

New Trade Union Federation: The work done thus far

Steering Committee says it is not just Zuma and the Guptas plundering the wealth created by our labour, but entire capitalist system

Steering Committee to Form a New Trade Union Federation, 01 September 2016

On Tuesday 30th August, the Steering Committee to form a new Trade Union Federation held a crucial meeting to decide on the next steps forward. 31 unions attended the meeting.

The meeting surveyed the crisis that continues to unfold in South Africa, and more recent developments arising from the Local Government elections. What follows here is a summary of the points that were made in the discussion and the measures that were adopted to take further steps towards fully establishing what will eventually be the largest federation in the country.

The Current Political Situation and What it Means for the Working Class

Global Balance of Forces

There conservative forces are attempting to consolidate their power all over the globe and here in South Africa. Despite this, there have been a number of positive developments including the election victories of SYRIZA in Greece and radical forces gaining ground in Spain and other countries, including support for Jeremy Corbyn the first unambiguous socialist Labour Party leader in a long while.

However overall the balance of forces continues to favour the ruling class, and the working class remains on the defensive. Indications of a worsening international political and economic shift to the right include:

- Increasing austerity cuts in social provision and attacks on benefits including pensions, in many developed capitalist countries. South Africa is also going through tough austerity measures that have seen a decline in the government expenditure per person. The lack of a coordinated alternative to austerity and neoliberalism that can provide a platform for progressive forces.
- The rise of ultra right wing parties in India, Venezuela, the UK and many other countries.
- The conservative *coup* in Brazil that has effectively ended PT (Worker Party) rule following the disgraceful and unconstitutional disposal of Comrade Dilma Rousseff. A collapse of the left project in Brazil will have a profound impact on the entire region and may herald reversals of the left project across the Latin American region and beyond. We were very pleased that NUMSA took the initiative earlier this week to call a picket of the Brazilian Embassy. More actions will follow.

- The intensification of dangerous and extremely bloody, and hideously expensive military interventions in pursuit of economic and geopolitical interests including the build up of imperialist forces in so-called strategic regions of the world. The intensification of war as a means to achieve dominance in several key areas of the world that has led to the displacement of millions of people to produce a migration crisis of epic proportions, and that has destabilised whole populations.
- The strengthening of the State and its repressive functions in many countries under the guise of counter-terrorism to undermine civil liberties and the right to protest and organise.
- The impasse at the ILO whereby the right to strike is being attacked by employer organisations who are campaigning for greater so-called flexibility.
- The continued Israeli offensive against the people of Palestine, and paralysis in the UN that has been manufactured by the US and its Allies.
- The emergence of forces aligned to particular interpretations of religious belief that are prepared to sacrifice innocent lives and the inability or unwillingness of politicians and security forces to contain or engage them.
- The inability of continental bodies to provide leadership, or interventions to prevent the descent into armed conflict that impacts on many countries that have already experienced chronic dislocation, poverty and hardship of their peoples.

These negative indications are in fact a reflection of the deeper crisis that capitalism is in, and its attempt to manage this crisis. Industrial capital and banking capital are increasingly merging together to concentrate production and profit through monopolisation to control whole economies. At its most extreme, this concentration of power expresses itself through imperialist wars and conflicts as well as through intensified attacks on the conditions of the working class.

Developments within our country

We are in the middle of a worsening political and socio-economic crisis that can no longer be denied even by blind loyalists. Dramatic and irreversible changes are unfolding in front of our eyes. The quadruple crisis of unemployment, poverty, inequalities and corruption continue to worsen.

Widening inequality inevitably fosters a mood of growing anger and despair. Our country is the head quarters of service delivery protests and sadly the media is no longer reporting these protests. They have been relegated to traffic reports when they disrupt motorists travel plans! Sadly despite the occurrence and breadth of these protests they remain fragmented and isolated to the shame of all of us on the left. This is a challenge we hope to address through the creation of the new federation.

We remain firmly opposed to corruption by the elite political class. We are however acutely aware that the theft of our wealth, is not just by a few rogue families, but the entire

capitalist class. It is not just President Jacob Zuma and the Gupta's who are plundering the wealth created by our labour, but the entire corrupt capitalist system of which they are part.

Reports that show systematic tax evasion and money laundering by those in big business are not prominent in our media headlines. Despite shifting huge amounts of capital off shore, big business is still sitting on R1, 5 trillion in our banks as part of an investment strike, which they conveniently blame on political and economic uncertainties, but is actually to force more neo-liberal concessions from Government. We do however accept that some of the reason for reluctance to invest is also caused by the political crisis we refer to in this statement. As the Futuregrowth debacle shows, there are now serious divisions within the ruling capitalist elite about the impact of corruption, but it is the people of our country who will suffer.

It is due to all these factors that the ANC electoral fortunes continue to worsen and explains the record high number of abstentions on 3 August.

