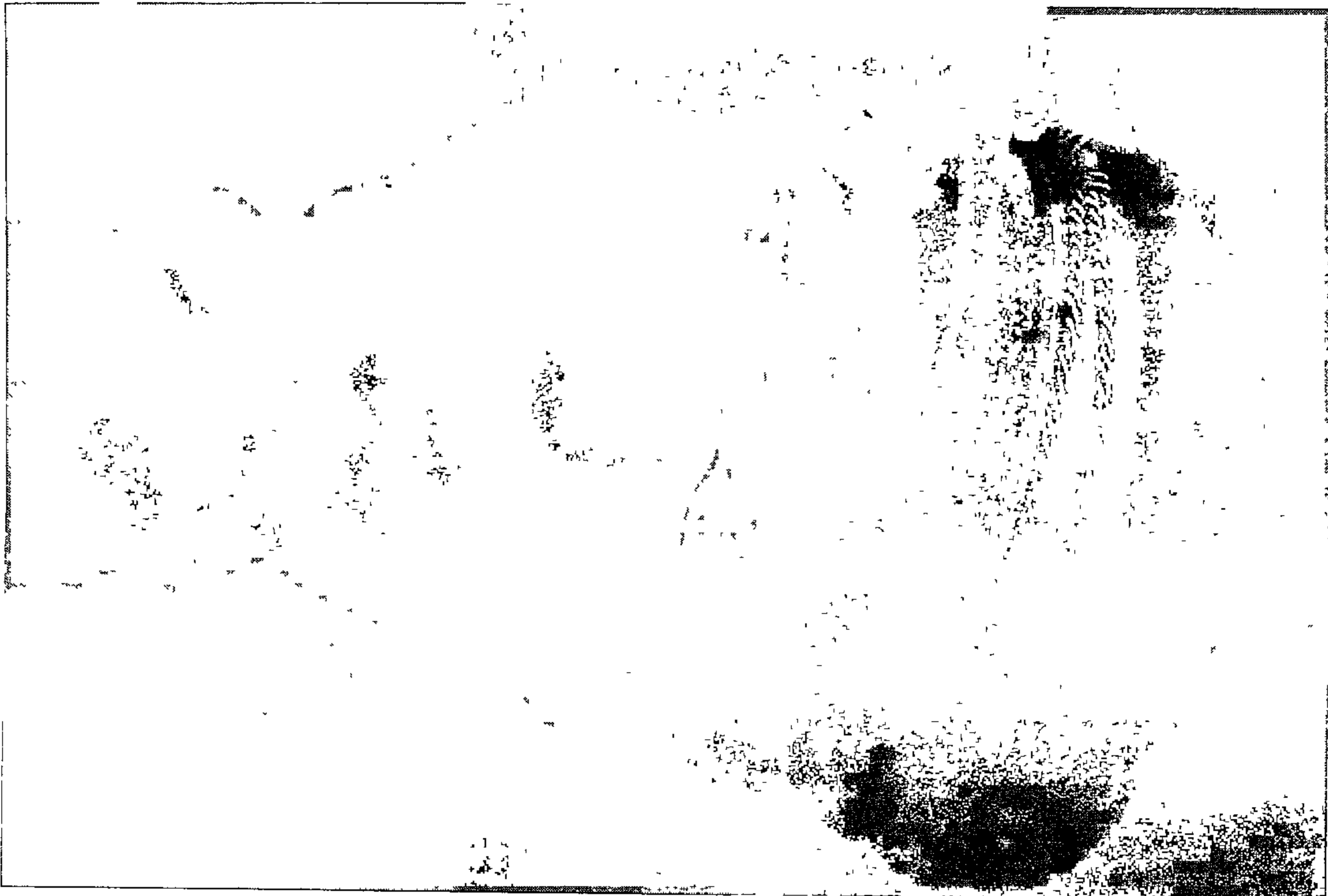
Cosatu would argue that putting it in these terms is petty. Its initiative is based on what it sees as a serious government credibility problem due to delivery deficiencies. Cosatu disputes what it calls the "There is no alternative" scenario put forward by ideological opponents in business and elsewhere — and, increasingly, by ANC economic planners.

That is going to be the subject of vigorous debate in the months ahead. The ANC's task is to convince its alliance partners that government's basic options are indeed as limited it says. But if the Cosatu initiative helps to force government to consult more effectively and to deal with technical delivery bottlenecks, it will have served a useful purpose.



SHILOWA





STILL STRUGGLING Sam Shilowa who believes the ANC needs to revitalize its alliance with Cosatu  
Picture: RAYMOND PRESTON

THESE days, when Sam Shilowa, Cosatu's general secretary, goes to visit his mother in the remote hills of Venda, he can jog along in his new Jeep Cherokee — a sign of his success and upwardly mobile political status.

But, despite acquiring a fancy car, a taste for expensive whisky and a successful wife since his rise from security guard to worker leader, Shilowa made the point this week that he has not forgotten who put him there.

He sent out a message, especially to those in power, that the workers' struggle over how South Africa should be changed is not yet over.

"This is my government. There are things they are going which are good which I need to defend to the hilt. There are things they are doing which are wrong. I want to engage them so that together we can change that," he says.

Cosatu's latest attempt to engage the government is through a discussion paper released this week. The paper proposes that the government, labour and the SA Communist Party revitalise their alliance and negotiate a range of agreements to transform society in a way that provides for the basic needs of workers and the poor.

It is a reminder to the ANC that in making policy — particularly economic policy — it cannot afford to forget the needs of the people who put it in power.

The labour federation's aim is to secure the agreement of the government to re-structure areas of society such as housing, health, social security, public transport and job creation.

These agreements would be contained in a comprehensive accord that would bind labour and the government "to actively pursue this agenda in all areas".

In return for the accord, Cosatu has offered to rebuild the branches of the ANC, many of which no longer meet, in preparation for the 1999 general election.

"We will say to Cosatu members who are activists of the ANC go back to the ANC. Don't hold a cynical or dismissive view. This is your organisation. This is your government. The problems are ours, let's do this together," says Shilowa.

He says the call for an accord arises out of Cosatu's assessment that the government has failed to implement the reconstruction and development programme.

The accord would provide "an implementation programme" for the RDP.

While this is undeniably a major concern for workers, behind Cosatu's intervention lies a last-ditch attempt to reopen the debate on the government's "non-negotiable" economic policy framework — but this time without the stand-off created by pitting one theoretical perspective against another.

The outcome, Shilowa hopes, will be to start the debate on economic policy afresh with a view to reaching a common position.

Cosatu's general secretary Sam Shilowa believes there would be something in it for both of them should the ANC give his organisation a greater say over economic policy. CAROL PATON reports

# Let's twist again, says the ANC's old partner

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"When we come together, we will then say forget the criticism, forget what everybody has raised. The core of this proposal is around building organisation, around macro-economic issues, about the participation of our people in decision making and policy formulation and about ensuring that at least those who voted for us in 1994 vote for us in 1999," says Shilowa.

"I'm sure there will be debate — and very tough debate — around the best approach to the economy. But it is better to have a tough debate and emerge with one position than to hold different positions."

But what makes Shilowa think consensus can be reached this time, given the stand-off which developed earlier this year, with the government proposing cutting the budget deficit and wage restraint and labour calling for a greater state role in the economy?

He says he is banking on two things first, that the members of Cosatu's affiliates accept the basic thrust of the proposal and are willing to play their part in rebuilding the ANC. Second, that ANC members enter the debate and make their own analysis.

In tossing the debate beyond the ANC's economic policy makers to ANC members of Parliament, provincial governments and branches, many of whom are strongly critical of the ANC's economic policy direction, Shilowa hopes to break the impasse in the

debate which the Finance Minister, Trevor Manuel, has declared non-negotiable.

"I do not believe that the movement as a whole has taken a view that says we are going to ditch the RDP," says Shilowa.

"What I want to avoid is where, because one person or three people in the ANC hold a particular view on economic policy, that becomes the position of the movement."

By simply reopening the debate at all, Shilowa believes he will have achieved a lot. "I'm not looking for endorsement from the ANC for this document. I'm looking for engagement," he says.

Apart from being assured of a good deal of support within the ANC, Shilowa's confidence that the ANC will not turn down Cosatu's proposal is based on the fact that the offer is a difficult one to refuse.

only relatively strong and organised body capable of galvanising the ANC branches. Shilowa insists, however, that these hints of election promises do not amount to a promise to deliver voters in 1999.

"If we went to the ANC and offered our members we would be lying. Even though we can mobilise, we cannot say that we offer that our members will vote for the ANC. That would be committing political suicide. But what we do need to say to the ANC is, let's give concrete evidence to the alliance. As far as possible, let's speak with one voice. Where there are challenges let's face them head on. Where there are tough choices let's make those as a movement."

While the ANC's response to this could well be that the tough choices have already been made — for example, the decision to cut the budget deficit — Cosatu believes it is still possible to reverse these by using mass action.

This is because it believes that, while the ANC has good intentions, its policy has been unduly influenced by the economists of the World Bank and business advisers.

According to the document, "While the leading partner of the alliance, the ANC, is in office, there are real questions as to how far the democratic forces have taken power. The programme of the democratic movement has been systematically undermined by a range of forces. The government has been subjected to a range of intense pressures, both from other political parties as well as local and international forces, particularly business."

By getting the masses to march in support of policies to transform society, Cosatu will boost the hand of those within the ANC who favour transformation.

A good example of this, says Shilowa, is the way the Health Minister, Dr Nkosazana Zuma, has been under constant attack for her attempts to restructure the health system.

"If we are all committed to health care and Nkosazana is on board, we need to say where are the stumbling blocks? Is it the National Party? Is it some doctors or the pharmaceutical companies? We need then to engage in struggle. In the same way that people mobilised against apartheid they must now mobilise for national health."

"Why should Nkosazana take the brunt alone? Why can't we as Cosatu organise rallies that give Nkosazana the chance to stand up and say 'The people have spoken. This is what I am going to do — regardless of the powerful voices.'"

Cosatu asserts that all that is needed for the ANC to accept this approach to the alliance is political will.

Whether it is possible or not for the party to ignore the influences which propelled it in the first place to take the decisions that Cosatu objects to, the challenge has been made. The ANC will now have to show where it rates its relationship with Cosatu among the range of competing influences it faces.



# SA imperatives call for state intervention

**A**CCORDING to a recent study by Hay Consultants, the salary to wage ratio between the wealthiest and the poorest has grown significantly since the elections in 1994.

Further, gross domestic product growth of about 3% has resulted in actual loss of jobs in manufacturing and other sectors during this period.

Rising unemployment remains disproportionately concentrated among black people, according to recent statistics from the Central Statistical Service. The scourge of crime inherited from the old order continues to spread.

In other words, we are struggling as a country to reverse, or even contain, the worst features of economic and social inequality bequeathed to this country by decades of apartheid misrule.

The government won an overwhelming mandate from the electorate to address this legacy on the basis of the platform set out in the reconstruction and development programme (RDP). It is a matter of record that this programme was developed and campaigned for by the African National Congress-led alliance.

Despite this unequivocal expression of the will of the people, numerous powerful forces, some subtle and some brazen, have sought to derail the RDP from its inception. Others have simply been unable to understand the challenges, or make the changes demanded by the new situation.

It would be surprising if a society such as ours were to undergo transformation without the privileged attempting to slow down or derail the process. What would be alarming, however, is if a popular programme of national reconstruction was halted because of the concerns of these vested interests, resulting in the country sliding deeper and deeper into crisis and disintegration.

This is the spectre which Cosatu's "alliance programme" proposal is attempting to address. It is a bold intervention aimed at ensuring that those who took historical responsibility for removing from the scourge of apartheid from this country, also assume responsibility

In the wake of criticism of Cosatu's proposals for an ANC alliance programme for development, Neil Coleman defends the union federation's approach

ity for ensuring that our country is moved off the path of growing inequality and conflict.

The discussion paper on an alliance programme is not a finger-pointing exercise.

Rather, it contains a frank assessment of the problems of our transition, including the weaknesses in the tripartite alliance and it proposes serious solutions to move our country forward.

It therefore does a disservice to the debate and the cause of informing a broader readership, to trivialise and caricature the proposals, as much of the media, including Business Day, have attempted to do.

The paper argues for a programme which is neither welfare-driven, nor a wish list, but which has a clear economic and developmental logic.

There are few analysts who could seriously deny that measures to systematically address poverty in our country are a sine qua non for economic development and social stability. It identifies strategic areas for alliance discussion. It does not propose a detailed programme, nor does it set out an alternative macroeconomic framework, as suggested in a Business Day editorial.

On this point it is worth quoting the paper: "These (proposals for an alliance programme) would obviously need to be located within a macroeconomic framework which is viable and sustainable. Equally, if the existing macroeconomic framework is unable to accommodate the most basic elements of the alliance agenda, it would need to be reworked to bring it in line with the programme adopted by the alliance."

An issue based approach may appear attractive, but there is no way that socioeconomic programmes will be sustainable unless there is an alignment of fiscal and monetary policies with these

programmes."

Contrary to Business Day's paternalistic advice to Cosatu, there is no iron law of monetary and fiscal rectitude which "patent explanation" by experts will somehow be able to reveal. The very issue of fiscal and monetary policy is at the centre of sharp debate, even

among conservative economists and business people.

In a scathing attack on the Reserve Bank's monetary policy, a London based investment consultant recently stated that Chris Stals' "Holy Grail" is in fact a source of major concern to investors. "Foreign investors are

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concerned because no risks are being taken to jump-start the economy and reduce unemployment. In this regard they are concerned about Stals's emphasis on monetary discipline" (Business Report, June 6).

It is fine for business to crow, as one prominent businessman did on a recent platform that "the RDP is dead — its corpse is just awaiting burial," but what is it they intend to put in its place? The message they are sending out to millions of poor and working people is "the free market will deliver — wait for economic growth, its benefits will trickle down to you."

This is a line that our politically conscious people will never buy. It is also a lie which the most clay-footed business leaders do not really believe. Even Conrad Strauss, president of the right-wing South African Foundation, recently stated "markets are without intrinsic values, belief systems or morality. They have no in-built balances that automatically direct progress along a socially desirable path, according to assumed values, morality or common interest" (Business Day, November 28).

This is precisely the conclusion which every major economic power of the 20th century has independently reached. Economic development and social progress requires decisive state intervention.

This is the common experience of post-depression America with its New Deal, post-war reconstruction in Europe and Japan, and the subsequent experiences of the much vaunted Asian Tigers.

Massive government intervention was undertaken, in varying combinations and in very different circumstances in these countries in inter alia the construction of an extensive social security net and public works programmes, land reform, large-scale intervention in the financial sector, minimum wage legislation, workplace

democratisation, and programmes of training, research and development.

Sound familiar? Much of this finds expression in the RDP, not so much because of its success in other parts of the world, but because of the imperatives of our own situation.

The fact that state-led economic development has been the only successful recipe this century, should provide some lessons for those in SA who want to reinvent the wheel.

The Cosatu discussion paper poses the question whether the economic situation of the 1990s has changed so fundamentally as to make this development path impossible.

It responds by arguing that factors such as the process of globalisation, information technology, mobility of capital, the emergence of regional trading blocs and the power of international multilateral institutions have indeed changed the international economic terrain.

Nevertheless, along the lines of Strauss's argument quoted above, it argues that the fundamental character of the market and the economic challenges facing the country remain similar.

The Cosatu paper proposes an agreement between the main forces for transformation on core strategic areas to implement the RDP. No one can seriously argue with the position that sustainable directed programmes are needed to address homelessness, unemployment, landlessness, poverty, and disease.

The issue raised in the paper is the need to agree on targeted programmes, with clear time frames, legislative measures and financing proposals to achieve real progress on these areas in the short to medium term.

Cosatu accepts that the alliance will have to discuss elements of these programmes with others in society, including business. But it rejects the notion that the direction and pace of change should be dictated by those opposed to transformation.

□ Coleman is head of the Cosatu parliamentary office



COLEMAN



## SURPRISE 'GLASS CEILING'

# Cosatu dominated by males, research shows

(140A) CT 5/12/96

**COSATU'S** leadership does not reflect its non-sexist policy, reports **BARRY STREEK**.

**A** SURPRISE finding that women are heavily under-represented in Cosatu has embarrassed the leadership of the trade union federation, which has been officially committed to non-sexism and gender equality since its establishment in 1985.

Although women constitute 36% of Cosatu's membership, only 14% (3 500) of its shopstewards are women.

If representation in leadership was roughly proportional to the group's overall numbers, there should be 9 000 female shopstewards in Cosatu, which is part of the ruling alliance in the ANC-led government.

Lack of women representation in Cosatu structures starts right at the top, with only one woman, Ms Connie September, among its six national office-bearers. Only 9% of delegates to its central executive committee, its highest decision-making body, are women.

These are among the conclusions reached by researcher Ms Roseline Nyman, in a study titled "Union Glass Ceiling — The Under-representation of Women Leaders in Cosatu". It was recently published by the National Labour and Economic Development Institute.

In the South African Commercial, Catering and Allied Workers Union (Saccawu), a Cosatu affiliate with a large women membership, men dominate the leadership. Two out of six national office-bearers and three out of 28 national executive committee members are women.

Even more extreme patterns were found in Saccawu at a regional level, where only three out of 31 regional office-bearers are female, and not a single region is chaired by a woman.

Particularly embarrassing for Cosatu is that women's participation has been on its agenda since its 1985 inaugural congress and on every congress since then.

At its 1989 congress, delegates resolved to break down the "practi-

### POLITICAL WRITER

**SEXUAL** harassment was listed as a hidden problem in South Africa's largest trade union federation, Cosatu.

This was an obstacle to women's willingness to be shopstewards, labour researcher Ms Roseline Nyman has found.

Although the impact of sexual harassment was still uncertain in Cosatu, "it is clear that it does exist", she wrote in her study "Union Glass Ceiling — The Under-representation of Women Leaders in Cosatu".

She said no research had been done on the extent of sexual harassment and its impact on women in the federation. Harassed workers were reluctant to report cases.

Nyman quoted one union official as saying that shopstewards had experienced problems with sexual harassment, and a

cal barriers" to women's participation in leadership by providing childcare facilities at all meetings where it was needed, assisting in the transport of women when meetings ended late and spreading the idea that housework should be shared by men and women.

Yet five years later at its 1994 congress delegates noted their concerns that Cosatu's long-standing resolutions around gender equality issues "have not been implemented effectively".

Moreover, the ANC alliance, which repeatedly says it is committed to a non-sexist South Africa, has spearheaded the move for the country's constitution to make it illegal to discriminate against people on grounds of sex and to establish the Gender Equality Commission.

Nyman said her research among Saccawu workers indicated that women shopstewards were not elected mainly because women were not available for election.

One worker told her "Women

former union official told her "Sexual harassment demoralises women from being elected into positions."

However, she pointed out that Cosatu was central in the establishment of the Sexual Harassment and Education Project. Its work primarily involved providing assistance to harassed workers and holding education programmes.

Cosatu had also adopted a Code of Conduct and Procedure on Sexual Harassment for internal application.

"The code is a sound starting point to create the conditions to make sexual harassment an organisational and not a private issue," she said.

But the finding that sexual harassment is a problem within Cosatu remains disturbing to the leadership of Cosatu, which is officially committed to non-sexism and gender equality.

decline positions because they do not have time. Time is very limited for me. I have to look after the children. My husband will not look after the children during the week... he says he sacrifices enough on Saturdays and Sundays."

Other reasons for women's reluctance to stand for election included the increase in the number of families headed by women and the lack of childcare facilities.

Nyman said only 6% of African children were in childcare and the figure for all South African children was correspondingly low at 9%.

She said the under-representation of women shopstewards was a serious problem given the importance of shopstewards as the recruiting ground for all leadership positions.

She added that the absence of women in Cosatu's central executive committee "affects both decisions and co-ordination of activities that have an impact on women."



# Cosatu in the firing line

(140A)

Commentators believe Cosatu's latest document is out of step with the ANC and worldwide economic trends, writes **Madeleine Wackernagel**

MTG (PM) 13-19/12/96

**T**HE latest submission to the economic debate by the Congress of South African Trade Unions (Cosatu) — *A Draft Programme for the Alliance* — has been largely ignored by the business community, but not for very much longer. Signs are that the first six months of next year will see confrontation developing on several fronts.

The document is interpreted by many as a last-ditch attempt on the part of the trade union movement to get back to the centre of policy-making. Instead of taking the debate further, however, one insider sees it as a major step backwards.

"We're back to the kinds of economic arguments that were popular five years ago. But the world has moved on since then and only Cosatu seems oblivious to the fact. It is ignoring the international picture. Globalisation means we cannot operate in a vacuum," he says.

"To talk of increasing this country's Budget deficit when every other country is doing its best to cut back on public spending is totally unrealistic. And Cosatu's attitude to the business community is off-beam, to say the least."

The document proposes two types of interventions, covering state activ-

ities and private sector issues that require state regulation (see table). The former, including proposals for a national health service, would be impossible to fund, the latter impossible to implement.

"One cannot take such suggestions seriously. According to Cosatu, only business is to blame for the lack of jobs, inflation and high interest rates. The fact that Anglo American announced a R30-billion investment programme this week, and that private sector investment has risen by about 35% in the past few years, immediately contradicts its claim that the private sector is not playing its part in developing our economy."

Such talk can be dangerous, adds another analyst. "So far the markets have not reacted to Cosatu's arguments, but should investors, local and international, start thinking that the African National Congress will take such arguments seriously, we could be in for a hard time."

"Thankfully, the ANC is way ahead of Cosatu in developing sound, realistic economic policy and as long as all the arguing takes place behind the scenes, I cannot see it affecting the markets or investor sentiment."

The irony is that the Cosatu document purports to have the same

## REGULATING THE PRIVATE SECTOR

PROGRAMME	FINANCING/MECHANISM	SOCIAL/ECONOMIC SPIN-OFFS	LEGISLATION/ NEW INSTITUTION
A Income/Wage Policy	Flattening of hierarchies Wage cut/freeze at top/middle levels	Reduce poverty Multiplier effects of purchasing power Increase productivity	Employment Equity Act
B Investment Policy	Prescribed assets Tax on speculation Retain secondary tax on companies (STC)	Channel into productive investment and key areas of social need Macro-economic stability	Prescribed assets legislation and new tax legislation
C National Pension Scheme	Compulsory contributions, portability Investment vehicle	Economies of sale Leverage for economic transformation Increase social wage	Legislate Pensions Scheme
D Training/ HRD	Training levy	Labour market mobility Productivity	Legislated levy
E Supply-side measures and Social Plan Act	Social Plan fund and social equity proposals National Restructuring Fund	Cushion effects on restructuring Create more efficient industry Expansion	Social Plan Act

SOURCE COSATU

### Helping hand: Cosatu proposes intervention in areas primarily implemented in the private sector

goals as the government, and indeed, business, in terms of economic growth, job creation, and redistribution of wealth. Its means of attaining them, though, are irreconcilable with those of government's macro-economic strategy, unveiled in June.

But, insists a senior Cosatu strategist, the policy document will be taken seriously by the government. And while more work needs to be done to flesh out the economic programme put forward by Cosatu, the government's stand on economics is at the heart of the disquiet within the alliance, and as such, needs to be addressed, urgently.

He also maintains that it is not incompatible with the government's Growth, Employment and Redistribution (Gear) strategy, a view at odds with those of the business community.

Says one economist "These pro-

posals are a difference of kind, not degree. Cosatu is at the opposite end of the economic spectrum to the government, and one can't take the movement seriously. The issue of prescribed assets, for example, is completely unworkable and very detrimental to the [pensions] industry."

**P**ossibly more important is the outcome of Cosatu's September Commission, due by April, which is investigating strategies to meet the economic challenges of the 21st century.

"Everybody," says Tony Twine of Econometrix, "is saving their ammunition for that. There seems to be some ambivalence in the alliance to Gear, only the economic generals are very enthusiastic. Then again, nobody is shooting it down either."

The next six months are crucial for the alliance, however, as the govern-

ment fleshes out its policies on privatisation and exchange controls. "We could see some conflict if the government sticks to its guns and ignores Cosatu's demands," says Nick Barnardt of BoE NatWest.

On balance though, commentators do not see Cosatu's stand as presenting a serious threat to economic policy.

Says the Old Mutual's Dave Mohr "It took a currency crisis to concentrate the minds of policy-makers earlier this year. As a result, the more moderate wing won the day. Now that the government has accepted the reality of a market-oriented economy, any kind of reversal would immediately impact on the markets, with knock-on effects throughout the economy. At most, I would expect Cosatu's influence to delay the key issues such as privatisation — it cannot reverse the process."

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ORIZ

BUSINESS

# Alliance with ANC 'could prove problem for Cosatu'

Reneé Grawitzky

COSATU leaders were reluctant to end their alliance with the African National Congress (ANC) and were prepared to go to great lengths to maintain ties, said a report on labour relations in the year ahead released yesterday.

However, the annual report on labour relations in SA, published by Andrew Levy & Associates,

said Cosatu leaders might have little choice but to rethink their alliance if its cost was accepting a strategy (government's macro-economic strategy) to which much of the federation was opposed.

The report said that, on a purely symbolic level, the strategy was a major defeat for labour even though a careful examination of the text showed it did not necessarily reflect direct hostility

towards labour.

The defeat for labour, hinted at by the report, could have related to the fact that adoption of the strategy signalled labour's declining influence on government's general "macroeconomic policy".

The report said events over the past year confirmed that the ANC was broadly sympathetic to labour's demand for a prominent role in the workplace, but was far

less willing to grant them a major say beyond labour law.

Besides analysing the relationship between Cosatu and the government, the report focused on issues ranging from the effect of the new Labour Relations Act to predictions of a tougher wage round in the year ahead.

Further increases in inflation would result in tougher wage negotiations, the report predicted,

while large-scale "downsizing" in the public sector could see an increase in industrial action.

Unemployment was expected to rise, while government would face rising pressure to realise its target of 6% sustainable growth and 400 000 new jobs by 2000.

Fedsal, the report said, could begin playing a more important role in the National Economic, Development and Labour Council as

## Cosatu

DD 20/12/1996

its membership overtook that of Nactu.

The new act was expected to encourage union growth in previously unorganised sectors, at a time when union membership continued to decline from a record high of 3,4-million in 1993 to 2,95-million in 1996.

Man days lost to industrial action rose from 1,6-million last year to 1,7-million this year.



# Will Cosatu follow its own conscience?

CONGRESS of SA Trade Union (Cosatu) leaders find themselves at a crossroads as they prepare for their triennial September congress — the last before the 1999 elections and the African National Congress (ANC) gathering in December. After several months of not seeing eye to eye with their alliance partner over various economic issues, key choices will have to be made.

Will they choose to toe the ANC line being set out increasingly firmly by Deputy President Thabo Mbeki in support of tight fiscal policies, privatisation and trade liberalisation? Or will they adopt a position which leaves them at odds with the party, or seek to maintain a balance of being both an ally and a real opposition voice?

Either way, union leaders face criticism. If they toe the Mbeki line, they could be accused of being sell-outs and risk losing credibility among members. Unless, of course, they succeed in taking their members along with them, something they have found difficult to achieve in recent years.

Alternatively, if union leaders take a stand against government without obtaining adequate support from other organisations they risk becoming marginalised.

Such scenarios are not new and have been explored time and time again. However, labour's dilemma intensified last year when government announced the launch of its macroeconomic strategy, growth, employment and redistribution (Gear).

Union leaders, by retaining their commitment to the alliance, faced increasing pressure from members to take a tougher stance as it was perceived that the ANC was not delivering on promises.

The October edition of IR Data, published by Andrew Levy & Associates, said, "A hefty dose of militant rhetoric keeps this problem at bay. Cosatu leadership is seen to be taking up the cudgels on behalf of their constituency and if they do not win any concessions, they can at least argue that it takes more sense to fight the battle from within the alliance."

From within the alliance? It became increasingly evident

Cosatu's relationship with the ANC and government is again the subject of intense analysis within the labour federation, writes **Reneé Grawitzky**

(1404) £ B0 30/197



Restless workers union leaders and their constituencies in SA find themselves at a crossroads in their relationship with government and the ANC

that Cosatu's leaders were either divided on their attitude towards government, or were keeping their true positions very close to their chests. A number of commentators suggest the federation could be "delivered" to Mbeki at the September congress.

Evidence of this could be the way in which Cosatu has engaged government on privatisation and the macroeconomic strategy.

It is becoming clear that labour has deferred debating the ideological basis of these policies. A former union leader says positions on privatisation and Gear are being taken without proper engagement and consensus. Debate in the next few months will indicate whether Cosatu will move away from its strong opposition to Gear, especially expenditure cuts which could affect service delivery. Calls for restraint could go unheeded by public sector workers who could

bear the brunt of budget cuts and retrenchments this year.

A foreign political commentator says Cosatu's congress in September will allow government's reform policy to go through unopposed. He says trade-offs will not happen in Cosatu, but within the ANC. It will be Cosatu's role to cement the reformist position in the ANC behind Mbeki, he says.

This could be partly a result of Cosatu being politically outmanoeuvred, and not having the muscle, political will or tactical ability to challenge government effectively. However, Cosatu's position could reflect the balance of power in SA.

Cosatu does not have unlimited power and it understands the limits on its ability to force through its socioeconomic agenda. Alternatively, it could be argued, Cosatu is itself becoming reformist in nature and accepts that

certain sacrifices have to be made. Or the claim that union leaders have their eyes on political appointments could be proven to have a basis in reality.

Speculation is rife within the corridors of Cosatu as to whether the Christmas party he was not was joking when he told staff at the ANC that he would replace him in September congress. If Shlowa is not standing, who will replace him and where is he going?

An endorsement of government's agenda could signal to both local and foreign investors that finally labour is coming into line. But this endorsement, if it delivers nothing to workers, could well the ranks of a growing number of disillusioned Cosatu members and lead to a further widening of the gap between them and union leaders, with increased industrial unrest as members "go it

alone" and refuse to toe the line.

Last year's Amplats strike is a case in point. During this lengthy strike, the leadership of the largest Cosatu affiliate, the National Union of Mineworkers (NUM), and ANC provincial leaders were unable to bring striking workers into line. The strike also highlighted organisational problems within Cosatu affiliates.

An NUM official says "Workers have real needs which can be addressed only through negotiations. Political sloganeering will not address such problems."

"Workers are becoming increasingly frustrated with bread and butter issues not being addressed. Workers are not being serviced in a real sense."

A labour consultant says that, in the longer term, a trade union movement cannot afford to ignore its rank-and-file membership. An academic says that the ANC's approach in "trying to win leadership support without incorporating labour's economic and developmental concerns" is short-sighted. Over time, he says, Cosatu could become side-tracked from its real issues and concerns, and further exacerbate the delivery crisis which alienates members.

What real alternatives exist for labour but to endorse the path adopted by the ANC government? A former union official says alternatives exist which would not necessarily imply that labour has to challenge government head-on, but would require proper engagement on policy issues. Thus, he says, is lacking at present.

At this stage it appears unlikely that the September congress will seriously review its relationship with the ANC. The majority of regional and union congresses held in recent months resolved to continue with the alliance but indicated that criticism could be directed towards government if de-

livery issues were not addressed. The position adopted at the National Union of Metalworkers of SA congress late last year was especially significant in this regard. An official says it is more probable that Cosatu's position will remain unchanged with ambiguous resolutions adopted reflecting the type of tensions which exist.

In what could be a last-ditch attempt to ensure its social agenda is not entirely dismissed out of hand, Cosatu has circulated a discussion document to alliance partners on ways to restructure and ensure a working alliance.

Cosatu's vision of a social partnership extends beyond the adoption of joint policy positions, where possible, to an "alliance programme" which would commit the ANC to delivery on a range of socioeconomic issues. Many of the proposals were originally outlined in labour's social equity document, which was ignored by government in the drafting of Gear.

Cosatu could insist on a bigger role within the National Economic, Development and Labour Council as that is where it could build its power and make meaningful inputs into decision-making. However, it remains unclear as to Cosatu's real commitment — as well as government's.

It is unclear whether the recent ANC meeting took into account Cosatu concerns. Cosatu has expressed misgivings about a proposal to set aside a quota on the ANC election list for Cosatu and to strengthen Cosatu's representation on the ANC's national executive committee.

Cosatu's attempt to save the relationship could be a gamble that is not worth taking if labour becomes linked to decisions by government which negatively affect workers without them gaining anything in return.

In the weeks and months ahead, the situation will become clearer as to whether the ANC is able, and has the financial resources, to commit itself to a social agenda. Although Cosatu's position within the alliance might be weakened, as elections draw near its power could increase — and so too could the promises



# Cosatu branch set to propose national strike

BD 7/2/97

(140A) (152)

Vuyo Mvoko

THE Witwatersrand region of the Congress of SA Trade Unions (Cosatu) would propose a national strike over government's commitment to labour market flexibility when the federation's national executive meets next week, regional secretary Dan Mohapi said yesterday.

Mohapi said it was reported at a regional shop stewards council meeting on Wednesday, where the resolution to strike was adopted, that bilateral negotiations between labour and government reached a deadlock late last year, and that there were "no prospects" of a settlement that would be acceptable to the unions.

Cosatu's executive is meeting on Tuesday and Wednesday next week, but will first meet Labour Minister Tito Mboweni on Monday in a last-ditch attempt to find some common ground. If this meeting failed, said Mohapi, "we'll have no option but to take

to the streets".

"We get the feeling the government is rolling back the gains that workers have secured over the years, and we see this as union-bashing," he said.

The contentious issue is the "regulated labour market flexibility" that has been enshrined in government's macroeconomic policy. Mohapi said there was "no way" Cosatu could accept that "at the expense of the workers".

Mohapi said that in terms of that "flexibility" the employer could bar an employee from belonging to a trade union within a specific period of joining the company, and could lower the employee's salary using a "financial constraints" argument.

Although there were more than 80 labour-specific issues on which the union federation differed with government's macroeconomic strategy, he said, at least six of those — including an industrywide 40-hour week — had been identified as "life and death" matters Cosatu would not compromise on.



# Shilowa defies all to the top

**I**N 1979, when a rustic Sam Shilowa left his home at Olifantshoek, Northern Province, for Johannesburg, he seemed destined for a plain, uneventful working-class life

No one could have guessed that Shilowa would one day become a figure of importance on the South African political scene as general secretary of the 1,7 million-member Congress of South African Trade Unions

Today his influence stretches to every key forum where economic policy decisions are taken, be it in Pretoria's corridors of power or the National Economic Development and Labour Advisory Council, made up of labour, business and government

Known to be a confidante of Deputy President Thabo Mbeki, Shilowa is a member of the central committee and politburo of the South African Communist Party. He is also member of the African National Congress, with which Cosatu and the SACP are in alliance

So how did the young man from Olifantshoek, who came to Johannesburg in 1979, end up in a position with so much power and influence?

"I'm as surprised as anyone else that I ended up where I am," he says

Having left school in 1979, Shilowa started work in a cement manufacturing company where he joined the then General Allied Workers' Union and became a shop steward before becoming a security guard

"I became involved in Cosatu structures at local and regional level. In 1990 I was made vice-president of the Transport and General Workers' Union (which had absorbed security workers from Gawu), and its president in 1991," Shilowa recalled

## Stood in good stead

His later election as assistant general secretary to Jay Naidoo at Cosatu stood him in good stead to replace Naidoo when he became a Member of Parliament after the 1994 general election. He has since been re-elected twice to the position

Perhaps due to his background, or the fact that he never entered university, Shilowa, who describes himself as a "gut intellectual", seems to have managed to retain his common touch while engaging Government and business in high-flown intellectual debates about the economy's future

"I may not have had a good education but I had good teachers at school. I love reading, from which I have gained much. But I would not regard myself as an intellectual in the strictest sense"

He may be a leading communist, but Shilowa is not your typical party apparatchik for whom the workers' struggle is everything. He attaches much importance to quality time with his wife Wendy (herself a business world mover and shaker), and son Mervyn

He tries to avoid taking work home, which he considers to be "anti-social"

"I used to start work at six or 7.30am and leave at 7 or 8pm. I came to the conclusion that that happens because one did not organise one's day well. As a result my typical day now is from 8.30am to 5pm. Everything is well-structured and we have an effective administration"

## Odd meetings

"Of course there are the odd meetings over weekends or in the evenings. But my desire is that, as far as possible, I should be able to keep normal hours - to be available to put in extra hours when necessary, but also be able to put aside time to be with my family"

"One of the things I want to ensure is that my son's maths and physics are good. I can't rely on the teachers only. I can't ask my son to do extra school work if I'm not there to check it"

"It's not easy because sometimes I have to go away for a week - out of the country or to Cape Town to do some Parliamentary work"

Although, like many of his ex-struggle comrades who have moved into business or Government, he has embraced the jacket and tie, he still shows signs of being a reluctant convert - oddly insisting on wearing his suits with a trademark black sailor's cap. For our interview he was dressed in a streetwise maroon sweater and fawn pants, his hair unkempt

"I don't believe in the notion that blacks should aspire to become poor. We have to aspire to a better life," says Shilowa, expanding on his lifestyle

Consequently, his personal car, a red Golf VR6, is by no means the poor man's means of

As general secretary of South Africa's biggest labour federation, Sam Shilowa (below) is set to play a crucial role this year, a watershed time for both the economy and the Congress Alliance. He spoke frankly to *Sowetan* Editor **Mike Siluma**...



travel. The choice of colour, he insists, was merely a coincidence - nothing to do with his membership of one of the post-Cold War world's strongest communist parties

He describes as one of his main weaknesses his attraction to the Northern Province, where he was born, and where his 74-year-old mother still lives

"Often, when the pressure of work makes it difficult to visit my mom, I choose to drive overnight to see her, and then drive back to be in the office in the morning. My mother has had a huge influence on me"

"One of the things I marvel about her is how she has been able to persevere in the face of the poverty my family endured, sometimes going for days without a decent meal"

"She is also very tolerant. For instance, although she is a Christian, a member of the Zion Christian Church, and brought me up as one, she has never insisted that I also attend church. All she asked was that I should respect her beliefs," says the 39-year-old Shilowa

South Africa's most publicly visible communist was dismissive of the view of some on the Left - which holds that socialists "should have no role to play in the current democratisation process, that they should wait for the time when a socialist revolution will triumph" - as "insurrectionary"

"The primary focus of all South Africans, particularly the majority of blacks, Africans, is first and foremost to bury the legacy of apartheid by having real democracy in political life and the economy"

"The democratisation of the economy must not only aim to remove control from white hands, but also ensure that the way wealth is created is not only for the maximisation of profits but to ensure that the social needs of the population - including health, education, transport and so on - are met"

He denies ever expressing himself against black economic empowerment, or condemning its leading lights, such as New Africa Investment Limited chairman Dr Nthato Motlana

According to reports, Motlana was so irritated by Shilowa's views that he was moved to declare once "Sam Shilowa makes me sick"

But Shilowa dismissed any suggestion of bad blood between himself and Motlana. "I subsequently met Dr Motlana and he agreed he had reacted without all the facts"

"The advent of the new democracy opens up space for everybody to unleash their potential. Workers expect upward mobility. In so far as black business is concerned, a Johannesburg Stock Exchange that is predominately white male cannot be justified. This applies whether one is a socialist or not."

"Some people see the aim of black economic empowerment as the creation of millionaires, others as to ensure that there are as many spaza shops

and shebeens as possible

"I see it as firstly the upward mobility of workers, secondly, black business people must be involved in the productive sector of the economy, owning factories and creating jobs"

"They will make money and become millionaires, but at the same time the broader society will be able to benefit. In the past you had Afrikaner millionaires - but in the end you also had an economically empowered Afrikaner nation"

"We also need to ensure that as many black farmers as possible have access to the land so that they can create jobs and contribute to the economy"

"To the extent that Nail, or any other investment company, is striving to help achieve that they will have my wholehearted support. Where I express a different view, it is without malice"

Shilowa said worker ownership of companies was not inimical to socialism

"In fact, if unions want to tilt the economic balance in the workers' favour, they will have to team up with black business people"

"We cannot say we are happy for capital to invest workers' pension and provident funds, in a speculative way, but that we are not happy to be involved in that situation ourselves"

One of the political flashpoints this year is likely to be the Cosatu-ANC-SACP alliance, already stressed by tensions over the Government's macro-economic strategy

## Objectives of alliance

"I believe that the objectives of the alliance are correct in so far as they relate to issues of democratisation, transformation, building the economy and implementing the Reconstruction and Development Programme"

"Questions that need to be addressed in the alliance are: What is the relationship between policy formulation by Government ministers and the alliance? What is the implementation plan for the RDP? Do we have a plan for the RDP?"

"How are we going to create jobs? Are we going to rely on the private sector to do that? Or will we look to the RDP to help do that through public works programmes and the fiscus? What is the role of the masses in the democratisation process?"

Supporters of the alliance, he says, are not sure, for instance, whether taking to the streets on a public issue like crime might not be misconstrued as a protest against the ANC government.

Shilowa also expressed unhappiness with the recent situation when the ANC and Cosatu produced separate economic policy documents while belonging to the same alliance

Could it be that Cosatu is seeking to become the tail that wags the ANC dog? And why should it enjoy a special relationship with the ANC when it is but one of the ANC's many constituencies?

"In the final analysis, I don't want a lame-duck

government," explains Shilowa. "I want a government that is able to govern. What we need to do to put in place broad principles and concepts"

"Cosatu is not trying to control the ANC. During the constitutional negotiations, for example, Cosatu wanted property rights to be excluded. But the ANC disagreed and we respected that"

"The ANC does not owe Cosatu a special favour. The issue is that the ANC, Cosatu and SACP voluntarily agreed to form an alliance, based on a set of objectives"

"If we think the objectives are no longer valid, we should not remain in alliance. As long as we are in the alliance, we are duty-bound to reach consensus on policy issues"

Asked about the viability of a workers' party, Shilowa says "I don't believe in the notion of a union-led workers' party. I want the ANC to have a working class base"

"The problem is that the working class is not making itself available for leadership positions in the ANC. This is something which Cosatu is seriously debating"

The federation, he says, is not opposed to economic restructuring. "We have never said the Government should not restructure or sell some state assets. What we said is that we must identify sectors that must remain in state hands"

"Where assets are sold, we must ensure through legislation and regulation that consumers do not end up being ripped off. We should not move from state monopoly to private monopoly"

Regarding Nedlac, Shilowa says the problem with talks in the forum is that the principals of the employer delegation do not always support the negotiators' positions

While he has confidence in Nedlac's ability to address issues such as productivity and training, he believes that "the climate for a grand social accord" does not yet exist. "Although a common vision is emerging among the parties, we have not yet built enough trust," says Shilowa

Shilowa laments that while "at the level of rhetoric job creation is on everybody's lips", there is no agreement on the best way to address the question

"We may say that if we tackle the shortage of housing using public and private sector resources we will be able to create more jobs. Business will then say what we need is to create a climate conducive to investment - Cosatu members are too highly paid"

"When employers talk of a wage restraint, they talk of the wages of ordinary men and women, not those of chief executive officers and senior managers"

"Working people know about unemployment and would be willing to make whatever sacrifices agreed upon by society - provided society gives something in return"

PICS VELI NHLAPU



# Cosatu threatens strike over labour bill dispute

*Union says no to 45-hour week*

(140A)

ARG 14/2/97

Labour giant Cosatu has threatened a general strike over the new Employment Bill, which it says will set a 45-hour working week and offer paid maternity leave of only four months.

The trade union federation wants a maximum 40-hour working week and six months' paid maternity leave

"We are mobilising our members because of the deadlock reached in terms of negotiations on the Employment Bill," a Cosatu spokeswoman said

Cosatu has 1,9 million members and

plans the general strike on May 12

But Cosatu added it was still open to talks on the bill, the terms of which have not yet been put to the Cabinet

Cosatu's move came as a shock to Minister of Labour Tito Mboweni

"I am extremely surprised to hear that Cosatu is due to begin a process to mobilise its membership towards a possible general strike," he said.

He pointed out that the terms of the planned legislation were still open to discussion.

"The Cabinet has not finalised its posi-

tion on the Employment Bill and will be doing so in the next couple of weeks, once the bill is formally submitted to it."

The news of a serious labour dispute may dishearten foreign investors who have recently been flooding into the country on the back of a buoyant rand that has started to claw back some of the ground it lost last year.

On Monday, Finance Minister Trevor Manuel gave the bullish markets a fresh lease of life by announcing that the Government would meet its budget deficit target in the year ending in March. - Reuter

Union federation threatens a national strike in May over 40-hour week

# Cosatu bares teeth to government

ET(BR) 14/2/97  
(140A)

JONATHAN ROSENTHAL

Johannesburg — Cosatu, South Africa's largest trade union federation, yesterday bared its teeth, threatening a national strike in May over its demands for a 40-hour week. It also warned the government any privatisation moves outside the national framework agreement (NFA) would be resisted.

Sam Shilowa, the general secretary of Cosatu, said the federation's executive committee representing 1,2 million members, which met this week, had heard reports that "some ministries are deliberately taking issues and making announcements" outside the negotiating structures of the NFA.

"Such a situation cannot be allowed to continue," Shilowa said. "We will not stand by and watch government ministers deliberately sidelining the labour movement." He said the federation was not making veiled



**TALKING TOUGH** Sam Shilowa, the general secretary of Cosatu

PHOTO JOHN WOODROOF

threats to take its differences over privatisation to the streets, but said "once one party violates an agreement, there is no agreement." He declined to name the ministries involved.

Shilowa also outlined a pro-

gramme of action over the Employment Standards Bill, which is deadlocked in tripartite negotiations, that could culminate in a general strike on May 12.

Shilowa said the unions' demands for a 40-hour working

week, phased in over three to five years without any drop in wages, and for six months' maternity leave, four of which must be paid, were "bottom line" positions. The unions had already made its final concessions.

He said protests would begin before the end of the month and continue into March. In early April Cosatu's central executive committee would evaluate negotiations. "If no sufficient progress has been made, a general strike planned for May 12 will be sanctioned," he said.

Shilowa also took a swipe at Penuel Maduna, the minerals and energy minister, who was quoted this week as calling for greater deregulation of the oil industry. "We hope he was misquoted," Shilowa said. He said Cosatu had called for a meeting with Maduna and said any proposals should be tabled at Nedlac.

□ Inside Labour, Page 20



# Shilowa points to road ahead for Cosatu

## *Alliance with Government depends on consensus over policies*

(140A)

ARG 14/2/97



Influential Cosatu's Sam Shilowa

**AS GENERAL SECRETARY OF SOUTH AFRICA'S BIGGEST LABOUR FEDERATION, SAM SHILOWA IS SET TO PLAY A CRUCIAL ROLE THIS YEAR. HE SPOKE TO SOWETAN EDITOR MIKE SILUMA**

In 1979, when Sam Shilowa left his home in Tiyani, Northern Province, to work in Johannesburg he seemed destined for a plain, uneventful working-class life.

No one could have guessed that Mr Shilowa, who never reached university and worked as a security guard, would one day become a figure of importance on the South African political scene as general secretary of the 1,7 million-member Congress of South African Trade Unions.

Known to be a confidante of Deputy President Thabo Mbeki, Mr Shilowa is a member of the central committee and politburo of the South African Communist Party. He is also member of the African National Congress, with which Cosatu and the Communist Party are in alliance.

Perhaps due to his background, or the fact that he never entered university, Mr Shilowa, who describes himself as a "gut intellectual", seems to have managed to retain his common touch while engaging the Government and business in the high-

flow intellectual debates about the future of economy.

South Africa's most visible communist believes the advent of democracy "opens up space for everybody to unleash their potential. Workers expect upward mobility. In as far as black business is concerned, a Johannesburg Stock Exchange that is predominately white male cannot be justified. This applies whether one is a socialist or not."

One of the political flashpoints this year is likely to be the Cosatu-ANC-SACP alliance, already emphasised by tensions over the Government's macro economic strategy.

"I believe that the objectives of the alliance are correct in so far as they relate to issues of democratisation, transformation, building the economy and implementing the Reconstruction and Development Programme.

"Questions that need to be addressed in the alliance are what is the relationship between policy formulation by Government ministers and the alliance? What is the implementation plan for the RDP? Do we have a plan for the RDP?"

"How are we going to create jobs? And are we going to rely on the private sector to do that? Or will we look to the RDP to help

do that through public works programmes?"

"What is the role of the masses in the democratisation process?" asks Mr Shilowa.

He denies that Cosatu is trying to dominate the formulation of public policy.

"Cosatu is not trying to control the ANC. During the constitutional negotiations, for example, Cosatu wanted property rights to be excluded. But the ANC disagreed and we respected that."

"The ANC does not owe Cosatu anything. The issue is that the ANC, Cosatu and the Communist Party voluntarily agreed to form an alliance, based on set objectives. If we think the objectives are no longer valid, we should not remain in alliance."

"As long as we are in the alliance we are duty bound to reach consensus on policy issues."

Asked about the viability of a Workers' Party, Mr Shilowa says "I don't believe in the notion of a union-led workers' party. I want the ANC to have a working-class bias."

"The problem is that the working class is not making itself available for leadership positions in the ANC. This is something which Cosatu is seriously debating."

Cosatu, he says, is not opposed to eco-

nomic restructuring. "We have never said the Government should not restructure or sell some State assets."

"What we said is that we must identify sectors that must remain in State hands. Where assets are sold we must ensure through legislation and regulation that consumers do not end up being ripped off."

"We should not move from State monopoly to private monopoly."

Mr Shilowa laments the fact that while "at the level of rhetoric, job creation is on everybody's lips", there is no agreement on the best way to address the question.

"We may say that if we tackle the shortage of housing using public and private sector resources, we will be able to create more jobs."

"Business will then say that what we need is to create a climate conducive to investment - Cosatu members are too highly paid."

"When employers talk of a wage restraint they talk of the wages of ordinary men and women, not those of chief executive officers and senior managers."

Working people know about unemployment and would be willing to make whatever sacrifices are agreed upon by society - provided society gives something in return."

# Survey finds rise in Cosatu membership

Reneé Grawitzky

00 25/2/97

(140A)

A SURVEY conducted for the Congress of SA Trade Unions' (Cosatu's) September commission, set up to investigate the future of the trade union movement, has revealed that Cosatu's membership has risen from 1,3-million in 1994 to 1,8-million, despite popular perceptions of either a decline or a levelling off of membership.

The report, compiled by Templeton Filita of the National Labour and Economic Development Institute and published in the SA Labour Bulletin, revealed that the rise in membership had occurred mainly in mining and manufacturing.

The report revealed, however, that progress in more "vulnerable" sectors had been uneven, with a drastic rise in membership in construction and service, while recruitment of domestic and farm workers was proving difficult. Cosatu had, in fact, taken a decision recently to disband the SA Domestic Workers' Union.

Filita found that the most dramatic membership increase was in the public sector where Cosatu's six public sector unions

had a membership of 450 000, 24% of total membership.

Membership growth was attributed to organising campaigns, new affiliates and mergers. Filita found that 78% of new membership was as a result of recruitment campaigns and 20% from new affiliates including the SA Society of Bank Officials, the Institute of Public Servants and the Police and Prisons Civil Rights Union. The remaining 2% resulted from the merger of the Post and Telecommunication Workers' Association with two Telkom staff associations to form the Communication Workers' Union.

Potential growth ideas included effective organising with focus on the taxi industry and the former homelands where it was found that, despite recruitment in the public sector, workers were reluctant to join Cosatu. The recruitment of white collar and professional workers was a potential growth area.

Constraints to membership growth were attributed to staffing problems within the federation, salaries which were not market related and a lack of career paths within the labour movement.

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# White-collar focus urged for Cosatu

(140A)

Reneé Grawitzky

BA 27/2/97

COSATU would have to develop effective recruitment strategies to attract white-collar workers as its traditional membership base in manufacturing and mining was declining, a project conducted for the September commission concluded

Owen Crankshaw, a senior researcher at the Centre for Policy Studies, said in an article published in the latest SA Labour Bulletin that changes in the composition of the SA labour market would have an effect on and could undermine Cosatu's traditional membership base

Crankshaw found, in line with international trends, that the SA labour market was changing. A shift in employment from manufacturing to the service sector was taking place, but not to the same extent as in other industrialised countries

Other changes in the labour market included a rise in the skills level of the work force, increased participation of women, rising unemployment and the increased use of contract, part time and temporary workers

Another article published in the bulletin indicated that Cosatu's membership had reached a record high of 1.8-million

However, Crankshaw's research revealed that sectors shedding jobs were usually those in which black workers "who have traditionally formed the core of Cosatu's membership are concentrated". This was especially true for mining while union density in agriculture and domestic services was very low.

Sectors including manufacturing, construction and trade, catering and accommodation, electricity, gas and water, which were quite highly unionised, had almost stagnated and had shown slow growth since the 80s. Although the bulk of Cosatu's membership came from the public sector, this sector also faced major job losses and restructuring.

Crankshaw said potential for union growth existed in the service sectors which included finance, insurance, social and personal services. However, such sectors did not employ large numbers of black workers, he said

"Salespersons, nurses and teachers are a growing constituency for Cosatu unions" and a significant portion of these workers were white. The significance of this trend, he said, was that the "historical, racial and class basis of the trade union movement is changing"

Traditionally, the majority of Cosatu members were unskilled or semiskilled. Crankshaw said there was a growing demand for skilled as opposed to unskilled labour, which could partly be attributed to the shift from manufacturing to the service sector

The rising skills composition posed a number of challenges to the union movement. He said that if unions were to attract skilled workers, they would have to modify their organisational strategies

"Unions would have to move away from the mass-based and egalitarian style of organisation to one which distinguishes between different classes of workers and which recognises individual merit and promotion"

Crankshaw said the expansion of the skilled service sectors should be seen as an opportunity to increase union membership. At the same time, he said, not all service sector jobs — trade, catering and accommodation — were skilled

"If tourism does become SA's growth opportunity, then this sector could become an important and growing constituency for the trade union movement"

Unions would also have to begin addressing the needs of a rising number of women operating in the economy and to ensure that they were increasingly brought into union structures

Rising unemployment and the increased use of non-standard employment or part-time, casual and contract workers could be divisive to the labour movement. The recruitment of contract and casual labour was difficult to achieve while "rising unemployment could mean the growing alienation of many of Cosatu's natural constituency"

# Cosatu mass action draws 8 000 workers

*Sowetan 26/3/97*

*(140A)*

Yesterday's rally is part of the federation's planned nationwide stayaway on May 12

By Abdul Milazi

**B**USINESS will ignore the Congress of South African Trade Unions' threats at its own peril after the federation demonstrated yesterday that it has not lost its sting

The federation's Wits branch drew over 8 000 people to a rally in Johannesburg at the start of Cosatu's build-up to the planned May 12 national stayaway

The stayaway has been called to put pressure on business to accede to labour's demands in the National Economic Development and Labour Council (Nedlac) negotiations on employment standards

South African Civic Organisation president Mr Ahe Maziya told the gathering that even though South Africa was free, workers were still in economic shackles

"The Government is silent on matters concerning workers. It should remember that liberation was achieved through the efforts of the workers," said Maziya

Another guest speaker, South African Communist Party member Mr Trevor Fowler, said South Africa's envisaged economic growth should include workers

Fowler said labour's demands for a 40 hour week, six months maternity leave, double pay for holidays and Sunday work were old demands dating back several decades

Cosatu is also demanding a ban on the employment of children under 16 and six months maternity leave, with four months paid

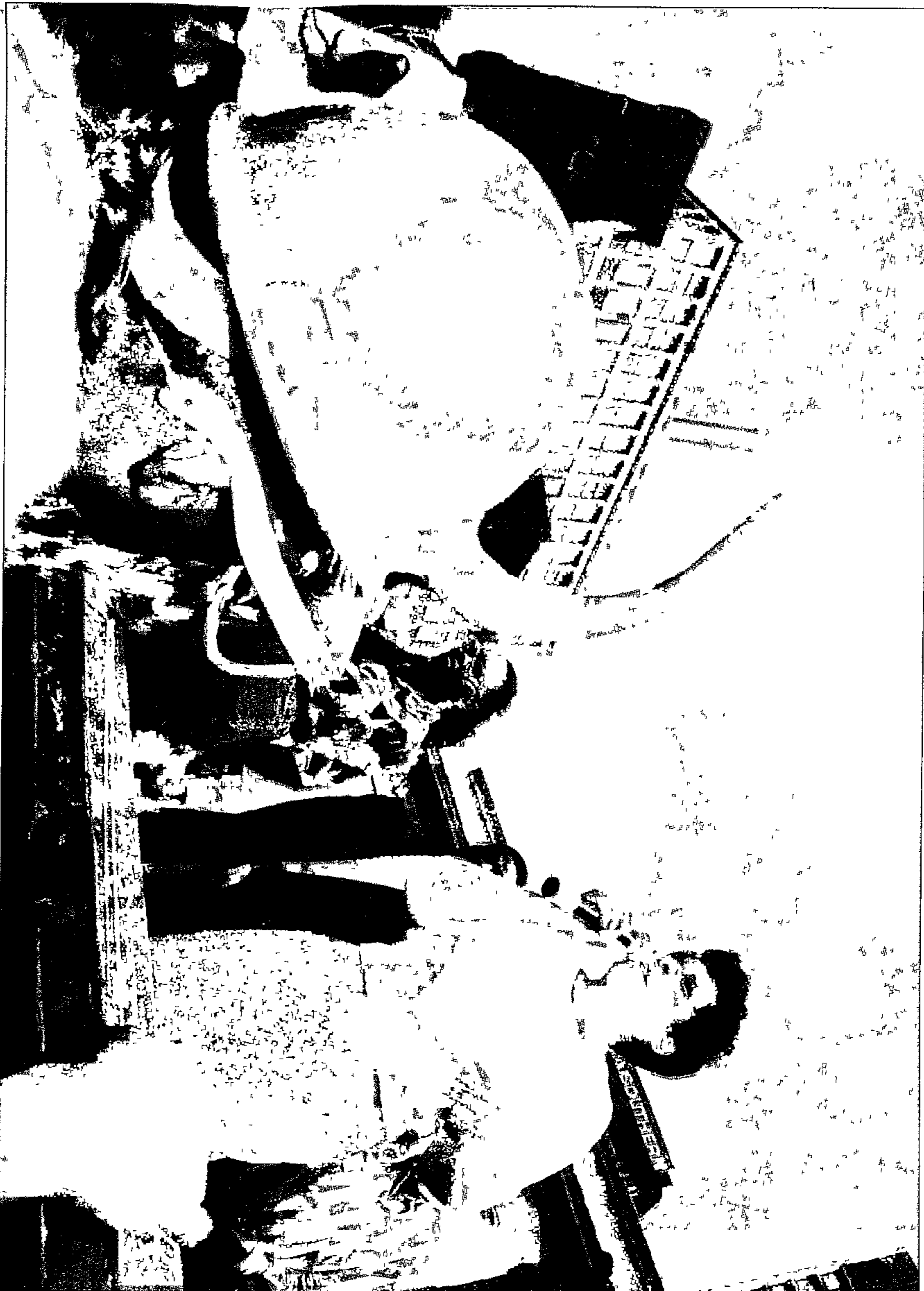
Cosatu Wits branch secretary Mr Dan Mohapi said the federation was opposed to business' suggestion that minimum standards should be flexible downward to promote small and medium business

Gauteng MEC for safety and security Ms Jessie Duarte said despite many attempts to divide the African National Congress led alliance, it would remain intact

She argued that there was no contradiction between workers' rights and the Government's call for job creation. Cosatu wants upward flexibility in minimum standards. Duarte said small and medium business had to be accommodated. It was important for black business organisations like the National African Federated Chamber of Commerce and Industry to ensure that black business people did not adopt bad colonial business practices of exploiting workers



ANDREAS VLACHAKIS



United we stand Gauteng Safety and Security MEC Jessie Duarte pledges solidarity with thousands of Cosatu supporters who descended on the Johannesburg Library Gardens to protests against proposals for a bill on employment standards. Cosatu is demanding the introduction of a 40-hour working week

# Cosatu march cost millions (40A)

Star 26/3/97  
By PATRICK PHOSA

The cost of yesterday's partial stayaway by thousands of Cosatu members could run into millions of rands, according to the Johannesburg Chamber of Commerce and Industries (JCCI).

JCCI executive director Marinus de Jager said the stayaway and the march through the city centre had caused a significant disruption of retail business in the inner city. A half-day's loss in trading ran into millions of rands, he said.

The Cosatu action, which culminated in a march from the Johannesburg Library Gardens to the Department of Labour offices, was aimed at pressing home Cosatu's demands on employment standards.

Minimum employment standards have been set out in a green paper which is currently being debated by business, government and unions at the National Economic, Development and Labour Council.

If approved, the green paper's proposals would go to Parliament and eventually replace the Wage Act and lay down the basic employment conditions for workers countrywide.

Cosatu is demanding that a 40-hour working week be phased in across all industries.

# Cosatu to create 'worker-friendly' policies

Reneé Grawitzky

THE Congress of SA Trade Unions (Cosatu) is expected to emerge from its three-day conference with guidelines for the development of socio-economic policies which will form the basis of discussion at the organisation's national congress to be held in September.

Cosatu negotiating representative Khumbula Ndaba said yesterday the main focus of the conference, which started yesterday, was not only to help develop policies for discussion but to prepare the federation in its struggle to shape SA's socioeconomic policies so that they would be worker friendly. To a large de-

gree, positions adopted at the conference would unpack some of Cosatu's policies outlined in its social equity document released last year.

Cosatu, as part of the broad labour movement, was concerned about some of the socioeconomic policies being advanced by government. Some of these "whether consciously or not" were being driven from outside African National Congress (ANC) structures, which was a "recipe for disaster".

Ndaba, said Cosatu still believed in the leadership of the ANC, but it was important when approaching the ANC that it had concrete proposals on the table.

In his opening address to the conference, Cosatu president John Gomo said the conference provided Cosatu with the opportunity to give economic meaning to democracy in a manner which took into account the problems of unemployment, starvation wages, poverty and the lack of infrastructure and social services.

Gomo said government's growth, employment and redistribution strategy (Gear) promised jobs and redistribution, however the recent budget "was all the proof that we needed that this will not be the case" Social spending, he said, had been severely cut except for correctional services, housing and the police.

He said the need to comply with Gear had resulted in the new proposals on child maintenance as well as "the intransigence of (Labour Minister) Tito Mboweni on the Basic Conditions of Employment Bill".

Gomo said the only reason Cosatu's planned protest was postponed from May 12 to June 2 was "because the Labour Appeal Court rewarded Business SA and the government for frustrating the process in the National Economic, Development and Labour Council".

BD 16/5/97

(140A)



# THE BIG STORY

## Cosatu throws down gauntlet

### One-day strike a challenge to ANC, not business

(14DA)

ARG 12/16/97

IS THERE A HIDDEN AGENDA BEHIND COSATU'S RELENTLESS ATTACKS ON THE GOVERNMENT'S LABOUR LEGISLATION, AND WAS THERE MORE TO THIS MONTH'S ONE-DAY NATIONAL STRIKE THAN MET THE EYE? WILLIAM-MERVIN GUMEDE AND THABO MABASO EXAMINE THE MOTIVES BEHIND COSATU'S LATEST ACTIONS



COLIN DANIEL

Education, Health and Allied Workers Union meeting last month.

