



Numsa Policy Resolutions

1987 to June 2020

Complete Texts

Section 5

Socio-economic Resolutions

Introduction

This complete version of Numsa's Resolutions contains all policy resolutions of National Congresses, Central Committees and National Executive Committees in the 33 years between the Founding Congress of Numsa in 1987 and the Special National Executive Committee in June 2020.

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Socio-Economic Policy

Macro-economic policy overview

1991: Economic Restructuring¹

Noting:

1. That the structural crisis in the South African economy is the cause of poverty, unemployment, inflation, shortage of housing and basic facilities.
2. That policies of the Nationalist Regime and capital contribute to the crisis rather than solving it.
3. That Capitalism by its very nature is geared towards profits for the minority and not for the needs of the majority.
4. That the position of the economies of South and Southern Africa in relation to the world economy is deteriorating continually.

Believing:

1. That Capitalism all over the world cannot solve the problems of unemployment, poverty, lack of basic facilities, nor can it meet the aspirations of the working class.
2. That only a democratic people's state under control of the working class can solve the present economic crisis.
3. That organised workers must intervene decisively to achieve an economic reconstruction that:
 - 3.1. Deals effectively with unemployment, poverty and lack of basic facilities.
 - 3.2. Strengthens the power of the working class in its advance towards a democratic socialist society.
 - 3.3. Develops both South Africa and the economies of Southern Africa in a way where their relations with the world economy will be of mutual benefit. The external orientation of our economy must build and strengthen international worker solidarity.

Therefore resolve:

1. To campaign for the smashing of the present apartheid capitalist state and in its place to establish a democratic people's state.
2. That this democratic people's state will constitutionally guarantee that the economy will meet the needs of the people.
3. This new economy must be a democratically planned socialist economy, based on the following key principles:
 - 3.1. worker control of factories, farms, banks and mines
 - 3.2. social ownership that includes nationalisation of the leading heights of the economy
 - 3.3. nationalisation of land.
4. Cosatu and its Allies to intervene and develop a campaign programme on the key issues facing the working class presently i.e:
 - 4.1. privatization and commercialisation
 - 4.2. economic restructuring
 - 4.3. retrenchment
 - 4.4. lack of basic skills
5. This intervention is a short term strategy that must be linked to our long-term goal of a democratically planned socialist economy.
6. The development of the South African political economy must contribute to the development of the political economy of Southern Africa to meet the needs of the people in the region.

¹ NC 1991

1993: Globalisation and Restructuring²

This Congress resolves:

1. That the bottom line to us as the working class is that any restructuring must have as its primary objective the empowerment of the working people through higher skills, job security, creation of new job opportunities, technological innovations appropriate to our needs and a sustainable environment.
2. That any investment, must comply with South African labour legislation labour standards whether it be by a multinational or through Export Processing Zones (EPZs) and be directed towards meeting those social needs. To this end, we must take control of the workers' moneys in the form of Pension and Provident Funds to ensure that they are invested in projects that:
 - 2.1. sustain the performance of these Funds.
 - 2.2. are directed towards meeting our social needs such as job creation, better labour standards etc.
 - 2.3. sustain the environment i.e. socially desirable investment.
3. That the democratic state should play an important role through strategic nationalisation, anti-trust laws and various economic instruments at its disposal to ensure that restructuring and investment direction meet the above needs.
4. That the Union will embark on a massive capacity building programme for shop stewards and organisers to be able to meet these challenges.
5. That while we accept that in the context of "free trade", we may have to deal with institutions such as the International Monetary Fund (IMF) and the World Bank, we must resist any attempt by these institutions to dictate or shape the restructuring and investment agenda.
6. That the extent to which we manage to achieve the above will depend on the unity of the working class internationally. We must establish worker to worker contact. Cosatu should therefore play an important role in uniting the working class internationally and in engaging international institutions such as GATT and others. We should campaign for social clauses to be adopted by GATT.
7. To re-affirm our affiliation to both the International Metalworkers Federation (IMF) and ICEF. Our relationship with them should go beyond financial assistance by them and instead should be based on a practical programme around economic restructuring with shared information on multinationals, shared aims, shared resources and shared action. We must develop Global Bargaining in some sectors and co-ordinate strategies in unions organising multinationals.
8. That we must develop our links with the ILO.

1996: Summary of the position³

1. Our ideological vision of a socialist society and the creation of a socialist state must underpin our economic policies.
2. Numsa accepts that the economy must be dramatically restructured to meet the pressure of international integration and the eradication of social inequality in its population.
3. It understands that this process will not be without pain for its members but the pain must be distributed equally to other sections of the society.
4. We remain committed to the vision outlined in the RDP:

"Eliminate Poverty, low wages and extreme inequalities in wages and wealth generated by the apartheid system, meet basic needs, and thus ensure that every South African has a decent standard of living and economic security and to create productive employment opportunities at a living wage for all South Africans" (clause 4.2.2 RDP Base Document).

² NC 1993

³ NC 1996

5. The only way to achieve this objective is if the South African economy grows substantially. Historically this kind of growth has only happened when government has intervened and invested in the economy.
6. We cannot rely on private sector investment, international market forces and the reduction of government expenditure to create the kind of growth that will create jobs.
7. For this reason Numsa rejects GEAR. Moreover, it is worker unfriendly, restrictive and anti-RDP.
8. Cosatu and the organs of civil society should approach Government to express their dissatisfaction with GEAR.
9. Numsa completely rejects the "Growth for all Strategy" of the business controlled South African Foundation as a narrow attempt to entrench the bias in the economy towards large corporate interests at the expense of the majority. :
10. We accept that South Africa must become integrated into the world economy. This will mean ongoing involvement with the International Monetary Fund and the World Bank. But these multilateral institutions should not have the right to dictate economic policy to independent countries. Cosatu will continue to develop its links with working class organisations internationally so it can negotiate with such institutions on the broadest possible front.
11. Numsa will negotiate with Government around economic policy on two principal aspects. If these two principles cannot be achieved within the Government's Macro-economic parameters then we do not accept those parameters.
12. These two principles are:
 - 12.1. To put strategies in place that protect and restructure our existing formal sector industries while laying the ground work for new areas of employment (a Social Plan) . We should focus on developing high value added manufacturing and service industries in the context of increasing Southern African economic co-operation.
 - 12.2. To put in place a social welfare base: (i.e. health care, shelter, transport, and access to economic opportunity - land and capital):
 - 12.2.1. That improves the standard of living of those (the majority?) at the bottom of the income scale and
 - 12.2.2. Provides for those who are affected by the restructuring of formal sector companies/industries.
13. Should this engagement mean the signing of an Accord between Business, Government and Labour such an Accord will only be agreed to if the Accord would advance the achievement of the objectives outline in point 12 above. Elements of this Accord would have to cover the following:
 - 13.1. all changes to work organisation must engender productivity not competition between workers
 - 13.2. education and training must provide portable skills, improve productivity, give workers access to technological development, multi-skill workers (and not multi-task them)
 - 13.3. any agreement on wages of guaranteed inflation plus productivity increases could only be agreed if there is improvement in the social wage of the working class i.e. an increase in social pensions, improvement to public transport, housing, health care, land, legislation to force all employers to pay for retirement funds of all workers in the formal sector, or a combination of all of these.
 - 13.4. No Accord can be signed on the basis of agreeing to wages less than inflation unless there was some guarantee from Business and Government on effective price controls.
 - 13.5. It should also include those conditions laid down in the September Commission report: that its fundamental thrust must be redistributive and must:
 - 13.6. Close the wage gap by setting targets for real wage increases for the lowest paid and most vulnerable workers, and targets for real wage cuts for the highest paid;
 - 13.7. Secure a commitment to redistribution of income through taxation policy and social wage targets - in housing, health, transport etc. - and the establishment of a comprehensive

social security system;

- 13.8. Set out a framework for restructuring the public sector which was aimed at expanding the role of the public sector in service delivery;
- 13.9. Redirect investment, including through prescribed asset requirements on retirement funds;
14. If Government fails to engage with us on the basis of these two principles in point 12 above, then Numsa will find creative ways of engagement including mass mobilisation around specific areas to force Government to move from its restrictive fiscal approach to a redistributive and caring fiscal policy.
15. We must argue for employment growth through interventionist industry and trade policy in the long term and a safety net of universal welfare, because we are genuinely concerned for a broader constituency than formal sector workers. This is very important because each year our bargaining processes increasingly privatise the health and retirement systems of the country. If the Government sold some of its non-essential assets, the proceeds could provide the capital for nationalising the health care system and extending public transport.
16. Numsa rejects privatisation as the single answer to the problems of state assets. :
17. It will only accept the restructuring of state assets if our existing employment base is defended and if social services are extended to the entire population. Where state assets are sold, the finances generated should be used to create a social welfare net.
18. The following key assets for the provision of social services should not be privatised:
 - land
 - water
 - electricity
 - health
 - education
 - transport
19. If these social services are already in state hands, we should defend them, if not they should be nationalised.
20. Numsa will consider various types of partnerships between parastatals or other arrangements with the corporate sector as long as these partnerships or other arrangements are based on maximising benefits for its constituency and consumers as a whole.
21. The Government should carefully look at relinquishing ownership of state assets on a case by case basis without abdicating its responsibility to deliver services to communities.

1998: Submission on Cosatu EXCO document on Job Creation and Jobs Summit matters⁴

Introduction

1. The recently held National Bargaining Conference (NBC) of Numsa discussed amongst other things, the need to create jobs, the prevailing economic environment, the oncoming election period and the alarming need to retain and create jobs.
2. The NBC noted with grave concern the adverse impact of the government's macro-economic strategy as it threatens the very existence of industries, the non-transparent, budgetary processes (both within Cosatu and government's public processes), the negative impact of the reduction of tariffs and the less significant role of the alliance in influencing policy formulation processes.
3. The NBC made a point that all employment creating strategies cannot be discussed in isolation from the practical problems that the working people are faced with and all processes towards the Jobs Summit should be characterised by popular participation, transparency, that all parties to the Jobs Summit should not be reluctant to review their economic policies and that they should be alliance driven and in the event the alliance cannot reach agreement on a strategy then Cosatu should go it alone.

⁴ NBC April 1998

4. Numsa views the initiative of the Presidential Jobs Summit as a necessary and relevant initiative under the circumstances.
5. We believe that initiatives of this importance should be located in the heart of the broader economic transformation agenda so that problems and job demands should be addressed through a short to long term strategy. Critical to this process is to allocate resources to particular uses and independently determine how they should be distributed to areas where there is a dire need.
6. We are acutely aware that the jobs summit presents a terrain of struggle where intense contestation will be around bosses' interests to augment their profits, roll back workers' gains and us defending our gains and defending our jobs. The quality of jobs created, the number of people absorbed in the labour market and the job security remain critical.

The approach

1. The Exco document was utilised as a foundation to stimulate discussions and some critical questions were derived to assist in penetrating the content.
2. The following areas were key in our discussions:
 - 2.1. macro-economic policy
 - 2.2. investment policy
 - 2.3. industrial policy
 - 2.4. technology, impact on jobs
 - 2.5. agriculture and rural employment
 - 2.6. labour market restructuring.
3. We believe that macro-economic policy is critical in our country today. The budget as a major instrument of intervention, the size of the budget deficit, the money supply and the tariff reforms are central to any macro-economic stability.
4. Our overall attitude is that without introducing macro-economic stability and the macro-economic policy to be a subordinate element within a broader development orientated growth strategy, we will continue to experience jobless growth.
5. The following positions constitute Numsa's views and additions to the Cosatu Exco documents on specific areas.

Macro-economic policy

1. The NBC noted the invaluable content issues in the documents but only lacking a view on the implementation policy.
2. We believe that the role of the state remains central to the maintenance and driving of macro-economic policy. We believe that the state's economic strategy should target areas like job/employment creation. The key areas of focus should be raising the skills and capacity of our workforce through skills upgrading and training, an active industrial policy which identifies sectors and clusters to be promoted and defended, infrastructure development and an active labour market policy.
3. Important also is to look at the pricing of raw materials in the domestic market. The state should recognise that it is a major player in the market, it should use its muscle in relation to procurement policy to ensure that it creates demand in the domestic market.

Emergency plan

1. We have noted the influx of imported goods, and therefore propose that the federation should step up a "buy South Africa goods" campaign and that campaign should be linked to tariff reduction.
2. The second campaign should be about ensuring that state budgetary processes are characterised

by popular participation of people and the electorate and total transparency and this includes Cosatu's internal processes.

Investment Policy

The Exco document was broadly accepted with the following additions on investment patterns:

1. Directing foreign investment to productive sectors of the economy to improve the productive capacity and job creation.
2. Government should expand spending on social expenditure.
3. An investment code to be developed that emphasises that prospective investors do the following:
 - 3.1. Invest in boosting the productive capacity.
 - 3.2. Invest in labour intensive sector that creates jobs.
 - 3.3. Emphasis on training and skills development.
 - 3.4. Adherence to labour laws
 - 3.5. Utilisation of government's parastatals to promote job creation to address the basic needs of our people.
 - 3.6. To boost local investment on socio-economic upliftment programmes through prescribing on the utilisation of assets of retirement funds. 5% of Funds should be set as a minimum.
 - 3.7. Promotion of investment in infrastructure development, particularly in rural areas
 - 3.8. The retention of secondary tax on companies.

Industrial Policy

Additions:

1. Cluster studies should be needs driven and linked to RDP initiatives (i.e. housing delivery programmes)
2. Government should not use employment subsidies as proposed in the Exco document. These were abused in the past. If they are going to be used there must be stricter and proper monitoring systems.
3. We should guard against allowing parastatals that are involved in strategic equity partnerships with foreign companies being granted licences to manufacture goods. This carries the potential to create job losses in industries/ companies that are manufacturing the equipment for the parastatal because the SEP can claim that their product (although produced overseas) can be submitted for tender. (i.e. Telkom)
4. Price of raw materials: local companies are subsidising international buyers of our raw materials. We need to have a provision that deals specifically with import parity pricing.
5. The tendering process within parastatals must be transparent.

(Note: The NBC felt that the document was not rigorous enough. It was proposing things that Government had already implemented. Instead Cosatu should be examining existing packages and policies and assessing whether they are producing the desired effect.)

Trade Policy

1. We are experiencing job losses, illegal goods are entering our markets and dumped goods. The customs and excise institutions should be restructured such that the old guard corrupt officials are not placed in key, powerful positions and there must be restructuring to reflect the demographics of society.
2. Ways and means must be found to report the dumping of goods to the WTO to ensure that it is prohibited.
3. Technical standards should include a provision for local content in trade policy.
4. Trade Policy should also include positions on tax holidays, counter-trade.

(Note: The NBC felt that the document did not have enough detail on tariff reduction. If we argue that tariffs are being reduced too fast, then concretely what are we putting forward as an alternative. Which tariffs do we want to put on hold, what are we saying about employers and them putting in place mechanisms to improve the skills of their workforces. Also of importance is to look at compliance on GATT binding which is 20%. It appears that the reduction rate has neglected it.)

Technology

1. Technology innovations should not displace workers but rather protect the existing jobs and have regard for the health and safety of workers.

Agriculture and rural development

The NBC noted that the document:

1. Proposes policies that Government has already adopted eg. land restitution and redistribution.
2. That instead of proposing these policies, Cosatu should be assessing the success, or lack of, of implementation of their policies.

Labour market restructuring

1. Outsourcing

- 1.1. Regardless of who is being outsourced to, including black consortiums, we should continue to demand that there is no downgrading of labour standards and benefits and should not misplace workers.
- 1.2. Add to Bullet 3 on page 15 of Labour document under the Heading "Sustaining and building the Public Service": "4% of these resources to be set aside for training especially for women, youth and the rural poor.
- 1.3. In dealing with labour market restructuring we need to mobilise communities on land reform, training and skills development, training and public works programmes and with issues concerning women's development and job creation.
- 1.4. In dealing with job creation, a particular preference should be given to black women.

Informal sector

- 1.5. The NBC noted that there are those who make substantial gains and others who don't. Those who make substantial gains, we believe must be liable for tax.
- 1.6. All taxes should be progressive (low for the poor, high for the rich)

Labour productivity

- 1.7. Labour productivity should be linked to training, job creation and closing the apartheid wage gap.

Women and job creation

- 1.8. Replace women with "previously disadvantaged women, especially black women".

Jobs Summit

1. We have always welcomed the Jobs Summit initiative.
2. We believe that parties should make their agendas public.
3. Parties should show a willingness to review their economic policies and where possible look for alternatives.
4. There should be an Alliance Summit where the alliance partners should look at the content and agree on any approach.
5. The Jobs Summit should not be a mere publicity event but deliver to the needs of the poor.

6. There must be a review of the debt repayment in order to allow developmental programmes.
7. There should be Industry Summits after the Presidential Jobs Summit to deal with the process of implementation and also to look at sector specific issues.

Election Pact

1. Attached to the Jobs Summit was the exploration on the election platform.
2. The NBC entertained the issue of the election pact mainly focussing on the need to bring back the RDP and drop GEAR.
3. The NBC broadly agreed to entertain and develop some kind of an election pact which is meant to put back progressive policies that will put into focus the interests of the working people and the poor.
4. We have allowed regions to entertain the subject and we'll feedback on a framework to Cosatu towards the end of April 1998

Social wage

Cosatu believes that:

1. A universal social welfare system is a minimum condition of any macro-economic strategy.
2. The following elements are the minimum requirements for a universal welfare system for South Africa.
 - 2.1. health care
 - 2.2. retirement incomes
 - 2.3. public transport
 - 2.4. housing and land
3. Proposals for the funding of a national health care system from levying additional income tax to pay for it, are a good option. As an income tax levy it also preserves the progressive nature of the direct tax system i.e. the more you earn, the more you pay; the less you earn, the less you pay.

Cosatu therefore resolves that:

On Health care:

1. The state must take immediate steps to "nationalise" both health care institutions and the related funding system.
2. If the discussions around a national health care system funded from additional income tax go through, then Government must guarantee (possibly through legislation) that this revenue will only be spent on health.
3. If any state assets are restructured, those resources should go into building a national health care system.
4. As part of this programme, the state should bring medical aid schemes under one single national insurance system.

On Retirement funds

Resolves that:

1. Cosatu should not accept that levels of payouts to previous and present state employees is reasonable in the current circumstances. There needs to be urgent discussion on their levels of payments to bring them in line with the expectations of the majority.
2. The Old Age Pension (OAP) should remain in place as a proper income support system.
3. Pension and provident contributions should be extended by legislation to all wage and salary earners regardless of industry sector or incomes. Such an approach should ensure that only those without access to employment are dependent on the OAP.
4. These funds should also be rationalised to provide for a small number of large funds. These

would be industry based e.g. manufacturing, mining, retail and services.

5. Unions in the industries involved should control these industry funds.
6. Cosatu should convene a conference to discuss our strategy on retirement funds.
7. Cosatu between now and the conference on retirement funds must approach the National Financial Services Board and demand that the easy withdrawal of funds by members, is frozen.
8. Cosatu and its affiliates to educate its membership around the importance of saving and using their retirement funds wisely.
9. Support the proposal for prescribed assets of funds to be used for infrastructural investment.

On Public Transport

Noting that:

1. The demography created by apartheid has meant that the majority of the population is severely disadvantaged in its access to transport services. Most South Africans will not be able to afford their own vehicles for a long time and many can't participate fully in society with the current transport provision.
2. The present public transport system is unreliable and unsafe.
3. Initiatives like the Maputo Corridor upgrade the road link between Maputo and Gauteng, instead of improving public rail transport.

Believes that:

1. Investing in public transport, particularly light rail and buses, does not rely as much on imports as our existing auto or heavy vehicle assembly industry. It will therefore link to industry policy issues, boost employment and generate wealth.

Resolves that

1. There must be substantial investment in public transport infrastructure and subsidies for others providing public transport.

On Housing and Land.

Numsa therefore resolves that:

1. A single National Housing Corporation should be established with its job being to obtain sufficient funds to begin a massive ongoing housing construction program.
2. Its program must be integrated into the industry policy proposals outlined below and as far as practical, involve unemployed labour.
3. Cosatu must campaign to compel the State to address the needs of the lower paid and unemployed sectors of the working class by:
 - 3.1. Providing free land to those who can afford to build their own houses.
 - 3.2. Increasing subsidies on a non-racial basis, to all citizens for all housing needs including rental options.
 - 3.3. Protecting the rights of people to remain on and to develop land where they currently reside until other options agreed to by all parties are provided by the State.
 - 3.4. Moratorium on land occupation, the state should stop this happening in order to avoid the demolition of shacks.
 - 3.5. That the housing policy must be changed to enable stakeholders to control the process through structures based on a tripartite representation + 1 which will be government, labour, financial institutions and CBO (SANCO). This structure must exist at local, provincial and national level.
 - 3.6. National government and local authorities must be responsible for delivery of housing (accountability).
 - 3.7. Demand restructuring of Local Authorities to redefine their role in so far as the above

subjects are concerned.

4. In order to achieve the above, Cosatu must build joint campaigns with other trade unions and community groups.
5. To address the issue of agricultural land, Government to invest in agricultural skills and training and research into new uses for land.

State procurement policy

1. Approved public works programmes should not be granted to big corporations but rather to communities.

Conclusion

1. The struggle we are engaged in on a daily basis to place us firmly in a society free of class exploitation and poverty. The struggle to build a socialist society is first and foremost a struggle to build a society capable of meeting the basic social and economic needs of its population. The capacity to meet the basic needs of its citizens is a pre-condition for the development of a democratic and caring society - a cornerstone of socialism and for unlocking the full creative and productive potential of human society and essential social services should be provided on the basis of need rather than profit.

2004: GEAR - Growth Employment and Redistribution - 'The Tale of Two Economies'⁵

Noting:

1. That GEAR remains the fundamental economic policy of the South African Government.
2. Numsa continues to hold the view that GEAR, as a macro-economic policy is incapable of maintaining a sustainable growth and developmental economy that is needed to engulf the ills of the pre-democratic dispensation. The capitalist nature of South Africa's economy can only deepen poverty and joblessness.
3. While acknowledging the problems in the public sector e.g. general absenteeism and low morale, persistent under-spending, theft of medical supplies, we however, hold the view that the way to deal with it is not to tighten the budget (GEAR targets), but to deal with it through investment in the Human Resources Development within the public sector.
4. The aspects of GEAR has in the main two fronts, poverty alleviation (in relation to social welfare etc) and the other aspect of economic growth, that is, job creation which must be assessed in terms of employment trends and public work programmes.
5. We acknowledge that certain services viz. housing, water, electricity and hospitals have been delivered but the quality of services remains a major challenge and the size of the houses and the land question require more attention.
6. While increases in social spending (expansionary social budget) are welcome for the poor and underprivileged, it does not necessarily imply a shift in government economic policy.
7. That neo-liberal policy still dominates and continues to influence government economic policy in areas of monetary policy (inflation target, relaxation of exchange control), fiscal policy and more broadly on matters of a macro-economic nature.
8. GEAR emphasized the free market which ruled out any strong industrial strategy. This resulted in the cutting of social spending which slowed the delivery of services and led to the downsizing of the Public Service. Privatization has resulted in job losses, which invariably led to the erosion of the living standards and worsening of poverty.
9. That one of the preconditions for the Growth and Development Summit in 2003 made it clear that the South African Government would not entertain discussion on the fundamentals of its economic policy.

⁵ NC 2004

10. Government can afford a budget deficit up to 6%.
11. Government does not have a National Health Care Plan.

Further Noting that:

1. It is therefore the onerous mission of the labour movement, in particular Numsa/Cosatu to ensure that our democratic government addresses the fundamentals of the economy in order to inject stimulants to grow and sustain the economy in a manner that preserves our historical mission and victories.
2. Although the inflation levels are low, the budget deficit has been reduced; our economy still needs to improve on the quality and quantity of social services. Therefore, we must analyse the post 2000 distributive nature of the budget in relation to these contradictions and challenges.
3. That the issue of globalisation has been on the agenda of the alliance for the past 10 years.
4. The manner in which the economy is profiled globally creates the technical possibilities for global solidarity.
5. That it also actively deepens inequality and chronic poverty.
6. There is misunderstanding amongst the partners around the key features of the present international conjuncture and its implications on our economy.
7. That GEAR has failed to meet its own targets on job creation, economic growth and redistribution
8. Poverty has increased largely due to workers losing employment as a result of restructuring, outsourcing, retrenchment etc
9. The recent resolutions of the ANC's National General Council and the 51st Conference signify a shift towards worker biased policies
10. The recent moves by Treasury to adopt a more expansionary fiscal policy
11. That Macro-Economic Policy is a competence of the Central government
12. That the struggle to eradicate GEAR is still relevant.
13. That it would be difficult to launch a regional struggle against GEAR outside of a National programme.

Therefore Resolve:

1. On the tale of the so-called two economies and what it represents, we must assert that the classical understanding of economic systems in the world reveal that 2 classes, namely the working class and the capitalist class, are pitted against each other in a contestation for the domination of capitalism or socialism. We must therefore resolve that the South African economy is one economy that is capitalist in character and in form and that the working class suffers from the inherent negative impact of the capitalist system which sees profit before people. The CC after the congress to develop a strategy to discuss the issue of the two economies.
2. We reaffirm our existing policy and continue to oppose the South African government's economic policy of GEAR and to fight for a more expansionary fiscal policy with a bias to the Public Sector as the driver of service delivery.
3. A mere rejection of GEAR is not enough therefore the congress mandates the National Office Bearers to table at Cosatu, a vigorous sustainable campaign through mass action to engage the government and public corporations, like Eskom, Transnet, etc. on the neo-liberal policy i.e. GEAR, globalisation, privatisation, outsourcing, downsizing, right-sizing, rationalisation and at a theoretical level to revive RDP as the guiding policy for social delivery and economic growth.
4. To continue with our campaign for socialism and a truly people's economy rooted in redistribution.
5. We ensure that expansionary fiscal policy is sustainable and continue to alleviate poverty and to create employment.

6. That we continue with our campaign for a People's Budget to be considered when the Minister of Finance draws up the country's annual budget. At local government level, ward committees must be empowered to understand and make an impact on the budget at local level and the Alliance must be influential in the capacity building of the local state and budgeting at local government level. Since 2002, the government of South Africa has increased its social spending, compared to the first five years of the ANC in government. However, this increased spending does not fundamentally alter South Africa's inherited capitalist social and economic structural and systemic inequalities.
7. Reaffirm Cosatu's 2003 resolution (cluster 3, on social protection). Extend social security system to include the unemployed and rural women, with the objective of ensuring that such a system is able to sustain decent life. The current grants should be increased annually above inflation rate to meet the household minimum living levels.
8. The government should develop a comprehensive National Health Care Plan.
9. Government should provide a basic income grant for the unemployed and we support the Cosatu NC 2000 resolution on the basic income grant. All grants should be close to the minimum living level.
10. The realignment of the social security net should be a continuous agenda item for discussions to address the imbalances created by apartheid.
11. South Africa needs an integrated strategy to balance and narrow the gap between the rich and the poor.
12. We need a concrete industrial strategy framework that will place local demand for goods and services and the creation and protection of quality jobs at its centre. Cosatu to engage on the Comprehensive Industrial Development Strategy content.
13. Numsa must beef up its research capacity and lead this development of an industrial strategy.
14. We need a strategic plan for the transfer of economic and political power into the hands of the working class.
15. We defend and extend a democratic public sector capable of providing strategic leadership to economic and social growth and development.
16. That the alliance should agree that the current institutions are not state owned but public institutions aimed to transform and strengthen the will and capacity of our liberation movement to deal much more decisively with corruption and the abuse of office for the accumulation of personnel wealth.
17. Maintain our financial independence from World Bank and International Monetary Fund.
18. Deepen national sovereignty and build popular social forces in our societies to confront neo-liberal forces to slow down globalisation.
19. Harmonisation of our programmes and campaign on jobs, transformation and diversifying the financial sector.
20. Continue the struggle for a strong state which intervenes and directs the economy
21. We should campaign for government to introduce a progressive tax system whereby the rich are taxed more than the poor.
22. We should demand that government make available much needed resources for the rural poor i.e. tractors, fertiliser, etc. In this regard, the Land Bank should be proactively used to assist our people in the rural areas who wish to access land and resources for productive use.
23. That we reject the notion that there are two distinct economies, recognising that it is capitalism that has displaced and dispossessed millions of poor people in South Africa.

We further reaffirm:

1. Our previous congress resolutions on the nationalisation and re-nationalisation of ownership, control, production and the proceeds in strategic resources e.g. energy, minerals and other natural resources.

We further resolve that:

1. The neo-liberal strategy to reduce corporate tax must be reversed.

Further noting that:

1. The proportion of black people in general and Africans in particular remains low in upper employment levels and categories, thus perpetuating the apartheid wage gap on the bases of race, gender and disability status.

Therefore further resolve that:

1. Education, training and skills development must be prioritised to serve as instruments for affirming the previously disadvantaged groups in the upper rungs of the employment hierarchy.

We believe:

1. That an opportunity exists for the alliance to build a broad consensus on economic strategy that will among others confront poverty, unemployment, work and job insecurity thereby advance the objective of a better life for all.
2. Freedom charter's vision on a society in which "people shall share the country's wealth" still relevant in the current socio economic conjuncture.

We further resolve that:

1. Alliance Summits must have meaning and not just be talk shops
3. There must be a research project on the Living Wage and Minimum Standards of Living (MSL) in order to determine the appropriate forms and levels of social wage including Basic Income Grant (BIG).
4. On mismanagement (e.g. the Land Bank scandal) in state-owned enterprises (SOEs) and in private companies: Top Management's assets must be attached should any of them be found guilty after a detailed forensic audit and the exhaustion of the Criminal Justice System (CJS) procedures; heavy jail sentences must also be imposed where appropriate.
5. That we should constantly reflect on the Freedom Charter and remind ourselves that the Alliance has an obligation to implement the fundamental principles of the Charter. Service delivery should be addressed in the context of the Charter that speaks of 'shared wealth' and not as if it is something that exists independently of the Freedom Charter. Government therefore has a responsibility to assist the poor and marginalised communities in our society.
6. We need an alternative to the GEAR macro-economic strategy
7. That we should learn lessons from our comrades in Latin America and adopt common positions as a means of confronting the economic crisis
8. That Numsa within Cosatu would champion a struggle for a revised macro-economic framework since no industrial strategy can succeed under the current macro-economic framework. A revised framework must be based on:
 - 8.1. A review of current fiscal and monetary policy and a reconstruction of a new set of parameters for fiscal and monetary policy.
 - 8.2. The scrapping of inflation targeting
 - 8.3. Reinstatement of exchange controls to prevent the asset-stripping of South African industry
 - 8.4. The alignment of macro-economic strategy with a people-centred industrial, agrarian and environmentally friendly policy.

9. Numsa supports the development an efficient, safe, affordable and accessible public transport system that would meet the developmental needs of the country
10. Numsa supports the government's Public Transport Strategy adopted in March 2007 which aims to transform the rail, bus and taxi system and implement networks of rail priority corridors and bus rapid transit systems in six of the country's metropolitan areas, in six other cities and in six rural districts by 2014.
11. Numsa will immediately meet with municipalities and the national department of transport to ask them to review the procurement of buses from outside the country for 2010 and instead procure locally to encourage the creation and retention of jobs.

