

# 11<sup>th</sup> National Congress Declaration

20 September 2012

We, the 3000 delegates representing 2.2 million workers, coming from the workplaces in every sector of the economy, from both big and small cities and rural areas, gathered at COSATU's 11th National Congress, speaking with one unified voice, call on our members and all working people to support this Call to Action. The workers of our country have spoken, and COSATU, their organisation, has listened. We have confounded many predictions that we will devour our movement!

We are meeting at a time of a global economic crisis, and massive domestic challenges. On the one hand this crisis worsens our triple crisis of poverty unemployment and inequality. On the other, space has now opened up for countries to pursue radical economic alternatives. The moment to act is now! After 18 years of freedom the patience of our people is running out!

COSATU's 11th National Congress - the Workers' Parliament - has declared: We are not prepared to tolerate massive levels of unemployment! We want labour brokers banned now! We will not accept widespread poverty! We cannot live with grotesque levels of inequality which have made us the most unequal society on the planet!

Workers whether in far flung rural areas, or urban slums, say that they are no longer prepared to tolerate poverty wages:

Mineworkers, who produce our wealth in the belly of the earth, are earning a tiny fraction of the surplus they produce.

Farm workers who produce our food work under near slave conditions.

Retail and commercial workers, many casualised women without basic benefits barely make enough to pay for their transport.

Security workers who protect us, and transport workers who take us to work, work unbelievably long hours for a pittance.

Our nurses, teachers and police are not being fairly paid for the valuable services they provide.

The majority of these workers, together with workers in the clothing factories, the foundries, and countless plants around the country work long hours and face dangerous conditions for poverty wages. Over half of South Africa's workers work for less than R3000 a month!

Workers are demanding that the People Shall Share in the Country's Wealth. Our members are speaking through our structures, demonstrating their lack of patience through wildcat strikes and service delivery protests. Our members are sending us a clear message:

They are demanding an end to starvation wages that in the main affects the black working class. They are demanding that the unions should spare no efforts to fight against these poverty wages and near slavery working conditions in most of the sectors of the economy.

They are telling us that they have had enough of the unfulfilled promise to implement the Freedom Charter. They demand a radical change in their socio-economic conditions, and the creation of a powerful developmental state, which intervenes decisively in strategic sectors of the economy. This requires a radical shift in economic policy, and a full implementation of the Freedom Charter! They are communicating a strong message that political freedom may soon be meaningless without economic freedom.

They are calling for the abolition of the apartheid wage structure, the creation of strong collective bargaining institutions in all sectors of the economy, and comprehensive social protection for the unemployed!

They are calling for decisive action to end abusive practices particularly labour broking, and casualization, and the super-exploitation of vulnerable workers!

They are calling for the creation of decent living conditions where they live, rural and urban; they want urgent steps to address the crisis facing the public health system, and for us to work to address the education crisis, in particular the dysfunctionality of most of the working class schools; they want affordable, accessible and efficient transport so that they do not continue to be the main victims of the ongoing road carnage; they want provision of houses close to where they and in a manner that ends the apartheid spatial development.

They are demanding powerful worker-controlled unions in all sectors! They want their unions to in the main focus on a battle to improve their wages, improve conditions of employment and defend their jobs.

They demand responsive and accountable local government. They demand councillors and government officials that are selflessly dedicated to improve their conditions by embarking on a series of joint campaigns aimed at turning their situation around.

They have had enough of corruption which is an elite programme to steal from the poor. They do not take kindly to the obscene displays of public consumption by the elite, a message that says we don't care about your crisis of poverty - we have arrived.

They have been waiting to hear the news that the labour brokers have been banned.

We know that we cannot afford to fight silly battles against one another when the house is on fire. We have agreed that a radical agenda of socio-economic transformation must be the core element of the second phase of our democratic transition! We call this our Lula moment to speak to a successful transformation that has changed the lives of millions of workers and peasants in Brazil.

We, the workers gathered here today, pledge to embark on a united and radical programme of action to realise workers legitimate demands, and to engage our communities and the broader democratic movement, to support us in these efforts. The programme of action will be based on the following four pillars:

#### I. ABOLISH THE APARTHEID WAGE STRUCTURE: FORWARD TO A LIVING WAGE!

Too many workers and their families are living in poverty. It is totally unacceptable that half of all employed workers earn R3000 a month or less, meaning that the majority of South African workers can't afford the basic necessities of life. Combating low wages is at the heart of addressing poverty and inequality.