The extent of the odds at which the alliance partners are, was demonstrated by the fact that the SACP fully supported the strike and hardly a whisper was heard from the ANC

During Cosatu's march to Parliament last week, ANC leaders were notable by their absence

The SACP went further and publicly chastised the ANC in a statement and said it had abandoned its constituency which consisted mainly of the poor and the work ing class

"The SACP expresses its solidarity and support for the Cosatu 24 hour strike tomorrow," the party's central committee said in the statement.

"All attempts to block workplace de mocratisation in the name of competitive- ness, flexibility or growth must be resist- ed," it added.

In spite of the reported problems in the alliance, Cosatu secretary general Sam Shilowa has denied an impending break- up of relations among the partners

"The alliance is united on the need to eradicate apartheid at the workplace and to extend worker rights and conditions that have systematically been denied over many years of oppression and exploita- tion," said Mr Shilowa.

Despite the apparent damage the dis- agreements have done to the alliance, Cosatu has stood its ground and threat- ened another strike if business does not accept its point of view on the draft bill.

"If they want to take a hard line, this is not a one-way street. We'll also take a hard line to challenge them," Mr Shilowa has said

"If they have nerves to continue the argument around workers' basic rights we will use our steel nerves to fight them"

The debate over the draft bill has, how- ever, taken an unexpected turn with the employer organisation, Business South Africa (BSA), saying last week that negoti- ations on the bill should be suspended until after the presidential job summit set for October

BSA deputy president Leslie Boyd has said business was concerned that some aspects of the draft bill could have a bear- ing of the summit and therefore slow job creation

Sources close to Cosatu have told the Cape Argus that the federation had expect- ed business to take a hard line against the federation demands and did not expect a proposal to stall the negotiations until the job summit.

The sources said Cosatu would hold an executive com- mittee meeting later this month to formu- late a response to business's proposal

Whatever the outcome of the Cosatu executive committee meeting on June 24, or business' response to the federation demands, one question that begs answer- ing is how much hammering the South African economy can take, while parties settle old scores

The Congress of SA Trade Unions' (Cosatu) one-day general strike has come and gone, but questions about the federa- tion's true motives for the action linger

Observers have asked whether Cosatu is fighting against provisions in the Basic Conditions of Employment Draft Bill or pressing its ruling alliance partner, the African National Congress (ANC), to rene- gotiate its Growth, Employment and Re- distribution (Gear) strategy

The federation's parliamentary officer, Neil Coleman, says the strike can be seen as a protest against the ANC Govern- ment's shift in economic policy

"To the extent that the elements of the Basic Conditions of Employment Act is based on the prescriptions of Gear - to undermine protection for the vulnerable, rather than extending them basic rights - then I suppose our strike on Monday is also against Gear," Mr Coleman told a meeting two weekends ago

"We don't need to apologise for that."

He said it was legitimate for Cosatu to protest against Gear, because the strategy represented a fundamental shift in eco- nomic policy from that outlined in the Reconstruction and Development Pro- gramme (RDP)

Cosatu was the main architect of the RDP policy

The Gear strategy, unveiled last year, among other things emphasises labour market flexibility and stringent control over the budget deficit by reducing it to three percent by 2000

The strategy also envisages the cre- ation of a million jobs and a six percent economic growth rate by the year 2000

But Cosatu says the Gear policy will lead to job losses and has asked the Gov- ernment to renegotiate the strategy

President Mandela consistently has maintained that Gear is not negotiable

He has said that his government would not be held to ransom in its efforts to improve people's lives by a small group within South African society

Cosatu said it went on strike to protest at the non- inclusion of six months' maternity leave, with four months paid, and a 40-hour week, which would be phased in over five years, on the draft bill.

Labour law expert Gavin Brown, how- ever, has told the Cape Argus that Cosatu was deceiving the public by making out as if it had a dispute with the business sector

"This disagreement is simply a mask

**'Disagreement is simply a mask for a much bigger dispute between Cosatu and the Government'**

for a much bigger dispute between Cosatu and the Government," said Mr Brown

He said the strike was used by Cosatu to tell the Government they were not happy with Gear and that the federation needed more say in formulating economic policies

"It is a mistake to see this as a dispute between Cosatu and business," he said.

Yet, in spite of Mr Brown's assertion, the Department of Labour has chosen to send out different signals about its response to the dis- pute

Labour Minister Tito Mboweni told Business Argus that legislating a 40-hour working week, to which he had committed himself in the past, was still a priority of the Government.

However, he said Cosatu's 40 hour week demand could not be implemented in one stroke

"The 40 hour week is a historical

demand of the working class," said Mr Mboweni

"Whatever I think on a personal level, I don't work alone I don't determine what market conditions are," he added.

Monday's strike was the third national stoppage since the 1994 elections which brought President Mandela's government to power

That there have been problems be- tween Cosatu and the SA Communist Party, on the one hand, and the ANC on the other, is an open secret that ap- pears to have strained relations in the alliance

At issue has been the Government's economic policies and the pace of delivering essential relief to disadvantaged communities.

The secretaries of the Western Cape region of Cosatu and SACP, Tony Ehren- reich and Phillip Dexter respectively, openly admitted this during a National

**'Just how much hammering can the South African economy take, while parties settle old scores?'**



COSATU &amp; THE ANC ALLIANCE

# Big stakes as Cosatu goes for broke

The labour federation embarks on a power struggle for the hearts and minds of the rump ANC

**C**osatu has put its embattled alliance with the ANC and Communist Party at risk as it tries to force its will on the Basic Conditions of Employment Bill

By abandoning the Nedlac consultative process with government and business and taking its demands directly to parliament, Cosatu is forcing ANC backbenchers to choose between their leadership and the union federation, say ANC MPs

If Cosatu wins the vote, it would humiliate the ANC leadership over its economic blueprint, the Growth, Employment & Redistribution (Gear) strategy — with calamitous consequences for party unity. But if Cosatu loses, it risks crippling its partnership with the party just two years before a national election, for which the ANC would hope to have union support

The ruling party this week received blows from proponents of Gear in business and the Reserve Bank. The Bank accused government of trying to over-regulate the labour market. Cosatu hammered the party for not wanting to regulate enough.

In a memorandum handed to ANC MPs over the weekend, Cosatu expresses confidence that the parliamentarians will give it their backing "as comrades in parliament are well aware of the conditions and expectations of SA's workers"

Cosatu spokesman Nowethu Mpati said she expected most women parliamentarians to support labour's demand for six months' paid maternity leave. She did admit, however, that the federation's tactic carried "severe risks"

Labour analyst Gavin Brown says it would be "so politically unpleasant" for the ANC and Cosatu to scrap in parliament that it is unlikely to happen.

"What will probably happen is that there will be a deal between the ANC and Cosatu to ensure that there is no public split, that would be too damaging for both"

If no such consensus is reached, the fight will be waged in parliament's Portfolio



Shilowa (left) and Mboweni allies for much longer?



said this week the federation would mount action "commensurate to business's arrogant rejection of our demands" This would include pickets, strikes and other forms of mass action

The Bill provides for a 45-hour working week and for four months' maternity leave but makes no reference to payment

reference to payment

Cosatu wants six months' maternity leave, of which at least four must be paid, a phased-in 40-hour week within the next five years and a double rate for anyone who works more than four hours on a Sunday

Shilowa reiterated his insistence that the federation's actions were not aimed at government, but at business

The ANC's frosty silence on the Bill is a further sign that the alliance is under strain. The party used to speak in solidarity with Cosatu street protests. But it said nothing about Cosatu's June 2 marches

One irony about the fight over the Basic Conditions of Employment Bill is that some of Cosatu's demands are already in practice

For example, a labour committee MP said that most industry sectors had already agreed with their unions on a 40-hour week to be phased in over five years. Most unionised workers were already working to a reduced 43-hour week

Sacob labour director Gerne Bezuidenhout said business was not against six months' paid maternity leave — the problem was putting it into law and forcing it on businesses, particularly small enterprises, which cannot afford it

Justice Malala

## Committee on Labour

One MP says ANC whips might instruct parliamentarians to vote for a business-friendly Bill and so further alienate Cosatu

But a compromise may yet be hammered out before it gets to a National Assembly vote. The Bill must go to the Labour Committee before reaching the Assembly

Committee chairman Godfrey Oliphant says the Bill could be changed in the committee stage to suit all sides. It would probably come up for committee discussion in August or earlier if the parties wished

Business SA has proposed that Deputy President Thabo Mbeki convene a labour-government-business leadership meeting to reach a compromise, but this has yet to be confirmed

Oliphant said he would have preferred agreement to have been reached in Nedlac, but his committee would exercise its prerogative if necessary. ANC MPs say they fear business and Cosatu are unable to reach agreement because of animosities built up over recent years

"After all the mud-slinging around Cosatu's June 2 march, there is such animosity that one does not know if they can work together again," says one MP

Cosatu secretary-general Sam Shilowa



# 'Weak' Cosatu must change

By Abdul Milazi

THE National Education, Health and Allied Workers Union (Nehawu) yesterday called for the transformation of the Congress of South African Trade Unions as it was "undesirable" in its current state and was getting weak.

Nehawu president Neal Thobejane said Cosatu should have more power over its affiliates and employ more fulltime office bearers in order to be effective.

"Cosatu's current state is undesirable and must be rectified as a matter of urgency. We agree with the September Commission report on the need for fulltime national office bearers," said Thobejane.

He said Cosatu should adopt a hands-on approach in its dealings with affiliate unions.

"Cosatu is getting weaker and

weaker and is unable to draw large crowds any longer. You find that some of its strong affiliates draw more crowds than the federation," said Thobejane.

He argued that stronger affiliates were at an advantage as they were able to throw their weight around during wage negotiations, while smaller and weaker affiliates were left at the mercy of company management.

## Transformation policies

"With the introduction of the National Qualification Forum, we are expected to formulate sectoral transformation policies.

"One cannot expect smaller unions to have resources to do that, which means there won't be any transformation in sectors where there are no big trade unions. Cosatu has the capacity to deal with such

issue," Thobejane said.

Thobejane said if Cosatu worked as a giant trade union, employers would not be able to dictate terms during negotiations.

He said it would not be wrong for Cosatu to use its collective strength to dictate the direction the union wants to take.

He attributed the recent leadership wrangles in the Food and Allied Workers Union and the Police and Prisons Civil Rights Union to Cosatu's lack of direct control over its affiliates.

He said Cosatu should have the power to intervene in an internal dispute without an affiliate, having to notify it in writing as the federation's constitution dictates.

Meanwhile Nehawu is to embark on rolling mass action on July 25 in protest against the lack of transformation in the public sector.

FM 11/7/97

# Drive to boost Cosatu power

#140A

Cosatu is headed for a radical shake-up at its four-yearly national congress in September. Affiliate unions, accusing the federation of becoming weak and losing direction, are pushing for a stronger and more centralised Cosatu.

For the first time, powerful union members are pressing in concert for the federation's elected leaders to assume powers that would bind member unions to decisions from the top and divest affiliates of much of their independence.

If carried out, the development would certainly raise the tempo of Cosatu's confrontations with government on key policy issues. Those would include the ANC's macro-economic policy, the Growth, Employment and Redistribution Strategy, and the Reconstruction & Development Programme.

Cosatu — SA's biggest union federation, whose membership has grown from 1,3m to 1,8m in the past three years — will discuss at its congress recommendations drafted by a commission under second vice-president Connie September.

The proposal to strengthen central control is only one of several options put forward by the September Commission.

But the centralisation option has the strongest support from large unions

They want general secretary Sam Shilowa and his deputy, Zwelinzima Vavi, to exercise tighter control over affiliates.

This would allow the federation to intervene more frequently in socio-economic issues such as tax hikes without the fear of affiliates breaking ranks. Cosatu lost face in 1995 when its largest member, the National Union of Mineworkers, failed to participate in protest marches against the inclusion of the lock-out clause in the final Constitution.

Former SA Labour Bulletin editor and September Commission member Karl von Holdt confirms the move to strengthen the federation's centre.

"The sentiment has been around for a while," he says. "It is not a controversial thing to say, but how to make it a reality is another question."

Labour analyst Duncan Innes says if the centralisation of power succeeds it will be a radical shift for the federation as Cosatu has always been more of a co-ordinating body while the real power rests with affiliates.

"It would be a strange thing to be doing," he says. "The affiliates should be going for mergers to strengthen them-

selves rather than strengthening the centre."

Construction and Allied Workers' Union general secretary Thabo Morale, however, says the federation has become "a toothless bulldog" and needs strengthening. He supports the idea of tightening Cosatu's constitution to ensure it can override affiliates.

National Education, Health and Allied Workers' Union secretary-general Neal Thobejane says Cosatu's present status is "undesirable and must be rectified as a matter of urgency."

"Cosatu is getting weaker and weaker and is unable to draw large crowds. You find that some of its strong affiliates draw more crowds than the federation."

Similar views come from union leaders in the chemical industry and Cosatu's second-largest member, the National Union of Metalworkers,

though it has yet to formally take a position on the commission's proposals.

September warns that the commission's recommendations could be changed drastically by the time final drafts are made in August. The final decision will rest with the Cosatu congress in September.

Justice Malala



Shilowa more power?



# Cosatu companies buy Netcare stake

BD 21/7/97

(140A) (2)

Shareen Singh

THE Congress of SA Trade Unions' (Cosatu's) investment companies and three affiliates have become major shareholders in hospital management company Network Healthcare Holdings (Netcare)

The R920m deal, Netcare's purchase of Barney Hurwitz's controlling stake in Clinic Holdings, owner of 17 hospitals and Hurwitz's eight privately owned clinics, has made Netcare the largest hospital group in SA

Cosatu's investment arm Kopano ke Matla, SA Railway and Harbour Workers' Union Investment Holdings, the National Union of Metalworkers and the National Education, Health and Allied Workers' Union are involved.

They have collectively acquired a 22% shareholding in Netcare for R220m, while the SA Medical and Dental Association purchased a further 10% for R50m

Kopano's executive director Tumelo Motsisi said the shares were sold to the unions and Samda at a discount price of R1,60. At the time of the transaction, the share price was more than R2

The unions involved in the deal had formed a company called Mtilonde which would be used as the vehicle to raise financing for their stake

"We plan to raise part of the funds through preferential shares and the remainder by inviting other unions to participate in the deal," said Motsisi. The unions hoped to raise their stake by taking up a Netcare rights offer

Netcare had secured substantial financing through its equity partner, Fedsure, which would hold 25% of the merged company

Netcare CE Jack Shevel said the motivation for acquiring Clinic Holdings was its valuable infrastructure. "An indefinite moratorium has been placed on the granting of further hospital licences until government policy is formulated. Consequently Netcare was unable to acquire any critical mass by organic growth," he said.

The group said it would have projected operating profit of about R280m. The deal would include injecting Netcare operations into Clinics for the issue of Clinics shares to Netcare. A restraint of R10m would be paid to Hurwitz and his son Jeffrey.



# Cosatu warns: Move left, or else

M+G 8-14/8/97

(140A)



**Sechaba  
ka'Nkosi**  
on Cosatu's  
September

Commission report

**A** long-awaited report on strategy for the Congress of South African Trade Unions (Cosatu) threatens setting up a new left-wing opposition movement — if the African National Congress does not return to its socialist roots

The document, leaked to the *Mail & Guardian*, warns that if the ANC continues on its current "right-wing" drive to attract foreign investors, the labour movement could be crushed

It also says that, even if the ANC can be persuaded to return to the left, Cosatu must insist that seats on the party's national executive committee be set aside for its officials, to ensure a "working-class" bias

The findings of the September Commission — appointed by Cosatu's central executive committee last year to define the role of the trade union movement — put its known unhappiness into a plan of action

Disagreement over economic strategy has been at the root of the tensions between the ANC and its alliance partners, Cosatu and the South African Communist Party

The recommendations are also



Back to the past: Cosatu aims to mobilise the grassroots elements which built the ANC. PHOTO: SIDDIQUE DAVIDS

likely to prove worrying for the ANC, because they detail exactly how a new socialist movement could be formed — by mobilising the grassroots elements which built the ANC

The commission calls for a summit between the alliance partners to develop a programme to address the

needs of the poor. Only if the summit agrees on a "transformation accord" will Cosatu sign an electoral pact with the ANC for the 1999 elections

The September Commission is headed by Cosatu's second deputy president, Connie September. Among its commissioners are the Deputy

Minister of Mineral and Energy Affairs, Susan Shabangu, and ANC MP Phillip Dexter. Its report is scheduled for release within days, to allow time for discussion among Cosatu members before the sixth national congress from September 16 to 19

As Cosatu's highest decision-mak-

ing body, the congress can adopt the report's recommendations and forward its positions to the ANC congress in December

The September Commission spells out why it is pushing the ANC to shift its reform programmes to the left. It labels the government's economic policies in its Growth Employment and Redistribution (Gear) strategy as a "right wing" programme

Cosatu says Gear fails to address poverty and inequality, and instead meets the demands of financial markets for conservative macro-economic targets at the expense of social development

The report explores possible scenarios which could face labour as a result of this perceived shift. It believes a clampdown on the labour movement could be waged by the government in an effort to attract investors

It concludes that, given these possibilities, Cosatu should begin meetings bodies representing women, youth, churches and non-governmental organisations to discuss a new alliance to campaign against poverty and inequality

## ... while ANC report redefines left-wing strategy

**Rehana Rossouw  
and Wally Mbhele**

**W**ithout once using the term "socialism", the African National Congress has committed itself to eradicating poverty and disparities in wealth

However, it insists this is done in a mixed economy, using "positive elements of the market"

Reminiscent of its pre-1990 rhetoric, an ANC discussion document on strategy and tactics — titled *Building on the Foundation for a Better Life* — situates the party firmly to the left of politics in South Africa. It is one of eight documents prepared for discussion by ANC members before the December national conference

On its first page, the document positions South Africa's political liberation "in a world in which the system of capitalism enjoys dominant sway over virtually the entire globe"

The ANC believes the long-term interests of the majority of South Africans could be "subverted" by "capitalism's rapacious licence. In this sense, therefore, the basic framework of our democratic achievement is irreversible but it can be derailed, leaving us with a shell of political rights without real social content"

With the 1994 elections, the document says, the ANC had achieved only elements of power, but was given immense possibilities to use the new situation "as a beachhead to fundamentally transform society

"April 1994 constitutes a platform from which to launch this programme of social transformation. What this revolution still has to accomplish is to overcome the legacy of a social system that was based on the oppression of the black majority

"Political freedom constitutes an important part of this mandate. However, without social justice, such freedom will remain hollow, the pastime of those who can make ends meet

"The symbiotic link between capitalism and national oppression in our country, and the concentration of wealth in the hands of a few monopolies therefore render trite the vain-glorious declaration that national oppression and its social consequences can be resolved by formal democracy

underpinned by market forces"

The ANC commits itself to a social order in which the "many positive elements of the market" dovetail with the obligations of citizens to each other

This society would not be a clone of a capitalist order, nor an "egalitarian utopia of mechanical social purity". It would be a mixed economy, with market forces having an important role to play, but the state taking primary responsibility for economic growth and development

The ANC says it will continue to work towards its strategic objectives of improving life for the poor with other political and community organisations — the communist party and Cosatu in particular

**T**he report says, while there are questions about the need to remain in the tripartite alliance, it is still of strategic importance for Cosatu. However, if the ANC is unable to provide concrete proposals for a socialist programme, it will not support the party in the 1999 elections

"If there is no common programme, the electoral pact should focus on issues that are most important for Cosatu and appeal to the broader public. If Cosatu cannot reach agreement with the ANC on an electoral pact, it may signify that the alliance is disintegrating." If Cosatu stays in the alliance, the report suggests its leadership hold an annual assessment of its achievements and decide whether it remains relevant to its members

The commission also advises that Cosatu reject the suggested social accord on wages, prices and investments between the government, business and labour

The co-ordinator of the commission, Carl von Holdt, says there will be no public statements on the report until its launch. "In the final analysis, the commission will be used to develop a long-term programme for debates and strategies within Cosatu"

End the rates squeeze, PAGE 20  
Close the wealth gap, PAGE 30



# Close the wealth gap, warns Cosatu

MT (BM) 8-14/8/97

14DA

*Cosatu's September Commission calls for a larger civil service and a reformed tax system in the war against poverty, reports* **Sechaba ka'Nkosi**



**Striking out: Sam Shilowa criticises the government's position.** PHOTOGRAPH: HENNER FRANKENFELD

**T**he Congress of South African Trade Unions (Cosatu) takes another swipe at government economic policy in the September Commission report. The union federation calls for a shift in spending to development, and a bigger civil service to generate employment.

The commission was appointed by the federation's central executive committee last year to define the role of the trade union movement in South Africa. It is headed by Cosatu's second deputy president Connie September, and its commissioners include four other members of the federation's national office bearers, Deputy Minister of Mineral and Energy Affairs Susan Shabangu and MP Phillip Dexter.

Cosatu criticises the targets set out in the growth, employment and redistribution (Gear) strategy as both ambitious and idealistic. It says

emphasis on fiscal discipline has neglected to address the developmental needs of the country.

The federation says if Gear fails to meet its targets, as Cosatu suspects it will, the government will have two choices: to abandon the strategy and become more developmental, or to blame its failures on labour and other forces opposed to it and, therefore, adopt harsher forms of economic reform.

To avoid this, Cosatu, led by Sam Shilowa, says redistribution must be fundamental in a war against poverty.

**A reduced state cannot meet the needs of social transformation and development**

"The extreme contrast of wealth and poverty in South Africa makes redistribution a necessary condition for economic growth. A trade union strategy for state-directed redistribution is also a strategy for economic growth. The contrast between the blatant wealth of a minority and the desperate

poverty of the majority will continue to tear apart the fabric of society, generating crime and social instability. This is hardly going to improve investor confidence," argues Cosatu.

The federation says tax revenue is substantially lower than in comparable developing countries and advises the government to reform the tax system to target the wealthy and relieve the tax burden of lower- and middle-income groups. If deficit targets have to be met, taxes must be increased from 25,7% to 31% of gross domestic product to generate an extra R25-billion for the national coffers.

Another suggestion is for a substantial reduction in interest rates. Cosatu says lower interest rates would increase the purchasing power of consumers, facilitate the shift of capital from financial markets to productive investments and reduce the burden of public debt on the government.

The federation also calls for a re-

view of the public service pension scheme as a means to reduce the Budget deficit. It says the government spends about R90-billion to top up the fund so that the fund can meet its obligations, putting a further strain on the economy.

Instead, government must introduce a pay-as-you-go system. This means the government should stop subsidising the fund and divert that money to servicing the Budget deficit.

**T**his suggestion could put Cosatu in conflict with unions that favour government participation in the fund, and argue that the funds would not be able to meet their obligations if government pulled out.

However, a surprise element in the report is the federation's rejection of a leaner public sector. Cosatu says the state has an obligation to extend the provision of basic services to those who were previously sidelined. The state needs to improve staffing levels, train civil servants and de-

velop effective management to improve its institutional capacity.

"A reduced state cannot meet the needs of social transformation and development, and is inappropriate in a society with our levels of unemployment.

"We propose the goal of a public sector which is enlarged to the extent required to effectively deliver universal services to all our people," the document states.

Cosatu concludes by advocating the regulation of the Reserve Bank and the financial markets.

"Policies should focus on producing more wealth and more and better job opportunities, meeting the needs of all citizens and allowing for the participation of workers to determine the conditions of their economy and priorities of economic policy," says Cosatu.

The September Commission report is scheduled to be released soon to give enough time for discussions among members before the federation's 6th national congress.

# Plans for left-wing party denied

Renée Grawitzky

THE Congress of SA Trade Unions' (Cosatu) September Commission denied at the weekend that its report on the future of the labour movement had recommended that the federation should consider launching a left-wing party if the African National Congress (ANC) continued to pursue its "right-wing" agenda.

Commission chairman Connie September said yesterday a report in Friday's Mail & Guardian incorrectly argued that Cosatu had recommended the establishment of a socialist movement or left-wing party.

September said the article was misleading as it confused hypothetical scenarios with recommendations. The possibility of launching a left-wing party in response to any move by the ANC to a right-wing agenda was just one scenario of several outlined. Instead of recommending a break in the tripartite alliance with the ANC and SA Communist Party (SACP), the report recommended measures to strengthen it.

The commission was established last year to consider the future of the labour movement and in so doing outlined various scenarios as a method for debate only.

September said the majority of Cosatu

affiliates remained committed to the alliance. In the months leading up to the Cosatu congress, "there has not been one Cosatu affiliate which has resolved at their congress to end the alliance", she said.

National Union of Metalworkers of SA (Numsa) general secretary Mbuyi Ngwenda said that at the union's congress last year, discussion revolved around the future of the alliance and a proposal to terminate it and form a worker/socialist party. The congress, however, adopted a resolution that the alliance should be strengthened but that it should be reviewed from time to time.

A recent Numsa central committee workshop on the September commission resolved that Cosatu and the SACP should be the guiding force in developing a political programme to mobilise socialist forces around a clear socialist programme. This decision, he said, acknowledged the ANC was not a socialist movement.

September said Friday's article correctly stated that the commission and Cosatu were concerned about the ANC's direction on economic policy, that Cosatu should develop a common agenda and programme for transformation with its Alliance partners and that it should pursue an election pact with the ANC for the 1999 elections.



# Cosatu faces major restructuring if commission's report is adopted

Reneé Grawitzky

THE Congress of SA Trade Unions (Cosatu) will get a major facelift if its congress next month adopts recommendations by the September commission to restructure the federation to deal with serious deficiencies.

The commission, established last year to examine the federation's future, is to publish the report today. It will make recommendations on organisational restructuring, the future of the tripartite alliance and the type of

unionism the federation and its affiliates should be aspiring to.

The commission, headed by Cosatu vice-president Conne September and served by union leaders and labour intellectuals, has proposed measures to facilitate a move towards a higher level of centralised decision-making by allocating more dedicated resources at senior level and restructuring the executive and other committees.

It also proposes measures to improve labour's ability to participate competently in various forums whose

establishment it had propagated, such as the National Economic, Development and Labour Council.

The report seeks to strengthen regional and local structures, many of which have become moribund.

The commission calls for "operation renewal" to effect such changes, including the proposal to increase the number of full-time office bearers from two to six.

Commissioners concluded that it was a waste of time to develop and adopt ambitious programmes unless

Cosatu was prepared seriously to address problems of capacity, its structures and the way affiliates operated.

Their assessment of organisational weaknesses found shortcomings in internal democratic practices, effectiveness, service to members and staff morale and turnover. A survey of union staff found that only 34% believed members were happy with service, 30% believed structures were not functioning properly and only 36% felt national office bearers were in touch with staff and members.

(140A) BD 22/8/97

is adopted

Cosatu (140A)  
BD 22/8/97

Continued from Page 1

commission said, lay in its lack of strong dynamic working structures that could ensure co-ordinated implementation of policies and strategies.

A comparison of European trade union federation structures led to the finding that Cosatu had limited implementation and co-ordination structures, weak and underresourced capacity for implementation and weak links between affiliates and the centre.

It recommended the appointment of six full-time national office bearers, including a president, vice-presidents,

and treasurer. They would be charged with strategic planning, implementing policy and overseeing administration.

The executive committee should be smaller but more dynamic.

Other proposals allow for the central executive committee to meet twice a year, the central committee once and national congresses to be held every four years.

There has been some opposition to appointing more full-time office bearers on the basis that it could undermine worker control and democracy within Cosatu.

The commission rejected a proposal to change the Cosatu family into a single general union organisation with industrial arms.

The survey also highlighted a high staff turnover and staff dissatisfaction. Only 20% of the staff surveyed had worked in the union movement since the 1970s and 1980s, while 56% had worked there for less than four years.

The report highlighted what it saw as evidence of ideological confusion, loss of vision generated by the transition and declining democracy within the labour movement.

Cosatu's capacity problems, the

Continued on Page 2

# Call for Cosatu to expand political role

(140A) ST(BT)24/8/97

AFTER an 18-month investigation into the future of Cosatu, the September Commission has called for bigger, more powerful federation structures to enable Cosatu to take on the challenges of forging a constructive relationship with employers while expanding its political role

The commission — consisting of top Cosatu leaders and former unionists, and headed by Cosatu vice-president Connie September — has suggested that Cosatu increase the number of full-time office bearers from two to six to provide an efficient engine to run the organisation, effectively doing away with part-time office bearers

The increase in staff, proposals to improve working conditions and management of union staff, and a third proposal to implement a quota system to ensure women are elected to lead-

LABOUR  
By CAROL PATON

ership positions, were described by Cosatu general secretary Sam Shilowa as the boldest moves suggested by the commission

The commission was motivated by the need for Cosatu and affiliates to define a role in a changed political and global environment. The commission says Cosatu needs to seek new relationships with employers and win recognition as a stakeholder in the private sector

The commission recommends an offensive programme to engage management, for instance, on questions of workplace restructuring

Restructuring may allow unions to strengthen their positions and rights within companies, improve career opportuni-

ties for workers and allow them greater control over production, says the report

However, it also means that unions "have to engage with management in areas of productivity and competitiveness"

The commission outlines a strong political role for Cosatu — the main vehicle for which remains its alliance with the ANC. It says the alliance exists "largely on paper" and suggests steps that need to be taken to strengthen it. Most important of these is the call for an "alliance agreement" which would include an economic programme and a programme for public sector transformation

However, an electoral pact with the ANC for 1999 remains on the agenda and the commission suggests that Cosatu develop proposals for such a pact with a plan to ensure that gov-

ernment implement it

Two other recommendations on the alliance are, firstly, that Cosatu lobby for special seats on the ANC national executive committee

Secondly, it suggests a review of the practice of labour representatives on ANC election lists. If this was to be repeated representatives should be accountable to Cosatu rather than only to the ANC

● Cosatu and government came no closer to agreement on the Basic Conditions of Employment Bill this week. The Cosatu executive met on Friday but no decision was taken on whether to accept the package proposed by government last week

Shilowa says further meetings with Labour Minister Tito Mboweni this week were possible. An ANC-Cosatu-SACP summit is planned for the weekend



# ANC-Cosatu relations could sour in future – Commission

By SEKOLA SELLO

**F**UTURE relations between the giant trade union federation Cosatu and an ANC-led government could be imperilled, if government “dogmatically” implements the controversial Growth, Employment and Redistribution (Gear) policies

This is one of the warnings contained in the September Commission report released by Cosatu on Friday

The commission was established last year with a mandate to look at the federation’s future, how to restructure to be effective in a changing socio-political order, and strategies to adopt in the workplace

Gear – which has effectively replaced the much vaunted Cosatu initiated RDP – is the ANC government’s latest macro economic policy.

It is generally regarded as the brainchild of Deputy President Thabo Mbeki, and has the full backing of President Nelson Mandela

The report says that if Gear is dogmatically implemented, it could “lay waste to the economy, destroy the state’s capacity to deliver and destroy the Alliance (ANC/Cosatu/SACP)”

Looking into the future of this coun-

try’s socio-political and economic developments, the report said three scenarios could develop – the desert scenario, the skorokoro scenario, and the pap, vleis and gravy scenario

The desert scenario sees no economic development, no RDP delivery, a high level of class conflict, the ANC shifting to the right, and powerful organisations opposed to government emerging

According to the skorokoro scenario, there would be modest delivery and some economic growth. However, this could result in deepening social cleavages based on race, ethnicity, regionalism, provincialism and the rapid self-empowerment of black business and the black middle class

In this situation, the report warns, the ANC government would be zigzagging from one policy to the next

The final scenario, which the report would support even if it is not the ideal, envisages massive economic growth and development, jobs being created and the delivery on RDP

The report states that any of these scenarios could develop, or even that a combination of some elements from each could characterise a future South Africa

It takes a critical and at times harsh look at the federation and does not

downplay some of its weaknesses

If the recommendations of the commission are adopted, as seems likely, Cosatu could enter the next millennium a changed federation

The fact that the commission prefers the pap, vleis and gravy scenario indicates a departure from previous dogmatism and that the federation could do away with the present wave of strikes

The report also warns Cosatu about the need to combine mass action with protracted negotiations and trade-offs, gradual change and institutionalised influence

This clearly indicates that in future, Cosatu may be less confrontational, unless forced into it

Much against expectations, the report says nothing about the possibility of Cosatu forming a socialist party to the left of the ANC, if the latter does not jettison its “neo-liberal policies” underpinned by its support for Gear

The report affirms Cosatu’s commitment to the alliance, unless the ANC becomes a radically different party

At the same time it calls on Cosatu to be an active participant in all sectors of society – from education and health to safety and security, and welfare and public enterprises

(140A) CP 24/8/97



# Punitive policies likely to hinder Cosatu

**T**WELVE years after the labour federation's birth, the September commission was appointed by Cosatu to help guide the federation into the SA and the global economy of the 21st century.

Will the signposts constructed by the commission take Cosatu on a route to a sound future? Some may serve that purpose. But only if the organisation's navigators are sufficiently alert to notice and reassess the misleading signs the commission has thrown in.

The report is, in many ways, a brutally honest and frank examination of the organisation's shortcomings, and recommends some radical measures to deal with them. It also encourages unions to work towards workplace practices which — provided employers are themselves sufficiently self-enlightened to participate in — seem the most appropriate way to approach the future.

But federation vice-president and commission head Connie September, and her team, show themselves to be stuck in the past when it comes to many of the economic and political policy prescriptions they propose.

The most valuable service the commission has done for Cosatu is its stark analysis of the federation and its affiliates' shortcomings in terms of internal organisation.

Contrasting unionism today with what it was like in the more idealistic past, the commission notes the end of apartheid has meant a weakening of vision as issues have become more complex, the loss of experienced leadership to government and business, and the linked problem of a "culture of self-enrichment" and deterioration of levels of service, skill, discipline and commitment.

The commission acknowledges that skills deficiencies mean Cosatu is unable to participate effectively in forums like the National Economic, Development and Labour Council (Nedlac) that

Deputy editor Alan Fine examines the September commission's attempt to point the way forward for Cosatu

way forward for Cosatu

BD 25/8/97

(1404)

lie at the heart of their strategic vision. The question of capacity is a thread running through the entire report. Organisational renewal, both within affiliates and the federation itself, is seen as vital, and a variety of measures to achieve it are proposed.

The commission also does not sweep under the carpet Cosatu's poor record in the promotion of women leaders. One of the more memorable lines notes that "although Cosatu has a policy on affirmative action (regarding women) it seems the policy applies to everyone except Cosatu".

The commission devotes a great deal of energy to defining the type of unionism Cosatu should aspire to. It rejects what it calls the approach of militant abstentionism — the traditional Anglo-Saxon adversarial unionism of the 1960s and 1970s — unless outside circumstances leave unions with no other choice.

Its preferred approach is what it terms "strategic engagement" or "social unionism", similar to the northern European model. Institutions facilitating this approach already exist or are, at least, provided for. There is Nedlac, in the case of participation in national economic policy-making and the Labour Relations Act's workplace forums as the place for strategic engagement at the workplace.

The commission refuses to contemplate the primary purpose of workplace democracy to be productivity improvements. The goal is "to improve the working and social life of workers" and to contribute to the struggle for socialism, a concept vaguely defined.

The commission concedes,

though, that "a democratic workplace will also be a more productive workplace. Indeed, Cosatu should be committed to making workplaces productive — but not at the expense of workers or the community." The report devotes an impressive amount of space to considering different forms of "gansharing", whereby both workers and employers benefit from increases in efficiency, productivity and profitability.

Strategic engagement, in terms of the commission's vision of the alliance with the ruling party, is another central theme. Cosatu, it says, should re-establish a proper working relationship with the African National Congress (ANC) which would allow it to operate as a real partner rather than an ignored appendage.

So far, so good. Nothing so far makes the commission's approach incompatible with the more enlightened management practices

at work in SA. Up to this point, the main question is whether the union movement is able to upgrade its human capacity effectively enough to implement this ambitious vision.

The primary weakness of the commission's report lies, however, in a stark disjuncture between the preferred approach of strategic engagement and the most unrealistic policy goals prescribed.

One can begin with the economic policy prescriptions, which are based largely on Cosatu's response last year to the SA Foundation's Growth for All document.

At the outset, it needs to be said that business would be naive to expect a labour federation's economic policy to coincide with its own. While there are immutable principles of good economic management, economics is also an arena where different interest groups contest the distribution of scarce resources. So Cosatu is quite en-

titled to make "redistribution" one of its main clarion calls and to work to that end.

It would also be entitled to challenge aspects of Gear, government's economic model. Who can say with certainty that a 4% budget deficit is nonnegotiable when 4.5% (or 3.5%) would not be a terminal blow. Similarly, it can legitimately be argued that the Reserve Bank is excessively cautious on interest rates and is unnecessarily threatening economic growth by failing to reduce the Bank rate by a percentage point or two under present conditions.

The problem is that Cosatu and the commission go way beyond that. They take the view that the route to redistribution and growth is simple: Spend and do not worry about the budget deficit, slash interest rates, renstate exchange controls and tax the rich more.

They propose a silly campaign to freeze high incomes both in the

private and public sector as part of their redistribution strategy, forgetting their complaints about the dearth of good managers in both spheres and not wondering how to attract or retain them.

And, oh yes, they will mobilise domestic capital to increase investment. At least they concede, implicitly, that their policies will not attract foreign investment. What is not clear is how they will "mobilise" domestic capital in the context of their punitive policies.

It seems that Cosatu has not noticed what happened to the likes of Mexico and Thailand as a consequence of artificially manipulating the financial markets. Or what transpired in Albania and North Korea — two countries which sought to succeed in isolation from the rest of the world.

These views represent either genuinely held positions or extreme opening positions in what is expected to be a drawn out period of collective bargaining at various levels. Either way, these extreme policy positions are incompatible with the favoured approach of "strategic engagement".

The commissioners pay lip service to the obvious truth that strategic engagement means recognising external realities faced by, for example, government. None of their policy prescriptions appear to take this into account.

Any attempt by Cosatu to engage government, the ANC or business on the basis of the federation's current flighty economic policies is bound to fail. Cosatu wants strategic engagement, but it propagates policies more compatible with what it terms militant abstentionism.

That is the disjuncture between the report's more thoughtful sections and those where it appears to have been unable to divert from what has become the labour's conventional wisdom. Cosatu's prospects in the 21st century will depend on whether it is able to make the break

## What the union staff say

Question	Agree	Not sure	Disagree
The union has clear goals/common vision	53	35	12
The union has workable strategies	46	41	13
NOBs are in touch with staff/members	36	28	36
The union uses its resources/staff effectively	30	38	32
Union structures function properly	30	35	35
Shop steward committee are strong	34	31	35
Members are happy with service	35	35	30

QUESTION: 900 SEPTEMBER COMMISSION SURVEY

SEPTEMBER





# Unions choose to strengthen alliance

(140R)

BD 25/8/97

THE September Commission does not call for the Congress of SA Trade Unions (Cosatu) to end its alliance with the African National Congress (ANC), but recommends its strengthening and the adoption of a common programme between alliance partners.

At the same time the commission urges Cosatu to build broad alliances with previously neglected sectors of civil society around the eradication of poverty, equality and strengthening democracy.

It acknowledged that the alliance was not working, but conceded that it was the only vehicle for transformation. The commission indicated that a failure to agree on a joint programme or "election pact" might force Cosatu to consider leaving the alliance or

"continue in the alliance in a different manner"

The commission said there had been a shift away from grassroots activity in the alliance, seen in the widening gap between the ANC and its leadership in government and the declining influence of the alliance in decision-making. These factors, the commission said, showed a move away from the politics of transformation, hence the need for Cosatu to "contest the character, leadership and direction of the transition".

The commission's recommendations to revitalise the alliance were largely based on Cosatu's discussion document on the alliance released late last year.

It called on Cosatu to push for its alliance partners to adopt a

common programme which would include an economic programme as well as mechanisms to strengthen the alliance and to transform the public sector.

Cosatu general secretary Sam Shilowa said on Friday that the fact that no progress had yet been made on discussions around an alliance programme did not mean the strategy was wrong or that the alliance had no role to play. Instead it meant Cosatu had to push harder to achieve its objective.

He said this part of the report was the "gravy rather than the meat" of the recommendations.

The commission also recommended that Cosatu should take up positions set aside on the ANC national executive committee and national working committee.

# Boys' club is alive and well in Cosatu

BD 25/8/97

(140A)

**Reneé Grawitzky**

THE boys' club is alive and well and continues to run the Congress of SA Trade Unions (Cosatu), despite talk of the federation being "gender sensitive" and the need to empower women

The September commission report on the future of the labour movement, released on Friday, exposed the extent to which lip service was being paid to ensuring women participated equally in the labour movement

The report said women "remain out in the cold with regard to leadership" Although Cosatu had a policy on affirmative action, "it seems that the policy applies to everyone except Cosatu"

The commission, headed by

Cosatu's only female national office bearer, Connie September, found the sexual division in the labour market was mirrored in Cosatu with most women in administrative positions

No Cosatu affiliate had a female general secretary while only four branch or regional secretaries were women, despite the fact that 36% of those in formal sector employment and 37% of Cosatu members were women

Finance union Sasbo, a relatively new affiliate, came from a more conservative tradition but had the greatest number of female regional leaders

September said the commission had called for a quota system to facilitate the access of more women to leadership positions By 2000, 50% of worker rep-

resentatives and office bearers in all affiliates should be women The federation's congress should elect at least three woman office bearers this year

The commission proposed that by the year end, Cosatu and its affiliates draw up a staff gender profile, set targets and outline a strategy for increasing the number of women in jobs where they were underrepresented

The commission noted a number of practical barriers to advancement, including sexual harassment and the extensive responsibilities of shop stewards which could be a deterrent to women who had to combine "their housework and child care with a job"

See Pages 4 and 9



WS

**LABOUR** *September commission recommends gender quota system*

# Cosatu in line for shake-up

ET (BR) 25/8/97 (140A)

**FRANK NXUMALO**

Johannesburg — Cosatu, the trade union federation, could introduce a gender quota system that would enforce that 50 per cent of its representatives were women by 2000, if it implements the findings of the September commission released at the weekend

The report, which calls for the shake-up of Cosatu and its affiliates, will be discussed at the federation's forthcoming congress

The September commission, led by Connie September, Cosatu's vice-president, undertook an 18-month investigation into the way forward for the 1.9 million-strong federation. If its recommendations are implemented, it could result in a stronger and more effective organisation and affiliates

It could also include the increase in the number of full-time office bearers from two to six, the election of three women office bearers

There could also be a radical redefinition of Cosatu's economic and social goals and strategies, workplace reorganisation, and political strategies

The report recommends that

"unions should develop an offensive programme for democracy in the workplace with the aim of preventing unilateral restructuring and asserting a union agenda", but warns that, in practice, this meant engaging company management in areas of "productivity and competitiveness"

The report says changes since South Africa's transition to democracy, including the rapid growth of a black middle-class and the reality that issues now faced by Cosatu were more complicated, indicated a decline in organisational standards

"As a result of these changing conditions, Cosatu and its affiliates run the danger of losing strategic capacity and vision. They often react in an ad hoc way," the report says

"Administrative systems in the unions are generally weak, but Cosatu cannot allow its unions to become victims of the transition they fought for"

Sam Shilowa, Cosatu's general secretary, said the commission's "boldest recommendations" included plans to augment the number of women in leadership positions, restructure the group, and build "effective organisational capacity"



**AGENT FOR CHANGE** *Connie September, vice-president of Cosatu, led the investigation into the group* PHOTO JOHN WOODROOF

# Cosatu strategic (140A) planning report out Sowetan 25/8/97

By Abdul Milazi

THE recommendations of the Congress of South African Trade Unions' September commission could play a major role in shaping the labour movement's fight for an economic vision that delivers on South Africa's social needs.

The report, which was released in Johannesburg at the weekend, will be submitted to Cosatu's national congress next month for debate.

The commission was established last year to look into the federation's future and to help realign its strategies to suit the changed economic climate.

One of the far-reaching recommendations include a call for a pro-active labour movement which will chart the way forward in the restructuring of the economy as opposed to the reactionary approach associated with worker organisations for years.

The report looks at various scenarios and suggests appropriate responses in a bid to put the federation ahead of economic and political developments in the country.

Cosatu general secretary Sam Shilowa said the scenarios in the report were not about the federation, but about the future and the impact antici-

pated changes would have on the broader working class struggle.

"The labour movement is subject to both progressive and conservative pressures and has to find a niche market for itself," said Shilowa.

The commission also recommends an overhaul of Cosatu structures, which will result in less centralised decision-making and stronger regional and local structures.

This will mean a devolution of power and a move away from the traditional practice where the national executive committee took all major decisions.

Currently representatives from affiliate unions can only make recommendations and decisions are taken by the executive committee.

The promotion of women to leadership positions is also recommended with a 50/50 ratio set as the desired target in a few years time.

The commission also emphasises "social unionism" where the labour movement tackles broad social and political issues as opposed to concentrating only on bread and butter issues.

Shilowa said the labour struggle had changed from fighting oppression to addressing poverty and unemployment.





Congress of SA Trade Unions general secretary Sam Shilowa at Friday's presentation in Johannesburg of the September Commission's report on the future of the labour movement.

Picture TYRONE ARTHUR

## Cosatu prefers 'pap 'n vleis and gravy' scenario

BD 25/3/97 (UOA)  
 THE Congress of SA Trade Unions (Cosatu) in the 21st century might have to contend with an African National Congress (ANC) government which had moved increasingly to the right, shown no economic growth and delivery, seen retrenchments and had the option of allying itself to a workers' party.

This is one of three scenarios the September Commission drew up to stimulate debate within Cosatu to assist in developing policy options for the future.

Cosatu faces a daunting future and could either find itself in the desert, as outlined above, the "skorokoro scenario" or in a preferred scenario of "pap 'n vleis and gravy". Cosatu general secretary Sam Shilowa stressed that these scenarios were to try to predict various situations, not to scare members. All scenarios were possible but not inevitable, he said.

Cosatu's preferred scenario of "pap 'n vleis and gravy" describes massive economic growth and job creation, with unions involved in deal-making and co-determination at all levels.

However, in terms of this scenario, by 2002 there appears to be some decline in investment and growth with government calling for wage moderation, flexibility and industrial peace. Labour eventually agrees to wage moderation in exchange for greater investment by business and government in training. But at the same time, a new militant federation emerges. Cosatu, in such a scenario, might be unable to develop strategies and could become increasingly co-opted and dependent on the state.

The skorokoro scenario envisages the ANC zigzagging from policy to policy with no clear vision or strategy. This would be coupled with modest growth and delivery, but increased social fragmentation together with rapid self-empowerment of black business and a black middle-class.

# Control in workplace key to change

THE Congress of SA Trade Unions (Cosatu) would have to engage in discussions on workplace restructuring and productivity if it was to shape and improve the working life of workers and contribute to economic delivery, said the federation's September Commission.

The commission recommended Cosatu should pursue an option of "social unionism" which combined broader social and political concerns with immediate worker issues. This required engagement and participation in "political and social alliances" such as the National Economic, Development and Labour Council (Nedlac).

The commission therefore called on Cosatu to reject "militant abstention" by members on issues of production and restructuring in favour of a policy of "strategic engagement".

This policy had the potential to prevent unilateral restructuring

and ensure worker gains.

However, participation could be ineffective and lead to unions being co-opted, losing direction or causing worker divisions "This is especially true if the union fails to develop its own proactive agenda for engagement."

In the majority of cases, the commission noted, unions had not taken advantage of the opportunities presented by company restructuring, such as new forums for consultation and participation. Unions lacked a clear vision and policies on what to do with their new influence and lacked the capacity to use the forums effectively, the commission said.

Unions were not able to contest restructuring effectively because of a lack of policy direction; shop stewards in individual companies had developed their own initiatives and union officials avoided engagement, while unions lacked capacity to engage effectively and

support shop stewards, the commission found.

In line with the vision of "social unionism", Cosatu unions would have to ensure an increase in worker control of production and decision-making at all levels, improve working conditions and skills and assist in job creation.

The report focused on the need for unions to discuss performance-related pay or bonus schemes. Unions had to win from employers the right to negotiate such schemes so workers could share in the benefits of improved production and shape such agreement to foster worker solidarity.

The report dealt with the appointment of union representatives to company boards, workplace forums and autonomous, union-guided work teams.

Commissioners did caution this could ensure the survival of capitalism. The challenge was "transformation from within".

(140A) BD 26/8/97



# Three scenarios of the September commission

CT (BR) 28/8/97

(140A)

FRANK NXUMALO

**C**osatu's September commission says South Africa's transition to democracy in April 1994 ushered in fundamental economic and political changes as a result of which the labour movement faces complex and difficult challenges. The report was released on Friday.



The commission, led by Cosatu vice-president Connie September, drew up three scenarios "The desert", "Skorokoro" and "Pap, vleis 'n gravy". They were designed to highlight critical challenges Cosatu may face beyond 2000 and provoke debate about possible strategic responses open to the federation.

The scenarios, according to the report, are stories about an uncertain future — for example, what will happen to the country in 2005. They are not about Cosatu strategies, but about forces and factors outside and beyond its control.

**The desert**  
In this scenario there is neither economic development nor any RDP delivery.

High-level class antagonism characteristic of capitalist society is the order of the day. The ANC government introduces its neo-liberal, macroeconomic model in 1996, but the following year the model bites the dust.

Massive retrenchments across industries follow and only the informal sector seems to be thriving. These economic conditions exacerbate social

conflict, especially at Nedlac.

In 1998 business proposes that labour moderates its wage demands, which it rejects, business storms out and the state slams the door shut on Nedlac.

Employers' associations also leave bargaining councils and although workers still have fight left in them, their industrial actions fail because of adverse economic conditions.

The ANC shifts further to the right and strikes an austerity deal with the International Monetary Fund. The masses rise against worsening economic conditions and the government responds by throwing their leaders in jail.

The downside of this scenario is that Cosatu could lose the gains it made in the years before and after 1990, and on the positive side, it could play a leading role in forging a new popular alliance by building "a new socialist movement in opposition to government".

**Pap, vleis 'n gravy**

Here the economy grows exponentially and there is a high level of development, resulting in "pap 'n vleis for most people".

The labour movement is involved in striking deals and important decisions are only made after a process of consultation across the social strata.

From 1996 onwards there is a deluge of wage deals linked to productivity and, in 1998, a landmark settlement on a "social accord" is reached at Nedlac after 18 months of deliberations.

Companies of all kinds mushroom and subcontracting and part-time work grow. But there are still huge salary gaps and differences in conditions of work. After 2002 the economy hits the doldrums, business asks labour to moderate wage demands and, after hard Nedlac negotiations, labour agrees to tone down its demands in exchange for investment by government and labour in training.

**A militant union federation**

is born that accuses the Nedlac settlement of selling workers down the river and asserts that the mandate of a union should be to procure higher wages for its members rather than getting itself involved in "solving management problems".

The commission report says the downside of this scenario is that economic growth might result in unions failing to control workplaces as new workers stream in with new interests, but on the positive side, Cosatu could increase its membership from both the conventional sectors and the new ones.

**Skorokoro**

There is some degree of economic growth and RDP delivery. The economy has grown by 4 per cent, 300 000 affordable houses have been delivered and 400 000 jobs created by 1999. Skorokoro is characterised by social decay and conflict on one hand, and by

the exponential growth of the culture of self-enrichment, black business and the black middle class on the other.

The report says in this scenario "South Africa is a skorokoro zigzagging from problem to problem" and ethnicity, racism, provincialism and regionalism reminiscent of the "five madoda at Rustenburg Platinum become very powerful as a result of lack of delivery and conflict over resources".

It says "Newspapers are filled with reports of, new millionaires, new corporate deals and high salaries of government officials and consultants. Patronage and corruption become the order of the day in government and in civil society".

At the Cosatu congress in 2003, the secretary-general tells delegates that "South Africa is in a social crisis, the government lacks a vision of where we are going and there is no leadership in civil society. We are rapidly becoming a skorokoro society and we face the danger of becoming a skorokoro union movement as well".

The negative side, according to the commission, is that the culture of self-enrichment and the growth of a black middle-class could debilitate Cosatu and its chances to develop strategies that unite workers and expose corruption. The positive side is that Cosatu could develop effective strategies for handling workplace problems and win the hearts and minds of the public by exposing mismanagement and corruption.

# Race for vital Cosatu post on

By Abdul Milazi

**T**HE leadership race for one of the most powerful positions in Cosatu, that of general secretary, has begun in earnest and has started a tug-of-war between large and small affiliates.

With Cosatu's national congress only two weeks away, affiliate unions have begun to compile their lists of candidates in preparation for the election of a new leadership.

Major affiliates such as the National Union of Mineworkers (NUM), the South African Clothing and Textile Workers Union (Sactwu) and the National Union of Metalworkers (Numsa) are in favour of retaining the current leadership, while small affiliates want a new general secretary.

At the heart of the wrangle is a growing feeling among smaller unions that they are not being given equal status to major affiliates and they feel ignored.

The federation could neither confirm nor deny rumours that NUM general secretary Kgalema Motlanthe's name was being bandied about as a favourite for the hot seat.

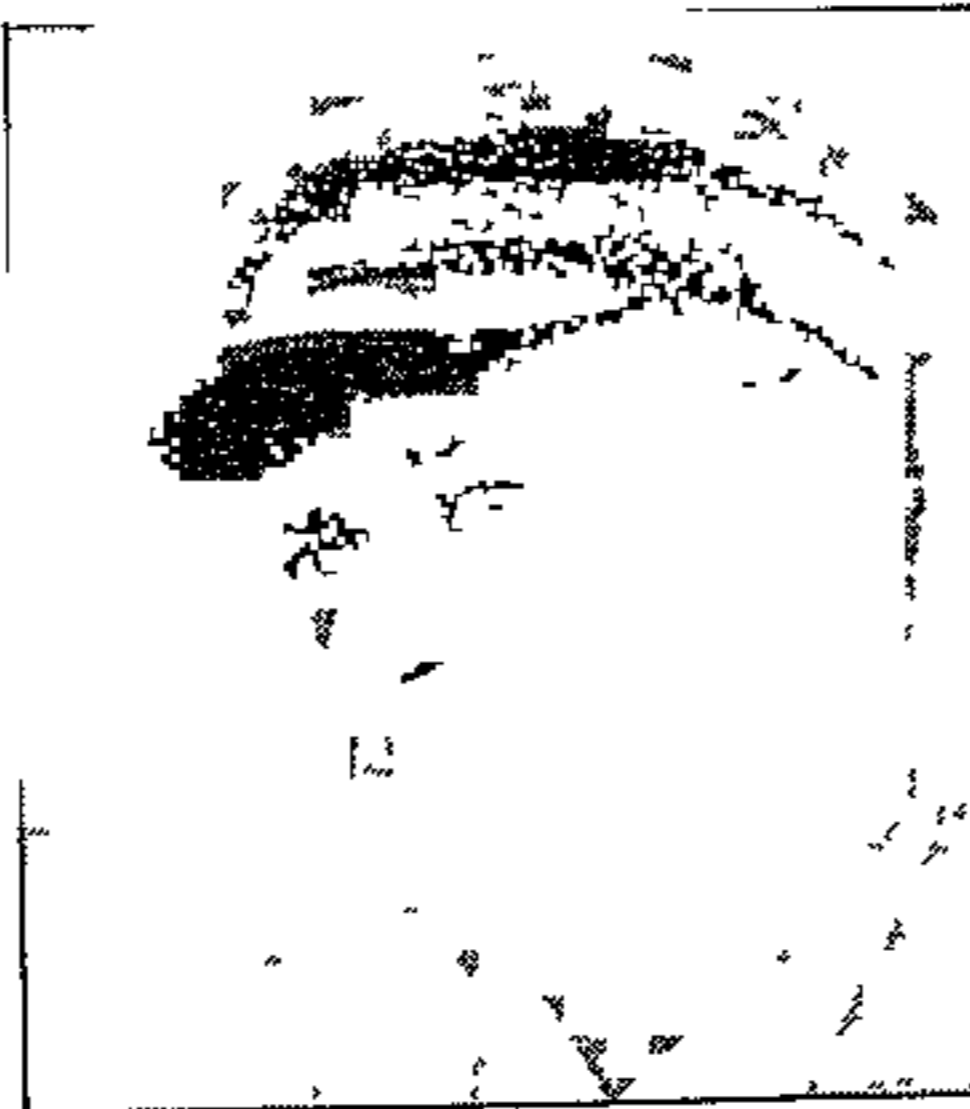
Other names mentioned were those of South African Clothing and Textile Workers Union assistant general secretary Ebrahim Patel and Cosatu assistant general secretary Zwelinzima Vavi.

Motlanthe's candidacy, however, is still uncertain after the ANC approached him to take over as the organisation's general secretary.

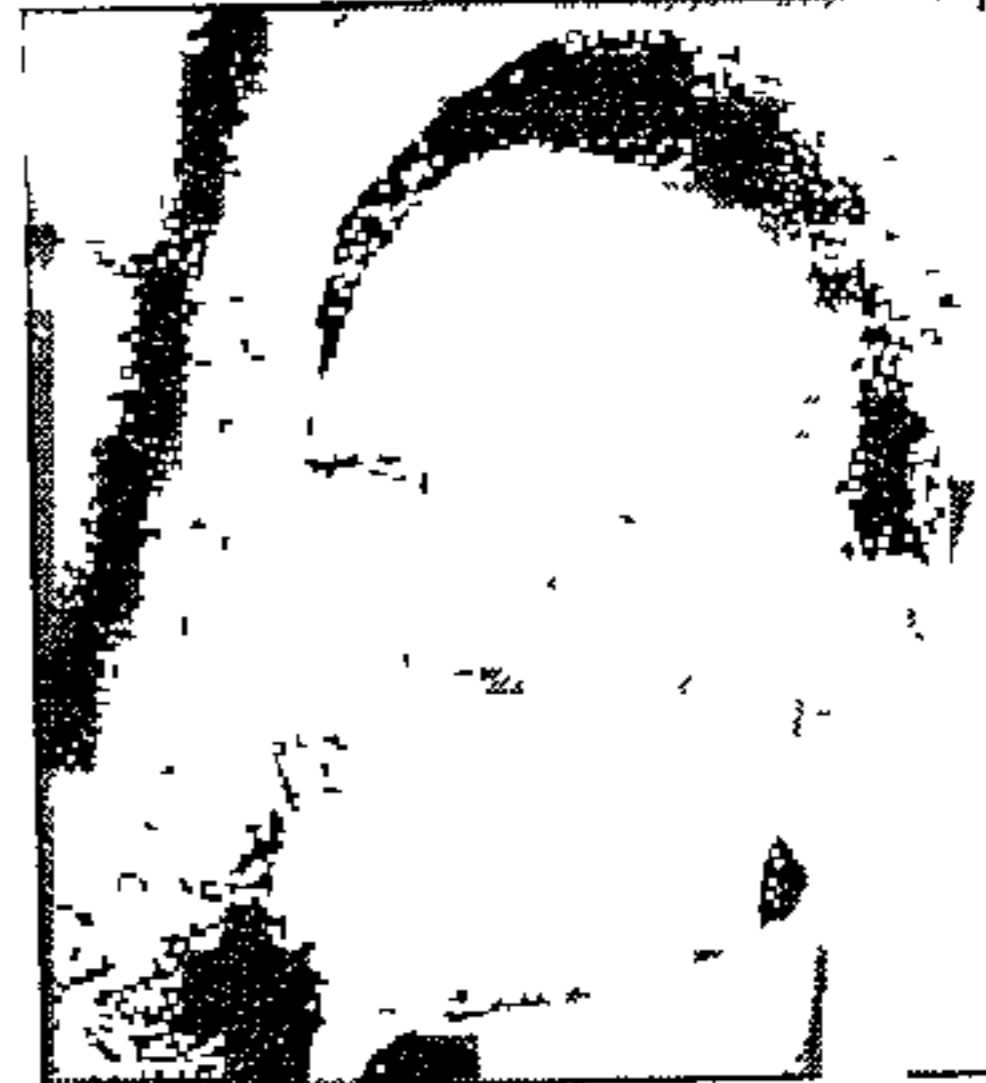
The ANC position has been vacant since Johnnic chairman Cyril Ramaphosa resigned to join business in December last year.

NUM spokesman Gregory Mcatshelwa said the union had not

## Shilowa may retain his position as general secretary of the federation



**Sam Shilowa tipped to retain his general secretary's post.**



**Kgalema Motlanthe's candidacy still uncertain.**

yet taken a decision on Motlanthe's possible move.

He said a decision would be taken at a workshop scheduled for next week to prepare for the Cosatu congress.

The race seemed to have ended before it began when incumbent Sam Shilowa indicated last week that he was available for election, after claiming that he was uncertain when approached by affiliates in June.

### Available for elections

Cosatu spokeswoman Nowetu Mpati said Shilowa and the rest of the federation's top leadership, including president John Gomomo and deputy president Connie September had availed themselves for re-election.

Although Shilowa had, on occasions, hinted that he had done his job at Cosatu and would like to move on and join either Government or business, the tripartite

alliance would not want him to leave the federation yet, at least not until the country's 1999 general election was over.

One of the concerns expressed suggest some of the ANC leaders are concerned that Shilowa's exit from Cosatu would throw the leadership race wide open and enhance prospects of a more radical candidate being elected at the September congress.

Shilowa is the man the alliance is relying on to mobilise worker support for the ANC's election campaign because of his vast experience and the leadership role he has played since the departure of his predecessor, Communications Minister Jay Naidoo, in 1994.

With the backing of major unions, Shilowa is set to retain his position in the driving seat.

NUM assistant general secretary Gwede Mantashe is tipped as Motlanthe's automatic successor, should he decide to join the ANC.