2004: Growth and Development Summit (GDS)⁶

Noting:

1. That job creation was one of the primary objectives of the Growth and Development Summit.
2. That similar summits in the past have not yielded significant results
3. Workers contributed a day's wage to the Labour Job Creation Fund, but there has been little relief for the unemployed
4. That unemployment continues unabated.
5. That job creation is a key pillar in the 2015 plan as adopted by Cosatu at its 8th National Congress.

Resolve

1. Numsa should develop an implementation plan of all areas agreed upon in GDS on the sectors organised by us. After congress a workshop to be called for the implementation of the above.
2. Sector summit to be convened and Cosatu to ensure and coordinate their speedy convention to give effect to the agreement of the GDS.
3. All Cosatu affiliates should have a structure linked to secretariat for GDS resolution implementation.
4. To ensure accountability by employers.
5. We commit ourselves to the broad thrust of the Cosatu resolution.
6. For Numsa and the federation to evaluate whether the GDS is working in the interests of the unemployed - assess whether targets set in the GDS are being met.
7. While not forgetting macro-economic issues, Numsa, Cosatu and the SACP should take immediate steps to ensure that changes are implemented on a micro-economic level e.g. establishment of cooperatives and joint ventures with workers who are confronted with retrenchment and/or have become redundant as a result of industrial restructuring.
8. That a further round of the GDS should focus on changes in macro-economic policy as a means of addressing escalating poverty and joblessness.
9. To promote job creation, employers should stop outsourcing/retrenchment, invest in community development programmes and expand production capacity by increasing end users.
10. All agreements that are entered into with government must be gazetted.

⁶ NC 2004

2008: The Post Polokwane Conjuncture:⁷

Congress is concerned about:

1. Reiterations that there will be no economic policy change and that the macroeconomic framework Growth, Employment and Redistribution (GEAR), as having been undemocratically imposed in 1996 has benefited our country with the so-called fundamentals in place.

Noting that:

1. The macroeconomic framework has greatly disadvantaged the working class and the poor, and delivered the first decade of our democracy in economic terms to the capitalist class.

Believing that:

1. If South Africa were to make a developmental progress, the macroeconomic framework shall have to be changed

Therefore congress resolves:

1. That Numsa and Cosatu must decisively use the current space opened by Polokwane to fight for a real change of the current macroeconomic policy in favour of the working class and the poor.
2. Reaffirmed the relevance of the Cosatu project "The Walking through the Open Doors" which can be traced to Numsa January 2008 Extended NEC Workshop that called for a MERG-2-like economic think tank.
3. The internal education and research capacity of affiliates should have representatives in "The Walking Through the Open Doors".
4. Numsa must speed up the process to build its own economic policy think tank.
5. Numsa and Cosatu in collaboration with the SACP must intensify struggles of a fight to achieve a working class hegemony and political vigilance, to combat neo-liberalism in the ranks of the revolutionary movement and our society broadly, and, to advance and defend the radical nature and character of the NDR.

2008: The International Financial Crisis⁸

1. The current crises is not necessarily a financial crises - it is a deepening global capitalist crises - we need to then find the tools to deal with this crises - there is currently no coherent response to how we resolve or deepen the crises - we are an export oriented country and it will therefore hit deep in the engineering sector - the ANC need to develop a plan to say how we defend and save jobs;
2. On the control of capital liquidity we must assert that there is a failure of on the part of the Reserve Bank to control free capital flow out of our country. We need to demand liquidity control
3. The 1945 crisis was resolved was on the basis of increasing industrial capacity - budgetary priorities of the state must be about inducing demand in the economy - an expansionary fiscal policy is therefore required.
4. Capitalists in the world are in crises and are looking for governments to bail them out. We must appreciate therefore the fact that Capitalism has failed and the time is opportune to search for alternatives.
5. As an immediate response, the Cosatu short term proposals are welcomed and supported.

⁷ NC 2008.

⁸ NEC 21-22 Nov 2008

6. The trade union movement must develop one common perspective on the international developments. We must also reflect on the stance taken by our sister unions in Europe and USA because in instances of crises these Unions invariably defend their own members against international solidarity.
7. We must revive the call that “Another World is possible”. In this regard we must rally the international social movement to respond to the current developments.
8. The current crises must be used to deepen the class consciousness of the international working class.
9. Price fixing requires attention so that we address the recent tendency amongst companies that collude and fix prices.

2009: Macro-economic policy⁹

Noting

1. The legacy and remnants of Apartheid are still with us after a decade of democracy. We note the need to transform the economic accumulation path of our country as a matter of political urgency.
2. We reaffirm our view that it is not possible to tinker with the Growth Employment and Redistribution (GEAR) model but rather that it should be replaced altogether.
3. We reaffirm and call for the immediate implementation (the Central Committee must review progress on a constant basis and adjust where deemed necessary tactics in order to realise a desired economic policy change) of our 7th National Congress resolutions.

2009: Response to the global economic crisis¹⁰

On a stimulus package for the economy

1. Numsa agrees with the government’s proposed stimulus package to save jobs. Such a package should:
 - 1.1. ensure maximum local content
 - 1.2. ensure provincial governments receive equitable shares.

On bailouts for companies

1. Numsa says that all companies in distress to be bailed out by the state.
2. The state to make available credit guarantees, low interest loans, emergency bridging loans to companies
3. The state must not pay for inefficiencies.
4. Any company that is a beneficiary to a stimulus package or bailout must comply with these conditions:
 - 4.1. moratorium on retrenchments
 - 4.2. business and labour must jointly approach government
 - 4.3. information disclosure
 - 4.4. information agency to investigate if companies are deserving
 - 4.5. maximise local content
 - 4.6. report quarterly on business progress
 - 4.7. bailout must not be used for CEO bonuses

⁹ Mini NC 2009

¹⁰ Mini NC 2009

On companies facing closure

1. Government must consider taking them over
2. In companies where there is no demand, workers must be supported (financially and technically) to take over and convert them into coops or use Esops as new forms of ownership.
3. Once companies are taken over, we should discuss the role of our retirement funds in these new forms of ownership.
4. Any liquidation must perform a skills audit of its affected workers
5. Convert production and innovate where companies are failing

On using infrastructure to boost the economy.

1. Infrastructure programmes must have a localised focus.
2. This programme should be used to promote the change of ownership patterns and it should apply at all levels of government.
3. This may need the re-negotiation of trade agreements with foreign countries and bodies such as the WTO so that any changes in ownership benefit the local economy.
4. There should be a focus on rural areas so as to provide proper infrastructure including supplying tractors, seeds, water for food security
5. Road workers in these infrastructure projects must be employed by government and paid a living wage
6. National government to assess the infrastructure programmes of provincial governments
7. Beneficiaries of infrastructure projects must be local communities - no labour brokers should be utilized in these programmes
8. Shop stewards to discuss with management how private companies can take advantage of the infrastructure programme
9. Allocations from central government to provincial government for services must increase because of the expected decline in revenue from consumers because of job losses.

On short-time, layoffs, retrenchments

1. We should demand a moratorium on retrenchments. Where this is not possible the following should apply.
2. Full wages (or at least equivalent to 32 hours pay per week) guaranteed by government for those on short-time/layoffs - source funds from Setas + government injection
3. Keep people in their homes by demanding a moratorium on foreclosures (evictions), renegotiate their bonds, increase government rental housing
4. Government, Setas, UIF and tax deductions to be used to fund training for those on lay-off and short-time especially to train on hard core skills
5. Training for retrenched workers on hard core skills, especially on ABET, etc
6. Accelerate recognition of prior learning (RPL) for all workers and train to become artisans.
7. Call for facilitation from NPI once notice given on short-time.
8. Workers on lay-off to be absorbed into expanded public works programmes (EPWPs)
9. Negotiate indigent policies for retrenched workers.
10. Work Security Fund to be established across all sectors.
11. Government to assist those retrenched to set up co-ops and ensure institutional support (financial and technical)
12. Ensure obligatory disclosure of all retrenchments

On Training

1. Numsa to develop a data bank of workers who are on short-time or laid-off in each Local
2. Numsa to put to SETAs and employers our demand for training programmes for workers who are facing short-time or lay-offs and possible retrenchments
3. That such training be funded through the grants systems from the SETAs.
4. Training must include skills that are not workplace and sector specific. Given the scale of the problem, we must insist that;
 - 4.1. industries and companies that benefit from government support in terms of incentives, stimulus packages or receive funding from the IDC do provide training to their employees
 - 4.2. training centres that were closed in the early 1990s are reopened
 - 4.3. critical skills are targeted within and outside MERSETA.
5. Unions to establish and control Union technical training college
6. Revive regional accreditation centres
7. Reinstate ratio on artisan: apprentices (eg 1:4)
8. Provide incentives for employers to train

On solidarity economy and co-ops

1. Implement affordable universal health coverage
2. Speed up rollout of ARVs, employ and train more nurses, produce ARV drugs locally,
3. Government to help set up co-op support agency, community-based childcare facilities, community laundries and food programmes

On nationalisation

1. Companies threatened with closure and still viable to be taken over by government
2. Nationalise key sectors producing key raw materials eg steel, oil

On green jobs

1. Numsa to lead on creation of 'green jobs'
2. diversify on 'green jobs'
3. research funding for cleaner vehicles
4. All vehicles must be fitted with catalytic converters and produced locally to boost beneficiation.
5. Support the development of an environmentally-friendly South African car.

Social campaigns

1. Labour broking and atypical labour to be banned
2. Build a strong consumer movement to stop blacklisting
3. "Operation Open Book" - campaign for disclosure of earnings of executives including perks and demand salary cut in these conditions
4. Engage with communities eg through community general meetings and provincial MDM structures
5. Mobilise workers and communities against worst employers.
6. Numsa, working with other Cosatu affiliates eg Samwu and Satawu, will campaign against the privatisation of public transport and to persuade the incoming political administration to take immediate steps to nationalise the public transport system of the country.

7. Numsa to take up an anti-corruption campaign at all levels targeting tender practices because corruption around these processes undermines industrial growth and development.
8. Numsa to campaign for representation of labour in tender boards of parastatals such as Eskom and Transnet.
9. Numsa to lead in the prohibition of labour brokers if necessary through a national stayaway.
10. Find ways of involving our communities in our jobs campaign.
11. Together with public sector unions, fight against the granting of tenders by the provincial government to companies that use labour brokers

On Programme of Action:

1. The union to publicly state its support for the Bus Rapid Transit (BRT) system as this is in line with our demands for a public, safe, efficient and accessible public transport system. Our concerns about procurement should not be interpreted as an opposition to what are pro-worker and pro-community public transport proposals that are contained in the BRT system.
2. To call on Cosatu in the province to also publicly endorse the BRT in the context of opposition from taxi owners and drivers.
3. Plenary agreed that Cosatu should co-ordinate, and facilitate common position of Cosatu affiliates with regard to the issue of Regional Electricity Distributors (REDs).
4. Depending on the response of the municipalities to our objection to their decision to procure busses from foreign countries, Numsa to launch a programme of mass action together with communities.
5. The resolutions outlined above to be tabled in the coming Cosatu provincial congress.

...On home-owners stretched by the economic crisis

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

...On diversifying the economy

1. Move away from the domination of the minerals and energy complex
2. There should be innovation and conversion so as to shift our economy away from the production of luxury goods for domestic and foreign consumption to the production of socially useful products.
3. Numsa to audit existing proposals on possibilities of using existing manufacturing capacity to diversify and beneficiate products in the metal and related industries as a way of developing practical Numsa policies on the matter
4. In pursuit of this, the union should engage other researchers in institutions such as the CSIR and other bodies.

...On the electro-technical sector

1. Numsa to immediately meet with Department of Communications to discuss a plan to have decoders for tvs manufactured locally.

...On engagement:

With government:

1. Immediately engage with provincial/local state and regional employer bodies in Numsa sectors and try and establish a statutory social dialogue structure constituted by labour, business, community organisations and provincial government. The Premier's office must take a lead in

the establishment of such a forum.

2. Hold provincial jobs security conferences in all regions by the end of April and invite provincial and local state.
3. Explore what can be done at these levels to stem the loss of jobs.
4. Find out about public infrastructure investment programmes of provincial/local governments so that they stimulate Numsa sectors including what plans for diversification and stimulation on new sectors - eg green industries.
5. Get guarantees from provincial and local government that:
 - 5.1. in public infrastructure investment programmes, local communities are beneficiaries in terms of employment and no labour brokers are involved
 - 5.2. workers on lay-offs are absorbed into EPWP during lay-off
 - 5.3. secure indigent policies for retrenched workers
 - 5.4. it implement a policy where 10% of the total value of tenders is reserved for co-operatives
6. Engage government to train our former members on a variety of skills so that they can run worker co-operatives, in particular those co-ops that can promote food security. Provincial and state land needs to be targeted for this.
7. Engage provincial governments so that the province's housing policy ensures:
 - 7.1. that each RDP and state-subsidised house has a geyser, fridge and stove as part of the specifications. The policy will in addition to improving the quality of homes that are built, stimulate the white goods and household durables sectors of the metals industries.
 - 7.2. The minimum yard of 120 square meters for RDP houses is increased to 250 square metres in size. We must also insist that these RDP houses are fenced.
 - 7.3. Before any housing plan is approved, the proposed settlement must include provision for recreational facilities, schools, libraries and multi-purpose centres.
8. Engage the provincial government with the idea of making its procurement policies in line with objectives of job creation.
9. Numsa to undertake mass action and other forms of engagements to force government to review all procurement policies that lead to job losses and that are not accessible and transparent.
10. Engage the provincial government so that all vacancies that exist within the state are filled within the first 100 days of the new administration
11. To take up the issue of Employment Equity with the provincial government in so far as its buildings' lack of accessibility discourages people with physical disabilities from taking up employment within government.

With local government

1. The three Numsa regions whose Mayors did not come to the Jobs Security Conference must take up the issue with relevant ANC structures. The Regions must express the conference's disgust with non-attendance by the Mayors.
2. Immediately after this conference, the four Regions must meet with the Mayors from Ekurhuleni, Johannesburg, Sedibeng and Tshwane to discuss the role of local economic development (LED) strategies in job creation.
3. Numsa to put to municipal authorities how provision of service delivery is both a way to improve the lives of the communities and creating jobs.
4. Similar to what we will raise with the provincial government, Numsa will take up all the issues around procurement with the four municipalities, so that this level of government sources its supplies locally.

5. At local level, labour must be a part of local economic forums.
6. Working together with sister unions in the federation, Numsa to challenge outsourcing and fight for a living wage for all workers in the service of the municipalities
7. To take up the issue of Employment Equity with the local state in so far as its building's lack of accessibility discourages people who are physically challenged from taking up employment in municipalities.
8. Together with SAMWU, the union will discuss how labour and communities can be involved in appraising performances by municipal managers.
9. To campaign against the practice where municipalities do not refurbish their electricity assets hiding behind uncertainties caused by discussions on the establishment of Regional Electricity Distributors (REDs). In the meeting with the four Mayors, Numsa to raise the dangers of not refurbishing the electricity assets and how investment in these assets may avert the collapse of electricity distribution industry (EDI) and save jobs in electrical engineering and cable-manufacturing sectors.

With employers

1. Immediately engage with regional employer bodies in Numsa sectors.
2. Shop stewards to engage employers on their procurement policies and get them to source supplies locally.
3. Discuss with companies how they can take advantage of the public infrastructure investment programme
4. Ensure that companies take up incentives from government that already exist.
5. Set up industry policy forums (IPF) in our sectors as part of centralized bargaining.
6. Increase union capacity around IPF issues by working with government departments, revisiting our collective bargaining strategies and assuming leadership amongst the stakeholders
7. Improve communication with members around IPF issues
8. These IPFs to meet quarterly to discuss:
 - 8.1. job shedding
 - 8.2. local content
 - 8.3. energy crisis
 - 8.4. social plan
 - 8.5. dumping
 - 8.6. trade and tariffs

...On organisational issues

1. Strengthen worker solidarity with other trade unions eg through mergers
2. Develop material and then train organisers around retrenchment
3. Train shop stewards around main agreements esp on short-time etc
4. Produce pamphlets/ booklets on main agreements relating to short-time, etc provisions - as well as the dangers of taking VSPs
5. Shop stewards to report all retrenchments to locals, locals to regions, regions to BCs and HO
6. Regional bargaining councils to receive and discuss reports, complaints of investigations
7. Provide backup and resources for people involved in provincial and local initiatives
8. Build a movement of retrenched workers
9. Produce a discussion document outlining the best provisions in the main agreement

10. Amend the LRA so that Section 189A must apply to everyone

2010: New Economic Growth Path¹¹

1. The CC was happy that South Africa has at last embarked upon this debate. The struggle for the liberation of this country was fought and guided by the Freedom Charter, as a Minimum Programme. The RDP embodied a significant portion of the aspirations of the broad mass of our people.
2. Any “New Growth Path” which does not root itself in the emancipatory aspirations and principles of the Freedom Charter and take off from the RDP is bound to be read for what it is; an attempt to hoodwink the working class and the rural poor again.
3. The Central Committee strongly felt that organised labour and the broad working class need to enter the debate on the New Growth Path with the aim of ensuring that the outcomes of the policy exchanges favour workers, their families and communities
4. While the Central Committee noted targets such as the creation of 5 million jobs by 2020, the meeting felt that the New Growth Path will not meet its own targets because of the conservative macroeconomic package that the policy adopts. The fiscal, monetary and exchange rate measures in the New Growth Path will choke many of the noble objectives outlined in the document. Our experience with the Growth, Employment and Redistribution (GEAR) strategy is that any growth path must be judged not by the targets on job-creation it sets but by instruments of macroeconomic management that it adopts. Our Central Committee felt that;
 - 4.1. the fiscal policy in the New Growth Path is too restrictive
 - 4.2. there is nothing new in monetary policy proposals in the New Growth Path
 - 4.3. the exchange rate policy in the New Growth Path is illogical
 - 4.4. the macroeconomic package around which other elements of the policy are organised have the potential to undermine the very aims that New Growth Path seeks to achieve.
5. As Numsa we have serious reservations about the proposals in the document or put differently: we as a union do not endorse the New Growth Path. We are of the firm view that the New Growth Path does not:
 - 5.1. represent the interests of our members; interests of organised workers; and interests of the working class and the poor
 - 5.2. fundamentally change patterns of investment and ownership such that we could have a more equitable economy
 - 5.3. take us onto a new economic trajectory
6. Inside Numsa, we commit ourselves to the following to inform and educate our members on the contents of the New Growth Path. In this regard;
 - 6.1. We will run workshops for regional leadership on the New Growth Path in the last week of January 2011 in all our regions
 - 6.2. We will produce the first edition of *Numsa News* with an insert that compares growth path of Cosatu, the government’s document and the response produced by Business Unity South Africa (Busa).

¹¹ CC Dec 2010

New Growth Path (NGP)¹²

Noting:

1. We initially had RDP as an economic programme, which was replaced with the GEAR policy.

Believing:

1. That GEAR compromised fundamental delivery services through discouraging social spending and encouraging open free market system, inflation targeting and expensive interest rates.
2. That neo-liberal hegemony finds expression even in the current new growth path.
3. That we have areas of agreement with the New Growth Path, particularly on job creation and manufacturing.
4. The fiscal policy in the New Growth Path is too restrictive.
5. There is nothing new in monetary policy proposals.
6. That the exchange rate policy is illogical.

Therefore resolve:

1. The macroeconomic package around which other elements of the policy are organised have the potential to undermine the very aims that the New Growth Path seeks to achieve.
2. As Numsa we have serious reservations about the proposals in the document; we as a union do not endorse the New Growth Path. We are of the firm view that the New Growth Path does not:
 - 2.1. represent the interests of our members, of organised workers or of the working class and the poor;
 - 2.2. fundamentally change patterns of investment and ownership such that we could have a more equitable economy;
 - 2.3. take us onto a new economic trajectory
3. Inside Numsa, we commit ourselves to the following to inform and educate our members on the contents of the New Growth Path.
 - 3.1. We will run workshops for regional leadership on the New Growth Path in all our regions
 - 3.2. We will produce an edition of Numsa News with an insert that compares the growth path of Cosatu, the government's document and the response produced by Business Unity South Africa (Busa).

Socio-economic matters¹³

1. Workshops on the New Growth Path must be cascaded down to Regions particularly doing an analysis that makes clear the comparisons between GEAR and the NGP must be provided to enlighten and empower our Numsa shopstewards to properly engage in the public discourse. The Cosatu CEC of August 2011 must demand that government with immediate effect include the Cosatu perspective and proposals on the growth path into the New Growth Path policy of government.
2. The implementation of the national Youth Subsidy stands to benefit only the Capitalist. Numsa must be seen to provide leadership in the struggle against the National Youth Subsidy through an active campaign. The Numsa draft discussion document must therefore become our basis for the campaign against the National Youth Subsidy.
3. The Numsa CC fully supports the Living Wage Campaign adopted by the June 2011 Cosatu Central Committee. The introduction of the tollgates in Gauteng must be incorporated into the Cosatu Living Wage Campaign so that we campaign against this imposition of an additional tax burden on the working class. The August 2011 Cosatu CEC must adopt a clear programme so as to lead the affiliates in the struggle for a living wage.
4. Our struggle against the triple crises of unemployment, poverty and inequality in our country has

¹² NC 2012

¹³ CC August 2011

made us to be labeled but Numsa should continue to articulate our perspective and views on the need to resolve the triple crisis and therefore the Numsa Mini jobs conference with employers and government departments must be convened as one such platform to advance our struggle on this front. This must include a focus on regional economic development.

5. Numsa has been consistent in respect of the fight against labour brokers during our collective bargaining processes. The boardroom talks in Nedlac must now be taken to the masses so that an intensive campaign can be undertaken. We must take up a fight with the Ministry of Labour who seems not to take labour market issues seriously including occupational health and safety matters. Key in this battle must be the legacy of apartheid that continues to reside in our workplace with particular reference to employment equity patterns that show no transformation of the workplace
6. With regard to economic analysts/commentators, we must expose their class bias when they launch attacks with their utterances against the aspirations, needs and interests of the working class. In this regard we should develop a solid consistent articulation that shows the class character of these conservative economic analysts even if it means buying printing space in the media.
7. Foreign Direct Investment (FDI) such as Wal-Mart is not creating any economic growth nor creating decent jobs. The Central Committee notes with concern that there is yet another merger underway which involves Pick n Pay who is already planning to retrench many hundreds of workers. Cosatu must coordinate an intensive campaign that places the conditions upon which FDI must be allowed or disallowed.
8. Analysis of the Mpumalanga REC show that the province is number one on corruption, illiteracy and diseases but the entire provincial economy is moving from bad to worst. In this regard the national union must in their respective Numsa Regions undertake a study of the provincial economic indicators so that we may develop intervention strategies for engagement with business and government in the respective provinces.
9. Our focus should consistently be on how we control unemployment particularly amongst the youth. We must therefore in our struggle for economic emancipation deepen the international slogan from each according to ability to teach according to need. This requires that we undertake a detailed study of the joblessness and low level of skills amongst young people with a view to propose the necessary policy proposals for government, business and training institutions to take on board.

National Development Plan¹⁴

1. The adoption of the NDP is nothing but the dumping of the Freedom Charter (or replacement of the Freedom Charter) and the continuation of GEAR because the NDP entrenches the privileges of white Monopoly Capital insofar as ownership and control of the South African economy is concerned (with particular reference to land, mines, finance, etc.)
2. This is not to undermine the delegates to the ANC Mangaung National Conference but the leadership's obsession with a neo-liberal paradigm.
3. The presentation of Chris Malike was endorsed by the Central Committee as Numsa's perspective on the NDP
4. A process of popularising the Numsa NDP perspective must unfold through roadshows as follows;
 - 4.1. All nine (9) Numsa regions must launch the Numsa Political Commissions (at regional and local level) and use the Numsa NDP perspectives as a platform for the launches;
 - 4.2. Regions/Locals must convene weekly Socialist Forums wherein the Numsa NDP Perspectives

¹⁴ CC March 2013

are presented and discussed.

- 4.3. Cosatu affiliates and members of the Alliance must be invited to the Numsa Socialist Forums
- 4.4. A popular booklet (with comics, pictures, etc.) must be produced.
5. Comrade Roger Etkind must produce a summary (power point presentation) of the Numsa NDP Perspective

Socio-economic issues¹⁵

1. We must fight for the restructuring of the economy as we have a crises of accumulation
2. ANC government has no appetite to defend the economy of the country and therefore we must continue to attack neo-liberal policies as no radical transformation can happen under the ANC government.
3. SAA unveiled a new plan to run its aircraft on biofuel made from tobacco which is farmed in Limpopo. What is of concern is the fact the South Africa exports tobacco which is processed into bio-fuel and imported back into our country. If we not careful we can be taken over by Zimbabwe in terms of the economy of tobacco.
4. The ownership/nationalisation of the South African Reserve Bank must be a key platform of the Workers Party's program.
5. As previously stated, BRICS has been of no assistance to the poor and the working class in South Africa and should work for its collapse.
6. Our education system is tearing our social fabric apart. In this regard we must work with students to revive their free education campaign including the demand that the monies for nuclear energy build should be re-directed to the provision of free education.
7. A solid study and strategic program must be developed around youth unemployment and decent youth employment creation
8. A strategic program is required to redirect the role of state owned entities towards rebuilding the South African manufacturing sector
9. We must audit the austerity measures imposed by the ANC government and develop a campaigns program

Radical Economic Transformation¹⁶

1. We must expose radical economic transformation as a fake since it has does not change macro and micro economic policies and its link to the NDP – ANC economic policy must be exposed as neo-liberal and not advancing the working class interest.

National Development Plan¹⁷

1. Numsa's NDP Campaign has struck a chord in the working class
2. Our campaign for the withdrawal of the National Development Plan has awakened the working class: a number of organisations have come out in support of some or all of our perspectives. Our federation, Cosatu, joined us in being very critical of the NDP. The Gauteng Provincial Working Committee of the ANC has supported our position. The YCL has issued a statement which raises a fundamental critique of the NDP.
3. The SACP is moving from its blanket acceptance
4. The SACP leadership seems to have retreated from its initial blanket endorsement of the NDP.
5. On the one hand its latest discussion document continues to characterise Numsa as 'rejectionist'

¹⁵ CC July 2016

¹⁶ CC Dec 2017

¹⁷ NEC May 2013 Declaration

and further accuses us of 'self-dispossession'.

6. On the other hand, we recognise that the view of the SACP leadership has converged with ours in one respect. They agree with us that Chapter 3 on the Economy and employment does not reflect an appropriate strategy for the economy.
7. Where our views diverge is that for us any vision or plan that is founded on a *false economic analysis, and thus on a faulty programme* must be fundamentally and irretrievably flawed.
8. Numsa remains adamant that the NDP must go
9. We don't think it is even necessary to be Marxists, which we are, to recognise that the economy is the foundation of any National Development Plan. So if its view of the economy is wrong, we must start again. The leadership of SACP, on the other hand, seems happy to support the plan on the basis that it is not cast in stone.
10. Our question to the leadership of the SACP is this: If the fundamental chapter on the South African economy is taking us in the wrong direction, how can we accept that the plan as a whole is a good basis for discussing our future?

The NDP is a monumental error!

1. Numsa's NDP campaign has been enthusiastically received
2. The NEC received reports of the success of the Numsa National Office Bearers' NDP Road Show to its Regions and the enthusiastic response they received from Numsa shop stewards. The Regions reported that the Numsa analysis of the NDP has also been very well received by shop stewards and workers from many Cosatu affiliates outside of Numsa.
3. We will take the campaign forward
4. The NEC resolved to deepen and broaden the program of education and communication about the NDP. Workers are crying out for Numsa's explanatory booklet about the NDP. We will continue to popularize the Freedom Charter in the course of this campaign.

Panel of Socialist Economists¹⁸

1. The NEC agreed that we must bring together economists with a socialist orientation to put together our blue print for a Socialist South Africa and Zambia

Socio-economic resolutions from the 10th Congress

Noting that:

1. The world capitalist system continues to be in a long term and terminal systemic and structural crisis which is causing mass poverty, widespread unemployment, extreme inequalities and environmental destruction globally.

Recognising that:

1. At the heart of the crisis of the global capitalist system is the contradiction on one hand of overproduction, and on the other, extreme inequalities, unemployment and poverty;

Further recognising

1. How the racist white monopoly capitalist system of South Africa has so destructively responded to this crisis;

Being mindful that

1. Even without the ongoing global crisis of the capitalist system, South African racist and colonial capitalism is based on the super exploitation of black and African labour;

¹⁸ NEC February 2016

Believing that

1. There is no contradiction between international solidarity and 'buy locally', as transnational companies are exploiting workers on every continent and we confront the same capitalists and imperialists.

Confirming

1. The reality of the 4th Industrial Revolution in relation to its impact on the manufacturing sector and jobs

Exposing

1. The extreme oppression, subordination and exploitation of black women in general and African women in particular in these conditions;

Determined that

1. Numsa must move with speed to grow and defend itself, unite working class shopfloor struggles with working class struggles in the United Front, create and build a new militant, worker controlled, democratic and socialist new federation, and give birth to a mass vanguard revolutionary workers socialist party to lead the struggle for a Socialist South Africa.

Resolve as follows:

Features of the Crisis of the Global Capitalist Economy and Impact on the South African Economy and the South African Working Class:

We shall campaign for the following at the work place:

1. Campaigns that fight for the banning of Labour Brokers and change in legislation.
2. Campaigns for stricter conditions attached to the Equity Bill.
3. Formalize all companies – especially the foreign owned companies to comply to the BCEA.
4. Shop stewards should fight to be part of decision making processes in order to defend our policies and to stop management's implementation of decisions to maximise profits at expense of workers.
5. We should initiate political classes from Locals, Regions up to National level. These classes should encourage shop stewards to be able to research.

Resolutions on Labour Legislation¹⁹

1. Labour broking must be abolished completely.
2. Stricter labour legislation measures must be put on foreign owned companies.
3. We have not achieved 40 hour work in all our sectors. We need to win it in all our sectors.
4. Campaign against proposed legislation that will enforce a ballot before striking and the arbitration of strikes.

Encouraging Economic Growth and Industrialisation

1. The development of an alternative industrial policy plan to encourage job creation (sustainable), economic development and security.
2. The occupation of factories through the establishment of co-ops.
3. Campaigns against withholding of investments, tightening of exchange controls.
4. Increasing of import tariffs to the highest point of boundary rate, so that we avoid SA being turned to a dumping zone.