Congress agrees on the following urgent measures to abolish the apartheid wage structure, and put a more equitable structure in place. As a matter of extreme urgency, we will take the following steps:

Call a National Bargaining, Campaigns and Organising Conference before the end of the year, and a Special CEC after this Congress, among others to consider proposals on measures to transform the apartheid wage structure, and craft a new national wage policy. These proposals include a National Minimum Wage, mandatory centralised collective bargaining, as well as ensuring social protection for the unemployed. The national minimum wage, if adopted, would be linked to a minimum living level, as a basic wage floor above which affiliates will negotiate sectoral wage levels

All COSATU affiliates will urgently review wages and collective bargaining strategies in their sectors, and develop demands to take forward this programme of transforming our wage structure. This will include innovative bargaining strategies which move away from an over-reliance on across-the-board percentage increases, as well as challenging entrenched discriminatory grading systems.

We will convene urgent meetings with government and the ANC, at the highest level, to discuss the development of a new wage policy for the country, which will be aimed at deliberately and systematically transforming the current apartheid wage structure.

Congress expressed its determination to protect the integrity of collective bargaining, and to resist all attempts by employers to undermine it. Congress reaffirmed the strike weapon as the primary tool of exercising power that workers have at their disposal. It was agreed that we need to step up our solidarity in strikes, that we should campaign for amendments to the Gatherings Act, and that we should investigate the establishment of workable strike funds, within the framework of a Federation-wide policy. **II RADICAL SOCIO-ECONOMIC TRANSFORMATION: THE PEOPLE SHALL SHARE IN THE COUNTRY'S WEALTH!**

We agree with our Alliance partners that the core of this second radical phase of the transition of our NDR must be a fundamental economic shift, to transform the structure of our economy, and address the triple crisis of poverty, unemployment and inequality.

While we have made important advances in the areas of democracy, human rights and social benefits, for which we give full credit to the efforts of our Alliance, and the ANC government, socio-economically, workers' lives have not been transformed. As a result of the structural fault-lines of the economy we inherited from colonialism and apartheid, the disastrous neoliberal policies of the 1996 class project, and the worldwide crisis of capitalism, working people face mass unemployment, widespread poverty and widening inequality.

The shocking levels of unemployment, poverty and inequality lie at the heart of the increasingly violent protests we are seeing in both workplaces and communities. It is creating what until recently we have called 'ticking' bombs. In the context of the events in the mining industry, and the growing service delivery protests, we now must talk of 'exploding' bombs.

We have clearly not come close to achieving the demands in the Freedom Charter that:

The people shall share in the country's wealth;

The national wealth of our country, the heritage of South Africans, shall be restored to the people;

The mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole;

All other industry and trade shall be controlled to assist the wellbeing of the people."

This Congress therefore resolves to embark on a programme of action to drive the radical economic shift in line with the demands of the Freedom Charter. Key demands include:

The call for decisive state intervention in strategic sectors of the economy, including through strategic nationalisation and state ownership, and the use of a variety of macro-economic and other levers at the states disposal, which can be deployed to regulate and channel investment, production, consumption and trade to deliberately drive industrialisation, sustainable development, decent employment creation, and regional development, and to break historical patterns of colonial exploitation and dependence.

The urgent need to radically overhaul our macro-economic policy in line with the radical economic shift which we all agree needs to happen. To this end we will engage with our alliance partners in the run-up to the ANC Mangaung conference, on the macro-economic policy review.

The radical economic shift requires that institutionally, the Treasury, which constitutes the biggest obstacle to the government's economic programme, needs to be urgently realigned; a new mandate needs to be given to the Reserve Bank, which must be nationalised; and the National Planning Commission must be given a renewed mandate, to realign the national plan, in line with the proposed radical economic shift. Aspects of the New Growth Path also need to be realigned in line with the proposed new macro-economic framework. All state owned enterprises and state development finance institutions need to be given a new mandate.