SEPTEMBER COMMISSION

# Challenging the ANC on economic policy

A recitation of socialist dogma, laced with vivid imagery, stubborn conviction and, on vital issues, constructive ideas on how to broaden economic participation

PM 29/8/97 (140A)

The September Commission on the future of trade unions will undoubtedly add to the ideological foment within and beyond the ANC-led tripartite alliance Commissioned by the Congress of SA Trade Unions, the 202-page report is sharply critical of current ANC economic policy and, by implication, of the ANC leadership for adopting it

Two central themes run through the report a re-affirmation of Cosatu's commitment to socialism, give or take a few minor modifications, and rejection of the core of ideas underpinning the ANC's policy of Growth, Employment & Redistribution (Gear)

Unless Cosatu vice-president Connie September and her co-commissioners are trumpeting their ideological beliefs without conviction — and there is no reason to think that is so — there will be fierce debate and even acrimonious conflict before the ANC and its allies, Cosatu and the SA Communist Party, can agree on a manifesto for the general election of 1999

The report identifies its central objective as "reclaiming redistribution as the fundamental goal of economic policy" It believes this is essential to the eradication of poverty and reckons the ANC, in its anxiety to meet the "demands of financial capital," has relegated it on its agenda

Implicitly but unmistakably chastising the ANC for downgrading the development targets set out in the Reconstruction & Development Programme and giving priority to fiscal discipline, the report says of the policies underpinning Gear "They promise to strengthen capital and weaken labour They promise little redistribution of wealth and economic power in our society"

Looking ahead to the first decade of the new millennium, the report outlines three possible scenarios desert, *skorokoro*, and *pap 'n vleis* (with gravy)

The first and third scenarios need little explanation in the first there is no economic development and no RDP delivery, in the third there is massive economic growth and high RDP delivery The *skorokoro* scenario derives its name from township slang for an old, beaten-up car which goes in fits and starts and, in the commission's judgment, is likely to define SA in the new century under present ANC policy

Characterised by a powerful black business elite and an emergent black middle class, but continuing poverty for the vast majority of blacks, SA will become "a *skorokoro* zigzagging from problem to problem" — unless the ANC can be prevailed upon to change its policy

The report's proposals to avert the disaster implicit in the *skorokoro* metaphor fall into two broad categories

□ Those which appear to be a ritual reformulation of socialist shibboleths, recited as if the commission mem-

bers had witnessed neither the collapse of communist regimes in eastern Europe and the former Soviet Union nor the rejection of socialism in favour of market-based economies in most of Africa, and

□ Those which entail detailed examination of alternative methods of giving ordinary people a greater stake in the economy, in the private and public sectors

Its socialist prescriptions include expansion of the role of the State in the provision of social services and supervision of the economy, increased regulation of the financial market, including maintenance of exchange controls, reconstruction of the Reserve Bank to "sensitise" it to the development needs of the country, and rejection of budgetary deficit targets if acceptance means curbing State expenditure rather than increased taxation of "the wealthy"

But, in contrast to these dreary formulas for State-controlled, planned economies, the report details ways of empowering ordinary people through the imaginative use of union retirement funds, the establishment of employee and community-owned companies and co-operative movements, the formation of union investment companies and the creation of employee share ownership projects

It clearly prefers some of these options as a safer route to a bigger share in the economy for the deprived underclass It is particularly wary of share ownership projects as a device for big business to co-opt employees

The report devotes focused attention to union retirement funds, in part because they represent a huge sum of money — it estimates that retirement funds amount to about R500bn, a large part of which consists of the deferred wages of workers — and because the investment of union retirement funds is a controversial issue

The commission advises union leaders to develop coherent and transparent policies in their investment of union retirement funds to avoid the risk of mistrust developing between themselves and the members they represent

It does not, however, eliminate any of these routes to a greater share in the economy, arguing that there is a case for experimenting with a range of alternatives to "assess their advantages and disadvantages in practice"

While the commissioners will probably shudder in ideological horror at the thought, these options are compatible with popular capitalism, as exemplified in the shared-stakeholding model rather than the traditional capital vs labour adversarial paradigm

In the pending debate with its Cosatu ally, the ANC should seek a *modus vivendi* in popular capitalism, for its and SA's sake ■

COSATU AND THE ANC

(140A)

## Living with labour unrest

FM 29/8/97  
Cosatu and ANC press on with alliance despite major differences

**Despite the** September Commission's recommendation that the Congress of SA Trade Unions (Cosatu) "strengthen" the alliance between itself and the ANC and SA Communist Party, it is hard to see the marriage holding after 1999 with the labour federation's constant sniping at the ANC's macro-economic policy, Gear

The potential for a split — leading to Cosatu forming a separate Workers' Party — is real, observers say, though not immediate. Neither partner wants a split now.

The prospect of a break is mooted as the worst scenario by Cosatu vice-president and commission chairman Connie September in her report. It might yet become likely.

Meanwhile, some kind of *modus vivendi* will have to be found to carry the two long-time allies through to the election, say labour consultants Gavin Brown and Duncan Innes. Both believe government will stick with implementation of Gear, but without significant moves to loosen the labour market — yet.

This implies there will be no let-up in industrial strikes, as witnessed with this month's rolling action by Cosatu against the Basic Conditions of Employment Bill.

After the election, a new government under Thabo Mbeki is expected to pursue Gear more diligently, including its pro-

gramme for greater labour market flexibility — the primary source of Cosatu's rage.

Brown foresees a gradual erosion of Cosatu's influence, with government making ad hoc concessions to labour aimed at keeping Cosatu on board. But these concessions will be harder to make after 1999.

The fact that a commission was set up to look into its future was a sign of Cosatu's declining influence, he says. The report certainly is forthright in acknowledging organisational weaknesses in Cosatu, membership dissatisfaction and ideological confusion in the new era.

Cosatu's fundamental differences with the ANC leadership over economic policy are clear from the commission's report. While it stops short of calling for worker control of the means of production, socialism remains its ideal.

September says Cosatu should stay in the alliance because it offers the best means to achieve transformation. Cosatu will have to push harder to achieve its ends, says general secretary Mbhazima (Sam) Shilowa.

Cosatu knows that if it does pull out of the alliance, government could simply go ahead and implement Gear's "neoliberal" policies, which the unions charge have supplanted the RDP and were, anyway, drafted by "10 white men" (The World Bank this week praised SA's economic management while calling for greater flexibility on the labour front and enhanced training).

Cosatu's first prize, therefore, is to slow down, if not radically alter, the process of Gear's implementation, Innes argues. Hence September's recommendation that Cosatu-aligned MPs be made more accountable not only to the ANC (on whose list they appear in parliament) but also to the labour federation they come from.

Amarnath Singh



# Shilowa says he plans to stay with Cosatu

## Unions want to rebuild their alliance with the ANC

CAROL PATON

(140A) ST 31/8/97

**S**AMSHILOWA, Cosatu's general secretary, is to stand for re-election at the union federation's congress next month

This ends months of speculation that he would leave the trade union movement for a job in government

"I am an activist of the (liberation) movement and I have a particular role to play in the federation. I will be available for election if nominated," Shilowa said this week

Nominations for the election of Cosatu office bearers close today

Shilowa also spelt out a new approach to Cosatu's alliance with the ANC ahead of a crucial

summit this weekend designed to resolve mounting tensions between them

It calls for the formulation of a joint programme of campaigns and activities leading up to the 1999 elections and for an "alliance agreement" which will identify policies on which the ANC and Cosatu agree, disagree, or can develop together

Cosatu will also put forward proposals arising from the September Commission — an 18-month internal investigation into the future of Cosatu — for labour representation on ANC election lists as well as representation by Cosatu leaders on the ANC national executive committee.

The drive by Cosatu to revitalise its partnership with the ANC comes after a year of increased tensions, in particular over the government's economic

policy framework, Gear, and the proposed Basic Conditions of Employment Bill

"Because of our differences over the Basic Conditions of Employment Bill and economic policy we have focused on areas where we differ at the expense of a programme on issues on which we agree," Shilowa said

"I hope we can emerge from the summit having identified the key issues even if we are not able to agree on the specifics of each issue"

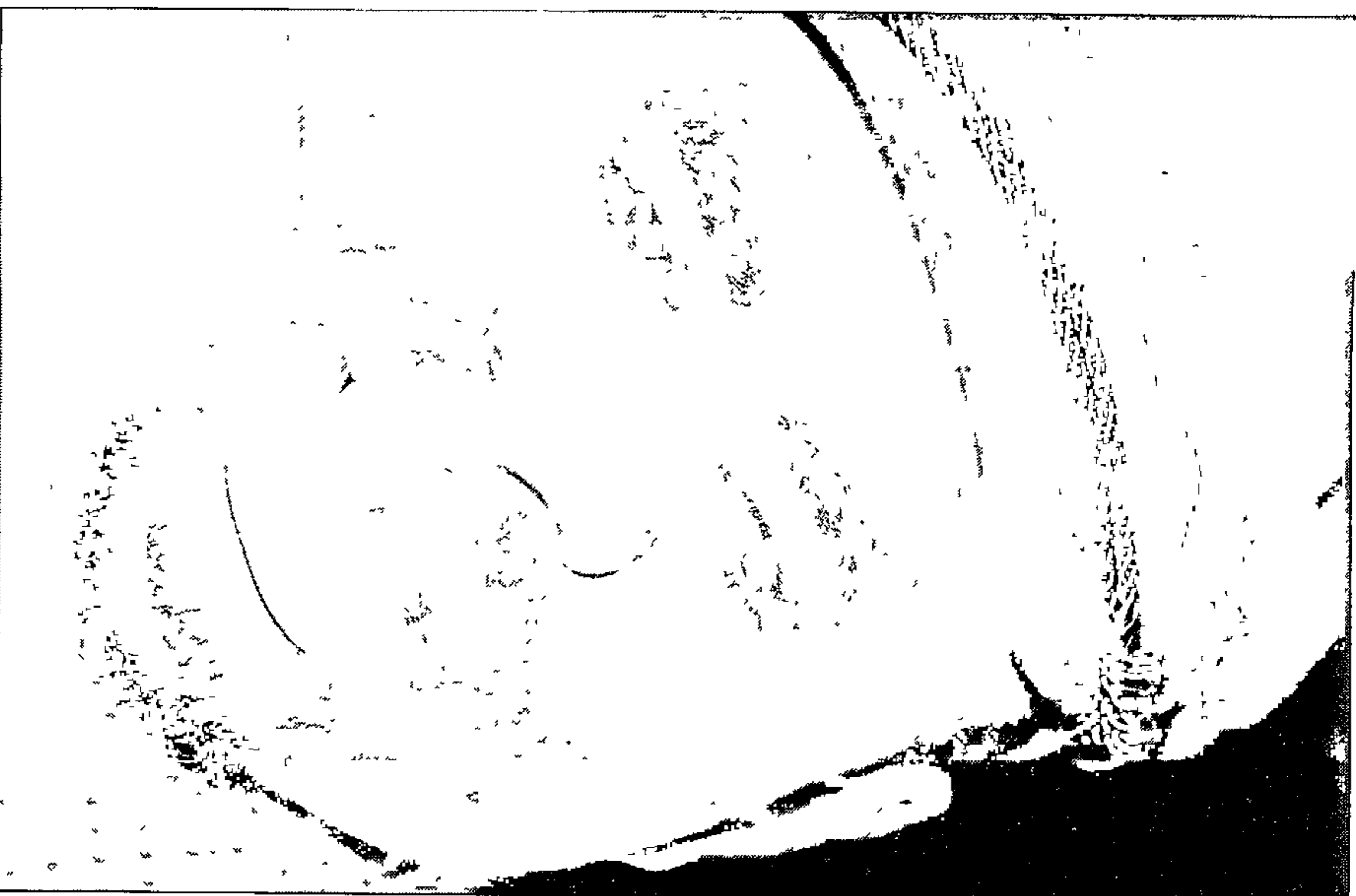
Cosatu's alliance with the ANC and the contentious issues of labour representatives on ANC election lists and the ANC national executive committee will be debated at Cosatu's September conference

However, Shilowa said that the key matter for debate was not whether to continue in alliance

with the ANC but how it would work in practice. Most affiliates and labour leaders feel that the alliance has been largely ineffective since the ANC came to power

Shilowa said "However, we realised that what we do now could either strengthen the alliance or cause its disintegration. One of our responsibilities is to put all our energy and effort into rebuilding the alliance. That's because it is the best hope we have for genuine transformation, irrespective of what our differences may be over specific issues"

On the question of the election of labour representatives to Parliament on the ANC ticket, Shilowa said he favoured "a situation where Cosatu is able to say who can go to Parliament and who needs to remain in the organisation"



**MAIN MAN:** Sam Shilowa is an activist who has a role to play in labour affairs, so he won't be joining the government  
Picture: JOE SEFALE

# THE FINAL

# COUNTDOWN

ST 31/8/97

## Mutola goes head to head with Pavarotti in bid for Olympics



### INSIDE

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- It's time to right the wrongs of history / 28

line in a newspaper in Rome this week described the President's presence in Lausanne as a "coup" for Cape Town. South Africa is also trotting out top African athletes to bolster its bid. Gold medallists Penny Heyns and Josiah Thugwane will accompany Kenya's Paul Tergat, Namibia's Frankie Fredericks and Maria Mutola of Mozambique. Among Italian bid supporters are soccer stars Paolo Maldini and Roberto Baggio, and fashion

designer Valentino, who appear in a video made for Lausanne. But Italian newspapers said this week Pavarotti could also attend in person.

Although it is hoped Mandela will sway the uncommitted voters, Cape Town will be lobbying IOC members until the last minute to ensure maximum support.

International lobbyist Ntsundeni Madzunya, who arrived in Lausanne on Friday, said the main tactical thrust of the lobby team in the next few days was to work on "secondary" votes.

"We are confident of having enough primary votes to get through at least the first two rounds of voting," he said. "We need to win the votes of those members whose first-choice cities are eliminated."

Madzunya admitted that Cape Town was hoping to capitalise on the bitter rivalry between Rome and Athens, regarded as its main threats.

South African IOC member Sam Ramsamy, who will introduce the Cape Town presentation on Friday, said the city had reached the final five because of the political transformation in the country.

"The world respects us for converting a dream into a reality," he said.

"I am going to impress on my IOC colleagues that we are capable of converting a second dream into a reality and a miracle. The IOC evaluation commission have confirmed that we have the technical capacity to

**DON'T MISS OUR SPECIAL OLYMPIC BID EDITION NEXT SUNDAY**

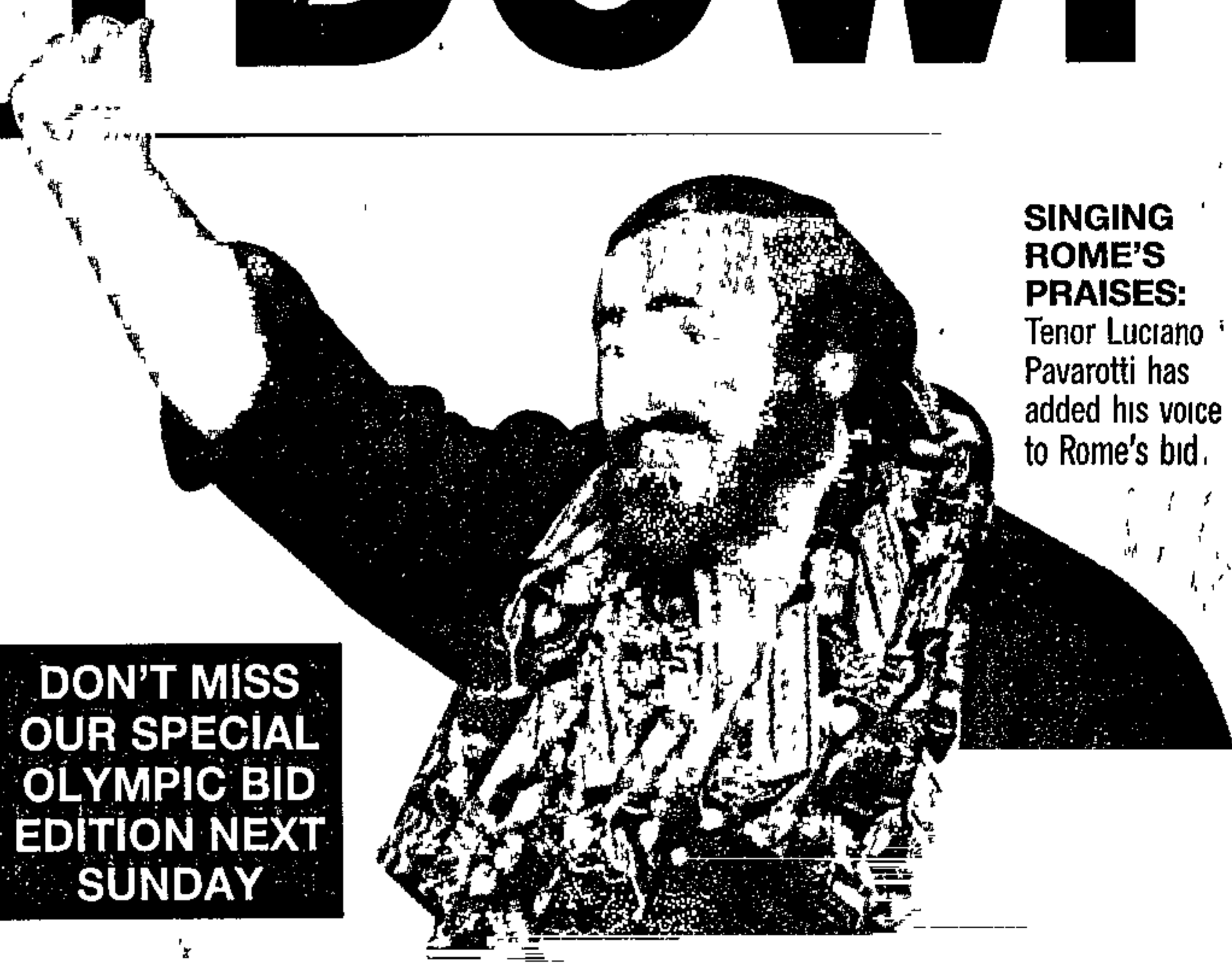
stage the Olympic Games and it will be a great triumph for the Olympic movement as a whole if the Games are held in Africa for the first time."

Bid chief executive Chris Ball said in Lausanne yesterday that respondents in the Western Cape poll, conducted by Research Surveys, cited job creation as the most important reason why Cape Town should get the Games.

"This result will help us to convince the IOC that they should grasp this extraordinary opportunity, the first they have had in more than 100 years of their history, to award the Games to Africa," Ball said.

Support was highest among blacks and coloureds, although backing from whites was also above 50 percent.

Planning manager Nicola Lloyd has headed a seven-member logistical advance guard for the bulk of the South African delegation which will make a spectacular arrival in the bid aircraft, Ndizani, tomorrow. It will fly low over Lake Geneva



**SINGING ROME'S PRAISES:** Tenor Luciano Pavarotti has added his voice to Rome's bid.

and the "Swiss Riviera" which includes the towns of Lausanne and Montreux where IOC members and bid city delegates are gathering.

Yesterday Lloyd supervised the arrival of four tons of cargo which included the gifts for IOC members.

"We are playing by the rules, which means a limit of \$350 (about R1 645) in value," said lobbyist

Madzunya. "They are small gifts but we want to surprise the members when we hand them out during the week."

Cape Town and Stockholm have established an early presence in Switzerland, with the bright orange T-shirts of Stockholm's bid personnel competing with the rainbow colours of the Cape Town bid logo.

Ball held his first strat-

egy meeting yesterday afternoon despite the presence of several bid utives who will only today after a delay in Johannesburg.

Cape Town's Theresa Solomon she looked forward to a crucial week in the history of the bid. "I'm hard work," she said.

● See Business T for Internet





# Cosatu plays catch-up in a changing world

(140A)

ST 21/9/97

*At a congress bogged down in a procedural mire, the trade union federation sought to adjust to a shifting global economy and redesign its relationship with the ANC. CAROL PATON reports on how it met the challenges*

**I**N HIS opening remarks to the Cosatu congress this week, general secretary Sam Shilowa observed that the future was not what it used to be.

In the three years since the trade union federation's last congress, both the South African and the world landscape have changed dramatically.

To its surprise, Cosatu was left behind as the ANC, its ally, strode ahead with a programme of ambitious legislation and reform, not all of it to Cosatu's liking.

In addition, the inexorable trend towards a global economy experienced by workers elsewhere made its impact on South Africa, and the world of work, too, became something it never used to be.

Cosatu — born out of the militant struggles of workers for basic rights in the 80s — held its sixth congress this week, faced with the inevitable need for change.

Its first challenge, in the light of its recently diminished political influence, was how to thrust itself back on the political centre stage it once shared with the ANC.

The second was to make the changes necessary to give shop stewards and affiliates the backup they need to take on the issues of the global workplace, like workplace restructuring and productivity.

Cosatu's determination to meet the first challenge was made clear from the start.

With President Nelson Mandela on the podium as its special guest, Cosatu set a vibrant electioneering mood. As Mandela looked down on the sea of some 2 000 red T-shirts and caps representing 1,7 million members, the significance of the song they chose to sing — *Holomisa closes, Mandela opens* — was not lost on him.

Mandela stated unequivocally that the ANC valued its alliance with Cosatu, and he would like to see greater involvement by Cosatu in policy-making.

Referring to Gear, the government's economic policy, he acknowledged the damage that had been caused by the government's unilateral adoption of it.

"It is wrong for the ANC to present their own positions as non-negotiable, even while exercising broader responsibilities in government. It was unfortunate that with Gear we did not have sufficient consultation with other members of the alliance."

"We ignored those who put us in power. There is nothing more dangerous than a government forgetting its constituency, forgetting the views of those who put them in power," Mandela said.

But the ANC still believed South Africa needed Gear to pull its economy out of the doldrums created by apartheid, he added.

Mandela's speech was followed by a loud

restatement by workers of their opposition to Gear in the form of a song, *Cosatu, Asifuni Gear* (Cosatu does not want Gear), but his conciliatory comments on the importance of the alliance, first acknowledged some weeks back at a summit between the two organisations and the SACP, showed that the rift between them has been bridged well ahead of the 1999 elections.

At a summit at the end of last year, Mandela had had to ensure he was not followed out of a meeting by a furious Cosatu office bearer whom he feared wanted to throttle him. Now Cosatu has changed tack and is prepared to criticise Gear while seeking other ways to influence the ANC.

Even the debates that once ignited congresses into fierce battles between those who backed the alliance and those who wanted political independence for workers had died. In their place was a recognition that the alliance "remains the only vehicle capable of bringing about a fundamental transformation of our country."

"More than ever before, Cosatu should maintain and strengthen its alliance with the ANC and SACP," states a resolution proposed by eight unions, including the National Union of Metalworkers of SA, once among the ANC's biggest critics.

But the difficulty for Cosatu remains how to influence policy driven by "technocrats and bureaucrats", who do the research, advise the ministers and write the laws.

One solution put forward by the September Commission — an extensive internal investigation into future options for Cosatu — and adopted by the congress, is to formulate an alliance transformation programme with the ANC to outline key areas of society that need to be transformed within the interests of workers and the poor.

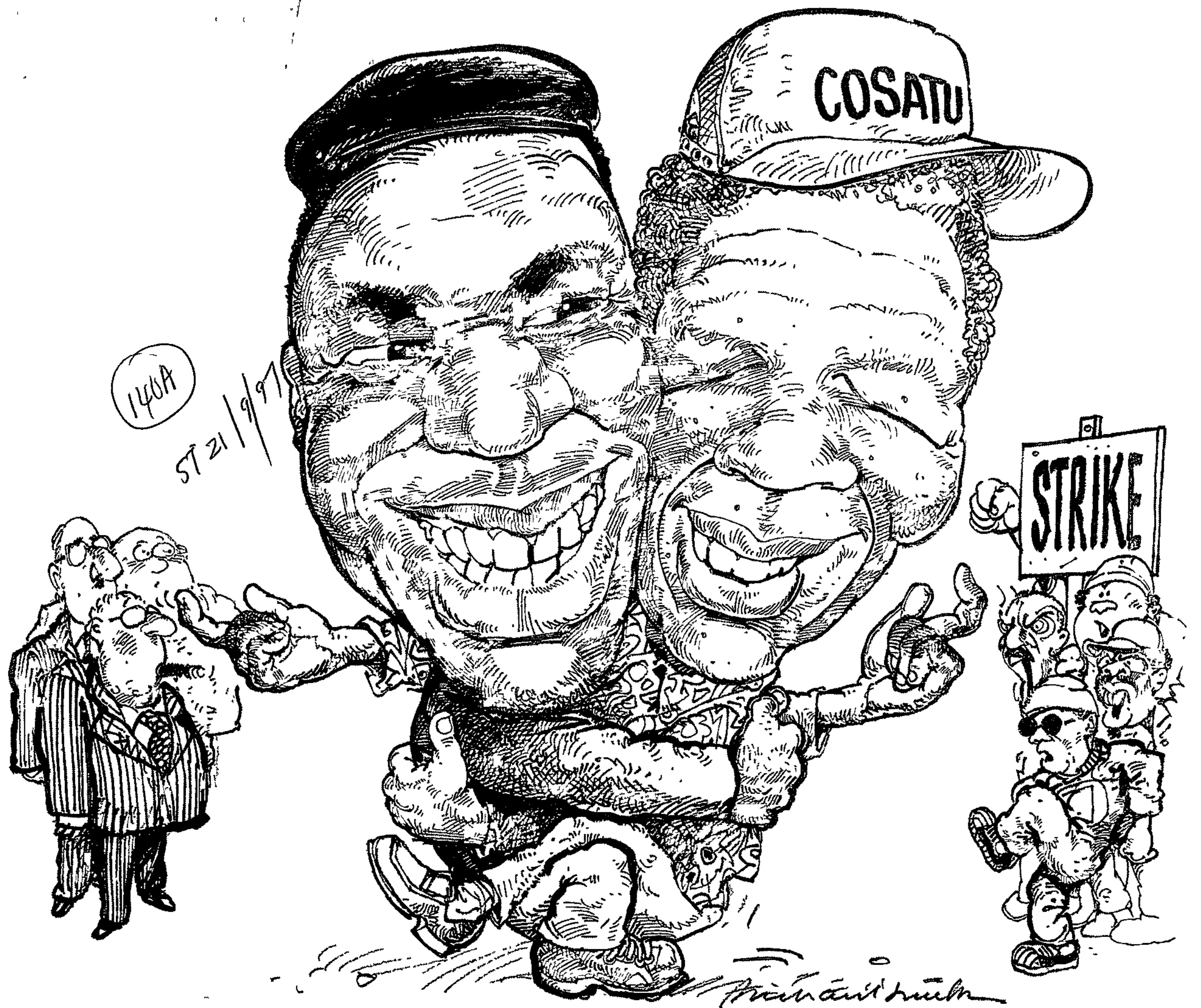
The congress also agreed to formulate an election platform within the alliance that would look at an election manifesto and agree on the candidates list process.

Whether Cosatu should send representatives to Parliament again, and on what terms, did not reach the congress floor for debate. The matter is likely to be taken further when Cosatu meets the ANC to discuss an alliance transformation programme.

Cosatu has been unhappy with the role its representatives, who were sent to national and provincial parliaments on an ANC ticket, have played. It lost valuable human resources without gaining the political influence it had hoped for.

In the secretariat report, Shilowa said "While some have been active in maintaining dynamic contact with the federation and in supporting pro-worker positions, others have been hopeless, to say the least. Their





positions are so extremely right-wing that one sometimes wonders whether, indeed, at one point they were part of us."

One of the most heated political debates was on whether Cosatu national office bearers could be eligible for election to the ANC national executive committee.

Unions like Nehawu argued for office bearers taking posts in both organisations. On the other hand, those like Numsa argued that national office bearers should retain their political independence. Numsa later withdrew in the face of huge opposition, making it likely that Shilowa would soon be elected to the ANC's executive.

But cumbersome democratic procedures made it impossible for Cosatu to get through the long list of political and socio-economic issues it had hoped to discuss.

All the socio-economic matters — a list of 47 resolutions on issues like guidelines for union investment companies, privatisation and the jobs summit — were deferred to a special policy congress to be held within six months. In place of the long list of economic resolutions, Cosatu adopted a declaration restating its opposition to Gear.

Nevertheless, on the political front, its proposals around the alliance mean that Cosatu has forged a stronger direction than it has had for many years.

But in meeting the organisational challenge, the results were less even. Lengthy debates over procedures and the wording of clauses made progress agonisingly slow. It was clear that for any organisation, particularly one steeped in established ways of

doing things, change is a painful process.

The September Commission, which released its detailed report last month, made extensive recommendations on the options open to Cosatu if it is to adapt to a changing global economy. It advocates "social unionism" — building a union movement able to be both a powerful representative of workers, but also a motor force of a larger working class movement for social justice.

The broad thrust of many of its proposals is for a stronger, more powerful centre, bigger unions organising across industries but grouped into sectors, and greater power to full-time elected union officials.

These proposals met with a mixed response from the congress, and were at

times the subject of procedural delays and resentment from the floor of what was viewed as heavy-handed attempts by Shilowa and his office bearers — who all formed part of the commission — to steer Cosatu in a particular direction.

While some resolutions in this vein were accepted, others met with staunch opposition. One was a proposed constitutional amendment that would have allowed all office bearers of Cosatu or an affiliate, including full-time office bearers, to be classified as workers, not officials. This would give full-time officials greater power, the implication being that the power of workers to control their own unions is reduced.

The commission's most controversial

suggestion — that Cosatu and its affiliates agree to a 50 percent quota of women leaders — was rejected by the congress.

Cosatu's leaders have, through the September Commission, worked out how they will change their organisation to meet the demands of the time. They have also begun to forge political direction following the recent alliance summit. But the long agenda, and the wrangling over procedure at the congress, has meant these advances have yet to resonate with its rank and file.

The extent to which Shilowa and his fellow office bearers will be able to win support for their new direction will determine Cosatu's ability to adjust to changes in the global economic environment.



# NP hits out at Cosatu's stance on Gear

Reneé Grawitzky

IN THE aftermath of the Congress of SA Trade Unions' (Cosatu's) sixth national congress, the National Party (NP) hit out at the federation's stance on government's macroeconomic strategy and said this would be the African National Congress's (ANC's) greatest single test since assuming power in 1994

The NP said the message from the congress was clear and Cosatu's increasingly aggressive and outspoken stance against the growth, employment and redistribution strategy (Gear) and also its "advocacy of an orthodox hardline socialist agenda", revealed a deep ideological divide in the ANC/Cosatu/SA Communist Party (SACP) alliance

The ANC would have to make a clear choice between the interests of SA as a whole on the one hand, or the effort to keep its already shaky tripartite alliance intact, the NP said

Serious uncertainty had been created about the future of Gear and the NP called on Deputy President Thabo Mbeki

to respond to the challenge which Cosatu and the SACP had posed

Sapa reports that Cosatu general secretary Sam Shilowa said the organisation's stance on Gear went beyond simply rejecting the policy by proposing a way forward. In the absence of debate on socioeconomic issues, congress endorsed a broad commitment to reject Gear and called on government to adopt a developmental macroeconomic framework, based on the principles of the reconstruction and development programme

Shilowa told a media briefing that the success of the congress had to be measured against what it had set out to achieve, including building a strong federation and leadership capacity and setting up viable union structures

Shilowa, assistant general secretary Zwelinzima Vavi and president John Gomomo were re-elected unopposed. First vice-president became a contest between former incumbent George Nkademeng and Connie September, former second vice-president. September was voted into his position

Food and Allied Workers' Union president Peter Malepe was appointed second vice-president after National Education Health and Allied Workers' Union president Vusi Nhlapo, withdrew from the race on Thursday

In line with a congress resolution, Cosatu's constitution has been amended to ensure that elected national office bearers will become full-time officials

Delegates reaffirmed their commitment to socialism and the alliance but pointed out that Cosatu would support government when it adopted progressive policies and "oppose it when it advances policies against the interest of workers"

Delegates endorsed a range of proposals including the development of a clear transformation programme for the alliance, resources to ensure it's effective functioning, and the development of an election platform. The congress noted Cosatu's commitment to the alliance had to be coupled with a "vigorous defence of the federation's political independence"

See Page 13

BD 22/9/97

(140A)

But while the figures themselves represent one aspect of change, another fact that John more rap- that den



# Cosatu's congress becomes a 'ritual'

(140A)

BD 22/9/97

**T**HE Congress of SA Trade Unions' sixth national congress, which ended on Friday, failed to address crucial socioeconomic policy issues and instead became embroiled in long-winded and tedious debates which came close to derailing the process.

Before the congress, expectations were running high that a major showdown would take place on the growth, employment and redistribution strategy (Gear) and on whether the federation would unconditionally support the African National Congress (ANC) in the 1999 elections.

Some members came away disappointed when this failed to materialise as members became involved in lengthy debates on what appeared to be mere technical amendments to the federation's constitution.

Others were unhappy because they felt the congress had been carefully controlled by the leadership, and that the alliance debate — traditionally the focus of bitter battles at previous congresses — had already been resolved.

For many delegates and politicians, union congresses are seen as a political rallying ground — the address by President Nelson Mandela and the subsequent appearance by his former wife on the last day, to tumultuous applause, could be cases in point.

In the absence of political debate, Gear was expected to top the list. But here again delegates were apparently short-changed as time constraints forced the congress to adopt a broad but meaningless resolution, rejecting Gear. This was after two unions agreed to drop support for a resolution proposing that Cosatu call on the ANC to abandon it.

It was also agreed that socioeconomic issues, supposed to be at

the heart of congress debate, would be addressed only at a conference within six months, not before the December ANC congress.

Tub-thumping and rhetoric might have been sufficient to ensure Cosatu's survival in the 1980s, but the challenges being forced on it by globalisation and having to operate under a new political dispensation have brought major pressures on the federation, which needs strategies appropriate to the modern environment.

Hence an attempt to shift the focus of the congress. However, one observer says although the

on Gear and the alliance

On the surface, his comments on Gear failed to appease delegates, who continued to chant "down with Gear". However, on another level, his address had the desired effect of restraining the debate, despite outbursts from some affiliates, and the broad resolution merely reflected already held positions.

At the end of the day, as one delegate says, the ANC has effectively contained the Cosatu leadership, despite the rhetoric. One of the most heated political debates, in the absence of the

stand for elections to leadership positions in the ANC

Although the congress did not get around to discussing amendments to socioeconomic policies, delegates were told that the social equity document contained Cosatu's economic policy.

In an attempt to meet organisational challenges, delegates spent a lot of time on these discussions, which often seemed misdirected. Despite this, a range of resolutions were adopted in line with the September commission report, which looked into the future of the labour movement.

## Cosatu's sixth annual congress failed to address crucial socioeconomic policy issues and instead became embroiled in tedious squabbles, writes René Grawitzky

union movement has an identity and goals, unions are essentially conservative because of their inability to change. This was clearly evident during the debate on international issues and campaigns to mobilise workers against the negative effects of globalisation.

Unions facing the direct effects of globalisation argued that it was a fait accompli, and strategies had to be developed to deal with it and protect workers.

Unions such as the National Union of Mineworkers (NUM), which is facing major challenges in the gold mining industry and has met these by signing a productivity-linked wage deal, did not agree. They said globalisation should be rejected and challenged.

The die was cast on the first day when Mandela sought to influence the mood of the congress and defuse any potential conflict

alliance debate, was on whether the federation should review its policy on deploying leaders to ANC structures.

Amid mounting opposition from the National Union of Metalworkers of SA (Numsa) to the secretariat position, ANC chairman Jacob Zuma tried to sell the benefits of deploying Cosatu leaders into ANC structures. He said the ANC would not be as progressive as it was today had it not been for the involvement of Cosatu leaders — "nor can we shape policies of a political organisation with people who do not have workers' interests at heart".

Numsa general secretary Mbuyi Ngwenza argued that the independence of the labour movement was at stake.

The congress finally resolved that Cosatu should retain its policy of releasing its leaders to

Underlying the debate on organisational restructuring, which attempted to ensure greater centralisation on the one hand and enhance local structures on the other, was workers' fear that they would lose control of the federation to national officials.

This was clearly highlighted during a heated debate, which went to a vote, on a constitutional amendment which proposed that all office bearers, including full-time officials, should be defined as employees, not officials. One of the implications was that this could give greater powers to elected officials and reduce the participation of workers in the central executive committee.

During this debate, workers clearly showed their ability to bring the national office bearers into line when they were accused of failing to run the congress prop-

official became an employee of the union, he was not seen to be answerable to workers.

Delegates were genuinely concerned that officials would use their positions to undermine workers. Workers, who had limited exposure to information, felt threatened by officials. This tension often led to officials not being used properly to workers' advantage.

"You cannot have the situation where workers are policing officials," he says.

Another delegate says the NUM lost the vote because it operated in an arrogant manner at the congress. Added to this was the historic rivalry between the NUM and Numsa, with the NUM believing that from the start of the congress a block of unions ganged up against it to ensure all its resolutions were opposed.

erly and trying to direct the outcome of the debate.

The NUM, supported by the National Education, Health and Allied Workers' Union (Nehawu), supported the amendment, which was opposed by unions led by Numsa.

A congress delegate says the proposed amendment was strongly opposed because workers were worried that if they allowed for full-time office bearers and not nominated leaders who remained workers, the officials would no longer be accountable to their constituency. If a shop steward or

Cosatu general secretary Sam Shilowa said the long-standing dispute over the demarcation of the sectors in which unions operated could no longer be allowed to continue. Any affiliate which had members in a sector traditionally organised by another affiliate would be compelled to hand those members over.

The congress endorsed the amendment to allow for six full-time national office bearers but failed to endorse a secretariat-supported proposal for the introduction of a quota system to facilitate the appointment of women into leadership positions.

The congress ended with much left unresolved, and a sense by some delegates that the event had been stage-managed to some degree. But one delegate felt one had to consider the extent to which the congress was "a ritual and process of reaffirming unity". In other countries, union congresses had become a ritual, and SA was no exception.

SA was not unique in having dozens of resolutions tabled but never adopted. "Unions have big ambitions, but limited resources," he says. The important thing was to ensure that those that were passed were also implemented.



# Cosatu's financial files receive qualified audit

CT (BR) 22/9/97 (140A)  
FRANK NXUMALO

Johannesburg — Deloitte & Touche, the auditing firm, gave a qualified audit to Cosatu financial statements covering the years 1994-96 owing to practical difficulties in core accounting areas, it was revealed last week.

The auditor's report, presented to the sixth Cosatu conference by Ronald Mofokeng, the Cosatu treasurer, showed total income was up R1 million to R15,9 million in 1996, of which R10,67 million, or 68 percent, had come from affiliate subscriptions. Donations had accounted for R4,35 million, or 27 percent. Mofokeng said this was an improvement over 1995 figures, in which affiliate funding accounted for 48 percent of total funding and donor funding 45 percent.

Cosatu is attempting to

move from dependence on donor funding towards self-sufficiency.

Mofokeng said Cosatu's total expenditure for 1996 was R15,35 million, of which salaries accounted for R4,6 million.

Obstacles to financial self-sufficiency included uncertainty on whether the labour federation would be able to recover R254 910 owed by Cosatu affiliates the Institute of Public Servants, Communication Workers' Union and South African Agricultural, Plantation and Allied Workers' Union.

The National Union of Mineworkers, Cosatu's biggest affiliate, had strong reservations regarding the recoverability of loans extended to staff, the big jump in salaries over the period under examination and the confusion surrounding the methods used to calculate depreciation rates.

**LABOUR** *Shilowa's campaign effective*

## September wins top union post

ET(BR) 22/9/97 (140A)  
FRANK NXUMALO

LABOUR CORRESPONDENT

Johannesburg — Connie September, the former second vice-president of Cosatu, gave female representation to the top level of the labour federation a boost by emphatically beating male incumbent George Nkadimeng for the powerful post of first vice-president last week.

After September trounced Nkadimeng by 1 321 votes to 628, thousands of jubilant delegates to Cosatu's sixth national congress broke into revolutionary songs, showered her with roses and carried her to the podium of Johannesburg's World Trade Centre.

September's victory and her continued presence in the ranks of the powerful National Office Bearers vindicated re-elected general secretary Sam Shilowa's protracted efforts to give practical expression to the advancement of women within the structures of the labour federation.

The post of first vice-president will also give September strong administrative leverage to kick-start the proposal by Kgalema Motlanthe, the National Union of Mineworkers' general secretary, to implement a vertical developmental programme

with "measurable targets" for the advancement of women. A proposed gender quota system was overwhelmingly rejected by affiliates.

September saw her victory as enabling her to continue her programmes of women's advancement at federation and affiliate levels. "I am very delighted that I won, but more importantly that I remain part of the leadership that will implement congress resolutions," she said.

Shilowa was vindicated. "I am happy and excited, but I see her as a fellow leader (rather than a female leader) who will add her weight to (trade union) issues."

Congress returned unopposed with veteran trade unionist John Gomomo as the president, Zwelinzima Vavi as the deputy general secretary (formerly called the assistant general secretary before the sixth congress changed the title), Ronald Mofokeng as the treasurer and Peter Malepe, the elected Food and Allied Workers' Union president, as second vice-president.

Malepe had remained the sole candidate after the withdrawal of Victor Nhlapo, who declined his nomination, and Connie September, whose nomination fell away after she was elected first vice-president.



# Cosatu's fine balancing act

(140A)

mtg 19-25/9/97

Glenn Adler

**C**osatu's fifth national congress is its most important deliberation since the federation was founded in 1985. It is undertaking a comprehensive, quite critical review of its affairs while debating innovative strategies for achieving its long-standing goals in a new democracy facing the pressures of a global economy.

At the centre of the discussion is the 234-page report from the Commission on the Future of the Unions chaired by Cosatu's second vice-president, Connie September.

This is a landmark document in the history of labour in South Africa, and its policy recommendations will have a wide impact on political and economic developments. Yet it has been generally ignored by the media. Where it has been examined, its political recommendations have been largely misunderstood and its economic thinking dismissed.

The report's treatment is indicative of a general shift in attitudes towards the labour movement. The unions that gathered in Durban in 1985 sought unity in the struggle to end apartheid and to advance a socialist transformation.

Twelve years later these goals seem, to many, a distant memory and the movement that espoused them an anachronism to be consigned to the past, along with PW Botha and the Berlin Wall. This is a serious mistake that misconstrues the complicated character of democratisation in this country and the central role labour must play if democracy is to flourish.

The September commission report is an unprecedented document. Never before has a movement of black workers survived the economic and political conjuncture in which it was born to be able to chart its fortunes in a new epoch.

From the Industrial and Commercial Workers' Union in the 1920s to the South African Council of Trade Unions in the 1960s, the labour movement's future was always decided for it by a repressive state, in

collaboration with business. Each generation of unionists had to build on the remains of those movements that preceded them.

Today's unions avoided this fate. They emerged from the fight against apartheid with their organisations intact, with their membership growing and with the achievement of a more progressive industrial relations framework under which these advantages could be consolidated.

But economic liberalisation poses a new set of problems. Tariff reduction threatens the integrity of strongly unionised industries, the easing of exchange controls increases the mobility of capital and its power against less-mobile workers, the aggressive logic of competitiveness pushes capital to intensify production and lower labour costs inside firms while deregulating the labour market more generally, government deficit reduction constrains programmes of redistribution for redressing apartheid inequalities.

Cosatu faces two extra challenges. First, it must develop responses to these threats while in an alliance with a party in government responsible for many of these same economic policy changes. Recrafting its relationship with the ANC means defining a new etiquette of opposition and support.

Second, it must remake its own internal structures and practices originally devised for a smaller opposition movement that abstained from involvement in policy-making.

Responding to these challenges is akin to renovating one's motor vehicle while driving at speed in the fast lane of a motorway. It is not a job for the faint-hearted. Yet it is precisely this task that Cosatu undertook when it initiated the September commission in early 1996 to develop the "vision, goals and strategies to take Cosatu into the next century."

The commission conducted a careful analysis of Cosatu's current posi-



Food for thought: The September commission report is the starting point for debate at Cosatu's crucial fifth congress this week. PHOTO: DANNY HOFFMAN

tion, warts and all. It makes quite damning statements about organisational weaknesses (particularly in regard to national and regional structures), the failure of affirmative action, and the lack of clarity regarding fundamental policies and vision.

The report develops a comprehensive economic strategy derived from its commitment to a socialist society. It places redistribution at the centre of a programme for meeting the needs of all citizens and outlines policies in four interlinked areas: the public service, the state sector (state-owned enterprises), a social sector (co-operatives, community-based organisations), and the private sector. It envisions transforming the latter in-

to a "stakeholder sector" to increase democratic control over decisions on investment and distribution.

Its political strategy prioritises the need to deepen and extend democracy, and recommends revitalising the tripartite alliance around a common com-

mitment to democracy, development and overcoming poverty.

It makes extensive recommendations on changing the public sector, to democratise its old authoritarian institutions and to transform it into a developmental state capable of contributing to Cosatu's ambitious economic programme.

Finally, the report recommends revitalising Cosatu itself to retain its internal democracy and dynamism

under new conditions. This involves new commitments to organising new layers of workers traditionally outside the labour movement, and expanding and entrenching the participation of women in the federation.

The report also recommends building a more effective internal administration and management, while balancing these functions with the imperative of worker control. Finally, it advocates expanding the capacity of the federation by increasing the number of full-time officials, while bolstering the powers and resources of regional and local structures.

In some cases, these recommendations draw together policies that have been developing over a number of years. In others — particularly in economic policy — the commission makes bold departures.

Some of these recommendations will not sit easily with the rank-and-file, such as the acceptance that under certain conditions workers must engage with management's goals of productivity and competitiveness, and experiment with the provisions of the new Labour Relations Act expanding opportunities for worker participation in enterprise decision-making.

These recommendations will produce strong debate, and many affiliates have introduced resolutions critical of these ideas. But the commission's goal was to open, rather than close, discussion on these issues.

What is most impressive about the document is that it has emerged at all. Few labour movements in the world would have undertaken such a task — and none would have done so un-

der such internal and public scrutiny and challenge. In this respect it is noteworthy that the commission was composed exclusively of black working-class intellectuals who had ultimate control over the research and writing. This should put paid to reports that the labour movement is "brain dead", owing to the departure of many (white) leaders to the government.

The commission testifies to the labour movement's continuing intellectual vitality and its current office-bearers' willingness to accept the responsibilities of leadership.

This is good news for Cosatu, and good news for democratisation. As the labour movement was a crucial actor in bringing about democracy, so, too, is it necessary for consolidating, deepening and extending democracy.

Many in business and the government will take issue with Cosatu's economic policies that are derived from a socialist project. But in the absence of a programme of redistribution, it is difficult to see how current macro-economic policies will seriously redress apartheid's legacy of inequality.

At some point — one hopes sooner rather than later — both business and the government will have to engage with Cosatu's economic thinking, as outlined in the September commission report. Perhaps then it will get the attention it deserves.

Glenn Adler is a research associate at the sociology of work unit at Wits University, and a senior researcher at the National Labour and Economic Development Institute.

At the congress, PAGE 38



# Nedlac in for stormy weather

By Amrit Manga  
Assistant Editor

Disagreement on Basic Conditions of Employment Bill damaged relations

A GREAT deal of scepticism greeted the inauguration of the National Economic Development and Labour Council (Nedlac) in February 1995.

Doubts about building a social partnership were expressed in many different ways. But a common concern featured throughout - will the tripartite marriage between Government, business and labour last?

In the face of scepticism, organised labour, in particular, seemed confident Nedlac would survive. Congress of South African Trade Unions (Cosatu) president Mr John Gomomo, however, cautioned that the marriage would not be an easy one.

"You cannot bring together Jabu Xulu, earning R200 a week after working for 15 years, with a family of five to feed, and John Smith, the chief executive of a major conglomerate earning R20 000 a week, and expect that there will be a calm and easy process," he said.

Gomomo's illustration captured the very essence of the challenge Nedlac faced.

It highlighted a reality many optimists chose to underplay - namely the class divisions that characterised the social partnership between Government, labour and business that Nedlac hoped to build.

No one could therefore have expected that the relationships in Nedlac would be without heat. After all, this is one of major forums in which contending class forces would contest the redistribution of wealth. It is a contest that would at the best of times be robust and even conflictual.

Despite these difficult challenges, Nedlac's social partners were able to strike important deals. Among them were the Labour Relations Act, health and safety legislation for the mining industry, ratification of a series of International Labour Organisation (ILO) conventions and a conclusion of the social clause debate.

But these achievements have been overshadowed by the recent adversarialism generated during the Basic Conditions of Employment Bill (BCEB) battle, which has left Nedlac deeply scarred.

## Caustic exchange

This week, at a crucial Nedlac management committee meeting, the adversarialism boiled over and manifested in the "most caustic exchanges yet seen in Nedlac's brief existence".

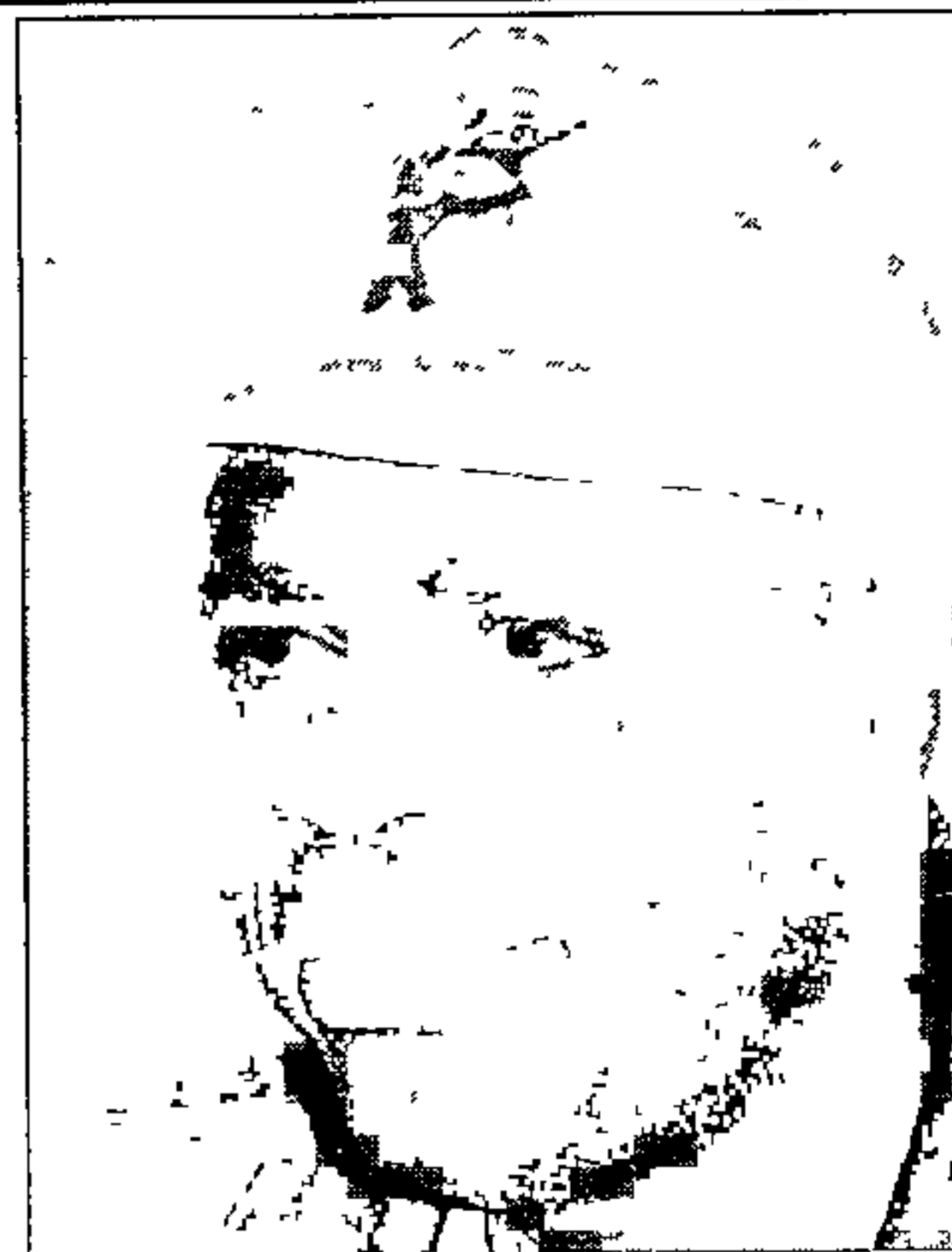
And according to one source, all evidence suggests that trust between the social partners has reached the proverbial "all-time low".

"The Basic Conditions of Employment Bill negotiations have left an indelible mark on Nedlac - it has taken a heavy toll," another said.

"At Monday's meeting, it was difficult dealing with what are generally simple matters.

"Take the discussion around the Management of the Skills Development Bill negotiations process. We were stuck on very petty issues. And it had a lot to do with the lack of trust," the sources said.

For example, differences over whether the technical committee for the skills development bill negotiations should be made up of one or two representatives from each con-



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Cosatu secretary-general Sam Shilowa ... less than enthusiastic about calls for a review of the Nedlac Act.

stituency seemed insurmountable.

"Because of tensions, these differences got elevated to matters of principle," a delegate at the meeting said.

This lack of trust was also evident in the reaction to a proposal that Nedlac retain an external facilitator to help expedite the negotiations.

This, however, prompted strong reaction. The proposal was apparently criticised as amounting to a vote of no confidence in the Nedlac secretariat and was shot down as part of Government's agenda to review Nedlac as an institution.

## Vote of no confidence

"It may seem to be a vote of no confidence - but that interpretation derives from a measure of distrust. It misses an important point and fails to appreciate the impact the proposal would have on enhancing the institution's ability to get the parties to find each other on policy differences," a source said.

Government's call for a review of the Nedlac Act has not met with Cosatu's enthusiastic approval.

In the federation's secretariat report to its recent sixth national congress, Cosatu secretary-general Mr Sam Shilowa says of those advocating a review of the Nedlac Act: "A lobby has been pushing for Nedlac's powers to be reduced on the basis that 'it undermines the sovereignty of Parliament'."

"In most instances, this is backed by those who undermine the role of the alliance in policy formulation."

The tone of this response is highly charged and suggests the existence of covert agendas.

From the federation's point of view, attempts to reduce Nedlac's powers are driven by a desire to "confine the masses to being mere spectators in the theatre of transformation and policy formulation."

This goes against its policy of wanting to deepen and enrich parliamentary democracy.

That may well be true. But Nedlac has not helped Government's delivery programmes. Part of this is a consequence of the obligation on Government to submit all laws with a socio-economic dimension to Nedlac before they are implemented.

This often hampers Parliament's work and delays implementation of essential programmes. And that does not help democracy.

The divide is huge and the search for consensus will not be easy.

Given this level of mistrust and adversarialism, the prognosis for progress on the job summit, a subject that touches some of the most sensitive points of divergence between labour, business and Government, looks bleak.

No doubt, questions related to job creation reach the very core of macro-economic, labour market and trade liberalisation policies.

And tensions these issues could generate will far exceed those evident during the BCEB.

Divided opinion on Government macro-economic strategy is just one measure of the potential conflict talks about job creation could generate.

Labour Department director-general Mr Siphon Pityana, who is also overall convener of Nedlac, concedes relations have taken a hard knock. "Unless something is done, the atmosphere will remain highly charged and it will make progress on a range of other policy matters at Nedlac difficult."

"The battle scars left by the BCEB negotiations are not going to go away that easily. Evidence suggests that adversarialism is not tapering off."

The opening exchanges around the skills development is indicative of the difficult journey we may have to undertake on these policy issues, says Pityana.

"It does pose a threat to the conduct of the parties in the build-up to the job summit, and therefore the outcome of the process."

## Review situation

"There is therefore a need to address the adversarialism. It is important not to allow the experience of the BCEB to affect future policy deliberations."

Question is - how does one clear the air? Pityana says the parties need "to pause and examine the way we dealt with the BCEB and find where we went wrong."

Cosatu seems committed to shifting away from the militant unionism that characterised the 1980s. In its September Commission report, the preference is clearly for a strategic engagement or social unionism.

Whether this finds expression in Nedlac remains contingent on the extent to which the parties succeed in building trust in the institution.



CONGRESS OF SA TRADE UNIONS

## Sam runs on two tracks

Cosatu's fudging of the Gear issue points to a political agenda

*AM 26/9/97*  
**The deft** way in which Cosatu's leadership evaded a scheduled debate on government's macro-economic policy (Gear) at the federation's three-yearly congress last week supports the view that union boss Sam Shilowa is first and foremost an ANC man, who remains at the labour helm largely because the ANC wants him there

By prevailing on affiliates to defer debate on Gear for six months — that is, until after the ANC's watershed congress in December — Shilowa averted a potentially divisive step that could have damaged the ANC-led tripartite alliance

What many affiliates really wanted — a full go at Gear — was substituted by a rather anodyne declaration restating Cosatu's rejection of the policy and calling instead for a "developmental" economic strategy based on the Reconstruction & Development Programme

It was Shilowa who peddled a softer line by urging delegates to use an ANC policy conference next month "to advance Cosatu's macro-economic policies" Unsurprisingly, perhaps, he found backing from National Union of Mineworkers general secretary Kgalema Motlanthe, who happens to be frontrunner for the ANC secretary generalship

President Nelson Mandela's opening speech re-emphasised how important Cosatu is to the ANC's bid to win a two-thirds majority in the 1999 elections But so too does the ANC realise it has to nurture business confidence by sticking to Gear The ANC therefore is engaged in a delicate balancing act

Deputy President Thabo Mbeki may be the chief political architect of Gear, but in union minds the policy is associated with Finance Minister Trevor Manuel — a political lightweight in the party and thus the potential fall-guy should Gear be revised

Mbeki has astutely refrained from describing Gear as non-negotiable — as Manuel did soon after unveiling it in June 1996 So, too, did Mandela at the time But Mandela disarmed Gear's detractors by admitting at Cosatu's congress that "it is wrong for the ANC (or Cosatu) to present its own positions as non-negotiable, even while exercising its broader responsibilities



**Shilowa** Thabo Mbeki's point man in the labour movement?

in government" Mandela also found it "puzzling that a perception exists that government is not addressing basic needs," a constant Cosatu refrain

Shilowa, a key ally of president-in-waiting Mbeki, is widely thought to want a government post, and could get one if he is seen to have "delivered" the unions The Labour Ministry has been mentioned as a possible new berth for him, especially since Tito Mboweni has indicated he will leave the ministry in 1999 This is why many believe Shilowa has little appetite for precipitating open confrontation with government over Gear He is in any event not thought to be wildly opposed to Gear or to privatisation

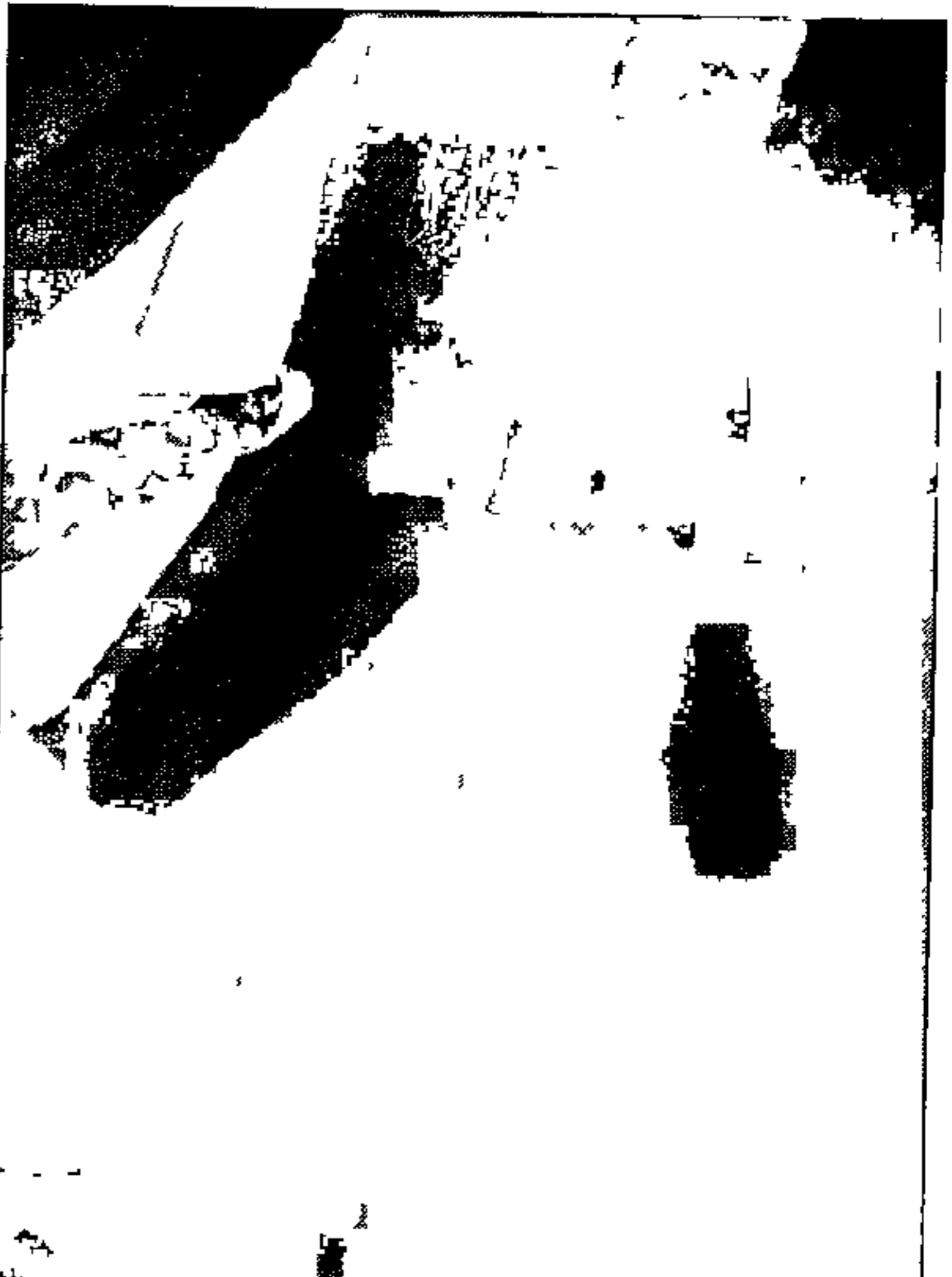
Amarnath Singh

# Capitalism at work for the people

MTC 26/9 - 2/10/97 (140A)

Cosatu's business arm aims to seize economic

power for the majority, writes **Sechaba ka'Nkosi**



From richer for poorer: Motisi hopes to bridge the wealth gap.  
PHOTOGRAPH: DANNY HOFFMAN

**T**unelo Motisi passionately dismisses any notion that he is a capitalist in a socialist movement. He

sees no contradiction between the Congress of South African Trade Unions' confessed ideology of so-

cialism and his role as head of the federation's business arm, Kopano ke Matla Investment Company.

"The driving objective within Cosatu is the ultimate seizure of economic power from a few power-houses to the majority. This we

share in common. But what Kopano does differently is to use a different avenue to ensure that there is significantly more capital circulating in the underprivileged areas of our country," states Motisi. *Kopano ke matla* means "unity is strength" in

Sotho. It is this strength that Motisi hopes to harness to bridge the gaps between Cosatu's richer and poorer affiliates. When the company was launched at the end of last year, the idea was to bring uniformity to the affiliates' investment strategies, and

But investment is not his only concern. He says with a smile "What I would really like to see is a day when blue-collar workers are able to take their families for a holiday."

ing on the position as chief executive of the investment company. Maxwell Maisela, he ended up taking on retirement funds. Through this interaction and encouragement from Alexander Forbes' joint deputy managing director and Kopano chair-

on to do a masters' degree in business administration after completing his law degree. On his return, he joined the auditing company Alexander Forbes as an adviser to labour-

The 35-year-old father of two is well placed to understand investment risks. As a postgraduate law student in Australia, Motisi went

on to do a masters' degree in business administration after completing his law degree. On his return, he joined the auditing company Alexander Forbes as an adviser to labour-

Motisi says in all their ventures, they have been careful not to use their members' retirement funds as these represent the only savings of blue-col-

lar workers. "Investment in itself is a risky business," warns Motisi, "there is no guarantee that if we use the retirement funds the workers will be able to get them back. So although I cannot say we will never use such funds for investments, we will try as much as we can to avoid that."

"For example, on health care we want to align ourselves with [Minister of Health] Dr Nkosazana Zuma's policy. We want to bring value to public hospitals so that they are able to offer our members a service similar to the one that is being offered in private clinics," says Motisi.