¹⁹ NC 2016

Improving the Conditions of the Working Class and Community Mobilisation

1. Mobilise our communities and workers through the United Front and New Federation to undertake mass demonstrations and campaigns in areas of mutual interest.
2. Need to campaign for an increase in social spending and for the improvement of capacity of state to provide its own services.
3. NUMSA must mobilize society against corruption and NUMSA must be seen to be an organisation which does not tolerate corruption.
4. We should use social media to popularise Numsa's vision and mission so that our policies and positions become embodied within society. Improve our communication strategy in order to create a genuine collective identity with a lively exchange of information and opinion with the masses, members of the union and the working class at large.
5. We must educate communities and the working class about capitalism and crisis that it imposes to the working class and the poor.
6. Convene a continental meeting where we must discuss issues of solidarity in fighting multinationals.²⁰

Transformation of South African Economy²¹

1. Radical transformation of the SA Economy , government must move away from neo-liberal policies and actively intervene in job creation.
2. Demand food sovereignty for the downtrodden in our country; the country must deal with food production, food sovereignty and energy farms
3. Support the call of land expropriation without compensation. Reaffirm all our previous resolutions on land question (EK). SA must stop selling of land to other countries.
4. To continue to demand nationalisation of the commanding heights of our economy. State intervention in the mineral sector.
5. Take the necessary steps to deal with the widening gaps of income, and lack of skills to confront the 4th Industrial revolution.

Resolution on the Living Wage Campaign²²

1. To denounce the current minimum wage of R3700-00 by NEDLAC as a modern time slavery wage. The R3 700 and R4 500 proposed as minimum wage is nothing but an insult to our people and does not even come close to what Marikana workers were massacred for. The proposed amount was our demand more than 20 years back and material conditions have drastically changed since then.
2. The minimum wage should also be extended to workers who lose their jobs due to retrenchments.
3. We need to identify through commissions the various sectors that we service and what each individual sectors' needs are in terms of salaries.
4. We believe that any minimum wage should be measured in terms of real inflation and also take into cognisance the prevailing high inequality that exists in our country.
5. We cannot dishonour the mineworkers who died in Marikana for R12500 by accepting a R3500 national minimum wage We will honour those comrades and campaign for a minimum wage of R12 500. We will fight for this on the basis that we demand a living wage.
6. We should carry out a campaign for the cutting of salaries of top officials and company CEO's.
7. Expose and enforce Section 6 of Equity Act on the Companies that practice the tendencies of the apartheid wage gap.

²⁰ NC 2016

²¹ NC 2016

²² NC 2016

8. NUMSA should occupy space on the battles of ideas that we defend the propaganda spread of saying NMW will destroy the jobs. There should be a clear differentiation of sectorial differentiations as compared to the living wage to counter the propaganda.
9. Memorandums and campaigns should be initiated to champion this struggle of the living wage.
10. Demand the complete implementation of the Freedom Charter for a better life. Section 77 dispute must be declared.
11. The research unit should develop a paper that lifts up and explains our demand of a living wage if we are to win the sympathy and support of our members and communities who may be confused by the current recommended amount.
12. Should our efforts fail, the union should investigate the possibility of taking government to the courts for violation of basic human rights.
13. This should be part of the top campaigns of the New Federation that is still to be formed.
14. Inform, educate, campaign and engage governments on demands.

Reconstruction and Development Programme

Reconstruction Accord²³

1. The house agreed that this document be adopted in principle for discussion.

Cosatu Reconstruction Accord, Amendments to²⁴

Note: Points 1 and 2 refer to the Cosatu Draft Accord. Point 3 is a new addition to this Accord.

1. Additions to the Pillars of the Accord:
 - 1.1. Land for re-distribution , housing and protect our natural resources
 - 1.2. Environment protection of the working and living environment
 - 1.3. Poverty to alleviate rural and urban poverty
 - 1.4. under the Pillar of Human Development put forward a wage strategy to cover all workers
 - 1.5. under Pillar of the Social Wage we should add:
 - 1.5.1.the pensionable age to be 55, however the person should still have the right to work and be entitled to see benefits.
 - 1.5.2.equal payment of pensions to males and females
 - 1.5.3.unemployment, social benefit fund be formulated.
2. Under Rights we should add:
 - 2.1. the right to employment
3. "Towards a democratically planned economy".
 - 3.1. Nationalisation (without compensation) of the leading heights of the economy.
 - 3.2. Fulfil the objective of providing basic goods and services to all by bringing under public control ESKOM, public transport, the Post Office and Telkom, State Forests, Municipal services, water, education, ISCOR, roads, and health (as in the policy adopted by the Cosatu Economic Policy Conference 27 to 29 March 1992)
 - 3.3. Strategic nationalisation in order to fulfil the following objectives:
 - 3.3.1.To stimulate growth both nationally and within industries
 - 3.3.2.To enable the working class to take control of the strategic direction of the economy.
 - 3.3.3. To enlarge the resources available to a future democratic state (as in the policy adopted by the Cosatu Economic Policy Conference 27 to 29 March 1992).

²³ CC March 1993

²⁴ NC July 1993

Reconstruction Accord²⁵

This Congress resolves that:

1. We agree with the Reconstruction Accord subject to the condition that the ANC achieves, in the constitutional negotiations, a bottom line of a strong and democratic unitary state based on majority rule without any minority veto.
2. We agree that Cosatu should enter into the Reconstruction Accord with other organisations and parties.
3. Parties to the Reconstruction Accord should be Cosatu and other Trade Unions, ANC SANCO, SACP and other organisations who fit the following criteria:
 - 3.1. have a history of opposition to apartheid
 - 3.2. fought consistently to unite organisations of the oppressed people
 - 3.3. have democratic practices
 - 3.4. support majority rule
 - 3.5. agree to put working class interests and issues high on the agenda.
4. After the signing of the Accord, Cosatu should monitor and assist with the implementation of the Accord. The signed Accord should be used to mobilise people to support ANC.
5. Cosatu should now look at strengthening and uniting the Working Class inside and outside the factories; in urban and rural areas. We should do this by:
 - 5.1. carrying out the resolution of our Congress to call a conference on socialism
 - 5.2. call a conference of Civil Society
 - 5.3. Look at new forms of organisation that will unify the Working Class organisations and parties to take forward a programme to implement socialism. This could take the form of a Working Class Party.
 - 5.4. Set into motion a concrete programme of action to address the needs of the unemployed and under-employed.
6. Instead of simply calling conferences, we want a mechanism to be put in place to monitor the decisions implemented after these two conferences. This mechanism must be based regionally and nationally.

Reconstruction Accord and Restructuring Industry²⁶

1. That the Reconstruction Accord and Restructuring Industry be referred to a National Policy Workshop for finalisation by the next Central Committee.

RDP Contributions²⁷

1. In the wake of there being no Trust Fund at Cosatu, it was resolved that Numsa should speedily establish the RDP Trust Fund till such time Cosatu establish one and, that Regional Secretaries should assist in collecting all RDP funds to the Head Office.

²⁵ NC July 1993

²⁶ NC 1993

²⁷ NEC July 1996

Labour Market Policy

Small Business Development²⁸

Noting:

1. Real investment in the economy is declining while profits are growing.
2. That not enough jobs are created, especially in the manufacturing sector, while the economy continues to boom.
3. That multinational capital makes available large sums of money for the development of small business projects.
4. Unemployment is rising and wages remain low.
5. Working class people are forced to subsidise or create income for themselves in the informal sector.

Believing

1. The sweat of workers is continuing to boost economic growth and create profits for capitalists.
2. That the working class is not reaping the benefits of this labour in the form of positive job creation programmes or improved social services.
3. That the capitalists and the state benefit directly from the promotion of small businesses in the so-called informal sector, because:
 - 3.1. capitalists do not have to negotiate with workers over rational programmes of job creation and investment in the economy;
 - 3.2. the development of small businesses form part of a move by capital to push for deregulation and other measures which undermine the gains made by the organised working class;
 - 3.3. multinational capital can continue to benefit from the enormous capital outflow from the country;
 - 3.4. capital and the state are attempting to divide workers, protect their own interests through creating a petty bourgeois class of small business men and women.

We therefore resolve:

1. To educate our membership around these strategies of employers, through the formal education programme of the Union and through our support of co-operative projects.
2. To demand that instead of spending money on the development of small business programmes, employers:
 - 2.1. negotiate positive job creation programmes with the Union;
 - 2.2. spend that money in consultation with the union on the training of all workers, especially women and youth, to develop their skills;
 - 2.3. to fight to stop South African capital being invested abroad.

Labour Market Policy (1996)²⁹

1. Our views

We reject the government's and business' proposals on Labour Market Policy as they advance:

- 1.1. The lowering of labour standards

²⁸ CC July 1989

²⁹ NC 1996

- 1.2. Job losses
2. **Principles of Labour Market Policy**
We believe that Labour Market Policy should:
 - 2.1. Close the apartheid wage gap
 - 2.2. Train and develop the workforce
 - 2.3. Through NEDLAC guide the impact of Public Works Programmes to ensure training in communities and job creation.
3. **Outsourcing**
 - 3.1. Outsourcing should not downgrade conditions of employment of workers in the same industry
 - 3.2. The employers should consult unions 6 months prior to outsourcing.
 - 3.3. There should be full disclosure of information.
 - 3.4. Outsourcing should not result in job loss.
4. **Labour Brokers**
 - 4.1. These should be regulated and workers in these sectors should enjoy full rights and benefits of full-time workers.
5. **Wages**
 - 5.1. Wages should be separated from productivity incentives.
 - 5.2. There should be a national minimum wage.
6. **Training and skill development**
 - 6.1. All workers should enjoy access to paid training.
 - 6.2. We support Cosatu's position on a 4% levy on companies for training.
7. **Land reform**
 - 7.1. Land reforms should promote small and medium size farmers.
 - 7.2. Farmworkers must be allowed farming and grazing rights.
 - 7.3. There is a need for a conference on rural development involving unions and non-governmental organisations. Critical to this conference would be to look at:
 - 7.3.1. Land reform and tourism
 - 7.3.2. Reforming Trust land
 - 7.3.3. The role of the Land Bank to carry out effective transformation
 - 7.3.4. Certain changes to the Constitution i.e. the property clause
8. **Job Summit**
 - 8.1. We welcome the Job Summit initiative.
 - 8.2. All parties should make their agendas public for the job summit.
 - 8.3. All parties involved in the Summit should openly declare their willingness to review the economic policy and explore on the content and where possible look for alternatives.
 - 8.4. There should be an Alliance Summit before the Job Summit where the Alliance partners should look at the content and agree on an approach.
9. **SMMEs**
 - 9.1. Government should provide incentives to SMMEs but not at the expense of workers
 - 9.2. SMMEs should be used as a tool for collective empowerment instead of self-enrichment.

10. Corporate Governance

- 10.1. We reject participation in corporate governance i.e. participation in company boards. The agenda/interests of employers is not the same as the agenda/interests of workers. In public enterprises our agenda must be to look at how we transform those companies from the bottom right to the top.

11. Public Works Programmes

- 11.1. These should be negotiated in Nedlac but with the involvement of unions organising the various sectors.

12. Wage Accord

- 12.1. Cosatu should avoid entering an accord which leads to deteriorating employment standards and wage freeze.

Areas of Focus for Trade and Industry Policies: Incentives³⁰

1. These to be re-evaluated in line with the objectives of the RDP.
2. With regard to SMMEs the following should be observed:
 - 2.1. Adherence to current labour standards
 - 2.2. Sustainable job creation and displace employment
 - 2.3. Strict monitoring mechanisms on their progress

Labour Market Policy (2000)³¹

Noting that

1. Since 1994, the labour movement has made major gains in the area of labour legislation in the form of LRA, BCEA, EEA and Skills Development Act.
2. Cosatu approached the government to close the retrenchment floods by making retrenchment an issue for negotiations under section 189. Then we would have a right to strike over retrenchment issues.
3. Section 189 is one product of the Presidential Jobs Summit
4. In the manifesto for the 1999 elections, the ANC committed itself to amending section 189 and making retrenchments an issue for negotiations.
5. Many of the proposed amendments seek to erode the gains made by labour and open up space for businesses.

This congress resolves that:

1. ANC should be pushed to comply with a commitment to amend section 189 of LRA to make retrenchment an issue for negotiations.
2. All the gains that are favourable to us should not be amended, amendments that erode gains we have made through struggle, must be withdrawn.
3. Cosatu must start political engagement with government to determine the framework to make it difficult to fire workers.
4. A Formula be found to engage one another.
5. We move for the dismissal of Cde Shepherd Mdladlana.

³⁰ NC 1996

³¹ NC 2000

Labour Market Policy (2009)³²

Noting

1. The sustained attack on workers by transnational corporations and the continuing trend to outsource and informalise our labour market (casual and temporary employment contracts) are rolling back the gains that workers have made.
2. Workers are made casuals with no legislation to protect them, they are forced to work under difficult conditions of labour brokers which is nothing else but slavery.
3. Jurisprudence (labour court judgments) has eroded labour laws, which needs to be looked at critically.
4. Regular attempts to undermine our labour relations system and collective bargaining procedures
5. Complacency to implement statutory obligations such as equity and meaningful skills programmes
6. Failure to involve workers and their trade unions in decision making
7. That many companies are using coercion to force workers to accept unfavourable employment conditions - such coercion is evident when threats are made by many companies (including TNCs) to shift their productive capacities elsewhere
8. Government's intervention strategy/policy Asgisa which is project-based, creates limited duration employment without a clear operational phase strategy.
9. That there is a view that say our country's labour is expensive when compared to other workers of the world. That CEOs earn far more than ordinary workers in the country.

Resolve

1. To invoke the provisions of Section 77 of the LRA to compel companies to comply with the statutory provisions of our labour relations system
2. Find ways of simplifying dispute procedures and monitor those companies that are frequently refusing to abide by decisions of commissioners and the labour courts, particularly when those decisions go against their own interests or when judgment is made in favour of workers
3. Blacklist companies that flout our law laws and those that use coercion to force workers to accept unfavourable working conditions and contracts of employment
4. Numsa must take immediate steps to build a meaningful relationship with workers in the informal sector and unorganized workers with a strong focus on both men and women workers that are most vulnerable and open to exploitation in these sectors. Numsa must structure a working relationship with organizations like Streetnet with a view to cementing our ties with such organizations while simultaneously building the capacity of these workers in these sectors.
5. Reinvigorate our campaigns (through Nedlac, bargaining councils and mass action campaigns in case Nedlac process is not capable) to outlaw labour brokers and temporary employment services and labour laws that are rolling back the gains that workers have made
6. Cosatu to lead an intensive campaign against casualisation and labour brokers.
7. Labour brokers must be banned within the first 100 days of the new government with appropriate legislation to give effect to this.
8. Companies who outsourced their marketing departments should be encouraged to re-insource their marketing departments so that the workers through the union could have some control on the companies' marketing strategies.
9. Asgisa projects such as call centres should not undermine collective bargaining agreements and labour laws in the name of employment creation thus widening the gap between rich and poor.

³² Mini NC 2009

10. Campaign against call centres that exploit and violate the rights of workers in such centres

Labour Brokers³³

1. Labour Brokers must be banned and we must therefore through Cosatu serve a S77 application immediately.

Supplier parks³⁴

Noting:

1. Supplier parks are a global phenomenon created by governments because of the encouragement of TNCs.
2. Supplier parks are designed to reduce the costs of TNCs doing business.
3. Provincial governments are establishing many supplier parks to attract and maintain business in their own areas at the cost of tax payers.
4. Cost of supplier parks has been relocation of businesses from communities and disruption of family life.

Believing:

1. That supplier parks are at the mercy of main companies they are supplying.
2. That issues of working hours, shifts and many conditions are imposed by the main companies thus affecting conditions and the ability of the union to improve conditions.
3. The price of products imposed on companies based in the supplier ultimately affects the wages of Numsa workers.
4. Working conditions are miserable and difficult to improve.
5. Numsa members in main companies have a false belief that they are better than workers in companies in supplier parks thus weakening solidarity between Numsa members to jointly improve conditions together.

Resolving:

1. That the unions should build strong organizations in supplier parks to counteract the miserable conditions.
2. That Numsa should build strong bonds of solidarity by forming forums between members in supplier parks and main companies through campaigns and joint actions.
3. That actions should be jointly undertaken to ensure main companies do not dump their bad dirty jobs and low paying jobs into supplier parks.
4. Special shop stewards' councils should be held in supplier parks on a bi-monthly basis.
5. Guidelines should be drafted by the union to negotiate better conditions in supplier parks.
6. Government subsidies to supplier parks should be monitored for cost to taxpayers, training and equity. Numsa should use quantitative and qualitative measurements.

³³ NEC May 2009

³⁴ Mini NC 2009

Finance Policy

Capital mobility³⁵

In response to the effects of capital mobility, the following is proposed:

1. Build and strengthen the labour movement in Southern Africa
2. Demand the representation of the federation in all multi-lateral trade negotiations.
3. Imposition of strict regulations on labour rights abusing countries.

Debt (1996)³⁶

1. We reject the obsession around the reduction of the deficit because it places serious constraints on the development of communities and the delivery of basic needs.
2. We should mobilise with other progressive political formations to scrap the “odious debt” (foreign debt) incurred by the previous government.
3. Cosatu should investigate the make-up of the internal debt. Depending on the outcome of this, we should develop terms of repayment that include:
 - 3.1. the period
 - 3.2. interest rate and
 - 3.3. evaluate the internal debt to say which of those that we should not repay.
4. Government should investigate other sources of borrowing that would not lead to an escalation of interest and also should explore creating its own institutions of borrowing.

Debt (2000)³⁷

Problem Statement:

1. The reduction of the “odious debt” incurred during the apartheid regime places serious constraints on the development of communities and the delivery of basic needs.
2. Debt should not be prioritised at the expense of social delivery. In the current Budget 2000, 19% goes towards servicing the Debt which takes away money for social expenditure e.g. Education.
3. This obsession that the government has with the deficit reduction is a huge obstacle in the delivery of social services.

Therefore resolve:

1. We reject the obsession around the reduction of the deficit because it places serious constraints on the development of communities and the delivery of basic needs.
2. We should mobilise with other progressive political formations to scrap the “odious debt” (foreign debt) incurred by the previous government.
3. Cosatu should investigate the make-up of the internal debt. Depending on the outcome of this, we should develop terms of repayment that include:
 - 3.1. the period
 - 3.2. interest rate and
 - 3.3. evaluate the internal debt to say which of those we should not repay.
4. Government should investigate other sources of borrowing that would not lead to an escalation of interest and also should explore creating its own institutions of borrowing.

³⁵ NC 1996

³⁶ NC 1996

³⁷ NC 2000

We further resolve:

External Debt

1. Numsa to develop a programme and table it at Cosatu for an international campaign against *“The odious debt”* (Foreign Debt) incurred during the apartheid regime.
2. That the internal debt be revised in terms of changing the public service pension fund to a pay-as-you-go system from a fully paid fund.
3. A People’s Budget should be drawn up to address this problem.

Implementation Plan

1. Immediately after the resolution is adopted, Cosatu must set up a co-ordinating committee at National, Regional and Local level for publicity purpose and mobilisation of members.
2. Media coverage to be stepped up locally and internationally.
3. We must support the world campaign by Jubilee 2000.

Banks³⁸

Noting

1. Banks are not competing but colluding against the working class and the poor in this country hence banks own all cars, houses factories and buildings.
2. Absa is now a foreign owned institution.
3. The state is not willing to nationalize these banks for fear of disinvestment by foreign trans-nationals.

Resolve

1. That the state must establish its own bank bringing together the land bank, post bank and development finance institutions that it already owns together with commercial banks to break the monopoly of the South African banking institutions.
2. The mandate of this bank will be to address the issues of transfer of ownership of property in SA.
3. That the state must tax foreign banks like ABSA thirty percent of their profit including taxing another ten percent of any one million leaving our country to go off shore.

Fiscal and Monetary Policy

Taxation - Principles of the Tax System (1996)³⁹

Numsa believes that:

1. The tax system is still highly inequitable.
2. Demands for the reduction in corporate taxes are based on the false assumption that South African companies actually pay high rates of tax.
3. A thorough ongoing review of the taxation system should be based on the following principles:
 - 3.1. All taxes should be progressive (low for the poor, high for the rich)
 - 3.2. Sufficient resources should be available for the efficient collection of tax;
 - 3.3. The system should allow for effective exemption for unemployed, as well as those who receive disability and social pensions;

³⁸ Mini NC 2009

³⁹ NC 1996

- 3.4. Zero rating for basic commodities;
- 3.5. All citizens should be registered for tax purposes;
- 3.6. pension and provident funds should be exempt from tax at retirement;
- 3.7. Effective fringe benefit, luxury, and capital gains taxes;
- 4. Should there be no serious attempt to redress the inequities of the tax system then Numsa calls for a major campaign of all civil society bodies and the alliance on tax.
- 5. We support the proposal by Government that any SMME which obtains a contract in the public sector must be registered with the Receiver of Revenue.
- 6. We urge investigations into how a health card which would give access to basic health services and would be accompanied by proof of lodgement of tax returns, or the registration with the Receiver of Revenue as earning insufficient to pay tax, could assist with widening the net of tax revenue.

Tax (2000)⁴⁰

Problem Statement:

We are moving further away from the vision of the RDP, i.e.

- 1. Corporate taxes were lowered
- 2. The poor still carry the burden of high taxes - this is a regressive and not a progressive tax system.
- 3. Taxes for lower income groups should be decreased further, whilst higher income groups increases.
- 4. Budget allocations must learn and address the social needs of the poor, especially in the rural communities.
- 5. The recent budget reduced taxation on individuals, but it still favours the rich more than the poor.
- 6. The Medium Term Expenditure Framework (the budget) is not benefiting us as workers.
- 7. The capital gains tax that has now been introduced is not sufficient.
- 8. There has been no real elimination of poverty, low wages and inequality in wages.
- 9. Women, particularly those in the rural areas have been negatively affected.
- 10. Poverty is the single greatest burden on South Africa's people and is the direct result of the apartheid system. Numsa and Cosatu must declare that "Poverty is a crime against Humanity".
- 11. The government, instead of increasing social spending, is spending money to service the internal and external debt. Furthermore the government taxation system is the highest in the world and does not take into account that it hits the poorest of the poor.
- 12. The government economic growth and investment strategy was doomed from its inception and government does not want any assistance from its allies.
- 13. Government spend billions of rands to buy arms to maintain an army which is not needed, and the government's role as Africa's peace maker contributes to the budget deficit and primary deficit.
- 14. The problem is that we are asking what the government can do for us but what we can do for the government.
- 15. Instead of jobs being created they continue to be destroyed as a result of the global pressure and capitalist agenda of reducing costs.

⁴⁰ NC 2000

16. That business propaganda has created a false impression/assumption that companies are over taxed.

Therefore Resolve:

1. Pension and Provident Funds should be taxed progressively at retirement, i.e. exemption for workers and tax the rich accordingly.
2. An investigation to be launched in terms of the evasion of tax by all companies and that all possible loopholes be closed.
3. Increase corporate tax and introduce capital gains, luxury taxes
4. Tax exemption of basic necessities,
5. Introduce progressive tax - tax the rich more and the poor less
6. Numsa and Cosatu affiliates to campaign for a progressive income tax system and place a demand at NEDLAC.
7. A thorough ongoing review of the taxation system should be based on the following principles:
 - 7.1. Sufficient resources should be available for the efficient collection of tax;
 - 7.2. The system should allow for effective exemption for the unemployed, as well as those who receive disability and social pensions;
 - 7.3. All citizens should be registered for tax purposes;
 - 7.4. pension and provident funds should be exempt from tax at retirement;
8. Should there be no serious attempt to redress the inequities of the tax system then Numsa calls for a major campaign of all civil society bodies and the alliance on tax.
9. We support the proposal by Government that any SMME which obtains a contract in the public sector must be registered with the Receiver of Revenue.
10. We urge investigations into how a health card which would give access to basic health services and would be accompanied by proof of lodgement of tax returns, or the registration with the Receiver of Revenue as earning insufficient to pay tax, could assist with widening the net of tax revenue.

Fiscal Policy (2004)⁴¹

Noting:

1. We reaffirm the last congress resolution on fiscal policy.

Therefore Resolve:

1. Labour should campaign and engage government for the introduction of a progressive tax system that is aimed, inter alia, to relax heavy tax burden at retirement (Pension & Provident Fund).
2. Labour Brokers and Small Micro and Medium Enterprises contracted in the private sector must also be closely monitored and ensure that they are registered with the Receiver of Revenue and comply with Collective Agreements in their respective industries.
3. We reaffirm the previous congress resolution (on tax) and we should implement it.

⁴¹ NC 2004

Fiscal Policy (2009)⁴²

We reaffirm and call for the immediate implementation of our 7th National Congress resolutions as follows.

1. Labour should campaign and engage government for the introduction of a progressive tax system that is aimed, inter alia, to relax heavy tax burden at retirement (Pension & Provident Fund).
2. Small Micro and Medium Enterprises contracted in the private sector must also be closely monitored and ensure that they are registered with the Receiver of Revenue and comply with Collective Agreements in their respective industries.
3. We reaffirm the previous congress resolution (on tax) and we should implement it.

We further resolve that:

1. A Reconstruction Tax of 1% of Annual Turnover to be imposed by Government on Business (Companies).
2. Taxation on retrenchment packages should be reduced.
3. Abolish taxes on provident and pension funds
4. Congress also resolved that workers are overburdened during this time of economic crisis and should not be called upon to make further contributions as they did in response to the call by President Mandela at the Presidential Job Summit in 1998.
5. Push for a progressive counter-cyclical expansionary fiscal policy. We need to assess the 2009/2010 budgets of provincial governments and what they say on job losses and distressed sectors

Fiscal Policy (2012)⁴³

Noting:

1. The existing resolutions of Numsa and the fact that they adequately address our concerns
2. The lack of monitoring and assessment of provincial and local budgets.

Therefore resolve:

1. To continuously assess the budgets of provincial and local government every year, and what they say on job losses and distressed sectors.

Fiscal Policy⁴⁴

1. Tightening of exchange controls and stricter regulations around capital flight.
2. Business tax must be high and used to subsidise struggles of the working class, such as the #FeesMustFall campaign.
3. Improve on tracking on business avoiding paying tax to the revenue services. Demand an investigation on the illegal outflow of billions of rands that are kept off shore without being declared to SARS for tax purposes

⁴² Mini NC 2009

⁴³ NC 2012

⁴⁴ NC 2016

Monetary Policy (1996)⁴⁵

Monetary policy as instrument

1. We note the importance of monetary policy as an instrument to drive economic policies and delivery of social services.

Gear

We reject GEAR's provisions as:

1. They advance high interest rates.
2. They advance a one-sided approach on cutting down inflation.
3. they encourage us to consider a mythical notion that the lack of investment in South Africa is the result of non-saving.

Reserve Bank

1. We remain committed to government control over the Reserve Bank in the long term.
2. In the short term:
 - 2.1. Cosatu should agitate for the changing of the Reserve Bank Act in such a manner that elected representatives can have influence over the policies and measures taken by the institution.
 - 2.2. Cosatu explores the possibility of a policy of differentiated rates so that projects that are benefiting the people and labour intensive industrial development communities are not prejudiced or made impossible by the policy of high interest rates. The Government and its institutions are to look at a broader approach to fight inflation and desist from using the blunt instrument of high interest rates to fight inflation.
 - 2.3. Such measures should include:
 - 2.3.1. A broader approach to fight inflation without compromising collective bargaining
 - 2.3.2. Price controls
 - 2.3.3. Subsidies on basic needs
 - 2.3.4. An industry policy to stimulate the productive capacity of the economy

Financial Sector And Other Intermediary Financial Institutions (e.g. Commercial banks, JSE, Unit Trusts, Mutual Fund etc)

Noting:

1. The role that these institutions play in monetary policy
2. The role that they play in job-creation and the whole economy.
3. The gaps in Social Equity on measures to be taken on these institutions.

Therefore resolve:

1. Cosatu to commission an investigation on measures that can be taken to regulate the financial sector in a manner that will lead to:
 - 1.1. the sector contributing to reconstruction and development
 - 1.2. make it accessible/affordable to the majority of our people (the working class and the poor)
 - 1.3. the sector to redistribute their wealth and invest in the productive section of the economy.
2. The report of this commission to be used as a basis for intervention.

⁴⁵ NC 1996

Exchange Controls

Noting:

1. The abolition of controls on non-residents in 1995.
2. The ongoing relaxation of controls on SA residents and domestic capital.
3. The effect that the relaxation is having on jobs and the local economy.

Therefore resolve:

1. That as a matter of urgency, Cosatu should meet with the relevant government departments/the Alliance to put its position on the effect of the measures on our people.
2. For Cosatu in this meeting, to call for the review and stopping of the planned programme of relaxing controls on residents (including domestic capital).
3. Cosatu to inform the public at large about the consequences of such measures.
4. That Cosatu commissions a study on what the impact of relaxing controls on non-residents has been on job creation.
5. That such a study will form a basis of intervention on controls on non-residents.

Exchange rate policy

Noting:

1. The way in which the fluctuation of the rand affects local industry and jobs
2. While it is important to take measures at a national level there is not much we can do about this at a national level.

Therefore we resolve:

1. Cosatu must link up with fraternal organisations around the issue of an equitable world monetary system.

Monetary Policy (2004)⁴⁶

Noting:

1. GEAR and government's practices focusing on phasing out exchange control, high interest rates, vulnerability of the rand, and defending foreign exchange reserves, will undermine productive economic activity.

Resolve:

1. That as Cosatu we need to establish how far we are with engagement on our short-term demands.
2. Government and institutions such as the Reserve Bank need to be engaged through campaigns in order to broaden their approach in fighting inflation and move away from narrow and blunt usage of high interest rates to fight inflation.
3. We reaffirm the previous congress decision and we should implement it.

⁴⁶ NC 2004

We reaffirm and call for the immediate implementation of our 7th National Congress resolutions as follows.⁴⁷

Noting that:

1. GEAR and government's practices focusing on phasing out exchange control, high interest rates, vulnerability of the rand, and defending foreign exchange reserves, will undermine productive economic activity.

Thus resolve:

1. That as Cosatu we need to establish how far we are with engagement on our short-term demands.
2. Government and institutions such as the Reserve Bank need to be engaged through campaigns in order to broaden their approach in fighting inflation and move away from narrow and blunt usage of high interest rates to fight inflation.
3. We reaffirm the previous congress decision and we should implement it.

Further noting that:

1. The Reserve Bank of South Africa uses interest rate adjustments to stabilise inflation regardless whether the causes for increase in inflation are external such as surges in oil prices; this has disadvantages on the working class and the poor.

Resolve that:

1. Price stabilisation measures must be reviewed and different instruments be explored.
2. Cosatu must make use of the 'Walking through the Open Doors' to engage progressive experts in responding in favour of the working class and the poor how inflation must be handled.
3. SARB to lower interest rates to create employment.
4. There should be a review of the independence and mandate of the SA Reserve Bank. The State to take control of the SARB.
5. The state should intervene meaningfully.

Monetary Policy (2012)⁴⁸

Noting that:

1. The South African Reserve Bank is privately owned and influences the Monetary Policy Committee to adopt pro-business interest rates, culminating in the working class being reduced to the working poor and unable to afford basic necessities.

Believing that:

1. Our resolutions and actions are still relevant and should be taken forth aggressively.

Therefore resolve:

1. To reaffirm our position that the SARB should be nationalised and that its scope should be further expanded to include job creation.
2. That as Numsa we must revive our campaign against the Reserve Bank as nothing has drastically changed in its orientation since our last intervention.