We are extremely worried by the growing numbers of citizens disengaged with electoral politics. More than 21 million adults of voting age did not even participate in the elections. That means more people didn't vote than the numbers who did. These figures must be carefully analysed from a class perspective because they are telling us a critical story. That is, existing political parties all combined, are not representative of the potential voting population. This is a very sobering thought. There is a crisis of representation, and our people are less clear about who exactly can best represent their interests.

We would like to congratulate all those who are challenging racial stereotyping and divisiveness, and who are refusing to accept racism wherever it raises its ugly head. We send our warmest solidarity greetings to tertiary education students challenging colonisation, whilst campaigning for accessible education, and to those school students who are campaigning against gross sexual exploitation in their own schools, and also those who are challenging the imposition of how young black women should wear their hair. These young people are the hope of the future and we salute them.

The Socio-Economic Crisis

In a staggering indictment of Union powerlessness, the employers now set 54% of all wages without any negotiations with workers, either through their union or bilaterally directly with workers. Only 9% of wages are set through centralised bargaining structures, with another 23% of wages set through negotiations between individual companies and unions. A whopping 10% of workers do not receive regular increase.

Wages of workers have stagnated to the point that by 2014, workers median salary was R3200. This means that half of all workers earn less than R3200 a month.

The share of wages in the national income (GDP) has continued to plummet well below 50% from 57% in 1991. A drop in the wages share means that the profit share for the bosses has increased.

Income inequalities are now on record levels. South Africa has become the most unequal society in the world.

More jobs have been shed. In the last three months of 2015 alone 21,000 manufacturing jobs were lost, with another 80,000 gone in the first three months of this year. That's over 100,000 manufacturing jobs gone in six months! A large number of these were in food processing, including in grain milling, starch processing, and animal feed.

The picture in agriculture is similar, and has been made worse by the drought. In six months from October 2015 to March 2016 we lost 21,000 farm worker jobs, mostly in the Western Cape and Limpopo. And we know that more and more farm worker jobs have become casualised or seasonal, so many of the remaining 870,000 jobs are very insecure and low paid. Is it any wonder then FAWU recognised the need for a new federation?

Unemployment is at record levels with 8.9 million unable to find job opportunities. This is 36,4% - more than one out of every three adults of working age nationally. But this catastrophe is much higher in the townships and rural towns.

The economy as a whole has stagnated further. It shrank by 2.5% in the first quarter of this year, and we may already be in a recession.

According to StatsSA a staggering 54% of our population lives in poverty. According to the National Minimum Wage Research Institute the real figure is closer to 63%, considering the fact that a person with 5 dependents requires an income of R5400 to just survive. What poverty means is that 13 million people in this country go to bed every day without food, and another 14 million face hunger at some point in the month.

Towards a New Workers Movement

One thing on which we can all agree is that a strong, militant workers' organisation is more necessary now than ever, given the fateful combination of the employers' offensive, the mushrooming of casualisation, the burgeoning army of vulnerable, marginalised, often isolated workers, and in particular unorganised workers who make up a staggering 76% of the labour force.

We remain extremely concerned about the continuing fragmentation of unions in our country. Today there are 186 registered and a total of about 500 unions exist. Ironically the more our unions multiply through fragmentation, the more the numbers of workers who do not belong to any union seems to grow.

Welcome Home FAWU

The departure of FAWU from COSATU after its own profoundly democratic Congress last week decisively illustrates that a new trade union movement is required. Our comrades in SACCAWU and other Unions who have resisted the pressure to conform to bullying, and are reviewing, through their own democratic structures where they can best make a meaningful contribution to a unified, and militant trade union movement also impress us.

One thing has become even clearer – COSATU cannot unite workers following its purging of hundreds of thousands of its members for political reasons. There will be no realisation of the dream of “one country one federation” by unions that insist on sleeping with worker’s class enemies.

The Time Has Come!

It has been through such an analysis of the political economy of our country now that 57 trade unions from a variety of backgrounds and traditions have acknowledged that if the working class is to be rescued from still further exploitation and hopelessness then something must be done.

We are in the process of receiving feedback from Unions and their members on a new democratic Trade Union Federation Constitution, and we know this will be of great interest to workers.

The new Constitution is based on a number of fundamental principles, including Independence, Worker Control, Accountability, a Socialist Orientation, Non racialism, Non Sexism and Workers Internationalism. But it goes much further than that.

In carefully thinking through how other federations and many unions have degenerated, and became paralysed, fragmented, intolerant and ineffective. We have attempted to build in measures to the Constitution that pays more than lip service to crucial principles and that will instead offer a vibrant, inclusive and tolerant space for workers to discuss the challenges they face. We hereby pledge that workers will not be expelled for holding different views to the leadership or the majority of other workers!