Kopano ke Matla is a wholly owned investment company of a trust whose sole beneficiary is Cosatu. Apart from the three trustees who come from outside the union movement, the company has four senior union officials as trustees to ensure that the investment strategy and philosophy do not contradict Cosatu's ideology. Motisi says Cosatu sees a need to broaden the scope of black economic empowerment of the working class. "This means workers controlling the means of production in a way that will benefit them.

The latest move is Vuyo Hamper's, a joint venture valued at tens of millions of rands with international food hamper giant Park Food Group. Vuyo is expected to become one of the biggest food hamper suppliers during the Christmas period to Cosatu's 1.7-million members in particular and the public in general. Next on the cards is a bid for a slice of Aventura, the state-owned resort company that is being sold to the private sector.

"The underlying mandate I have is to identify investment areas that can give value to our members. If you take housing and health care, they are not only critical for our members but for the communities that our members live in as well. So whatever we do will have to be in line with the government's social development programme.



# SA's labour giant faces growing pains

Three weeks ahead of its triennial congress, Cosatu's vision of labour's future and its historic relationship with the ANC are under the spotlight, reports **Reneé Grawitzky**

The phrase "a grant is born" rang around the rallies which marked the launch of the Congress of SA Trade Unions (Cosatu) in 1985. The grant grew despite difficult conditions and now stands at a crossroads as it struggles to define its future vision and its relationship with the ruling African National Congress (ANC) government.

The continuing debate in Cosatu ranks about problems in the alliance has failed to assess the nature and character of the ANC and the extent to which Cosatu's relationship with it could potentially neutralise the federation's leadership, weaken union structures and widen the gap between union leaders and grassroots members.

This is what the effect would be if the ANC-dominated SA government took the same view as most and decided it would prefer dealing with a weak union movement.

Deputy President Thabo Mbeki told delegates at last year's National Union of Metalworkers of SA congress that a strong and independent trade union movement and a strong ANC alliance were crucial to achieving a non-racial, democratic SA.

Despite Mbeki's assertions, a number of trade union leaders have begun questioning whether the ANC supports a strong, independent labour movement.

The ANC, they argue, is caught between its historical commitment to workers (and broader society) and the constraints it faces as government in a liberalising world economy where the role of the state is in retreat.

One analyst argues the ANC leadership wants to keep Cosatu within the alliance for as long as possible. This approach is similar to the way in which it dealt with the Freedom Front, which was kept in the negotiation process, thereby undermining its capacity to disrupt the process.

Although Cosatu does not have the capacity to transform the country, it has the capacity to hamper the implementation of the growth, employment and redistribution strategy, which would make things difficult for the ANC.

In line with this approach it would not necessarily be undesirable for the ANC to pursue a strategy of developing a "cosy" relation-

ship with union leaders. However, if handled incorrectly, this could lead to the neutralisation of union leaders, which could force them into compromising positions where they cannot effectively serve the ANC and effectively lead their members.

This strategy could also see union leaders being deployed in doing "alliance work" which keeps them so bogged down that they neglect union work and begin to lose touch with their members.

Though the conventional wisdom is that militant trade unionism is destroying the economy, crude attempts to co-opt unions will also not lead to long-term political and economic stability.

Alienation of workers from union leaders will not lead to a complacent workforce. It could instead have disastrous consequences for shop-floor stability.

The level of anarchy at Anglo American Platinum mines is a

case in point. Amplats management, after trying to prevent the National Union of Mineworkers from recruiting, especially under the former Bophuthatswana government, now laments the fact that it does not have a strong union to deal with.

Trying to win union leaders over to the "ANC line" presupposes that workers, too, will fall into line. This assumes workers are passive and can be dominated and manipulated by clever, strong union leaders. One unionist says the stronger union leaders who have popular support are able to get members to buy into their views. But the opposite can also be the case — where weak union leaders do not have the capacity to take their members along with them. This is a problem in many parts of the Cosatu fold.

There is a price to be paid for nurturing strong, independent unions, but the price for achieving

weak unionism could be far higher. Weak and compromised union leaders cannot implement deals.

One union source says it appears Cosatu lacks a coherent strategy to engage government and make sure the rank and file are not left behind. Hence the current situation where union leaders are openly defying the ANC government by resisting reaching consensus on the Basic Conditions of Employment Bill.

One labour observer says "People must distinguish between public rhetoric and the reality". Rather than actual hostility towards government, Cosatu leaders are in a difficult position because of the alliance and the perception of "cosy" relationships with senior ANC leaders.

Union leaders constantly deny these relationships are problematic, saying the federation remains independent and differs on a number of issues with the ANC.

But they feel these pressures, making it far more difficult to agree on a compromise deal on the bill — because this would merely reinforce the view that they have been co-opted, which would compromise them even further.

Under "normal" circumstances a mature union leadership would acknowledge that Cosatu cannot always get its way, and compromise deals would be made on both sides. In the current climate — three weeks before the federation's triennial congress and with tensions in the alliance — Cosatu leaders are trapped by the contradictions of their position. Cosatu also displays inconsistencies in its approach to engagement with government.

Does sending workers out into the streets show a real conviction and ability to engage government and challenge policy? Often, when Cosatu seeks to do so, it is difficult to take it seriously. It sometimes

expresses opposition to exchange control relaxation, but has made little serious contribution to the debate at strategic moments.

The September commission report on the future of the labour movement, released last month, tried to do some "soul searching" about Cosatu's future. The report places its hopes on the adoption of a common programme between alliance partners which would cement relations in the build-up to the 1999 elections. It is unlikely Cosatu will get what it wants. The final reconstruction and development programme document was not as Cosatu first envisaged or even drafted, but yet it supported it as an "election manifesto" and now defends it.

In seeking to revitalise the alliance, the September report fails to consider mechanisms to maintain Cosatu's independence. The alliance does not mean that Cosatu will become subordinate to the ANC, but this could happen if it fails to implement the commission's recommendations on rebuilding capacity and developing a clear vision. One of the underlying tensions within the alliance is the fact that Cosatu is no longer involved in policy work as was the case before 1994.

If Cosatu wants to be involved in policy work and not feel insulted when its policy is ignored, it will have to commit resources and time to doing the job competently.

A government source says Cosatu wants to be involved in all policy work but does not have the capacity to be involved in everything all the time. Unions, he says, need to start focusing on the areas where they are able to contribute to debate, and distinguishing where and on what issues they want to be consulted.

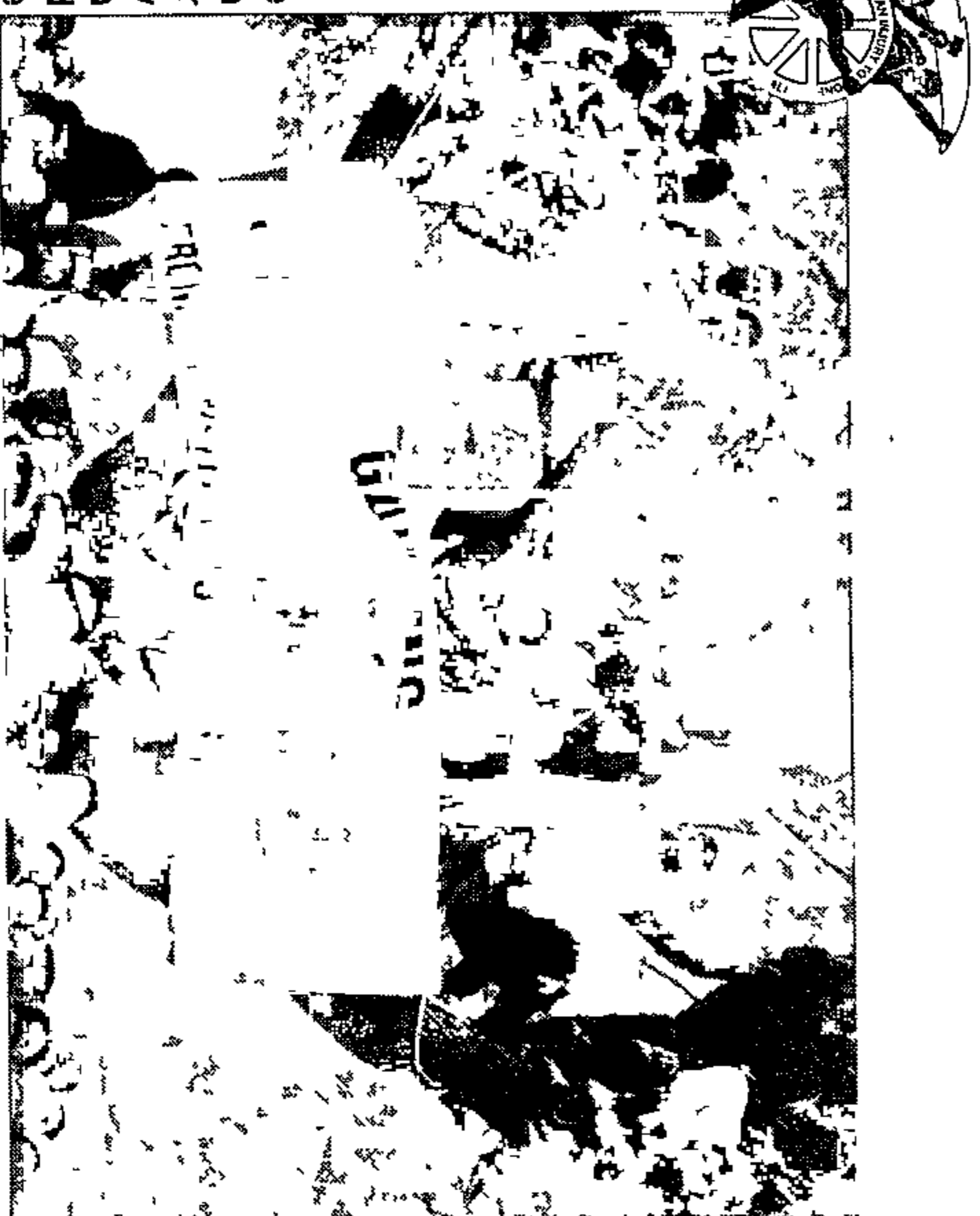
It would be short-sighted for Cosatu to put further resources into alliance structures at a time when it is weak. This does not mean that Cosatu must abandon its political role, but it should not neglect its other "core business".

All too often union leaders glibly state that a strong alliance depends on a strong ANC, SA Communist Party and Cosatu.

As it heads for its congress, Cosatu's challenge is to lay the groundwork for ensuring the federation rebuilds itself and makes itself capable of "capturing" the hearts and minds of workers.



Deputy President Thabo Mbeki maintains that a strong and independent trade union movement and strong ANC alliance are crucial



but questions are being raised within Cosatu over whether the ANC really supports such strength and independence



# Shilowa slams policies that 'paralyse real transformation'

APR 4/9/97  
BUSINESS REPORTER

(140A)

The Congress of South African Trade Unions (Cosatu) needs to shift the parameters and orientation of the Government's macro-economic strategy, if it wants to advance legislative processes aimed at transformation, Cosatu secretary general, Sam Shilowa, says.

"This is not a position arrived at lightly, or based on some bravado to challenge Government policies," Mr Shilowa says in a speech prepared for Cosatu's upcoming sixth annual congress, which was released to the media yesterday.

In the speech Mr Shilowa says the Government's Growth Employment and Redistribution (Gear) strategy is intruding into a wide range of social policy and legislation.

"Gear's intermediate objectives of fiscal discipline have replaced the social and developmental aspects of the Reconstruction and Development Programme (RDP)," Mr Shilowa says.

"This has had a paralysing effect on policy and legislation aimed at transformation," he adds.

Cosatu had been involved in a war of words with its alliance partner, the ruling African National Congress (ANC), over the introduction of Gear. The labour federation accuses the ANC of abandoning its constituency of down-trodden and poor township-based residents and of implementing policies not meant to alleviate their plight.

"What is clear is that all conservative elements of Gear are being implemented vigorously, while areas which on paper hold the prospect of transformation, have been relegated to the back burner," the Cosatu chief says.



# Keep alliance intact — Shilowa

ET 4/9/97

(140A) (132)

## POLITICAL STAFF

JOHANNESBURG: Cosatu, part of a tripartite alliance with the ANC and the SA Communist Party, has warned that lack of transformation and governance will lead to the disintegration of the alliance

Cosatu general secretary Mr Sam Shilowa said it was in the workers' interest to ensure that the alliance remained intact

In his political report ahead of Cosatu's annual congress next week, Shilowa said the challenge facing Cosatu was to come up with proposals that would ensure that the alliance worked effectively

The proposals should also give direction to governance and transformation, deal with forces blocking transformation and develop an alliance programme or agreement to lead the transformation process

"If these strategies fail, the danger exists of a disintegration of the alliance in the long term, with all its implications. While

this scenario is not in the best interests of workers, we cannot ignore it. We therefore need to focus our energies on putting in place concrete steps which will ensure that this does not materialise

"Just as the alliance is our only viable hope for transformation, a lame duck alliance spells disaster for transformation and democracy. There are signs that some in the ANC leadership realise this danger and, together with us, are looking at a long-term solution to the problems of the alliance," Shilowa said

He said Cosatu's executive committee had proposed, among other things, that the alliance should agree on strategic areas that should drive transformation

Such an agreement would lay the basis for an election platform in 1999

Cosatu's annual congress needed to discuss the implications and desirability of such an agreement

"More importantly, it needs to discuss the implications of failing to secure an

agreement, and allowing the current situation of continuous tensions and lack of an agreed strategy to continue. Even if we decide against a comprehensive alliance programme, we need to adopt alternatives which will enable us to propel social transformation

"An effective alliance programme depends on an effective, functioning and well co-ordinated alliance. The loose structures of co-ordination of the pre-election period are now hopelessly inadequate to deal with the challenges of the transition and governance. The challenge of developing functioning alliance structures goes way beyond the issue of regular meetings. It requires the setting up of appropriate structures and co-ordinating mechanisms at all levels, which have the authority and resources to take the appropriate decisions," Shilowa said

Cosatu has called for the establishment of the Alliance National Office Bearers as a regular structure for co-ordinating issues

# Cosatu struggles to adapt

(140A)

## Sechaba ka'Nkosi

**W**ith less than two weeks to go before the annual meeting of the Congress of South African Trade Unions (Cosatu), there is growing uncertainty within its membership about its future and the influence the federation still has in South African politics. In the rapidly changing political and economic climate, it is being reduced to a reactive rather than proactive partner in the processes

The September Commission report on the future of the union movement admits to an extent that the federation has failed to react to the changing environment. But it does not recommend a clear way forward.

Even the latest copy of Cosatu's newsletter *The Shopsteward* (dedicated to the congress and the commission) confirms this but argues that challenges for the congress are the alliance's transformation programme and Cosatu's abilities to influence policy formulation at various levels. In the newsletter, general secretary Sam Shilowa predicts this to mean that the vision and delegates' ideas are likely to be tempered with a heavy dose of realism.

"In some cases, what we lack is not policies, but an implementation strategy," charges Shilowa.

Labour consultant Gavin Brown contends that the inability to react strategically is exacerbated by the movement of experienced leadership to government and the private sector.

"What the September Commission tries to highlight is problems associated with this. But the question is what happens next, what is the solution?"

This week, Cosatu appeared to have scored a moral victory when the African National Congress indicated it might be willing to re-open negotiations on the government's growth, employment and redistribution (Gear) strategy.

However, the announcement was non-committal and the ANC offered no specifics. Instead, the statement said that the weekend alliance meeting agreed to reconcile macro-economic policies with the transformation process, while "recognising the constraints that we face. To that extent, any macro-economic policy is not cast in stone."

Sources within Cosatu rank and file view this with suspicion. They say

if this commitment is spelt out, it can pave the way for a transformation accord among the partners, and a subsequent electoral pact before the 1999 general elections.

Most importantly, such a move could neutralise the growing discontent within Cosatu over the government's perceived shift to the right and the threats of a "progressive" left-wing opposition within or outside the alliance.

"A genuine commitment by the government is needed for the normalisation of relations in the alliance, and perhaps the proposed job summit. But at the moment, the offer sounds like a beautifully wrapped gift box with nothing inside," says an official.

The congress is expected to draw nearly 2 400 worker delegates representing close to two million members, the biggest convention since Cosatu's launch in 1995. These workers are expected to map out a strategy to propel the federation into the next millennium.

Asks Shilowa in the newsletter "We have all seen the impact of the

current macro-economic strategy in our day-to-day situation. Apart from rejecting it, what proposals are we placing on the table. How do we ensure their implementation?"

Director of Centre for Policy Studies Steven Friedman has the answer. He says it is up to Cosatu to accept that the government is unlikely to leave Gear and go back to the reconstruction and development programme.

"The federation's ability to survive and grow will depend on its ability to change. The biggest danger is that the leadership and shop stewards might not accept this challenge."

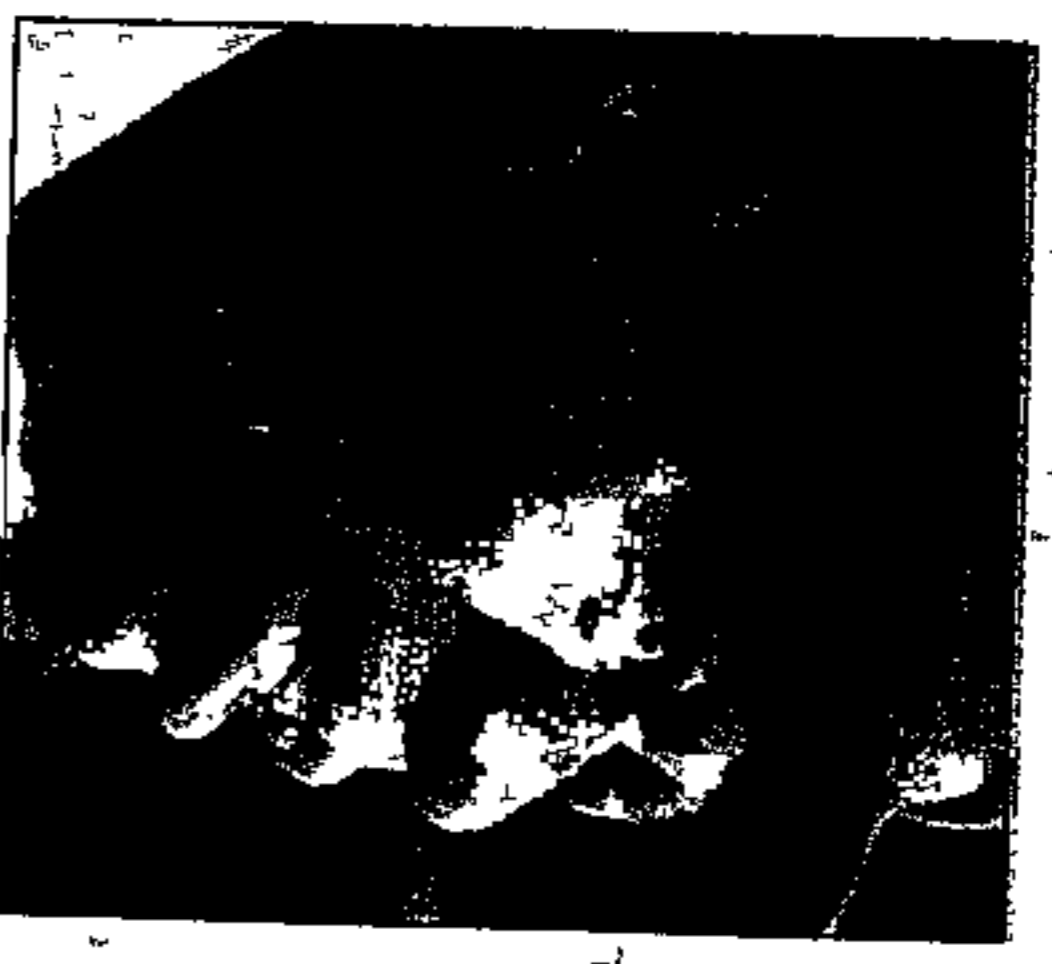
M+G 5-11/9/97



# Cosatu nomination list shows no sign of management shakeup

FRANK NKUMALO

16.11.95



SAFE BET Sam Shilowa

Johannesburg — Cosatu released a national office bearers' nomination list yesterday comprising incumbents, including Sam Shilowa, the general secretary, and his assistant Zwellinzima Vavi

The list confirmed earlier speculation that a leadership shakeup was highly unlikely

Nowethu Mpathi, Cosatu's spokesman, said challengers would emerge for all six positions before the Cosatu congress in

Johannesburg next week

Kgalema Motlanthe, the general secretary of the national Union of Mineworkers, had been tipped to become the next Cosatu general secretary

He pulled out, however, and labour sources said Shilowa would probably retain his position

The sources said there were some reservations about Shilowa

They included his, apparently, close ties with Deputy President

Thabo Mbeki, his seemingly scant regard for smaller federation affiliates, unhappiness about him not declaring his intention to stand until last week and the fear that he might leave Cosatu for a government post following the 1999 election

However, of the current leaders, "Sam was still the best man for the job, the most developed activist and one with the deepest understanding of trade union issues", the sources said

They said the only man likely

to contest the position was treasurer Ronald Mofokeng

The nominations are John Gomomo (president), George Nkadimeng (first vice-president), Comrie September (second vice-president), Ronald Mofokeng (treasurer), Sam Shilowa (general secretary) and Zwellinzima Vavi (assistant general secretary)

The September commission recommended that they become full-time employees of the labour federation

ET/CR) 9/9/97 (1404)

# 'Mass action to go on'

*Sametun 9/9/97 (140A)*

THE Congress of SA Trade Unions (Cosatu) would go ahead with mass action in support of its demands on the Basic Conditions of Employment Bill until the deadlock over the legislation was broken, the federation's assistant general secretary Zwelinzima Vavi said yesterday

Cosatu's executive committee had

met on Friday, and decided to continue negotiations with its alliance partners, the African National Congress and the SA Communist Party, in a bid to break the impasse

"We remain convinced that a solution to the current deadlock is within the reach of the alliance," Vavi said in a statement - *Sapa*.





Congress of SA Trade Unions general secretary Sam Shilowa addresses a media conference yesterday on the key areas of debate at the federation's congress, which starts in Johannesburg on Tuesday Picture COBUS BODENSTEIN

## Cosatu set to focus on change

BD 12/19/97 (140A)

Reneé Grawitzky

RESOLUTIONS taken during the sixth Congress of SA Trade Unions national congress next week would not focus on attempts to build relations with employers as the climate was not right and there was no common approach to transformation, general secretary Sam Shilowa said yesterday.

Shilowa said this did not mean that Cosatu did not value a relationship with employers, but building a relationship would not be a priority until issues had been dealt with.

Cosatu, Shilowa said, had to focus on building a strong organisation and

ensure that the alliance was functioning properly and workers supported transformation.

It was unfortunate for the media, he said, that the congress would not be debating whether to retain or break the tripartite alliance, as the issue had already been decided. Not a single tabled resolution had called for the breaking of the alliance.

Shilowa said some affiliates had, however, raised criticisms of the alliance, but the secretariat would focus both on the difficulties and the gains of transformation ranging from delivery on health to land reform, water and electricity and labour.

ANC 12/9/987  
**Women high on Cosatu agenda** (140A)

Johannesburg - The tripartite alliance will not be reviewed at the Congress of South Africa Trade Union's congress next week, Cosatu secretary-general Sam Shilowa said yesterday.

Despite problems within the ANC/SA Communist Party/Cosatu alliance, it

remained the only vehicle to achieve fundamental transformation in South Africa, he said

There was a need to devise a strategy to rebuild the alliance at all levels.

Resolutions to be discussed at the congress include women in leadership positions, the National

Women's Movement, strengthening Cosatu structures, building worker unity and building the mass democratic movement

Mr Shilowa said Cosatu's role in the 1999 general election would also be discussed, with a view of stressing the union's support for the ANC - Reuter



10/19/97  
140A

# Cosatu top brass likely to keep jobs

By Abdul Milazi

NO surprises are expected during the election of Congress of South African Trade Unions' (Cosatu) national office bearers at the federation's national congress next week.

With the exception of the first and second vice-presidents, all other office bearers, including current general secretary Sam Shilowa and his assistant Zwelinzima Vavi, have been nominated unopposed.

The only contender for first vice-president George Nkademeng's position is current second vice-president Connie September.

Peter Malepe, president of the Food and Allied Workers' Union (Fawu), and Vusi Nhlapho, president of the National Education, Health and Allied Workers' Union (Nehawu) have in turn been nominated for the second vice-president position.

Malepe was also nominated for the position of first vice-president, but declined Nhlapho's nomination fell away because he had the backing of only one affiliate union.

Cosatu's constitution requires the backing of at least two affiliates for a nominee to contest.

Vavi declined his nomination for the second vice-president position, while his nomination for general secretary fell away because of insufficient support from affiliates.

However, he was nominated unopposed for the position he currently holds, that of assistant general secretary. Cosatu president John Gomomo and treasurer Ronald Mofokeng were nominated unopposed.

Cosatu spokeswoman Nowetu Mpati said the only voting will be for positions of first and second vice-presidents.

## Nominations reopened

However, she said nomination might be reopened at the national congress if requested by affiliates. But that decision rested with the congress.

"Nominees had to be nominated by more than two affiliates for the nomination to be valid, and they had either to accept or decline," said Mpati.

She said the congress will also decide on whether the positions of president and first and second vice-presidents should be made permanent as proposed by the September Commission in a bid to make Cosatu more efficient.

# Gosatu top brass likely to keep jobs at congress

**Sechaba ka'Nkosi**

**T**he battle for the top positions in the Congress of South African Trade Unions (Cosatu) began in earnest this week when nominations were made public

A list released by Cosatu shows that, despite some dissatisfaction with some members of the executive, they are all likely to be re-elected by the 2 400 delegates expected to attend

the national congress in Johannesburg next week

Four candidates are unopposed for six positions in the executive committee. They include John Gomo, president; Sam Shilowa, general secretary; Zwellinzima Vavi, assistant general secretary, and Ronald Mofokeng, treasurer.

A close contest is expected between first vice-president John Nkadumeng and Connie September

— the only woman in the present executive — who has been nominated for his post.

Insiders say that September, Cosatu's present second vice-president, was nominated for a more powerful position in recognition of her contribution to the September Commission, which she headed. The commission was formed to consider a future strategy for the union movement. She recently released its find-

ings

September is also seen as a symbol of Cosatu's commitment to gender equality in its executive. But Nkadumeng enjoys the support of the 310 000-strong National Union of Mineworkers (NUM) of which he is a member.

Should September lose to Nkadumeng, she is likely to face equally stiff competition from another nominee for the position, Vusi Nhlapo of

the National Education, Health and Allied Workers Union. Nhlapo is not only the president of Cosatu's third and fastest-growing affiliate, but also Cosatu's chief negotiator on the restructuring of state assets, and he sits on the National Framework Agreement committee.

Rising once again in members' esteem is Shilowa, who insiders say is unopposed because of the unavailability of the NUM's Kgalema Motlanthe. Shilowa lost popularity because of his support for the government's growth, employment and redistribution strategy (Gear).

MTG 12-18/9/97

(142#)



OUTSIDERS might expect the political alliance, and the pressure that the government's Gear strategy is placing on that alliance, to be the focus of discussion at the tri-annual Cosatu congress

Not so. Labour issues are much more important to rank-and-file members of Cosatu

One of the key issues to be discussed is a demarcation of trade union sectors, to stop competition and the poaching of members between unions

Another topic will be the possibility of forming a confederation with South Africa's two other big federations, Fedusa and Nactu

The possibility of forming unions for white-collar workers - which is seen as an important issue in terms of the emergence of a black middle class - will also be discussed

The implementation by employers of new categories of employment - such as sub-contracting and temporary staff - is already affecting South African workers.

"In various industrial sectors with well-organised unions, new categories of employment are placing workers in a weaker position than before

"Examples are numerous - sub-contracting and the replacement of permanent jobs with temporary or part-time labourers," according to the September Commission.

This is leading to the emergence of new, vulnerable job categories, which will make it virtually impossible for unions to fight these new trends in the labour market

This will mean less protection for workers

The September Commission,

# Cosatu gears up for its congress

Cosatu is at a crossroads. This week delegates have to decide on a future strategy at a time when trade unions all over the world are seeking a replacement for socialism. JAN DE

LANGE reports.

14/9/97

(140A)

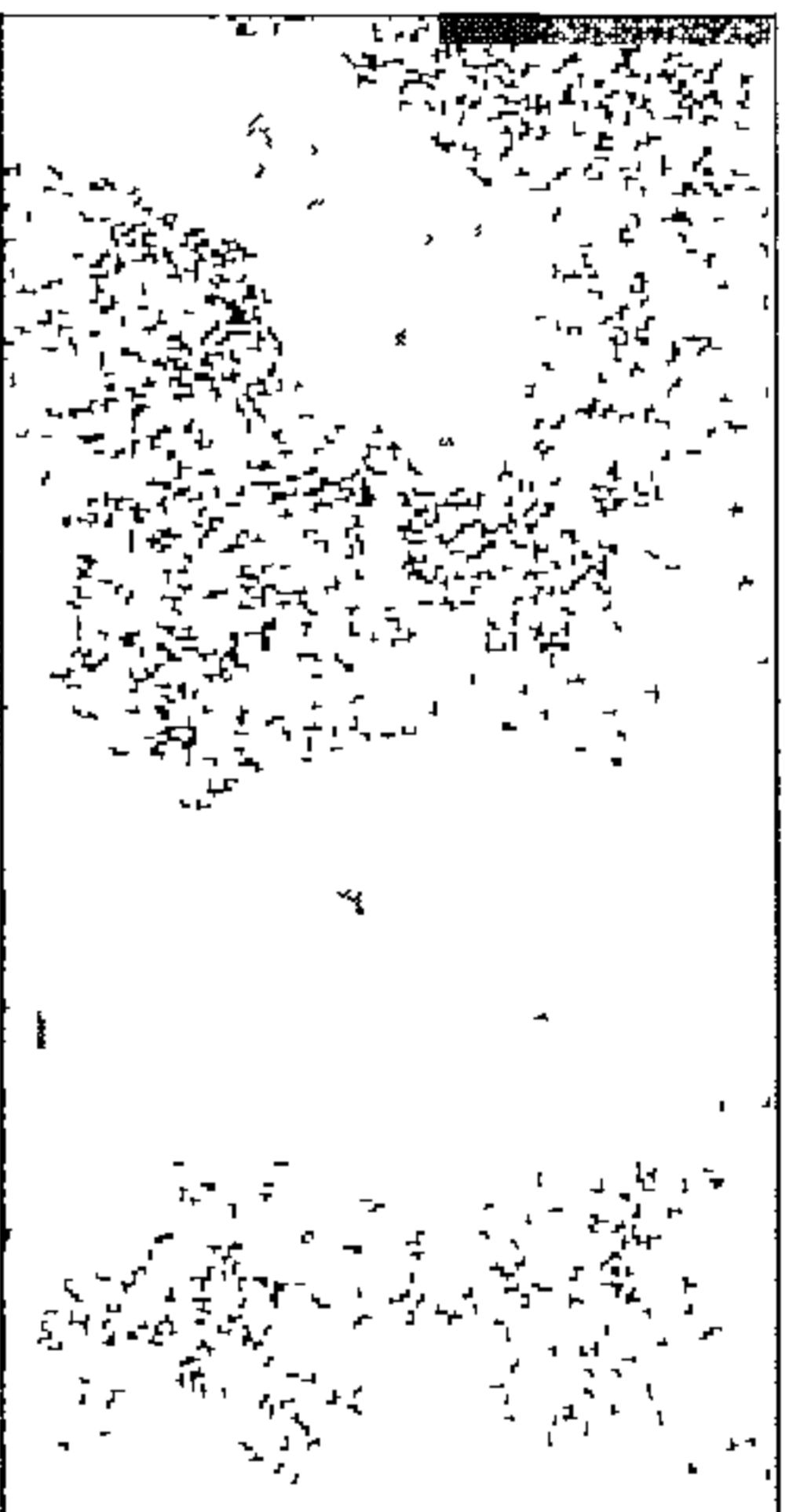
which was appointed by Cosatu in May last year to examine these issues, says these problems considerably weaken Cosatu's powers of negotiation and will also lead to lower labour standards

To counteract this, some unions would have to merge

Secretary general Sam Shilowa says he is expecting a lively debate on demarcation. All trade unions support a proposal that Cosatu should have the right to get involved in unions with these problems

However, there is some difference of opinion on the degree of Cosatu's proposed involvement

The current demarcation of the unions is outdated



EXPECTING A FIERY DEBATE... Cosatu's Sam Shilowa

Cosatu will consider whether broadly-defined sectors such as manufacturing, mining, public and private services and agriculture should be demarcated

These sectors should be organised in cartels determining policy and collective bargaining. Current unions will become sub-sectors within these cartels, says Shilowa

According to him, congress will also consider collective bargaining by unions to be decided at federal level for three years with the aim of formulating and implementing a national wage agreement

Fedusa, a moderate a-political federation representing some 700 000 white-collar workers, pro-

posed a confederation with Cosatu a few years ago. At the time Cosatu rejected the proposal, but will now reconsider it at the congress

"We would like to merge with Fedusa and Nactu to ensure one trade union federation for the whole country

"However, both Fedusa and Nactu are wary of Cosatu's alliance with the ANC

"From our side it will be foolish to end the alliance for the sake of unity with Fedusa and Nactu

A confederation may provide a solution without diluting our political content," says Shilowa

None of the affiliated Cosatu unions proposed an end to the al-

liance with the ANC and SACP, but almost every union is highly critical of the alliance and the failure of Cosatu to influence government policy

This will definitely be fiercely debated by congress

"The debate will focus on ways by which Cosatu can influence government. Some affiliates want to establish an accord with the ANC to develop a clear programme for transformation that will drive the alliance"

Nehawu and Numsa are, however, opposed to an accord

They feel that Cosatu's commitment to the alliance must be coupled with vigorous defence of the federation's political independence

Cosatu will actively support and campaign for the ANC in the 1999 elections

Members and leaders of the federation will also be released for positions on the ANC list of political candidates on condition that this is linked to an agreement where Cosatu will be officially recognised as the constituency to which the candidates are accountable after election

The most comprehensive proposals concern gender issues and affirmative action promoting women in union positions.

The September commission recommended that a quota system be introduced

The commission wants women in all union representative positions of Cosatu structures by the year 2000

This campaign must start this week at the congress with the election of national office bearers?

## Alliance 'accord' may dominate congress

BD 15/9/97 (140A)  
THIS year's Congress of SA Trade Unions (Cosatu) congress is expected to differ markedly from previous congresses, characterised by heated debate and tensions on the future of the tripartite alliance

A unionist said this issue had already been decided as all affiliates had resolved to retain the alliance and no resolutions to date had proposed anything to the contrary.

However, Cosatu general secretary Sam Shilowa warned there was likely to be lively debate on whether a common alliance programme should take the form of an alliance accord or a "social accord".

The September commission had recommended the alliance could be strengthened and revitalised by the adoption by all partners of a common programme of action for transformation

One union calls for the alliance to develop a clear "transformation programme/reconstruction accord that will drive the alliance" while two other unions argued against this. They believed that any such accord would not bring any qualitative improvement, "on the contrary we do believe that such an accord will be viewed as a replacement of struggle"

Shilowa said both resolutions failed to consider the question of a social accord. He said the secretariat would argue that the heart of the debate between Cosatu and the African National Congress (ANC) was really to ensure how a transformation agenda should be driven by all parties, and the need of all to take responsibility for driving the process.

The September commission focused very briefly on the eventuality that the alliance failed to define a common programme. The options included breaking away from the alliance or operating in the alliance in a different way. The latter option could revolve around Cosatu targetting specific policy areas where it needed to strengthen or shift ANC positions. In addition, the federation could try to build a partnership within elements in government and the ANC on specific issues or policies

Consideration was also given to the development of an electoral pact before the 1999 elections

The commission said that if a common programme was in place by that time, then the pact should be framed within those terms, but if not then the pact should focus on issues identified by Cosatu as being of the most importance



## Intense debate on 'super unions' likely

(140A)  
THE restructuring of the Congress of SA Trade Unions (Cosatu) to allow for the creation of "super-unions" or the establishment of key broadly defined sectors was likely to be the subject of intense debate at congress, general secretary Sam Shilowa said

Shilowa outlined a number of resolutions to be debated on the organisational restructuring of the federation

Cosatu's powers and resources should be extended to allow the federation to intervene more effectively in affiliates and assist where serious problems existed, a number of unions proposed. This resolution was in line with proposals by the September commission which looked into the future of the labour movement. The commission stated that Cosatu lacked capacity and it was difficult for it to intervene in disputes between affiliates or where affiliates deviated from Cosatu policy.

A union resolution said affiliates should be compelled to implement Cosatu decisions. These problems, the commission said, weakened Cosatu and its ability to implement programmes as a united force.

A range of options have been proposed in order to overcome the problem of demarcation and the poaching of members by different unions. Some unions called on Cosatu to ensure that demarcation be speeded up, while others said no affiliate could broaden scope into a sector already covered by another affiliate.

The most far-reaching resolutions called for the establishment of key broadly defined sectors within Cosatu, for example, manufacturing, mining and energy, public sector, private sector services and agriculture. "These sectors should be organised into cartels that should take responsibility for defining sector policy, take responsibility for collective bargaining. In this scenario the current affiliates will evolve to become new subsectors of the cartels".

This proposal was similar to the September commission's recommendation that Cosatu be restructured into a single organisation, under one constitution, with industrial arms.

The final option proposed a study on the implications of super unions.

Shilowa said debate at the congress would focus on how to strengthen federation structures.

The SA Clothing and Textile Workers' Union has proposed that staffing and the financial situation of the trade union movement be addressed with consideration being given to ensuring uniform conditions of employment and training opportunities for all staff, "with a common wage structure", across all affiliates.

This, Shilowa said, would prevent officials moving from one affiliate to another. In addition, salaries of unionists should be market-related.

This issue could develop into intense debate, especially in view of the September commission proposal for the appointment of six full-time office bearers.



# SA's labour giant sits down to talk shop

'Alliance review not on the agenda'

(140A)

ARG 15/9/97

## NEWS STORY

The two-million strong Congress of South African Trade Unions holds its national congress this week at a time of intense policy conflict between Cosatu and its ruling alliance partner, the African National Congress, over the Government's macro-economic strategy.

Earlier this year there was even speculation that Cosatu would opt out of the alliance.

Cosatu accuses the ANC of deviating from the principles of the reconstruction and development programme (RDP).

The federation has also accused the ANC of adopting policies dictated to the Government by the World Bank and International Monetary Fund (IMF).

Last week, however, Cosatu secretary-general Sam Shilowa poured cold water on speculation that the alliance would come under review at the congress.

"Despite the shifts of the African National Congress in government and despite other obvious weaknesses of the tripartite alliance - such as lack of a common programme and lack of accountability and co-ordination, the alliance remains the only viable, capable of bringing about fundamental transformation of our country," said Mr Shilowa.

His report prepared for the congress, he calls, sets the parameters for the Government's macro-economic strategy.

He urges the labour movement to come up with counter-proposals to the Government's Growth, Employ-

The Congress of South African Trade Unions holds a mammoth congress this week that aims to map out its path into the 21st century. The congress will be the last to be held by Cosatu before the next general elections, writes **THABO MABASO**, Business Reporter

ment and Redistribution (Gear) strategy. Gear was unveiled by the Government last year and envisages the creation of one million jobs and 6% growth by the year 2000.

Strict fiscal and monetary policy are cornerstones of the plan. But University of Cape Town industrial relations professor Frank Horowitz told the Cape Argus he believed the four-day conference would focus mainly on Cosatu's future relations with the ANC.

"The advantages and disadvantages of maintaining an interdependent relationship rather than an independent one would be an important strategic consideration in

Cosatu's deliberations about its role in government," said Professor Horwitz.

Cosatu's continued involvement in the troubled National Economic, Development and Labour Council (Nedlac) also could come under the spotlight, said Professor Horwitz.

Observers, including Minister of Labour Tito Mboweni, have in the past few weeks questioned Nedlac's effectiveness following drawn-out negotiations over the Basic Conditions of Employment Bill.

Cosatu has also shown its frustrations with Nedlac by insisting that the bill be passed to Parliament to be sorted out.

"Another important issue could be the union movement's response to business issues of vital importance."

"These include globalisation, privatisation, deregulation and the intensified competition faced by South African businesses," Professor Horowitz said.

Industrial relations practitioner Duncan Innes said discussion on the September Commission report would dominate proceedings.

The September Commission was instituted by the labour federation to consider a future strategy for Cosatu.

"Among the more bizarre proposals it came up with was a suggestion

that the federation pull out of the alliance.

Dr Innes said the problem with the commission was that it was strong on identifying problems, but weak on prescribing solutions.

"I do not think that what is going to come out of the congress is going to be too dramatic, there is disunity over political and economic direction in Cosatu."

"I wouldn't expect any changes," he said.

As far as Cosatu's leadership is concerned, it looks like members have placed their trust in the current office bearers to carry them to the 21st century.

A nomination list released by the federation shows that four out of six candidates vying for positions in the executive are unopposed.

Mr Shilowa and his deputy Zwellizima Yavi are virtually guaranteed of being returned to their present posts at the congress.

Connie September, Cosatu's Western Cape-based national second vice-president, has been nominated for the position of first vice-president.

She faces stiff competition from current first vice-president, John Nkadimeng, and National Education, Health and Allied Workers Union (Nehawu) president Vusi Nhlhlapo.

**'The alliance remains the only vehicle capable of bringing about transformation'**



Holding the reins: Sam Shilowa, general secretary of the Congress of South African Trade Unions, will almost certainly retain his post

COURTNEY DANIEL



ty company had invested here in the

# Shoprite set to take over OK

*AG 12/9/97*

BUSINESS EDITOR

three weeks ago.

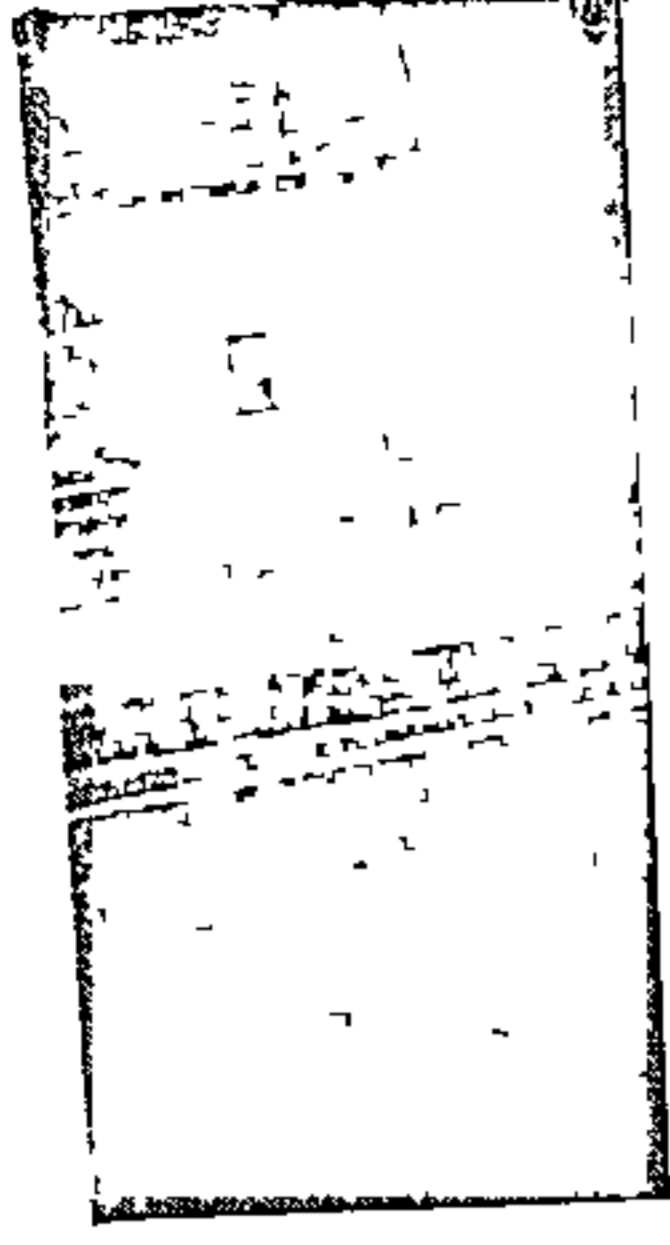
Shoprite Holdings is negotiating to take over the struggling OK Bazaars chain from South African Breweries.

But it was announced today that discussions were taking place between representatives of Shoprite and South African Breweries about an investment in OK Bazaars.

The announcement comes weeks after top Shoprite executives quashed speculation about a possible takeover

It was also pointed out that the group had been on the acquisition trail since 1990, buying the 27-store Grand supermarket chain, then the 169-store Checkers network and then, in January 1996, the Sentra operation.

"I don't even know if it (OK Bazaars) is on the market," Shoprite managing director Whitey Basson told the Cape Argus



disclosed sum

## Women high on Cosatu agenda

*AG 12/9/97*

Johannesburg - The tripartite alliance will not be reviewed at the Congress of South Africa Trade Union's congress next week, Cosatu secretary-general Sam Shilowa said yesterday.

Despite problems within the ANC/SA Communist Party/Cosatu alliance, it

remained the only vehicle to achieve fundamental transformation in South Africa, he said

There was a need to devise a strategy to rebuild the alliance at all levels.

Resolutions to be discussed at the congress include women in leadership positions, the National

Women's Movement, strengthening Cosatu structures, building worker unity and building the mass democratic movement.

Mr Shilowa said Cosatu's role in the 1999 general election would also be discussed, with a view of stressing the union's support for the ANC - Reuter

# Woman set for top union post

THABO MABASO  
BUSINESS REPORTER

(140A)  
ARG 15/9/97

An official of the South African Clothing and Textile Workers Union (Sactwu) in the Western Cape is the only woman candidate in elections for office-bearers for the Congress of South African Trade Unions (Cosatu).

Connie September will know during Cosatu's congress in Gauteng this week if she has been elected Cosatu's first vice-president. If Ms September is chosen, she will be the first woman to hold this office. She is currently Cosatu's second vice-president.

Sactwu spokesman Andre Kriel told the Cape Argus that Ms September had shown remarkable leadership skills in the last few years.

"She's done a super job in the two years she's been in office," Mr Kriel said.

Ms September told the Cape Argus that she had accepted the nomination. She is the only Western Cape candidate to be nominated for a senior position in the federation.



Reports by  
Reneé Grawitzky

# Delegates meeting to map policy

BD 15/9/97  
(140A)

THE Congress of SA Trade Unions (Cosatu), with a membership of more than 1,7-million, faces major challenges to develop strategies and policies at its four-day national congress starting tomorrow, and also to ensure their successful implementation.

A union leader said "Time and time again we meet at congresses and debate the same resolutions which very seldom get implemented properly." It was no good having fancy resolutions when they were not being implemented.

No one, he said, "talks about how the affiliates and regional structures will implement resolutions, often with limited capacity"

Workers on the ground, he said, often did their own thing, against official Cosatu positions, because there were insufficient resources to assist them.

Alternatively, congresses emerged with the same rhetoric about supporting socialism or opposing privatisation. However, the reality on the ground was something different, he said. "It is wrong to pretend that basic services such as water (are) being privatised or that export processing zones are not happening. "We are not empowering work-

ers on the ground if we just reject these issues outright without proposing alternative options for them."

Another unionist said congress had to reflect on whether Cosatu had the capacity to participate in the numerous structures it was involved in and to address the role and functions of its regional structures in view of the increased power of the provincial governments.

He said that at a national level, Cosatu had to begin to take into account the very different and specific conditions of each region

and provide guidance on how the regional leadership should engage in various regional forums and with provincial governments.

Unionists in various regions said they were involved in the various regional economic forums, for example, but received no guidelines on how to engage.

The September commission acknowledged that Cosatu regional structures lacked the resources to engage effectively with provincial governments and regional development forums. "Yet these are increasingly im-

portant arenas for public service delivery and economic and industrial development"

The commission also acknowledged that the regions did not receive adequate support from national level "Cosatu regional office bearers feel they need more authority in dealing with affiliate regions and in Cosatu national structures."

A regional Cosatu leader said "Our feeling is that we are like a stooge because we cannot make decisions because we do not have the power." Some regions, he said,

wanted to adopt their own constitutions as they wanted to be given more powers so that they could interact more effectively with provincial governments and regional structures. Some regions wanted to be run as mini-federations, he said.

Another unionist said the congress, which would be debating a range of resolutions on workplace restructuring and the establishment of workplace forums, also had to debate issues around black empowerment and corporate governance

A proposed resolution does not explore the area of corporate governance at all and merely says it should be rejected, despite the fact that unionists have already been appointed onto company boards.

# ANC accused of shifting to the right

Sowetan

15/9/97

140A

## Cosatu will re-examine its ties with the tripartite alliance at strategic congress

**T**HE CONGRESS of South African Trade Unions (Cosatu) is re-examining its ties with its main ally, the African National Congress (ANC), amid claims that the governing party has abandoned its leftist roots.

The 1.8-million member Cosatu will hold a strategic congress in Johannesburg from tomorrow, at which delegates are to discuss the tripartite alliance between the ANC, the South African Communist Party (SACP) and the labour group.

"The danger exists of a disintegration (of the alliance) in the long term," according to a recent Cosatu political report.

The debate comes three months before a key conference at which President Nelson Mandela is expected to step down as ANC leader, and the party will begin developing its strategy for the forthcoming 1999 elections.

In the short term, Cosatu seems likely to renew its support for the ANC, which began informally soon after the federation was formed in the early 1980s.

"Despite the shifts of the ANC in government, the alliance remains the only vehicle capable of bringing about fundamental transformation of our country," Cosatu general secretary Mr Sam Shilowa said last week.

But critics in the union movement have

accused the ANC of shifting its ideology to the right.

Labour dissatisfaction has focused on the Government's so-called Gear development plan, which last year replaced the Reconstruction and Development Programme (RDP), launched in 1994 to redress the social injustices of apartheid.

Since June, Cosatu and its affiliated unions have staged large rallies against the Government's economic policies, which, they claim, have boosted big business profits in the name of economic globalisation.

"Fiscal discipline has replaced (Government) objectives of social development," the Cosatu political report said.

"All conservative elements of Gear are being implemented vigorously, while areas which on paper held the prospect of transformation have been relegated to the back burner."

Cosatu has bowed to pressure from Mandela and decided to give a second chance to its historical ally. Discussions on the tripartite alliance's future are not scheduled for the forthcoming union congress.

Instead organisers have called on union delegates to "rebuild the alliance (with the ANC and SACP) at all levels" - Sapa-AFP



# Cosatu's affiliates likely to oppose proposed accord

Sowetan  
15/9/97  
140A

By Abdul Milazi

THE Congress of South African Trade Unions' mooted social reconstruction accord with the African National Congress (ANC) will come up against stiff opposition from major affiliates at the national congress starting tomorrow.

However, it is highly unlikely that the federation will sever ties with the ANC-led tripartite alliance, as it is seen by many affiliates as the only vehicle capable of bringing about fundamental transformation in South Africa.

The Paper, Printing, Wood and Allied Workers Union (PPWAWU) is the only affiliate which has come out in favour of an accord between Cosatu and the ANC.

Four of the largest and most influential affiliates within the federation, the National Union of Metalworkers (Nunsa), the National Education, Health and Allied Workers Union (Nehawu), the Transport and General Workers Union (TGWU) and the Chemical Workers' Union (CWIU) have rejected it.

In its submissions to congress, Nunsa argued that it did not believe an accord by the tripartite alliance would bring any qualitative improvement to the workers' struggle.

"On the contrary, we believe that such an accord will be viewed as a replacement of the struggle," the union said.

The need for the tripartite alliance to formulate a coherent political and social

programme first surfaced at Cosatu's fifth national congress two years ago.

The argument then was that Cosatu would be able to use the alliance to influence the country's policy formulation process.

Cosatu's September Commission also highlighted the alliance's shortcomings - its lack of a common programme and lack of accountability and coordination.

The commission also raised controversial suggestions played out in various scenarios, including the possibility of Cosatu "reviewing its participation in the alliance" if the ANC as the Government moved more towards capitalist policies.

## Future not in question

At a press conference in Johannesburg last Thursday, Cosatu general secretary Sam Shilowa said the future of the alliance was no longer in question and would not be debated at the congress.

He said the only discussion would be on how to strengthen the alliance and make it work for the labour movement.

"There is no debate on the future of the tripartite alliance, the debate will be on how it should deal with policy formulation," said Shilowa.

Whether Cosatu will be able to use the alliance to sway Government sympathy towards labour without agreeing on some form of an accord with the ANC will prove to be a major challenge for the federation.



... on the 29th of August 1994, the ANC's first general election, the ANC's victory was a historic moment. It was the first time that a black-led government had taken power in South Africa. The ANC's victory was a result of its long struggle against apartheid, and its commitment to a new, democratic South Africa. The ANC's victory was a triumph for the people of South Africa, and a triumph for the African continent. It was a triumph for the values of justice, equality, and freedom. It was a triumph for the spirit of the ANC, and for the spirit of the South African people. The ANC's victory was a triumph for the future of South Africa, and for the future of the African continent. It was a triumph for the values of justice, equality, and freedom. It was a triumph for the spirit of the ANC, and for the spirit of the South African people. The ANC's victory was a triumph for the future of South Africa, and for the future of the African continent.

# Economic growth high on Shilowa's agenda

BY MOKGELSI MIBENI

Sam Shilowa, general secretary of the Congress of South African Trade Unions (Cosatu), took a conciliatory posture towards the ANC government on the eve of the federation's congress in Johannesburg this week.

He called on government to take the lead and start the legislative process in connection with the contentious Basic Conditions of Employment Bill. He described Cosatu as a law-abiding organisation which respects the right of Parliament to pass laws for the country.

"We are not anarchists. We are working within the law," Shilowa said when asked if Cosatu would not renew its mass action campaign when Parliament passed a law Cosatu had reservations about.

"It is a possibility but that did not stop the Government from pushing through with its Gear (the Growth, Employment and Redistribution) policy.

"We are not that bloody-minded. Take the Labour Relations Act for example. It went through without us winning the scab labour issue. If some issues are not resolved at the time of the Bill becoming a law, Cosatu would have to develop strategies of how to bring those issues back on to the agenda."

Q: The unions played an important role in the liberation of this country. What was it that they were expecting they would get at the end of the liberation process?

A: In the unions' view, the 1994 elections were an important step in ending racial oppression and economic ex-

ploitation. The big job really began thereafter. Liberation means more than the right to vote every few years. It means economic empowerment, both in terms of ownership and in terms of participation in the economy especially democratisation of the workplace.

The expectations of liberation must be seen against that background. What I hope the congress will analyse is not so much whether government has created so many jobs, or whether it has built so many houses, but whether within the realms of possibilities, we have been able to lay a basis which will allow future generations to be able to move on.

Q: You mentioned the question of laying the basis for future growth. Are we laying the basis for that future growth as a country as business, as unions, as South Africans?

A: There are areas in which we have laid a solid foundation to be able to build on and to move forward.

Take the issue of health. In the face of multinational pharmaceutical companies pressing down on Health Minister Nkosazana Zuma and of opposition at home, she has insisted on moving forward towards affordable healthcare.

She has made healthcare free for children under 6, for pregnant women, the unemployed, and is now dealing with the issue of young doctors doing community work.

The same can be said about what the Government has done in the areas of land reform, education and the provision of water and electricity in rural areas.

Q: Do you think there is a number of affiliates have complained that, while the ANC's historical base has been the working people and the poor, the ANC in government has at times put itself forward as a neutral referee in disputes between labour and business.

Unions have expressed concern over a lack of accountability of ANC representatives in Parliament. The congress will, therefore, discuss proposals that the country's electoral system include a strong element of constituency-based representation.

Nedlic Union leaders argue for a common alliance approach to guide both Cosatu and the Government in Nedlic. While certain ministries have expressed frustration that Nedlic has delayed important legislation and even accuse it of undermining the sovereignty of Parliament, there is a strong view in Cosatu that Nedlic and the parliamentary process should not be counterposed. The federation clearly accepts Parliament's right to accept or reject Nedlic agreements. At the same time, it

exercise its authority. Disagreement over government's socio-economic policy has possibly been the single most important factor in souring relations within the alliance.

The worst slip in the face for Cosatu was the announcement of Gear. While Cosatu has rejected Gear since it was announced, it has attempted to engage in key areas of social and economic development in the hope that it could shift Gear's parameters. However, the lim-

ital aspects of the RDP it is felt, have been replaced with conventional fiscal and monetary policies which have stifled economic growth and job creation. High interest rates and the phasing out of exchange controls are encouraging financial speculation and the outflow of capital.

Tariff and trade policy is undermining significant sections of industry, leading to massive job losses. Deficit cuts are undermining massive public works and a direct state role in housing, health and infrastruc-

ture within the alliance, that this cannot be the case. They will be asked to endorse the approach adopted by the recent alliance summit that South Africa should have a "developmental macro-economic policy" aligned to the country's needs.

that Cosatu was and is a radical working class movement but that the socialist agenda that Cosatu espouses has been defeated with the collapse of the Soviet Union, the Soviet Communist Party, the abandonment of the planned economy by the Chinese. So there is a feeling that Cosatu is some kind of a dinosaur. What is your comment?

A: This is a view held locally by business and by certain ideologues. It is a view held internationally. We believe the socialist ideals we strive for remain valid.

None of those Western powers, none of those businesses in our country have said that because capitalism failed, Africans in Africa and in South Africa must now ditch capitalism. Mobutu Sese Seko was propped up by America because it saw him as being on the side of capitalism. The result - Zaire was plundered.

But no one has said that because capitalism plundered Zaire, capitalism must be abandoned. You go to Eastern Europe where everybody says there has been a collapse of communism, of the planned economy and of socialism but has that which has been put in place been of benefit to those people?

We should be judged by what contribution we are willing to make to society. Part of the challenge is to develop a theoretical approach that answers the question what does building socialism under the new situation in our country and internationally entail? Socialism changes in the same way that capitalism always undergoes transformation.

September also seems to make things happen. She exudes a quiet dignity, and speaks clearly, concisely and with confidence. Cosatu's congress will be guided by a report from the commission she chaired, the September Commission.

The 11-chapter report makes recommendations to steer Cosatu and the tripartite alliance into the new millennium.

"The boldest suggestion," says September, "is the one that 50% of Cosatu's office-bearers must be women by the year 2000".

Affiliates will be expected to follow this quota. The report also recommends that the federation employs more women - not as administrators, but in more powerful positions.

September is aware of how radical this proposal is. In 1994, she became the first and only woman office-bearer in Cosatu.

A quota is necessary as "other avenues have failed", says September. "There have been resolutions about getting more women leaders since 1985 (Cosatu's launch) but there has been an absence of the will to implement these resolutions

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# Playing a central role in the nation's life

## Cosatu's national congress starts tomorrow Annette Griessel examines some of the issues to be discussed at the congress, Moeletsi Mbeki interviews general secretary Sam Shilowa, and Kerry Cullinan speaks to Connie September, whose commission report includes recommendations to steer Cosatu into the new millennium

BY ANNETTE GRIESSEL

Cosatu's sixth national congress this week will be a rare expression of the collective voice of ordinary working men and women across the country. Cosatu's affiliates now boast a paid-up membership of nearly 1,8 million workers.

This means one in four formal-sector workers, or one in 20 South Africans, will be directly represented at the congress.

But the significance of the congress will go beyond the immediate interests of organised workers in Cosatu affiliates. The labour federation is determined to place an alliance-led programme for transformation at the centre stage of national life. This will build on the RDP-inspired progress made in broadening access to water, electricity, health care, labour rights, education and training.

But, of course, it hasn't all been a bed of roses. Cosatu leaders readily admit that the transition has thrown up serious challenges for the alliance, particularly around issues of governance, mass mobilisation, policy formulation and building organisation.

Serious difficulties in implementing the transformation agenda are the result of a variety of internal and international factors, objective constraints as well as subjective errors.

Many in Cosatu believe that the democratic movement has failed to effectively seize the initiative to direct and drive the process of change.

They feel elements of the apartheid-era ruling class have used their power - which is still entrenched in the bureaucracy, media and key centres of the economy - to shape transition.

How does Cosatu propose to shift the balance of forces in

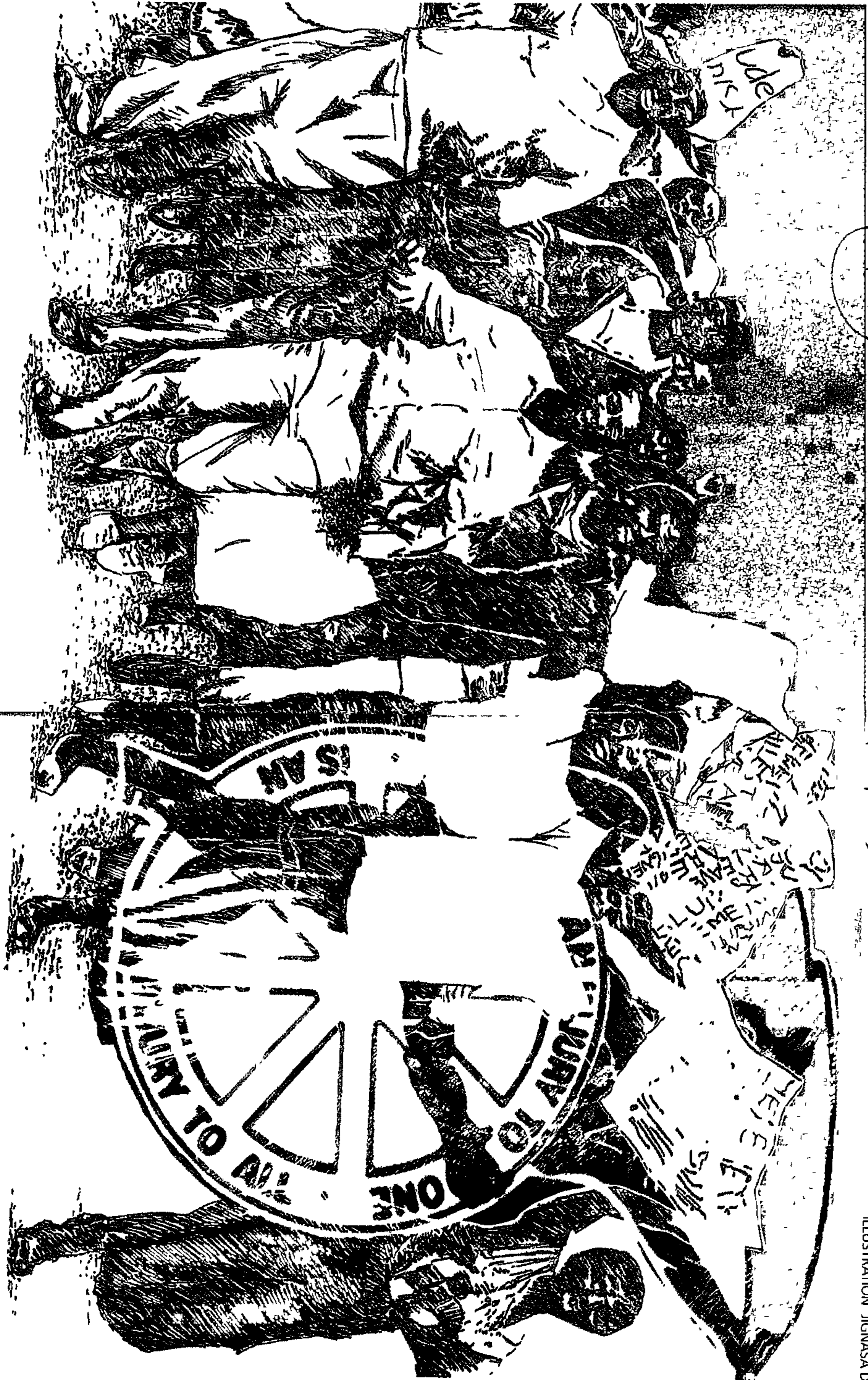


ILLUSTRATION JIGMASA DIAR

(140A) Star 15/9/97

(140A)

capable of bringing about fundamental transformation.