⁴⁷ Mini NC 2009

⁴⁸ NC 2012

Reserve Bank (2000)⁴⁹

Problem Statement

1. Reserve Bank remains independent and continues to influence interest rates.
2. Interest rates are still too high and determined by market forces.
3. Reserve Bank introduces inflation targeting and sets new goal to promote economic stability
4. Governor of Reserve Bank establishes a Monetary Policy Forum for stakeholders to share ideas on monetary policy.
5. SARB regulator of money supplies and demand, lifting of exchange control result in capital flight.
6. High interest rates have a negative impact for lower earners and the poor.

Therefore Resolve

Reserve Bank:

1. We remain committed to government control over the Reserve Bank in the long term.
2. In the short term -
 - 2.1. Cosatu should agitate for the changing of the Reserve Bank Act in such a manner that elected representatives can have influence over the policies and measures taken by the institution.
 - 2.2. Cosatu explores the possibility of a policy of differentiated rates so that projects that are benefiting the people and labour intensive industrial development communities are not prejudiced or made impossible by the policy of high interest rates.
 - 2.3. The Government and its institutions are to look at a broader approach to fight inflation and desist from using the blunt instrument of high interest rates to fight inflation.
3. Such measures should include:
 - 3.1. broader approach to fight inflation without compromising collective bargaining
 - 3.2. Price controls
 - 3.3. Subsidies on basic needs
 - 3.4. An industry policy to stimulate the productive capacity of the economy.

Numsa and Cosatu should develop a document that explains the differences between Core Inflation and Consumer Price Index (CPI).

Further resolves that:

1. The establishment of the Monetary Policy Forum by the Governor of the Reserve Bank must not deter the progressive labour movement from its efforts to have the Bank placed under government control.
2. Cosatu must continue to challenge the government and the Reserve Bank on high interest rates and the South African Reserve Bank's obsession with inflation targeting as a means to position South Africa globally.

⁴⁹ NC 2000

South African Reserve Bank (2010)⁵⁰

The CC noted Numsa's campaign for the SARB to adopt measures to address economic imbalances in our country which includes the aggressive lowering of the interest rates and the nationalisation (public ownership) of the SARB.

The CC noted that:

1. Neither Cosatu nor the SACP has taken further the demands to change the mandate of the South African Reserve Bank;
2. Our campaign did not end with the change of the Reserve Bank Governor

The CC resolved that:

1. Numsa must take up the campaign with or without the involvement of Cosatu and the SACP.

Inflation targeting⁵¹

Problem Statement

1. Inflation levels should not be considered in isolation, variables such as interest rates, employment, productive investment and nominal GDP, should also be looked at. Crucial to the viability of an inflation targeting approach will be the inflation level targeted, which should be appropriate for development and Job Creation.
2. How effective will Cosatu be in challenging the restrictive monetary policy of the Reserve Bank given the fact that the federation has failed to stop the Bank from implementing "inflation targeting"?

Therefore Resolve

1. There must be negotiations around inflation targeting with Reserve Bank, civil society, Cosatu and business.
2. If negotiations fail, Cosatu must place a demand at Nedlac.
3. Targeting should not hamper development or repress wage settlement.

Exchange Control⁵²

Problem statement

1. The resolution did not attempt to find ways in which Cosatu and Numsa can influence the exchange rate policy.
2. Minister of Finance announces further relaxation in exchange controls; increases amount that one may take out of the country.
3. No control on capital outflows

Proposed Resolution

1. Cosatu to engage government to come up with the negotiated proposals.
2. Cosatu to pressurise the Government for the review of exchange control.

⁵⁰ CC Nov 2010

⁵¹ NC 2000

⁵² NC 2000

Trade and Industry Policy

Trade and Industry Policy Framework (1996)⁵³

1. Numsa believes that to reconstruct and develop the economy requires an interventionist state especially with regard to industry and trade policy.
2. It dismisses “GEAR” as being inappropriate to address the socio-economic and political ills of apartheid industrial policy.
3. We reject free market purity in favour of interventionist policies. But we do not want the removal of market forces altogether. Market forces on their own will not build internationally competitive industries and they will not always work in the national, social and economic interest. For example, market forces may not see the value in generic education and training but rather favour expenditure on narrow short term task-specific skills. An interventionist approach could employ taxation sticks and incentive carrots to encourage industries to invest in education and training.
4. We have to move our industry policy away from the bias towards commodity production to a strategy for the development of more high value-added products for both domestic consumption (import replacement) and exports. Numsa believes that current strategies (e.g. cluster studies, Spatial Development Initiatives (SDIs)) place too much reliance on existing commodity and semi-processed raw material production as the basis of industry policy. This is particularly important as the continuing support and extension of these industries (e.g. the new Iscor plant at Saldanha) encourages capital intensive production rather than labour intensive production.
5. We will argue out our interventionist policies in NEDLAC’s Trade and Industry Chamber. It will also have to do some hard thinking about which sectors offer long term growth potential and which ones don’t. There are some areas where the high skill, high wage scenario cannot survive and it will be necessary to develop adjustments for those industries or sectors. Some of these sectors employ Cosatu members so our attitude will have a direct effect on their employment.
6. South Africa’s economy and particularly its labour market are impossible to separate from the Southern African region. Since the election of a democratic government, our regional neighbours are complaining more and more that their less protected industries are swamped with products from South Africa. There is no value for South Africa in destroying the regions’ industries as they will eventually be unable to pay for South African imports and our industries will suffer.
7. Instead we should see the region as the greatest long term potential as a market for South African goods and services. However it will remain potential for as long as it is economically underdeveloped. In the development of the Southern African economies we should not only rely on private investment but also use the potential for collective action by public enterprise (e.g. transport, utilities) to increase regional economic growth.
8. In developing sectoral industry policies we should be conscious of the potential for co-operative development particularly in those industries that our cost structure cannot sustain. Japan’s use of its Asian neighbours represents a useful, if not always savoury, model of this process.
9. Practically for Cosatu this means a greater emphasis on our international activity in our region.

⁵³ NC 1996

Numsa Trade and Industrial Strategy (2005)⁵⁴

Numsa CC Meeting - 3 August 2005, adopted the following Numsa Trade and Industrial Strategy.

Background

1. Numsa aims to develop a relevant and informed industrial policy position paper which will serve to guide the union in its interactions with other relevant stakeholders. The importance of developing a comprehensive industrial policy in the context of the current economic environment in South Africa cannot be emphasised enough. In as far as an industrial policy serves to initiate and co-ordinate the activities of government, with the ultimate aim of leveraging the productivity and competitiveness of the economy to higher levels, there needs to be critical intervention from all stakeholders.
2. It has become critical for direct interventionist policies in determining the path of economic growth in South Africa. Market forces on their own will not build internationally competitive industries and they will not always work in the national, social and economic interest. For example, market forces may not see the value in generic education and training but rather favour expenditure on narrow short term task-specific skills. An interventionist approach on the other hand could employ taxation sticks and incentive carrots to encourage industries to invest in education and training.

Vision

1. We have to move our industry policy away from the bias towards commodity production to a strategy for the development of more high value-added products for both domestic consumption (import replacement) and exports. Numsa believes that current strategies (e.g. cluster studies, Spatial Development Initiatives (SDIs)) place too much reliance on existing commodity and semi-processed raw material production as the basis of industry policy. Continuing support and extension of these industries encourages capital intensive production rather than labour intensive production.
2. The export-led growth and economy strategies that have been followed by the government have failed to respond to local needs but focus too narrowly on exports. Emphasis on government policies, through for example the Motor Industry Development Programme, should be centred around local needs such as the need for a sustainable and adequate public transport system.
3. One of the most important determinants of economic growth should be the increase in domestic market and domestic demand. Both government and industry should propagate policies that boost demand for goods produced and provide support to those who are supplying those goods.
4. The existing structure of wealth and ownership is greatly distorted and at best totally unsustainable. South Africa remains as the most unequal country in the world in terms of income inequality and wealth distribution. Greater efforts than those that are currently in place are needed to address this anomaly. More emphasis needs to be placed on the implementation of broad-based BEE and land reforms.
5. There needs to be sustainable job creation and retention. Both the problem of employment as well as that of the working poor should be addressed. Emphasis should move away from focusing on the shortcomings of labour legislation towards use of other policy instruments to create employment e.g. the investment of state in labour intensive public infrastructure development

⁵⁴ CC Aug 2005

Trade Regime Policies

1. Trade policy should be driven by a strong industrial policy; trade agreements should not impact negatively on our industrial aims but rather be informed and guided by a strong industrial policy that is already in place.

Import Tariffs

- 1.1. The ongoing reduction of import tariffs has brought about the increase of cheaper imports from abroad, more specifically from China and India. This increase in imports has the effect of harming local manufacturers as can be seen with the crisis in the local textiles sector. Keeping in mind South Africa's obligations in terms of WTO agreements, there should be a balanced approach to trade negotiations where we can make concessions on non-sensitive industries while ensuring that our vulnerable industries are protected.

Demands on tariff regulation

- 1.1. The existing tariffs should be modified along the following lines:
- 1.2. The tariffs for sensitive industries should not be reduced at a rate faster than required by the WTO obligations;
- 1.3. Where tariffs in the industry have been reduced faster than the WTO obligations, we demand that they be increased, for targeted products, within the parameters of international obligations;
- 1.4. Concrete social adjustment programmes to transfer workers into new jobs must be introduced if tariff reduction would lead to retrenchments;
- 1.5. Alternatively, where raising tariffs is not possible, we are proposing that safeguard tariffs should be introduced for an appropriate number of years on specific targeted products and sub-sectors that are experiencing hardship.
- 1.6. The Board of Trade and Tariffs must fast-track regulations to enable the adoption of safeguard measures for targeted sub-sectors of the industry.

Non-tariff Barriers

- 1.1. The biggest threat to fair trade with our trading partners at the moment is the existence of non-tariff barriers erected by these partners. The barriers make it difficult for South African companies to penetrate international markets and thus contribute negatively to the growth of exports.

Demands around non-tariff barriers

- 1.1. Government must actively work to eradicate all non-tariff barriers affecting our local industries in foreign markets.
- 1.2. Alternatively, government must introduce non-tariff barriers to protect local industries against rising cheap imports.

Customs and Excise

- 1.1. There is an alarming increase of illegal imports finding their way into our economy. These imports pose a serious threat to the continued growth of our industries and the job security of workers. Measures should therefore be put in place by the government to ensure that such imports do not enter the country. More specifically, government should build and strengthen the capacity of the customs and excise authorities so that they are better able to effectively deal with the increase in illegal imports. Furthermore, there is a growing

problem of dumping of goods by foreign companies into this country. This poses a serious threat to the growth of the affected industries. The current investigation procedure is lengthy and costly for local companies and often the local company goes under, before evidence of dumping can be established. The government should therefore strive to strengthen the capacity of the Board of Trade and Tariffs to effectively and speedily investigate dumping when it is reported by labour and business in the industry.

The DTII's Incentive Schemes

1. The Department of Trade and Industry's incentive schemes have not proved adequate enough to deal with obstacles to investment. Government incentives are not linked to sectoral strategies that would plot a way forward for economic development and they do not consistently support labour intensive growth or improved training. Most firms in the sector, especially the downstream sector do not utilise the incentives mostly due to lack of information about the incentives available as well as the lengthy procedures involved in accessing the schemes. The failure of local companies to utilise the measures is undermining the growth of the sector.

Demands around incentives

1. The incentives should be designed to support labour intensive growth and encourage investment;
2. The incentives must be linked to job creation
3. The incentives should not only be geared for exports, but should also focus on promoting local production
4. Government must make the incentives accessible to many potential beneficiaries in the industry by ensuring that they are marketed effectively

Investment Trends

1. Investment has not led to job creation. 80% of foreign direct investment (FDI) between 1994 to 1998 was 'portfolio' investment (investment into company ownership through the buying of shares on the Johannesburg Stock Exchange). Only 8% went into increasing manufacturing capacity; More than 2% of the 8% manufacturing investment went to the engineering sector. Most of these investments came about through mergers, acquisitions and alliances. Locally, there has been an investment strike. For example, GEAR predicted:
 - 1.1. Real private sector investment would be 13.9% in 1999. In actual terms, it went down by 4.4.%
 - 1.2. Investment in the engineering sector has also declined and this is captured by this graph showing capital expenditure.
2. Instead of the development and expansion of manufacturing capacity, more and more plants are being converted into warehouses for cheaper products coming from foreign countries. Some of the licensing agreements that are entered into between local and foreign companies create dependency of the local firms on the foreign company for their skills and technology. These foreign companies however do not allow these advantages to be transferred to the local companies, nor do they create research and development capacities locally.

Demands around Investment

1. An investment code for local and foreign companies intending to invest in the local economy must ensure that the investment flowing into the country assists the development of the

industry in real terms rather than destroying it. This objective can only be attained if the following regulatory criteria are fully met by the investors

- 1.1. To ensure technology transfer;
- 1.2. To ensure training and skills transfer;
- 1.3. Stimulate local research and development;
- 1.4. Ensure use of local suppliers (i.e. ensure local content);
- 1.5. Build local companies (i.e. production) to achieve independence
- 1.6. Where local companies want to access incentives from government departments, these must only be made available if the investment complies with criteria detailed above.
- 1.7. A tripartite body must be created to vet whether the companies that make investments follow these criteria.
- 1.8. To reduce the harmful effects of speculative investments, if companies want to make short-term investments, then a certain percentage of the money must be put into government bonds.
- 1.9. Proudly South African companies should be supported

Development of Strong Local and Regional Demand

1. Efforts centred around encouraging local content as well as other measures such as the Proudly South African campaign to ensure that there is an increase in local demand should be encouraged. Demand-led growth is a viable tool for economic growth and more measures should be put in place to effect this.
2. Furthermore, South Africa's economy and particularly its labour market are impossible to separate from the Southern African region. Since the election of a democratic government, our regional neighbours are complaining more and more that their less protected industries are swamped with products from South Africa. There is no value for South Africa in destroying the regions' industries as they will eventually be unable to pay for South African imports and our industries will suffer. Instead we should see the region as the greatest long term potential as a market for South African goods and services. However it will remain potential for as long as it is economically underdeveloped. In the development of the Southern African economies we should not only rely on private investment but also use the potential for collective action by public enterprise (e.g. transport, utilities) to increase regional economic growth.

Black Economic Empowerment

1. The Black Economic Empowerment Commission in its report broadly defines black economic empowerment as "an integrated and coherent socio-economic process within the context of the national transformation programme which is aimed at redressing the imbalances of the past by substantially and fairly transferring the ownership, management and control of South Africa's financial and economic resources to the majority of its citizens" (BEECom Report, 2001). The objectives of BEE may also be defined in terms of how the ANC measures the success of BEE as set out in their 2002 conference resolutions. Five indicators are used:
 - 1.1. Ownership
 - 1.2. Operational participation and control within firms
 - 1.3. The transfer of skills to blacks, particularly in senior positions
 - 1.4. The contribution of firms to employment creation; and
 - 1.5. Whether schemes lead to an overall reduction in poverty and income inequality.
2. In 2003 the Department of Trade and Industry released a document outlining a strategy for BEE. This strategy is underpinned by four key principles, namely that BEE is broad-based; is an

inclusive process; is associated with good governance; and is part of South Africa's growth strategy (DTI, 2003). Most recently (December 2004), the Department of Trade and Industry has released a draft document titled, 'The Codes of Good Practice on Broad-Based BEE'. In essence, this draft document serves to define and clarify what broad-based BEE is and also sets out the guidelines to be followed in the application of the BEE-scorecard.

3. Given the fact that no BEE charters exist as yet in the automotive, motor and engineering sectors Numsa will have to position itself as the advocate of campaigning for such charters. Furthermore a comprehensive strategy will have to be developed to guide Numsa's position on the matter of BEE. A research study is currently being undertaken aimed at investigating the practice of BEE in the sectors within which Numsa organises.

SMME Development

1. The small business sector in South African is highly diverse not only in terms of structures and problems but also growth potential and access to support. This diversity applies not only to the different economic sectors but also to the various stages of growth of these enterprises.
2. Reasons have been put forward as to the positive role SMMEs often play in economic development in general. Firstly, small businesses tend to use capital effectively. They are also able to produce a variety of goods or services at relatively small levels of output. Secondly, SMMEs serve as both a pillar for local entrepreneurship and an engine of growth. For many, the ability to provide an income, no matter how basic, for themselves and their dependants contributes to their level of dignity and self-worth. SMMEs are generally more labour-intensive and use predominantly local resources therefore becoming very effective employment creators. The process of starting a small, medium or even micro-sized business not only provides a reasonable starting point for self-employed entrepreneurs but also contributes to integrating the informal and semi-formal sectors into the formal sector.
3. The benefits of a burgeoning small business sector are especially relevant to the current economic situation in South Africa. Given this country's legacy of big business domination, constrained competition and unequal distribution of income and wealth, the small business sector is seen as an important force to generate employment and more equitable income distribution, to activate competition, exploit niche markets (both internally and internationally), enhance productivity and technical change, and through all of this stimulate economic development. Furthermore, given the current phase of fundamental structural changes that are rendering the formal economy unable to absorb the increasing labour supply, and social support systems that are grossly inadequate, the small business sector plays a crucial role in peoples' efforts to meet their basic needs. This applies especially to marginalised groups such as the female-headed households, disabled people and rural families. Perhaps more significantly, experience has shown that in the past black people have been able to make far greater progress in the micro- and small-enterprise segments of the economy than in medium-sized and larger enterprises. Thus, the SMME sector provides, despite all its impediments, a highly effective vehicle for black economic empowerment (Government Gazette, Ministry of Trade and Industry, 1995).

Demands around Support Measures for SMMEs

1. The banking sector can be encouraged to be transformed to support SMMEs, and co-operatives by ensuring that:
 - 1.1. Banks are regulated to relax their lending practices towards SMMEs, Co-ops and the poor;
 - 1.2. Banks make finance available at lower interest rate to the poor and the SMME's and Co-ops.
 - 1.3. Banks are transparent in their lending practices

- 1.4. Government puts in place legislation on community investment, prescribed assets, co-operatives and co-operatives banks
2. Public financial institutions such as Development Bank of Southern Africa, Khula, Ntsika, the Land Bank, and IDC should be strengthened, especially their developmental role and their assistance to SMMEs and Co-ops.
3. The IDC should re-orientate its investment assistance from bigger upstream projects to smaller downstream projects in the economy

Competition Policy

1. Any effective industrial strategy developed should be linked to sound competition policy. Competition should not be used just as an instrument to control the functioning of large firms but to ensure change in the economic structure of the country and increased access to economy for all
2. To labour, any competition policy should not lead to job losses, down-grading of labour standards and deterioration of social welfare. Furthermore it will be a fundamental part of a successful trade and industrial policy to ensure that competition policy serves to effectively monitor the activities of conglomerates especially in so far as they have an impact on the creation and retention of jobs in their industry.
3. Competition Policy is set to play an influential role in Numsa's sectors given the presence of large conglomerates such as Mittal Steel as well as the ongoing investigations around the issue of car pricing in the automotive sector.

Procurement Policy

1. Government procurement refers to how and from whom government buys. Government buys approximately R56bn of goods per annum so procurement can be a major source of demand in an economy. But current government policy only binds national government departments to adhere to its procurement policy.
2. State owned enterprises and provincial and local government appear not to be using this strategic instrument for the benefit of the local economy and its people. So a growing chunk of government's procurement spend is now going to foreign companies instead of local industries. As a consequence, South Africa's engineering sector is facing a variety of serious problems that may affect its transformation, growth and ability to create quality employment. These problems include:
 - 2.1. Resistance to "local content" and the "voluntary nature" of procurement policies
 - 2.2. Rise of imports into South Africa's market;
 - 2.3. Informalisation and outsourcing; and persistence of "fronting" by companies
 - 2.4. Abuse or wrong definition of application of black economic empowerment.
3. Preferential procurement is intimately linked to the proliferation of BEE in our economy and should be encouraged not only for government agencies but also for companies operating in the private sector. Industry Charters should be more firm around matters of preferential procurement and issues of cronyism between white suppliers and company buyers as well as the issue of fronting should be investigated and dealt with effectively.

Pricing of Raw Materials

1. For most companies in the engineering and components sectors, steel is their largest raw material input. This is mostly caused by import parity pricing. Import parity pricing is a practice adopted by firms of linking the selling price of their products with, or fixing them at, the same level as the import price of that product. Import parity pricing undermines beneficiation and also

fabrication (i.e. the last phase of production in the value chain) of raw material. Import parity pricing has also raised the barriers to entry for the small and medium enterprises (SMME), and co-operatives, thus stifling the growth of the sector. The suppliers of raw material provide export rebates to exporters of downstream metal products. However, these discounts do not apply to other downstream producers. Lack of such support, for example, has constrained the growth of an intermediate component industry.

Demands around import parity pricing

1. Import parity pricing must be corrected. This problem can be effectively addressed if one of the alternative proposals is implemented:
 - 1.1. Prices should be adjusted down to a level suitable for the local market.
 - 1.2. Primary and processing producers must increase their discounts and cash rebates
 - 1.3. Primary and processing producers must increase their cash rebates officially;
 - 1.4. If the import parity pricing is not removed, a windfall tax should be instituted, where companies are taxed 90% of their profits. The revenue generated should be used to aid the companies that are negatively affected by the import parity pricing.

Research and Development

1. The lack of research and development capacity is preventing the sector from becoming an effective manufacturing base that fully beneficiates and fabricates our raw materials down the value chain. Furthermore inadequate research into the characteristics of our sectors in those countries with which we compete for trade opportunities hinders our ability to negotiate favourable terms of trade.
2. In the instances where research is carried out it is more often than not irrelevant and incomplete in as far as it addresses the concerns of organised labour with regards to employment creation and retention.

Demands around research and development

1. Establish a research body consisting of all stakeholders which will facilitate the sharing of information and the consistent evaluation of the areas of industrial policy that need research input.
2. Sectors with the most potential for growth and in which South Africa has a comparative advantage should be identified and funding from institutions such as FRIDGE should be used to explore ways in which these industries, especially those in the infant stages, can be nurtured and stimulated to increase their growth potential so as to facilitate increased employment in such sectors.
3. Substantial research should be carried out prior to trade agreements being negotiated. This research will identify the strengths and weaknesses in our various sectors and help us develop appropriate offensive and defensive strategies which will protect our economy.

Skills and Training

1. In spite of the high rate of unemployment in our country, there is a shortage of skilled operators and artisans in our industries. Government and the private sector have not been able to provide adequate skills training to workers who are in need of such skills.
2. Furthermore, there continues to be a situation where workers on the shopfloor are given irrelevant and incomplete training which centres purely on their current job while management

spends most of the training budget on expensive courses that have no contribution to the increased productivity of the company.

Demands around skills and training

1. Companies should implement the procedures laid down in the Skills Development Act.
2. All skills and training should be linked to grading and South African Qualifications Authority (SAQA).
3. Quotas for skills and training to companies should be implemented on a yearly basis.
4. The skills levy by companies to the Manufacturing, Engineering and Related Services Seta (MERSETA) must increase from the current 1% to 3-4%.
5. The Skills Development Act (SDA) must be amended to give it more teeth. The Act must enable the Department of Labour to send inspectors to companies not paying the levy and those that are paying, but are not claiming the grants. The inspectors should also visit the plants to verify whether companies are training their workers
6. Where companies are not implementing, the Skills Development Levies Act should be amended to allow for fines, jail sentences or other penalties to be imposed.
7. Companies who make use of labour brokers and contract labour services must be responsible for providing skills training and development to workers provided by such brokers and contractors;
8. The Department of Labour must increase its human resources in order to adequately enforce or monitor the implementation of the Employment Equity Act (EEA).

Local Content

1. State owned enterprises (SOEs) and other government structures consistently hesitate to introduce and enforce "local content" provisions in their tender documents and procurement policies. They have been able to do this because of the "voluntary nature" of the procurement policies - procurement policies are selective in their application. Government and SOEs' procurement policies appear to be based on cost alone and ignore other factors such as job creation, local content, quality and tax. Furthermore, there is no uniformity on procurement policies in all organs of the state, including local government, SOEs and statutory commissions, which undermines some of the stated key objectives (i.e. promotion of development and transformation of the country's economy) of the national government's procurement policy.
2. Although procurement alone cannot be blamed for the continuing loss of jobs in the industry, the shift to buying products externally has added to job losses.
3. On another level, several companies in the metals and engineering sector face closure due to the issue of scrap metal producers and distributors refusing to meet local demand and exporting their goods. Local companies who utilise this steel for their operations have been failed by **thedti** in as far as their plight has not been given the appropriate attention it deserves. **thedti** should finalise its scrap metal policy as soon as possible in order to ensure that these companies do not close down and jobs are not lost.

Environmental Considerations

1. The state of the environment has a substantial impact on the sustainability of both our economy and our livelihood. For too long now, workers have been exposed to the adverse effects of production on their safety and health as well as damage to their surroundings. Companies cannot be allowed to plunder resources indiscriminately and pollute the environment without sufficient and constant regulation.
2. It is therefore essential that any efforts undertaken with regard to strengthening industrial policy should ensure that all necessary environmental concerns are taken into consideration.

Support for SMMEs, Co-Operatives and Black Owned Businesses⁵⁵

1. Co-operatives must be established. A person must be deployed to co-ordinate this work. This is a standing decision of the CC. We will have to reflect on this deployment after receiving the finance report as the finances require us to downscale our staff. However taking forward co-operatives has become an urgent need given the high levels of unemployment and as part of building the solidarity economy. This is one possible way the union can intervene within its own constraints. We will try to establish this desk and ensure that they are not set up for profit but for ownership by members
2. Co-operatives must function in collaboration with existing movements
 - 2.1. Transform and support SMME's to sell NUMSA regalia
 - 2.2. Support Black Owned Companies
 - 2.3. Establishment of Incubators to develop and skill for the creation of income generating businesses, especially for retrenched workers and pensioners. Must lean towards manufacturing companies
 - 2.4. Redeploy a staff member at Head Office to focus on establishment of cooperatives in the locals and regions as a way of building alternative solidarity economy within the constraints of the capital system.
 - 2.5. Numsa Investment Company to assist workers post retrenchment with setting up of cooperatives.

Pricing of raw materials⁵⁶

Believing that:

1. The pricing of raw materials is a major restriction on the ability of high value-added industries to become internationally competitive. e.g. the price of Iscor's steel for a local manufacturer is 60% higher than if the same manufacturer were to buy Iscor steel in another country. Government can change this both through its ownership (IDC) and policy approaches such as;
 - 1.1. import/export controls on strategic materials (energy, steel etc.)
 - 1.2. costs and efficiency of transport (rail, road and shipping policy) and communications,
 - 1.3. design and environmental regulations,
 - 1.4. exploration permits and mineral and energy policy,
2. Infrastructure development will have a major impact on both basic living conditions and foreign exchange earning industries, particularly tourism.
3. Government's interventions should be biased towards the satisfaction of the basic needs of our people.

Import parity pricing:⁵⁷

We reaffirm 9th Cosatu National Congress resolutions as follows.

Noting that:

1. Import-parity pricing by monopolistic producers is stifling the growth of downstream manufacturing in South Africa and pushes up the prices of low-cost housing, food and medicine.

⁵⁵ NC 2016

⁵⁶ NC 1996

⁵⁷ Mini NC 2009

2. The unregulated export of scrap metal also deprives local producers of needed inputs.

Therefore this Ninth National Congress resolves:

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

On Sasol and the oil price⁵⁸

Noting

1. The biggest impetus to the increase in the inflation rate in April came from the petrol price.
2. The international oil price is undoubtedly the main factor pressing domestic inflation including food prices although other factors like price fixing by the retailers and competition from bio-ethanol are involved.
3. There is a threat of further 1 to 1.5 percentage points rates hikes which will further impoverish the working class and erode economic growth.
4. Increasing imports of food result in the pricing of local grain at international prices, a practice known as “import parity pricing”.
5. Sasol produces about 4 500 barrels of oil per day, which is about 23% of the country’s liquid fuel requirements.
6. Sasol is allowed to practice import parity pricing.

Believing

1. The government can be induced to implement a combination of measures to reduce South Africa’s dependence on imported oil such as making South Africa more energy efficient.
2. Reducing dependence on imported oil will impact positively across the economy in terms of creating jobs and promoting economic growth in a sustainable low interest rate environment without the tedious cycle of boom and bust driven by dependency on imported oil and its impact on the price of every commodity.
3. Government takes about R25 billion in revenues from the fuel tax.

Resolve

1. That Sasol should be nationalized.
2. Outlaw import parity pricing in South Africa generally and make Sasol’s oil in particular available to South Africa at a reasonable price.

⁵⁸ Mini NC 2009

3. Reduce the tax burden on fuel. At present 27.9% of the pump price of fuel is direct taxation via the fuel levy, however the total tax burden in the price of fuel is 40% once customs duties and other charges are included.
4. Government to lead a drive to convert to solar heating for hot water in all existing domestic and industrial users via generous tax rebates. This could reduce the amount of oil the country (ESKOM) imports to cope with peak demand times

Pricing and local content⁵⁹

Noting:

1. The high price of raw materials and commodities is a major restriction towards meeting the basic needs of our people.
2. The rise of cheaper imports is encouraging people and local companies not to buy local products.
3. Since the drastic reduction of import tariffs the manufacturing industry has witnessed the rise of cheap imports that are harming most local companies.

Resolving:

1. To call upon Government to regulate the pricing of locally produced raw material and commodities.
2. Buy South Africa products - the campaign must be intensified to improve quality of the products, to ensure satisfaction of consumers.
3. Revisit the tariff of imports - to protect local products and economy.

Kumba vs. Arcelor Mittal (AMSA):⁶⁰

1. The CC noted that In relation to the recent Arcelor Mittal and Kumba, the Numsa leadership has engaged government and management of both companies to find a resolution to this dispute not at the expense of our poor workers who are Numsa members. Since this intervention there is now a settlement between the parties.
2. The General Secretary furthermore provided the following details in relation to the subject matter;
 - 2.1. There is still an outstanding meeting between Numsa and Num as a result of the economic task team discussions on the above issue. We don't want to be used by one of the parties against each other.
 - 2.2. We know that mineral rights expired. They were given to a company called ICT. There has been arbitration processes. Kumba lost the arbitration but they have remained firm that they will not continue to honour the agreement.
 - 2.3. In terms of the old agreement they gave AMSA on the basis of cost + 3%.
 - 2.4. After Kumba made it clear that they were not going to give in, AMSA have said publicly that they will be closing down Saldanha plant. Cde Bafana approached the Secretariat during wage negotiations issue saying that they (AMSA) are going to close Saldanha. We told him that it is time for wage negotiations and that we do not think that we must buy in to propaganda - what is due to workers, is due to workers. And that the employer must not bring this dispute into negotiations.