The Constitution we envisage will not be a throwback to times gone by, but will instead be a living document that guides our actions, and helps to make sure that leadership and membership are not socially distanced, that there is a real attempt to build women’s leadership and counter both informal and institutionalised discrimination and sexism, that Unions adhere to the highest levels of worker control, internal democracy and transparency, and where there is no room for corruption, and the usurping of accountability to slide into the cess pit of deception, class collaboration and the sheer gangsterism that has led to the shooting of elected stewards on the streets outside of their own Union Offices.

We have had robust and essential discussions on the question of Independence for example, and despite our differences have agreed that being independent means that we will not affiliate to any political party, we will not enter into any cosy deals with the employers that undermine our members conditions, and that includes Government, and that worker mandates will be the most treasured and effective weapon at our disposal.

This does not mean that we will abstain from discussing the full breadth of the crisis we face, including the political crisis, or that we will attempt to be neutral or somehow a-political. We know to do so would disable us, and leave us vulnerable. The new federation may not be party political, but it will stridently, politically and organisationally defend the interests of the working class, and this is what makes us distinctive.

We Seek to Build a Broader Labour Movement

Of course we hope over time that other unions will come and join us. We have rejected a sectarian approach. We do not want to put our own selfish organisational interests before that of the working class itself, and so if other unions share our principles, and are prepared to positively contribute to building working class power, they will be welcomed with open arms. Many are coming!

But there are other elements of the strategy of the new federation, which also make for a distinctive, unified approach. We have begun discussions with a cross section of those organisations that organise in the informal sector, and especially in terms of street traders, domestic workers, home workers and those involved in recycling. We regard this as a crucial step forward.

Millions of workers have had to enter into the informal sector in order to survive, as austerity and the jobs blood bath have taken their toll. The absence of a decent social security net for our people has made matters worse. If not for trading on the streets, or by engaging in the backbreaking work of recycling, many families would be even worse off than they are now. We have therefore already committed ourselves to working in partnership with a range of informal sector organisations, and to explore the most effective ways of being together under one protective organisational umbrella.

We can no longer regard the informal sector, with its millions of workers, as somehow irrelevant or transitory. They are workers, and we have to find a way of being mutually supportive, and organisationally linked. This is a very exciting prospect indeed, and we have been extremely heartened by the response of key informal sector organisations.

Building Organisation, Campaigning for Change

The Steering Committee has developed a strategy for ensuring that the new federation is not just a talking shop, and that it places its key campaigns at the heart of the new organisation.

Given that 76% of workers in the formal sector remain un-organised, it is crucial that we reach out to them and recruit them to an appropriate union. We have already been inundated by groups of workers who are approaching us to do precisely this, and over the next two months we will be launching a comprehensive recruitment drive that will not just be about persuading workers to sign up and pay up!

We intend to use the recruitment drive to ensure that workplace organisation is built, and to use all the means at our disposal to ensure that democratic grass roots workers organisation is rooted in the power of those on the shop floor. The ending of casualisation and the securing of permanent full time work will be a crucial focus, as will making sure that terms and conditions allow for a life beyond poverty and indebtedness and sheer survival.

In this regard we call on all government institutions including hospitals, schools and universities to forthwith stop the practise of outsourcing and immediately embark on insourcing of all work to make these institutions work well. We also call for the immediate

reinstatement of workers who have been on strike for more than four months now in and around Durban.

Our second campaign will focus on jobs. We have already described the appalling state of the jobs market, and the deliberate undermining of terms and conditions of workers to maximise even further private profiteering. Within the Steering Committee are Unions that are currently facing a jobs bloodbath, and especially in the traditional sectors of our economy. We have initiated a process that not only comprehensively analyses why this is happening, and what can be done to prevent it at a macro-economic level, but crucially, what workers can do themselves through mutual solidarity, especially along value chains to force the employers to think again. Our approach also challenges Government to break from the bosses' agenda, and instead, to adopt measures that put the needs of our people first.

We have recognised that the under employed and unemployed must be organised to avoid the fragmentation and isolation apparent in the service delivery protests. We have pledged to put human and material resources into building strong organisations for those out of work, and to find the most effective way of providing space for their active involvement within the organisational structures of the new federation. Being out of work does not place you outside of the working class!

The Time is Now Approaching!

Within the next three weeks, a special meeting of the Steering Committee will take place to decide on the date of the launch of the new federation. Unions and their members are already engaging on the Constitution, the name and logo of the new federation, and refining it to become an inclusive and inspiring organisational building tool. We are breaking new ground, and increasing numbers of workers, even from within existing unions outside of the Steering Committee are reaching out to us because they recognise that we are not fatally compromised or at the mercy of those seeking a well-paid career.

We know which side we are on, and intend to ensure that the entire working class is beside us.

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Statement issued on behalf of the Steering Committee for a New Trade Union Federation, 1 September 2016