Delegates will have to decide on a proposal, outlined in a Cosatu discussion document re-

ministries. The result has been policies that in Cosatu's view have deviated from the RDP.

The introduction of the Government's Growth, Employ-

ment and Industrial Development Corporation alongside the party list proportional representation system.

Despite these concerns, major affiliates have resolved to

press out that Parliament will have to weigh up the implications of undoing agreements reached through difficult negotiations. Where no agree-

ments of this approach have become increasingly evident. It is common cause in Cosatu that Gear continues to have a profoundly negative impact in a

ture development as well as running down the capacity of the public service to deliver.

While Gear was initially announced as non-negotiable, con-

ditional office-bearers and executive, as well as federation structures at regional and local level, have the right to intervene in solving internal affiliate problems in certain circumstances or to ensure adherence to Cosatu policy.

That Cosatu reform its structures and practices. The pro-

eral strategies. These include

- A campaign against high interest rates and for the restructuring of the Reserve Bank
- Support for labour's fiscal policy as outlined in its 1996 social equity document, including shifting the tax burden from the poor
- Transformation of the public sector
- A campaign in defence of jobs
- A campaign for a people's budget
- Defending and promoting the state's role in economic activity, particularly in trade and industry, fiscal and monetary and labour market policy and in job creation

In addition, the congress will discuss resolutions and other issues such as privatisation, government debt, a social accord, public works programmes, land reform and rural development, crime and violence, pricing of raw materials, public education funding, and Nedicac.

Such an ambitious programme begs the question of the extent to which Cosatu has the organisational capacity to effectively drive its policies and programmes. This was raised sharply by the September Commission, which has recommended a dramatic restructuring of the federation.

Proposals include

- That Cosatu's constitution and policies take precedence over those of affiliates. While this is in line with Cosatu's existing constitution, the implication is that the federation's national office-bearers and executive, as well as federation structures at regional and local level, have the right to intervene in solving internal affiliate problems in certain circumstances or to ensure adherence to Cosatu policy.
- That Cosatu reform its structures and practices. The pro-



# Cosatu already decided

*Secretan 16/9/97 (140A)*  
THE build-up to the Congress of SA Trade Unions' sixth annual conference could prove as telling as the event itself, with consensus already reached on many of the key issues facing the federation

The four-day conference, which gets underway at the World Trade Centre in Johannesburg today, is to be attended by 2 312 delegates representing more than 1,7 million workers

They will spend the bulk of the time debating and voting on resolutions which cover organisational, political and socio-economic issues

~~15/3/97~~ The resolutions submitted by 17 affiliate

unions, were released last week

Many of the issues raised are covered in reports drawn up by the Cosatu secretariat and the September Commission, set up to make recommendations on the strategic choices faced by the union in its pursuit of transformation. The reports should be the subject of heated debate, but affiliates are expected to reach broad consensus on their conclusions and recommendations

Cosatu general secretary Sam Shilowa has ruled out the possibility of the federation dissolving its alliance with the governing African National Congress - Sapa



West Rand  
because they had in- Joubert Park

## Tripartite debate likely to top Cosatu's agenda

(140A) Star 16/9/97

By RAMOTENA MABOTE  
Political Reporter

President Nelson Mandela is today expected to launch the debate on whether the ANC/SACP/Cosatu alliance should maintain ties, when he speaks as guest of honour at Cosatu's congress

Mandela, who will address about 1 000 delegates at the sixth national congress at the World Trade Centre in Kemp-ton Park, will challenge Cosatu to, over the next four days, carefully consider its future role in the tripartite alliance

The ANC and its allies have been at loggerheads recently and for the past three months speculation has been rife that Cosatu may want to withdraw from the alliance. These rumours have been denied

Although ANC insiders expect Mandela to be polite, party sources

said he would reaffirm his support for his Government and in particular for Labour Minister Tito Mboweni, whose Basic Conditions of Employment Bill has raised the ire of the labour movement

Although there is no danger of the alliance disintegrating, delegates are expected to emerge with a policy on whether Cosatu will continue its close ties with the ANC.

Cosatu has also voiced dissatisfaction over the Growth, Employment and Redistribution strategy, which last year replaced the Reconstruction and Development Programme

The congress is also likely to debate the structure and constitution of the labour movement

Most of the leadership, including general secretary Sam Shilowa, is set to be re-elected

# Mandela put on the defensive by Cosatu

BD 17/9/97

(140A)

Reneé Grawitzky

PRESIDENT Nelson Mandela was forced to defend government's macroeconomic strategy at the start of the Congress of SA Trade Unions (Cosatu) congress yesterday when the federation's leadership, including president John Gomomo, rejected the policy.

Mandela sought to set the tone of the four-day national congress by reiterating the African National

Congress's willingness to negotiate economic policy, but standing firmly behind its macroeconomic strategy.

The dispute between government and Cosatu on the Basic Conditions of Employment Bill also came to the fore with the federation vehemently denying Mandela's assertions that consensus had been reached.

Addressing more than 2 000 delegates, Mandela praised Gomomo for his opening address but expressed

strong reservations about his views on government's growth, employment and redistribution strategy (Gear).

Gomomo strongly criticised Gear and said Cosatu should reject the strategy and its philosophy.

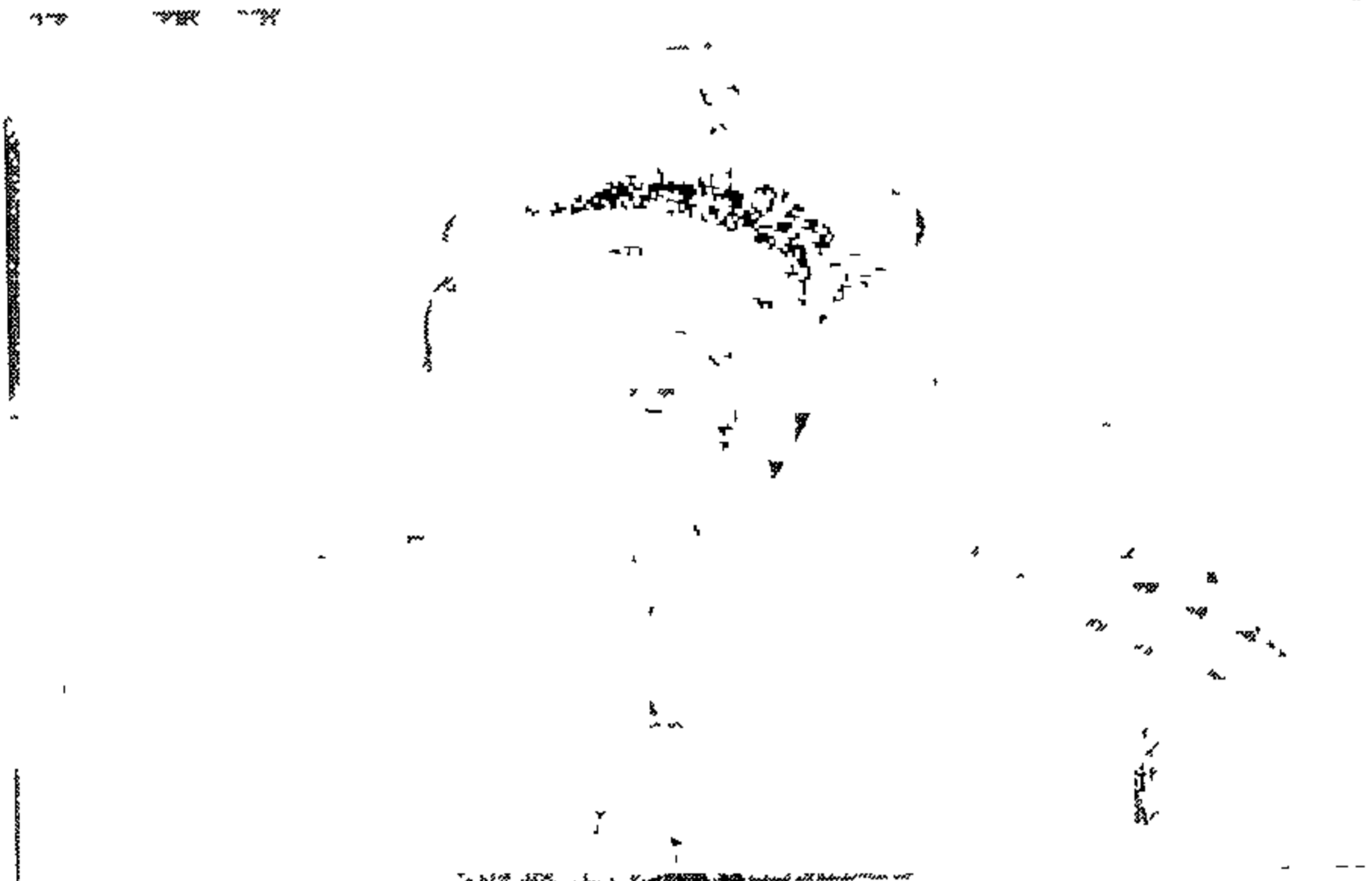
Mandela said he wanted to retain the alliance. It was natural that alliance partners would not agree on all matters, but it was important there be a readiness to discuss disagreements.

Disagreements appeared to be the order of the day. To counteract Mandela's support for Gear, Cosatu leaders reiterated opposition to it while workers sang "Cosatu asifuni Gear" (we do not want Gear).

Mandela said the delay on the Basic Conditions of Employment Bill was partly a result of conflicting interests, but consensus had finally been reached. He congratulated Cosatu general secretary Sam Shilowa for being prepared to compromise with Labour Minister Tito Mboweni.

Gomomo reacted strongly to this and said there was no consensus. "I do not know who informs the president, it is certainly not us."

Mandela said he had serious reservations about Gear, some of them fundamental, but it was a good strategy "to drag our economy out of the mess that apartheid left us" in. At the same time he expressed support of government policies and in particular



Mandela addresses the Cosatu conference yesterday

Picture CATHY PINNOCK

Continued on Page 2

## Cosatu

(140A)

Continued from Page 1

Finance Minister Trevor Manuel

It was not in the nature of the alliance, he said, for parties to adopt non-negotiable positions and it was unfortunate there had not been sufficient consultation with alliance partners on Gear. "Even the ANC learnt of Gear when it was almost complete."

Therefore, as agreed at a recent summit, macroeconomic strategy had to be measured against the objective needs of transformation and the real constraints facing the country. In this

vein, "like any policy", macroeconomic strategy was not "cast in stone".

Any proposed modification could be justified only in changes in objective conditions and "not merely in a desire for agreement, or in a sectoral drive to satisfy narrow self-interest".

Workers were warned that, although government understood the difficulties facing workers in industries being restructured, "it must be clear that government can never be bound to stop the whole process of transformation because we want to please those workers in that particular industry or corporation".

See Pages 3, 13

BD 17/9/97



# Cosatu not considering quitting alliance — Shilowa

(140A)

BD 17/9/97

## Vuyo Mvoko

THE Congress of SA Trade Unions (Cosatu) was not considering breaking away from the tripartite alliance led by the African National Congress (ANC), Cosatu general-secretary Sam Shilowa said yesterday at the opening of the federation's 5th national congress.

"To the NP (National Party), the IFP (Inkatha Freedom Party), the DP (Democratic Party),

(Bantu) Holomisa and Roelf Meyer, we say forget about us Cosatu sal stem ANC," he said

Shilowa said the time had come for the federation to define the relationship it wanted to have with the ruling ANC

Presenting a secretariat report, Shilowa said it was "doubtful" whether Cosatu was "getting value for money" from the people the unions sent to Parliament on an ANC ticket

In Parliament there were

"comrades" who championed Cosatu views even though they were not associated with the federation, Shilowa said. Yet there were also those, some of whom came from the trade union movement, who now "feel embarrassed in their association with us". Some had even become "hopeless and their positions right-wing", he said

Shilowa accused certain government ministers of engaging in "a pattern of treating the al-

liance with contempt", and called on those ministers to change their approach "since all it does is cause unnecessary tensions within the movement"

One of the critical problems of the alliance in relation to governance was the fact that the formulation of policies in relation to areas such as the economy and housing were being "driven by technocrats, the bureaucracy and ministries", Shilowa said

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# Cosatu's challenge

**A**S COSATU DELEGATES converged on the World Trade Centre for their sixth national congress yesterday, they readily acknowledged the weighty responsibility they all carried

Many were conscious of the symbolic significance of the venue. Political parties had gathered here more than four years ago to shape the destiny of post-apartheid South Africa.

Their congress' significance is no less than those critical multiparty gatherings. Decisions they take will undoubtedly have a seminal influence on the course of social transformation in this country. The central challenge for Cosatu is to entrench a working class hegemony to lead the national democratic transformation process.

How it hopes to achieve this objective remains uncertain and the subject of intense debate. It is a subject that is likely to permeate almost every discussion the federation addresses this week – from plain organisational and structural questions down to more fundamental political and economic policy matters.

Many of these questions flow from Cosatu's recognition that it must ensure its constituency remains the driving influence in shaping social transformation. For this reason, Cosatu's waning influence within the ANC-led tripartite alliance has generated such deep concern.

Just how ineffective Cosatu's influence has been in the alliance since the adoption of the RDP is apparent from the Government's macro-economic strategy. Cosatu's September Commission report, to be debated at the congress, makes its point of view on Gear quite clear.

Unpacking Gear's underlying premise, the commission says Gear intends to prop up "vested economic powers which have their roots in apartheid. They promise to strengthen capital and weaken labour."

## Central challenge

It is from this illustration of the classic divide between capital and labour that Cosatu's congress derives its central challenge – to take back the initiative and ensure that social transformation does indeed occur under the class hegemony of working people and not of capital.

The question facing the congress is – how best to reassert Cosatu's influence? While it is no doubt a matter for debate, there is one certainty in all of this – Cosatu will not seek to influence the ANC's social transformation agenda from the outside alone.

It is confident that the tripartite alliance remains the most effective vehicle to achieve national democratic transformation. This much is evident in the support of affiliates in all major industrial sectors, including mining, metal and engineering, transport and municipal services, for the strengthening of the alliance.

The problem facing the labour union's coming congress is – how to reassert its influence as leader in the transformation process. **Amrit Manga** explains why...



**Sam Shilowa ... Cosatu general secretary at Cosatu's sixth National Congress.**

However, the resolution reaffirming the need for an alliance goes on to say "Together with the policy of maintaining the alliance, the federation needs a plan to revitalise the alliance." This remains an area of contest.

While there is consensus on the need for a common programme to drive a social transformation agenda based on the RDP, there are differences on whether this should take the form of an alliance accord.

Gauging from the resolutions to be debated at the congress, only the Paper, Printing, Wood and Allied Workers Union supports a "Transformation Programme-Reconstruction Accord" to drive the alliance in an agreed direction.

While the resolution does not detail the affiliate's motivation, there are obvious dangers associated with a 'reconstruction-transformation accord'. The congress will, for example, have to examine the proposal and assess whether the Ppwawu resolution resembles a proposal put forward by the ANC last year in its document State and Social Transformation.

Here the ANC broaches the subject of a golden triangle – 'the working class, together with the democratic state and capital complete the proverbial golden triangle necessary for the development and transformation of society'.

Questions that arise in this context are rather thorny. Would Cosatu, for example, entertain the possibility of a strike moratorium, wage restraint, etc. within the scope of such an accord?

If the Cosatu discussion document proposing

an alliance programme for transformation is anything to go by, the federation's position on these matters is unequivocal – it will not entertain any moratorium on strike and wage increases. Nor does it envisage an accord that includes business.

Unlike Ppwawu, Cosatu's public sector and metal affiliates are opposed to an accord and argue that it will not bring any qualitative improvements. Whether this leaves room to accommodate an alliance agreement based on a mass public housing scheme, a national health care system, social safety nets, which include a comprehensive unemployment insurance scheme, a public investment strategy and public sector restructuring remains unclear.

For now though, work has already begun within the alliance towards developing a common approach to essential elements to social transformation. A number of alliance task groups have already been established to develop common approaches to, among other things, public service restructuring, fiscal and monetary policies and job creation.

It is within these task groups that Cosatu will have to assert its influence. Some hope that they will deliver important components of a common alliance programme with a clear working class bias. However, that is not a given. The ANC has in the past warned against ignoring the objective realities in formulating policy.

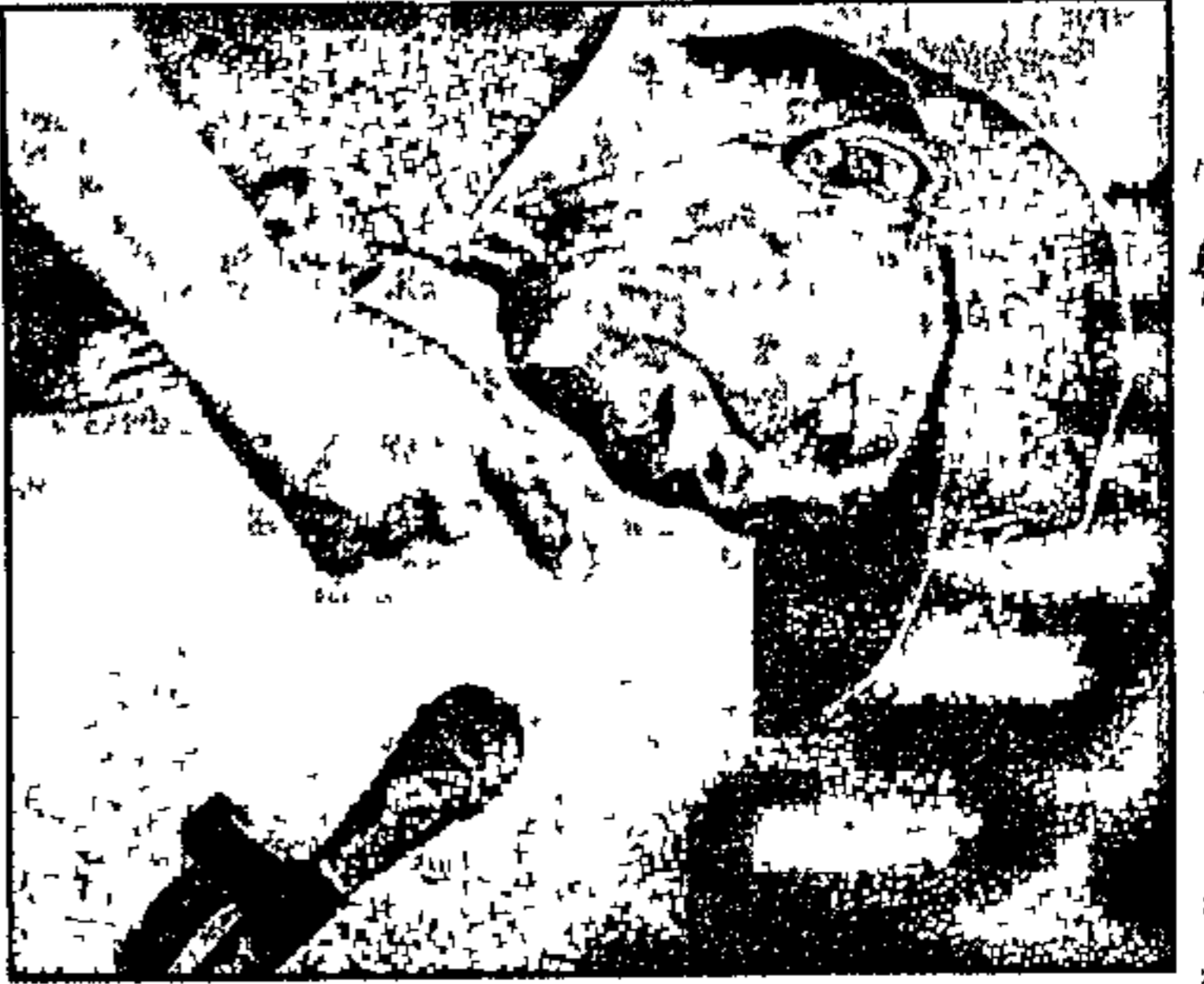
## Undisguised warning

In its paper State and Social Transformation, the ANC says "The essential point is that the democratic movement and state must never entertain the notion of voluntarism with regard to economic questions, according to which the concept takes hold that the subjective can assume ascendancy and preponderance over the objective."

Unpacked, this is an undisguised warning against ignoring domestic and global realities dictated by the "amorphous market", the IMF and World Bank. Implicit in this caution is the view that those driving "social transformation" cannot be held prisoner by free market capitalism, nor can they behave as if they were free agents of popular empowerment.

Cosatu's challenge is to navigate a route to social transformation that takes account of both realities. The course it plots after its deliberations will determine more than just the quality of transformation. It will also impact on the political relevance of organised labour ahead of the next millennium.





Left: President Nelson Mandela, in a red Congress of South African Trade Unions cap and T-shirt, at the opening day of Cosatu's annual congress in Kempton Park yesterday

Right: Three of the delegates at the congress greet the President with chants of "ANC, ANC, ANC".

PICS ANTONIO MUCHAVE



# Cosatu, ANC agree on new Labour Bill

*Secretan 17/9/97*

*(1424)*

By Abdul Milazi

RESIDENT Nelson Mandela confirmed yesterday that the African National Congress had reached consensus with the Congress of South African Trade Unions (Cosatu) on the Basic Conditions of Employment Bill.

He said the legislation would be tabled before the current session of Parliament.

Mandela was speaking at Cosatu's sixth national congress at the World Trade Centre in Kempton Park on the East Rand.

"I would like to congratulate Sam Shilowa on his reasoning and his willingness to compromise," he said.

The President's announcement follows two days of confusion after business and Cosatu refused claims by Labour Minister Mr Tiro Mboweni on Sunday that sufficient consensus had

been reached on the Bill.

Minutes after receiving a rousing welcome from the capacity crowd and doing a few moves of the famous Madaba jive, Mandela went straight for the jugular vein, criticising Cosatu's rejection of the restructuring of the fishing industry.

He warned that "the Government cannot abandon its transformation programme just to please workers in certain sectors".

This was one of the salvos fired by Mandela in his hard-hitting speech, probably meant to bring the ANC and Cosatu in line after recent conflict arising from differences over the Basic Conditions of Employment Bill.

The only partner in the tripartite alliance that was spared the rod by the ageing President was the South African Communist Party, whose delegation was led by its secretary general Mr Charles Ngakula.

The ANC also took flack for Finance Minister Mr Trevor Manuel's declaration that the macro-economic strategy, known as Growth Employment and Redistribution (Gear), was not negotiable.

However, Mandela agreed with Cosatu that the alliance partners needed to stand together for the ANC to win the 1999 elections.

## Underhand tactics

He said the organisation did not get a two-thirds majority because it did not "have the privilege to campaign inside the country" and had to contend with "underhand tactics from the National Party".

"Opposition parties are now complaining about how strong the alliance is and are talking about the ANC wanting a one-party state."

"They have short memories. They forget that for more than four decades

they have had a one-party state," Mandela said.

Cosatu president Mr John Gomo said, "All that is required is for us as an alliance to redefine our priorities, develop an agenda and programme to achieve those priorities and mobilise all progressive forces behind that programme in the same way we did against apartheid oppression and exploitation."

Gomo called for the dismissal of what he called "ineffective" ministers and some Members of Parliament (MPs). "As a movement we should ensure that our representatives at various levels of government and in Parliament who are ineffective are subject to recall and replaced by those who are committed to serve the cause of the liberation struggle," he said.

In its political resolutions for the national congress, Cosatu had expressed concern about its former

members who were now MPs and were no longer sympathetic to workers.

This prompted the federation to review its decision to release its leadership to take up posts in government.

The latest highly placed trade union leader to join government was National Union of Metalworkers (Numsa) general secretary Mr Enoch Godongwana. The National Union of Mineworkers (NUM) general secretary Mr Kgalema Motlanthe is to join the ANC as its general secretary.

Former Cosatu general secretary Mr Jay Naidoo was among the first to leave when he was appointed Minister Without Portfolio and later Minister of Broadcasting.

Gomo said "We will be less than frank if we deny that we have not functioned effectively as an alliance. Energy has been spent on highlighting and resolving differences."

● See page 12.

# Cosatu resolves to fight

## effects of globalisation

AKG 18/9/97

(140A)

### Union proposes international alliances

**THABO MABASO**  
AT THE COSATU CONGRESS

Johannesburg - The Congress of South African Trade Unions has resolved to fight the effects of the globalisation of production.

The resolution was taken after a heated debate lasting more than two hours at Cosatu's sixth national congress in Johannesburg yesterday.

The debate centred on whether Cosatu should reject globalisation outright or whether it should focus its fight against the negative impact of globalisation.

It still has to decide on areas of focus for the campaign.

The Southern African Clothing and Textile Workers' Union (Sactwu), which jointly sponsored

the resolution with other affiliated unions, argued for the formation of alliances with federations in other countries in the fight against globalisation.

Sactwu secretary general

Ebrahim Patel told the congress that the fight against globalisation should be adopted as a site of struggle.

"Let's form international alliances to fight the negative effects of globalisation and not say we don't want to have anything to do with globalisation," Mr Patel said. Sactwu had also proposed that

#### 'Globalisation amounts to a new, ideological attack on worker rights and labour standards'

Cosatu should set aside 5% of its annual income in order to build trade unions in Southern Africa and other parts of the developing world.

The congress resolved that Cosatu's central executive committee should decide on the percentage to be set aside at its next meeting.

The resolution on globalisation follows a similar decision by Sactwu at its congress last month. It decided to contact unions in other parts of the world which had also experienced the effects of globalisation.

Mr Patel would be sent on six months sabbatical leave, travelling to the Americas, Europe and Asia to study the responses of the unions to globalisation.

Sactwu has blamed globalisation for a series of factory closures in which thousands of workers in the clothing and textile industries have lost their jobs in recent years.

The union said in its proposal that globalisation amounted to a "new, ideological attack on worker rights and labour standards in the name of international competitiveness, by investors, many governments and professionals."

The congress also resolved to strengthen its campaigns against undemocratic and autocratic governments in Africa.



# September's election bid (140A) gets boost

ARG 18/9/97

Johannesburg - The chances that South African Clothing and Textile Workers' Union Cape official Connie September will be elected Cosatu's first national vice-president have been enhanced.

It was disclosed yesterday that the Food and Allied Workers Union (Fawu) would throw its weight behind her in leadership elections at Cosatu's sixth national congress.

A source who spoke to the Cape Argus on condition of anonymity said Fawu president Peter Ngwenya, who is also in the running for the position, would step down if he faced Ms September.

Other candidates in the running are the incumbent, John Nkadimeng, and Vusi Nhlapo of the National Education, Health and Allied Workers' Union.

If Ms September is elected, she will be the first woman to hold this senior position. - Business Reporter

lating to the safety, quality and efficacy of drugs, Folb said.

He said the draft legislation would give the health minister sweeping powers to introduce the parallel importation of drugs and international tendering, despite assurances by Zuma that she had no intention of usurping the council's powers.

Folb said the bill — one of three pieces of legislation withdrawn by Zuma in June amid intense opposition — also retained clauses which could severely harm the medicines control process and allow for double standards to be used to register and control medicines.

The bill, if passed unchanged by Parliament, would enable the health minister to override or ignore the council's advice, Folb said. Zuma, he said, had been given poor advice on the draft legislation and this had resulted in the bill being "ridiculous" and "thoroughly" unsound. He also said the bill would expose the council to possible legal action by making it a juristic person.

Health department director-general Olive Shisana rejected accusations that the bill would give the minister wide and unspecified powers. Shisana said it was in the public interest for the government to regulate private health care.

She said government would be failing in its duties if it did not intervene appropriately in the market to ensure that the price of medicines was lowered.

Meanwhile, the SA Chamber of Business has called for the withdrawal of the bill, saying it could have damaging economic and legal consequences.

MD 18/9/97

# Heated debate on 'super unions' at congress

Vuyo Mvoko

Cosatu president John Gomo, however, brushed the criticisms aside, saying he found it strange the federation was now dealing with poaching when it had not yet been able to organise at least 50% of the economically active workforce.

Representatives at the congress were faced with three possible resolutions. The first called for the active implementation and promotion of Cosatu's founding principle of a broad-based industrial unionism, and a policy of one union for each industry.

A second option called for the establishment of key, broadly defined industrial sectors which would be organised into "cartels" responsible for defining sector policy, collective bargaining and setting parameters for all other union work of national competence. The present Cosatu affiliates

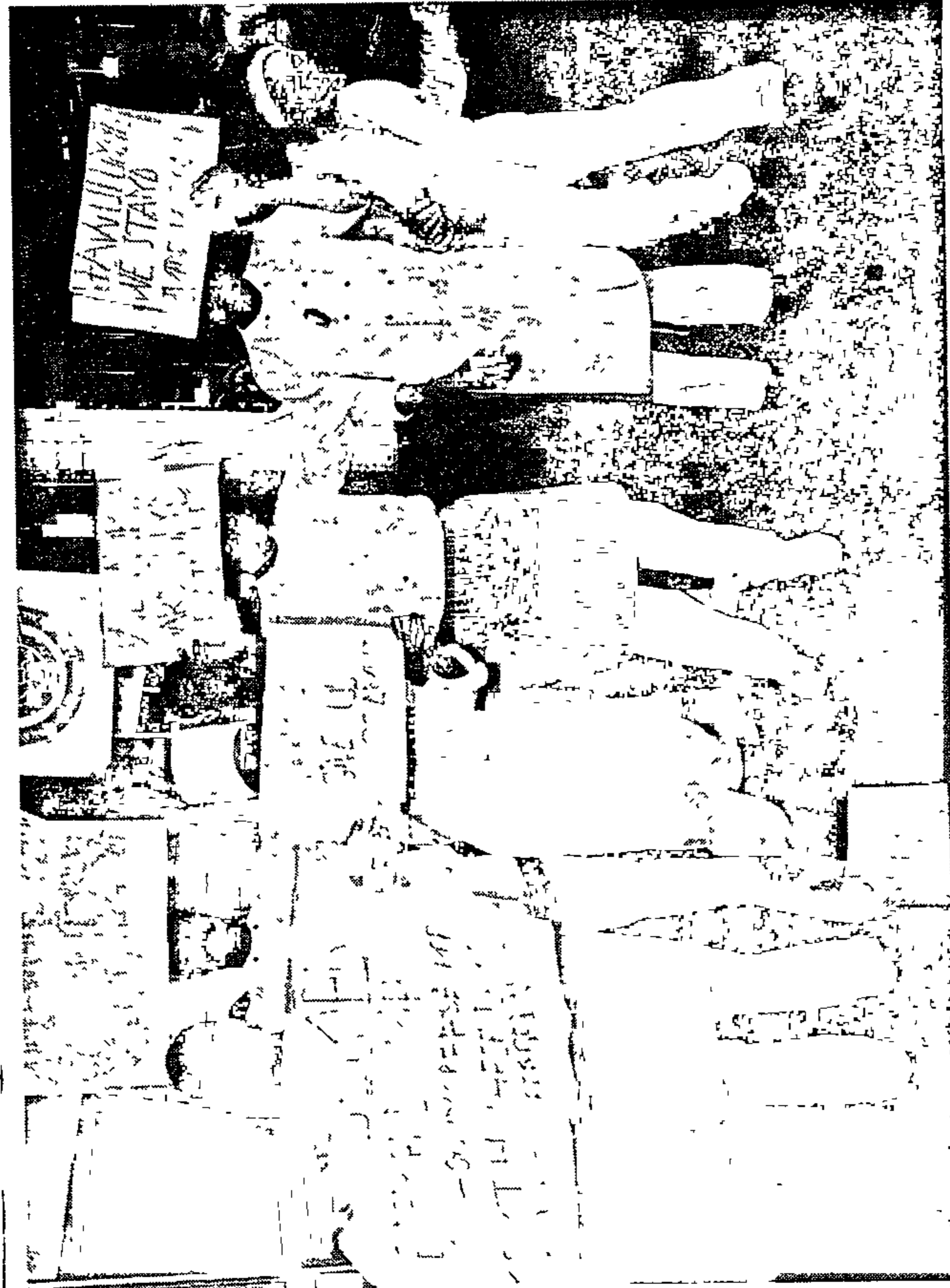
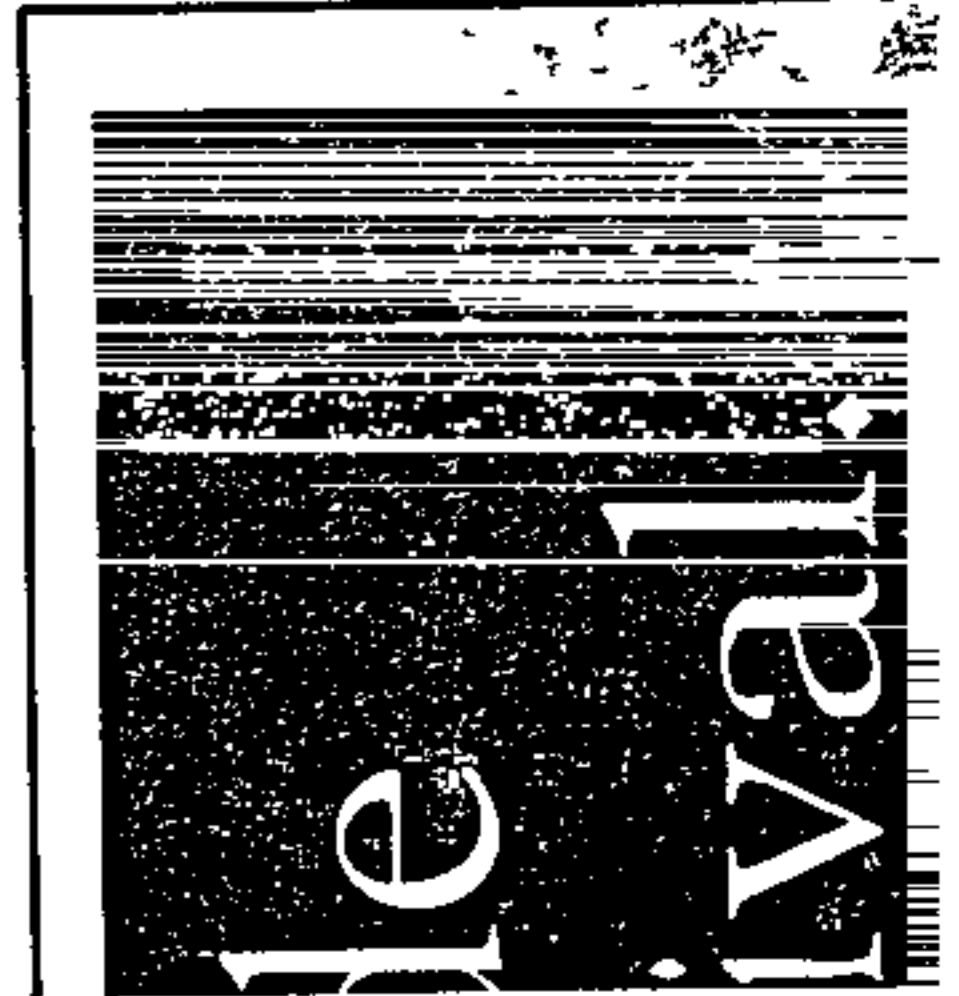
HEATED debate took place at the Congress of SA Trade Unions (Cosatu) national congress yesterday over whether to reorganise the federation's affiliates into "super unions" or to maintain the principle of a single union for each sector.

The debate — made vigorous and sometimes emotional by the fact that certain unions had previously been accused of poaching from others — even saw criticism of the trade union federation's executive.

On at least two occasions the executive, which presided over the debates, was accused of suppressing views it did not agree with and of pushing its view "at all costs". One delegate questioned whether this did not amount to "bullying or coercion".

Food and Allied Workers' Union members making lunch for delegates at the Congress of SA Trade Unions congress yesterday Johannesburg used the occasion to protest about poor pay

Picture TYRONE ARTHUR



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# Cosatu lunch threatened by union strike

Reneé Grawitzky

THOUSANDS of Congress of SA Trade Union delegates nearly went without lunch yesterday when workers, catering for Cosatu's congress at the World Trade Centre in Kempton Park, interrupted a heated debate on globalisation to highlight wage demands.

A group of Food and Allied Workers' Union (Fawu) members marched through the main hall where more than 2 000 Cosatu delegates were embroiled in a debate on the wording of a resolution dealing with globalisation.

The Fawu members, taking advantage of the congress's high profile, threatened not to serve lunch if World Trade Centre management did not re-

spond to their demands

In an attempt to disperse the group, a Cosatu delegate said "If you are striking today, it would not be against management, but against us (Cosatu)"

A Fawu member said "We wanted to highlight to the congress that people here are earning less than R1 000 a month and in some cases catering staff are earning R600 to R800 a month."

Workers returned to work to the applause of delegates

The major part of the second day of the congress was devoted to deliberations on the federation's international policy. Cosatu general secretary Sam Shilowa said forging international relations with other trade union movements was critical to deal with nega-

BD 18/9/97 (140A)  
tive consequences of globalisation. Delegates endorsed a resolution to affiliate to the International Confederation of Free Trade Unions

SA Clothing and Textile Workers' Union assistant general secretary Ebrahim Patel said Cosatu needed to initiate a campaign for co-ordinated international action to draw attention to the consequences of globalisation.

Delegates became divided over how to deal with globalisation. Some unions said globalisation's existence could not be ignored. Strategies should be developed to deal with it. Other unions said globalisation was destructive and should be fought against.

See Page 2

# Call for gender quota rejected after debate at Cosatu congress

Reneé Grawitzky

(140A)  
BD 19/9/97

THE majority of Congress of SA Trade Unions (Cosatu) affiliates yesterday opposed a resolution calling for the introduction of a gender quota system in the federation to facilitate the election of women into leadership positions.

The call for a quota system was also proposed in the September Commission and the secretariat report, but was rejected in a debate dominated by women delegates at the congress, talking on behalf of their respective unions.

Speeches opposing the quota were loudly applauded by the male-dominated delegates. It was uncertain whether this was out of conviction or relief, as one delegate privately put it:

The congress resolved that a programme to educate women should be adopted and within that, the setting of targets, as being proposed by Labour Minister Tito Mboweni in draft legislation on employment equity.

A National Union of Metalworkers of SA delegate said "we do not want three comrade mamas sitting on the podium who cannot argue positions".

She said women did not want positions reserved for them only because they were women, and that women should be appointed on merit and capability.

This view was reiterated by the majority of affiliates — even the SA Clothing and Textile Workers' Union whose membership is predominantly female but only one-third of its delegation are women. Another female delegate said the quota system was tokenism and an insult to women.

This vehement reaction by women surprised those who assumed that the view of Cosatu's national gender committee — which has supported the introduction of a quota system — would be carried.

A feature of the congress so far had been that few women delegates had spoken on other issues. One female delegate said if women wanted to be taken seriously, they had to be able to engage in debates other than on women's issues.

She said gender committees were addressing such issues, while not discussing or educating women on macroeconomic and political issues. Another delegate said the debate reflected the paternalistic culture of the trade union movement.



# NEWS

*Labour federation opts for developmental programmes rather than quota system*

## Cosatu women reject token empowerment

CT (P&K) 19/9/97 (140A)



**LEADING** Connie September, Cosatu's second vice-president

**FRANK NXUMALO**

Johannesburg — Women delegates at Cosatu's sixth congress yesterday rejected the idea of mandatory quotas for women in the labour federation and its affiliates

The overwhelming majority of women delegates favoured empowerment and emancipation of women through developmental programmes that would cultivate women from shopfloor through to national leadership

They said a quota system was patronising, an insult to womanhood and a tokenism that would ultimately not be in the interests of women "We are proud to announce that we can make it, we

are capable enough," said one woman delegate

Cosatu's most senior women executive is Connie September, the second vice-president

The move against quotas was led by women delegates from the South African Clothing and Textile Workers' Union and the Food and Allied Workers' Union (Fawu), both of which have majority women members

These two unions were supported by heavyweight unions, the National Union of Metalworkers of South Africa and the National Union of Mineworkers

They rejected a motion by the Cosatu leadership, supported by the National Education, Health and Allied Workers' Union and

the Chemical Workers' Industrial Union, among others, for a mandatory quota for women in the federation's structures

"We don't want positions reserved for us," said one delegate.

A Fawu delegate lambasted a quota system for women representation as a "window dressing" that would not serve the interests of women's empowerment.

"As Fawu we think it is wrong to talk of the quota system as if the struggle of the working class is about quota empowerment. We totally reject that."

"What we are saying is, go forward with a clear training programme geared towards true empowerment. We should be brave enough and not allow ourselves

to be destroyed by males," she said

A divisive situation was averted by Kgalema Motlanthe, NUM's general secretary, who moved that congress mandate Cosatu's central executive committee (CEC) to implement a vertical developmental programme that had measurable targets

Motlanthe said, unlike a quota system which was fixed, a target system was preferable as it could be varied up and down to align with prevailing conditions

The motion was eventually adopted as a resolution

The South African Democratic Teachers' Union proposed a 50 percent women representation on the training programmes

# SA NEWS DIGEST

LABOUR

(140A)

## Cosatu congress agrees to feasibility study in creating 'six super unions'

When the congress of the South African Council of Churches (SACC) met in Durban on Monday, it agreed to a feasibility study on the possibility of creating six super unions to replace the 150 unions currently in existence.

The study would be done by a committee of representatives from the unions and the SACC. The committee would also be responsible for identifying the areas where the unions could be merged and for developing a plan of action to implement the study.

The study would also look at the possibility of creating six super unions, each representing a different sector of the economy. The study would also look at the possibility of creating a new union for the public sector.

CT(BR) 19/9/97



# Challenged Cosatu leader keeps job

Union boss dogged by suspicion of collusion

ST 21/9/97

(140A)

CAROL PATON

**S**AM SHILOWA was re-elected unopposed to the powerful post of Cosatu general secretary this week, despite lingering suspicion among delegates to the union federation's congress that he had gone behind their backs to secure an agreement with the government on the controversial Basic Conditions of Employment Bill.

The impression was created that Shilowa had made a deal with the Minister of Labour, Tito Mboweni, after President Nelson Mandela, speaking at the opening of the congress on Tuesday, deviated from his prepared speech to congratulate Shilowa and Mboweni on finally striking a deal.

Mandela's comments caused confusion among delegates and did serious damage to Shilowa's reputation.

The Bill has been the subject of protracted negotiations between business, labour and the government as well as the focus of a series of strikes by Cosatu.

In an attempt to rectify the situation, Mandela sent a message to the congress explaining that his statement — that there was consensus on the Bill — had been based on what he had read in the press.

Shilowa, a security guard who rose through the ranks of the union movement, faced a difficult congress, with frequent challenges to his interventionist style coming from the floor.

In addition, Shilowa's nomination as general secretary was not backed by the National Union of Metalworkers, the second-biggest union in the federation.

Cosatu president John Gomomo was also re-elected unopposed.

Connie September, an executive member of the South African Clothing and Textile Workers' Union, beat the National

Union of Mineworkers' nominee, George Nkadi-meng, into the position of first vice-president.

Zwelinzima Vavi was re-elected Shilowa's deputy and Ronald Mofokeng as national treasurer. Food and Allied Workers' Union president Peter Malepe was elected second vice-president.

Meanwhile, Cosatu hopes to hold further talks with the ANC on the Basic Conditions of Employment Bill in an attempt to reach consensus before it is debated in Parliament.

At the congress, Shilowa outlined a package of proposals which

could contribute to a deal. These include

- A model that allows basic standards to be varied as long as workers don't lose out in an overall way. Variation would only occur through the Labour Relations Act, which allows the minister to make exemptions.

- A reduction of working hours to 45 for mineworkers, farm and domestic workers. A 45-hour week would be phased in for security guards.

- A threshold of 15 for child labour, and

- Six months maternity leave, four of them paid.

## WEATHER AND TIDES

**GAUTENG** Partly cloudy and warm

**MPUMALANGA** Partly cloudy and warm but hot in the lowveld. There is a 20 percent chance of thundershowers.

**NORTHERN PROVINCE** Partly cloudy and hot with a 20 percent chance of thundershowers in the east.

**NORTHWEST PROVINCE** Fine and warm but partly cloudy in the east.

**FREE STATE** Partly cloudy and warm but mild in the north-east where there is a two percent chance of thundershowers.

**NORTHERN CAPE** Fine and warm but mild in the south. The coastal wind will be moderate to fresh easterly.

**WESTERN CAPE** Cloudy along the south coast at first, otherwise fine and mild but warm in the west. The coastal wind will be fresh south-easterly but strong in places around the Peninsula.

**EASTERN CAPE** Partly cloudy and mild but cloudy at times along the coast. The wind along the coast will be moderate to fresh south-westerly.

**KWAZULU NATAL** Partly cloudy and warm but cloudy at first in the east with showers. The wind along the coast will be moderate to fresh westerly to south-westerly.

**NAMIBIA** Fine and warm but hot in the north. The coast will be fine and mild but partly cloudy over the northern half with fog patches at first.

**LESOTHO** Partly cloudy and mild.

**SWAZILAND** Partly cloudy and warm with a 20 percent chance of thundershowers.

	Low/High	Low/High
Cape Town	0006/0612	1219/1835
Mossel Bay	0012/0623	1216/1849
Knysna	0026/0643	1232/1908
Port Elizabeth	0014/0624	1220/1849
East London	0016/0626	1222/1849
Durban	0011/0621	1221/1839
Walvis Bay	****/0643	1218/1905



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**DETEC**



# 'Asiyifuni i Gear!' - Cosatu

CP 21/9/97 (14DA)

THE PASSION with which they chanted "Asiyifuni i Gear" (we reject Gear) was enough to convince even the hardest of cynics that Cosatu would not budge on its rejection of the government's macro-economic framework.

Not even President Nelson Mandela's speech at the beginning of this four-day conference that "Gear was a good policy that (will) lift the economy out of the morass it had been dragged into by apartheid" could sway them.

"We reject Gear as unsuitable for South Africa's socio-economic transformation and call on the ANC government to adopt a developmental macro-economic framework, based on the principles of the RDP," South Africa's largest trade union federation declared.

Observers had thought Mandela's speech would set the tone for a Cosatu compromise on Gear.

This hope was accentuated by Mandela's remark that he would like to congratulate Cosatu's secretary general, Sam Shulowa, "on his reasoning and willingness to compromise".

If anything, Cosatu's 2 000 delegates at this conference noted the "unacceptable" neo-liberal policies and principles of Gear, the effects of which were already being felt by the working class people.

Vociferous in their rejection of



By M. M. M. M. M.

this economic framework were affiliates like Samwu, who charged that "you cannot reject Gear and not say the ANC should abandon it".

To this end, Cosatu resolved to embark on a campaign to publicly resist Gear, incorporating like-minded institutions to pressure the government to adopt a developmental macro-economic framework as enshrined in the RDP.

The Gear elements which Cosatu rejects include, the subsidy cuts, privatisation, labour market flexibility, and reducing the role of the State in the economy.

What seemed to incense the Cosatu delegates was that, while Gear is not cast in stone, it was unilaterally imposed. Even Mandela confessed the "ANC knew about it (Gear) long after it was drafted".

It is interesting that, while there are tactical differences between the

IN ITS sixth national congress, Cosatu has once

again pledged to support the ANC in the 1999

elections - but has unequivocally come out against

the government's Gear macro-economic policy and

is planning to actively campaign against it.

ANC and Cosatu, delegates would not push for an end to the alliance, saying it was a strategic alliance that needed to be nurtured.

Delegates heard that what needs to be done is to deploy the Cosatu leadership in all the structures of the ANC, so as to influence policy and give a socialist direction.

The congress also resolved to give their unwavering support to the ANC's election bid in 1999.

It was a delegate from the National Union of Mineworkers who said that if Cosatu was to play a socialist vanguard role, it cannot do that outside of the alliance.

The conference also noted that capitalism is becoming more global in its operations and, in the name of globalisation, it (capitalism) was crushing any thought of socialism.

Increasingly, the conference noted, investment was being shifted to countries where no unions are al-

lowed.

While urging for a serious review of current separate and uncoordinated struggles, and a need to develop new tactics in this new period, Cosatu intends to campaign for coordinated international action to draw attention to the negative consequences of certain aspects of globalisation.

Said Shulowa: "This should provide the basis for uniting workers globally in what are currently separately-fought struggles".

Cosatu's projects will include:

- Mass action with other solidarity forces to put pressure on the "undemocratic regimes" in Swaziland and Nigeria;

- To commemorate the 30th anniversary of the murder of Che Guevara,

- To participate in the second globalisation conference which is to be hosted in Cuba,

- And to organise mass activities during the visit of Indonesian dictator Suharto to South Africa, in order to raise the issues of the independence of East Timor and continuing repression in Indonesia.

The position of women within Cosatu dominated the proceedings on the third day of the congress.

While women make up about 40 percent of Cosatu's two million membership, only one woman - Connie September - is in the federation's executive committee.

Some affiliates argued for a quota system whereby the process of women being affirmed into leadership positions could be monitored.

Surprisingly, this motion was rejected, but the congress resolved to actively build up women's leadership within the federation.

September was elected into the position of first vice-president and Peter Malipe of Fawu was elected second vice-president.

Cosatu president, John Gomomo, secretary general Sam Shulowa and assistant general secretary Zwelibanzi Vavi were all re-elected unopposed.

The federation resolved to convene a special central committee within the next six months to concretise its anti-Gear campaigns and to develop an alternative macro-economic strategy to underpin its transformation objectives.



# Cosatu arm looks set to join unions' firm

**Reneé Grawitzky**

KOPANO ke Matla, the Congress of SA Trade Unions (Cosatu) investment arm, had agreed in principle to join the federation's affiliate unions in the newly formed trade union controlled company, Union Alliance Holding, company sources said yesterday.

Union Alliance management said lengthy discussions with Kopano directors at the weekend had resulted in an agreement in principle to join the new company Union Alliance, officially launched on Friday, is a joint venture by New Africa Investments Limited (Nail) and four Cosatu affiliates representing more than 400 000 workers.

The union-controlled company aims

to become the co-ordinating union forum for financial services with the objective of expanding into the full spectrum of financial services from union-owned banks to insurance and union trusts. The unions at this stage include the National Union of Metalworkers of SA, SA Railway and Harbours Workers' Union, Communication Workers' Union and National Education Health and Allied Workers' Union.

The formation of Union Alliance comes in the wake of widespread concern that the emergence of union investment companies has caused tension in the labour movement.

One of the driving forces behind Union Alliance, ANC MP Philip Dexter, said the initiative was an attempt

to refocus union investment activity and ensure investments were made in a socially responsible way.

The four union investment companies and the Transformation and Development Trust will own a 70% stake in Union Alliance, while Nail will get a 20% stake, which could be cut in time. Under negotiation is a 10% stake for the management of the company.

The company's first transaction was to set up an asset management company with Nail-controlled Metropolitan Life Metropolitan's initial injection of R1m and a commitment of R200m of its existing assets to the company assured it a 30% stake in the asset management company, with Union Alliance retaining 70%.

BD 11/11/97

(140A)

# Cosatu can be proud of its role

By Jay Naidoo

**L**AST WEEK the Congress of South African Trade Unions (Cosatu) celebrated its 12th anniversary. It was an event that passed unnoticed in the media.

Looking back to December 1-5 1985, everyone in the country, except the most cynical, can feel proud of the achievements of the South African labour movement.

I remember emerging from the inaugural congress uncertain of the fragile unity we had forged. Thirty-three unions with diverse policies, views and political tendencies were brought together by the iron heel of apartheid repression.

The state of emergency had been declared. The convening chairman, Cyril Ramaphosa, spoke passionately: "A giant has been born. It will fight for the rights of the working class. It will oppose all who stand in its way."

The reality was different.

The weak and often regionally-based unions had to be merged into strong national industrial unions. A national infrastructure had to be built to support the nine regions.

Political principles had to be translated into viable working programmes. A strong shopfloor organisation had to be built to win real gains for exploited workers.

The limited legal space had to be exploited to protect the embryonic organisation. The financing of the operations and campaigns of Cosatu had to be secured.

At the launching rally, Cosatu president Elijah Barayi made his famous speech: "(PW) Botha you must release Comrade (Nelson) Mandela and abolish the pass laws in six months or else."

## Confrontation

The speech launched Cosatu on a path of confrontation with the Government and mapped out a path of future militancy that placed us at the forefront of resistance to apartheid.

My meeting with African National Congress (ANC) leadership in Harare that December consolidated the continuity of the tripartite alliance with the ANC and South African Communist Party (SACP).

The early days were difficult. The internal wrangling over mergers, paper resolutions on political policy and egos of powerful leaders were frustrating.

What was needed was a programme of action driven by a decisive leadership that committed both membership and leaders to face the challenge of building an organisation, winning victories for our members and challenging the apartheid regime.

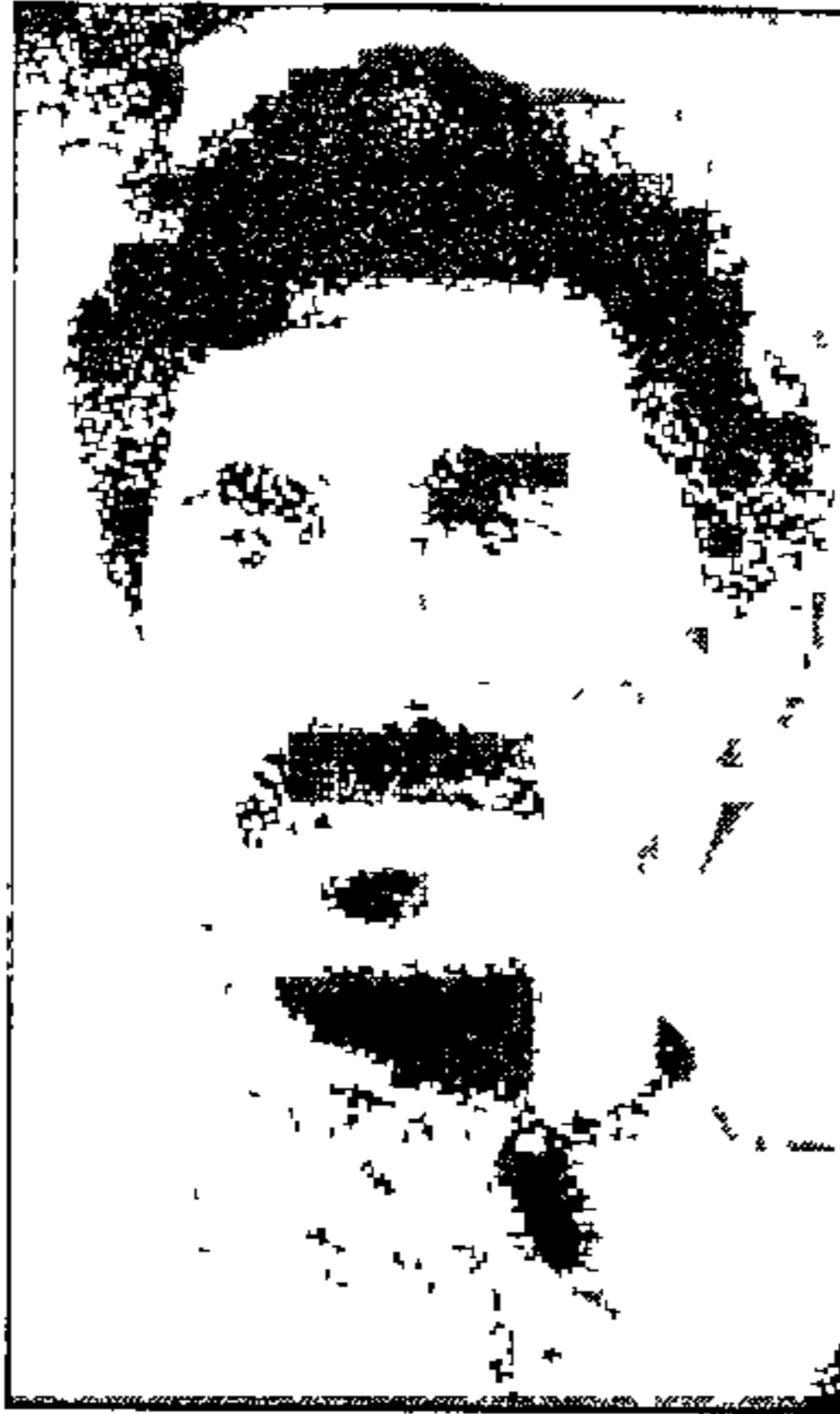
The culmination of the Living Wage Campaign in the winter of discontent of 1987 was the fruit of painstaking efforts by thousands of shopfloor activists working single-mindedly to build a momentum against the cheap labour system and apartheid repression.

The OK strike, the railway strike and the mineworkers' strike inflicted a body blow on apartheid. Mass actions against political repression mobilised millions of workers.

But we were realistic about the challenges facing us. We had to balance worker organisation, negotiating concrete gains for members with employer bodies, with the campaign for political freedom.

We had to break the alliance between capital and the state, isolate

Labour confederation launched 12 years ago at height of repression



**Jay Naidoo says the only force capable of driving fundamental transformation is the alliance of the ANC, SACP and Cosatu.**

the National Party government internationally and wage a constant battle to mobilise our forces.

Cosatu acquired the enviable reputation of being one of the fastest growing movements in the world. We were brutally critical in evaluating our weaknesses and placing concrete proposals on the way forward.

Today we are proud to boast of an organisation close to two million members strong and the most powerful on the continent.

What our country needs now more than ever is inspired leadership. We can go through the routine finger-pointing exercise. Where does it take us? Into a vicious circle of accusation and counter-accusation.

I don't want to be part of that body politic. We face serious challenges of fighting crime, creating jobs and ensuring transformation. The only motive force capable of driving fundamental transformation is the alliance of the ANC, SACP and Cosatu.

The challenge facing the alliance today is to agree on the programme to drive that transformation. The contest around the way to effect transformation is greater than the challenge of defeating apartheid.

The reconstruction and Development Programme (RDP) is the crucial point of departure in our transformation strategy. It is still the overall framework of our transformation efforts.

What was needed were detailed sectoral policies, implementation plans and restructuring the budget and civil service to drive this transformation.

Four years into our democracy we need brutal evaluation: where have we succeeded and where have we failed?

It is true that we might have been mistaken in our optimism of what could be achieved in the first five years of our transition. The challenge is to learn from our mistakes. But the reality is that we have also made great strides in delivery.

In my own portfolio we have laid the basis for the most radical transformation of any enterprise in the country through the restructuring of Telkom SA.

Billions are being pumped into training a representative management team. It has been trained by world-class experts from our strategic partners and labour has been given two seats on the board of Telkom.

More importantly, Telkom has obligations to deliver three million lines in the next six years, which took the past government 68 years to achieve.

Close to two million of these lines will go to rural areas and townships.

However, it would be naive if we believed that there was no agenda to undermine our democratic gains and transformation strategy.

There are powerful forces who seek to maintain a monopoly, especially on economic power.

The recent Truth and Reconciliation Commission (TRC) hearings on the role of business in apartheid saw attempts to whitewash the deep collaboration that took place.

The core of apartheid was a cheap labour system buttressed by migrant labour and racial discrimination.

The primary beneficiaries were big business and a white ruling elite and the primary victims were the black working class and the rural poor.

At the same time our challenge today is to go beyond political power. The transformation must be located within the realities of the constraints we face (like the apartheid debt and apartheid bureaucracy).

We also live in a global marketplace where financial flows and investment are extremely mobile.

The recent crisis in the Asian markets have demonstrated how vulnerable economies are to international events.

Once-powerful economies have been forced into structural adjustment negotiations with the International Monetary Fund. We are not immune to this fate.

## Volatility

Our currency volatility and dependence on the world gold price are stark realities of our vulnerability in the world markets. Understanding this does not make us neo-liberals.

How do we move away from the often narrow and adversarial debates we have on labour markets, macroeconomic and other crucial restructuring issues?

Our common challenge is to face each other openly and honestly and deal with our differences, but concentrate on the many areas of agreement. This applies equally to government, labour, business and the broader civil society.

Future generations will judge us on the quality of life we hand down to them and not the quality of our debates.

Cosatu, representing the most powerful force of worker power, needs to play a leading and visionary role within the tripartite alliance as we enter the 21st century.

We must not lose the historic opportunity to launch the African Renaissance as a decisive break from the poverty, strife and colonial neglect of the past.

(The writer was Cosatu secretary-general between 1985-1994, and is now Minister of Posts, Telecommunications and Broadcasting.)



# Cosatu 'failed to tackle issues'

(140A)

Sowetan 9/12/97

By Abdul Milazi

WHILE the Congress of South African Trade Unions (Cosatu) has made it clear that it is not prepared to abandon its political and economic role, it is walking a political tightrope

This is the view of National Union of Metalworkers (Numsa) education officer Dinga Sikwebu

Writing in the latest issue of the *South African Labour Bulletin*, released yesterday, Sikwebu says Cosatu's sixth national congress remains "unfinished business"

He charges that many of the issues on the congress' agenda were either deferred or not dealt with

"Congress issued a declaration on Gear (Growth, Employment and Redistribution strategy) but did not deal with many of the resolutions on the socio-economic policy coming from affiliates," says Sikwebu

He argues that issues such as the federation's approach to the 1999 elections, the demarcation of sectors, and the proposals for a common bargaining strategy were also deferred

"The agenda was clearly over-ambitious," he says

He further says that the congress also provides clear evidence of the political tightrope Cosatu is walking, as it exposed workers' unhappiness with Government's policies

"With the African National Congress leading the Government, Cosatu will find it difficult to justify remaining in the alliance unless there is a major change in the direction in which the Government is heading"

He says the Government's admission that Gear is not cast in stone and that there was no consultation during its formulation provides some justification for the continuation of the alliance, but only for the moment

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## Cosatu joins world body

(140A)

Bonile Nggiyaza

20 19/12/97  
THE Congress of SA Trade Unions (Cosatu) on Wednesday became an affiliate of the International Confederation of Free Trade Unions, after a long process of collaboration between the two bodies.

A spokesman for the international body said yesterday that Cosatu's affiliation at the confederation's executive board meeting brought its membership to 127-million represented through 205 organisations in 141 countries and territories.