⁵⁹ NC 2004

⁶⁰ CC July 2010

- 2.5. We went public to hit them hard about the threat to close Saldanha. We are not saying that Kumba is right.
- 2.6. Kumba gave us a detailed report saying that AMSA would not have arisen if it had applied for mineral rights. They said that they had sensitized AMSA - they own 76% and AMSA 21,4%. They are mining to give 6% of their production to AMSA.
- 2.7. They went to AMSA and offered to help them apply for the rights. AMSA said they didn't need any help.
- 2.8. We put a question to them: dispute between Kumba and AMSA - our interest is maintenance of jobs.
- 2.9. They said 'we are reasonable', they will supply at 50 dollars a ton for Saldanha and 80 dollars a ton for the rest of the plants.
- 2.10. Our involvement as Numsa suggests that we pull together a team of experts and role of those companies is to open their books. Even at 100 dollars AMS will still get a profit. If that is the case, lets work together with government and get them all to open their books to consider economic viability.
- 2.11. We smell corruption which we must get to the bottom of it. There is still an outstanding meeting with the minister and Numsa.

CC decision:

1. Numsa condemns and reject the unilateral announcement by Arcelor-Mittal to close the Saldana plant as a result of their dispute between them and Kumba as noting but an untimely provocation. Numsa won't allow a situation where metalworkers will be victims of undemocratic management prerogative.
2. In the context of the current dispute the Numsa CC renewed the call for the ANC government to renationalize Arcelor-Mittal and mines. Numsa further condemns the fact that our economy is vulnerable and can be held hostage by inter-capitalist rivalries over the distribution of profits, with the result that workers suffer.

Competition Policy⁶¹

1. To labour, any competition policy should not lead to job losses, down-grading of labour standards and deterioration of social welfare.

Competition commission⁶²

Noting

1. White monopoly capital is still dominating the South African economy.
2. That 75% of the economy is in the hands of a few whites.
3. That liberation without the economy returning to the hands of the majority poor of our country is shadow of the liberation.
4. Increase of prices globally is affecting our country's poor.
5. Limitations of power from the commission to act on the companies.

Resolve

1. Empower the Competition Commission to increase penalties on those Companies that are operating unethically.

⁶¹ NC 1996

⁶² Mini NC 2009

2. The above behavior (Collusion) by these Companies should be **CRIMINALIZED** and CEOs to be jailed and blacklisted.
3. Competition Commission under review to deal with Eskom and other like-minded businesses.
4. Pass legislation that would enable the State to take over liquidated companies especially white goods manufacturers.
5. Work with the PIC so that through its ownership it effectively nationalises particular institutions.
6. The State to assist in managerial capacity in strategic companies that are in trouble financially through National Productivity Institute (**NPI**).
7. Maintain that the Freedom Charter is the guiding document together with the RDP on economic development and wealth distribution.

Competition Act⁶³

Noting:

1. In terms of the above act, with regards to small establishments or firms, when there is a merger or one firm acquiring another, the Competition Commission does not have to be notified and consultation with trade unions is not compulsory.
2. That consultation happens only in the big firms if there is public interest.
3. That trade unions only have five (5) working days to notify the Competition Commission of their interest in a large merger.
4. That when foreign companies like Wal-Mart acquire companies in the country, the Competition Commission has a limited role to play.

Therefore resolve:

1. That the Competition Commission must be notified of any merger or acquisition irrespective of the size of the deal.
2. That notification for trade unions to participate in the acquisition or merger process in terms of section 13a must be extended to at least 14 working days, which will give trade unions enough time to prepare and participate meaningfully.
3. That the Department of Economic Development must intervene when large foreign companies acquire South African firms. A study group must be set-up to assist the Competition Commission to not rely only on statements by acquiring and acquired firms.
4. That in the event there is a merger of companies there should not be any job losses regardless of how big or small the merger is.
5. That the Commission must be given powers to investigate whether any job losses took place pre-merger in preparation for the merger, and if this is the case, must make it a condition of the merger approval that retrenched workers are reinstated.
6. That the Competition Act must be amended to make it mandatory that no retrenchments take place in any acquiring company for at least 5 years after the approval of the merger.
7. That NUMSA must campaign for the President to effect the promulgation of the Competition Amendment Act which seeks to set harsh penalties for contraventions to Competition Policy without any further delays.

⁶³ NC 2012

Special Economic Zones⁶⁴

Noting:

1. That in January 2012 the Minister of Trade and Industry tabled the following documents for public comment
 - 1.1. Special Economic Zones Policy
 - 1.2. Special Economic Zones Bill
2. That the policy document defines Special Economic Zones (SEZ) as 'geographically designated areas of a country set aside for specifically targeted economic activities which are then supported through special arrangements (which may include laws) and support systems to promote industrial development'.
3. That a similar reference is made in the *Bill* under Section 20 wherein the Minister 'may, after considering the recommendation of the Special Economic Zones Board, designate an area suitable for the development of a Special Economic Zone, *with or without conditions* by notice in the *Gazette*'.

Believing:

1. That the timing of the policy document and Bill coincides with the release of the ANC research document on State Intervention in the Minerals Sector (SIMS) which calls for the establishment of SEZ's pilot or Beneficiation Hubs to attract investors and create jobs by giving investors *a degree of flexibility and protecting workers rather than jobs ...* through a Retrenchment Safety Net Fund (RSNF) that would pay workers 90% to 70% of their salary for 3 years, provide training for eligible retrenched workers in new skills and that these workers would then be prioritised for any new job vacancies in the Hub.
2. That both the SEZ policy document and the Bill, in its current form, could potentially undermine the rights of workers to decent work in these zones and threatens job security.
3. That there should be more clarity from the Department of Trade and Industry. We have reservations about the definition in the policy document and the same applies to the Bill wherein the Minister of Trade and Industry may designate a SEZ '*with or without conditions*'.

Resolve:

1. That NUMSA reject the Bill in its current form.
2. That the NUMSA Research Department examine the Bill in more detail and submit a response to the DTI outlining our concerns before the Bill is hurriedly passed through parliament.

Trade Policy

Tariff Reduction and Trade Barriers⁶⁵

1. Tariff reduction without supporting policies in affected sectors leads to job losses.
2. We object to the government's rapid reduction to the agreed time frames.
3. We therefore call for an immediate moratorium on any further reductions particularly those sectors that are geared towards the support of the RDP.
4. We call for the setting up of a tri-partite forum funded by the IDC to do an audit of the effects of tariff reductions on particular sectors or industries and make proposals to renegotiate the

⁶⁴ NC 2012

⁶⁵ NC 1996

agreement with WTO. This forum should also investigate how foreign policy impacts on those trade agreements.

5. We support the proposal by Cosatu for the replacement of GEIS with a National Restructuring Fund that assists companies to address the fundamental problems of uncompetitiveness in the areas of education and training, technology upgrades and work organisation.

Trade and tariffs policy:

1. Review and revise tariffs to protect industry especially our manufacturing base and increase tariffs to maximum possible under WTO
2. Numsa to urgently identify product lines that need to be moved from applied to bound rates
3. Export finance to be made available outside of the auto sector
4. Prevention of dumping.
5. Aggressive drive against illegal trading and counterfeit goods that stifle economic growth and development.
6. Government must be transparent in Trade Agreement (TA) processes and respect the imperative of employment creation and protection in deciding to enter into such agreements.
7. Renegotiate agreements that the country has entered with foreign countries/capital so that the world trading system is fair and balanced.

Customs and Excise⁶⁶

1. We are experiencing job losses through illegal goods entering our markets and the dumping of goods on our markets. These institutions are still managed by corrupt officials from the old guard.
2. We therefore call for the restructuring of these institutions to reflect the population and conform to the need of our economy.
3. We also call for the replacement of corrupt officials and the setting up of a monitoring structure with labour representatives.
4. Structures in government eg. Board of Trade and Tariffs (BTT) must be strengthened to ensure proper monitoring of dumping by overseas companies in South Africa. Any such dumping should be reported to the WTO to ensure that it does not take place again.

WTO trade negotiations⁶⁷

1. Numsa support the current Cosatu position as set out in the Annotated Secretariat report to the Cosatu CEC.

WTO, NAMA & the Social Clause & IMF, WB⁶⁸

Noting

1. Doha round is 7 years old and developed countries continue to stall the process of these negotiations.
2. The reluctance by developed countries to stop the subsidization of their agricultural products.
3. That WTO negotiations will have a far-reaching impact all over the world but labour is still excluded from these negotiations.
4. That social clause or labour standards have not been agreed to or form part of the agenda.

⁶⁶ NC 1996

⁶⁷ NEC Nov 2008

⁶⁸ Mini NC 2009

5. That attempts are being made by the World Bank and the WTO to resuscitate the collapsed talks and put negotiations back on the track.
6. IMF & WB continue promoting the interests of multinational companies and promote policies of privatization, stabilization, free movement of capital, etc. Gear is a product of these institutions.

Believing:

1. That rich northern countries continue to impose their neo-liberal policies by calling for increased tariff reduction under the guise of market access for agricultural products.
2. That the so-called attempts to boost market access under the guise of a developmental agenda that would benefit developing countries is nothing more than a sham to sell neo-liberalism and rupture the relationships amongst developing countries
3. Transnational companies continue to blackmail governments to lower labour standards in return for investments.
4. That wholesale liberalization of the market cannot be acceded to by developing countries like South Africa as it can lead to an unprecedented collapse of our industries and the worsening of the already unacceptable unemployment levels.

Resolving:

1. NAMA under its current form or as envisaged by the developed countries remains rejected until demands by developing countries are met.
2. That Numsa and Cosatu must ensure that the country's trade negotiators remain steadfast with the positions of NAMA.
3. That South Africa must avoid being dislodged from countries that are defending and demanding the right to protect their industries through the use of tariffs; even if so called *flexibilities* from the WTO stand to benefit our industries, we must be cautious not to alienate ourselves from the poorer developing nations of the world and work towards
 - 3.1. building solidarity against the might of the rich northern countries, the G8, EU, etc.
 - 3.2. South Africa must use the space created by the collapse of the WTO talks to reignite and solidify its international trade position with all stakeholders at NEDLAC, including community based organizations, social movements, the unemployed and informal workers of our country.
4. Government should develop an alternative strategy on tariffs, eg raising selected tariffs to the WTO binding rate for SA so as to build and protect the South African manufacturing industry.
5. That Cosatu and Numsa should continue campaigning against countries violating labour laws and using child labour.

Trade Policy⁶⁹

1. We should develop an anti-dumping campaign against imported products. The first CC after Congress to put together a programme and budget.
2. We must demand that the government impose high import duties as means of discouraging cheap imports which have caused the collapse of our industries and resulted in massive job losses.
3. Research should be conducted on export data (we should be able to compare with other countries).

⁶⁹ NC 2016

Industry Policy

Columbus and Alusaf⁷⁰

The Central Committee notes that:

1. Billions of rands of public money and tax money are being invested in mega-projects, including the Columbus and Alusaf projects.
2. These investments have been justified mainly by the job creation which is predicted as a result of the projects.
3. The direct job creation by these projects is small. Only about 3000 permanent jobs will be created by the two major projects together. There is very little evidence to suggest that the projects will result in substantial job creation from downstream production. There has been no information made available showing that downstream production is planned. Instead the corporations which own the mega-projects simply say that "The market will provide". The experience of South Africa suggests very strongly that the market will not automatically create downstream jobs. Numsa does not believe that a substantial number of jobs will be created downstream.
4. A large number of jobs could be created in South Africa in the construction of these mega-projects. It is alarming to note that the major orders for plant have been placed with overseas suppliers. Although billions of rands of public money are being invested, the Government has made no stipulation that there must be offsetting or local production. Numsa does not object to the placing of orders offshore where the necessary standards cannot be attained by SA industry. However, there are many firms in SA which can certainly attain the necessary standards for component production for the plant. It appears that Davy International has placed component orders in the UK, with the possible creation of up to 20 000 jobs. A large proportion of the jobs should be created in SA.

The CC therefore resolves that:

1. Government must immediately place a requirement on Columbus and Alusaf that 70% of the value of major project orders which are placed overseas must be offset i.e. 70% of the total value of such offshort contracts must be spent in South Africa.
2. Production which is sourced in this way in SA must comply with the required quality standards. SA has many companies which have the capacity to produce to the standards, for instance in control automation, instrumentation, communication, heavy engineering etc.
3. The offsetting arrangements must be published for public scrutiny, because huge amounts of public money are involved.
4. Numsa will ask for an urgent meeting with the Minister of Trade and Industry to convey this resolution.

Local content⁷¹

1. An Industrial Policy must have a local content provision in the final product.
2. We reject the current relaxation of local content provision as it has led to the collapse of the white goods sector and the envisaged telecommunication agreement with AT&T.

⁷⁰ CC March 1993

⁷¹ NC 1996

Encouraging Local Production and Local Procurement⁷²

1. Workers should lobby and support the Proudly South African brand by supporting more local companies and buying locally produced goods.
2. Strict enforcement of localisation and local procurement regulations particularly for automotive sector and capital build projects

Importation of second hand minibuses (1)⁷³

1. The meeting noted seriously a great concern from T&GWU, DTI and SATACO that the union is no longer participating in their meetings since the departure of comrade Tony Kgobe to the Numsa Investment company. The reason for the union withdrawing its participation it was because of the decision in the 1999 NBC to oppose the importation of second hand minibuses and the campaign to buy local goods.
2. The meeting disagreed completely with the initiative taken by T&GWU, DTI and SATACO because it contravenes Cosatu Congress resolution on buying local goods and there is fear that that the same initiative might lead to job losses. The deal is there between the stakeholders but the union is constrained by job losses in the whole importation of second hand minibuses.
3. They have targeted Lesotho to be the assembly point. The other impasse issue in the deal is around tax public transportation and the Cosatu congress resolution on buying local goods. There is also an element of black empowerment and privatising public transportation. In KwaZulu/Natal, there is Umthombo Investment Company that will sell minibuses cheaper and other components. The problem is that the Nissan assembly plant is closing but when the Minister of Transport was approached on the nature of the company, he acknowledged using the closing department. One plant in Brits will be up in selling the second hand minibuses. Initiatives have started in KwaZulu/Natal. We must take into cognisance the Cosatu congress resolution on buying local goods. NOB's find a way that whatever produced must be within the ambit of buying local goods.
4. We need more information on buying local goods in relation to the initiatives made by T&GWU, DTI and SATACO. Our engagement must underpin the research by NALEDI and the ERPU, implications to tariffs structure, buying local products that discussed in relation to the position of the DTI to engage previous role players but the approach informed by job losses, tariff structures guided by Cosatu resolutions.
5. The engagement should be regionally and nationally. We need a flow of information on two pronged engagements accompanied by research at the federation level and in our ERPU. Make sure that when there are manufacturing companies established in different regions, there is proper information flow to the Head Office because there is a tendency from the government to create jobs in one sector and destroy jobs in the other sectors.

Importation of second hand minibuses (2)⁷⁴

1. The NOB's further reported that the discussions on the minibus importation are continuing. The current state of affairs there are two organisations meeting the government on the same issue related to minibus importation. Among the two organisations, one is a component of black empowerment group that has recently been formed. They are requesting Numsa to have shares in their company.
2. The Central Committee resolved that the issue on the three year agreement in relation to the issues under deadlock must be thorough discussed in the Auto National Shopsteward Council on

⁷² NC 2016

⁷³ NEC April 1999

⁷⁴ CC June 1999

the 30th June 1999. The NSSC fully discuss a strategy on the interpretation of the minutes to counter employers silly strategy.

3. The meeting further resolved not to support the idea on minibus importation and principle proposal for the union to accept shares in their company because it will undermine the existing jobs . Also agreed to engage the stakeholders consistently so that they understand the implications of the importation of goods. To seriously raise the issue in the Cosatu congress, as to effect discussions around the privatisation of the public transport system in South Africa. The meeting agreed to vigorously defend jobs of workers.

Industrial policy:⁷⁵

Noting:

1. Jobless growth that could likely enter a period of decline as the present global structural and systematic capitalist crisis deepens.
2. The building of a domestic market was compromised by the ruthless pursuit of foreign direct investment (FDI), a strategy that has turned out to be flawed as foreign investors attach strings to investment; among others FDI has largely been motivated by a search for short-term profits and has gone into new work practices, acquisitions and mergers, etc.
3. The power of capital remains largely unchecked with price fixing, import parity pricing (IPP) and import penetration that are stifling economic development and destroy local jobs respectively.
4. Illegal trade and counterfeit goods impact negatively on the labour market and our economy generally.
5. In the absence of a coherent and integrated industrial strategy that cuts across all sectors and regions to also address unequal development between rural and urban, the fragmented strategies currently adopted appear to be mainly about making it cheaper for business to do business.
6. Land redistribution and agrarian reform are not adequately covered by National Industrial Policy Framework (NIPF), leading to a lack of focus on agricultural transformation and advancement in particular small scale agricultural production.

Believing that:

1. There is a need for an active industrial strategy that requires active state intervention on behalf of the poor and the working class and democratic participatory planning.

Therefore resolve that:

1. Demand the scrapping of discriminatory pricing that undermines the growth of downstream industries
2. Increase local content to 75%
3. Increase local production and reduce reliance on foreign direct investment (FDI)
4. Source funding for research and development from government
5. Numsa to demand that the South African Bureau of Standards (SABS) should ensure that products that are imported comply with specific standards required.

On participation by Numsa:

1. Strengthen Numsa participation in DTI structures and increase our intellectual capacity
2. Explore ways of communicating more effectively with members in the industry

⁷⁵ Mini NC 2009

3. Increase the involvement of our auto shop stewards in MIDP/MIDC
4. Consider entering into contracts with government departments and labour service institutions with a view to:
 - 4.1. strengthening our ties and networking
 - 4.2. initiating internships and/or exchange programmes to increase our negotiators capacity
 - 4.3. any transfers to these institutions:
 - 4.3.1. must include transfer of skills and knowledge
 - 4.3.2. the person must come back to Numsa and serve out his/her contract.
5. Government must tightly regulate capital flows and restrict speculative investment with a goal to eventually eliminate such.
6. Numsa to employ a parliamentary officer whose primary task will be to advise the union on new socio-economic legislation and how the union should respond to it; the Central Committee (CC) to adopt a job description and package for the parliamentary officer.
7. The union must hold a quarterly review/engage vigorously with the Trade and Industry (DTI) and government industrial policy around products that affect the sectors where Numsa is involved and ensure that it nurtures the metal industry and is beneficial to the people of South Africa as a whole.
8. Numsa must further put in place practical mechanisms to monitor both quantitative and qualitative changes (e.g. employment trends such as retrenchments and changes in the nature of employment such as casualisation and short-term contracts) with regards to employment in all employers and sectors where it organises.
9. We need to revive the economic sub-structures (e.g. research and development groups (RDGs)) in order to interact effectively with policy work.
10. Numsa to embark on a programme that will ensure that employers improve quality, take up existing government incentives, embark on research and development (R&D) and innovate.
11. Encourage companies to export and apply for export incentives.

Further resolve to struggle for a vibrant industrial strategy characterised by the following features.

1. Transformation of production, ownership and control patterns in the economy in the interests of the working class and the poor in line with the Freedom Charter's call that the people shall share the country's wealth.
2. State intervention in favour of the working class and the poor.
3. Emphasis on downstream industries and small scale agricultural production which includes co-operatives.
4. Strengthening of competition laws to impose heavy fines and to bite.
5. The reversal of colonial, apartheid, neo-liberal, dependent development trajectory.
6. Adequate balance between industrialisation on the one hand and agriculture and rural development on the other.
7. Local content promotion.
8. Government to introduce a heavy tax on scrap metal exports.
9. The promotion of investment in the productive sectors of the economy rather than speculative financial markets.

Industrial Policy⁷⁶

1. We need a strategic engagement in respect of industrial policy and development and therefore we should first have an internal session before we invite Minister Patel for an engagement
2. Encourage more research and development for cutting edge programmes and funding of research institutions.
3. Developmental pricing on strategic inputs needs to be imposed to protect our manufacturing sector.
4. On the issue of robotics, we need to have laws that make sure that mechanisation does not result in displaced workforce and increased unemployment, should also monitor technological advancements in workplace and identify retrenchments taking place due to increased mechanisation.
5. Through the New Federation and United Front, Numsa should engage in a robust campaign to enforce the private sector to invest internally in manufacturing capacity in order to benefit, boost and stimulate the economy.
6. Resources must be put into the revamping of the country's infrastructure. This should lead to the creation of job opportunities and the demand for construction goods.
7. A new approach in dealing with plant relocations must be developed. We must improve international relations (Sub Saharan Africa) with TU's in partner countries in relation to plant relocations.

Scrap Metals⁷⁷

1. Current regulation on scrap need to be enforced so that the recycling of scrap takes place in South Africa and enables the continued sustainability of smelters and foundries.

Africa: Beneficiation / industrial policies in the continent⁷⁸

Noting:

1. That Africa relies on minerals and oil which its boom is short term
2. Reliance on minerals and oil is not good because their prices are controlled by major investment banks at international level as they impact on the input cost of major TNCs.
3. That governments in Africa have not done much to build the manufacturing industry.
4. That mineral prices are controlled in Western capitals to reduce costs.
5. That most African governments have no industrial policies in place.
6. Extraction of mineral and oils have benefited few people and have not been ploughed back into the economy or communities.

Believing:

1. That manufacturing creates sustainable value for economies and employment
2. That we cannot rely on minerals and oil that will run short in years to come
3. That Nepad recognizes the role manufacturing should play in the revival of the African economy but has not put any extensive plans to achieve that goal.

Resolving:

⁷⁶ NC 2016

⁷⁷ NC 2016

⁷⁸ Mini NC 2009.

1. That national centres in the continent and labour confederations should strive that governments should put industrial policies in place in their own countries
2. That wealth generated by mineral and oil should be invested in building the manufacturing sector.
3. That Nepad should develop extensive plans to build manufacturing in the continent.
4. Governments should invest in beneficiation in their own countries and should set cooperation at continental level.
5. Governments should set up a cartel like OPEC to control the production and prices of mineral to have an advantage.

Motor Industry Development Programme (MIDP)⁷⁹

Noting that:

1. It was jointly developed by government, business and labour.
2. To provide sustainable employment through increased production and improve the balance of trade.
3. Instead more jobs have been lost.

We therefore resolve

1. Our participation in the MIDP must be reviewed.
2. MIDP must promote local content underpinned by job creation.
3. In the next CC after Congress, the Eastern Cape region to submit a paper for discussion with the following terms of reference:
 - 3.1. Job Creation and job security
 - 3.2. Protection of local content
 - 3.3. Education & training
 - 3.4. Formation of local participatory structures to ensure effective engagement.
4. CC to engage with the review processes of the MIDP

Numsa Response to MIDP Review Discussion Document

Note: There is no record that this was adopted by any Constitutional Structure; it has been retained for information.

Introduction

1. The National Union of Metal Workers of South Africa (Numsa) is an important stakeholder in the industry and we would like to express our disappointment and anger at the proposals contained in your recently released discussion document (MIDP review discussion document). The MIDP Review process appears to be under pressure to meet business expectations while ignoring burning issues that are affecting the interest of the workers, our core constituency.
2. Our starting point is that any incentive scheme including the MIDP must appreciate the key challenges that are confronting our society and be used to contribute in addressing those challenges. The document is silent about the daily challenges that are confronting our members in various plants. Its proposals have a potential of pitting the downstream against the upstream components of our industries. A revised and worker-orientated MIDP should ensure the future of the auto industry and secure and create employment.

⁷⁹ NC 2004

3. As this is the review, we are disturbed by the fact that the document is silent on the following:
 - 3.1. What has been MIDP performance with regard to job creation and retention?
 - 3.2. How has the MIDP impacted to skills and technological transfer?
 - 3.3. Has it been able to protect our industries from import penetration?
 - 3.4. Can we safely say that there has been shared growth/profit sharing in the industry between employers and workers?
 - 3.5. Has MIDP contributed in fostering industry to invest in research and development?
 - 3.6. To what extent is the MIDP contributing to the Diversification of our industries?
 - 3.7. How best can we use the MIDP to address the challenges of poor transport system in our country?
 - 3.8. How is the MIDP assisting the poor to access affordable and safe Transport
 - 3.9. Is the expenditure on MIDP assisting us as a nation in meeting the goals of National Industrial Strategy framework?
 - 3.10. What steps should we take to correct the argument that the MIDP is a waste of taxpayer's money and that its further continuation should be discouraged?
4. The National Union of Metal Workers of South Africa is making a call to the Department of Trade and industry and other stakeholders to seriously consider these questions before making unreasonable, destructive and suicidal proposals about the way forward in this industry.

Job creation

1. Any expansion of jobs as a consequence of the MIDP must be jobs that are decent, permanent and paid at a living wage. Auto manufacturing involving labour broking and restructuring that result in intensified and unacceptable work may not be subsidized under an extended MIDP
2. Beneficiaries of the MIDP may not utilize labour brokers or temporary employees.
3. Because the MIDP subsidizes the bosses, there should also be a commitment from employers and the state that any worker losing their job in MIDP-supported industries should continue to be employed at state and employer expense in terms of a special fund.
4. Companies that are beneficiaries of the MIDP must invest a percentage of their profits in a specific fund that can guarantee workers full wages when the demand in the market has dropped such that workers are subjected to short time. This must be done by autos, tyre sector, components supplies and any company that is a beneficiary of the MIDP, such a benefit of a full wage should be guaranteed until the short time has come to an end.
5. The MIDP Should be used as an instrument to address issues of Broad Based Black Economic Empowerment, we suggest an engagement between DTI and Numsa to deal with the details of this proposal

Engaging with the proposals

Tariffs

The document suggests the following:

1. "The prevailing duty rate in South Africa will be 25% for CBU and 20% for CKD in 2012 with a further 5% preference given to products imported from the European Union. It is proposed that tariff rates for CBU and CKD continue to decline by one per cent point until 2019"
2. Numsa disagrees with this proposal vehemently because we regard it to be irresponsible and suicidal. We are of the view that we have previously took irresponsible decisions because of these ill informed advices and that has led to job losses in our industries. We demand that government increases the duty rate on imported vehicles to 80% as is the case in Thailand. In

addition DTI must impose a limit on the number of fully imported vehicles and tyres which are flooding the South African market.

3. Benefits that derive from credits may be used to import cars but such imports must fall under the 80% duty stipulation.
4. South Africa has to learn lessons from countries that have succeeded in these industries, many of them have used tariffs to protect their industries. Our proposition is that we need to be firm in defense of this industry and our government has to swim against the tide in defense of our national interest if we are to drive an industrial agenda that serves the interest of all South Africans.

Market Neutral Duty Free Allowance

In this regard your document proposes the following:

1. "The existing DFA be extended for the period 2013-2020, but with a number of significant modifications.
 - 1.1. The level would be significantly reduced and subject to volume requirements
 - 1.2. The DFA would be applied on a market neutral basis, in other words it would apply to all production including export

The document further says:

1. "The differential DFA For all vehicle platforms being assembled will encourage local vehicle assemblers to focus on both export and domestic market opportunities for their local production platforms. To decide on what constitute a model platform, it is proposed that the DTI establish a panel of experts to adjudicate on a case by case basis.
2. Numsa's view is that the continuation of the MIDP must be based on the maintenance of the current platforms and the retaining of the existing jobs and the creation of new jobs, in that our experience in various plants is that our members have been losing jobs, casualised, and retrenched. Based on these concrete experiences, we propose that further access to MIDP should be based on volume produced per platform, without reducing the number of platforms.
3. We support the establishment of panel of experts to adjudicate on a case by case basis because this will protect the scheme from being abused by corrupt elements in the industry.

Local Content

1. But we are disappointed by the fact that in most of your proposals the issues of local content are relegated to the backburner. We want to propose that a component of the scheme must encourage local content and that a panel of expert should assist in determining the level local content requirements because we have experiences of companies who are conducting themselves in a bad manner with regard to this issue of local content.
2. When extending the MIDP, DTI must include a condition that auto employers should be subject to local content requirements which force them to use inputs from first-tier suppliers based in South Africa.
3. There must be a review of imported cars that add no local content, including cars imported by OEMs with companies in SA. It appears that companies are dealing with their global problem of overproduction by using SA as a dumping ground and as a gateway to the continent. Companies that do not have local plants must be penalized via extra duties for imports.
4. 70% of all components and inputs to cars produced under the MIDP should be locally produced.

5. DTI must put together a formula to audit local content and avoid the current practice where employers just dumped finished component and just package them to a car and call that local content with out real building the value chain in terms of local content on components.
6. The revised MIDP must prohibit relocation of component supply to companies in surrounding countries by companies benefiting from the MIDP. They should instead build the component sector and create jobs in the country. DTI should audit the value chain to identify such cases.

Productive Asset Allowance

1. We are worried by some of your proposals in this regard in that they may impact negatively on employment creation and retention. This part of the scheme has a potential to encourage our industry to be capital intensive, which constitute a departure to the stated policy objectives of our industrial strategy which is that we must encourage our industries to be labour intensive. Your proposals also have a potential to benefit upstream industries to the detriment of downstream industries which are the ones who are contributing to job creation.
2. The document further makes the following important observations but makes ill informed conclusions:
 - 2.1. "In the South African environment of high unemployment and low skill levels it would make sense to focus firm level support on skills and training. Brief consideration has been given to providing part of the PAA support in this format and this possibility should be investigated further"
 - 2.2. If South Africa is a country with high skills deficit, and this contribute a lot to unemployment why the state is continuing to drag its feet and does not prioritize it. We are of the view that we need to set targets and put in place monitoring and institutional mechanisms that industry has to commit to and agree on a carrot and stick approach that would foster industry to invest in skills and training and we can then enter into a debate about were to locate the scheme at firm level or at industry level.

Catalytic converters

In the document you say:

1. "Catalytic converters exports have been a very significant growth area under the MIDP. One factor encouraging this growth has been the fact that they are high value products due in part their platinum group metal content"
2. The question we need to ask is whether this growth has been shared growth or not. Our collective recollections tell us that this has not been the case. What must be done? The Polokwane conference of the ruling party is clear about the concept of shared growth and decent work, we are of the view that we need an MIDP that encourages shared growth, and take issues of local content seriously. We suggest that the sale of credit certificates by catalytic converters to OEMS should be prohibited and be punishable.

Medium and Heavy commercial vehicles

1. With regard to this sector, your document says the following:
2. "It is not recommended that the MIDP be extended to the medium and heavy vehicle sector. Further investigation of this sector should be undertaken separately"
3. We disagree that in a society such as ours that has poor transport, and transport infrastructure that we must postpone an important debate such as this one. We suggest that we need to orientate the MIDP and use it also to address our transport system; we suggest that DTI and Department of Transport have to think creatively and innovatively about how to use MIDP as an instrument to improve our transport system and address issues of local content.

4. The revised MIDP should additionally stimulate local production of buses for public transport, tractors and heavy vehicles, in addition to autos. Use of the MIDP to encourage production of socially useful products like public transport and tractors or other useful products should be explored. DTI must investigate the production of affordable South African car and scooters and other alternative forms of transport.