Urgent steps must be taken to reverse the current investment strike and export of South African capital. There is currently R1,2 trillion lying idle in social surplus which employers are refusing to invest. These measures need to include capital controls and measures aimed at prescribed investment, and penalising speculation.

The urgent introduction of comprehensive social security.

This Congress resolved to lodge a Section 77 notice around demands for a radical economic policy shift including:

On the role of Treasury, monetary policy and the Reserve Bank;

State intervention in strategic sectors including through nationalisation;

Measures to ensure beneficiation, such as taxes of mineral exports;

Channelling of retirement funds into productive investment;

Comprehensive land reform, and measure to ensure food security; and

The more effective deployment of all state levers to advance industrialisation and the creation of decent work on a large scale.

The CEC will elaborate the Section 77 notice based on these demands and other socio-economic demands which have been raised by Congress.

Congress notes the Constitutional Court decision to allow the implementation of E-tolls. Congress warns the government not to even think about implementing e-tolls, while negotiations are continuing, and we will continue to do everything in our power to reverse this regressive tax on commuters.

At the same time, Congress is encouraged by certain new directions in government policy, including some steps towards a coherent beneficiation strategy, local procurement, an infrastructure programme aligned to an industrialisation and development strategy, IPAP, and the beginnings of a new approach to regional development.

However much more urgency is required. In addition Congress is convinced that these initiatives will only have their full impact in the context of an appropriate macro-economic strategy, through which the state is able to maximise the developmental impact of its interventions on the economy. In addition, certain amendments need to be made to legislation aimed at curtailing monopoly capital, to strengthen and broaden the power of competition authorities.

In terms of workers collective savings we pledge to work towards:

The consolidation of retirement funds and the creation of a central retirement fund investment vehicle in the private sector, along the lines of the PIC, aimed at directing savings of workers into productive investment, and development.

The establishment of a Workers Bank.

Congress calls for a coherent regional strategy to promote African economic development and industrialisation and the development of the African market. We further call for the involvement of African trade unions in continental development processes.

### III BUILD STRONG WORKER-CONTROLLED UNIONS: ORGANISE OR STARVE!

Congress asserts that it is only through strong worker-controlled organisations and unity that workers can make gains, defend these gains and sustain them over time. We will therefore embark on a concerted organisational drive to consolidate, build and further democratise our organisations; extend our organisations to areas where workers are currently unorganised; and to act decisively to combat practices, or conditions, which lead to worker disunity or fragmentation of our organisations.

This Congress therefore calls on all of us to go back to basics, focus effectively on workplace issues, organisation and recruitment, deliver service to our members, and implement our 2015 Plan! It is only through building powerful,

unified organisation that workers will have an effective engine to drive the changes we want to see at the workplace, in the economy, and at a political level.

Congress calls for a mindset change in COSATU. It needs to ensure greater focus on the expectations of our members at the workplace, as articulated in the 2012 Workers Survey. This includes their need for us to fight for greater job protection and living wages. We need to ensure greater solidarity and unity in action. We need to make leadership more visible, and interactive. We need to communicate more effectively with our members.

We therefore pledge to combat:

Social distance between leaders and members, by entrenching deeper forms of accountability and worker control;

Bureaucratisation of our structures, at affiliate or federation level, by ensuring that we remain a campaigning mobilising organisation;

Divisive and undemocratic conduct in our unions, which attempts to undermine worker unity, or create splinter unions

We pledge to:

Build strong worker-controlled unions, focused on issues of concern to our members, at the workplace, socio-economic and political levels;

Organise the unorganised, particularly farm workers and other vulnerable and super-exploited workers, and bring all workers under the umbrella of this mighty Federation.

Congress mandates the CEC to develop a detailed 3-year strategy to systematically take forward the 2015 Plan, monitor implementation of this strategy, and present a report on progress to our 2015 Congress. We also mandate the CEC to update the 2015 Plan, in line with current conditions, and the discussions and Resolutions of this Congress.

Congress agreed that new recruitment targets need to be set for each sector, and that affiliates must report progress in recruitment on a regular basis to the CEC. It was further agreed that we should target in particular the following categories of workers for recruitment:- young workers, women workers, vulnerable workers (very low paid, contract, part-time, seasonal etc), non African workers and migrant workers (including foreign nationals).