Cosatu, which claims a membership of about 1,7-million, followed another SA federation, the National Council of Trade Unions in affiliating to the confederation

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I. R - WORKERS ORGANISATIONS - COSATU

1998 - 1999

# Public servants to resign from Cosatu over pensions



FORMER VENDA'S RULER ... Brigadier Gabriel Ramushwana privatised the pension fund in 1992

By HANGWANI MULAUDZI

PUBLIC SERVANTS in the former Venda, Northern Province, and members of Daba-Lo-Rivhuwa Pension Crisis Forum opted to resign from the Congress of South African Trade Unions (Cosatu) after they felt "betrayed" by it

Their resignation follows protracted negotiations where Cosatu agreed with the provincial government that their privatised pension fund be amalgamated with the national pension fund

About 20 000 former homeland public servants want their pension fund to be surrendered to them by the provincial government

The pension fund was privatised in 1992 by the then military ruler, Brigadier Gabriel Ramushwana, and amalgamated with the national fund after the elections

Now the workers are demanding that the privatised funds be paid out to them

It is alleged that senior officials of the former military regime became millionaires while workers were paid only a portion of the fund

Forum chairman Tshifhiwa Makhale said the workers decided to resign from Cosatu because they felt betrayed

"Our monies must be surrendered because we are the rightful beneficiaries and Cosatu is not representing our interests," said Makhale

Makhale said the workers had agreed to a stayaway to force the provincial government to release

the funds

"All essential services and health workers should join the stayaway. All critical patients should be transferred to nearby unaffected hospitals

"Only ambulance drivers and workers repairing water pipes will be allowed to continue with their duties," said Makhale

Makhale said workers had also decided that regional directors who had been instructed to report workers who stayed away, should not be allowed to operate in Thohoyandou

Cosatu secretary general Meshack Sihlangu said he believed the threats were unfounded and the members would remain in the union

"The forum has been instrumental in calling a stayaway but our members never headed the call," said Sihlangu

He said everyone had the democratic right to choose a "home" and Cosatu would not stand in the way of those who wanted to resign

Government spokesperson Kenny Mathivha said this week he had received reports of the stayaway but believed that only a few were participating

"All those participating in the illegal strike will not get their salaries at the end of January," warned Mathivha

He said the government viewed the matter in a serious light, and that this should serve as a warning to those participating in the stayaway that drastic measures would be taken against them

(258) (140A)

CP 41198



# Wheels come off as Cosatu cuts perks

DD 20/11/98 (140A)

**Reneé Grawitzky**

UNION bosses are on the receiving end of worker grievances for attempting to take away staff car allowances

Some Cosatu staff members affected by the move complain that the federation is trying to change their conditions of employment unilaterally. They jokingly question whether such moves are an attempt to "vary conditions of employment downwards"

The disagreement, among other issues, has delayed the federation's 1998/99 budget and a three-year programme designed to give effect to resolutions adopted at Cosatu's national

Congress in November

Sources say Cosatu's national office bearers proposed removing car allowances granted to 10 staff members on the grounds that they were not using their vehicles for union business

However, staffers argue that such allowances — traditionally granted to department heads — form part of their overall employment benefits

Union sources alleged senior Cosatu officials had made the proposal while seeking an increase in their own car allowances. Officials receive a R45 000 once off allowance of which 40% has to be repaid over three years.

Also to be resolved before the budget

can be finalised is a proposed increase in subscription fees to Cosatu Affiliates pay 75c a worker a month to the federation. A proposal discussed last year called for fees to be increased to R1,40, which a labour source said could have serious implications for small and medium-sized unions

Salary increases granted to staff and the implementation of programmes of action would determine whether fees were increased

Cosatu spokesman Nowetu Mpati confirmed that the federation's financial committee would meet today to discuss the year-end financial statement and the interim budget for 1998

# Cosatu denies membership crisis claims

ET (PA) 23/2/98 (140A)

FRANK NXUMALO

LABOUR EDITOR

Johannesburg — The April recruitment drive of the Congress of South African Trade Unions (Cosatu), code-named Autumn Offensive, was not an implicit admission of a "membership crisis" but part of the previous congress's resolutions to revitalise the country's biggest union federation, the organisation said at the weekend.

Nowethu Mpathi, a Cosatu spokesman, stressed that there was "no crisis" in Cosatu, despite rising unemployment

and the retrenchment of 113 575 workers in the first 26 days of this year alone.

But the loss of 113 575 jobs still represented a significant loss of union subscriptions, far more than the combined membership of Cosatu affiliates Popcru (45 000), Saaps (14 318) and the new Fawu (about 41 000).

Referring to the presidential speech at the opening of parliament this year, Mpathi said it was "disappointing" that government was talking about retrenchments in the public sector. Mpathi also believed that the government's

statement that it was not an employment agency was a "regrettable" one.

Touted as the biggest campaign since the 1985 Living Wage campaign, Mpathi said Autumn Offensive was aimed at increasing membership to 3 million by 2000 — an increase of at least 50 percent.

Sam Shilowa, the general secretary of Cosatu, confirmed in the February edition of the Labour Bulletin that "a mass recruitment campaign, which will hopefully take place in April", was one of a number of decisions taken at the recent

Cosatu congress on organisational renewal. He said a draft programme, which was drawn up in November at a special executive committee, was subsequently reworked and presented to a meeting of affiliate general secretaries.

"Affiliates will have to put aside resources — human and financial — to support this campaign. They must ensure that shop stewards get paid time off to recruit. But this is not enough.

"Each affiliate must also have information about which industrial areas they are less organised in or not organised at all."



# Recent splits are threat to worker unity

*Sowetan 25/2/98*

*(140A) (134)*

**By Abdul Milazi**

THE recent splits within affiliates of the Congress of South African Trade Unions (Cosatu) threaten the very core of the federation's worker unity campaign relaunched soon after the 1994 national election

The campaign dubbed "one industry, one union" is in jeopardy after some members of the Food and Allied Workers Union (Fawu) formed a splinter union, the South African Food and Allied Workers Union (Safawu), in protest against alleged corruption among the union's leadership

While Cosatu general secretary Sam Shilowa was trying to facilitate talks between the two unions - suspended Chemical Workers Industrial Union (CWIU) president Abraham Agulhas formed his own splinter union - the Oil, Chemical, General and Allied Workers Union (Ocgawu)

Cosatu spokeswoman Nowetu Mpati said the federation did not tolerate splinter groupings as they threatened worker unity

"Each union has a constitution and policies which are clear on how to deal with corruption, maladministration or putting an organisation's name into disrepute"

Mpati said Fawu had a long-standing problem which started in 1994

when the leadership was accused of corruption by members

She said, however, that Cosatu did not intervene at the time because it was not approached to do so by the union because of the non-interference clause in its constitution

"Our old constitution stated that affiliates should first attempt to solve their internal problems on their own, and only when approached, should the federation intervene"

## **Split unfortunate**

She said the CWIU split was unfortunate because as president Agulhas could have avoided his suspension by adhering to the union's constitution when he staged a march against Paper, Print, Wood and Allied Workers Union (Ppwawu), another Cosatu affiliate without a mandate

A former shopsteward at BP in Cape Town, Agulhas was suspended by Fawu for five years for "violating union policy and bringing the union's name into disrepute"

"Unfortunately this was a leader who was supposed to know the procedure," said Mpati

Safawu has since applied for affiliation to Cosatu, which was immediately turned down by the federation

It is not clear whether Agulhas' Ocgawu will make a similar attempt

## ALLIANCE BOMBSHELL

# Cosatu snubs Budget talks

CT 10/3/98

(140A)

**THE GOVERNMENT HAS FAILED** in its "obligation" to allow Parliament to oversee expenditure and revenue decisions, Cosatu claims. **JOVIAL RANTAO** reports.

**T**HE ANC's main alliance partner Cosatu has, on the eve of the tabling of the 1998/99 Budget by Finance Minister Trevor Manuel, dropped a bombshell by announcing its withdrawal from Budget hearings organised by Parliament

Cosatu, which has repeatedly threatened that it would withdraw from the process, said it stopped participating in the budget hearings because of the government's lack of commitment to budget reform. It wants MPs to oversee expenditure and revenue decisions

The move has implications for the unity of the ANC-Cosatu-SACP alliance before the 1999 elections. Yesterday's move follows recent threats by Cosatu to take the ANC on

During the debate on the Basic Conditions of Employment Bill, Cosatu threatened to use its members in Parliament to stop the legislation from going through. The trade unions' federation has also threatened to recall MPs who are not seen to be championing workers' rights

Cosatu said it was clear that the Department of Finance was not prepared to subject its macro-economic parameters to public debate, neither was it prepared to fulfil its constitutional obligation which required that Parliament be given the right to oversee and amend the Budget

Cosatu has argued that despite constitutional provisions that "an act of Parliament must provide for a procedure to amend money bills", no such procedure has been put in place

"Cosatu is unable to participate in

a parliamentary process which, despite a constitutional commitment to the contrary, can have no real impact on Budget decisions

"In our view, meaningful consultation and oversight is all the more important in the current context of significant disagreement over Gear's (Growth, Employment And Redistribution strategy) anti-developmental Budget parameters and the likelihood of many of our members' interests being compromised by unilateral down-sizing of the public service"

Cosatu said a key challenge facing the country was to ensure that the Budget process was transformed in line with the commitment to democratic and transparent governance, to empower elected representatives, to engage in and scrutinise the budgetary process to ensure that it was in line with the implementation of the RDP

Cosatu's decision follows a step recently which saw Parliament's finance committee reject the Money Bills Amendment Procedure Bill because it did not confer effective amendment powers to Parliament

Chairperson of the ANC caucus in Parliament, Mr Thabang Makwetla, said Cosatu's move was regrettable and said a political solution to the problem would be sought

"The ANC would be the last party to undermine the new democratic values that we want to build with

regard to the function of Parliament I've all the confidence that we will amicably resolve our differences"

Meanwhile, **CHRISTO VOLSCHENK** of *Business Report* writes that after years of growing tax burdens, this year's Budget may hold good news for some taxpayers.

Poor and low-income earners are likely to benefit the most

Last year Manuel lightened the tax burden on low-income earners slightly, while increasing it on middle- and high-income earners by introducing a single tax bracket for taxpayers with taxable incomes below R30 000 a year and by lowering the marginal tax rate for those below R45 000 to 32%.

The "rich" got hit by an increase in a fringe benefit tax on company cars and smokers and drinkers were penalised with a dramatic increase in excise duties on tobacco products and liquor. Expect a repeat performance

The maximum marginal rate of personal income tax is expected to remain unchanged at 45%, while the company tax rate should remain at 35%. VAT should remain at 14%, despite calls from tax experts for an increase to 15% and a call from Cosatu for it to be increased on luxury goods and zero-rated on certain basic goods and services

More significantly, Manuel could put an end to income splitting by beneficiaries of trusts by taxing trusts at a flat rate of 35% — the same rate as companies are taxed at

In short Most taxpayers will be relieved to hear that they have escaped higher taxes for another year

**The Budget may hold good news for some taxpayers.**



# Cosatu's Budget bombshell

(140A) (149)

Tripartite alliance quivers as federation  
attacks Government on monetary reform

Star 10/3/98

By JOVIAL RANTAO  
Cape Town

**T**he ANC's main alliance partner, Cosatu, has, on the eve of the tabling of the 1998-99 Budget by Finance Minister Trevor Manuel, dropped a bombshell by announcing its withdrawal from Budget hearings organised by Parliament.

The trade union federation, which has repeatedly threatened to withdraw from the process, said it stopped participating in the Budget hearings because of the Government's lack of commitment to budget reform. It wants MPs to oversee expenditure and revenue decisions.

Cosatu's move has implications for the unity of the ANC-Cosatu-SACP tripartite alliance ahead of the 1999 elections.

Yesterday's move follows recent threats by Cosatu to take on the ANC. During the debate on the Basic Conditions of Employment Bill, Cosatu threatened to use its members in Parliament to block the legislation. The federation has also threatened to recall MPs who were not seen to be championing the rights of workers in Parliament.

Cosatu said that, both in Parliament and at the National Economic Development and Labour Council, it had been clear that the Department of Finance was not prepared to sub-

ject its macro-economic policy to public debate. Neither was it prepared to fulfil the constitutional obligation that Parliament be given the right to oversee and amend the Budget.

In another unprecedented step, Cosatu has heaped praise on members of opposition parties in the National Council of Provinces who last week "refused to rubber stamp" amendments to last year's Budget.

Cosatu has argued that, despite constitutional provisions that "an act of Parliament must provide for a procedure to amend money bills", such a procedure had yet to be put in place.

"In our view, meaningful consultation and oversight is all the more important in the current context of significant disagreement over the Growth, Employment and Redistribution (GEAR) policy's anti-developmental budget parameters and the likelihood of many of our members' interests being compromised by unilateral downsizing of the public service," Cosatu said.

Thabang Makwetla, chairman of the ANC caucus in Parliament, said Cosatu's move was regrettable and that a political solution to the problem would be sought.

► More budget reports

# ANC, Cosatu tensions rise over fiscal policy

Reneé Grawitzky

AS TENSIONS mounted on the eve of the budget, the Congress of SA Trade Unions (Cosatu) warned that a rigid commitment to budget deficit targets imposed limits on the potential for fiscal policy to be used as a tool for development through redistribution.

Sapa reports the African National Congress (ANC) dismissed Cosatu's criticism of the budget process and reaffirmed the party's support for fiscal discipline. It was reacting to Cosatu saying on Monday that it would not participate in the budget process, in light of government's unwillingness to negotiate its macroeconomic policy parameters.

"It is the ANC's view that parliamentary structures offer enormous opportunities to members of the public to make a meaningful impact on policy direction of the government." Today's budget and its new medium-term expenditure framework would improve the public's contribution to the budgetary process, the ANC said.

"The ANC views the budget as an instrument of our ongoing strategic transformation of our society and economy. In this regard, the ANC expresses its support to fiscal discipline and sustainability."

Cosatu said the growth, employment and redistribution strategy (Gear) targets should be replaced with a "macroeconomic model" aimed at redressing the social deficit.

It said the 1998/99 budget would be evaluated to see whether it was designed to fulfil 10 components of a "people's budget" which included promoting job creation; redistribution, a reprioritisation towards socioeconomic delivery; poverty relief and the transformation of the public service.

The Federation of Unions of SA (Fedusa) warned of a derailment in the transformation of the public sector if the budget failed to incorporate sufficient funding for the implementation of the final year of the public service wage deal.

Fedusa general secretary Chez Milani said if government reneged on the deal it could lead to legal and industrial action by public sector unions. Fedusa also said the economy was shedding more jobs than it was creating. Cosatu said the budget should prioritise job creation "thereby setting the scene for a successful job summit".

More consultation wanted: Page 4



# Cosatu 'played into hands of conservatives'

(140A)

Star 11/3/98

Union alliance losing a chance to help mould new policy direction, says ANC

By JOVIAL RANTAO  
Cape Town

**T**he ANC says that by withdrawing from the budgetary hearings, Cosatu - its main alliance partner - loses an opportunity to have a say on the new policy direction which will affect the lives of all South Africans

The organisation says that by withdrawing, Cosatu has also played into the hands of those who oppose social transformation

Cosatu announced its withdrawal on Monday, citing lack of commitment to budget reform from the Government as the main reason. Cosatu wants MPs to oversee expenditure and revenue decisions.

The ANC said in a statement "It's important ... that all major players identify their role on how to impact on the new policy direction, which will have an effect on the lives of millions of our people over the next few years

"This can only be done by exploiting the very democratic

parliamentary structures for which we have all fought so hard and for so long. In this regard, the ANC calls on all democrats to help strengthen these democratic structures rather than play into the hands of those who oppose fundamental social transformation.

"The ANC views the Budget as an instrument of our ongoing strategic transformation of our society and economy. In this regard, the ANC expresses its support to fiscal discipline and sustainability

"It is the ANC's view that parliamentary structures offer enormous opportunities to members of the public to make a meaningful impact on policy direction of the Government

"The presentation of the Budget by Minister Trevor Manuel should be viewed in the context of the Government's new policy direction on budgeting, the Medium-Term Expenditure Framework"

Sources said a solution to the differences between the ANC and Cosatu would be sought

GET

# Cosatu angered by reduced wage deal

Reneé Grawitzky

THE Congress of SA Trade Unions' (Cosatu) public service affiliates said yesterday that attempts to renege on the three-year wage deal was an act of "provocation to the labour movement".

The Police and Prisons Civil Rights Union (Popcru) said that by failing to honour the agreement, government was setting a bad example to the private sector signalling that it was fine not to comply with a signed agreement.

Popcru general secretary Jacob Tsumane warned that a failure to reach agreement with government on this issue, could result in the mobilisation for mass action.

The National Education, Health and Allied Workers' Union (Nehawu) said the cut in allocation for salary increases would harm service delivery because R1,5bn of the R6,5bn (full year costs) set aside for increases were to be channelled into training, reskilling and the broader service delivery to the community.

Nehawu welcomed the proposal for a dedicated fund for job creation and the increase in the social welfare budget was a move in the right direction.

*(140A)*  
*BD 13/3/98*  
The SA Municipal Workers' Union said there was no clear link between the proposed downsizing of the public service and the "promised transformation of the service".

The union said the proposed re-trenchments had clearly been devised to fit in with the growth, employment and redistribution strategy.

Vuyo Mvoko reports from Cape Town that Cosatu's leaders, in the light of Wednesday's budget, cast doubt yesterday on the success of the jobs summit.

Cosatu deputy secretary-general Zwelinzima Vavi said Cosatu would have preferred the government to "say concretely" what it intended doing to ensure job creation and to prevent the private sector from following its "job destroying path".

Sam Shilowa, Cosatu's secretary-general, said: "To make matters worse, the budget envisages an actual cutback in the public sector, after the private sector has shed tens of thousands of jobs in recent months. It is, therefore, clear that a far more imaginative strategy is needed from government — if the jobs summit is to have any hopes of success."



Recruitment 17/19/98 (140A)

## Poaching, cross organising, bickering must stop, Sam Shilowa urges

By Amrit Manga  
Assistant Editor

IT HAS BEEN dubbed the "Autumn Offensive" and its rallying call could easily pass for a battle cry. "The union a spear, Cosatu a shield - join Cosatu now"

But there is nothing warlike about the initiative. In reality it is simply an aggressive recruitment drive being launched by the Congress of South African Trade Unions (Cosatu).

Inspired by a resolution adopted at the federation's sixth national congress last year, the campaign is intended to increase Cosatu's membership by 50 percent in three years.

It starts on March 23 and will be the first in a series of annual recruitment drives intended to boost membership from the current 1.8 million to 2.7 million by the end of 2000.

It is an ambitious target by anyone's standard. When examined against global trends, it becomes clear just how ambitious it is.

Right across the developed world, unions have experienced steep declines in membership. British union membership has contracted by more than 25 percent, Germany by 20 percent and Israel by almost 76 percent.

Uganda, one of the most rapidly expanding economies in the world and on the African continent, has been no different. Membership there has dropped by 38 percent.

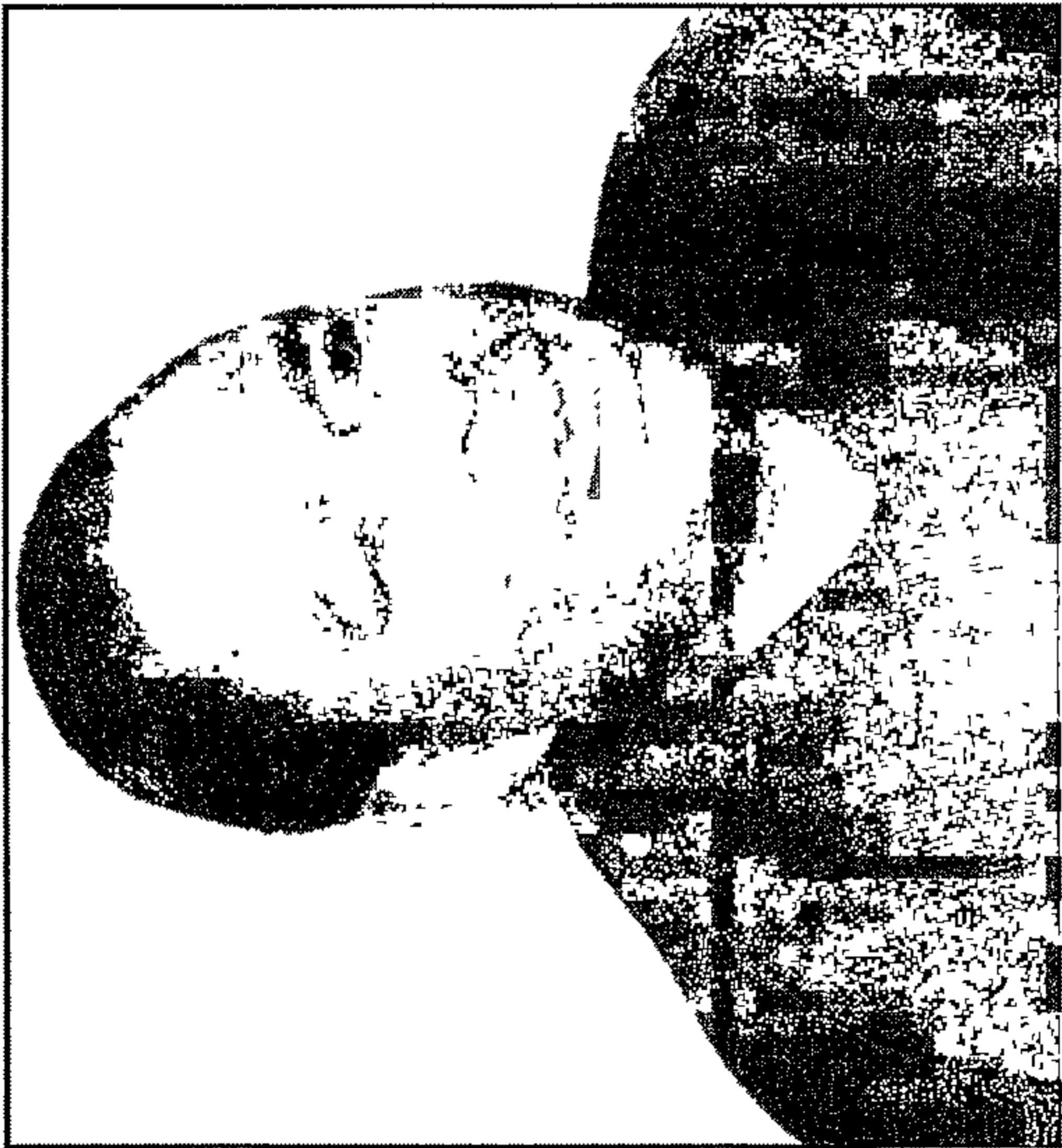
### Bucked the trend

South Africa has bucked the trend, showing a growth of 130 percent. And that should certainly temper criticism that Cosatu's drive is too ambitious.

General secretary Sam Shilowa, who describes his role in the campaign as that of commander in chief, is optimistic. He has certainly assembled an impressive strategy.

Incorporating essential elements of Cosatu's "back to basics" campaign, and reverting to the tested recruitment strategies of the early 1970s and 1980s, there is no reason why Shilowa's offensive should not succeed.

However, conditions - both within



### Sam Shilowa ... Cosatu has launched an aggressive recruitment drive.

and outside Cosatu - are substantially different from the earlier periods. And that will certainly impact on the recruitment campaign.

Shilowa inadvertently highlights one of the primary differences in the preface to his recruitment plan. He says of the early Cosatu years "There was less overlap of organising scope and no poaching."

"All affiliates were engaged in efforts to help swell the ranks of the federation, as opposed to their own ranks." That is no longer true. It is common knowledge that an intense and sometimes acrimonious contest for membership between Cosatu affiliates has generated corrosive tensions within the federation.

Relations between two of its biggest affiliates, for example, have been less than cordial. This is largely a consequence of a battle for membership between the National Union of Metalworkers of South Africa and the National Union of Mineworkers at Eskom.

Cosatu's affiliate in the commercial and catering sector, too, has found itself up against the Food and Allied Workers' Union and the Southern African Commercial, Catering and Allied Workers' Union.

Affiliates have not hesitated to poach members from each other. But Shilowa says "there will be zero tolerance to poaching."

If we want unity in the federation, we will have to address this issue head-on," he says. However, a lasting solution will only be found once Cosatu finalises its demarcation policy and

clearly defines the industrial boundaries within which affiliates can organise.

Shilowa is confident this will not be an insurmountable obstacle. He says agreement has finally been reached on a demarcation model.

His confidence alone may not be enough, though. Demarcation has been on Cosatu's agenda for many years now and intense differences on how to delimit sectoral boundaries have made resolution impossible.

In fact, failure to establish a consensus-driven demarcation model has in large part been the consequence of a destructive tendency within the federation to jealously guard terrain colonised by affiliates.

### Political differences

Subtle and sometimes rather obvious political differences combined with leadership differences have been at the root of this tendency.

A merger between the National Education, Health and Allied Workers' Union and the South African Municipal Workers' Union, for example, has been postponed several times already.

But Shilowa is unperturbed. He says Cosatu's sixth congress passed an unequivocal resolution which calls for stern action against unions flouting decisions to merge. And that includes expulsion from the federation.

Implementation of the resolution will severely test Shilowa's leadership credentials. It will demand a level of resoluteness that leaves no room for delicate political egg-dancing simply to maintain unity at the expense of progress.

Resolution of the demarcation question is important to the recruitment campaign for a range of other reasons as well. For example, until Cosatu decides where domestic workers should be located within the federation, it will not make sense recruiting them.

But that is not the only challenge confronting the recruitment campaign. There are also realities such as globalisation.

According to the International Labour Organisation (ILO), globalisation of financial markets has put pres-

sure on expansionist macroeconomic policies which unions have historically counted on for increased employment.

Trade liberalisation, which has resulted in protectionist import duties being scrapped or reformed, has exerted strong pressures on manufacturers cut back on employment.

Hundreds of thousands of jobs have been lost since 1994 as government began implementing its part of the agreement on international trade.

The public sector, traditionally the biggest employer in most of the world, has not been spared the pressures of globalisation either.

Tough fiscal policy demands placed on governments by the dictates of structural adjustment have in every case been followed by sharp declines in public service employment. Privatisation has placed added pressures on state employment figures.

Uganda is a case in point. After sweeping reforms since 1987, Ugandan now ranks as one of the most deregulated countries in sub-Saharan Africa. And that, according to the ILO, has exerted strong downward pressure on unionisation, evident in the decline in membership.

South Africa is headed for the same eventuality if government's commitment to downsizing the public service is anything to go by.

Cosatu fears government will slash public sector employment by 300 000 in line with the dictates of its macroeconomic policy. That must, in the end, restrict the growth of the federation.

A significantly more pertinent concern relates to doubts about Cosatu's ability to service the new membership.

This is not a recent concern. Shilowa agrees but says "The extent of the malaise differs from affiliate to affiliate and from region to region."

He goes further to say that while some affiliates have overcome these difficulties, others "do not know what to do or where to start."

In the end, Cosatu must not lose sight of the fact that it lost many members because of its inability to service them. Unless it fixes this problem, the recruitment drive will not deliver.



# Cosatu takes to airwaves in membership bid

By CF 18/3/98 (140A)

**THABO MABASO**  
BUSINESS REPORTER

For the first time in its history, the Congress of South African Trade Unions is to advertise on radio and television as part of a nationwide recruitment campaign.

The move by the federation will probably be the first time in South

Africa that a union has turned to the airwaves in a drive for more members. In the past, Cosatu campaigned for members through pamphlets and artistic graffiti on walls.

Cosatu spokeswoman Nqwethu Mpati told the Cape Argus the advertisements were part of the federation's "Autumn Offensive" campaign.

The recruitment drive aims for at

least 50% unionisation by Cosatu affiliates in all sectors.

Ms Mpati said the advertisements were 30 seconds long.

The radio ads would be aired between March 22 and April 14 on all SABC stations as well as community stations.

The television ads would be aired on March 25 and 26 on SABC 1 and 2 Johannesburg agency Urban Leg-

end Film won the bid to create the ads Cosatu has also printed thousands of posters, pamphlets and brochures.

Ms Mpati said the campaign would cost Cosatu close to R1-million. "This will be first time Cosatu will spend so much money on its marketing strategy," she said.

The campaign will be launched in Johannesburg next week







# Cosatu will expel those who do not toe the line

(140A)

FRANK NXUMALO

CT (MR) 19/3/98 LABOUR EDITOR

Johannesburg — Member unions of Cosatu, the union federation, that operated in the same industry and refused to merge faced expulsion, Cosatu said yesterday

The principle of one industry, one union is one of the five pillars of Cosatu's code, which was consolidated at the September congress. The code allows it to expel affiliates that do not toe the line.

Zwelinzima Vavi, Cosatu's deputy general secretary, said unions that joined the federation did so because they believed in the ethic of one industry, one union.

He said the principle was the "bottom line" of Cosatu. "Anybody that doesn't want to play to the tune of that principle is out of the federation," Vavi said.

Cosatu said it was in its interest to "immediately bring together" public-sector unions, including the South African Public Servants' Association, the Institute for Public Servants and the National Education, Health and Allied Workers' Union (Nehawu).

Efforts to merge Nehawu and the South African Municipal Workers' Union have struck severe problems, and the Food and Allied Workers' Union, one of Cosatu's biggest affiliates, recently splintered into two unions.

Cosatu refused to recognise Safawu, the splinter group, on the basis of one industry, one union.

Cosatu also said it was embarking next month on a massive recruitment drive, called Autumn Offensive, to unionise unorganised workers in every workplace.

Sam Shilowa, the general secretary of Cosatu, said "We are targeting those who do not belong to any union, as well as those who are in unions or other federations outside Cosatu."

Shilowa said the campaign formed part of Cosatu's resolution to increase its membership of 1.8 million by 50 percent over the next three years.



# Cosatu gets to grips with super unions

(14.0A)  
FRANK NXUMALO

CT (MA) 23/3/98 LABOUR EDITOR  
Johannesburg — Cosatu today kick-starts the long and difficult task of implementing the resolutions of its recent sixth national congress

These resolutions are industry demarcation and the drive to increase its 1,8 million paid-up membership by at least 50 percent over the next three years. Cosatu says member unions operating within the same industry should fall under one super union, but implementing the principle has proved difficult.

The resolutions on demarcation envisaged super unions or broadly defined sectors within the labour federation, — manufacturing, mining and energy, public sector, private sector services and agriculture

The proposed mining and energy super union pits Cosatu giants the National Union of Metalworkers of South Africa and the National Union of Mineworkers. Media reports say tensions are high between the two over Eskom workers

# Tension over autumn offensive

By Abdul Millazi

THE recruitment campaign launched by the Congress of South African Trade Unions (Cosatu) last week is bound to fuel simmering tensions between trade unions over poaching.

The campaign, dubbed the "autumn offensive", is bound to become a source of irritation to other federations and independent unions because it regards every worker "outside Cosatu as either unorganised or disorganised".

There are already tensions among Cosatu affiliates over poaching of members, a concern that forced Cosatu's September Commission to seriously review demarcation last year. Cosatu spokeswoman Nowen Mpati said the launch of the recruitment drive was because jobs in the formal sector

were increasingly threatened as a result of industry restructuring

Mpati said: "While we have been able to sustain our membership, it is clear that organised workers are under threat, as employers engage in unilateral restructuring of the industry and work-place to maximise profits

"While we are well organised in certain sectors of the economy, we remain less organised in others. It therefore essential that Cosatu's organisational programme for the next three years focuses on recruitment of more members into its ranks

"We regard every worker outside of Cosatu as either unorganised or disorganised. This is because we are the only national trade union centre with a coherent strategy for transformation and the organisational muscle to propel it."

Mpati said while other federations did not want to be involved in politics, Cosatu was part of an alliance with the African National Congress and the South African Communist Party

"We are targeting those who do not belong to any union and those who are in unions or federations outside of the Cosatu fold," said Mpati

She said Cosatu would pursue mergers with federations and individual unions whose positions were not hostile to Cosatu and did not "undermine the campaign"

Mpati said April would be designated as a month of mass recruitment.

The campaign would also be part of the lead up to Cosatu's seventh national congress in 2000

She said the campaign becomes an even bigger challenge when current job

losses were considered because of unilateral restructuring of the economy and the workplace by employers

"While this may not affect our current membership, it will reduce the workforce. Apart from job shedding in the private sector and those threatened in the public sector, our country also has jobless growth

"We will use the campaign to popularise our positions on job security, job losses and job creation. The alliance should use the opportunity to harmonise their positions on the Presidential job summit," said Mpati.

She said the focus would be on the most vulnerable workers over the next three years

"At the same time we need to finalise the demarcation process so that we are able to draw all workers into our fold."



Congress of South African Trade Unions general secretary Sam Shlowa's organisation will be embarking on a mass recruitment drive.



# Mbeki says ANC wants strong Cosatu

CT(BR) 24/3/98 (140A)

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — Thabo Mbeki, ANC president and state deputy president, closed tripartite alliance ranks in Johannesburg yesterday when he added his voice to the launch of the national chapter of Cosatu's autumn offensive recruitment drive

Mbeki said Cosatu member unions were the shield, the ANC the spear and the SA Communist Party the "small spear" with which to build a strong Cosatu

President Nelson Mandela is expected to join Connie September, Cosatu first vice-president, in launching the Cape provincial

chapter of the autumn offensive in Grabouw today

Mbeki said the time had come for the ANC to help build a strong Cosatu "To advance we must be strong, so let us join together so that every worker belongs to a trade union and all trade unions belong to Cosatu and Cosatu accepts ANC leadership

"All of us here must see ourselves as organisers so that when we leave we are able to organise those workers who are not here "

Mbeki said workers and the ANC had jointly fought for and won political freedom, but the struggle for economic emancipation and transformation was not yet over "That is why we must

come together to fight retrenchments and unemployment "

Mbeki said there was a need to "engage workers in the struggle" by strengthening shopfloor structures, as legislating for workplace equity through the Employment Equity Bill alone was not enough

Labour analyst Gavin Brown said Mbeki's presence at the Cosatu rally did not represent a shift in the relationship as the "underlying tensions" between government and Cosatu were "very clear", especially over public sector retrenchments and the macroeconomic strategy

"I think it is a symbolic gesture of support," said Brown

# Cosatu, Fedusa compete for members

Reneé Grawitzky

BO 25/3/98

(140A) (734)

SA's two largest trade union federations — the Congress of SA Trade Unions (Cosatu) and the Federation of Unions of SA (Fedusa) — are locked in battle to capture the hearts and minds of workers to increase membership.

Cosatu launched its April recruitment drive on Monday while Fedusa has been recruiting members and affiliates since the recent appointment of general secretary Chez Milam and his deputy Dennis George.

Milam said Fedusa did not need Deputy-President Thabo Mbeki to help the federation recruit members. "We can do it on our own," he said.

Cosatu's mass recruitment drive — the Autumn Offensive — was launched in Johannesburg by Mbeki, where he called on workers to join Cosatu.

George said seven unions, including the National Union of Leather Workers and the Professional Transport Workers' Union, had applied for affiliation. This would increase Fedusa's membership from 500 000 to 550 000.

He said other large unions were considering affiliating with Fedusa.

Talks have been under way with the National Council of Trade Unions while merger talks with Cosatu, with 1.8-million members, were hampered by its alliance with the African National Congress and SA Communist Party.



# Numsa queries Cosatu's investment policy

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — The National Union of Metalworkers of South Africa (Numsa) yesterday raised concerns over Cosatu's lack of a coherent policy on investment companies

Mbuyiselo Ngwenda, Numsa general secretary, said Cosatu member unions behaved fraternally in the labour federation's meetings but competed against

each other when it came to bidding for an investment opportunity

He said Numsa viewed the situation "seriously, because it carried the potential to weaken the whole question of union principles and goals in the long term

"Increasingly, union investment companies are being seen to shape the behaviour of many unions and unionists, instead of vice versa

"Union investment companies should not inform union activities and behaviour and conduct"

Ngwenda said absolute clarity was also needed on the issue of privatisation of state assets

"Do we say, for instance, we are opposed to privatisation at a political level but when it comes to acquisition of deals we just take whatever comes? To what extent does it impact badly on the union's image?"

He said another "alarming problem" was the lack of a mechanism to keep ordinary membership informed of investment strategies

(14)  
ET (DR) 27/3/98 (140A)

# Cosatu hits the airwaves to woo members

BD 31/3/98 (140A)

Dustin Chick

THE Congress of SA Trade Unions (Cosatu) has launched an ambitious marketing campaign, including national television adverts, to boost its membership by at least 50% over the next two years.

Cosatu spokesman Nowetu Mpati said the organisation's national congress set a target last September of increasing membership by at least one million members, as part of the federation's overall transformation process.

The television campaign will kick off with four 30-second adverts during prime-time news on SABC channels 1 and 2. The adverts focus on Cosatu's achievements in disputes with employ-

ers over the lock-out clause and on more generous maternity leave. They speak out against exploitation and call on the public to use the movement as a shield to protect their interests by joining one of Cosatu's 19 affiliates.

The adverts portray secretary-general Sam Shilowa taking part in a workers' march. Mpati said it was the first time Cosatu had marketed itself.

The four adverts will cost the union between R33-34 000 each time they are aired. This is in addition to the R139 000 spent on producing them.

Mpati said Cosatu had also spent more than R100 000 fighting commercials on SABC radio in all 11 official languages. She said the print aspect of the campaign was limited to Cosatu's

internal newsletter *The Shopsteward*, a million printed pamphlets and 500 000 credit-card size adverts. Most of the money for the campaign came from Cosatu subscriptions.

Mpati said Cosatu had received an "overwhelming" response from both white- and blue-collar workers asking for membership applications, but said figures on how many members had joined the organisation would not be released until tomorrow.

She denied that the current recruitment drive was a result of competition for members between rival trade unions. However, the rival Federation of Unions SA (Fedusa) scored a coup recently after seven unions applied for affiliation.



# Cosatu strike plan on hold

~~140A~~ (140A)  
THABO MABASO

BUSINESS REPORTER

ARG 15/4/98

The Congress of South African Trade Unions has put on hold plans for a 24-hour strike pending the outcome of a summit next week.

Cosatu was to have called members of affiliate unions out on strike on April 21 to protest against the provincial government's management of the education and health crises. But at a meeting yesterday the federation decided to postpone the strike and convene a summit on that day in a final bid to find solutions.

Cosatu provincial secretary Tony Ehrenreich said teacher organisations, school governing bodies and representatives of provincial government and business would be invited.

Cosatu had not entirely abandoned the strike plan and would revert to it if the provincial government did not heed proposals coming from the summit, he said.

Cosatu and the provincial government are due to meet today.

Cosatu has criticised the government's decision not to take up Finance Minister Trevor Manuel's offer of grants to cash-strapped provinces. Cosatu says the money could have been used to correct imbalances in education and health



# Cosatu's successes have pushed it into uncharted waters

By ESTELLE RANDALL  
POLITICAL CORRESPONDENT

Star 9/15/98 (1109)

One year before South Africa's second democratic election, its trade union movement has grown stronger and the alliance, which nudged the ANC to an overwhelming 1994 election victory, also appears strong.

Reflecting on the state of the union movement, Congress of South African Trade Unions deputy secretary-general Zwelinzima Vavi was enthusiastic about what the election and the alliance had so far delivered. "The defeat of apartheid - that has been our major gain," he said.

The entrenchment of basic worker rights in law meant there was now no need for workers to take industrial action to secure these, as was the case before 1994.

Vavi also ticked off increased access to health care, clean water, housing and telecommunications as victories for working people.

"All these are the gains of freedom, made possible through the strength of the alliance, which has delivered materially."

That was why Cosatu was repeating its call for workers to vote for the ANC in next year's election and why it would work at consolidating and deepening its alliance with the ANC.

Vavi acknowledged that Cosatu's deployment of 20 of its top officials to the Government in 1994 had been a loss, but not one that had crippled Cosatu. Instead, the deployment of the 20 had helped to secure the advances that Vavi enthused about.

"We wanted them to strengthen the parliamentary process and the

new Government. We never intended to make them accountable to Cosatu. We expected they should not forget who they were and where they came from, and many have performed that task."

Jay Naidoo, Minister of Posts, Telecommunications and Broadcasting and Cosatu's secretary-general before deployment to the Government in 1994, echoed Vavi's assessment that the federation remained undiminished.

"Our deployment proved that no individual is indispensable - no matter how powerful that individual may be. Cosatu's played an important role in creating a framework for negotiation and has contributed to critical debates."

Cosatu was "an enormous stabilising force, irrespective of disagreements that may arise with business or Government", he added.

Disagreements with the Government have centred upon its Growth, Employment and Redistribution (Gear) macro-economic strategy. The federation has criticised the Budget-deficit target of 3%, which, it said, did not help to stimulate job creation.

Said Vavi: "Gear is just neo-liberal thinking. We haven't put a stop to the jobless growth which has characterised the economy since 1985."

But, he added, Gear would be reviewed at an alliance summit this month, as would discussion on a



**VIVA BECOMES QUO VADIS.** Cosatu has helped win the liberation struggle in South Africa. Now the trade union federation has moved into investment companies, which it hopes will give its members a slice of the economic cake. In this lies the danger of blurring the different interests of employers and employees.

common approach to the Presidential Jobs Summit this year. Besides trying to alter what it perceived as shortcomings in government policy, Vavi admitted that Cosatu must also address its own weaknesses. Some of these resulted from the very advances he enthusiastically ticked off.

"We've marched only when we've wanted more. That's all fine. But workers are so silent when it comes to supporting," Vavi lamented.

"Cosatu will have to deal with our weakness of not being visibly supportive of issues which actually have our support, and break the complacency which seems to have set in," he said.

But Cosatu is also still grappling with the new world of globalisation

and the information revolution.

"Globalisation can have positive outcomes but, since the collapse of the Soviet Union, there has been an unbridled dominance of the free market. The market is crucial as a vehicle to deliver economic gains but we have to balance that with human development.

"The trade union movement is the main international organisation which can act as a countervailing force to introduce developmental and social priorities in the world now," he said.

Cosatu is aware of these challenges as it straddles the need to increase its research and policy development capacity with improved service to its members and entry into new growth sectors.

Its recent recruitment drive is aimed at returning to basic union organising. Vavi said much work was still needed in the service and information technology sectors. Strides had been made in agriculture, especially in Mpumalanga and the Western Cape.

At a policy level, the federation continues to grapple with its intervention in the economy.

Since the '94 election, trade unions have increasingly entered the economy as shareholders and members of boards of directors in companies

Listed on the stock exchange. But union involvement in the purchase of Anglo-American's Johnnic shares in 1996 was the flowering of a seed which had been germinating for several years.

During the 1970s and 1980s, the unions' struggle was to survive in a context where all mass organisation was under attack. By the late 1980s, as they began to win the struggle for recognition and collective bargaining at workplace level, unions turned to social-benefit issues.

One of these was the transformation of retirement funds. Where management of these had excluded workers and their unions, the demand was increasingly for joint union/company control.

A logical outcome of this struggle was the formation in 1992 of Unity and the Community Growth Fund. Unity authorises investments made by the Community Growth Fund and gives unions a say over how retirement funds are invested.

The fund has been followed by the formation of union-linked investment companies, financed with members' retirement funds and subscriptions. The companies are controlled by union trusts whose function is to reinvest wealth generated into social programmes, such as burials and services, for union members and their families.

Besides these benefits to members, unions argue that their entry into investment companies will give black people a slice of the economic cake, the logical next step now that political liberation has been won.

However, it also holds the danger of a blurring of the different interests of employers and employees.



# Thousands join stayaway

## Peninsula workers rally to Cosatu schools protest

STAFF REPORTERS

About 75% of Western Cape clothing workers heeded the Congress of SA Trade Unions' call to action on the crisis in education and stayed away from work today, say the unions.

The Southern African Clothing and Textile Workers Union (Sactwu), Cosatu's largest affiliate in the province, hailed the strike as a big success.

Sactwu education officer André Krriel said many workers had reported for duty this morning and then clocked out at 11am to attend a rally scheduled for the Grand Parade at midday.

Cosatu called on the 300 000 members of its affiliate unions to down tools today to help pressure the provincial administration to tackle the education crisis in township and Cape Flats schools.

"An initial union survey covering

approximately 100 factories indicates that, conservatively, about 41 000 or 75% of workers in our industry supported the Cosatu call for protest action," Mr Krriel said.

The survey covered factories as far afield as Worcester, Atlantis and Paarl.

But Cape Chamber of Commerce and Industry (CCCI) president Johann Baard told the Cape Argus that the impact of the protest action had been insignificant.

"In many cases workers and factories

have opted for delegations to attend the protest march," Mr Baard said.

Mr Krriel said Cosatu was not targeting employers. "We are targeting the Western Cape provincial administration," he said.

Early reports indicated commuter trains were carrying 80% of normal capacity and on some routes, taxis were 80% empty.

Buses in the city centre were virtually empty.

A Cape Metrorail employee said trains

had run half an hour late but none had been cancelled.

Taxis on the Hanover Park and Mitchell's Plain routes were reported to be transporting on average a fifth of their normal loads.

Teachers at some Peninsula schools were reported to have joined the protest action.

About 3 000 Cosatu members listened to speeches from Cosatu and community leaders at the Grand Parade before marching to the offices of the provincial government.

AKS 11/5/98  
(140A)



WHEN Cosatu officials speak about their alliance with the ANC, they often refer longingly to the utopian example of a Scandinavian country where the president and the leader of the trade union federation meet first thing every Monday for a cosy discussion.

Despite their historical relationship, Cosatu has not achieved that level of intimacy with the ANC government — and it's perhaps unlikely that it ever will. This makes the infrequent summits between the ANC, Cosatu and the SA Communist Party even more important.

This week's summit takes place in a context shaped by three things: major disagreement over macro-economic policy; the general elections scheduled to take place in a year's time, and outspoken and unprecedented public criticism of the ANC by the SACP.

It is the continuation of a process initiated at a summit in September last year, at which, after a volatile exchange over economic policy, the ANC opened the door to its allies agreeing to discuss nine key aspects of policy.

The nine areas, for which discussion papers have been produced ahead of the summit, include the labour market, transformation of the public sector, job creation, the social wage, land reform, fiscal and monetary policy, industrial policy, building the alliance's organisational structures and globalisation. In addition to these is the question of a shared election platform, over which initial discussions will be held.

Some of the proposals that have emerged from the process of joint discussion are extremely detailed — a fact that has irritated senior government ministers faced with the reality that Cosatu has, in a sense, prepared itself to engage in collective bargaining over government policy at the summit.

It is not likely that all nine issues will be discussed and resolved over the two-day meeting. But a few are of utmost importance to all sides.

● The first is fiscal policy. In Cosatu's view, government economic policy, which has squeezed government budgets and forced structural adjustment in the economy, is responsible for a long list of social ills, from job losses to crises in the delivery of housing and education.

Persuading the government to revise its tight budget-deficit targets is top priority for Cosatu and, to this end, it will call on government to move away from rigid budget-deficit targets to broad bands within which the deficit can fluctuate depending on the state of the economy.

It seems Cosatu's proposal will receive serious consideration at the summit. An ANC source said that, while the targets themselves were not up for review, the idea of banding was worth discussing, particularly in the light of changing international discourse on the wisdom of tight fiscal and monetary policies.

● Also guaranteed to find space on the agenda is job creation and the government Job Summit, planned for next month.

For Cosatu, job destruction due to the poor state of the economy and the adjustment of industry to new global realities is at the heart of their frustration with the government. Last year alone, the economy shed 125 000 jobs.

While Cosatu has tabled its proposals around job creation — public works programmes, infrastructural development, incentives and disincentives for job creation and destruction — the government's proposal to the job summit is far from ready. There is not much hope, therefore, that



**BIG RED:** Charles Ngakula, secretary general of the SA Communist Party, which has positioned itself left of the ANC

# ANC's allies flex their muscles under the table

## Cosatu means business at this week's summit

ST 14/6/98 (140A)

Cosatu will achieve its main objective of securing an "alliance position" on the job summit so the government and labour can face business together.

While there are areas on which Cosatu and the government already agree — such as lower wages for public works employees — there are also areas of total disagreement, such as the retrenchment of excess employees in the public sector. Cosatu believes these jobs should be protected at all costs, but the government would like to use the summit to win Cosatu's in-principle agreement to its intended retrenchment of about 50 000 "supernumeraries".

● An ANC political discussion paper, "The State and Transformation", written

formation of the public sector.

● The fourth area of importance is the state of organisation. The ANC's structures are in disarray and paid-up membership has declined drastically. Politics in many branches is concerned with jockeying for position between different factions, based not on political difference but on patronage and position.

It is on these issues that the SACP has been loudly outspoken, suggesting that the "demobilisation of the ANC's mass-base" will ultimately lead to it abandoning those who voted it into power.

Coinciding with its congress to be held in early July, it is part of a SACP attempt to position itself as a kind of left opposition-cum-workers' party within the ANC. This entails explicitly contesting the ANC's direction in a more active way than before, lobbying against policies that favour big business and the privileged, and pushing for ones favouring workers and the poor.

However, the ANC does not see the strategic choice in the same terms. For it, it is not a question of choosing rich or poor but a matter of balancing ideals and what party officials describe as "the experience of being in government".

This balance will inform its approach to the 1999 elections.

While Cosatu believes a shared election platform should restate the RDP and commit the ANC to focus in particular on the areas in which it has failed, especially job creation, public transport and housing, the ANC says it is not ready to discuss its platform yet.

Its approach is much more that of a conventional political party whose platform and messages will be based on careful research and planning.

The ANC has already started holding list conferences at all levels. Although Cosatu's members can be nominated at these conferences, the federation does not plan to get involved in collective bargaining over names as it did prior to the 1994 elections.

That it is not up for debate at all that the alliance should approach the elections together indicates that what unites them is still more important than what divides them. However, Cosatu has shown that in the absence of the cosy relationship it desires, it is willing to talk and fight at the same time — the threatened strike over this week's Eskom Bill being a case in point.

Given the SACP's recent critical stance, it is a strategy that it seems it, too, would like to embrace.



# Cosatu drive for 'super unions' fuels tensions

Reneé Grawitzky

DECLINING levels of participation by workers in trade union structures and growing disaffection among members have fuelled splits and tensions within affiliates of the Congress of SA Trade Union (Cosatu), the SA Labour Bulletin said in its latest edition.

The bulletin further argued that the drive by Cosatu to create "super unions" in the absence of a solid base for worker unity could increase tensions and splits which also stemmed from a widening gap between leaders and members.

SA Labour Bulletin writer Malcolm Ray said the drive towards the formation of bigger unions by Cosatu had an "offensive and defensive logic".

International experience had shown that union mergers, depending on the reasons, could lead to worker divisions and a growing divide between leaders and members as in the case of Australia where mergers had occurred at a rapid rate.

However such developments in Canada proved far less tumultuous as industrial unions gradually evolved and were motivated largely by the practical need to rationalise resources.

Ray said tensions and splits in SA unions differed markedly but hinged on common union goals and strategies relating to democracy, accountable leadership and service provision.

He said social and economic transformation during the period survived

as the prime, but weakening, bonding agent. "There is a sense of a lack of political direction and confusion about the future of the workers' struggle."

Ray said the dominant view in Cosatu was that tensions and divisions among affiliates could be solved by addressing the form of union organisation. In the 1980s the move towards industrial unions provided the "core repository of unity", he said, with mergers between different political currents in unions becoming the order of the day.

Organisational styles had been heavily influenced by the "apartheid workplace" and this weakened the ability of unions to represent a cross-section of workers, he said.

However current mergers with small unions, the affiliation to Cosatu of white collar unions such as Sasbo, the finance union and the move towards super unions could lead to larger divisions as divergent interests became more pronounced and divisions emerged between different categories of workers within unions.

Ray acknowledged this strategy had been influenced by changes to legislation such as the Labour Relations Act which advocated majoritarianism.

The growth in membership and greater centralisation of collective bargaining had not been accompanied by a consistent organisational logic. In many cases, he said, unions had been slow in adapting their structure and style of organisation.

(140A)

**C**OSATU meets in a mini-congress this week to develop a "full package" on matters ranging from economic policy to its approach to next year's election

The central executive committee, which meets tomorrow, is Cosatu's second highest decision-making body. The two central themes of the meeting are expected to be social transformation and the protection of jobs.

But Cosatu deputy secretary Zwelinzima Vavi said the meeting aimed to go beyond criticism of government policy and develop a set of integrated, alternative policies.

Top of the list of Cosatu's criticisms of government has been macroeconomic policy.

While Cosatu does not propose an economic model, the set of policies tabled for discussion buy into a model which sees an expanded role for the state as a key economic agent. In line with policies already expressed in earlier documents, Cosatu's macroeconomic approach involves:

- Expanding domestic demand for domestically produced goods
- Stimulating demand by reducing interest rates, redistribution and the boosting of exports
- Meeting expanded demand by boosting the productive capacity of the economy
- Pursuing more flexible fiscal policies to allow greater state spending, in particular on infrastructural and human resource development

Cosatu has also introduced a fresh proposal into the battle with government over fiscal policy with its suggestion that the budget deficit be set within a flexible band, which can fluctuate depending on the state of the economy.

Reducing the deficit too quickly has a detrimental effect on service delivery and, together with high interest rates, chokes off growth and job creation, the Cosatu proposals maintain.

The central executive committee will also look at tax reform and possible ways of expanding tax revenue through higher company tax, higher taxes for middle and high-income earners, a capital gains tax and new taxes on land,

# Cosatu to look at 'alternative' policies (140A)

Protecting jobs and changing society are on the union federation's agenda this week, writes **CAROL PATON**

**ST ALLB 198 (ST)**

wealth and luxury goods

A proposal by the National Union of Metalworkers of SA calls for a "major campaign on tax" if no serious attempts are made by government to "redress the inequities of fiscal policy"

On the question of labour and wages, Cosatu reiterates its position that the labour market is in fact "remarkably flexible"

"Institutional protection is small, retrenchments are not difficult, there is an increasing trend towards casual employment and most wages are determined at plant or enterprise level," say the proposals.

It rejects wage flexibility as a means of poverty alleviation. New low-wage jobs are simply a "means of exchanging one source of poverty (unemployment) with another (low wages)", says Cosatu.

Wage policies should not be linked to productivity, as productivity is the joint responsibility of management. However, workers should benefit from productivity increases through gain-sharing

or wage increases, it says. Closing the "apartheid wage gap" remains a key campaign. The top 58 companies are challenged to release information of the salaries of their top executives.

The wage gap should be closed to a ratio of 1:8 and a mechanism should be included in the Employment Equity Act to facilitate this.

*'Low-wage jobs are simply a means of exchanging one source of poverty (unemployment) with another (low wages)'*

Cosatu will discuss proposals on industrial, competition and investment policy.

It also proposes the building of a "social sector" in the economy. This involves expanding welfare, implementing a national health insurance scheme

with the long-term aim of moving away from medical and schemes, the establishment of a housing parastatal to improve housing provision and the development of state-owned public transport.

One of the most important internal issues to be discussed is the establishment or purchasing of a financial services company that will manage the retirement funds



**LOOKING FOR A NEW APPROACH . . . Cosatu deputy secretary Zwelinzima Vavi**

of workers in Cosatu affiliates. Pooled together, these resources could amount to about R500-billion.

On the question of its alliance with the ANC, Cosatu agreed at its congress in

September last year that it would back the ANC in its election effort in 1999.

However, the union federation would like to reinstate the RDP as the central election programme. As part of

the election platform, it would also like an additional commitment from the ANC to implement strategies that will improve government performance in housing, public transport and job creation



COMMENT & ANALYSIS

# Cosatu must strengthen socialist agenda

## Mbhazima Shilowa, general secretary of trade union federation Cosatu, outlines labour's position in the current economic and political climate

(140A) M 23/6/98

CONTRARY to the view that nothing has happened since 1994, significant gains have been made since the first democratic elections. A decisive majority for the African National Congress (ANC) created the potential for a strong national government to implement the programme for reconstruction and development programme. Threats by counter-revolutionary elements in the security forces and the ultra-right against democratisation were largely contained. The campaign of counter-revolutionary violence waged before the elections has been warded off.

The new constitution was successfully completed, with significant advances in socioeconomic rights, worker rights and the deepening of democracy. Although some areas of the constitution remain defective, there is no doubt that we have one of the world's most progressive constitutions.

Most rural communities now have access to water and electricity. Some communities have had their land returned to them. Most South Africans now have access to better health care. Important policy and legislative breakthroughs were made in health, labour, water, land and education. There are mechanisms for workers and society to influence policy formulation and legislation.

The ANC-led alliance made all this possible. Despite complaints and pressure on the ANC to accept the lockout clause in the constitution, the movement stood firm. During the Labour Relations Act (LRA) campaign, President Nelson Mandela joined workers in a march to protest against the intransigence of employers.

Labour legislation has been a major focus for the Congress of SA Trade Unions. The introduction of legal reforms has been a major advance for workers. The LRA was successfully negotiated in the National Economic, Development and Labour Council, and steered through Parliament. The Basic Conditions of Employment Act and the Employment Equity Act and the Skills Development Bill currently before parliament are a major move away from apartheid legislation. Other important laws driven by the ANC include laws to make health care more accessible

and reduce the price of drugs, to extend telecommunications and legalise abortion.

There are, however, a number of issues that require follow-up. We need to develop a strategy to take forward the labour, socioeconomic and other rights in the constitution, and to oppose any litigation by employers and other reactionary forces. There are two pending cases against bills passed by comrade Nkosazana Zuma.

On the basis of our proposal for a workers' charter to be included in the constitution, section 234 was adopted, which allows Parliament to adopt charters of rights in line with the constitution. As part of the election campaign, we need to make this a reality.

At the same time, the transition has thrown up serious challenges for the alliance — in issues of governance, mass mobilisation, policy formulation and building organisation. The challenge facing Cosatu is to put forward workable proposals to ensure involvement in processes of governance and transformation, develop political strategies to deal with forces opposed to transformation, and ensure the alliance has a powerful programme to lead the transformation process.

The alliance has encountered difficulties in transformation. The reasons for this relate to internal and international factors, objective constraints as well as subjective errors in the way we have approached the transition.

Opposition parties, including the Pan Africanist Congress, have opposed most transformationary legislation. The Public Servants Association and other staff associations of the old order have used the courts to stop any changes. This does not refer only to traditionally white unions, but extends to some of the unions that were operating in the bantustans. There is an attempt by those who benefited under apartheid to preserve the status quo. It is for this reason that some people in the former homelands want to throw their lot in

with such discredited groups as the National Party, the Democratic Party (DP), the Inkatha Freedom Party and the United Democratic Movement.

Employers who at one point seemed to have embraced the spirit of give and take in negotiations have become very arrogant. They are now bolder in their challenge to transformation, as can be seen from their actions on the Basic Conditions of Employment Act and other labour legislation.

However, the democratic movement has also failed to seize the initiative to direct the change

Elements of the apartheid era ruling class have used their power, which is still entrenched in the bureaucracy, media and key centres of the economy, to shape the transition in their own image. They talk the language of democracy and transformation, but walk the path of perpetual opposition to democracy. A case in point is the DP's call for a two-tier labour market under the guise of catering for new entrants.

We need to acknowledge that in certain areas we have not done as well as we should have, particularly in housing and transport. Our housing policy remains driven by the private sector. We need to re-examine this in favour of public housing for rental and sale. The same goes for transport where we need a public transport system, not one that is being handed over to the private sector.

In order to galvanise our forces, the alliance needs to build on the rich traditions of the 1980s. These years saw a variety of mass movements mobilised under one umbrella to achieve the common goal of ending apartheid tyranny and securing national liberation.

Now, under new conditions, we need to harness that tradition to build and strengthen a mass movement for transformation.

Such a movement is essential to take forward programmes in public sector transformation, housing, health, literacy, rural development and others areas. It will also be critical in neutralising those forces attempting to block the transformation process.

The alliance needs to discuss the development of such a programme with other mass movements. It should consider convening a mass democratic movement summit on transformation. This we should do way before the start of real campaigning. We also need to continue with political education among our ranks as a way of empowering our members.

The central committee meeting takes place at a time when workers face attack from domestic and international business. Despite the economy growing and most companies posting enormous profits, almost all industries are facing retrenchments, through such gimmicks as restructuring, and outsourcing — sometimes under the guise of economic empowerment. All of this is being done in the name of globalisation, which some in our country have opportunistically accepted as gospel.

As workers, we know this is a new form of exploitation by the bourgeoisie. The concept of globalisation masks their commitment to a neoliberal agenda,

which seeks to strip countries of the right to chart their own social and economic path suited to their development. This subjects us to the dictates of the International Monetary Fund, World Bank, Group of Seven (G-7) and the market which, as we all know, is not neutral but an imposition of business will on society.

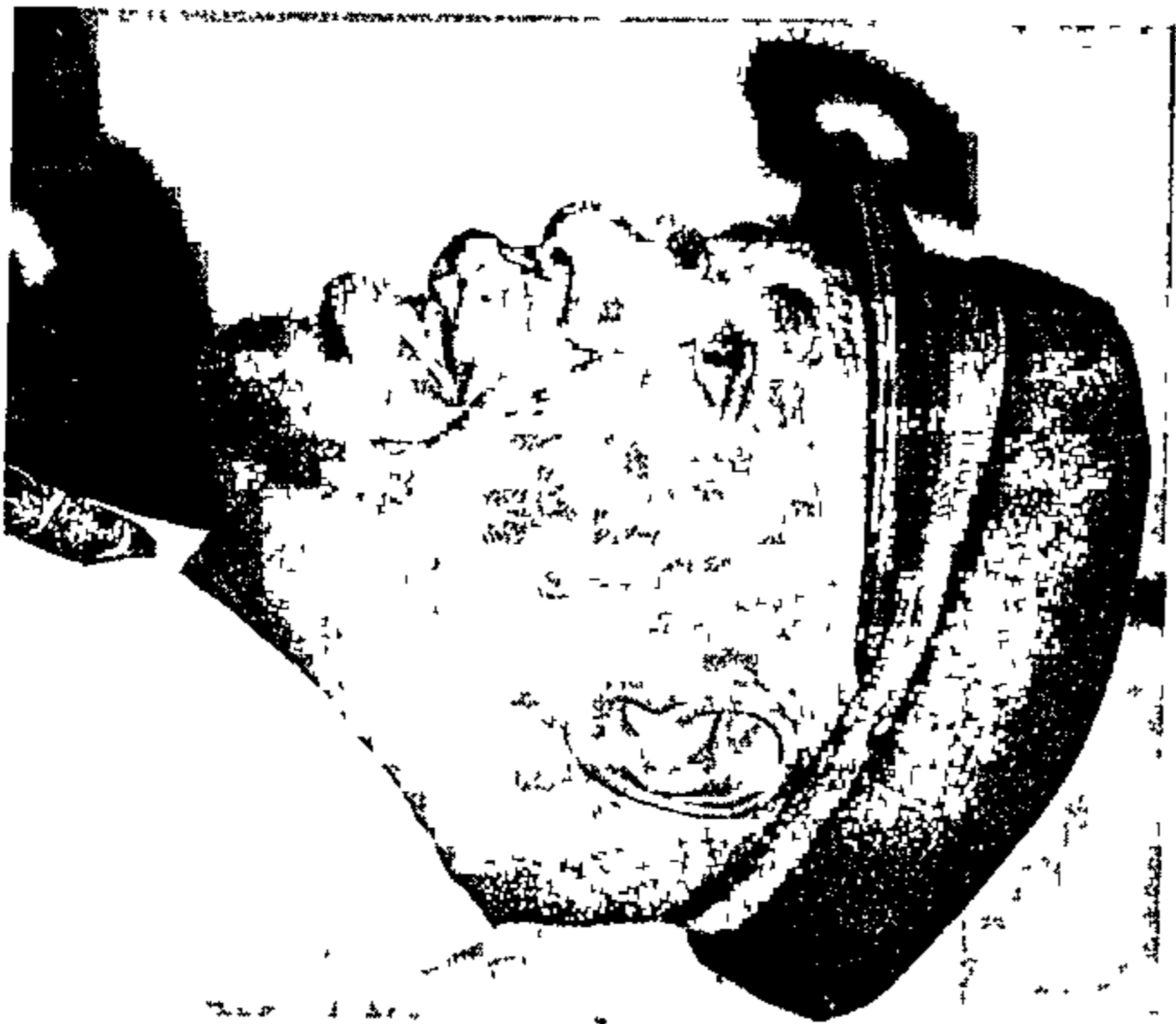
While these forces claim to accept democracy, in reality they accept only the dictates of the market. They are opposed to a strong government except insofar as it passes laws that suppress trade unions, bring wages down, privatise services, maintain law and order and open the economy to their brand of competitiveness. We are expected to bow down in front of these unselected institutions for our salvation.