Conclusion

1. This is an initial response pending the release of the official document for public comment. We will continue to engage with this process including using our Section 77 right at NEDLAC if the socio-economic issues we have raised are not taken into consideration. We are disturbed by the delay in the release of the official document and request that DTI address this problem. There are many issues we intend to raise, but we reserve our right to raise them at correct platforms.

MIDP (now APDP)⁸⁰

Noting that:

1. OEM companies and dealers import cars.
2. Imports by some companies are a substantial proportion of their sales eg Hyundai imports 61% of vehicles sold.
3. Such imports destroy local employment in the industry.
4. Under the MIDP, manufacturers of catalytic converters export their products and generate credit certificates which they sell or transfer to the OEMs.
5. The OEMs in turn use them to import vehicles.
6. This practice contributes to the flooding in of imports which undermines production and employment locally and contributes to the current very high trade deficit.
7. As it stands, the MIDP reflects a neo-liberal agenda with its emphasis on subsidies to capital.
8. It also encourages a low local value add. It fails to encourage any substantial transfer of technology or knowledge to local industry.
9. It has also permitted a reduction in the number of vehicle platforms without the increase in volume that was intended.
10. Continued reduction of platforms has consequently destroyed more jobs.
11. The MIDP was supposed to create quality employment but the objective has not been met and the majority cannot access the cars.

We therefore resolve:

1. Whilst we support the extension of the MIDP, government must embark on a thorough investigation that must tell us who actually benefited out of the MIDP since it was introduced. Such investigation must talk to the number of jobs created, the profit generated by employers both in the exporting and importing of vehicles and components.
2. The Numsa NEC MIDP document must constitute the basis for the federation's engagement at government level and at the Alliance economic conference/summit.
3. That government increases the duty rate on imported vehicles to 80% as is the case in Thailand.
4. That the DTI must impose a limit on the number of fully imported vehicles and tyres which are flooding the South Africa market.
5. The starting point of any such programme should instead be the defence and creation of jobs.

⁸⁰ Mini NC 2009

6. There must be a review of imported cars that add no local content, including cars imported by OEMs with companies in SA. It appears that companies are dealing with their global problem of overproduction by using SA as a dumping ground and as a gateway to the continent.
7. Companies that do not have local plants must be penalized via extra duties for imports.
8. The support provided in terms of MIDP /APDP:
 - 8.1. must include a condition that auto employers should be subject to local content requirements which force them to use inputs from first-tier suppliers based in South Africa
 - 8.2. must guarantee decent jobs, cannot use contract, casual workers, nor labour brokers
 - 8.3. must not use suppliers who use labour brokers
 - 8.4. must keep production in SA
 - 8.5. must keep volumes high and reduce imports
 - 8.6. must improve public transport
 - 8.7. Ensure that 70% of all components and inputs to cars produced under MIDP/APDP re locally produced
9. The revised MIDP (APDP) must prohibit relocation of component supply to companies in surrounding countries by companies benefiting from the APDP. They should instead build the component sector and create jobs in the country. DTI should audit the value chain to identify such cases.
10. The APDP should also stimulate the local production of socially useful products like buses for public transport, agricultural equipment like tractors etc and heavy vehicles eg earth-moving equipment in addition to autos.
11. Maintenance of existing platforms must be a prerequisite for extending the MIDP. This includes maintaining employment at current levels.
12. Numsa supports DTI's proposal that further access to APDP subsidies should be based on volume produced per platform.
13. The status quo in relation to catalytic converters should be maintained because our members have jobs there. Sales of credit certificates by catalytic convertor manufacturers to OEMs or importers of cars should however be prohibited.
14. Benefits that derive from credits may be used to import cars but such imports must fall under the 80% duty stipulation.
15. Any new jobs as a consequence of the MIDP must be decent, good quality, permanent and paid at a living wage.
16. Beneficiaries of the MIDP may not utilize labour brokers or temporary employees.
17. Auto manufacturing involving restructuring that results in intensified and unacceptable work may not be subsidized under APDP.
18. Because the MIDP subsidizes the bosses, there should also be a commitment from employers and the state that any worker losing their job in MIDP-supported industries should continue to be employed at state and employer expense in terms of a special fund.
19. 70% of all components and inputs to cars produced under the APDP should be locally produced.
20. The extension phase of the MIDP should build local supply industries. Companies receiving subsidies and incentives from the APDP should be required to include a technological know-how transfer programme.
21. Since APDP funds are public money, all subsidies granted under the system should be made available to interested parties such as Numsa.
22. DTI must investigate the production of an affordable South African car and scooters and other alternative forms of transport.

23. DTI must put together a formula to audit local content and avoid the current practice where employers dump finished components and just package them to a car and call that local content with out really building the value chain in terms of local content on components.
24. DTI in extending the MIDP is presented with a golden opportunity to call for unbundling of these multinationals in terms of shareholding to take on board previously disadvantaged groups or workers to have a stake so that we can ensure democratization and transformation of the work place.
25. DTI must find a way of dealing with OEMs who impose fake standards on the local south African component supply sector with a view to ensuring that they don't qualify so that they justify their importation of components from their mother countries ie German companies. This is the case also in sourcing technology.
26. Companies that are beneficiaries of the APDP should invest a percentage of their profits in a specific fund that will guarantee workers' full wages when the demand in the market has dropped and workers are subjected to short time, until the short time has come to an end.
27. The new MIDP (APDP) must not just focus on boosting exports but also focus on safe, reliable, affordable public transport systems so that it is not implemented to take cars from Rosslyn to the port in Durban.
28. The APDP must concentrate on buses so that all buses for use in the BRT to be procured locally moving forward.
29. BRT should be more accessible so that individuals should benefit from it.
30. There should be incentives or tax breaks for those consumers who buy locally-produced cars with an increased tax on imported and luxury vehicles.
31. Companies that bring in fully built up vehicles should be penalised
32. Structural adjustment funds from government to ensure job security
33. Renewal of government fleet of vehicles with cleaner vehicles

Renationalise Sasol and ArcelorMittal⁸¹

1. The CC has agreed to aggressively embark on a radical national campaign for the re-nationalisation of SASOL and Arcelor Mittal as strategic entities of the public, as part of resolving the deep-seated triple crisis of unemployment, poverty and deepening inequalities as confronted by the working class and the poor.

State Intervention in the Minerals Sector (SIMS)⁸²

Noting:

1. There have been challenges to the conversion of the MRPDA on the basis that it is in effect a property expropriation under section 25 of the constitution.

Believing:

1. Nationalization will improve the current status of our economy. It will also help to reduce the heavy burden on poor and working class.

Therefore Resolve:

1. To call for the amendment of Section 25 of the constitution to make it absolutely clear that mineral rights are not included in property rights.

⁸¹ CC August 2012

⁸² NC 2012

2. To ensure that the proposed state minerals company mandates discussed in the ANC discussion document should include
3. the development of strategic minerals, in partnership with other investors if necessary, in order to supply them in the domestic market at competitive or utility prices. Accordingly it should hold the exploration rights to these minerals through a first-sight of all new state financed geo-data (through the CGS-Council for Geo-Science). A major element of its mandate should be to facilitate mineral knowledge linkages through appropriate investments into technical HRD and R&D. Furthermore, MPRDA must give more mining rights to communities with hereditary ownership.

Beneficiation⁸³

1. There must be more local beneficiation of primary goods.
2. Implement August 2012 CC decision on beneficiation.

⁸³ NC 2016

Social Sector

Social Expenditure

Social expenditure ⁸⁴

Problem Statement

1. The present budget reflects cuts in social expenditure. The Medium Term Expenditure Framework (Budget) is not benefiting us.
2. Cuts in social expenditure mean that we are not effectively addressing the issues of the RDP, i.e. elimination of poverty and low wages, inequality in wages and meeting basic needs.
3. Reduction in Social Expenditure affects the rural areas, particularly in that they remain undeveloped and where most of our women are found.

Therefore Resolve:

1. Social Expenditure should increase in real terms. A People's Budget should be drawn up in collaboration with other sectors of civil society. These areas are:-
 - 1.1. Health
 - 1.2. Education
 - 1.3. Housing
 - 1.4. Social Pension/Welfare
 - 1.5. Transport.
2. The figure for DEBT will be revised depending on the outcome of the changes to the Public Service Pension Fund. (see below for how we would like the budget divided)
3. Job creation, economic growth and development must be accelerated.
4. pension grants be increased above the inflation rate
5. child grants to be increased.

Implementation Plan

1. The implementation plan can be worked out after the levy has been agreed for this purpose.

Social Grants

Basic income grant⁸⁵

Further noting:

1. Basic needs of the people are still not met by our current Fiscal and Monetary Policies.
2. The Basic Income Grant (BIG) has not been implemented by Government.
3. Government's Committee of Inquiry into Comprehensive Social Security (Taylor Commission) recommended that BIG be implemented in phases so as to provide support to the poor in particular.

⁸⁴ NC 2000

⁸⁵ Mini NC 2009

Resolve:

1. BIG should be implemented by our government as a matter of urgency.
2. Cosatu to file a section 77 on this resolution as a matter of urgency.
3. Annual Campaign by civil society led by Cosatu to make the public aware of the People's Budget to influence allocation at all levels of Government. Let there be visible change on certain Government Institutions i.e. Schools, Hospitals in providing basic needs. Participation should be maximum in ensuring that implementation and monitoring happens.

Government Budget

Budget (2000)⁸⁶

Problem Statement

1. The historical notion that "The people shall govern" means that parliament as the elected representative of the people, should be empowered to play an effective oversight role with regards to the budget.
2. At the moment the budget process is not an open one and there is no broader participation in the process of drawing up the budget.
3. There is a lack of public scrutiny and democratic accountability.

We therefore resolve:

1. Cosatu to continue to participate in the parliamentary budget hearing and make sure that the budget process is transformed into a "people's budget" wherein interest groups would be able to input on the process before the budget is announced. As elected representatives, we should have powers to amend or oversee the budget. Further it should use the media to cover its proposals.
2. Cosatu to find a way in which it would simplify its submissions for the general members' understanding. This will assist members to defend the federation's position when confronted with debates.
3. Cosatu must audit social backlog/deficit due to apartheid legacy, i.e. housing, education, health, infrastructure, etc.
4. A platform for submissions/engagements by all stakeholders must be created in the form of NEDLAC structures.

Implementation Plan

1. Cosatu parliamentary desk to create the framework of producing and compiling the federation submission prior to the parliamentary budget hearings.
2. The process must be ongoing, it must not be compromised.

Government's 2010 Budget⁸⁷

1. The 2010 budget has become a platform to take forward the neo-liberal macro-economic framework (GEAR) into a faster and higher *reverse gear*. The following are positions that Numsa will be placing to Cosatu to champion. Cosatu must consider calling for rolling mass action, in the form of a strike mobilizing workers and the unemployed to take to the streets against the budget, and against the State of the Nation's announcements and shortcomings:

⁸⁶ NC 2000

⁸⁷ NEC Feb 2010

2. Inflation targeting must be dropped, and that the process to review fiscal and monetary aggregates as agreed in the alliance must be maintained.
 - 2.1. Numsa rejects the three tier labour system now being introduced by the Minister of Finance, in the interests of capital, because all young people who leave tertiary institutions need quality jobs that pay a living wage.
 - 2.2. Numsa rejects the involvement of the private sector in the delivery of National Health Insurance, in public hospitals management, and especially in the generation of electricity through so-called independent producers.
 - 2.3. Numsa calls on our ANC to remind all our ministers that the ANC promised the people and the workers of this country decent work; decent work is not available through labour brokers therefore the ANC must ban labour brokers.
 - 2.4. Numsa calls on government to appreciate that in a country that has just shed 900000 jobs, much greater resources must be spent on creating decent jobs that pay a living wage.
 - 2.5. We demand measures by government which will ensure genuine change in the structure of the South African economy.
3. **The South African Reserve Bank** - Numsa NEC support the ANC SG in relation to the nationalisation of the Reserve Bank in line with our own resolution on the matter. Cosatu must drive this demand for the nationalisation of the Reserve Bank to its logical conclusion.
4. **State of education** - Society must appreciate that our education is not producing quality as can be seen in the consistently bad matric results. Cosatu must spend time together with SADTU on the system and what is required to drive an education system capable of achieving the skills required by society and economy.
5. Numsa must invite SADTU to our May 2010 NEC to share their perspective with us. A debate that we must take in the organisation and in our movement is the question of discipline of students in school and the human rights approach which did away with corporal punishment.
6. **Provincial Development Councils (PDC's)** - The NEC mandated the national jobs task team meeting on 2 - 3 March 2010 to develop a framework for the establishment of PDC's so that we may contest economic development at provincial level and how we mainstream our work with NEDLAC on the matter.

Service Delivery

Social services delivery⁸⁸

Noting:

1. That our dream of a better life for all is evaporating in the face of deepening poverty and misery.
2. That townships, informal settlements and rural areas are still haunted by poor infrastructure while rich middle class suburbs enjoy high standards of infrastructure and service delivery.
3. That service delivery remains unacceptably low and in many instances it is of poor quality across almost the entire spectrum of social aspects and is still compromised by poor planning, inept bureaucracy, inefficient service and underspending by public servants because of low morale, shortage of staff, infrastructure and technological development.
4. Currently Ward Committees are volunteering in Local Government.
5. There is lack of transformation in that there are still apartheid managers in our system that are not willing to implement government policies and as such are frustrating politicians and service delivery.

⁸⁸ Mini NC 2009

6. That our society is still racially divided with gaps in service delivery exacerbated by the inequalities caused by the yawning wage gap between the highly paid and lowly paid.

Believing:

1. That it is government's responsibility to better the lives of ordinary people.
2. That society based on solidarity and love is possible, sustainable and better for the future of South Africa.
3. That government will not work better without pressure from below led by organised civil society groups.

Resolve:

1. The alliance needs to continuously monitor the performance of government at every level of our structures. Cosatu Office Bearers to give analytical report at all constitutional structures on such a review. In the absence of Cosatu structures, Numsa structures should step in to do the review.
2. We should criminalize the under spending by government departments and heads of these department to serve jail sentences if found guilty.
3. The review of government departments should be in line and in the spirit of the Reconstruction and Development Programme (RDP) which is still relevant.
4. We support the creation of a highly trained, paid, motivated civil service that is committed to our society and a caring society.
5. We call upon all Numsa and Cosatu locals and regions to campaign on service delivery within their locals and regions to ensure the accountability of politicians and government's officials not to compromise service delivery.
6. That South Africa in the second decade of democracy should strengthen and accelerate programmes that seek to improve the quality of life of all its people, viz. education, health care etc.
7. Through Cosatu we need to push for the establishment of national healthcare facilities to accommodate pensioners and the unemployed.
8. That clinics as primary health care facilities should be open 24/7.
9. That Cosatu to develop a discussion paper on repositioning of Public Sector workers about quality service delivery to the community.
10. Improve the budget to serve the people.
11. To take a campaign with Cosatu / SANCO and civil society to visit all sites of government.
12. Those serving in public office eg Ward Committee Members, hospital board members should be compensated in the form of a stipend enjoyed by other volunteers in Government Departments with the right to recall if they are not performing adequately.
13. That service delivery should be a priority and resources (human) should be deployed on a full-time basis as a priority to our revolutionary transformation agenda.
14. That the ANC must look at the agreement reached at CODESA with a view of amending those to allow the state to release all public servants that had served the apartheid regime at the level of management for a period of more than 15 years and replace them with new managers that will implement current government policies.
15. There must be a Moratorium on downsizing of public institutions indefinitely.
16. That the state must fill all vacant posts across all departments within a year of the 2009 elections.

17. That the state should discourage volunteers in semi-skilled work and concentrate on training of volunteers at the level of skilled work with a view to absorb those workers after completion of their training.
18. No volunteer must be allowed to work for more than six months in all state departments.

Service Delivery⁸⁹

Noting that:

1. Our townships are still faced with infrastructural backlogs.
2. Delivery of basic services such as sanitation, refuse removal and grass cutting remains a challenge.
3. Despite poor service delivery, communities continue to face challenges with high and irregular municipal billing systems.
4. Councillors are not visible. They only call meetings during elections and as a result ANC loses wards to other political parties.
5. There is corruption and nepotism in municipalities and other government departments.
6. Townships are underdeveloped and there is a general lack of service delivery.
7. Under-development in rural areas drives up the influx into the urban areas.
8. Many if not all service delivery protests are caused by deploying comrades who lack the knowledge and professional skills that are necessary to ensure that service delivery is implemented.
9. Misplacements of skilled officials; nepotism; inefficiency; and youth and women being left out of development processes are all features of local government.
10. Low supply of high technical skilled employees in areas like civil engineering and electrical engineering is problematic.
11. There is poor infrastructural planning and development by the local state in our townships.
12. There is also a lack of sufficient recreational facilities like soccer fields and other sports fields.
13. There is a growing social distance between the leadership of the local state and the alliance structures, as well as the community.
14. Working class leadership is not visible at the local state.
15. The revenue and funding formula of municipalities must be reviewed since in rural areas there is no proper revenue base that can be collected.
16. Services in hospitals are poor and that there is a shortage of staff.
17. The education system is poor.
18. There are unhealthy dumping sites.
19. Working hours are unnecessarily long.
20. There is a shortage of medication in our public clinics and hospital.

Believing that:

1. Access to basic services, housing, clean water, sanitation and proper infrastructure is a human right
2. Influx leads to overcrowding and high levels of crime, mainly drugs usage
3. There must be regulations that control illegal dumping of hazardous materials
4. Roads under the supervision of our national government departments are well kept, but in local municipalities the roads are full of potholes.
5. There are blockages of water and sewerage and dirty water running in the street due to pipe bursts
6. Our public health system concerning the high rate of child birth mortality, patients' files being misplaced, incorrect doses of medication being prescribed and shortage of doctors and nurses; should be looked into.

⁸⁹ NC 2012

Hereby resolve that:

1. Numsa through Cosatu must fight for a budget/funding model that ensures that resources go to the local state as it is the closest to the people
2. Intergovernmental collaboration must be prioritized in relation to provision of the basic needs of our people
3. The local state must accelerate public education on dumping and its consequences
4. ANC cadre deployment policy must take into account qualifications and skill
5. There is a need to build capacity in ANC branches to understand relevant legislation as it relates to the local state
6. Lines of accountability must be strengthened at local level to ensure that ward councillors fulfil their mandate
7. There must a smooth handover between outgoing and incoming ward councillors to curb the culture of blaming each other.
8. COSATU, NUMSA and SANCO must fight against high prices of electricity, water, and other basic services
9. Councillors must have a meeting with community once a month. If a councillor fails to comply, the community must recall the councillor.
10. NUMSA through COSATU must call a service delivery summit to deal with poor service in all provinces
11. We must intensify 'know your neighbour' to share information and fight against the selling of stolen goods and drugs.
12. There should be a concerted effort to develop infrastructure and its proper maintenance.
13. There must be increased accountability at the local government level.
14. Government must capacitate councillors to enable them to deal with complex matters such as proper budgeting and IDPs.
15. We need to name and shame corrupt councillors
16. The state must intervene in improving small scale agriculture in rural areas
17. Government must introduce incentive vouchers for small farmers, with a special focus on women and youth.
18. There should be a bias towards rural areas on the question of provision of services such as road networks, running water, electricity and sanitation at affordable prices.
19. All local states should put in place skills development programmes that include the training of youth irrespective of gender on highly technical skills like electrical and civil engineering. This should be done in partnership with Setas, technical colleges and universities of technology. The National Youth Development Agency should be visible in taking part in these programmes.
20. Real planning by well-resourced civil and electrical engineers is a must before any development of RDP settlements or any settlement in townships is undertaken.
21. Councillors should be forced to interact with the ward committees. In doing so the community should be brought on board to participate and the councillors should be forced to account on all the work to be done through the ward committees.
22. In doing a review of the municipality, the guiding principle should be the developmental needs of the community and society.
23. Rural area municipalities must be allocated the highest percentage of funding by the national state.
24. Deployment of councillors and managers to positions of service delivery with no technical know-how must be stopped and suitable and qualified people must be deployed or employed
25. There must be a return to having a Roads Department to maintain roads.
26. Vacancies in all state departments need to be filled as a matter of urgency. This includes qualified engineers, nurses, doctors and other specialist professions. This must be backed up by appropriate training and skills acquisition.

27. More colleges should be opened to curb the shortage of nurses and doctors in our public health system. Salaries and benefits must be improved to avoid them seeking employment abroad.

Transformation

Transformation of public service, companies and institutions ⁹⁰

Noting:

1. That the code of conduct that is incorporated into the constitution of RSA outlines clear that the ethos should be professional in the most positive sense of the word, the companies, institutions and the public must internalise the concept of servicing the people “Batho pele”.
2. That there is no measurement to make sure that these institutions service the public.
3. That the public service is not composed in such a way that is capable of and committed to the implementation of the policies of the government.
4. That the public service is based on merit, career principle, suitability, skills competence and qualification and the majority of those holding those positions are the past privileged minority.
5. That there is little training in both private and public sectors on the level of management and other senior levels of these institutions.
6. That these institutions have failed to implement affirmative action and employment equity.

Resolve:

1. That the alliance should develop a policy on political deployment into these institutions to drive transformation.
2. That the deployee should be a tested cadre of our movement who understands and respects the policy of our organizations and who can be deployed on a part time basis at local government level.
3. That civil service training institutions be established to train and retrain public service employees in line with the present government policies.
4. That the institute develop a new cadre of public servants to transform the public and private services effectively with the attention to excellence and high levels of service delivery.
5. That the institute must be resourced and cater for at least these levels of training i.e. lateral entry for progressive academics, activists, Chris Hani brigades, organisers and NGO workers, top level management development.
6. The Department of Labour should establish provincial centres to ensure easy access and a quick processing of compensation claims and UIF.

Social Welfare

Universal Social Welfare⁹¹

Numsa believes that:

1. A universal social welfare system is a minimum condition of any macro-economic strategy.
2. The following elements are the minimum requirements for a universal welfare system for South Africa.
 - 2.1. health care
 - 2.2. retirement incomes

⁹⁰NC 2004

⁹¹ NC 1996

- 2.3. public transport
- 2.4. housing and land
- 3. Proposals for the funding of a national health care system from levying additional income tax to pay for it, are a good option. As an income tax levy it also preserves the progressive nature of the direct tax system i.e. the more you earn, the more you pay; the less you earn, the less you pay.

Numsa therefore resolves that:

On Health care:

1. The state must take immediate steps to "nationalise" both health care institutions and the related funding system.
2. If the discussions around a national health care system funded from additional income tax go through, then Government must guarantee (possibly through legislation) that this revenue will only be spent on health.
3. If any state assets are restructured, those resources should go into building a national health care system.
4. As part of this programme, the state should bring medical aid schemes under one single national insurance system.

On Retirement funds

Noting that:

1. Government has inherited enormous liabilities in public service and parastatal pension systems.
2. The structure of benefits to previous and existing state employees is one of the major reasons why there is a constraint on Government expenditure.
3. The benefits structure reflects apartheid thinking with regard to what levels of, and to who these levels should be paid, so Government is effectively restraining redistribution expenditure by continuing to pay a privileged minority at first world benefit levels.

Resolves that:

1. Numsa should not accept that levels of payouts to previous and present state employees is reasonable in the current circumstances. There needs to be urgent discussion on their levels of payments to bring them in line with the expectations of the majority.
2. The Old Age Pension (OAP) should remain in place as a proper income support system.
3. Pension and provident contributions should be extended by legislation to all wage and salary earners regardless of industry sector or incomes. Such an approach should ensure that only those without access to employment are dependent on the OAP.
4. These funds should also be rationalised to provide for a small number of large funds. These would be industry based e.g. manufacturing, mining, retail and services.
5. Unions and employers in the industries involved should control these industry funds.
6. Cosatu should convene a conference to discuss our strategy on retirement funds.
7. Cosatu between now and the conference on retirement funds must approach the National Financial Services Board and demand that the easy withdrawal of funds by members, is frozen.
8. Cosatu and its affiliates to educate its membership around the importance of saving and using their retirement funds wisely.
9. Support the proposal for prescribed assets of funds to be used for infrastructural investment.

On Public Transport

Noting that:

1. The demography created by apartheid has meant that the majority of the population is severely disadvantaged in its access to transport services. Most South Africans will not be able to afford their own vehicles for a long time and many can't participate fully in society with the current transport provision.
2. The present public transport system is unreliable and unsafe.
3. Initiatives like the Maputo Corridor upgrade the road link between Maputo and Gauteng, instead of improving public rail transport.

Believes that:

1. Investing in public transport, particularly light rail and buses, does not rely as much on imports as our existing auto or heavy vehicle assembly industry. It will therefore link to industry policy issues, boost employment and generate wealth.

Resolves that

1. There must be substantial investment in public transport infrastructure and subsidies for others providing public transport.

On Housing and Land.

Believing that:

1. The issues of housing and land offer some of the most substantial opportunities to build an engine for economic growth.
2. Redistribution of agricultural land is an important step in redressing the crimes of apartheid.
3. It also provides an opportunity to restructure agriculture so as to increase its contribution to economic growth by involving disadvantaged communities in new types of farming (e.g. aquaculture).

Numsa therefore resolves that:

1. A single National Housing Corporation should be established with its job being to obtain sufficient funds to begin a massive ongoing housing construction program.
2. Its program must be integrated into the industry policy proposals outlined below and as far as practical, involve unemployed labour.
3. Cosatu must campaign to compel the State to address the needs of the lower paid and unemployed sectors of the working class by:
 - 3.1. Providing free land to those who can afford to build their own houses.
 - 3.2. Increasing subsidies on a non-racial basis, to all citizens for all housing needs including rental options.
 - 3.3. Protecting the rights of people to remain on and to develop land where they currently reside until other options agreed to by all parties are provided by the State.
 - 3.4. Moratorium on land occupation, the state should stop this happening in order to avoid the demolition of shacks.
 - 3.5. That the housing policy must be changed to enable stakeholders to control the process through structures based on a tripartite representation + 1 which will be government,

labour, financial institutions and CBO (SANCO). This structure must exist at local, provincial and national level.

- 3.6. National government and local authorities must be responsible for delivery of housing (accountability).
- 3.7. Demand restructuring of Local Authorities to redefine their role in so far as the above subjects are concerned.
4. In order to achieve the above, Cosatu must build joint campaigns with other trade unions and community groups.
5. To address the issue of agricultural land, Government to invest in agricultural skills and training and research into new uses for land.

Taxation amendment⁹²

1. The NEC overwhelmingly felt that we should take the struggle forward despite the 2 year suspension of the Act. Our demands of repealing the law and the introduction of a comprehensive social security net, have not been met;
2. The NEC felt that we should not at this stage expose our members to unprotected strike action, as advocated by Fawu, given that we have employers, government/the state and the ANC led-Alliance all out to
3. Regional Shopsteward Councils (RSSC's) must be convened to signal clearly to our members the line of march as per the NEC decision. The central message in the RSSC's must be about agitating for strike action and explain why Numsa is proceeding with the planned strike action.
4. The NOB's shall look into legal advice on our legal options since Nedlac concluded that the matter is resolved on the basis that the law has been suspended for 2 years.

Land campaign⁹³

1. The NDP does not offer a solution to the redistribution of land, to food security and land ownership.
2. Together with FAWU we must continue this campaign right down to the ordinary membership.
3. We must discuss with FAWU NOB's the convening of joint Fawu/Numsa RECs to take further our joint program on land.
4. We should launch the campaign on 19 June 2013 and have actions in different regions on different days (or weeks) so that we can sustain the campaign over 9 days (or 9 weeks).
5. We need to confront the private property clause in the constitution in order to resolve the issue of the land.
6. Subsistence farming cannot be the only model that we want to follow since it does not create jobs.

⁹² NEC February 2016

⁹³ CC March 2013

Health

Health (1991)⁹⁴

1. Medical Aid Schemes (MAS) and Medical Benefit Schemes (MBS)
 - 1.1. The Iscor MBS to continue as a pilot project
 - 1.2. Cosatu to be encouraged to mount a national campaign against rising medical costs and the development of a National Health Care system.
2. Health and Safety in Numsa
 - 2.1. Regions to nominate representatives to a Health and Safety Workshop to be organised in April and this will be followed by a Conference in November.
3. AIDS
 - 3.1. Cosatu should be encouraged to deal with:
 - 3.1.1. an intensive education project on AIDS to be carried out in the unions
 - 3.1.2. contacts to be made with people who can counsel our members affected by AIDS or who are HIV positive.
 - 3.1.3. the development of guidelines and their negotiation, for AIDS or HIV positives, so as to prevent victimisation in the workplace.
 - 3.1.4. investigation into how health care will be provided to AIDS victims.
 - 3.2. Numsa carry out the following:
 - 3.2.1. the Education Department continue an active education campaign on AIDS.
 - 3.2.2. the Organising and Collective Bargaining Department begin negotiations with companies on the issue of AIDS education in companies.

HIV/AIDS (1999)⁹⁵

1. HIV / AIDS Campaign - agreed to change the mindset of all the leadership. We must speak about the epidemic in all Numsa general meetings. We need to develop our own Programme of Action. We also need to embark on an ideological campaign and target schools. A decision needs to be revisited around the employment of a Health and Safety officer by the organisation.

HIV / AIDS: (2000)⁹⁶

Problem Statement:

1. Currently we have millions and millions of HIV/AIDS sufferers in this country. Businesses, employers and trade unions have done their best to intensify Aids Awareness Campaigns. Subsequent to that, no-one is disputing that Aids is existing and it has claimed and it is still claiming a number of lives. Most of the Aids victims are the poorest of the poor who cannot afford to pay high medical costs.
2. And that the increasing incidence of HIV and AIDS is having a far-reaching effect on the employees and the industries in our country.

We therefore resolve:

1. Numsa and Cosatu must continue to play a supporting role and promote Aids Awareness amongst our members. Support should also be in the form of referrals to appropriate counselling services.

⁹⁴ CC March 1991

⁹⁵ NEC Oct 1999

⁹⁶ NC 2000

2. Government and business also have a responsibility and must channel adequate resources towards medical research to find a cure for HIV/AIDS and continue with AIDS Awareness Programmes,
3. The medical fraternity as well as traditional healers must be encouraged, recognized and be incorporated in to research and treatment of HIV/AIDS.
4. The drug companies must be approached by Government to supply HIV/AIDS drugs at reduced and affordable prices so that the Government can supply them free of charge to HIV/AIDS sufferers.
5. The State to provide AZT and other drugs that can assist HIV positive pregnant women to stop/minimize the spread of HIV from mother to child despite the dispute between the experts on the percentage of effectiveness (some say 50% others says 90%).
6. All condoms must be manufactured to meet good quality standards and carry a necessary stamp of approval. E.g. by the South African Bureau of Standards.
7. Condoms for both male and female and medication must be made available at all Health Centres and Community Clinics - free of charge,
8. People who are HIV positive and Aids sufferers must be persuaded to volunteer, after counselling, for testing of new drugs to find a cure for the disease.
9. There must be proper provisions relating to core schemes such as medical Aids, Provident Funds and Insurance schemes to take care of Aids sufferers,
10. Workers must donate a day's wage/salary and employers to donate an equal amount of that of their employees towards the building of shelters for Aids sufferers in the highly populated areas and especially in the rural areas and the State to supply them with medication and the necessary nutrition.
11. Aids Education to form part of the schools syllabus and be compulsory in all schools and the workplaces.
12. Paid time-off / sick leave to be granted to HIV/ AIDS sufferers to undergo treatment.
13. Those HIV/AIDS sufferers who are intentionally found to be spreading the disease must be locked in solitary confinement and the key thrown away for life.
14. All HIV/AIDS related policies, should be availed and be known.
15. Health and Safety structures at all levels must deal with this issue.
16. The society at large should preach abstinence especially among young and unmarried persons.
17. Numsa and Cosatu must fight against any form of discrimination of people living with HIV/AIDS and monitor companies' compliance with the Employment Equity Act.
18. We must campaign against MNCs to provide affordable drugs.
19. Numsa to form support groups within the companies to help comrades who already have HIV/AIDS.
20. People who know that they are living with the virus should be encouraged to come out publicly and sensitize the public about living with the disease.
21. People should be encouraged to abstain from having multiple partners.