An urgent engagement must take place with government to ensure that the Department of Labour is given adequate resources, to develop the necessary capacity to implement labour laws, especially those aimed at protecting the most vulnerable.

On organising and servicing members, Congress agreed that we take steps to improve all levels of service to members. We need to ensure that adequate resources are invested into the proper training of shop stewards, organisers and leaders..

On our COSATU Local and Provincial structures and activities, it was stressed that these are the engine of the Federation and require maximum support. Congress mandated the CEC to ensure that they are properly capacitated and review the resources allocated to them, to enable them to fully play their role.

As a means of advancing international worker unity and solidarity, the Congress resolved to retain its affiliation to the ITUC, and in addition agreed that in principle that it will affiliate to the WFTU. The CEC will investigate the modalities of implementing this decision. COSATU will seek to use its influence at the international level to build greater co-operation and ultimately unity between international organisations of workers.

In relation to the current crisis in the mining industry, and the situation post-Marikana, the Congress observes that organisationally, the history of workers struggles in South Africa shows:

Wild cat strikes and undirected outbursts of workers grievances, while they can achieve significant gains in the short term, will in the longer term leave workers isolated, vulnerable and exposed to worker-bashing tactics by employers, if this militancy is not transformed into sustainable organisation, both at a company and industry level. There is no short-cut outside of the building of strong worker-controlled unions.

COSATU is the Federation of choice, and the home for the vast majority of organised workers in this country. Therefore, workers who build their organisation within the Federation multiply their power, and can draw on the solidarity of millions of fellow members. Equally those who choose to move outside the organisation, weaken themselves immeasurably.

We need to expose and combat the deliberate ploys by employers to promote splinter unions, provoke unprotected strikes, and undermine centralised bargaining, as ways of smashing worker organisation.

Business and their opportunist political bedfellows want to play the old strategy of divide-and-rule, so that they can reverse the workers` victories and resume and intensify their super-exploitation of the workers and amass even bigger profits.

We reiterate the call made in our Declaration on the Marikana crisis, that there must be a Independent Commission of Inquiry into the mining industry, to look at measures to transform the sector; and that COSATU will fully support a fighting programme for a more equitable distribution of the surplus to mine workers, in line with our campaign for wage equity throughout the economy.

#### IV CREATING OUR OWN LULA MOMENT: DRIVING THE SECOND PHASE OF OUR TRANSITION!

The Lula moment starts now! Congress agrees that we need to drive a programme of action together with our allies, which will engineer the transformation we desire. The Congress endorses the proposal for a national agreement contained in the Secretariat political report (pages 45-46), as a basis for engagement with our allies, to be further elaborated by the CEC. This will be our key input into the second phase of the transition, and our contribution to our `Lula moment` .

The second phase of the transition requires that

The programme of the movement is clearly biased towards the working class, and is based on an agreed platform which is implemented by government

We deliberately build an activist interventionist state

The ANC-led Alliance constitutes the strategic centre of power

The Political Report, together with affiliate proposed resolutions, proposes a series of interventions which need to be advanced by the Federation, together with our Allies, including effectively transforming the state, dealing with challenges of corruption and non-delivery, ensuring representative and accountable leadership in the movement, swelling the ranks, build political unity inside and outside COSATU, building the mass democratic movement, and developing the Alliance as the engine of transformation.

In addition, a specific matter which Congress said must be addressed is the abolition of the Provinces. The CEC must look at how to best elaborate these proposals and take them forward.

While the country is facing serious challenges, we must not sink into despair and feel that there is nothing we can do. Developments in Brazil and other Latin American countries have shown in practice that policies to reduce poverty, create employment and speed up economic growth can start to turn the tide. They have confounded the prophets of doom who say there is no alternative to the neoliberal, free-market system of capitalism which is based on the super-exploitation of workers and lies at the heart of our crisis of unemployment, poverty and inequality. Of course the policies implemented in Brazil cannot be implemented mechanically in South Africa but they give us hope that there is an alternative.

COSATU emerges from this Congress stronger and more united than ever. This Workers Parliament has unanimously re-elected its National Office Bearers for the next three years. We pledge to support the COSATU leadership collective in decisively implementing this radical programme of action we have agreed on today.

Now is our moment!

Seize the day!

A luta continua