The working class should reject these assertions, which are aimed at ensuring that we accept the agenda of multinational, financial markets and the G-7 as inevitable. Accepting their assertions is tantamount to accepting that capitalism can solve the problems of society. The reality is that most of our problems stem from the ills of capitalism. As South Africans, we do want trade with the outside world. However, unlike these converts of the markets, we want not only free trade, but fair trade. The same goes for those who are unemployed. They do want jobs. It is however, a fallacy perpetuated by business that they want any type of job, irrespective of wages and other basic conditions of employment on offer.

We have to assert the right of workers to better quality jobs at a living wage. In this way, we will ensure that SA workers do not become economic slaves in the name of job creation. We need to intensify our support for socialism. Our policies as a trade union must be guided by our long-term vision. Even where compromises are made, they should not undermine our socialist agenda.

We have to state very clearly to business that central to our challenge is the transformation of the economy, the creation of jobs and the elimination of poverty and of inequalities.

This excerpt is from Shilowa's secretary report delivered to Cosatu's central committee meeting in Johannesburg yesterday.



Shilowa at yesterday's conference in Johannesburg

Picture: ROBERT BOTHA



# Mbeki challenges Cosatu's actions

Reneé Grawitzky

DEPUTY President Thabo Mbeki challenged the Congress of SA Trade Unions (Cosatu) yesterday to say whether it wanted to remain part of the tripartite alliance

He asked whether alliance partners' actions represented "the true spirit of the congress movement"

Mbeki was addressing Cosatu delegates at the federation's central committee meeting in Johannesburg yesterday where harsh criticism was again levelled at government's growth, employment and redistribution strategy (Gear) and where delegates endorsed fiscal and monetary policies contrary to government's.

Mbeki did not explicitly refer to Gear but criticised those who failed to "evolve an objective understanding of society". Alliance members had to be

ready to enter into open debate with one another and accept the fact that each party could influence the other.

He said members should not fall victim to the "easy temptation to label one another as this or that school of thought" as this prevented dialogue and debate of the new and complex situations facing the country.

Mbeki said if some within the alliance believed the "struggle for national emancipation" was over then "indeed, say farewell to the congress movement". He was nevertheless confident that Cosatu would not take such a decision as it would be contrary to "your own partisan interests"

In justifying the continuation of the alliance, he claimed that those forces opposed to change sought to convince "both ourselves and our people that as a movement we have failed to do anything to begin changing the lives of the

people for the better"

He referred to government's achievements since 1994 but tried to downplay the current economic crisis "The story we are told by those who are opposed to change is that the economy is not growing and that this stagnant economy is shedding jobs" Nothing, he said, was being reported of the so-called "grey economy" which had resulted in both job creation and growth

Ultimately, he said, transformation depended on "abolishing the apartheid state", rooting out corruption in the public service and ensuring that public servants fulfilled their task of serving the people of SA.

He said there were alliance members in the public service who thought their sole task was to earn a salary and do the minimum amount of work.

Fiscal policy: Page 2



# Cosatu's privatisation policy leads to heated debate

PPD 25/6/98

(140A)  
(222)

Réneé Grawitzky

THERE was heated debate yesterday over the Congress of SA Trade Unions' (Cosatu's) privatisation policy when the National Union of Mineworkers (NUM) accused the federation of attempting to water down its own opposition to privatisation.

NUM's accusation was made at the federation's central committee meeting during a discussion on the adoption of a resolution calling for a moratorium on "wholesale privatisation".

NUM general secretary Gwede Mantashe said the adoption of this clause would "weaken our (Cosatu's) position on previous resolutions". It would create space for the partial privatisation of those sectors previously identified as "strategic sectors" which should not be privatised.

Cosatu's leaders rejected the accusation and argued that Cosatu could not agree to privatisation in certain instances if the federation's stated policy was totally opposed to it.

Delegates eventually agreed that this issue would be referred back to Cosatu's resolutions committee to be reformulated.

Lengthy debate also took place over the adoption of a long-awaited policy on union investment companies and the development of a social sector intended to harness "social capital".

Delegates rejected out of hand the Chemical Workers' Industrial Union's proposal to oppose the establishment

of union investment companies.

One delegate was overheard saying he hoped the policy would also be binding on Cosatu's national office bearers and the federation's investment arm, Kopano ke Matla.

Debate on the development of a social sector which would include, among others, union investment companies and co-operatives, led to heated arguments about whether this would lead to the dilution of the federation's "struggle for socialism". Cosatu general secretary Mbazima Shilowa said empowerment companies would not form part of the social sector.

The committee also adopted a comprehensive trade and industrial policy which focused on industrial development zones, the role of black and small, medium and micro enterprises, cluster studies, pricing of raw materials and the importance of the provision for local content in final products produced.

In a significant move, delegates endorsed the setting up of a southern African Development, Labour and Economic Council which would serve as a forum to negotiate the terms of social and economic policies for the integration of the southern African region.

Shilowa warned that the process leading up to the presidential job summit would not be easy. The question of retrenchments in the private sector (as opposed to the public service) was more critical to Cosatu as the federation had no political leverage other than mass power, Shilowa said.

# Cosatu call to 'invest in socialist economy'

## Investment companies a tool for transformation, says central committee

SAPA

The Congress of SA Trade Unions' central committee yesterday set guidelines for the formation and functioning of trade union investment companies.

Delegates meeting in Johannesburg agreed that trade union investments should be instrumental in the transformation to a socialist and worker-controlled economy.

The funds to finance the investment companies' deals should not be drawn from worker retirement funds, but should be taken from members' subscriptions

Cosatu general secretary Mphahlele Shilowa told a news conference that a trade union investment council would be formed to guide, co-ordinate and supervise the work of trade investment companies owned by the federation and the unions.

The council would have two representatives from each union, and one from each trade union company.

He said the aim of the federation and its affiliates was to have one collectively-owned investment company with divisions in each relevant sector of the economy.

The investment companies' aims were to create jobs, bene-

fit members, invest in the production sector of the economy and to change the present patterns of ownership, control and

Star 25/6/98

(140A)

### Subscriptions, not workers' retirement funds, to go for financing

corporate governance.

The committee agreed that Cosatu should adopt a code of conduct to guide the federa-

tion's affiliates in their investment strategy, taking into account Cosatu's position on privatisation.

It was also agreed that union officials and national office bearers should not gain financially from the companies and that investment-fund decisions should not be taken in secret, preventing members from participating.

Unions would be involved in the overall governance of their respective companies.

Sectors such as water provision, electricity and key local government services which addressed essential needs of the people, should remain within

the public domain.

The committee also agreed that the public sector needed to be expanded in the areas of delivery, as the public sector inherited from the apartheid era was geared towards delivery for the minority.

Compromises could be made in some of the state-controlled parastatals, such as Telkom and SABC, but those entities should still be controlled by the state.

The federation also decided to build a public sector that could deliver efficiently and effectively while defending the interests of workers in the public sector.





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 INSTRUMENTS TO CHANGE ECONOMY
 

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# Cosatu sets guides for union investment firms

ET 25/6/98 (140A)

**JOHANNESBURG:** Cosatu decided yesterday that as one of its guidelines it should adopt a code of conduct to guide its affiliates in their investment strategies.

**G**UIDELINES for the formation and functioning of trade union investment companies were set yesterday by the central committee of the Congress of SA Trade Unions (Cosatu).

Delegates here agreed that trade union investments should constitute one of the critical instruments in transforming the economy into a socialist and worker-controlled one.

The funds of the investment firms should not be drawn from worker retirement funds to finance deals, but should be taken from members' subscriptions, the committee resolved.

Cosatu general-secretary Mbhazima Shilowa told a news conference yesterday that a trade union investment council would be formed to guide, co-ordinate and supervise the work of trade investment companies

owned by the federation and unions.

The council would have two representatives from each union and one from each trade union company. He said the ultimate aim of the federation and its affiliates was to have one collectively-owned investment company with divisions in each relevant sector of the economy.

The investment firms' aims were to create jobs, benefit members, invest in the productive sector of the economy and change the patterns of ownership, control and corporate governance.

It was also agreed Cosatu should adopt a code of conduct to guide the federation's affiliates in their investment strategy, taking into account Cosatu's stance on privatisation.

The committee decided that union officials and national office bearers should not gain financially

from the companies and that investment fund decisions should not be taken in secrecy, preventing members from participating. Unions would be involved in the overall governance of their respective companies.

The central committee resolved that sectors — such as water provision, electricity and key local government services — that addressed essential needs of the people should remain within the public domain.

The committee also agreed that the public sector needed to be expanded in critical areas of delivery where the public sector inherited from apartheid was geared towards delivery for the minority.

Compromises could be made in some state-controlled parastatals, such as Telkom and SABC, but those entities should still be controlled by the state.

The federation also decided to build a public sector that could deliver efficiently and effectively while defending the interests of public sector workers — Sapa.

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# Cosatu to form investment body

FRANK NXUMALO

(140A)

CT (PR) 25/6/98 LABOUR EDITOR

Johannesburg — The central committee of the Congress of South African Trade Unions (Cosatu) yesterday agreed on the formation of an investment council that would set guidelines and regulate trade-union investment activity

The committee resolved that member's subscriptions should be used for purposes of financing deals in place of worker retirement funds

Sam Shilowa, the general secretary of Cosatu, said the newly formed council would have two representatives from each affiliate and one from each union investment company

He said the federation aimed for greater co-operation regarding investments and wanted to avoid a situation where affiliates were bidding against each other

"We do have pockets of co-operation but what we do not have is broad agreement (on bidding)," Shilowa said, and cited the Midi television bid when Cosatu affiliates were on opposing camps

However, Cosatu warned both affiliate officials and national office bearers not to use the union investment companies for personal enrichment and that investment decisions should be transparent processes involving membership

Cosatu wanted its affiliates to invest in the productive sector of the economy to help create employment, change patterns of national wealth ownership, and accrue benefits to members

The labour federation said it wanted social sectors such as education, health, electricity, water provision and key local government services to remain in state hands to guarantee accessibility by the broader community

Shilowa said the public sector needed to be expanded in critical areas of delivery where the structures inherited from the previous government still served the interests of the few

He said special arrangements were possible in some of the state-controlled parastatals, such as Telkom and SABC, but that the state should still remain the majority shareholder



# Cosatú lays down guidelines for role of trade union

Johannesburg - The Congress of South African Trade Unions' central committee has set guidelines for the formation and functioning of trade union investment companies.

Delegates to the committee meeting in Johannesburg agreed that trade union investments should constitute one of the critical instruments in transforming the economy into a socialist and worker-controlled econ-

omy. The funds of the investment companies should not be drawn from worker retirement funds to finance deals but should be taken from members' subscriptions, the committee resolved.

Cosatú general secretary Mkhazi Shilowa told a news conference yesterday that a trade union investment council would be formed to guide, co-ordinate and supervise the work of trade investment companies

owned by the federation and the unions

The council would have two representatives from each union and one from each trade union company.

He said the ultimate aim of the federation and its affiliates was to have one collectively owned investment company with divisions in each relevant sector of the economy

The investment companies' aims would be to create jobs, benefit mem-

bers, invest in the productive sector of the economy and change the present patterns of ownership, control and corporate governance

The central committee agreed that Cosatú should adopt a code of conduct to guide the federation's affiliates in their investment strategy, taking into account Cosatú's position on privatisation

It was also agreed that union officials and national office bearers

should not gain financially from the companies and that investment-fund decisions should not be taken in secrecy, preventing members from participating. Unions would be involved in the overall governance of their respective companies

The central committee resolved that sectors that addressed essential needs of the people - such as water provision, electricity and key local government services - should remain

within the public domain

The committee also agreed that the public sector needed to be expanded in critical areas of delivery where the public sector inherited from apartheid was geared towards delivery for the minority

Compromises could be made in some of the state-controlled parastatals, such as Telkom and the SABC, but those entities should still be controlled by the state, it was agreed. The

federation also decided to build a public sector that could deliver efficiently and effectively while defending the interests of public sector workers

Meanwhile, the National Party said the call by Cosatú for increased tax revenue from companies and wealthy individuals was "insane". South Africa was already one of the most highly taxed nations in the world, NP media director Darryl Swanepoel said. - Sapa

investment companies  
(140A)  
PRR 25/6/98

# Cosatu members' levy to fund poll campaign

Reneé Grawitzky

THE Congress of SA Trade Unions (Cosatu) will receive an initial injection of R1,8m from affiliates to finance its 1999 election campaign in support of the African National Congress (ANC) after a central committee agreed yesterday that affiliates would pay the equivalent of a R1 levy from each member

The resolution was adopted amid division among affiliates over whether a R1 levy per member should go directly to the federation or to the ANC

It was decided to divert the funding to Cosatu, instead of contributing directly to the ANC, and not to force individual members to pay the R1 levy after textile union, Sactwu, and finance union, Sasbo, whose memberships covered the full political spectrum, expressed concerns about the levy. The mechanism for levy collection will be left up to the individual unions.

Cosatu will today announce a programme of action on job losses and a moratorium on retrenchments and the contested Eskom Amendment Bill

Such action could include rallies and mass meetings might be held in the build-up to the presidential job summit. Marches may also be held on the day of the summit

Delegates at Cosatu's four-day central committee meeting, which ended

140A  
20 26/6/98  
yesterday, also adopted an alliance transformation programme but rejected a social accord between labour, government and business.

During debate on the alliance transformation programme, Cosatu general secretary Mbazima Shilowa said the ANC's biggest enemy was opposition from activists who felt that they were no longer involved in making policy.

National Union of Mineworkers general secretary Gwede Mantashe said policy formulation had been taken out of the hands of the alliance and into the hands of cabinet

The federation also agreed not to draft its own election list. If members wanted to be nominated onto the ANC list this would have to be done through ANC branches

Shilowa said the R1 levy would not prevent affiliates from funding the ANC directly. Further debate would take place on a possible additional levy to go directly to the ANC while resources would be made available to the party for a decisive electoral victory

Shilowa remained confident that Cosatu would find enough money to finance an effective election campaign, although it had spent more than R10m on the 1994 elections. However, before the debate Shilowa said he did not believe Cosatu could run an effective election campaign on R1,8m — "if we go for R1, then see this as a gesture"



# Cosatu's bid to (140A) regain influence

M+G 26/6-2/7/98

## Sechaba ka'Nkosi

**T**he central committee of the Congress of South African Trade Unions (Cosatu) believes the federation has been sidelined politically and has little say in major policy decisions taken by the African National Congress

At a meeting in Johannesburg this week, Cosatu leaders carefully avoided a public showdown with the government and senior ANC officials, but highlighted areas of potential conflict that have to be resolved before the elections and the two summits

Despite slogans against government policies from the floor contradicting largely reconciliatory speeches, it was clear that Cosatu is looking to the alliance summit as a last avenue to seek major political concessions from the ANC and the government

Cosatu's key demands are changes in legislation such as the labour relations Act and action from the government on the concerns of its public sector unions about the looming retrenchment of 55 000 civil servants

Cosatu is going to the job summit with a virtually non-negotiable demand for a moratorium on retrenchments. It wants agreement on this at the alliance summit, which precedes the job summit

The federation believes all major policy decisions are taken by the Cabinet, where Cosatu has no influence. Delegates at the central committee meeting suggested the formation of a "political centre" in the alliance, where transformation programmes and agreements signed by all three parties can be monitored

Said National Union of Mineworkers general secretary Gwede Mantashe "The problem facing the alliance is that the ability to implement programmes has been taken from it and is now in the hands of the political executive. The alliance is no longer influential"

During discussions on the government's growth, employment and redistribution strategy (Gear), the federation called for a return to the Reconstruction and Development Programme. Cosatu warned that a missed opportunity at this time could have dire consequences for the rest of the country

"The current situation in South Africa and the shifts in economic thinking which are taking place point to an opportunity for restructuring and implementing a much more progressive and developmental economic agenda," a document presented to the meeting read

Cosatu demanded that this issue be addressed soon as possible, and promised, in a trade-off, that the federation would give un-

conditional support to the ANC's election drive next year. The federation undertook to provide the ANC with support staff and funding from Cosatu affiliates for the election campaign

But if the changes were not effected, Cosatu vowed to "return to the streets" to ensure their demands are met

General secretary Mbhazima Shilowa argued that although Cosatu still backed the ANC, this did not mean the federation should stop raising issues when they disagreed with the ruling party. He said Cosatu's support for the ANC has to be conditional on the party meeting all its demands

"Even in 1994," said Shilowa, "there were areas in which Cosatu preferred a particular approach, which was not necessarily how the whole alliance wanted to pursue it. The same is true on certain issues by other alliance partners. This is not an alliance of convenience, but a strategic alliance to bring about political and economic transformation"

The central committee is Cosatu's highest decision-making body between congresses. It was mandated by the federation's national congress last year to ratify and give flesh to some of the policies adopted there, particularly economic policies, the elections and the alliance

The congress had raised concerns about the performance of the government over the past four years, but urged the federation to seek solutions within the alliance to ensure an all-out ANC victory next year

Cosatu had accepted certain elements in Gear, such as privatisation, as inevitable, but argued for a more integrated approach that would ensure job security, training and employment equity as conditions

Alliance leaders appear more than willing to shelve their differences and present a united face for an all-out battle to smash opposition parties in next year's elections

While all opposition parties came under attack at Cosatu's meeting, it is clear that the federation is most concerned about the 14% of voters whom surveys suggest are undecided or support the United Democratic Movement

Cosatu deputy president Connie September labelled the UDM "a worm emerging out of a decomposing body of apartheid"

September said UDM co-leader Bantu Holomisa and other opposition parties had told the public that the ANC had failed the electorate while blocking the passing of progressive laws in Parliament

"How ironic it is that the same people who advocate policies that will further entrench racial privilege go on TV and say that the ANC is failing the people who elected them. To



**Demand to be heard: Cosatu general secretary Mbhazima Shilowa says although Cosatu backs the ANC, the federation should not stop raising issues when they disagreed with the ruling party. PHOTOGRAPH: RUTH MOTAU**

Cosatu, its two million members and their families, these parties simply do not protect our interests"

Deputy President Thabo Mbeki was given a standing ovation by Cosatu members after he addressed the meeting, despite the fact that he had deliberately avoided mentioning Gear throughout his speech. A few minutes earlier, Mbeki had joined in a song that expressed Cosatu's rejection of Gear

He told the delegates that the congress movement was more important than differ-

ences on policies, and argued that for transformation to take place effectively, this tradition had to be continued

He warned against labelling people who do not agree with particular positions. Said Mbeki "Sometimes when we are supposed to think and analyse, as the new and complex situation we all face demands, we resort to swear words. And all of us know that to swear at somebody is to look for a fight and not a discussion, even among those who might call one another comrade"

## Cosatu will now invest to create jobs

CP 28/6/98  
By ZOLILE NQAYI (140A)

THE CONGRESS of South African Trade Unions' central committee has resolved that future union investments should also target social upliftment and job creation

"Trade union investment should constitute a critical instrument in the transformation of the current South African capitalist economy into a socialist and worker controlled economy," said Cosatu's deputy general secretary, Zwelinzima Vavi.

Cosatu agreed that social investment should be directed towards building houses, clinics and other necessary infrastructure. Investment in socially beneficial projects, said Vavi, is seen as a means to address the legacy of apartheid by improving standards of living. Such investment would be targeting the poor and working class.

Cosatu's general-secretary, Sam Shilowa, admitted that in the past the federation had no investment guidelines and this sometimes led to affiliates bidding against each other.

Shilowa said the newly formulated guidelines will co-ordinate operations of the federation's and trade union's investment companies.

"Whereas in the past, we only had moral persuasion, we now have a mandate that prevents rival bidding by union companies," he said.

They also decided that investment should be geared towards sectors with monopolies, with the specific aim of "changing current patterns of ownership, control and corporate governance."

National office bearers of the federation and union officials acting as trustees in the investment companies would not be allowed to gain financially from any ventures. The union investment strategy was discussed in tandem with the question of privatisation of state assets. Delegates argued that since union investment companies are bidding for some assets formerly owned by the state, the issue of privatisation should be clarified.

Cosatu indicated that although it is ideologically opposed to privatisation, that does not mean it would not engage in privatisation.

"We have identified eight strategic sectors that we believe are in the hands of the state even if partial privatisation takes place," Shilowa said.

The eight sectors are housing, education, communication, energy, health, transport, land and municipal services.



Union federation has variety of targets in an intensive campaign

ET (PR) 2/9/98  
**Cosatu plans series of mass action protests**  
(140A) (PR) (PR) (PR)

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — Cosatu said yesterday that it would embark on a series of mass actions and campaigns from now until October against the Reserve Bank, the commercial banks, demutualisation, privatisation of local government services and the Eskom Bill, and in support of job creation and preservation, and the forthcoming general elections

It said the "campaign on business" would consist of "marches on Old Mutual and Sanlam to oppose the unilateral demutualisation process they have embarked on, and their use of workers' money to fund it"

The campaign would be extended to "action against the

banks and the South African Reserve Bank to protest against their irresponsible handling of interest rates and monetary policy, excessive profiteering and abuse of consumers"

In the weeks leading to the jobs summit, Cosatu said there would be "marches of the employed and unemployed for job creation and in defence of our jobs" that will "culminate in a big march the day of the summit in the region in which it is held

"These marches in different regions will collect demands of the employed and the unemployed," the federation said, which would be handed to the summit participants

In the action against the Eskom Bill, Cosatu said it would oppose "proposals for corporati-

sation and taxation, and to defend the public provision of affordable electricity to all

"Similarly, action will be embarked on against the privatisation of municipal services, and other areas of unilateral privatisation, the proposed deregulation of the liquid fuels sector, and its implications for an effective state-led energy programme, as well as massive job losses," said Nowethu Mpati, the spokesman for Cosatu

There would also be mass action against pharmaceutical companies which opposed measures to make medicines more affordable.

Mpati said preparations for regional congresses to coordinate the planned mass action campaigns had already started

# Cosatu funds (140A) probe urged 08 7/7/98

JOHANNESBURG The United Democratic Movement yesterday called for a probe of the investment of Congress of SA Trade Union funds into various consortia without members' consent

This move was at the behest of UDM members belonging to Cosatu affiliate unions, UDM leader Bantu Holomisa said in a statement

An investigation of the commissions being paid out from these funds was also called for

Holomisa said ANC and Cosatu leaders were withdrawing union funds safely invested in schemes such as provident funds, to buy shares in conglomerates

Accusing the SA Communist Party/ ANC/ Cosatu tripartite alliance of "looting workers' monies" in the name of black empowerment, Holomisa said the alliance had not kept its promise to dismantle and redistribute the wealth of the "Big Five (companies)"

"Instead we are witnessing the deployment of comrades (who become instant millionaires) by the alliance to replace the bosses of the Big Five."

He said the UDM would approach the Financial Services Board to carry out an actuarial evaluation to determine if such funds could meet contingent liabilities

UDM members in Cosatu unions would also petition the congress regarding a decision to use workers' monies to back the ANC election campaign

Holomisa said the alliance had failed to tackle unemployment through its Gear (Growth, Employment and Redistribution) policy and that the upcoming job summit should be broadened to include all stakeholders — Sapa



# Numsa buys a stake in SourceCom

CT(BR) 18/8/98 (140A)

**RENÉE BONORCHIS**

Johannesburg — Numsa Investment Company, the union's financial arm, has acquired 35 percent of SourceCom, the seven-year-old black-owned technology integrator, for R17,5 million

Cassim Boorany, a director of SourceCom, said the deal was concluded last week. Earlier in the year, Cape-Star Growth Investments acquired a 37,3 percent stake in the company.

Boorany said the new deal would dilute the investment company's stake to 23 percent. Black management holds 30 percent of SourceCom.

Numsa Investment Company will complete the transaction with cash, funded by an asset management company. The union company was looking for a black-owned partner and Boorany said SourceCom wanted to unlock its value so that "ordinary" people, such as trade union members, could benefit.

"We liked Numsa's ideals on wealth distribution and empowerment. The company believes in using money for education, housing and members' families," said Boorany.

Numsa Investment Company has been on the acquisition trail. Three weeks ago the Mustek Group agreed to

the Numsa Investment Company's acquisition of up to a 20 percent stake in Mustek, making the union the biggest stakeholder in Mustek after management. The first 5 percent of the empowerment deal was worth R35 million and was funded by Sanlam.

SourceCom confirmed that it would use the capital raised to fund acquisitions. It also confirmed speculation that a listing could be in the offing.

BMI-TechKnowledge, a local research house, said SourceCom was the largest black-owned, non-listed information technology company in South Africa.



# Cosatu calls a halt to high-flying unionists

M+G 11-19/9/98 (140A) (144)

Union investment has achieved success beyond Cosatu's expectations, writes **Ferial Haffajee**

**F**aced with the growth of a generation of trade union millionaires, the Congress of South African Trade Unions (Cosatu) has moved to rein in its investment companies

Last week Cosatu called the heads of investment companies and union leaders to its Johannesburg office where general secretary Mbhazima Shilowa laid out plans to merge them into a single company — a move read as an attempt to assert control over an area of union activity which has grown beyond expectations

Already Cosatu's companies have made investments worth billions of rands. They partly own a bank, an insurance company, transport concerns, a slew of information technology companies and a television station, and are major shareholders in Yfm, South Africa's most successful radio station

Cosatu's plan has raised eyebrows among the union businesspeople who say it will not work. "Each union company is at a different stage of development. There are huge disparities. They are different people doing different things with different goals," says Marcel Golding, the architect of trade union investment companies. He says such unified action should have happened years ago

Cosatu has also set down new rules to prevent personal enrichment: no workers or union officials must earn directors' fees, and it wants to end the share participation rights which have made millionaires of Golding, his col-

league Johnny Copelyn and a host of newcomers who are set to do the same

The two were the cowboys at the frontier of trade union investments — they made their fortunes by securing the right to take up a personal investment in any deals they cut

Whether it is a display of "the politics of envy" as one union businessman puts it, or a more genuine concern, there is much rumbling about Golding's and Copelyn's tactics

For Cosatu, the slogan is "Business is not just business. Its foray into commerce should be guided by a different ethos"

## Trade unionists are dismayed at the swish Sandton offices, the BMWs and the zealous embrace of the market by its investment companies

Trade unionists, dismayed at the swish Sandton offices, the BMWs and the zealous embrace of the market by its investment companies, have been lobbying behind the scenes for months. They want benefits to flow to members more quickly — although union executives say that it takes at least three years to make a profit

At Cosatu's central committee meeting earlier this year, unionists from its public sector and chemical industry affiliates managed to get a series of resolutions passed to force

change on the investment companies

The controversy is set to hot up with Shilowa now taking a personal hand. He says he is less worried about enrichment than other unionists may be. With a partner worth millions (the union chief is married to businesswoman Wendy Luhabe), he is used to a certain lifestyle and says "Former trade unionists don't have to be poor. Socialism is not about poverty"

He wants the Cosatu Investment Council to co-ordinate investment activities and to oversee companies. At the heart of the controversy is also a plan to expand Cosatu's new investment company, Kopano ke Matla. Shilowa says that all unions have agreed to the goal of one union investment company

But three investment companies have already formed a rival company called Union Alliance which in turn is manoeuvring to become the umbrella body of trade union investments. Union Alliance was formed by Cosatu's affiliate trade unions in the public sector, railways and the new Communication Workers Union. Older investment companies like those belonging to miners and clothing workers will probably want a greater stake of the new company because they already have a larger capital base. The federation's mission is to create a holding company with different sectors so that trade unions do not compete for investments but pool their resources so that they can buy bigger stakes in companies

Since the advent of trade union investment companies, the results pages of newspapers have won new adherents. This affinity with the bottom line, the markets and profits is also a target.

Cosatu wants less speculation on the market and more investment in productive sectors of the economy. Many investment companies have taken a knock with the market crash because of their investments on the Johannesburg Stock Exchange

Cosatu also says that the resources of stokvels, retirement funds and investment companies should be pooled to effect social change and development. They want investment



Union cowboys: Marcel Golding (top) and Johnny Copelyn made their fortunes by taking up a personal investment in any deals they cut. PHOTOGRAPHS: ANDY KATZ/PICTURENET AFRICA AND RUTH MOTAU

targeted at housing, infrastructure, tourism, media and information technology. "How do you calculate returns?" asks Shilowa, adding, "You cannot say you won't invest in housing because the returns are low. You can't judge returns by money alone"

At the opposite end of town from Cosatu's Braamfontein headquarters where the investment companies have taken offices in Sandton, a different ethos prevails. This is the world of the executive officer with an MBA, of deal making, long business lunches and the bottom line

Some executive officers believe there is sufficient trade union oversight on their activities. Regular meetings with trade union trusts ensure that they keep their eye on union goals. They say they are too busy for additional Cosatu meetings as well and would prefer a more hands-off approach. Most say that the federation's demand that no deals be concluded secretly is a tough call. In business there's a thing called confidentiality, says Sandile Zungu, the CEO officer of Sarwhu Investments

He adds that union-owned compa-

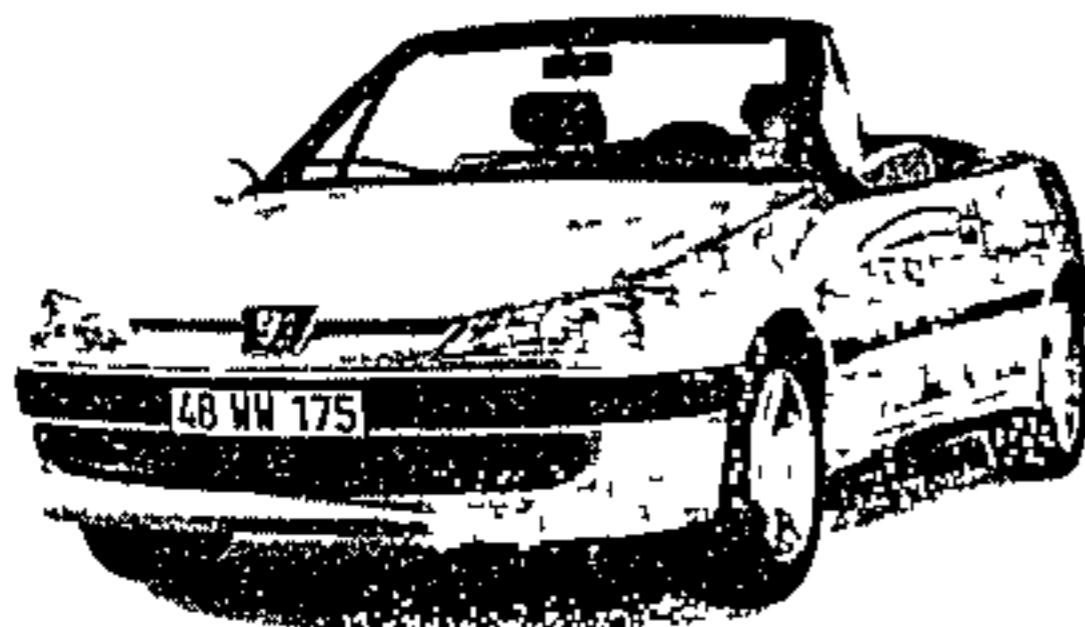
nies need a basket of investments, some geared at securing the highest profits and others at creating or saving jobs. His company, for example, has bought into companies where jobs were in jeopardy and has created others with its Rent a Bakkie shares

"The South African Rail and Harbours Workers Union wants investment in the transport industry. It's not a sexy industry, but we have done it for political and altruistic reasons," Zungu says

Building is not sexy either — it's what is called a "doldrum industry". Yet Copelyn says that the Southern African Clothing and Textile Workers Union is considering various investments to ensure that its members have greater access to housing

"All our investments were very successful," he says, adding that benefits have already flowed to members in the form of bursaries for university and technician training as well as primary and secondary schooling

He adds that trade union investments will increasingly be in a mix of social development sectors and high-growth industries



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**PROUD PARTNERS** Agrippa Mayaba (left) of Prosperity Insurance flourishes the contract signed yesterday, with Tumelo Motsisi of Kopano ke Matla, Cosatu's investment arm PHOTO JOHN WOODROOF

## Cosatu buys 50% of Prosperity

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — Kopano ke Matla, the investment arm of the Congress of South African Trade Unions (Cosatu) sealed a deal yesterday for a 50 percent stake, valued at about R10 million, in Prosperity Insurance.

Prosperity is the first black-owned life insurance company. It was licensed in South Africa in 1951 by the Financial Services Board, "to provide black people with affordable life assurance products and to generate capital for reinvestment in local business development and community upliftment", said Agrippa Mayaba, the chairman of Prosperity.

Motsisi, the chief executive officer of Kopano, said Prosperity is a credible, financially sound, authentic black-owned financial services company, ideally suited to provide insurance to our trade

union membership

"Prosperity's history has been difficult, yet they have empowered themselves and are eager to develop new business relationships and increase distribution channels"

Motsisi said the product range would include endowment, life, savings and funeral policies

Independently raised private equity — not workers' retirement funds or accumulated subscription fees — had been used to finance the deal, he said.

Mayaba said when the former Transkei was granted independence in 1976, the licence to operate outside the region was withdrawn by the previous government and the company was forced to dispose of its South African business

The company adapted to this adversity and quickly established itself as the "People's Company", developing affordable policies tailored for local communities, Mayaba said

In September 1997 Prosperity was relicensed to trade throughout South Africa. It remained rooted in the Eastern Cape, with its head office in Port Elizabeth and a branch network throughout the Eastern Cape and former Transkei.

"Prosperity has emerged successfully from its extended period of isolation and entered a most exciting growth phase," Mayaba said

"The company sustained and empowered itself during the apartheid era, when it was restricted to trading in Transkei.

"Since our readmission to trade throughout South Africa, we have successfully transformed the company, making it a suitable partner for South Africa's trade union giant, Cosatu"

Prosperity said it would preserve its corporate independence and identity but would style its life products for the labour federation's estimated 2 million members

*120 (140A) CT(BR) 1/10/98*

# Cosatu careful to avoid vacuum

Themba Hlangani  
and Renée Grawitzky

Steps taken to minimise effects of loss of leaders

BD 14/2/99 (140A)

THE EXPECTED move to Parliament by three top Congress of SA Trade Union (Cosatu) leaders after this year's election would not create a leadership vacuum in the federation, commentators and unionists said yesterday.

They said the federation would experience what it went through in the aftermath of the 1994 elections when a mass exodus of officials to government resulted in a severe leadership crisis.

The effects of the move by the three (general secretary Mbhazima Shilowa, president John Gomomo and first vice-president Connie September) would be limited as the number of those leaving for government was smaller.

More importantly, it has been common knowledge since 1994 that Shilowa would probably go to Parliament.

Gomomo and September are placed relatively high up in the African National Congress's (ANC's) nomination list released this week.

There are also three Cosatu regional

leaders on the party's provincial lists.

They include KwaZulu-Natal regional secretary Paulos Ngcobo, Western Cape regional chairman Randle Peterse and Gauteng regional secretary Dan Mohapi.

This is far cry from 1994 when more than 60 officials and office bearers went into national and provincial government.

Some analysts have argued that it is in Cosatu's interests to stem the outflow of leaders into politics.

However, some union officials said yesterday the move into politics was not necessarily a bad thing as it allowed new leaders to emerge.

A union source said the move discouraged officials from "owning" positions within the federation and its affiliates.

"Union positions are not meant to be a lifelong term. The move by office bearers out of the federation will give new officials a chance to serve it and bring in a new style of management," Cosatu spokesman Mukom Ratshtanga said.

With the imminent departure of the

three top leaders, speculation is rife about their possible replacements.

The obvious choice to replace Shilowa is his deputy, Zwelanzima Vavi, who has in recent months effectively taken over the reins of the organisation.

Vavi has been in the limelight while Shilowa has been keeping a low profile in anticipation of his move to politics.

There is no obvious replacement for Vavi, but Cosatu's Western Cape regional secretary Tony Ehrenreich, SA Clothing and Textile Workers Union assistant general secretary Ebrahim Patel and Chemical Workers Industrial Union general secretary Muzi Buthelezi, are options.

At the same time, analysts said that at the 1997 national congress of the federation it became clear that there was growing disillusionment over the role played by Cosatu leaders who were sent to Parliament in 1994.

It was argued that these former leaders had maintained tenuous links with the federation and had not been

adequately pro-labour

This might have discouraged the federation from releasing a larger number of the office bearers nominated this year.

However, Sociology for Work Unit researcher Karl von Holdt said in 1994 the ANC was a new force which had to draw resources from all progressive structures, including Cosatu.

There was, at the time, a lot of space which allowed unionists to move into politics and to jockey for positions. Since 1994 the ANC has solidified its position and asserted its leadership. This made it more difficult, he said, for new people to move into the organisation.

Nominations onto the ANC's lists also depended on the extent to which Cosatu representatives were active in the party's provincial and local structures.

This differed from the 1994 process where Cosatu was allowed to nominate 20 representatives who were placed on the ANC election list.

Commentators said it was questionable whether the federation had put enough effort into building new layers of leadership to the vacuum.



**LABOUR** *Expanding organisations must not equal bureaucracy, says Gomomo*

# Cosatu's 90 000-strong mega-union born

CT(BA) 25/12/99

(#3#) (140A)

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — Cosatu yesterday made a scathing attack on all its affiliates for the poor service given to members at the launch of a "new and better" super affiliate, the Chemical, Energy, Paper, Wood and Allied Workers' Union (Ceppwawu) was born

The 90 000-strong super union was formed from Cosatu affiliates Chemical Workers' Industrial Union and the Paper, Printing, Wood and Allied Workers' Union

The new leadership is made up of national office bearers from both unions and, as expected, Muzi Buthelezi, the former general secretary of chemical workers' union, retains the same powerful position

Other office bearers are Pasco Dyanı (president), Bengeza Mthombeni (deputy general secretary), Absolom Ditshoke (treasurer), Welile



**BACK TO BASICS** *John Gomomo shows off the emblem of the new super trade union but urges it to place emphasis on service to members*

PHOTO: SELVATI

Nolingo (first deputy president) and Joyce Pekwane (second deputy president)

John Gomomo, the president of Cosatu, warned against letting sheer union size lead to

bureaucratisation and the breakdown of internal democracy and worker control

"We must get back to basics of trade unionism (and) prioritise the basic servicing of our

members," Gomomo said. At the same time, labour would continue to wage a "bitter offensive" against the growth, employment and redistribution policy known as Gear

# Departures at Cosatu to leave gap in senior ranks

FRANK NXUMALO

CT (PA) 23/2/99

LABOUR EDITOR

Johannesburg — Cosatu conceded for the first time yesterday that it would be stretched by the impending departure for parliament of high-profile national office bearers.

They include Mkhazima Shilowa, the general secretary; John Gomomo, the president; Connie September, the first vice-president, and Ronald Mofokeng, the national treasurer.

"The departure of top Cosatu leadership for parliament, including myself, does leave a gap in terms of the loss of collective experience," said Shilowa.

"Gomomo has clocked more than 25 years as a trade unionist, September 15 to 20 years, and I myself have been there since 1981.

There is some collective experience that we had but at the same time, during our tenure of office, we were not acting as individuals in Cosatu but collectively with leaders such as Zwelinzima Vavi and Peter Malepe.

"I think our unions have the ability to take Cosatu even to greater heights than we did, provided they remained unified, collectively retain a role for workers in decision-making and don't become narrow in their approach for fighting for the rights of workers, the poor and the rural dwellers."

Shilowa attacked the business approach to labour market rigidities, saying the real rigidities which included skills training, These included on management, which was provided primarily for senior managerial staff. As regards rigidity of wages, in most industries, he said, the bulk of the wage bill went to pay inflated salaries for company executives.

The third rigidity was productivity management, which dealt with how human and material resources were utilised for the good of the company, and that was a basic management function.



MBHAZIMA SHILOWA

# Just the worst time for a career change

(140A)

ET (PK) 20/2/09

FRANK NXUMALO

As the executive committee of Cosatu, the labour federation, receives nominations at its three-day conference to fill the gaps left by the exodus of top leadership to the political arena, Mbhazima Shilowa, its general secretary will be damned if he does not go to parliament.

More important, he will be damned if he does.

He'll be damned if he doesn't because not only was it his decision to accept the nomination for the ANC's national election list, as he conceded in a recent interview, but the inaugural Cosatu central committee, the second highest decision making body in the federation's national congress, also gave him that latitude.

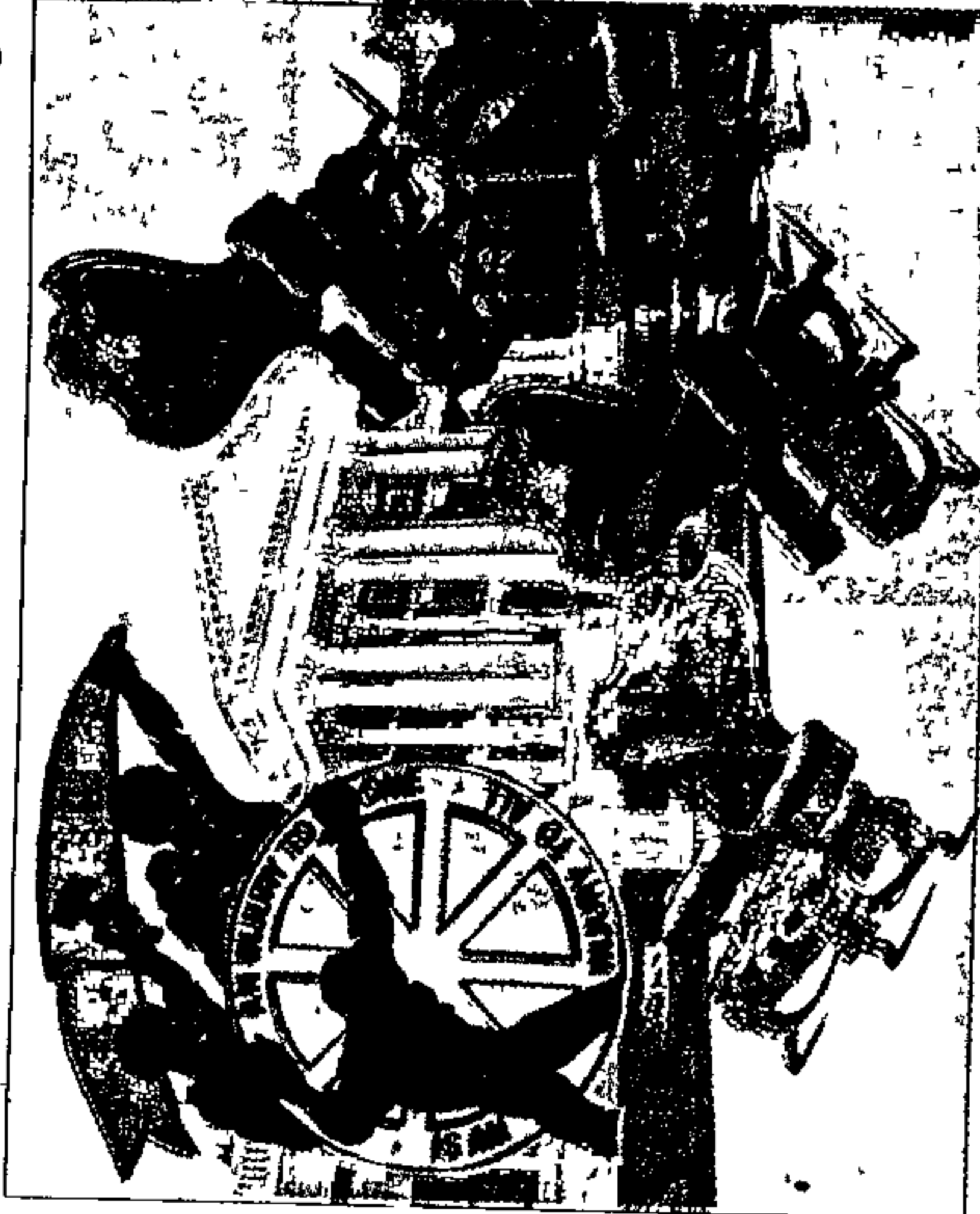
Organised labour's living legend believes parliament is the place to go to serve country and social class.

"Most of us agreed to go parliament for particular and specific reasons," he says. "I still believe that the ANC remains the only vehicle for social transformation with the capacity to benefit workers, the rural poor, the landless and the homeless."

In this regard, he would have had the unqualified support of Ernesto Che Guevara, the legendary Argentinian revolutionary, who said the battlefield of a revolutionary is where he is needed most.

But Shilowa would still be damned for leaving Cosatu at this historical point in time.

With due regard to all those well respected and highly experienced Cosatu leaders who will be remaining behind, including Zweluzima Vavi, Gwede Mantashe, Archie Palane, Muzi Buthelezi, Peter Dantjie and Mthuthuzeli Tom, there is something about Shilowa which is deeply synonymous with Cosatu.



of the International Chemical, Energy Mining and General Workers Union. The challenge facing the National Union of Metalworkers of South Africa (Numsa) following the sudden death this month of general secretary Mbuyiselo Ngwenda, a young African revolutionary and working class stalwart, is indescribable and too painful to write about.

The situations at NUM and Numsa are important not just because of their critical mass, but also because the fight for Eskom, which was hijacked from them by Cosatu at a crucial stage last year for unfathomable reasons, has taken a turn for the worse.

The wholesale privatisation of Eskom, a people's asset that benefits formerly advantaged communities, started this week with management's decision to privatise its asset management function, triggering dreaded retrenchments.

When the dust settles after the elections, Shilowa will be eyeballing his former comrades on these important socio-economic issues from the government side of the fence.

The irony of it all is that they may accuse him of using his traditional weapons — the working tactics and militancy they garnered from him over his years at Cosatu — to stand in the way of workers rights and aspirations.

However, Eddie Webster of the University of the Witwatersrand School of Social Work and a leading labour analyst said. "On the positive side, (the exodus) broadens the influence of labour into the national political arena (You have) people with the ability to bring labour values and skills into the legislative system."

"The negative side is that you lose key leadership inside the labour movement at a time when there is a great necessity for strategic thinking."

The act, now more than ever, is under the stewardship of the current crop of Cosatu leaders, who were party to this grievous legislative loophole.

The struggle to remove real labour market rigidities, as opposed to rigidities perceived by big business, calls for strong and experienced labour leaders. Marketable skills training is still being rigidly reserved for (mostly white) senior managerial employees and the struggle to close the apartheid wage gap is not yet won.

In the next few months, the National Union of Mineworkers (NUM) will be without the services of James Motlatsi, its president and worker leader of rare calibre, who knew the pain of labouring thanklessly in the hot bowels of the African veld to create untold wealth for white South Africa.

Motlatsi will be leaving in November to assume a four-year offshore presidency.

Jay Naidoo, now a cabinet minister, is the only other Cosatu leader to have ever risen to Shilowa's stature in terms of a legitimate mandate to act on behalf of Cosatu in tricky situations without the traditional (and onerous) "broad consultation".

But has labour legislation been tightened enough to protect vulnerable workers from capitalist vultures to warrant a simultaneous mass exodus of heavy weights, including Shilowa, John Gomo and Connie September?

The reasons for Shilowa to have waited until at least 2004 are many and compelling. For starters, the dismal failure of the Gold Crisis Committee to protect more than 143 000 mineworkers from retrenchment last year is a graphic illustration of the need to tighten Section 189 of the Labour Relations Act, which makes it easy for employers to retrench workers.

**COSATU** Former general secretary prepares for move to parliament after elections

# Vavi steps into Shilowa's shoes

(140A) CT (BR) 1/4/99

**FRANK NXUMALO**

LABOUR EDITOR

Johannesburg — Zwelinzima Vavi, the deputy general secretary of Cosatu, would take over the day-to-day responsibilities of the general secretary of the union congress from Mbhazima Shilowa, the current general secretary, with immediate effect, Cosatu said yesterday.

Shilowa has accepted the nomination for the ANC parliamentary list. He will take a back seat to focus on strategic ANC election campaign issues.

Vavi, who will continue performing his duties as deputy general secretary, will automatically become general secretary as provided for in the Cosatu constitution once it is established that Shilowa has made it to parliament after the June 2 national elections.

It is a foregone conclusion that the ANC's top 60 nominees will make it to parliament. Shilowa is high on the list at number 25.

Peter Malepe, the current second vice-president, assumes the Cosatu presidency immediately and will automatically become president after the elections.

"These leaders are seasoned comrades with a wealth of organisational experience



**COMRADES** (from left) Connie September, Cosatu's first vice-president, Mbhazima Shilowa, the general secretary, John Gomo, the president, and Zwelinzima Vavi, the deputy general secretary. PHOTO: FELIX MANTATI

which will undoubtedly benefit the federation. Between them they have many decades of experience in the trade unions and the broader liberation movement," Shilowa said.

Cosatu expressed concern at recent developments regarding the restructuring of state assets. This included claims by some

local authorities that they were not bound by the terms of the National Framework Agreement (NFA), the agreement signed by Cosatu and the government.

"We note the disturbing trend to ignore the NFA by many leaders of the parastatals (and) the increasing threats of job losses resulting from the uncritical

adoption of the ideology of privatisation," he said.

Vavi said the Cosatu executive committee had decided to convene a meeting involving all affiliates organised in the parastatals to receive detailed reports of the process of restructuring and/or privatisation within and outside the context of the NFA.



## POLITICS & PARLIAMENT

# Cosatu shuffles leadership roles

(140A)

### Federation wants meeting with ANC on manifesto

Farouk Chothia

BD 1/4/99

CONGRESS of SA Trade Unions (Cosatu) general secretary Mbhazima Shilowa has handed over the day-to-day running of the federation to deputy general secretary Zwelinzima Vavi with immediate effect

The decision, announced after a Cosatu central executive meeting yesterday, was seen as an attempt to ensure a smooth transition of leadership within the federation

Cosatu is facing a major exodus, with Shilowa and three other national office bearers nominated to serve in Parliament after the June 2 elections.

They are president John Gomomo, first vice-president Connie September and treasurer Ronald Mofokeng

Shilowa said he would remain the general secretary until the elections. He would concentrate on co-ordinating Cosatu's election campaign in support of the African National Congress (ANC), while Vavi took charge of the day-to-day affairs of the federation

Second vice-president Peter Malepe would serve as acting president once Gomomo went into Parliament.

Cosatu had scheduled a special congress for August, where it would elect a new leadership.

In a possible indication of likely candidates who — along with Vavi and Malepe — would fill vacant posts, Shilowa said the committee had chosen four other

members to assist in preparing for the congress. They were National Union of Mineworkers general secretary Gwede Mantashe, SA Municipal Workers Union president Petrus Mashishi, National Education, Health and Allied Workers Union general secretary Fikile Majola and SA Clothing and Textile Workers Union vice-president Emily Taukobong.

He said the congress would devise strategies, leading to a "consolidation of Cosatu for the next millennium" campaign. The congress would also look at taking policy decisions on sociopolitical issues, arising from the swearing in of the new government

Shilowa said Cosatu gave its wholehearted support to the ANC's election manifesto as it was biased in favour of workers and the poor. However, the federation wanted talks with the ANC before the elections to develop a concrete programme for the implementation of the manifesto. Agreement on such a programme would ensure that the manifesto became the "bible of the new government" and that it "hits the ground running from day one", Shilowa said

Vavi said the committee would decide at its meeting in May whether the national framework agreement, which technically came to an end yesterday, was serving any useful purpose

A decision would be preceded by a workshop of affiliates in the parastatal and energy sectors



# Trade union power not about to fade

DEBBIE VAZBEX



Meeting in the wings  
Zwelinzima Vavi is tipped to become Cosatu's next general secretary

*On June 2, Cosatu will lose its top guns to Parliament, but the man most likely to take the driving seat is quietly confident that it will be business as usual, reports Eddie Jayiya*

Some June 2 and the Congress of South African Trade Unions will lose its president John Gomo, vice-president Conine September and general secretary Mkhazima (Sam) Shilowa to ANC structures and Parliament.

In some quarters this has been seen as a crisis for the trade union federation. However, Zwelinzima Vavi, who is tipped to become the next general secretary of Cosatu believes predictions of the federation's demise have been exaggerated. The federation has capable leaders to take it into the next millennium, he believes, and scoffs at the suggestions that union leaders become ineffective in Parliament. As far as he is concerned former trade unionists like Alec Irwin, Jay Naidoo and Sydney Mufamadi have contributed largely to the rights of the workers.

"Union leaders are part of the tripartite alliance and are disciplined members of the alliance. There are broader issues that the alliance drives in Parliament, and labour is one of them. We are happy with their contribution and we believe the next leadership to Parliament, will also fight for the workers," he said.

"There is nothing wrong for Cosatu leadership to go to Parliament if that is done to carry forward the national democratic evolution, and the struggle for workers to be treated as decent stakeholders in the society. If Parliament provides a platform where they can help consolidate and advance the workers' rights better, then people should go to Parliament," he said.

Vavi, however cautioned those who thought they would have a better life by going to Parliament. "We want to emphasise that Parliament is not the only place where people get reimbursed for the sacrifices they made during the struggle. If unionists will begin to think in that way, then we will have serious problems. People will

play their cards safely and override the concerns of workers because they have ambitions to go to Parliament. We should discourage careerism in our democracy," he said.

But political and labour commentators dispute Vavi's assessment of the former unionists' contribution in Parliament. "They say they unionists became less vocal in Parliament and at some stage were attacked by the unions for not fighting for their rights.

Labour analyst Gavin Brown says unionists would find it difficult to champion workers' aspirations in Parliament. Irwin, Mufamadi and Naidoo realised that Parliament dealt with wider issues than labour.

"Their contribution was confined to the benches and they had to deal with broader issues. In Parliament, the ANC rules and Cosatu leaders are simply MPs on an ANC ticket.

## Workers are decent stakeholders in society ...

"Their contribution has been minimal and the new group will also be faced with the same problems. They will continue to make contributions from the benches. Party decision is the key aspect in Parliament, and unionists have to toe the line," he said.

Similarly not convinced is Soweto Vista University political lecturer Alex Amtanka, who says the new Cosatu leadership going to Parliament would not make any impact. "They will realise that it's easy to focus on union issues than dealing with many policies in Parliament.

"A union federation is an interest group of workers and it can easily articulate their aspirations, but in Parliament other groups like business associations and the civil society come into the picture. So it will be difficult to focus on labour matters only.

"Naidoo was the most vocal unionist outside Parliament, but he changed quickly when he realised that there were other issues. It is a difficult

position for the union leaders," he said. While its leadership is grappling with the constraints imposed by Parliament, Vavi says he and his team will consolidate Cosatu and continue with the struggle to introduce a socialist economy.

He believes that socialism is the only solution to South Africa's economic ills and says capitalism all over the world, including South Africa, has failed disastrously to address the socio-economic imbalances.

"We are committed to a future of socialism in South Africa. We want a socialist system where workers are in control through a government of their own. We have got to change the culture and practices in the economy.

"We need an economy that is interested in the development of our industrial policies with the need to reinvest into our industries, new machines and the new technology. It must be geared towards job creation."

Cosatu has an investment company Kopano Ke Mada, which has a stake in the Netcare clinics. Vavi says the decision to establish the investment company was taken on the basis that "free market is good. It should be supported and that we should play the ball as it being played by the markets. We took the decision mindful of our ideology and theory."

"We are not becoming a market-friendly union. We want to plant the seeds of socialism even within the belly of the capitalist system we have in South Africa," he said.

Militancy, in his view, is not only about the ability to mobilise workers, but about the readiness of the members at all times when called to embark on such actions and to arrive at a settlement in difficult negotiation processes. "If you clinch a political deal to avert a strike, surely your objective was not to strike, but was to reach a

(140A) Mar 6/14/99

settlement. That's what confuses people. When they don't see a Cosatu placard, calling for a strike, then they think we are over with militancy or we should close down. We know when, or when not, to use political processes in order to induce settlements.

"If there was some anti worker government in power, which was acting basically in the same way as the previous racist National Party regime, then I guess there would have been many national general strikes.

"The reason for the scaling down of strikes is a tribute to a good relationship and the commitment of the ANC government to worker rights, to their being sensitive to issues that are being raised by the workers and being accommodating in their approaches regarding those issues.

## Failure to detect simmering problems

"The present Government has a clear bias towards workers and this has contributed towards fewer strikes," Vavi said.

He conceded that Cosatu national office bearers and the executive committee in the past failed to detect simmering problems within various unions, which at times had resorted in some major and protracted headaches for the federation.

"Office bearers and the executive committee should have been more proactive. We have taken decisions in the congress and reaffirmed that whilst affiliates of Cosatu will retain their autonomy, that autonomy will not be exercised at the expense of Cosatu policies and hegemony.

"We have already begun stepping up our rate of interventions in various unions and cracked the whip when it was necessary.

"And we will continue to do so whether it results in personal clashes between the national bearers of our affiliates or political disunity or defiance of Cosatu executive committee decisions or major policies," he said.



# Cosatu 'disgusted' by reports

FRANK NXUMALO

LABOUR EDITOR

Johannesburg - Cosatu said yesterday it was "disgusted" by insinuations in recent media reports claiming Kopano ke Matla, its investment arm, did not enjoy the support of the majority of the federation's affiliates

Cosatu said the unnamed sources quoted in the reports were "completely wrong" as Kopano ke Matla, which had bid for Aventura, the state-owned resort group, had been established after years of discussions in the federation

"It is the federation's creation, through a unanimous decision supported by all Cosatu affiliates," said the statement "Its board and the chairman, Max Maysela, were appointed by the executive committee of Cosatu,

while the executive secretary was appointed in consultation with the leadership of the federation"

Mukoni Ratshitanga, Cosatu's spokesman, said Kopano was the only investment vehicle established by the labour federation, and it was disturbing for the media to "pretend not to know about this while pursuing an agenda against the company and the federation"

Ratshitanga said the labour federation was disappointed at the cancellation of the acquisition of Aventura Rand Lease Properties, Absa and Kopano had met and agreed that the only economically viable basis for the transaction had been to invest a R25 million cash consideration to cover past losses. The government would be paid R5 million on the effective date and R20 million over the remaining four years

However, the ministry of public enterprises had rejected that proposal, Ratshitanga said

Kopano was then approached by Barnes and Pietersen of GGI to finance the acquisition

"They undertook to provide a R25 million guarantee to the ministry, with payment of R12,5 million cash and R12,5 million as loan capital injection into Aventura," said Ratshitanga

"On April 11 this year, Absa told GGI and Kopano the bank overdrafts were now R30 million for R22 million in February GGI then altered its offer to R6,5 million cash and R18,5 million as a loan injection into Aventura, which was also rejected"

Cosatu regretted the cancellation of the sale and said liabilities had increased from R64 million last April to more than R90 million this year

## SA union power is on decline, says top economist at investment forum

Jonathan Katzenellenbogen

(134)

BD 2117199

SA UNIONS are entering a period of decline after years of ascendancy, says Nico Czipionka, SG Frankel Pollak's director of economics and strategy.

"In the next five years union influence and power is likely to substantially diminish," he said in a talk on the economic outlook at the Alexander Forbes investment conference in Sandton yesterday. This, he said, marked a reversal of a trend in which unions had been ascendant for 20 years.

Czipionka said reduction in union power was an international trend and in the case of SA this would be accelerated with the Congress of SA Trade Union's leadership in government. Mass layoffs by Transnet, Telkom, and mines would also reduce unions' power, he said.

Other factors behind the reduction of union power were the need for greater flexibility to compete on price with global competition, lower union membership rates and wage costs in neighbouring countries.

He said strikes and resistance against government's push for labour flexibility and economic efficiency were likely. President Thabo Mbeki could be expected to push ahead with an attempt to accelerate economic growth that would gain the country great international credibility, he said.

Former finance minister and current Nedcor chairman Chris Liebenberg opened the conference on retirement investment strategies with a call for the government to impose a savings levy. He said enlarging the country's savings pool was a matter of urgency and the only way to do so was to make savings obligatory.

Liebenberg said retirement fund investing over the next few decades was likely to be influenced by new demographic trends, inflation and AIDS. He said there was a risk that as those without the disease lived longer AIDS would be ravaging those contributing to retirement schemes. Inflation, he said, attacked those most vulnerable on fixed incomes and the unemployed.



# Cosatu's message to its allies

BY MALOSE MONAMA

COSATU has sent a clear message that although it is part of the ruling tripartite alliance, it will not bow down to the government

Recent developments on the labour front, including the show of might by public sector unions who downed tools and took to the streets on Friday, have underlined the grant federation's independence and disproved claims that it would be subservient to government

Academic and industrial relations expert Professor Joe Teffo said the flexing of muscles by labour in the past few weeks is an indication that Cosatu remains a force to be reckoned with

Teffo cited the planned retrenchments at Transnet and Telkom, which were put on hold following demonstrations by Cosatu affiliated unions, as a victory for workers. The fact that government relented and granted bridging finances to the ailing mine ERP, which temporarily saved the 5 000 jobs that were on the line for at least another month, will also not have done the confidence of labour any harm

This has given public service workers the confidence to reject the slightly better offer of a 5,7 percent increase in salaries and to press for something closer to the 10 percent being asked for by Nehawu, Sadtu and Popcru

"Labour is not about to act obsequiously to anybody, not even the ANC government," said Teffo

The University of the North-based industrial relations practitioner questioned the timing of the rolling mass action and lamented its effects on investor confidence. He urged teachers to be equally



**MASS ACTION.** Thousands of civil servants, including prison officials, threaten to let loose some of the country's most feared criminals unless they get the 10 percent salary increase

ter this wage offer" Unions also labelled as inappropriate aspects of Gear policy which seek to reduce public expenditure in favour of capital expenditure

"We are not convinced that the Gear policy's budget deficit targets are compatible with the role of a developing state," the memorandum read

Memoranda detailing the grievances and demands of public ser-

vants were handed over to Trevor Manuel, minister of finance, Geraldine Fraser-Moleketi, minister of public service and administration, and Steve Tshwete, minister of safety and security

Top of the unions' demands was a 10 percent graduated salary increase which they argue would address inflation, give at least one percent real increase and also address the pay progression for

Picture. Mpho Mphofho

educators Nehawu, Sadtu and Popcru, who among themselves have 500 000 signed-up members in the public service, dismissed the recently bet-tered offer of 5,7 percent as "falling short of addressing our demands and resolving the present impasse"

Many township schools and courtrooms stood empty on Friday as thousands of teachers and justice officials joined the multitudes of public servants who took to the streets to press for better wages

The largest march by members of the three Cosatu-aligned public sector unions took place in Pretoria, where close on 30 000 placard-carrying protestors caused havoc with inner city traffic.

