

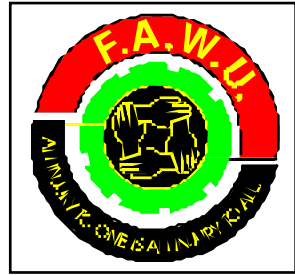
# FAWU BULLETIN

Newsletter For Members and Staff

8 May 2009

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## Fawu condemns evictions in Rustenburg

The Food and Allied Workers' Union [FAWU] strongly condemns the evictions of several families from the farm Spruitfontein in Rustenburg in the North-West province by new owner, Eddie Engelbrecht on Thursday (April 30, 2009) morning, a day before Worker's Day.

It is morally repulsive that workers, together with their families, who have worked for more than twenty years on this farm, could just be kicked off from farms with no consideration whatever for their well-being. This vile action clearly affirms our opinion that many farmers remain indifferent to the suffering of farm workers. In fact, these cruel villains add to the misery of struggling workers by throwing them off farms left and right, not giving a damn whether they live or die.

Fortunately, the local municipality intervened and provided temporary shelter for the men in the Marikana hall after they and their possessions were dropped along the side of the road.

FAWU demands that the local authorities investigate the employer's ruthless actions speedily and that strong action should be taken against him. Meanwhile, the union will look at ways to assist these destitute workers.

Tseleng Tau, provincial secretary of the North- West province says, "Although its good that the municipality intervened to assist the workers, it actually encourages more employers to continue with illegal evictions because they will think that the government will take care of destitute workers. We need to have a stronger strategy in place to deal with evictions."

## **Illovo Workers Suffers From Mass Job Losses**

About four hundred workers are losing their jobs in the sugar cane industry in Kwa –Zulu Natal.

The organiser, cde Richard Gumede says that various farms who employed the workers are being sold and the new owner is kicking the workers out in the cold. “The workers told me that there was no consultation and no indication whatsoever about the dismissals- they were shocked in fact to find out that they will no longer be employed by Illovo.”

We expect that these large –scale job losses will cripple the community who is largely dependant on the industry.

Most of the workers were not previously members of the union, but have signed up to become members out of desperation for assistance. The union is looking into the situation and will do all it can legally to save the jobs of these workers.

## **Worker Given Final Written Warning**

A worker from a Worcester company near Cape Town was suspended after he reported to worker with a t-shirt bearing ANC slogans shortly before the elections.

But the union, together with COSATU in the province placed great pressure on the company for this type of intimidation of workers and referred the case to the CCMA. A week after the suspension, the worker returned to work but had received a final written warning valid for twelve months.

## **FAWU NEC Notification**

This serves as a formal notice of the NEC scheduled under the following arrangements:

**Dates: 28-30 May 2009**

**Time: 10h00**

**Venue: Johannesburg (Randburg Towers Hotel)**

The agenda will be as follow s:

1. Opening and Welcome
2. Credentials
3. Apologies
4. Presidential Address
5. Minutes of the Previous NEC Meeting
  - 6.1 Corrections and Adoption
  - 6.2 Matters Arising
6. Secretariat Report
7. Treasury Report
  - 7.1 Financial Overview 2008/09
  - 7.2 Draft Budget 2009/10
8. Basebenzi Investment
9. Building Trust
10. Closure and Closing Address

We therefore request Provincial Offices to make time-off arrangements for worker NEC delegates in their provinces and for Provincial Secretaries, Heads of Departments and Desk Officers to submit reports to the Head Office not later than the 20<sup>th</sup> May 2009.

Regards

*Pp Nicoleen Gegese*

**KATISHI MASEMOLA**  
**GENERAL SECRETARY**

## **Interest rate cut too little to late**

The Congress of South African Trade Unions welcomes the small 100 basis-points cut in the minimum lending rate, and the relief that this news will bring to hard-pressed consumers struggling to pay off bonds and loans.

The federation considers however that the reduction is much too little and far too late. The Monetary Policy Committee (MPC) of the Reserve Bank has still not grasped the seriousness of the world economic crisis and the impact that is now being felt in South Africa.

Thousands of jobs are in jeopardy. The Reserve Bank Governor, Tito Mboweni, has conceded that domestic output and growth are declining or negative. Yet he has once again missed a great opportunity to deliver a radical cut in interest rates of at least 200 basis points, which would ease the burden on struggling businesses, prevent retrenchments, promote new investment and give the economy a shot in the arm.

As COSATU has pointed out previously, other countries have slashed their interest rates. The UK's is currently 1.5% and Japan's a mere 0.1%. Yet the SA Reserve Bank still maintains a high rate of 8.5%. The MPC is still clinging

to the notion that monetary policy must be based primarily on inflation-targeting, despite the fact that the rate of inflation is going down. Of course COSATU would not welcome rising inflation, which hits workers and the poor hard, but today the biggest worry is not inflation but economic recession and the developing job-loss bloodbath.

COSATU repeats its demand for an interest-rate strategy based on targeting not only inflation but economic growth, quality job creation and poverty eradication. This is totally in synch with the policies adopted by the ANC's Polokwane Conference, incorporated into the ANC election manifesto and now adopted by the government led by President-elect Jacob Zuma. They are also the policies adopted by business and labour at a Presidential Joint Economic Working Group meeting in December 2008.

Unless the Reserve Bank changes its policy, it could push South Africa into a disastrous economic recession, thousands more lost jobs and millions more doomed to poverty and despair.