National Health Insurance (NHI)⁹⁷

The CC resolved:

1. The CC Welcomed the government's announcement of the Green Paper on the National Health Insurance (NHI). This is what the Polokwane Resolutions demanded.
2. Numsa continues to subscribe to the Freedom Charter that says: ***"A preventive health scheme shall be run by the state; free medical care and hospitalization shall be provided for all, with special care for mothers and young children."***
3. Numsa Regional workshops must be held to take shopstewards through the introduction of the NHI.
4. Numsa must study the Green Paper on the NHI and make its full position known as soon as possible.
5. Numsa views the matter of destroying the monopoly of health resources in the country by the capitalist private sector and a small segment of our population as anti democratic and unsustainable.

Land, housing and shelter

Land, housing and shelter (1989)⁹⁸

This union noting:

1. That the state's apartheid policies have had the effect of creating artificial land and housing shortages and have restricted freedom of settlement;
2. That the current privatization of the provision of housing will make decent housing increasingly unaffordable and is being used to increase divisions amongst organized workers and the working class generally;
3. A comprehensive response to the issues of land, housing and shelter which is located within broader urbanization strategies is urgently required.

Resolves:

1. While in no way ignoring the needs of higher paid members who have access to formal housing, to direct the union's initiatives and campaigns towards addressing the needs of the lower-paid and unemployed sectors of the working class.
2. To continue discussing initiatives with other trade union and community groups with a view to establishing common positions and to building joint campaigns wherever possible.
3. Wherever possible, to develop viable and secure alternatives to private home ownership which is being promoted by capital and the state to undermine working class unity.
4. To build effective organization and to campaign around the following demands to be made on and where necessary to be negotiated with the state:
 - 4.1. to abolish all legislation, (eg. Land Act, Group Areas Act. Illegal Squatting Act) which restricts the rights of people to freely choose where to live;
 - 4.2. to protect the right of people to remain on and to develop land where they currently reside until other options, agreed to by all parties, are provided by the state;
 - 4.3. to increase subsidies to all citizens for all housing needs including rental options. Such subsidies to be non-racial and to be based towards the needs of the low-wage and unemployed sectors.

⁹⁷ CC August 2011

⁹⁸ CC July 1989

- 4.4. to release sufficient and suitably located land at affordable prices to provide for the housing needs and shelter of all citizens;
- 4.5. to subsidise financial institutions and developers which provide small loans and build low cost housing;
- 4.6. to increase the availability of rental stock with secure tenure and at affordable prices through a large scale national housing development programme negotiated with representative organisations;
- 4.7. to subsidise infra-structural development and services and to halt privatisation in these areas by re-assuming its responsibilities for the provision of such infrastructure and services, and on employers:
- 4.8. to provide subsidies (not tied to jobs) to all employees for all housing needs including rental options;
- 4.9. to use provident and pension schemes to assist employees with their housing needs
- 4.10. to support demands on the state made by unions and community groups.

And further resolves:

1. In accordance with the foregoing to mandate Numsa's structures to research and where feasible progress the following areas:
 - 1.1. the establishment of housing advice offices;
 - 1.2. setting up of a small loans company;
 - 1.3. bulk purchasing co-operatives;
 - 1.4. building co-operatives;
 - 1.5. the establishment of land trusts.

Land⁹⁹

Noting:

1. That in 2013 it would be 100 years since land was stolen from the people by the colonial and apartheid regime
2. That when this happened there was no compensation for the land and that people were forced to leave the land in a brutal and violent manner.

Believing:

1. That this Congress is firm in its commitment that land must be returned to the people in accordance with the Freedom Charter
2. That the 2005 Land Summit and Polokwane Resolutions gave the ANC a mandate to move from the willing buyer – willing seller principle and redistribute land in an equitable manner.

Therefore resolve that:

1. Redistribution of land cannot be postponed
2. This National Congress mandates the Numsa CC to convene a post congress workshop on Land, Land Redistribution, Rural Development and Agrarian Reform to address the issue of compensation and related matters

⁹⁹ NC 2012

3. The draft resolution on Land Reform and Rural Development should form part of the post national congress workshop.

Housing (1991)¹⁰⁰

1. Developing Skills

- 1.1. a training course for Numsa, Cosatu and civic comrades has been prepared for this year. This course would now be handed over to Cosatu and once arranged Numsa would nominate people to it.

2. Guidelines on Company Housing Schemes (CHS)

- 2.1. CHS should be for all workers for all housing needs
- 2.2. a housing allowance applicable to all workers should be negotiated.
- 2.3. CHS should favour lower paid workers
- 2.4. CHS should not be linked to pension/provident schemes
- 2.5. all CHS must be negotiated with the Union

3. Cooperation with other organisations

- 3.1. The prime responsibility for the solution of the housing crisis lies with the State.
- 3.2. Cosatu-NACTU-CIVICS should create a forum to prepare for a wider negotiating forum to include Cosatu-NACTU-CIVICS, SACCOLA and the State. As rural organisations develop they should be included.

Land, housing and shelter (1991)¹⁰¹

Noting That:

1. The question of land is central in our liberation struggle.
2. The indigenous people of our country were dispossessed of their land and livestock, using the police and army, through a brutal system known as forced removals.
3. The government has been failing in its responsibility to build affordable houses, and is instead privatising land and house building. The result of these government policies is that many of our people are without land of their own and are housed in shacks.
4. This privatisation makes housing increasingly unaffordable and is being used to increase divisions amongst organised workers and the working class generally.
5. That the state's apartheid policies have had the effect of creating artificial land and housing shortages and have restricted freedom of settlement.

Believing that:

1. A comprehensive response to the issues of land, housing and shelter which is located within broader urbanisation strategies is urgently required.
2. The main responsibility for building and facilitating the provision of a affordable housing lies with the State, which must allocate large resources to address this issue urgently.
3. The employers also have an important responsibility to provide housing, which so far they have not been fulfilling.

¹⁰⁰ CC March 1991

¹⁰¹ NC June 1991

Resolves that:

1. The selling of land by the State should be stopped forthwith.
2. The people who were forcibly removed from their land should be returned, where possible. Where this is not possible they should be compensated with equivalent land.
3. The land should be distributed justly and freely to the people who can afford to farm and the Government should subsidise the farmers.
4. While in no way ignoring the needs of higher paid members who have access to formal housing, the Union must campaign to compel the State to address the needs of the lower paid and unemployed sectors of the working class by:
 - 4.1. Providing free houses to the poorest of our people
 - 4.2. Providing free land to those who can afford to build their own houses.
 - 4.3. Stopping the demolition of shacks while the government builds affordable houses complete with all infrastructure
 - 4.4. Repealing all legislation (e.g. Land Act, Group Areas Act, Illegal Squatting Act) which restricts the rights of people to freely choose where to live
 - 4.5. Increasing subsidies, on a non-racial basis, to all citizens for all housing needs including rental options
 - 4.6. Protecting the rights of people to remain on and to develop land where they currently reside until other options agreed to by all parties are provided by the State.
5. Wherever possible the Union must develop viable and secure alternatives to private home ownership. This should involve:
 - 5.1. Company Housing Schemes, favouring lower paid workers, to be available to all workers for all housing needs. These should not be linked to pension/provident fund schemes. They must be negotiated with the Union.
 - 5.2. Negotiating a housing allowance applicable to all workers.
6. In order to achieve the above, we must build joint campaigns with other trade unions and community groups. This should include building a Cosatu/NACTU/Civics forum to prepare for a wider negotiating forum to include Cosatu/NACTU/ Civics/ SACCOLA/ State.

Education and Skills Development**Education and Training¹⁰²****Noting :**

1. That the present provision of adult education and training has resulted in a massive shortage of high level skills at the same time as there is mass unemployment among people who are classified unskilled who have been denied every opportunity to improve their skills. The system has therefore totally failed.

Believing that :

1. A more highly skilled working class is needed to lay the base for a democratically planned socialist economy.
2. Skills will be needed if the working class is to gain and maintain control of production.

¹⁰²NC 1991

Therefore resolve to fight for:

1. A training programme based on the following principles:
 - 1.1. Training must be linked to economic planning.
 - 1.2. Trade Unions must play a central role in planning, implementing and monitoring training. There must be agreed procedures for selection and testing.
 - 1.3. Trade Unions must fight to end the effects of past class, race and sex discrimination in training.
 - 1.4. Employers and the State have a duty to train, both have a role to play in financing such training.
 - 1.5. All workers have a right to paid education and training leave. Workers facing retrenchment or experiencing unemployment have a right to re-train as a stepping stone to secure employment.
 - 1.6. Education and training should continue throughout a worker's life to ensure that his or her skills keep pace with technological change, are needed by society and enable the person to develop his or her abilities.
 - 1.7. Formal education must be free and compulsory. There must be clear links between the formal schooling system, the adult education system, the industrial training system and other education and training systems eg. for the youth and unemployed.
 - 1.8. Training must be linked to grading, and hence to pay. An increase in skill must lead to an increase in pay. The grading system must allow workers to advance up a career path from the lowest to the highest level through training.
 - 1.9. Training must be based on short courses that allow workers to progress from one course to the next. The courses must lead to national or industrial certificates.
 - 1.10. There must be provision for recognition and pay for skills that workers already have.
 - 1.11. There must be career paths for trainers. Training trainers must be a central part of the system.
2. Measures to ensure that special problems that women workers face are adequately addressed, such as:
 - 2.1. equal wages for skills of equal value
 - 2.2. women's skills are recognised and paid
 - 2.3. encourage women to take up training opportunities in non-traditional areas of skilled work.
 - 2.4. full parental and childcare rights for all trainees.
 - 2.5. career paths for areas of traditional women's work - such as clerical work will have to be developed.
 - 2.6. all documentation to be non-sexist.
 - 2.7. all facilities to be equal for men and women.
3. An adult education programme based on the following principles:
4. An adult education system should be nationally negotiated and be recognised by both management and the State. The system should be negotiated by Cosatu, rather than individual affiliates where practical, in order to ensure that the courses are recognised across all industries.
5. Courses must be recognised as providing sufficient education for entry into training courses. The course must also be recognised nationally as equal to formal education standards.
6. All courses, including literacy and numeracy must be developed to allow clear steps to advance from one course to the next. The courses must lead to nationally recognised certificates.
7. There must be paid time off for literacy and numeracy courses.

8. Employers must provide facilities for literacy classes and negotiate with Unions both the paying and training of literacy and numeracy teachers as well as the development of suitable materials.

Education¹⁰³

A. Basic Education

Noting:

1. The majority of schools charge school fees even in townships.
2. No fee schools are under-resourced and as a result perform poorly.
3. The inferior education system stemming from the apartheid era has not improved much to date
4. The gap between our township and Model C schools is widening and this results in the following:
 - 4.1. The high rate of dropouts of female learners
 - 4.2. Increase in the usage of drugs
 - 4.3. Exposure to pornographic material
 - 4.4. High rise in sexual harassment incidents by teachers on learners
 - 4.5. Absence of parents from their Children's Education
 - 4.6. Low intake in learnership programmes
5. We still observe a high rate of failures in public schools.
6. The language guidance in the communities has not been initiated thus making it difficult and at the same time contributing towards these failures.
7. Rural schools are still neglected in terms of infrastructure development.
8. Our school system is not diverse in terms of curriculum. It offers only an academic stream up to matric level with no option of a technical stream. This results in
 - 8.1. a high dropout rate amongst learners who cannot cope with the demands of academic stream.
9. Our education system fails to produce much needed skills in areas of manufacturing and technology.
10. That the curriculum changes too often which leaves teachers lost at grasping the teaching system.
11. That the society is not properly consulted and involved in the changes brought to schools especially in language education.
12. That we do not have a South African model to sustain improvement of learners' pass rate.
13. That there are many teenagers falling pregnant during the schooling process and some are involved with older men and their own educators in their schools in exchange for favours
14. Rural-based schools do not have adequate resources.
15. There is no effective communication and commitment on the side of SGBs and the department of education.

Believing:

1. Scrapping of fees in all schools will standardize our education system and make education more accessible.
2. Exposure to different sectors will encourage learners to venture into such different skills.

¹⁰³ NC 2012

3. Introduction of technical subjects at high school level will reduce the high dropout rate amongst learners.
4. The introduction of technical subjects (theory and practice) will make a number of school leavers more employable.
5. The mixed system will improve the pass rate in general.
6. Education as a liberation tool should be equally spread irrespective of where the schools are situated.
7. That teenage pregnancies deepen poverty in the country as many kids leave school before time and after are not employable
8. That teenagers getting involved with older men and educators is as a result of peer pressure (eg statutory rape, alcohol, drug abuse)

Resolve:

1. That research about curriculum development must involve all stakeholders before implementation
2. South African official languages should be prioritized in the curriculum syllabus to improve understanding and knowledge.
3. Language barriers must be removed at schools; the medium of instruction at schools and tertiary level must be in all mother tongues (vernacular) to make education accessible to all.
4. **To address the gap between our township and Model C schools:**
 - 4.1. Workers must participate in the School Governing Boards
 - 4.2. Parents to regularly check their children's home work
 - 4.3. The 'adopt a school' campaign should be supported with clear intervention and support plans
 - 4.4. Employers' social investment should be used to support Numsa's school Campaign
 - 4.5. Numsa at all levels to have bi-laterals with SADTU on issues of improving the quality of education
5. **To make school learners more employable:**
 - 5.1. There must be a transformation of the education curriculum at high school level involving the introduction of technical stream.
 - 5.2. That the state must invest heavily in the introduction of technical streams at high school level.
 - 5.3. NUMSA should embark on a campaign to take school learners to work once a year.
6. High school and FET colleges must be integrated so as to improve the quality of our education and FET qualifications must be recognised by Universities when FET students want to further studies in Universities.
7. The Basic Education Minister's proposed policies and proposals on betterment of the situation is welcomed but should be monitored gradually and not wait for 2014.
8. The ANC Lekgotla's decision on the Rural Multi-grade teaching National Policy needs to be practised at once as it is long outstanding. (NC, Sedibeng)
9. **Access to education**
 - 9.1. The immediate introduction of free and compulsory education up to tertiary level.
 - 9.2. Government must increase investment in education infrastructure by the state.

10. Teenage pregnancies

- 10.1. That nurses, social workers and security guards must be deployed in schools to prevent and manage teenage pregnancies.
- 10.2. That the education department and other stakeholders and Sadtu to introduce “adopt a cop” to monitor the situation of teenage pregnancies.
- 10.3. That government must intensify awareness campaign in schools and convince young people that society cannot always depend on social grants.
- 10.4. National gender structures through Cosatu to educate young boys and girls around sexuality and sex education.

B. Education and Training (Teachers and Nursing Colleges)

Noting that:

1. The Polokwane Resolution calls for re-opening of these colleges.
2. There is no work done yet to implement this resolution.
3. There is still a serious shortage of personnel in these two professions.
4. FET Colleges have failed to deliver as expected due to incompetent training personnel.

Believing that:

1. Successful implementation of NHI will depend on adequate number of personnel in the health sector being available.
2. Adequate number of teachers will improve the quality of education in the country.
3. It is still relevant that these hard fought colleges should be monitored to deliver the required results

Resolve:

1. To call for speedy implementation of the Polokwane resolution on the re-opening of teachers and nursing colleges.
2. Government needs to put aside resources to assist these colleges

Student protests: #FeesMustFall campaign¹⁰⁴

1. The NEC condemned the police brutality
2. The NEC argued that NEHAWU must accept blame for how it has failed in the Higher Education sector and belatedly jumped on the student revolt bandwagon to claim easy victories not engineered by themselves. In fact, if truth be told, Nehawu was exposed for how it had failed labour broking workers on universities
3. The NEC noted the complete failure of the Minister of Higher Education in relation to the struggle of the students and his inability to introduce free education as demanded by the Freedom Charter

On the current student struggles¹⁰⁵

1. We must strengthen our Numsa Youth Structure to champion the contemporary struggles of young people in general and the students struggle for free education in particular
2. We must acknowledge the fight of students to ban labour broking on campuses as a working class struggle and therefore Numsa must declare a S77 to ban labour brokers and we must be seen amongst students including bringing the United Front on board

¹⁰⁴ NEC November 2015

¹⁰⁵ NEC February 2016

3. The closure of the universities and their eviction from the residences have put young people at risk especially the young women. At the same time we must express our concern about the vandalizing of the university property
4. We must implement the decision to convene a National Education Crisis Committee to advocate the fight for free education

On Free Quality Education

1. Our visible support for the struggle for free and decolonized education is required such that we are on the frontline and not just through slogans . We must occupy the space in the battle for free education
2. NuRPI must help us with research that would demonstrate that government can provide free education.¹⁰⁶

Utilities

Proposed Cellular Telephone System¹⁰⁷

The Central Committee notes that:

1. Millions of people in South Africa want and need affordable telephone services.
2. There is no coherent strategy to extend affordable telephone services to all in the short term.
3. There is not yet a single independent authority to ensure that telephone services are run in a way which is a commercially viable and in the interest of the socio-economic development of South Africa.
4. The government has now unilaterally decided to sell off large parts of the electromagnetic spectrum without proper consultation and in an arbitrary and unilateral way. This decision does not properly take account of the need for a coherent and integrated programme for developing affordable telephone services for all the growth of the electronics industry in South Africa.
5. The government proposal to implement a competitive cellular telephone system without adequate consultation will result in a commercially profitable service for the urban centres only with no cross subsidisation or benefit to rural services.

This Central Committee therefore resolves that:

1. The implementation of the proposed Government schedule should immediately be suspended.
2. A proper process of consultation and planning should take place as a matter of urgency in liaison with the National Economic Forum, the Standing Committee on Electronics and other appropriate bodies.
3. Any telephone system which is approved should be capable of delivering a high quality, affordable service to all who need it in the shortest possible time.
4. Numsa will approach the Electronics Industries Federation and Cosatu to approach the government on these issues.

¹⁰⁶ NC 2016

¹⁰⁷ CC March 1993

Culture

Education: Culture¹⁰⁸

Believing that:

1. The working people of South Africa have a rich and diverse cultural talent.
2. The political history of our country has denied workers the opportunity to develop and expose their cultural talent.
3. Cultural activities are another form of expression of people's feelings and aspirations.

This Congress resolves:

1. The Numsa Education Department should play a role in ensuring that the cultural talent of Numsa members is exposed and developed.
2. Numsa should strive to get employers to afford workers the right and facilities to expose and develop their natural cultural talents.
3. Numsa should work with cultural organisations which have a history of supporting the South African workers' struggle, to generate financial resources in order to assist members' cultural projects.
4. Numsa will recommend to the Alliance as a whole to regard culture as a bridgebuilding block to achieve reconciliation and respect for one another in our country.

Transport

Public Transport¹⁰⁹

Noting:

1. That NUMSA has long been in support of efficient, safe affordable and accessible public transport that meets our country's development needs.
2. That taxis are not complying with traffic laws; as a result, during rush hour traffic cops stop taxis which results in workers being late for work.
3. That there is cable theft taking place everywhere.
4. The R180 billion capital expenditure programme due to be rolled out by PRASA for the procurement of new rolling stock.

Believing:

1. A lot has been done by government including the introduction of the new bus rapid transport system in the majority of the metropolitan municipalities nationwide.
2. That there is a link between a safe, affordable and accessible public transport system and local manufacturing.
3. That the development of a public transport system can serve as a mitigation strategy against climate change and global warming.

Therefore resolve:

1. That COSATU must engage for the provision of improved services to our communities by PRASA through Metro rail and develop mechanisms to improve the security system to safeguard cable theft, provide advance training to their staff and to ensure continuous service of their trains.

¹⁰⁸ NC July 1993

¹⁰⁹ NC 2012

Furthermore, COSATU must engage with the Minister of Transport to develop mechanisms for public transport to fully comply with road laws.

2. That the BRT system and other forms of public transport must be state-owned and operated.
3. That the decision by the DTI to designate rolling stock and buses as a way of stimulating local production should be implemented as a matter of priority to create employment in a sector that has suffered heavily as a result of imports.

E-tolling¹¹⁰

Noting:

1. E-tolling will increase the cost of transportation to the working class and the poor who cannot afford double taxing.
2. The SACP confusion and passive participation on this matter.

Therefore resolve:

1. That through COSATU we need to campaign tirelessly for the complete scrapping of e-tolling with the involvement of other stakeholders.
2. That the SACP should play its role of being a vanguard of the working class and the poor.
3. That the country must find ways of financing road maintenance without overcharging citizens.

¹¹⁰ NC 2012

State sector

Transformation and Restructuring

Restructuring of State Owned Enterprises¹¹¹

1. The meeting approved the recommendations of the Wits East Region on the items that must be included for discussion in the three tiers of the National Framework Agreement on the Restructuring of State Owned Enterprises.

That under Tier 1, the following issues must be discussed:

1. The issue of ownership in the context of large capital needs by some enterprises:
 - 1.1. investment code/policy
2. Employment related issues
 - 2.1. employment creation
 - 2.2. need for social plans
 - 2.3. women's employment
 - 2.4. centrality of Human Resource Development (HRD) - training, affirmative action
3. Universal service or universal access
4. Relationship between market structures and regulation
5. Restructuring should acknowledge SA's own history

Tier 2

1. Employment Issues
 - 1.1. Job Security & Employment security
 - 1.2. alternative employment opportunities
 - 1.3. HRD, skills & training boards
 - 1.4. Social plans
2. Pension and provident fund restructuring
3. Reconfiguration of state enterprises: ownership or lease?
4. Asset audits
5. Sources of necessary capital & ownership
6. Service orientation
7. Procurement policy

That under Tier 3, the following issues must be discussed:

1. Jobs & employment
2. Provisions related to transfer of staff
 - 2.1. Salaries/wages & benefits
3. Provisions related to transfer of assets
4. Market structure & regulation
5. Universal service or universal access
6. Affirmative action & black economic empowerment

¹¹¹ CC March 1996

On procedural issues, the following was suggested:

1. Presidents should be directly involved in all unions' sectoral meetings
2. Need for report-backs at regional/branch levels of unions
3. Need for unions to be fully prepared
4. Numsa should plan a job employment creation campaign which will draw in energy sector and miscellaneous i.e. Denel workers including those sub-sectors which are affected by tariff reductions.

It was further agreed that regions may add on this list.

Expanding and Transforming the State Sector¹¹²

Numsa Recommendations:

1. There should be co-ordination and realignment of existing enterprises. The state must have a plan for its economic activities in its parastatals eg. how many lines Telkom will provide, where and within what time frame.
2. Cosatu should draw up a balance sheet on the current privatisation programme and the role of the Unions in it.
3. On the basis of this balance sheet Cosatu should revisit the NFA and move from the approach which encourages sectoral approaches to restructuring of state assets. Because of the adverse implications of privatisation, Cosatu should be central in negotiating restructuring.
4. In implementing this, Cosatu should look at how activities of different enterprises can be realigned and what is considered as non-core by one enterprise can be a building block for new parastatals or can be transferred to other parastatals.
5. As part of its expansion programme, Cosatu must investigate the establishment of a financial parastatal.
6. While Cosatu is campaigning for a financial parastatal, we need to fight for regulation of the macro-lending sector i.e. "cash loans".
7. As a matter of urgency, Cosatu should oppose further deregulation of this sector as this is leading our members into serious debt.
8. Government must set a ceiling on the interest rate that this sector charges.
9. As a way of transforming parastatals, labour must advocate the policy of worker reps on the Board of Directors.
10. These worker reps should act on the mandate of the Union and should pursue a transformation agenda.
11. This policy of having worker reps on the Board of Directors should apply to all companies where the state has majority shares, even if this is through the IDC.
12. We support the transformation of development and financial institutions eg. IDC, DBSA etc.
13. Severance packages to government employees should be stopped as the government has no national plan on restructuring.
14. Any rationalisation that takes place must not affect delivery of services.
15. The practice of employing consultants must be discouraged. If any employment of consultants takes place it must be on the basis that existing personnel cannot do the job, and that any consultant will be paid the rate of the ordinary public servant.

¹¹² NC 1996

16. Cosatu should insist that any increase that MPs receive must be the same rate as that of public servants.

Restructuring of State Owned Enterprises¹¹³

The debate was not an easy one, it took the NEC approximately four (4) hours to arrive into a hard sought consensus.

Consensus reached was as follows:

1. that on the premise and ideology the union reject the neo liberal agenda that Government has no business in business.
2. that the objective is not to challenge the union theory of socialism and nationalisation
3. the strategy is about positioning ourselves in such a way that we are able to influence things rather than staying out and marginalising ourselves.
4. on the programme of action, our priority is to identify and defend those state assets which are critical for delivery processes of basic services to the poor.
5. if they are already in state hands we should defend them, if not they should be nationalised.
6. this implies that it is possible for strategic withdrawal on areas which are not critical for basic delivery.

Parastatals/State-owned enterprises (SOEs)¹¹⁴

Noting:

1. The transformation agenda that the country, through our government, is pursuing has elements of a better life for all.
2. During this year of our ten years of celebration of our political freedom, there are high expectations from our people.
3. The good and high returns from these institutions and the big bonuses that are received by senior managers.
4. The restructuring that is taking place in the SOEs is informed purely by the principles of capital accumulation for profit.
5. That the victims of the restructuring during the retrenchments are ordinary workers.
6. The agenda for that transformation objective is to fight poverty and employment creation, supply electricity, telephones, health, safety, public transport and all basic services to the South African society.
7. The appointment of board members should be the government mandate as the major/only shareholder.
8. The poor performance of the SOEs on the implementation of the Skills Development Act and the Employment Equity Act.
9. On Eskom:
 - 9.1. That the residential areas that are being supplied by Eskom directly are not benefiting from free basic electricity of 50kwh per month of electricity.
 - 9.2. The State of the Nation address by the President said that the first Regional Electricity Distributor (RED) will be in operation before the end of the year 2005.
 - 9.3. The life span of many power station plants is coming to an end and the employer has initiated a project to build additional power station - Eyethu Project.

¹¹³ NEC July 1996

¹¹⁴ NC 2004

9.4. The expansion of Eskom into the continent.

10. We further note that Eskom senior management is saying that selling of 30% to private partners will not take place, but the former and current ministers of public enterprise in their June 2004 budget vote speech, put emphasis on public and private partnerships (PPPs) and independent power producers (IPP).

Resolve:

1. That our government departments linked to the SOEs should play a direct mandating role at all times including the appointments of the board members.
2. That there should be a parastatals summit before the end of 2005. The agenda should deal with transformation assessment and to consolidate policies that will accelerate basic services to the country, in particular the working class.
3. That all restructuring and transformation should involve the trade unions at all levels.
4. That Numsa should intensify the campaign on anti-privatisation.
5. The SOEs to focus on the basic needs and develop the society.
6. The SOEs and trade unions should work to achieve the mission, goals and objectives of the Department of Labour on the National Skills Development Strategy (NSDS - 2005-2009)

On Eskom:

1. Local government and the Department of Minerals and Energy should fast track the negotiations with Eskom for the supply of free basic electricity of 50kwh per month.
2. Negotiate with the employer (Eskom) to release shop stewards to coordinate the REDS and the Eyethu project. This will be coordinated by Numsa, Num, and Samwu through Cosatu.
3. That there should be a forum created by Cosatu to coordinate and monitor the African Power Pool in the continent.
4. That Numsa to negotiate a minimum service agreement through the Department of Labour to give workers power to strike in Eskom.
5. Numsa endorses in its entirety the Cosatu 2003 resolutions on:
 - 5.1. Restructuring of state-owned enterprises (SOEs) and
 - 5.2. Electricity restructuring.

SOEs and DFIs¹¹⁵

Noting:

1. That SOEs and DFIs mandates should be aligned to our development imperatives, specifically job creation
2. How SOEs and DFIs form part of a long term development plan to ensure long-term success of the new growth path.
3. That decisions about the types of public investments to be made and their pricing and reliability will have a fundamental effect on our manufacturing path.
4. The traditional role played by SOEs with regard to transferring skills and ensuring skills development.
5. The high levels of executive pay in the corporate sector and SOEs as well as the huge income inequalities in the labour market

¹¹⁵ NC 2012

Believing:

1. The creation of decent work for all South Africans, including the unemployed and underemployed, must be the primary focus of all economic policies, including industrial and trade policy
2. Government has a variety of financial and non-financial instruments which it can use much more actively to leverage productive assets in the economy, to achieve decent work outcomes, to meet basic needs, promote technological innovation and improve beneficiation and local value addition.

Therefore resolve:

1. That in line with this mandate of economic development and job creation there should be no outsourcing in all key SOEs.
2. That the activities of all government departments, parastatals and DFIs should be reviewed to ensure more purposeful achievement of decent work outcomes.
3. That the Public Investment Corporation (PIC) as a major shareholder and investor in the economy, must leverage investment and shareholder activism to advance industrial policy objectives.
4. The role played by SOEs in the transfer and development of technical skills needs to be revitalised in order to speed up the process of job creation as per the New Growth Path.
5. In response to the ANC discussion document on SOEs and DFIs, government must avoid any regulatory environment that allows DFIs to access pension fund. We support the current arrangements of government bonds.
6. That there should be consideration of how more equitable income outcomes can be promoted.

State Owned Enterprises¹¹⁶

1. If SOEs are not operating in the best interests of citizens then Numsa through Cosatu must engage with government and SOEs on this issue
2. The NEC noted there is a worrying trend of the increasing influence of the Gupta family in the SOEs. In this regard the Cosatu CEC must look into the matter.

State Owned Enterprises¹¹⁷

1. The NUMSA CC would have to be very clear about the need for a revolutionary agenda. Its call and demand for SOEs Boards to be reconstituted will include taking legal action to enforce this demand as we cannot tolerate the levels of corruption in all our SOEs. The Trustees serving on the boards of Pension Funds, should not allow for money to be used to finance SOEs whose boards do not have worker representation.
2. The proposals in the Secretariat report is supported – worker participation in SOE Boards must be intensified
3. We must have a fighting program against privatisation

¹¹⁶ NEC December 2012

¹¹⁷ CC Dec 2017

Procurement policy

State procurement policy¹¹⁸

Noting that:

1. As a large purchaser of goods and services from private - and other public suppliers, the public sector is in a unique position to establish conditions that must be met if contracts are to be entered into. Market power can be a mighty effective incentive to suppliers.