The unions also demanded that the minister of finance desist from announcing the budget for public sector salary increases while negotiations were still in progress

This, the unions say, makes "non-sense of collective bargaining and public workers' constitutional rights" and gives the impression that the state as an employer is bargaining in bad faith

The memoranda, co-signed by Wilhe Madisha, Zizamele Cebekhulu and Vusi Nhlapo, presidents of Sadtu, Popcru and Nehawu respectively, also stated that "The unions reject restrictive fiscal policy and adherence to rigid borrowing and revenue targets which places crippling limitations on the RDP and severely weakens transformation goals."

Manuel, Fraser-Moleketi and Tshwete were non-committal on receiving the memoranda. They promised to examine the contents and respond appropriately in due course



# Cosatu readies for congress challenges

APG 14/8/99

(140A)

**ESTELLE RANDALL**  
POLITICAL CORRESPONDENT

**T**he Congress of SA Trade Unions (Cosatu) faces a watershed special congress next week when it will elect new leaders and set terms for engaging in its alliance with the African National Congress.

The special three-day congress, starting on Wednesday, comes at a time when the labour movement is facing the challenges of existing and looming job losses, internal weaknesses and the need to assert itself in the formulation and implementation of Government policy.

Two related issues will dominate discussion at the congress, how to strengthen Cosatu and agreeing on what should go into a programme for the ANC-SA Communist Party-Cosatu alliance.

And, unlike previous conferences, the Government's Growth, Employment and Redistribution (Gear) macro-economic pol-

icy is unlikely to come under direct fire. There are also indications that attention will be given to developing a less vociferous approach to dealing with differences on economic policy within the alliance.

"We've moved beyond the stage of shouting down Gear," said Cosatu spokesperson Mukhoni Ratshtanga.

"That approach reduces a complex economic debate to slogans and gets everyone on the defensive. We don't want that, so we're going to be paying attention to the detail of economic policy. No one in the trade union movement is saying the total package is bad and should be thrown out. There are elements about which we are unhappy - job losses in the short and medium term for example, but we desperately need to find solutions to these problems.

"We have to do better in the way we handle economic and other policy matters. That means addressing problem areas before they blow up."

But the federation's ability to win sup-

port for its wide range of specific socio-economic resolutions focused on job creation, job retention and poverty alleviation and to manage the differences which will emerge between it and the ANC will depend on the extent to which it is able to rectify its internal organisational weaknesses.

A key weakness identified in a discussion document prepared for the congress is the growing gap between leadership and the rank-and-file and the neglect of political education for leading officials.

The discussion document notes also that the federation has adapted insufficiently to the changed environment. While employers have adapted the pro-market aspects of Gear to infuse a "management philosophy" among shop stewards, the trade union movement has lagged behind.

"It is clear we are not giving shop stewards sufficient political understanding and tools to analyse situations and complex issues from a pro-working-class perspective," he said.



# Contenders jostle for Cosatu posts

Reneé Grawitzky

(140A)

THE jostling for senior positions in the Congress of SA Trade Unions (Cosatu) continued yesterday ahead of the start of the federation's special congress tomorrow, though by yesterday a number of unions had not decided whether to release their leaders

There are two contenders so far to replace Cosatu president John Gomomo who went to Parliament after the June elections

They are SA Democratic Teachers' Union (Sadtu) president Willie Madisha and National Education Health and Allied Workers' Union (Nehawu) president Vusi Nhlapo. It was reported yesterday that Sadtu did not want to release Madisha. Discussions on whether to release him continue and Sadtu meets today to take a final decision

Uncertainty also surrounds the nomination of the hotly contested position of assistant general secretary. The two contenders are the general secretaries of the Transport and General Workers' Union Randall Howard, and Musi Buthelezi of the Chemical Energy Paper Printing Wood and Allied Workers' Union (Ceppwawu)

Ceppwawu decided last month to not release Buthelezi and it appeared unlikely at this stage that the decision would be rescinded.

DD 17/8/99

# Cosatu faces critical challenge

ADRIAN HADLAND AND EDDIE JAVITA  
STAFF REPORTERS

Defence Minister Patrick Lekota faced up to Cosatu today as the powerful labour federation began one of its most important congresses.

Mr Lekota, standing in for President Thabo Mbeki, was expected to defend the government's economic policy and restructuring plans in a keynote address to Cosatu's leadership.

As in previous congresses, the state of the ANC-Cosatu-SA Communist Party alliance will fall under the spotlight along with the Government's Growth, Employment and Redistribution (Growth) economic strategy.

But the congress this year comes against a backdrop of increasingly tough times for the labour unions, a stand off with the Government over public service wages and the need to elect a new generation of Cosatu leaders.

More than 2 000 delegates from 17 trade unions were gathered in Midrand to hear how Mr Mbeki and Labour Minister Mambuthi Mladlana plan to sell public service retrenchments and restructuring, the liberalisation of the labour market and

strategies for coping with difficult times to Cosatu's 1.78 million members.

To set the scene, the National, Education, Health and Allied Workers Union (Nehawu) launched one of its most severe attacks on the Government yesterday, calling the state's unilateral implementation of a 6.3% wage increase for the public service "the worst type of labour relations practice, reminiscent of the apartheid style of governance".

The congress's key task will be to elect replacements for the four national officials the federation lost to public office after the June election.

President John Gomo, second vice-president Conus September and treasurer Ronald Mofokeng were all elected ANC members of the National Assembly, while general secretary Mhazima Shilowa became premier of Gauteng.

Political and labour analysts said the leadership would set the tone for labour's relations with the Government and how the tripartite alliance would be managed into the new millennium.

Labour analyst Gavin Brown described the three-day congress as one of Cosatu's most important challenges "it lacks organisational resources to deal with imminent

## Pay stand-off leaders vie for top union job

ARC 18/8/99  
POLITICAL EDITOR

Two prominent figures in the current stand-off between the Government and the public sector unions have been nominated to contest the presidency of Cosatu.

National Education, Health and Allied Workers Union president Vusi Nhlapo and South African Democratic Teachers Union president Willie Madisha will vie for the post left vacant by John Gomo, who has left the trade union federation for Parliament.

Cosatu's acting general secretary, Zwelinzima Vavi, is expected to be voted in unanimously to replace Mhazima Shilowa, the veteran trade union leader who has become the Gauteng premier.

Mr Nhlapo and Mr Madisha have played a major role in the wage negotiations with the State and their nomination is likely to stun workers.

# Cosatu to launch mass campaigns

By Mizwakhe Hlangani  
Labour Reporter

The Congress of South African Trade Unions is set to increase long-standing pressure for restructuring current labour legislation with the aid of mass campaigns by Cosatu against the erosion of existing workers' rights.

The federation rejected any changes that would lead to the "downgrading" of existing rights and opposed talks about the need to make the labour market more flexible.

"Draft resolutions in circulation point to the prohibition of labour brokers, the right to strike over dismissals and the prohibition of the right of employers to hire scab labour as priority items to be finalised to ensure the federation remains powerful and effective."

The congress will elect several regional and provincial office bearers to replace those who joined the provincial legislatures. It will also discuss the tripartite alliance programme, job losses, job creation and the consolidation of the federation to meet challenges of the 21st century.

With over 80 000 workers threatened with retrenchment in parastatals and the public service, Cosatu will press for public accountability in labour legislation to ensure companies and state-owned enterprises disclose information for collective bargaining

intervention by a broad membership would be geared to mounting cam-

18/8/99

It also aims to maximise organised workers' influence on the political and socio-economic environment.

At a three-day special congress beginning today in Midrand, about 2 500 delegates will seek to replace the Cosatu executive leadership absorbed by Parliament, and advance and consolidate labour laws in the midst of escalating retrenchments and job losses.

Changes in the existing labour legislation will be discussed and consensus will be reached in the National Economic Development and Labour Council through extensive consultation said Cosatu acting general secretary Mr Zwelinzima Vavi.

Vavi was adamant that a massive intervention by a broad membership would be geared to mounting cam-



# Cosatu in search of a new role

As the union federation chooses a swathe of new leaders it will question their commitment to labour principles, writes Reneé Grawitzky

By 18/8/99 (140A)

**T**HOUSANDS of Congress of SA Trade Union (Cosatu) delegates will be wiping their brows at the news that President Thabo Mbeki will not be opening their federation's three-day special congress in Johannesburg today. Mbeki is in Mozambique for a crucial Southern African Development Community (SADC) meeting.

The nervousness among the unionists was over whether Mbeki would deliver another tongue lashing calling them to order as he did with delegates at last year's SADC Communist Party conference.

Mbeki may still speak later in the week, although this seems unlikely if he does the union delegates will be hoping for a keynote speech of the more subtle and toned down variety not unlike the one he presented to Cosatu's central committee last year. There he asked delegates whether Cosatu wanted to remain part of the tripartite alliance where their actions represented the "true spirit of the congress movement".

Whatever the trepidation about the president's speech the congress has several significant issues to deal with. Cosatu's new general secretary Zwelinzima Vavi is taking over the reins at a critical point.

The federation faces increasing pressure to defend its membership from mass retrenchments and below inflation wage increases as well as other consequences of globalisation including moves towards the "casualisation" of the labour force.

At the same time Cosatu is being asked to play a crucial and conciliatory role in nation building. This will require unions such as those in the public service to bite the bullet and accept modest increases so that government can fund service delivery.

In the longer term it is most likely also to require agreement to public service retrenchments.

The mining and metal unions will also have to decide whether to demand high wage increases if the payoff is further job losses.

Having lost a significant number of their most prominent executive members over the years to politics or business the delegates to the Cosatu congress are again being asked to vote for new leaders.

They will have to choose between those with a reputation for commitment to the labour movement or an ambitious group said to be using the federation as a step towards lucrative jobs elsewhere.

The leadership race is largely being organised through deal making between union leaders ahead of the congress. A union source says this undermines Cosatu's commitment to worker control.

There is also a danger that affiliates may be inclined to use the federation's structures as a dumping ground for leaders they no longer want they may not be prepared to release valuable leaders for the good of the federation.

Other areas of debate will focus on the organisational crisis in the federation and its affiliates.

A senior union leader remarked that "the power no longer lies in the hands of labour".

A draft congress resolution notes that "while the federation can be said to have a high profile and influence in government this does not appear to be because of our organisational strength".

Discussion documents honestly assess the state of unions and say serious weaknesses are not being addressed in a systematic and effective way. Cosatu says little or no progress has been made in dealing with the problems of weaker affiliates and patchy service to members. The federation has failed to recruit in new industries or vulnerable sectors like agriculture.

The conference also faces the challenge of splinter unions which have been formed in a number of sectors either as a result of poor service or internal power struggles. In a case where unions are weak, management could encourage the formation of splinter unions.

If labour wants to be taken seriously in alliance politics and on

take maximum advantage of the generally favourable political situation in our country, a Cosatu discussion document says.

Draft resolutions call for a campaign of organisational renewal which would focus on a number of core "do-ables" ahead of the seventh national congress next year.

In the short term, the campaign will focus on recruitment and jobs.

The federation notes that without a strong organisational base Cosatu's policies and the political programme would not be worth the paper they were written on.

Linked to the federation's organisational renewal programme is its approach to the tripartite alliance. Key here is a programme to ensure the implementation of the African National Congress (ANC) election manifesto. Cosatu says it must ensure the alliance is not just something that gets revved on the eve of elections.

Herein lies one of Cosatu's crucial challenges which will have an effect on its approach to public service restructuring, privatisation and government's pursuance of its growth employment and redistribution programme (Gear) targets. It is to remain a silent ally to the ANC and merely complain on occasions or is it to critically challenge and define policy?

Vavi says that as part of the congress movement Cosatu does face certain responsibilities. It has to ensure the economy grows but with equity while efforts are made to encourage a reintegration into the global economy. At the same time the federation is conscious of its need to maintain its independence as a trade union movement in interpreting Cosatu's responsibilities. Some people want to ensure it becomes a lap dog of government. Vavi says.

Accepting Gear for example as the gospel in the name of nation building would be a betrayal. If disagreement arose "then you are immediately perceived as being part of counter-revolutionary forces," he says.

One union adviser says that at the heart of the discourse on

nation building is the adoption of a "neo-liberal agenda and the delegitimising of unions" who could be presented as the spoilers or as being unparliamentary.

Vavi says the federation has to ensure the alliance as an institution works better and that resolutions adopted in the ANC's election manifesto are implemented.

"There are clear commitments in the manifesto," he says and the challenge is to translate these into a programme.

A labour analyst says, however, that there is a growing concern that the ANC is not committed to the manifesto resulting in uncertainty as to the organisation's approach to labour.

Congress resolutions also call for the federation to engage in an intensive campaign on job creation, job retention and poverty. Within this framework the federation proposes a number of measures such as the payment of one month's severance pay a year of service to prevent job losses.

In the context of job losses, labour will have to engage in a debate about its wage policy. This is already being tested in the public service pay dispute where government is planning to implement a below inflation increase.

If government sticks to its knuckle-down approach the settlement will become a benchmark for the rest of the economy and Gear's emphasis on wage moderation will become a reality.

Labour will have to consider the wage-employment trade-off but this might only be considered in a context where business and government are seen also to be delivering on a range of issues — investment and job creation commitments for example.

The challenge confronting Cosatu and its new leadership at this congress will be to either emerge as government's tame seal, adopt obstructionist policies or strike a balance between constructive engagement and defending worker interests with government and business.



The president and the trade union leader where will Thabo Mbeki and Zwelinzima Vavi take the ANC-Cosatu alliance in years to come?

the shopfloor it has to ensure that its structures are strong and unified and that it has coherent implement policy decisions can we

# Cosatu taken to task

**Renee Grawitzky** ... THE ruling party and SA's biggest trade union federation took each other to task yesterday over the right to criticise government policy in public rather than in the structures of the tripartite alliance

African National Congress (ANC) chairman Patrick Lekota warned delegates at the federation's special congress against public criticism saying it smacked of a lack of "revolutionary discipline".

Lekota said only "consensus positions" should be aired in public, while differences of opinion should be debated in tripartite alliance structures as there was always "plenty of room for intense debate on all issues".

A number of delegates hit back at Lekota saying government's growth, employment and redistribution strategy (Gear) was not a consensus position and there was no political willingness to re-open debate on the policy.

Lekota who is also defence minister spoke at the start of the congress in Midrand in place of President Thabo Mbeki who is attending the Southern African Development Community conference in Mozambique.

Lekota said a recent trend had emerged of highly placed "comrades criticising the movement". This smacked of revolutionary indiscipline particularly if those opinions had not been raised in any alliance structures.

"Sharp and uncontrolled criticism merely confuses the masses," he said. A number of delegates questioned whether Lekota was directing his attack against union leaders in the public service who had recently made strong statements against government in light of the pay dispute or against ANC Women's League president Winnie Madikizela-Mandela for her recent attack on Gear.

## Public criticism smacks of lack of 'revolutionary discipline', union is told (14DA)

Before Lekota's address, the federation's acting president Peter Malepe, criticised government's decision to unilaterally implement its final wage offer of R3 28bn.

He said this contravened an International Labour Organisation convention on collective bargaining.

Government's approach was out of line with the spirit of the convention and it smacked of bullying tactics.

Malepe said Cosatu could not afford a defeat of its members in the public service who made up a third of its membership.

The federation could not afford to also allow government to set a precedent for the awarding of below-inflation increases as this would be followed by private sector employers.

Lekota's address was presented within the context of whether the alliance was still intact or relevant.

He cautioned that all parties had to confront the reality of the number of times this question arose and whether the response was convincing.

SA Clothing and Textile Workers' Union representative Emily Taukobong, a candidate for the position of Cosatu's first vice-president, thanked Lekota, but asked how inequalities could be eradicated if government continued implementing Gear.



Congress of SA Trade Union (Cosatu) leaders address the federation's congress in Midrand yesterday. In the foreground are hundreds of Cosatu caps which were discarded by delegates after it was discovered they were not locally made. Picture: ROBERTA OTHA

creases  
In budgeting for these different priorities Lekota asked how they should be funded "Do we privatise, and if not, do we raise taxes or VAT?"



STRIKES State 'violated ILO convention'

# Cosatu raises the stakes in wage battle

FRANK NXUMALO  
LABOUR EDITOR  
ET (NR) 19/8/99 (140A)

Johannesburg - Cosatu's support for public service unions yesterday threatened to turn their pay dispute with the government into a crippling strike showdown on Monday.

Cosatu made a stinging attack on the government for violating the International Labour Organisation (ILO) convention on collective bargaining by unilaterally implementing its final average wage increase of 6.3 and 7 percent when the matter was still under dispute.

In an attempt to mollify the wage demands, the Cabinet yesterday asked parliament to accept a lowly 4 percent increase for national politicians.

This week the Cosatu-affiliated National Education Health and Allied Workers' Union dismissed the view that inflation figures released on Tuesday made the government's unilateral increase generous. Headline inflation dropped to 4.9 percent in July from 7.3 percent in June, but the volatile core rate rose to 8.2 percent from 8 percent.

About 800 000 public servants, mostly from Cosatu affiliates, are expected to take to the streets on Monday in a show of union power not seen since the mid 1980s. "We are extremely worried by the precedent this bad faith unilateral action will set for the private sector, in particular the blood-thirsty conservative employers," said Peter Malepe, the acting president of Cosatu.

Reneé Grawitzky

THE National Union of Metalworkers of SA (Numsa) delegates called for a debate last night on the relationship between the Congress of SA Trade Unions (Cosatu) and government at the start of the federation's three-day congress.

This call was made during deliberations on the federations approach to the adoption of an alliance programme of action to ensure the implementation of the African National Congress (ANC) election manifesto.

Numsa's proposal also came in the wake of an address by ANC chairman Patrick Lekota who questioned the manner in which unionists were criticising government policy. He said this should be done within alliance structures.

Numsa has proposed a number of resolutions to the conference calling for greater account-

ability of government ministers to their own constituencies such as Cosatu and its affiliates.

In line with this approach the National Union of Mineworkers (NUM) criticised those government ministers who had agreed to the gold sales by the International Monetary Fund.

During the start of debate on the alliance programme, the Transport and General Workers Union said the resolutions failed to recognise the weaknesses in the movement while the manifesto itself was broad and not sufficiently focused.

The federation's discussion document on the alliance programme said there were clear commitments in the manifesto Cosatu's biggest challenge in the post-election period was the translation of the contents of the manifesto into a programme that "will better the lives of our members — the working class and the poor".

The Cosatu document said the alliance had an important role to play in policy formulation and planning and would be engaged in implementation.

The federation would welcome the approach of government and ensure the strategy developed during the congress enabled Cosatu to play a powerful role in shaping programmes for the implementation of the manifesto. This was on the proviso "that budgetary constraints are negotiable within the alliance", the federation said.

Some unions raised questions on the issue of budgetary constraints while attempts were made to ensure this did not end in a debate on government's growth employment and redistribution strategy.

As this debate continued delegates awaited the outcome of the election of office bearers.

Comment: Page 19

# Numsa seeks tough debate on alliance

ET (NR) 19/8/99 (140A)

ANC's Lekota wants criticism confined to alliance structures

# Cosatu admits blunder in ordering Chinese peak caps

ET (NR) 19/8/99 (140A)

Reneé Grawitzky and Sappa

THOUSANDS of delegates at the start of the Congress of SA Trade Unions (Cosatu's) special three-day congress in Midrand, to the north of Johannesburg, took off their hats to China yesterday but it was not in the cause of international socialism.

Delegates from Cosatu's affiliates removed their red cloth peak caps, specially made for the congress, and dumped them on the floor of the Gallagher Estates convention centre after it was discovered that they were made in China and not in SA.

Opening the congress, Cosatu's acting general secretary Zwelinzima Vavi admitted a "huge mishap" in Cosatu's ordering of the caps "if you look inside some of your caps you will see they have a sticker saying

made in China and you will see they are different in shape and quality to what the others are wearing," Vavi said.

The federation, and especially its affiliate in the clothing and textile industry the SA Clothing and Textile Workers Union has lobbied for a "buy local campaign" and to oppose the dumping of cheap imports from Asia.

The campaign was endorsed at the presidential jobs summit last year. Within minutes of Vavi's disclosure about the offending garments, hundreds of delegates were bareheaded. The situation could have degenerated even further if a suggestion had been taken seriously that delegates wearing imports on other parts of their bodies should remove their clothes.

Taking advantage of the situation, the SA Catering and Allied Workers Union demanded that delegates staying at any Southern Sun Hotel should check out. The call came after it was discovered that an SA Democratic Teachers Union delegation was booked into a South African Sun Hotel.

Saccawu is engaged in a protracted wage dispute with the hotel group.

After these symbolic gestures by delegates African National Congress Women's League President Winnie Madikizela-Mandela made a late entrance to the conference surrounded by bodyguards. She was met with tumultuous applause and was immediately surrounded by delegates.

Vavi said only 27% of the delegates at the conference were women despite Cosatu's strong commitment to gender equality and women's issues.



COSATU

WANTED: A FRESH PLAN

The trade union federation must reposition itself for the new millennium

In 1985, the Congress of SA Trade Unions held its inaugural congress at the Sports Hall of Natal University under the watchful glare of the police and the army...

On the political front Cosatu has in effect been deposed as an equal member of the ANC-led tripartite alliance...

Last week, Public Service Minister Geraldine Fraser-Moleketi faced down Cosatu unions when she "unilaterally" implemented the annual wage increase...

One year ago, then Deputy President Thabo Mbeki told a Cosatu central executive meeting to toe the line or reconsider its position in the alliance...

But back in 1985, union chiefs Elijah Barayi, Ramaphosa, Jay Naidoo and Sydney Mufamadi were nervous midwives...

While Cosatu's membership is growing, pundits predict it has peaked. Jobs are being shed across all sectors of the economy...

Some affiliates are in disarray, splinter unions are going it alone while the several dozen "unions" registered in the past three years by labour consultants are partly a result of the failure of Cosatu affiliates to serve their members properly...

The gap between leadership and membership is growing and one congress res-



head of a new breed of "worker leaders" of Cosatu

COSATU MEMBERSHIP table with columns for Year, Total, Male, Female, and Growth Rate. Includes a bar chart showing membership trends from 1985 to 1999.

Public Sector Strikes

FORCES STIRRED UP, READY FOR A REALIGNMENT

Blue- and white-collar unions find common cause

The wage dispute in the public service has become the setting for a nascent realignment of forces - away from the tripartite alliance between the African National Congress, Congress of SA Trade Unions and the SA Communist Party...

Public Service Minister Geraldine Fraser-Moleketi's decision to implement government's wage offer (upped by R200m to R3.2bn) midway through a dispute has sent a tremor through the alliance...

One reason, for example, that Cosatu's "autumn offensive" recruitment drive last year was a failure was that it targeted traditional industries where its membership had peaked...

But there was nothing on the agenda of this year's congress about forming a Workers' Party. There was, however, plenty about the need for Cosatu to begin to strike other alliances...

In the latest edition of the SA Labour Bulletin a Cosatu intellectual, Dinga Sikwebu calls for an independent political programme "Only a programme of struggle can tilt the scale in favour of the poor. No amount of sweet-talking within the alliance will benefit the working class..."

Sikwebu and others advocate a "social movement unionism" for Cosatu and say it must be more rooted in communities. The federation has resolved to become more involved in local government school governing boards hospital boards and water committees...

and growing unemployment cat- into Cosatu's power. Casual and contract workers are unlikely to be able to afford the subscriptions full-time employees pay, yet they will need far greater union attention. Organising the unemployed (as Cosatu has again decided to do) is difficult, frustrating and expensive because trade unionism after all assumes a "trade" or some form of employer-employee relationship...

Says Vavi "We must reposition Cosatu to meet the challenges of the next millennium. This is not 1985 - Realistic sentiments, but factions in Cosatu behave as if they are still in the Eighties. The politics of opposition continue to dominate and they display little strategic economic sense..."

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According to Wits labour academic Eddie Webster, Cosatu must build on the gains it has made in the past five years "I don't think Cosatu has quite adapted to the twin challenges of a new democracy and of globalisation," says Webster. He adds "Wealth creation, training and productivity must become part of labour's agenda. These issues haven't been foregrounded adequately. There must be a shift towards problem-solving..."

Many believe that to maintain its influence and power, Cosatu must look to the idea of a triple accord between labour, business and government in which all parties make trade-offs for economic growth and jobs...



# Cosatu hits back after ANC rebuke

Reneé Grawitzky

THE Congress of SA Trade Unions (Cosatu) hit back at the African National Congress (ANC) yesterday, criticising it for continually rebuking the federation in public rather than in tripartite-alliance structures.

This move was in response to an address by ANC chairman Patrick Lekota at the start of the federation's special congress earlier this week in which he warned delegates that public criticism of government policy "smacked of a lack of revolutionary discipline". Lekota said only consensus positions should be aired in public while differences of opinion should be debated in alliance structures.

Cosatu delegates adopted a resolution yesterday calling on the ANC to stop rebuking the federation in public while at the same time telling Cosatu to raise issues in alliance structures.

National Union of Mineworkers (NUM) general secretary Gwede Mantashe said it was becoming a trend for ANC leaders to rebuke both Cosatu and



Challenge SACP secretary-general Blade Nzimande. Picture: ROBERT BOTHA

SA Communist Party (SACP) delegates in the process. Cosatu was projected as the ill-disciplined party in the alliance.

Mantashe said that if the ANC was concerned about whether the alliance was relevant or intact, it should be

raised in an alliance summit.

The resolution called for the strengthening of the alliance, the immediate convening of an alliance summit and for an "end to unilateral decision making by components of the alliance".

Despite the adoption of the resolution, the federation said later that the media looking for a crisis in the alliance had misinterpreted Lekota's speech. The resolution said the public service pay dispute should not be interpreted as a crisis in the alliance.

SACP secretary-general Blade Nzimande said the political challenge facing Cosatu public service unions was how they could support government without at the same time sacrificing the legitimate interests of their members.

It would be wrong, he said, for unions to advance members' interests if they were in opposition to government. It would be equally wrong to support all government decisions for their own sake.

More stories: Page 5  
Comment: Page 17

## get amnesty

Tom Cohen

# Young blood takes top Cosatu posts

PD 20/8/99 (140A)

## New president Willie Madisha crossed swords with Geraldine Fraser-Moleketi in recent strike

Simphiwe Xako

THE Congress of South African Trade Unions (Cosatu) elected a group of new, young leaders yesterday.

This follows many of the incumbents being elected to political office in the June election.

Labour Minister Mcebisi Mdladlana who is also the founding president of the SA Democratic Teachers' Union (Sadtu), welcomed the election of Sadtu president Willie Madisha as president of Cosatu.

Mdladlana said it was a positive move to have a teacher leading Cosatu.

Madisha won 1 623 votes against 498 for Vusi Nhlapo president of the National Education Health and Allied Workers Union.

Madisha's election is also in line with the international trend of public-service union leaders taking up senior positions in union federations.

The Independent National Union of Public Service & Allied Workers said Madisha possessed "all the characteristics of a true leader who has the willpower to meet all challenges".

The 40-year-old former English teacher joined Sadtu in 1990 and was at the forefront of the recent public servants' pay strike.

In the process he crossed swords with Public Service and Administration Minister Geraldine Fraser-Moleketi.

Zwelizima Vavi Cosatu's former deputy general secretary, was appointed as the federation's new general secretary yesterday.

He takes over from Mkhazima Shilowa, who is now Gauteng premier.

While Shilowa was preparing for his new job in government Vavi proved himself capable of running the federation by overseeing Cosatu's day-to-day affairs. He was elected unopposed.

Vavi is a former mineworker and was elected deputy general secretary of Cosatu in 1994.

Another new kid on the block is the federation's Western Cape regional secretary Tony Ehrenreich. He was elected Cosatu deputy general secretary with 1 169 votes against 867 for Randall Howard of the Transport and General Workers Union.

Ehrenreich joined the trade union movement in 1988 as a National Union of Metalworkers of SA shop steward.

"Cosatu has indicated its confidence in me," he said. "Through the federation's culture of collective leadership, we are going to continue with workers' struggle for a living wage."

Ehrenreich said the labour movement had shifted away from focusing on the disparities of apartheid towards creating a good working environment for employees.

Adina Ramalase of the SA Commercial, Catering and Allied Workers' Union was elected unopposed to the post of the federation's treasurer.

Joyce Phokani of the Chemical, Engrg, Paper, Printing, Wood and Allied Workers' Union is the new second vice-president and Peter Malepe, a former Food and Allied Workers' Union president, was elected first vice-president.



171. Cosatu conference in Midrand this week revealed clear indications that differences between the trade union federation and the ANC government are deepening, talk of a split in the ANC/Cosatu/SACP alliance is, however, far-fetched and ill-informed, writes Sekala Sello

# Disension does not mean division

(140A) CP 22/8/99

FOR three days this week the collective minds of labour and political observers, political parties and captains of industry were focused on the deliberations of the slightly more than 2,000 delegates at the Congress of South African Trade Unions' special national congress held in Midrand.

Will Cosatu place the giant labour movement, with a membership of close to two million, on a collision course with the African National Congress?

Does this congress signal the beginning of the end of the alliance between the ANC, Cosatu and the South African Communist Party?

Although the new Cosatu leadership repeatedly emphasised the position that the tripartite alliance was not faced with a crisis - let alone one of major proportions - it is indisputable that differences are deepening.

But talk of an imminent split within the alliance is as far fetched as it is ill informed. Neither the ANC (in spite of growing irritation with some of Cosatu's pronouncements) nor Cosatu, who are increasingly unhappy about some of government's actions would want to precipitate a split.

According to SACP secretary general Blade Nzimande, what is happening is a "heavy contestation around the direction and the future of our country" - a view which resonates with most of Cosatu's members.

It would be unrealistic to expect relations to be without serious friction at a time when government is threatening to shed thousands of jobs in the public sector and parastatals are also about to retrench workers in their thousands.

It is estimated that 500,000 workers have already lost their jobs in the past five years in both the private and public sectors.

Delegate after delegate pulled no punches in denouncing - predictably - government's macro economic policy and the growth, employment and redistribution and aspects of the Labour Relations Act.

Special condemnation was reserved for Public Service and Administration Minister Geradine Fraser Moleketi's unilateral decision to implement salary increases for public sector employees while unions argued, negotiations had not yet been concluded.

Fraser Moleketi's decision is said to have set a dangerous precedent which could in the future be used by the private sector in particular to undermine collective bargaining.

Fraser Moleketi's heart may indeed be with the workers but she acted too hastily and must take part of the blame for the criticism levelled at government over this issue.

Congress also took umbrage at what delegates perceive to be the ANC's atti-



**LEADING THE CHARGE** Cosatu's newly elected leadership, president Willy Madisha (left) and secretary-general Zweluzama Vavi (right) who will spearhead next week's strike action in support of the pay demands of civil servants  
*Picture Panyaza McIneka*

the mining or textile industry or public sector) or at provincial or national level. Although the programme is silent on what forms of action will be deployed, there is no indication that these will be disruptive of the economy or government operations, save for Tuesday's strike action by public sector unions.

The Cosatu leadership is contemplating demonstrations at work places as well as pickets, clearly shying away from open confrontation with government or the private sector.

It is apparent that Cosatu does not want to project an image of being unreasonable hardliners lest this has a boomerang effect on them.

They know it would be suicidal to embark on strikes that could be damaging to the economy at a time when many of their members are losing their jobs.

Precipitative strike action would also give employers a pretext to retrench more workers.

Their call for an urgent meeting with the ANC to resolve some of their differences, as well as the decision to involve non-governmental organisations, churches and "families of workers and the unemployed", could be part of the strategy to gain the moral ground and project themselves as voices of reason.

Indeed the new leadership led by Willy Madisha (president), who is the former head of the South African Democratic Teacher's Union, and secretary general Zweluzama Vavi cannot be tarred with the brush of being raving radicals or ideologues.

Madisha and Vavi said the intention of the programme was to "bring job losses into the public focus, to unite workers and the unemployed in defence of jobs and to put pressure on employers and government."

Cosatu and the SACP are aware that for them to be effective in putting pressure on government, they will have to be members of the alliance.

Nzimande argued at the congress that there were forces who believed that it was time the government dealt with organised workers once and for all. He said these forces want to hijack the ANC's recent election victory and steer the country "towards a capitalist and elitist direction."

Therein lies the reality about the industrial dispute of recent weeks. It is the direction which the ANC takes - especially on macro economic issues - which will in the main determine whether we will see Cosatu workers taking to the streets.

What we have seen so far is the first salvo in the "heavy contestation" Nzimande referred to

response to previous criticism levelled at the federation by former President Nelson Mandela and present incumbent President Thabo Mbeki.

Yet in spite of the harsh criticism levelled at government, there was at no stage of the marathon three-day deliberations any hint that some unions felt the need to review their relationship with the ANC.

Instead delegates who took to the floor reiterated the traditional position that the ANC was the leading member of the alliance. Even for those who spoke about 'the equality of the three', it was clear that the ANC was considered the first among equals.

Cosatu's programme of action which was adopted after congress is in many respects a mild response to what is arguably the worst crisis faced by the labour movement.

There is no talk of an imminent countrywide general strike action. Instead, the programme talks about targeted actions in specific sectors (eg in

tude to them - treating them "like small children who need to be disciplined if they are seen to be misbehaving."

This was a reference to an earlier criticism by ANC national chairman and Defence Minister Mosisoa "Teror" Lekota, who accused some leading members of the alliance of lacking in revolutionary discipline "by airing their differences with the ruling party through the media."

Cosatu's response was also seen as a

member of the alliance. Even for those who spoke about 'the equality of the three', it was clear that the ANC was considered the first among equals.

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MILITANCE GETS THE NOD

# Tough talk the way to top in Cosatu

(140A) ET 24/8/99

**SOUTH AFRICAN** journalist **WILLIAM MERVIN GUMEDE** returned from the Netherlands recently and attended the special congress of the Congress of South African Trade Unions held in Johannesburg last week. This is his report.

**A**FRICAN NATIONAL CONGRESS chairman Patrick Lekota, in a gloves-off keynote speech at the Congress of South African Trade Unions special congress last week, compared the trade union federation to an ailing patient needing urgent surgery. With this dubious distinction, that the trade union federation is the "sick man" in the tripartite alliance of the ANC, Cosatu-South African Communist Party, about 2 300 Cosatu faithful converged outside Johannesburg to elect new leaders after most of its top leaders were poached by the ANC to serve in the government after June 2.

The special congress came against the backdrop of a continuing downturn in the South African economy as jobs being lost outstripped those being created and impending national strike action tomorrow by public sector workers.

Even more ominously for Cosatu, President Thabo Mbeki has adopted a new tough policy of downsizing South Africa's powerful trade union movement.

Thus, during the elections for a new leadership, the delegates opted for militancy in the face of Mbeki's government's determination to pull the teeth of the fastest-growing trade union movement in the world.

The congress elected a new, younger, more militant but inexperienced leadership.

The current wage dispute in the public sector welled up at the congress as the theatre of battle between a Cosatu led by its new "uncompromising" leadership and the government.

The mood among delegates at the congress was that a defeat in the public servants wage dispute was simply out of the question given the fact that more than a third of the workers at the congress were working in the public sector.

So, those leadership hopefuls who talked the toughest against the government's decision to unilaterally implement its final wage offer to public servants, of 6,3 and 7% for teachers and lowest paid workers, got the nod of the delegates.

The delegates gave the important post of president of the trade union federation to the tough talking and militant Willie Madisha, former president

of the South African Democratic Teachers Union.

Vusi Nhlapo, the president of the National Education Health and Allied Workers Union — the union spear heading the national strikes — failed to get the post.

Nhlapo was felt to be too "soft" and it was feared he was too moderate to lead the trade union federation through the stormy waters ahead.

His detractors charged in his leading of the current strike he gave government too much of a sympathetic ear.

Nhlapo was believed to have sought an early solution to the strike, which led to him falling out of favour with the militants in the federation.

As expected, acting general secretary Zwelinzima Vavi was duly elected unopposed into the post.

Randall Howard, the general secretary of the Transport and General Workers Union lost out the post to be Vavi's deputy after being tainted by last year's partial privatisation of the Airports Company of South Africa to an Italian company.

Howard played a major role in dragging the TGWU to sign the dotted line agreeing to the privatisation.

He was punished for that when delegates voted for the Western Cape Cosatu provincial secretary, Tony Ehrenreich, a Shilowa protégé, who polished his trade union skills in the hurly burly of opposition politics in the Western Cape.

The leadership election had a shaky start.

It was clear the Mbeki policy of binding the most talented trade union and communist leaders with golden handcuffs by bringing them into government has shrunk the Cosatu leadership reserves.

One Cosatu trade union national executive told this writer when his union met to nominate candidates for the new executive it "was painful to observe the small pool of quality leaders".

Ahead of the elections, one candidate was even asked to come to the front so that the delegates could see who she was.

Opening the congress, acting Cosatu president Peter Malepe con-

fronted the giant trade union federation with a damning list of ills.

"No one knows the direction of the trade union federation," the veteran trade unionist said.

Malepe said the mainstay of the trade union federation — its organisers — were running around like headless chickens not knowing what to do in the face of the government's new no-tolerance strategy to curb the power of the trade union movement.

As if to underscore the crisis in the trade union federation, one delegate said the congress must have been one of the worst organised in recent memory.

On the first day, some delegates went without lunch after congress organisers undercatered.

During the proceedings, a ceremony where a certificate of outstanding service was to be presented to former Cosatu general secretary Mbhazima Shilowa was initially postponed — because the certificate had gone missing.

President Mbeki, who was supposed to give the keynote address to the congress, instead sent ANC national chairman Patrick Lekota to down lay down the new tough Mbeki line.

"The ANC's responsibility is to govern this country," said Lekota. He then put the customary boot into the trade union federation.

"(Cosatu's) agitation and criticism of government threaten to derail the revolution," said Lekota.

"The comrades who want to strike are driving (the country) into deeper trouble."

"(Cosatu) must examine itself, undergo surgery — that is the right thing to do."

Cosatu general secretary Zwelinzima Vavi later admitted in an interview that the ANC top brass had yet again managed, with its public scolding of trade unionists, to push the entire agenda of the congress from focusing on policy formation to spending its energy on focusing on responding to the ANC's tongue-lashing.

Vavi said the new leadership was faced with the daunting challenge of changing Cosatu's public image as an ill-disciplined, junior member of the ruling government alliance.

An indication of the crisis in the trade union federation was when one of the delegates took to the floor demanding to know why the current crisis of job-losses was not higher on the congress agenda.

In addition, the congress did not try to come up with a solution to today's planned strike action by the public sector.

In addition, there was nothing said about the ANC's cancelling of the previous week's tripartite alliance summit

between the ANC, Cosatu and the SACP. Not even SACP general secretary Blade Nzimande mentioned this in his rousing call to arms on the second day of the conference.

Neither did Nzimande refer to the fact that some of the SACP's prominent members, such as its deputy chairperson, Public Administration minister Geraldine Fraser-Moloketi, were enthusiastically implementing the government's new tough policy of hammering the trade unions.

And, all the tough talk aside, the congress skirted around the government's Growth, Employment and Redistribution strategy — none of the flood of resolutions and declarations mentioned Gear.

On Cosatu's waning influence on

the ANC government, to adopt Cosatu policies, the congress called for the need for a strong national political centre to drive the tripartite analysis.

Such a centre should consist of the national leadership of the three alliance partners, who should meet once a month. In addition, there should be an alliance summit twice a year.

The declaration was short on details of how Cosatu should bring this about, given the failure of the alliance summit this year.

One of the delegates remarked that the failure of the congress was that it produced all these impressive long-term strategies, but failed to come up with solutions for the immediate crises — including today's national strike action by public servants.



# Cosatu's problems were evident, but so was anger

By [Name] 25/8/99 (140A)

Union federation wants to strengthen ANC government to which it is allied without trading off workers' interests, writes Renee Grawitzky

**H**OWEVER unexpected the verbal avalanche from African National Congress (ANC) chairman Patrick Lekota might have been, delegates to last week's special congress of the Congress of SA Trade Unions (Cosatu) quickly had to put it behind them.

Even though Lekota's address led to the adoption of a resolution critical of the way ANC leaders continue to "re-buke" alliance members in public, there was more urgent business at hand.

Still, it was not only the rumpus caused by Lekota's speech that delayed debate on core issues such as job losses but also the election of new office bearers.

A delegate said it was inevitable that the appointment of new leadership would overshadow the congress proceedings. However, once debate finally got under way, it became clear that a number of affiliates had not deliberated on the issues before the gathering.

In his closing address, Willie Madisha, the federation's new president, said pre-congress work had been inadequate.

"As a result we sometimes became bogged down in issues of process while at times our discussions lacked focus," he said.

Madisha emphasised that Cosatu "must prioritise and focus on improving the basic service that

**Cosatu membership**

Zwelinzima Vavi

Members:	
SAWU	102 234
ASBO	127 000
SAWU	210 508
SAWU	116 524
SAWU	14 378
SAWU	12 544
SAWU	3 450
<b>TOTAL</b>	<b>686 638</b>

members pay for." The federation, he said, had to "jealously guard" its reputation as a fearless champion of workers' rights and interests.

Unions are becoming increasingly competitive, with the rise of splinter and independent groups as well as the continued growth of the Federation of Unions of SA (Fedusa). Fedusa's membership has grown beyond 550 000 while Cosatu's membership has dropped by 200 000 to 1,78m.

Acting president Peter Malepe said at the start of the congress that the federation was using some valuable traditions that it established in the 1980s and 1990s.

"Our leadership today thinks it is okay to take decisions" without checking with or reporting back to those they represent.

This, he said, was happening at all levels and was leading to a widening gap between officials and the rank and file.

Labour Minister Mambathisi Mdladlana inadvertently referred to the poor service provided by union officials and shop stewards. He said the federation had made a poor submission to the investigation of minimum wages for agricultural and domestic workers, while workers were beginning to use the Commission for Conciliation, Mediation and Arbitration (CCMA) as a union — stretching its resources.

He also referred to the mushrooming of unions registered under the Labour Relations Act. Since the act came into effect in November 1996, the number of registered trade unions has nearly doubled from 282 to more than 500.

The congress adopted a programme to tackle these concerns and to rebuild its structures. It focuses on intensifying training for all levels of officials and shop stewards, restructuring the head office, and revitalising a number of campaigns including recruitment.

In the past, similar resolutions have been adopted but never acted on, as acknowledged by the federation's newly elected general secretary Zwelinzima Vavi.

The limited or nonexistent debate on these resolutions begs the question of whether this indicates a lack of commitment or a quiet compliance by affiliates.

However, passionate debate centred on the resolutions on job losses and the public service wage dispute.

During debate on job losses, a delegate from the National Union of Metalworkers of SA (NUMSA) questioned why the declaration failed to mention government's growth, employment and redistribution strategy (Gear), which he said was contributing to job destruction. A number of delegates from other unions echoed these remarks.

Following intervention from the secretariat, it was agreed that the resolution would not refer to Gear, but that it would say some aspects of government policy contributed to job losses.

In his closing address Madisha said Cosatu could not support conservative fiscal and macroeconomic policy, "which leads to job losses and undermines the commitments for greater social delivery we made in the (ANC) election manifesto".

During this heated debate, in which some delegates proposed

protracted mass action, SA Communist Party (SACP) general secretary Blade Nzimande said the fight against job losses should be conducted in a more co-ordinated manner rather than defensively. He argued that it could prove dangerous for Cosatu to limit any action to the federation itself as this could merely reinforce the argument of an "elite" defending its own interests and members.

Debate on the public service declaration was characterised by harsh words for Public Service and Administration Minister Geraldine Fraser-Moteketi, who was accused of being arrogant.

An SACP source said the congress failed to link the jobs crisis and public sector wage dispute with the failure of the alliance to function properly, and that these issues could not be separated.

If the resolutions eventually adopted presented no proposals substantially different from those agreed to at the presidential job summit — with the exception of a call for mass action.

In the aftermath of the special congress many unanswered questions remain.

The challenge facing the entire trade union federation is how to strengthen a government run by a party to which Cosatu is allied — without sacrificing the genuine and legitimate interests of workers.

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# Cosatu examines the way forward

(140A) M+G 20-26/8/99

**The Congress of South African Trade Unions called a special congress this week to debate the challenges of the second democratic elections. Its central committee prepared this paper, titled Consolidation of Cosatu for the New Millennium, for discussion at the congress**

**T**his special national congress presents a unique opportunity to Congress of South African Trade Unions (Cosatu) structures and its entire cadreship to take stock of the prevailing challenges in order to reposition the organisation and the entire movement to meet the challenges of the new millennium.

Central to meeting these challenges will be our ability to effectively address weaknesses we have identified.

What we need is both the political will and the capacity to vigorously implement our decisions in a manner that makes a difference to the lives of our members and the working class as a whole.

The election results should be analysed within the context in which it was held. Over the past five years the opposition parties and their cohorts in the media tried in vain to be the representatives of the majority in every respect.

The leadership of the African National Congress/South African Communist Party/Cosatu alliance was projected as uncaring, corrupt, and having failed to deliver on the needs of the poor. To a large extent, the people who occupied the streets were reactionary forces protesting against progressive legislation. An orchestrated and systematic campaign was launched and leaders of the movement were vilified as reckless and out of step with the realities of our time.

Our own internal survey conducted in mid 1998 showed a massive drop in ANC support. A perception was developing that things have not changed since the first democratic elections.

The election campaign helped the democratic movement to reconnect with its constituency in a very dynamic way.

Overall, the alliance ran an effective election campaign. This campaign was characterised by an honest articulation of shortcomings and the challenges facing our democracy. It was admitted that, while immense progress has been made in meeting basic needs and the creation of conditions of relative peace, major challenges remained in other areas such as the creation of jobs and in tackling corruption and crime.

The reconnection with the masses exposed the leadership to some of the cold realities. While a greater majority of blacks enjoy the rights in the Constitution and progressive legislation, a bigger number of workers and their families are still trapped in the worst forms of racist humiliation on farms and in domestic employment.

The run up to the election exposed the silent brutality that continues unabated on farms. This includes the denial of freedom of political activity and access by trade unions, the confiscation of identity documents and the denial of the right to vote.

The ANC election victory is equally a victory of Cosatu, the SACP, South African National Civics Organisation, South African Students Congress, Congress of South African Students and the rest of the democratic movement.

Taken in the context of increasing demoralisation in recent years, the campaign also tells us that we move away from our traditional mass constituency at our own peril. The closing of the gap between the leadership and the masses through these elections should be consolidated.

We must not allow a situation where our connection with the masses is limited to six months



**Time to act** Cosatu secretary general Zwelinzima Vavi at this week's special congress to discuss the challenges facing the organisation. PHOTO: EDDIE MTSWENI

before elections. We must find a practical way to take forward President Thabo Mbeki's call for a people-centred transformation programme.

The maintenance of this momentum also means giving more say to the ANC and alliance structures on the broad direction of the policies and programmes of the government. Interaction with our constituencies cannot be limited to downward information provision, with the role of the masses limited to being passive recipients of information.

Never again should we allow the opposition parties to be the self-appointed representatives for the concerns of our people. This role must be reinstated to the ANC branches and structures. The tendency to treat every form of mass action in pursuit of legitimate demands and/or frank criticism as part of 'counter-revolution' must end. This is not in any way advocating populism or oppositionist politics. We must find a proper balance between the two extremes.

The alliance has in the past election worked more closely than it has been able to do for some time. The political hegemony of the alliance is more and more being accepted as a fact of life in the politics of the country. The noise calling for the end to the tripartite alliance has subsided.

Nevertheless, weaknesses in the workings of the alliance persist. We have no clear programme or yardstick to guide and measure success. Our analysis over the past few years has been that we have not effectively used our organisational and political strength to constantly shift the balance of forces at a socio-economic level, that while good legislation has emerged in Parliament with Cosatu participation, there has been no prior strategic planning at the alliance level, that Cosatu largely reacted to policies as they came out of ministries, and that we depended on the views of particular individuals in government, rather than on the position of the organisation as a whole.

We have now entered the sixth year of legitimate government and a Parliament composed of true representatives of the people. This means that the apartheid regime and white supremacy have been defeated.

This may be correct. But how close are we to achieving a united, democratic, non-racial and non-sexist South Africa? Are the democratic forces now in full control of the state? Have we transformed that state from one engineered to mete out repression against the majority into a machinery that serves the interests of all citizens with a particular bias to the working class and the poor?

A number of comrades correctly pointed out in the first term of democratic rule that while we were in office we had not yet achieved state

power in the full sense of the term. The challenge of ensuring that we transform critical areas of the state remains immense.

There can be no doubt, however, that the appointments we have seen in the past five years in the army, the police and the public service does shift the balance of forces significantly in the direction of the democratic forces.

As we move on in transforming our country we are still faced with many constraints that we did not choose but which are imposed by what we inherited from apartheid.

A discussion paper of the Cosatu executive committee early in 1994 pointed out: 'There are many contradictions that will face us. The ANC will be subjected to a lot of demands by all sorts of interest groups. Our membership will expect us to ensure a change in their conditions of work and living standards. Employers will expect the ANC to confront us on issues such as productivity, minimum wage and accepting wage restraint. The ANC as the government of the day will have to concern itself with catering for the needs of society as the whole, including our class enemies.'

**C**osatu was therefore never under any illusion that it would on all counts be plain sailing. We understood that contradictions would always be an interesting dynamic within the ANC itself due to its broad church character that is left-oriented.

Cosatu believes that the democratic forces have the potential strength to isolate, divide and outmanoeuvre these forces opposing fundamental transformation. Otherwise we would not have ploughed huge resources and energies into constructing the reconstruction and development programme and fighting for elections.

However, the alliance has not been effectively using the lever of mass power. Increasingly the role of the masses has been confined to the ballot box.

We understand that even the thought of breaking the strategic alliance with the ANC and SACP would only serve the agenda of the strategic enemies of the working class.

The challenge is to ensure that the programme the special national congress will discuss leads into a situation where there are more practical ways of ensuring that the strategic vision we share is developed into an implementable programme of action.

If we cannot do this, Cosatu's role will continue to be limited to a reactive, defensive and ad hoc approach to transformation.

As we debate the matter, we should reflect on one of the important questions that has led to some confusion in our ranks: who is in power? Is

it narrowly the ANC meaning the national executive committee and other ANC structures defined in its constitution? Or is it the alliance as a whole including the Mass Democratic Movement?

It is a mistake to narrowly define the party in government as being the ANC. At the same time we can only confidently claim to be in government if we drive government programmes and direction. Currently this is not the case.

Equally it would be wrong for us to define ourselves as being part of the government but when the programmes we jointly agreed to do not deliver or become unpopular we step aside and say 'That is a government programme'.

The 1993 special congress deployed 20 leaders into the National Assembly and a number of others into provincial legislatures as part of our effort to strengthen transformation.

It was however understood that once comrades went on to the ANC list they were bound by the organisational discipline of the ANC, its parliamentary caucus and constitutional structures. This meant that Cosatu had no power to either direct a member on how to vote, censure them organisationally or withdraw them in the event of non-performance or indiscipline. Nevertheless, these comrades had a moral and historical obligation to represent the constituency from which they came.

This is the root of frustration and confusion on the part of both Cosatu and comrades deployed in Parliament. The tension led to uncertainty as to whether any structures of co-ordination, no matter how loose, violated the principle of accountability to the ANC. Conversely without such structures it was then difficult to facilitate an ongoing process of engagement and two-way communication and consultation about problems of governance.

However, the perception has developed that Parliament is losing its previously robust character and is increasingly expected to act as a rubber stamp to the executive. Too frequently policy is rushed through Parliament without allowing MPs to hold public hearings and/or conduct research on the issues. The parliamentary schedule is packed, leading at times to a simultaneous discussion of White Papers and Bills.

This can lead to demoralisation of MPs as they would feel that their role has been downgraded. The challenge is to find a balance and build dynamism between the caucus and the ANC national executive committee or tripartite alliance meetings. While the ANC executive is the arbitrator of policy, at the same time a space should be found to make comrades in the caucus feel that they can engage with policy meaning fully without undermining national executive committee directives.

Cosatu's sixth national congress made a call for the amendment of the country's Constitution so that a balance is found between a proportional representation system and the constituency system. There should be more debate within Cosatu to clarify this call further. For example, will a combination of proportional and constituency based election systems help to address weaknesses identified in this paper with regard to its former cadres who are MPs? The alliance should also discuss this matter and find a common approach.

The alliance needs to agree on an approach to ensure accountability of comrades deployed in government. This has to address issues such as monitoring of performance, as well as mechanisms for recall where this becomes necessary.

The current electoral system means that the evaluation of comrades, if it occurs at all, tends to happen at national and provincial level with the local or constituencies role limited to electing or not electing at five-year intervals.

The introduction of the constituency based system with elements of the proportional representation system would allow for greater accountability of elected comrades, including the right by constituency committees to recall non-performing MPs.

*This paper has been shortened considerably. The full text is available on Cosatu's website at [www.cosatu.org.za/congress/cong99/congress.html](http://www.cosatu.org.za/congress/cong99/congress.html)*



# Cosatu boost for workers

(140A)

Johannesburg - Red October, a campaign aimed at building up the working class and creating jobs for rural people, was jointly launched by the Congress of SA Trade Unions, and the SA Communist Party here last night

"It is the beginning of a fusion between labour movements and the communist forces to strengthen the struggle for socialism and advance the working class fight," said SACP general secretary Blade Nzimande

Red October would focus on empowering the working class and recruiting more members to its affiliated unions

"The working class are assets and building them is a positive move towards economic growth and social development," he said

The campaign was to promote the presence of the working class and to reach out to all structures

ARG 22/9/99



## Cosatu to fight job losses <sup>(140A)</sup> <sub>(335)</sub>

THE Congress of SA Trade Unions announced yesterday that it would intensify its campaign to fight job losses and poverty

It would also push for a social security system to protect the unemployed, Cosatu president Mr Willie Madisha said at a forum in Johannesburg

Cosatu would meet with various sectors of society to form partnerships and formulate a plan to improve the job market and alleviate poverty.

"All sectors of society need to deal with the problems facing the country together," Madisha said

Cosatu had already met church leaders who had agreed to start an economic justice programme

"We are targeting all social forces involved in the economy and we're optimistic they will understand our fight to end the job bloodbath in various industries," he said

Some 365 000 workers in the non-agricultural industry had lost their jobs in the past eight years and about 110 000 workers in the manufacturing industry had been retrenched in the last three years

Madisha said mineworkers were the most vulnerable group as their jobs relied on the fluctuating sales of international gold reserves.

About 150 000 mineworkers were laid off in the last two years and more than 28 000 faced retrenchments The

public sector has 170 000 fewer workers than four years ago, he said

Retrenched workers were not protected as South Africa had no social security system to assist them, said

Cosatu's deputy general secretary Mr Tony Ehrenreich.

He said job losses affecting blue-collar and factory workers had a direct impact on the social environment.

Statistics revealed by Cosatu showed that many poor households were dependent on one wage earner supporting an average of 10 people

South Africa was far behind other countries in employment levels, with some 37 percent of its population unemployed. — Sapa

By Dumisa Ntuli

**T**HE Congress of South African Trade Unions recently launched its second month long recruitment drive under the theme Every worker a Cosatu member Organise, serve and fight for your rights

The launch received no media attention in sharp contrast to the extensive coverage of the public sector wage dispute

The campaign is important for Cosatu It takes place within the context of globalisation, current job losses in all major sectors of the economy and technological changes

The basic aim of the campaign is to increase the federation's membership by 50 percent in the next two years Cosatu, in conjunction with affiliates identified industrial areas that are not organised or where affiliates have a small presence

Cosatu unions have a proud history of struggle against apartheid and for a better life for the working class and the poor Workers need to join Cosatu unions so that with other workers, they can build unity strength and solidarity With this unity they can

- Strive for better wages and working conditions
- Improve benefits
- Fight for a healthier and safer working environment
- Protect and defend their rights and
- Be part of transforming South Africa

The campaign will give Cosatu an opportunity to revive its structures and assess the strengths and the weaknesses of its unions

Cosatu is one of the fastest growing union federations in the world - and with 1,8 million members continues to grow in spite of the decline in union membership internationally

The campaign will target non-organised and weakly organised factories in industrial areas, small towns and villages Even the organised factories must reach a 100 percent unionisation rate

During last year's recruitment drive the federation recruited 44 669 new members But these new members did not result in a net increase in union membership

Instead, the recruitment gains were offset by losses in membership caused by rationalisation, downsizing, liquidations, closure of companies and outsourcing

Among the strategic priorities is the organising of sectors like farm workers, domestic workers, white collar workers and the public sector

The campaign will target farm and

# Cosatu embarks on recruitment drive

(140A) Sowetan 2/11/99

domestic workers given the difficulty of organising them There is wide spread exploitation in these sectors

Cosatu remains largely a blue collar federation It is therefore also important to extend the campaign to white collar workers The unions fight for wage increases for all workers and for every grade irrespective of whether the person is getting better wages or not

The recruitment campaign also targets women and youth It is often women and the youth that are found in the informal sector or are casual and contract workers It is important to bring them into the fold

In positioning itself for the future as a powerful union movement, Cosatu must become a home for all working people In doing so, its size should increase substantially in all workplaces and sectors

The message is clear to the federation - if the Labour movement is to remain a vital force for working people into the 21st century it must commit itself to making organising a top priority

The federation has no illusions about the magnitude of the task it faces in recruiting workers But it is more than confident that it has the capacity resources, talent and heart to rise to the challenge

All affiliates have a direct stake in rebuilding union membership What is critical is that we have moved away from the thinking that organising is one department's job

Organising is a central part of the affiliate's culture for the next two years not an afterthought to collective bargaining Recruitment is not about sloganising it is about taking action

Despite being subjected to a steady stream of union bashing by conservative companies millions of non union workers want union representation It is therefore these millions that the unions need to organise

The reality is that, in today's global economy, a large and growing number of unorganised workers want a real voice and clearly recognise that the only way to have a voice is by

belonging to a union

Even organised workers are under threat as employers engage in unilateral restructuring of the industry and the workplace in search of maximum profits

Cosatu is well organised in certain sectors of the economy but less organised in others

An essential focus of the campaign is to swell the ranks of the federation Every worker who is outside of Cosatu affiliated unions is regarded as either unorganised or disorganised

The second mass recruitment of workers heralds the start of a new era for the union movement in rebuilding strong worker structures The campaign will give an opportunity to revive structures and assess the strengths and the weaknesses of the organisation

While it is too early to assess the numbers that will be recruited this year it is clear that the nationwide recruitment drive will revive mass work Cosatu's achievements are immeasurable The affiliated unions have increased the rights of workers in the current labour legislation, for example through the Basic Conditions of Employment Act

They have raised workers wages from poverty wages to decent wages They are still continuing to close the apartheid wage gap between the skilled and the unskilled workers

They have won pension and provident funds for most workers Most Cosatu unions have won centralised bargaining for almost all their workplaces The Cosatu affiliated unions have also fought for job security And in its alliance with the African National Congress and the South African Communist Party, it has tried to use the alliance to improve the lives of workers

(The writer is the Information officer of the National Union of Metal Workers of South Africa.)



Flashback .. a member of Cosatu's Communication Workers Union during a protest in demand of higher wages earlier this year The federation recently launched a recruitment drive to boost its membership to strengthen its power to bargain for better wages and working conditions



# Cosatu (IUPA) executive resigns

**Simphiwe Xako**

THE Congress of SA Trade Union's (Cosatu's) first vice-president, Peter Malepe, had resigned following a financial mismanagement scandal, Cosatu spokesman Mukoni Ratshitanga said yesterday.

Malepe tendered his resignation to the federation's central executive committee at a meeting held in Johannesburg, Ratshitanga said.

"The resignation was occasioned by an unauthorised use of Cosatu funds totalling R38 061. The (committee) accepted his resignation and further commended national office bearers for detecting these financial irregularities at an early stage as well as the steps taken to recover the funds," he said.

Malepe had also apologised to Cosatu's leadership and membership for the scandal.

Ratshitanga said the federation had repeatedly called for honesty and transparency in public and business affairs.

Cosatu would hold an election to replace Malepe and would announce the new appointment soon.

"Cosatu deems the matter to be closed and is satisfied with the procedures followed," he said.

Malepe was seconded by the Printing, Wood and Allied Workers' Union to the Cosatu central executive committee.

Ratshitanga said Malepe's resignation was an indication of the federation's seriousness when it came to irregularities.

Malepe and five others were elected to Cosatu's executive at the federation's national congress held in Johannesburg in August. The appointments were welcomed by all sectors.

BS 25/11/99

# Top Cosatu man in funds scandal (140A)

ARLT 28/11/99

## Malepe 'comes out in open' and resigns

### STAFF REPORTER

**Johannesburg – A financial scandal has rocked South Africa's giant trade union federation Cosatu following the discovery that its first vice-president, Peter Malepe, had used nearly R40 000 of the union's funds in unauthorised expenditure**

Cosatu announced in a brief statement yesterday that Mr Malepe had resigned with immediate effect shortly after being charged with allegations of unauthorised expenditure. His resignation was accepted, Cosatu said.

When contacted for comment yesterday, Mr Malepe said "I came out in the open and I resigned." He refused to elaborate.

This is the first time in the trade union's recent history that a top official has been embroiled in financial impropriety and stepped down as a result.

Cosatu's general secretary Zwelinzima Vavi said the financial irregularity had been uncovered by national office bearers. He said Mr Malepe had agreed to pay back the money.

By last night it was still unclear as to how Mr Malepe, former leader of the Food and Allied Workers' Union, had misappropriated the R38 061.

According to a source within the federation, Mr Malepe was not one of the six signatories for Cosatu cheques. He also did not deal directly with cash and was not known to work closely with the union's accounts section.

The organisation, the source added, was reeling from the disclosure of the misappropriation. Cosatu's spokesman Mokoni Ratshitanga refused to comment beyond Cosatu's statement.

But Mr Vavi stressed "Comrade Malepe has apologised to the leadership and membership of Cosatu. We deem the matter to be closed and we are satisfied with the procedures followed."

Mr Malepe was elected to the powerful position at the federation congress in August, forming part of a new leadership that advocated a tougher stance in dealings with government and big business.

Cosatu said it has repeatedly called for honesty and transparency in public and business affairs.