## **COSATU alarmed at job stats**

The Congress of South African Trade Unions is seriously concerned at the sharp rise in unemployment shown in the figures for the first quarter of 2009 released on 5 May.

A total of 208,000 jobs were lost, almost two thirds (143 000) of them in retail, just under a third (62,000) in manufacturing and the rest (53,000) in agriculture, transport and the public service. This has increased the number of officially unemployed people in the country from 3, 9 million to just under 4, 2 million.

The current figures are a complete reversal of the figures in the labour market indicators for the fourth quarter of 2008 which showed that the economy had created 189,000 new jobs. COSATU contested these figures at the time, because we were already hearing of major job losses in almost all sectors of the economy, in the wake of the world economic crisis.

The latest data have confirmed what we suspected then - that our economy has been shedding jobs at a rapid pace. But the latest stats are still not without more controversial surprises. Firstly, they indicate that 12,000 jobs were created in the mining sector since January. Yet mining has experienced declining growth, retrenchments have been reported and a number of companies have already shut down.

Secondly, the data suggest that outside of agriculture, most job losses have occurred in the informal sector, where some 96,000 jobs were lost compared to 88,000 in the formal sector.

One of the biggest hurdles facing South Africa is to define clearly what constitutes the informal sector. It is generally taken to be that part of our economy that is unregulated, usually small businesses run from homes, street pavements or taxi ranks. Often those who lose jobs in the mines, factories and supermarkets end up in the informal sector where they set up small survivalist enterprises. It is alarming that even this sector, which has traditionally offered a minimal degree of livelihood for retrenched workers and those who cannot find employment in the formal sector, is now said to be shedding jobs as well.

For workers, the future looks grim. There are predictions that this year alone, almost a million workers will lose their jobs, which means that the number of unemployed will rise drastically, far more than earlier predictions that job losses for this year would peak at 250 000.

And the official figure of 4, 2 million unemployed people does not include the 1, 2 million others who are deemed to be too discouraged to look for employment because there are either no jobs available in their area, or there is no work requiring their skills. The majority of discouraged work seekers are young people who have lost all hope of ever finding a job. Around 3, 2 million or 75% of all unemployed people in South Africa are between the age of 15 and 34 years.

Growing unemployment poses major social and economic problems not just for workers and their families, but also for the incoming ANC government.

Firstly, government will struggle to meet its target of halving unemployment and poverty within the first two decades of freedom. Under the 2005 Accelerated and Shared Growth Initiative for South Africa, government suggested that if economic growth rose to 6% by 2009, it would be possible to cut down unemployment to around two million or 14% of the labour force by 2014. At its apex of job creation between 2004 and 2006, the economy was only able to generate half a million jobs a year, yet if the current survey is anything to go by, the economy is shedding at least half of that number every three months.

Secondly, the country's social safety net will experience tremendous pressure as those who lose jobs are forced to rely on family members receiving state social grants, which support not just the individual recipient but the whole family too. Able-bodied people between 18 and 60 years with no job get no income support from the state. As more people are thrown out of work they will have to rely on their limited unemployment insurance benefits, and once these are exhausted, on those family members already on the state's grant system.

Thirdly, we are likely to witness greater conflict in the labour market as employees demand higher wages to counteract the high cost of living, while employers point to the worsening economic situation as an excuse curb wage increases. Dispute resolution bodies like the Commission for Conciliation, Mediation and Arbitration for will come under increasing pressure.

Finally, the incoming ANC government has the daunting task of realising its election promise of creating decent work for all in a climate where the economy is shedding employment at a frightening pace. Much reliance has been placed on the Expanded Public Works Programme, which created almost a million jobs in the three year period between 2004 and 2007. But important as these jobs have been, most of them were short term and have not helped facilitate employment into the formal economy.

Government's massive investment in infrastructure development partially in response to the 2010 Soccer World Cup has had a net positive impact on economic growth and employment creation. This however has not shielded sectors like construction which for the first time since 2002 has lost a massive 65,000 jobs.

It has become more urgent than ever for the new government to kick-start the implementation of the excellent and very necessary measures contained in the Framework Agreement drawn up by government, business, labour and community as South Africa's response to the world economic crisis. Its top priority was how to minimise jobs losses and pave the way for future job growth. The Stats SA figure show that we are falling dangerously behind in the task of implementing this crucial set of programmes to save and create jobs and restructure our economy.

The joint task teams set up in Nedlac to implement the agreement must be revitalised and start delivering immediately.

## **Community Radio – Labour Hosts/ Presenters Needed!**

Think you have what it takes to present a labour show on your community radio?

[Then read on...](#)

Become a part of the Labour Community Radio Project. Workers World Media Productions have managed to secure support from the DOL for orientation and training in radio broadcasting. It will take place in Cape Town during 11 – 15<sup>th</sup> May. It will include training on Occupational Health and Safety and various levels of radio training.

Below is a list of radio stations where we still have vacancies for labour hosts. Please obtain nominees and send these to us by filling in the attached form for each nominee.

**KwaZulu Natal**

Highway Radio - Pinetown

Icora Fm - Eshowe

**Northern Cape**

Radio Teemaneng - Kimberley

**Free State**

Motsupatsela FM in Botshabelo

**Gauteng**

Alex FM, Alexandra, Johannesburg

**Western Cape**

Radio KC, Paarl

Voice of the Cape, Salt River

Please phone Lynn at Workers World Media productions on 021 447 2727 for more information.

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