Resolves to:

1. Pressure Government to ensure that any State Procurement Policy complies with the following conditions:
 - 1.1. the policies must not be used to keep firms alive that fail to meet minimum standards;
 - 1.2. policies must be transparent so that corruption can be minimised;
 - 1.3. establishing competitive relations between firms may not be the most effective policy;
 - 1.4. decisions should not be made simply by judging the good or service, but also the production process etc.;
 - 1.5. centralised purchasing can only be relaxed after basic standards have been achieved;
2. the establishment of national markets should not be jeopardised by misguided regional, local or agency devolution;
3. assistance should be provided for new or innovative firms which are considering tendering; and
4. purchasing policy should be tied to research and development efforts.

We further:

1. Call for the restructuring of the state tender board and the immediate institution of a commission of enquiry to investigate contracts that have been awarded. If any government employee is found to be guilty of colluding with parties to get the tender, s/he should be criminally charged. Laws to be passed to enable this to take place.
2. Government should resist pressures at the WTO to bring procurement policies/activities of the state under the control of the WTO because such a situation would clearly limit the role of the Government as an economic agent.

Government consumption expenditure¹¹⁹

Problem Statement:

1. Government does not use its status as a large consumer of goods and services to stimulate economic activity looking at the way the budget is presently structured.
2. Noting that GEAR being a labour-unfriendly economic policy threatens labour stability within the public service and also by promoting privatization is a major contributor towards increasing levels of unemployment.
3. GEAR calls for right sizing of the public sector and also for privatization of parastatals.
4. This formulation borders around the critical question of the role of the state in so far as meeting social basic needs and redistributing the economy is concerned.

¹¹⁸ NC 1996

¹¹⁹ NC 2000

5. Numsa believes that the concept of reducing Government consumption expenditure is in fact an attempt to completely redefine the role of the state in so far as the two above- mentioned roles are concerned.

Proposed Solution:

1. We reaffirm our policy on State Procurement Policy and want to add that government should purchase only locally produced goods and services.
2. However in the case of those goods which are not manufactured in South Africa, government can look elsewhere.
3. Cosatu to campaign against government by taking to the streets when it purchases anything that does not promote the objectives of the RDP i.e. buying arms etc.
4. Government's state procurement policy to be streamlined particularly its research and development efforts.
5. Cosatu to come with a programme of engaging Government with an aim of stimulating the clusters.
6. That the obsession to reduce Government consumption expenditure is in fact just an excuse to justify de-manning within the public sector and to speed up privatization and therefore should be rejected with contempt.
7. Therefore Cosatu should rather strive for expansion of the role of the state by stepping up the struggle against privatisation and rightsizing of the public sector.

Developmental state, procurement policy and the state owned enterprises ¹²⁰

Noting that:

1. Developing countries have used SOE as a form of enterprises to confront capitalist logic, and as a form of intervention to change the structure of their economies
2. That procurement policy is one of the key economic instruments that the South African Developmental state has to use in driving an ecologically sustainable industrializing agenda
3. Neo-liberal agenda of the past 15 years has rolled back the role of the state in the economy, and two of our critical SOEs are in private hands (SASOL and Arcelor Mittal)
4. Ever-changing global situation and the failure of the neo-liberal agenda to respond to social needs, and the opportunities that this presents for a progressive, pro-worker social agenda
5. Further re-affirm our previous resolution on Nationalizing the above companies under workers control and other progressive forms of ownership
6. Poverty and social inequality still remain a burden of the past in the present

...At a local level:

1. The way in which local municipalities were demarcated was completely wrong as such a process clustered poor local authorities who lack both the capacity and adequate resources to do their job
2. That over the past 15 years we have failed to develop local government structures capable of delivering to the working class and the poor.
3. The role of the local state cannot merely be to supervise the maintenance of apartheid infrastructure.
4. Basically there is a need at national level, to locate a different agenda for the local state, in that our ANC government must plan for an agenda of the local state completely away from what we

¹²⁰ Mini NC 2009

have inherited from the National Party. As things stand we cannot go beyond what we have inherited which is a problem that we are just managing exactly the same inferior infrastructure built during the apartheid era without any plan to change it. This must be addressed.

5. Therefore there is a need at national level to develop an agenda for the local state to alter this inferior inherited infrastructure.
6. Unless this agenda is developed we must in this context appreciate that in continuing to deploy and re-deploy comrades to achieve this impossible goal, we change nothing. We merely contribute to the demoralisation and destruction of good comrades.
7. Spending patterns of the local state continue to focus on traditionally white areas while maintenance standards in previously disadvantaged communities are in decline.
8. In the Eastern Cape 19 of 38 municipalities in the Province have been classified as being in major difficulties (Project Consolidate) because they cannot deliver services to 60% of the population.

Therefore resolved that:

1. The incoming administration within 100 days of resuming office must review procurement policies, in line with our stated objectives of driving an ecological sustainable industrializing agenda that is jobs led, and increase local content
2. Numsa must intensify our buy local campaign.
 - 4.1. All shop steward councils to engage their employers and source supplies locally
 - 4.2. Numsa to engage parastatals and SOEs to comply with “buy local” around procurement.
3. That all state enterprises to procure all their goods and services locally and use this to refocus the private sector so that it produces socially useful products.
4. We must publicly name and shame SOEs such as Eskom which have not procured their products in SA.
5. The incoming administration should use procurement policy as an instrument to diversify and benefit our economy
6. All spheres of government should source all their goods locally as a way of stimulating SA economy.
7. Government and development finance institutions must use their leverage to force companies that get support from these institutions to procure locally so as to build and protect the local manufacturing base.
8. That the developmental state through its planning commission should decisively intervene to redistribute resources away from the developed to the underdeveloped areas using a variety of policy instruments including taxation
9. The developmental state should also intervene to build a social economy that is orientated towards meeting social needs
10. We should push all South African companies to also source their products in South Africa
11. That the South African constitution should outlaw poverty as unconstitutional and impose a responsibility on the state to intervene to eradicate poverty
12. South African developmental state should constitutionalise the right to work, and unemployment should be made unconstitutional and that should impose on the state to guarantee full employment of all citizens
13. As a way of dealing with asset poverty, the new Minister of Human Settlement must make sure that all the newly built houses have a Refrigerator, Stove and solar geyser
14. Arising from the ANC Manifesto on rural development, call upon the incoming minister of rural development to issue a policy instruction that will enable all agricultural equipments to be procured locally

15. That the new ministry of economic development within its 100 days of office see to it that an Act is tabled in parliament that is in line with the above mentioned objectives and is orientated towards producing socially useful products
16. That the developmental state should force development finance institutions to finance worker owned co-ops that are producing socially useful products.

...At a local level

1. The demarcation process should be revisited.
2. That the concept of large metro municipalities that exclude small towns and rural areas that previously relied on them is a disaster and it must be reviewed and include these poor rural areas.
3. Numsa must demand that the ANC nationally must accept that it can't use a state structure designed to deliver to defend the interests of private property, to serve its own mass constituency, most of whom are poor and working class.
4. We must therefore build a completely different local state whose first mission is to transform the inherited apartheid infrastructure that prioritized a tiny minority. We need a local state that plans for the majority of the people.
5. This means that budget processes must be informed by the need to fundamentally alter our apartheid inheritance. Our budgets should not be informed by national allocations to the local state but by the extent of backlogs that exist in our communities.
6. We call for the establishment of government national teams of engineers, quantity surveyors, project managers and other specialists who will quantify what must be done in each and every town and Province
7. Such teams should go beyond mere quantification and drive town planning processes for all local authorities and the Metros. The aim should be the creation of a form of a democratic local state that differs radically from what was inherited from the apartheid regime.
8. The Alliance needs to question the suitability of IDPs. We need to develop planning instruments that will help reverse current re-racialisation tendencies and radically transform what we have inherited.
9. Poor communities must receive free services and we must introduce progressive tariffs to address the fact that many people cannot pay large amounts for services.
10. The Alliance at national level must intervene, for example, review and reduce the recent huge tariff increases in Nelson Mandela Metro. Poor communities are unilaterally forced to pay up to 57% more for electricity as a result.
11. The Alliance must deal with the problem of re-racialisation, market dominance and persisting racial social geography in most towns, coastal resorts and cities. Current settlements patterns are determined by ongoing 'market colonialism'. Our people cannot afford to buy property in formerly white areas and action must be taken to change this.
12. Key frontline workers in local government are difficult to hold onto and many municipalities have only 40% of the key personnel they require. Urgent steps are required to deal with this situation.
13. Municipalities and metros must stop filling positions via labour brokers and agencies. Instead all existing positions in the local state must be filled by permanent workers and that all workers who work for agencies providing services to the local state must be employed on a permanent basis by the local state.
14. A special team should be set up to identify positions to be filled, with clear timeframes, in all government departments, institutions and parastatals, including those that account directly to national government.

15. Numsa to develop a campaign against all outsourced services in our municipalities to force municipalities to end outsourced contracts.
16. The current public sector ethos needs to be reassessed and steps taken to develop a public service ethic based on people's power rather than on providing services as commodities.
17. Public services must be used to help create jobs and ensure a better and longer life for all.
18. Political power is severely limited in the face of financial market power in urban settings. We need to confront the power that banks have to maintain uneven development patterns by redlining certain areas.
19. We need to redefine who is poor - The current definition of who is indigent or poor is too mean and exclusionary. Some municipalities only give free services to pensioners or those on household incomes of less than R1500. This excludes many people who are struggling to survive.
20. All townships represent colonization of a special type that is why their continuation represents its continuity. We must think big about changing townships. Cronin and Fanon's essential colonial construct have written a lot about this and therefore we should have a discussion as to whether they shouldn't be regarded as poor because of their poor environmental conditions and other disadvantages such as distance from town and negative equity in assets such as housing.
21. In the light of the current crisis of food and electricity prices, service charges for essential services must be reduced for all poor people including the working poor. All cut-offs of essential life-sustaining services must cease forthwith.
22. Use of prepaid water meters (they were banned in UK) must cease as they are self-disconnecting devices
23. A service delivery ethic that empowers citizens politically and allows grassroots activism around services must be encouraged.
24. Local people's committees must be built with people trained to monitor their own services as well as the work of local government more generally. It is on this basis that we can revisit the current culture of not paying for services
25. The Alliance must re-think the role of local government in service delivery. Service delivery must become more of a central government responsibility with entitlement guaranteed and financed from the national fiscus.
26. We need to move towards a situation where 90% of the budget is really focused on our townships and rural areas.

IDZs & SOEs & DPE & DFIs:¹²¹

In defining Numsa's approach to state owned entities, the CC resolved on the following action steps;

1. Insofar as the IDZ's are concerned, Numsa must take up issues that causes problems of investments, employment and benefits to communities within the proximity of such IDZ's;
2. Numsa must engage DPE very seriously with regard to the infrastructural development of our harbours which in turn must be linked to an industrial strategy.
3. As Numsa we must not pull back on affirmative action but whoever occupies that space or position must be capable of delivering.
4. A rallying cry from Numsa in all the forums where we are engaged in must be that SOEs must procure locally.
5. The NOB is mandated to work vigorously within Cosatu and the Alliance as a whole for the deployment of progressive cadres with a working class bias to serve on the boards of SOE's and

¹²¹ CC Dec 2009

in DFI's. This is necessitated by the recent Eskom debacle and other entities where reactionary agendas are at play.

Tenders and procurement¹²²

The CC noted that:

1. Many politicians get elected on the basis of tenders
2. The problem is not with tenders per se, it is the fact that government must procure things.

The CC resolved that:

1. Numsa, through Cosatu and the Alliance, calls for the re-establishment of Tender Boards which must bring about a much more transparent process of all government tenders at local, provincial and national level.

¹²² CC Dec 2010

Socio economic issues

Poverty and inequality

Poverty elimination¹²³

Problem Statement

1. There is very little interest in government departments to account effectively on the area of poverty elimination.
2. Poverty mainly affects the rural poor, especially women.

Therefore Resolve

1. Development institutions and co-operatives must be strengthened and redirected to prioritise rural development.
2. There must be a state-led vibrant integrated rural strategy which should prioritise agriculture, i.e. land cultivation, farming, etc.
3. The current closure of local authorities must be rejected and such local authorities must be utilised to drive the above rural strategy to eliminate and uproot poverty.
4. There must be a basic income grant for the unemployed.
5. The social security net must be extended.
6. Funds that are set aside for poverty relief should be strictly monitored to ensure that it is spent where required.
7. RDP Public Works Programme to be implemented.
8. Cosatu to relook at underspent money in the Poverty Relief Fund.
9. Cosatu to come up with progressive views of using Kopano Ke Matla to open a fundraising wing by creating a Section 21 company.
10. The National Lotteries Monies and Section 21 company to promote music festivals and engage the sporting codes to contribute towards poverty relief programmes by arranging charity games.
11. Each worker to contribute 10c a month to be deducted through tax system, this will be all workers at all levels up to management and Companies to be encouraged to contribute too. By agreeing on the levy the government to increase the poverty relief grants.
12. Affiliates investment companies to donate 10% of profits to poverty relief programmes / projects. Control mechanism to be discussed by Cosatu with government and business and it must be made public.

Implementation Plan

1. The plan will be dependant on progress made in realising the above and the response of Civil Society.

Capping of executive pay¹²⁴

Noting:

1. The 60% difference between the highest and the lowest grade has not been achieved yet.
2. The huge salaries received by executives.

¹²³ NC 2000

¹²⁴ NC 2012

Resolve:

1. Cosatu must campaign for legislative capping of executive pay and propose other alternatives caused by huge inequalities in executive pay. (put as campaign)

Jobs**Fighting Job Loss¹²⁵****Introduction:**

1. Loss of jobs is caused by the past and present mismanagement of the economy by the capitalists and the government.
2. The capitalists, with the assistance of the State, are trying to restructure industry and the economy in ways which will increase profits at the expense of workers. To do this they have to weaken the trade unions.
3. Tripartite negotiations cannot stop job loss unless the whole working class is mobilised around a clear programme of action.
4. The full restructuring of the economy for the maximum benefit of the working class and all the people can only be achieved by building democratic socialism.
5. Job loss can only be stopped by major investment in projects which will also provide basic goods and services for the masses.

Therefore resolves that:

1. Working class organisations should be united around a programme to fight job losses which are aimed at increasing profit and to demand very big investments in affordable housing for all, affordable electrification for all, schools for all, technical training etc.
2. This programme should be based on militant actions such as demonstration, marches. etc. The campaign should be developed through Worker Summits which should also invite political organisations to send representatives.
3. Cosatu and its Affiliates should investigate ways in which workers in other countries can support this struggle. This should include more serious co-operation between unions internationally to influence policy making on trade, workers' rights and similar issues which can lead to job losses and to develop real solidarity in facing multi-national companies.
4. Cosatu and NACTU should demand from SACCOLA and the State that ways be found to stop retrenchments and job losses.
5. Cosatu should demand that major investments be made in infrastructure projects such as affordable housing for all, affordable electrification for all, schools for all, training for all etc. The conditions on which these investments are made and the way in which the projects work, must be negotiated with Cosatu and the civics, so that they are able to create very many jobs at a living wage, rather than just creating more profits for a few capitalists.

Jobs Summit¹²⁶

1. The meeting endorsed the recommendation that Numsa's Job Summit must take place after the Presidential Jobs Summit. That during April - June this year, industrial restructuring teams in each of Numsa's sectors will look at their sectors, analyse why jobs are being lost and develop proposals to save existing jobs and to create new ones.

¹²⁵ NC 1991

¹²⁶ NEC April 1998

Job Summits¹²⁷

1. The NOB's briefed the NEC on the process leading to Sector Job Summit. In the first National Policy Workshop for the Sector Job Summit held last year, Numsa adopted specific objectives to be achieved and a principle agreement to guide the union in its preparation and engagements with SJS process. These are some of the agreements endorsed at the workshop 2001.
2. That this process must follow these three phases;
 - 2.1. Pre - Summit Negotiations
 - 2.2. Actual Summit Negotiations
 - 2.3. Post - Summit Negotiations
3. This process must be used to build capacity.
4. Political mobilisation should be one of the strategies utilised to ensure the union and workers benefit in the SJS.
5. As part of the preparation for the SJS, Numsa researcher should carry out research studies into the engineering and automobile sectors with the aim of developing proposed claims and policy recommendations to be fed in the SJS negotiations.

Resolved

1. The NEC noted the report and progress made with regard to the SJS process. The NEC endorsed the following programme and demands.

Retrenchments and Job Losses:¹²⁸

Problem statement

1. Numsa and other Unions have encountered many attacks by employers. Retrenchment has become a fashionable word. Workers have been drummed in the streets as a result of retrenchment. The language that has been used among others is:
 - outsourcing,
 - insourcing,
 - privatisation,
 - new technology,
 - competition,
 - restructuring,
 - realignment,
 - productivity,
 - reduction in manning levels
 - globalisation,
 - right-sizing,
 - down-sizing,
 - tariff reduction,
 - dismissal for operational requirements etc.
2. All these terms used, but not limited to those mentioned above,
 - take away jobs,

¹²⁷ NEC Feb 2002

¹²⁸ NC 2000

- lead to children dropping out of school,
 - break up families,
 - lead to escalation of crime in the country and worst of all,
 - poverty.
3. Currently the laws do not assist workers in many respects i.e.
 - no protection in case of liquidation,
 - striking over unfair retrenchment is prohibited,
 - workers that escape retrenchments are expected to do more work,
 - work overtime and double shifts.

Further noting that:

1. Between 35% and 45% of South Africans are out of employment as a result of a lack of jobs due to employers not investing in job creation but rather investing in the Johannesburg Stock Exchange and off-shore investments.
2. There are about 370 000 school-leavers who need to be accommodated in the South African job market every year.
3. Both government and capital invest in capital intensive sectors which do not absorb the many unemployed.
4. No serious attention or focus by government and business on beneficiation nor focus on local content, meaning locally produced goods, which result in many companies retrenching, closing down or relocating.

Retrenchments:

We Therefore Resolve:

1. Work Security Fund must be compulsory for all employers.
2. Numsa must demand a 5-year moratorium on retrenchments with a minimum of 4 weeks severance pay for each completed year of service with no ceiling.
3. All retrenched to undergo retraining process, training to last for not less than 6 months,
4. Numsa through Cosatu to fight for the amendment of the LRA and Insolvency Act but not limited to the following:
 - 4.3. banning of overtime,
 - 4.4. right to strike against unreasonable retrenchments,
 - 4.5. Section 189 - to allow process of negotiation instead of consultation over process of retrenchment.
5. Companies to contribute when workers are on short-time to the relevant benefits such as pension/provident fund, UIF and Medical Aid.
6. When a worker takes early retirement or voluntary severance package (VSP) before his retirement age, the employer must buy out the years between retrenchment and his or her retirement.
7. Employers should not undermine EEA when selecting workers for retrenchment or when recalling workers or retrenched for re-employment.
8. Reasonable travelling allowances and other relevant assistance to be provided by employer to all workers affected by the relocation of company to avoid workers opting for VSPs or resignation unintentionally.

9. Employers to be forced to reinvest profits in productive sectors to expand and employ more workers.

In defence of our jobs

We therefore Resolve:

1. Numsa through Cosatu to engage both government and business on job creation in defence of our jobs at all levels.
2. Numsa through Cosatu to continue to mobilise workers on the above including the unemployed and enlist the support of all progressive organisations in its campaign for job creation.
3. Cosatu to make sure that all agreed job summit resolutions are implemented. Monitoring to be done by Cosatu Exco.
4. Cosatu to vigorously engage government to develop a concrete framework to defend our local content.
5. Numsa or Cosatu to force all employers who have not yet contributed, to contribute at least 1% of their wage bill to the Umsobomvu Fund towards job creation through Mega Bargaining councils, Nedlac and collective bargaining forums.
6. Cosatu should produce a standard letter for employers to contribute to the Umsobomvu Fund.
7. Cosatu must continue to mobilise all workers (including the unemployed) and enlist the support of progressive civics, NGO's and student formations in its campaign for jobs
8. Information be released timeously on all media (i.e. TV, Radio and Newspapers) including Shopsteward and Numsa News.
9. Applications should be invited for projects and small businesses.

Social contract and Expanded Public Works Programme¹²⁹

Noting:

1. The current programmes are short term in nature and are not sustainable
2. The public works programmes have a potential of introducing a two tier labour market

Resolve that:

1. Numsa to engage Cosatu in verifying the political and ideological significance its attached signature to the GDS contract, especially the issue of special conditions for workers who will get their jobs through expanded public works programmes. This is worrying us and it forms part of what is called code of good practice. Our main concern we would want the federation to clarify us on is the fact that the likelihood is that both the state and capital are likely to throw every opportunity that could have created meaningful jobs to expanded public works programmes. If that is the case unconsciously we might be part of a social accord? We are raising this to clarify ourselves and to generate a deeper understanding of the GDS.

Job Summits¹³⁰

1. The Numsa Mini National Congress acknowledges the work that Numsa has done since the 8th National Congress in the national jobs conference and provincial jobs conferences.
2. Those resolutions must be implemented successfully.

¹²⁹ NC 2004

¹³⁰ Mini NC 2009

Noting that:

1. Quality job creation and the protection thereof are not being addressed.
2. Government has failed to implement or develop an integrated and comprehensive industrial policy.

Resolving:

1. We must build and strengthen the level of capacity to participate in Nedlac, MIDP and ensure accountability of those who represent us at these institutions.
2. The Union must play a role in the Provincial Development Council and Economic Forums and ensure capacity building around these areas.
3. All government departments must work together to develop a uniform approach towards an Industrial Policy.

Unemployment¹³¹**Noting:**

1. The closure of small and medium companies.
2. That low import tariffs continue to be one of the major driving forces in increasing unemployment.
3. That 72% of the unemployed are young people.
4. That graduates are not given equal opportunities for jobs.
5. That the youth cannot access employment opportunities because they lack experience.
6. That the NYDA (National Youth Development Agency) is not fulfilling its mandate of assisting young people to access employment opportunities, and that unemployed youth are not aware of initiatives or programmes that are conducted by institutions like NYDA.
7. That our education system is re-producing unemployment.
8. That not everyone attends institutions of higher learning when they finish Grade 12
9. That there are no skills development centres in our communities.
10. That there are funds available for youth development which are not being utilised.
11. That the closure of FET colleges by government has not assisted us in addressing the issue of unemployment.

Believing:

1. That job creation can only be realised by protecting the local market (manufacturing in particular).
2. That more effort on youth development needs to be put in place in order to achieve improved education skills amongst our youth so that they are better prepared for the world of work.
3. That the number of internships in the public sector needs to be increased so that this is achieved
4. That practical work experience should be provided by universities to equip graduates with necessary experience.

Therefore resolve:

1. That parastatals and government at all levels must have mandatory set-asides for co-ops as part of a broader initiative to “de-tenderise” the state. e.g. Department of Public Works must have their own construction departments in all municipal regions who will be responsible for building

¹³¹ NC 2012

houses, new government buildings, road building/maintenance. Government must bring provincial administrations where the state must take full responsibility in construction and maintenance with a full time workforce.

2. To demand that government provide more financial support to companies involved in the manufacturing of locally produced goods and also fast-track the establishment of cooperatives.
3. To push for the creation of an environment where our raw materials are processed internally as a job creation strategy.
4. To stop government from concluding and signing trade deals that have a negative impact on labour, amongst others and call for major economic policy shift on the issue of import tariffs.
5. That government and private business must ensure that all levels of government provide learnerships and apprenticeships in order to give young people the opportunity to acquire reasonable experience for employment.
6. That government should conduct feasibility studies on liquidated companies and target companies that would be profitable and take them over in order to save jobs and support our economic growth.
7. To stop the implementation of the youth wage subsidy since it has the potential to exploit young workers and further produce unreasonable retrenchments of permanent employees.
8. That the labour movement and the broader alliance must engage the government, particularly the Departments of Higher Education and Labour in ensuring that universities have a programme for providing graduates with practical work experience.
9. That our education system and curriculum should be structured in a way that addresses our economic needs.
10. That organisation such as NYDA and IDC (Industrial Development Corporation) must conduct workshops for young people to inform them about accessing funding from them in order to become entrepreneurs and facilitate the creation of employment for other young people.
11. That Numsa must keep sounding a call to government that all closed FET colleges must be reopened in order to develop young people. These centres must be located close to communities to make them more accessible to young people.
12. That government should invest more funds into providing venture capital in order to encourage more local entrepreneurs to open SMMEs.
13. As Numsa to support the Cosatu CEC initiative for a conference on youth unemployment and call on Numsa Youth Forum to lead the process on preparing for the conference.

Employment

1. Numsa will hold a national job summit and a continental meeting on jobs.
2. Numsa must engage as a priority over job losses and liquidations¹³²

Climate Change and Energy

Energy¹³³

Noting:

1. That energy is very important in the lives of all citizens.
2. The government's free electricity for all of 50Kwh but the destitute do not benefit from this.

¹³² NC 2016

¹³³ Mini NC 2009

3. That the current black-outs and load shedding has affected workers and the poor more than any other groups.
4. That current electricity load-shedding impacts negatively on development.
5. Government's lack of investment in Eskom's generation capacity and other environmentally friendly sources of energy have compromised the human rights situation of the South African population.
6. That government is unwisely spending huge amounts of money on building a pebble bed nuclear reactor without certainty on its safety both in the short and long term.
7. Cosatu has a position on engaging government in addressing the REDs.
8. Eskom's and DME's move to compact fluorescent lamps (CFLs) is a good strategy in saving energy but many of these bulbs are imported.
9. These CFLs contain mercury and there is no plan to recycle them.

Believing:

1. That access to energy especially electricity is a basic right.
2. Nuclear energy is expensive and unsafe for people of South Africa and the rest of the world and can cause irreversible harm to the environment.
3. South Africa does not have the capacity and resources to deal with radioactive waste.
4. Eskom is demanding huge increases in tariffs due to load-shedding.
5. Load-shedding is a result of privatization.

Resolve:

1. The matter of the ongoing energy crisis in South Africa must be thoroughly investigated.
2. Numsa as an organization must take a keen interest on this matter as it is organized in this company.
3. Numsa to make a study on load-shedding and its impact.
4. Government should invest in power generation capacity of Eskom and other environmentally friendly sources of energy. The increase in capital expenditure required by Eskom must not be funded through higher tariffs by consumers. (Hlanganani, Wits CW)
5. 30% privatization of ESKOM should be rejected.
6. Numsa together with Cosatu should oppose building of nuclear stations and the investment therefrom should be re-directed to environmentally friendly sources of energy.
7. With the increase of electricity tariffs we demand that the 50Kwh of free electricity be increased by 100% to 100Kwh.
8. Pensioners, unemployed and the poorest of the poor should be further subsidised on their electricity consumption.
9. No developmental projects must be frozen due to load-shedding.
10. We demand that no single job should be lost as a result of the government and ESKOM engineered electricity crisis in our country. Further, we demand that the working class must not be made to pay and suffer for the incompetence of those responsible for the crisis both at ESKOM and in government.
11. Numsa and other unions at national level who are engaged with REDs process must meet immediately after the 8th national congress to define a common perspective and challenges and such a process must take lower structures on board.
12. Numsa would have to ensure that this process does not lead to privatization through sophisticated process of management techniques and that instead of improving service delivery

these REDS end up being managed on a profit basis because if that is the case such a management structure would be different to privatization

13. We would also have to make sure those municipalities that will lose revenue as a result of REDs such municipalities do not transfer the costs to poor communalities.
14. National Holding Company to be permanent (Electricity Distribution Industry) eg to use cross-subsidies.
15. All the CFLs that are used in the Department of Minerals and Energy's campaign for efficient use of energy must be produced and procured locally.
16. Labour should engage the Department of Trade and Industry in order for the CFLs to be produced in South Africa.
17. Numsa to support the government plan to have these lamps recycled. This may have job-creation spinoffs.

Climate Change and Class Struggle¹³⁴

Noting:

1. Since the last National Congress, substantial work has been done within NUMSA to make climate change a union issue.
2. In August 2011, COSATU adopted principles to guide the federation and its affiliates in their engagements on climate change. Forming part of these principles are assertions that;
 - 2.1. Capitalist accumulation is the underlying cause of excessive greenhouse gas emissions, and therefore global warming and climate change.
 - 2.2. A new low carbon development path is needed which addresses the need for decent jobs and the elimination of unemployment.
 - 2.3. All South Africans have the right to clean, safe and affordable energy.
 - 2.4. A just transition to a low-carbon and climate resilient economy is required.
 - 2.5. African solidarity is imperative in the struggle to mitigate and adapt to climate change.
 - 2.6. An ambitious legally binding international agreement designed to limit temperature increases to a maximum of 1.5 degrees Celsius is essential.
 - 2.7. Developed countries must pay for their climate debt.
 - 2.8. Technology transfers to developing countries must not be fettered by intellectual property rights.
 - 2.9. The South African government's position in the UNFCCC processes must properly represent the interests of the people.
3. In the form of the National Climate Change Response White Paper adopted in October 2011, the South African government now has a policy on climate change.
4. The South African government policy on climate change calls for;
 - 4.1. Emission reduction outcomes for each sector and sub-sector of the economy by 2013
 - 4.2. Carbon Budgets for significant greenhouse gasses (GHG) emitting sectors and/or sub-sectors by 2013
 - 4.3. Mitigation Plans requiring companies and economic sectors or sub-sectors for whom desired emission reduction outcomes have been established
 - 4.4. Sectoral mitigation and lower-carbon development strategies
 - 4.5. Sector Jobs Resilience Plans (SJRP) that will explore the synergy between mitigation and adaptation strategies and the potential for sustainable net job creation in each sector.

Realising that;

1. At the centre of the climate change question is how to rapidly move away from fossil fuels towards renewable energy.

¹³⁴ NC 2012

2. Climate change cannot be resolved separately from the resolution of the capitalist crisis which is a global class war.
3. Climate change cannot be stopped without moving beyond capitalism.
4. The climate negotiations conducted under the auspices of the United Nations Framework Convention on Climate Change (UNFCCC) are failing as there is no room for dialogue and as capital and labour are always counter-posed to each other.
5. Solutions to climate change and global warming are not going to come from governments.
6. Only the world's working class can fight for mitigation and adaptation to climate change. We cannot wait for governments to do this.
7. Although there is a danger of different sections of the working class being pitted against each other, climate change can be a key unifying struggle.

Therefore resolve:

1. That we need to link our struggles around climate change with global anti-capitalist struggles.
2. As NUMSA to endorse the 15 principles that the COSATU Central Executive Committee (CEC) as the basis for engagement in climate change negotiations.
3. That stopping wars (especially US-led ones, which have a high carbon footprint and are exempted from emissions calculations) should be a vital component of attempts to reduce global warming.
4. That nationalisation and socialisation of hydrocarbons such as coal are central to the struggle against climate change. This will give political control over the industries and ensure that the economic revenue from fossil fuels stays in the country.
5. To avoid "just transition" being another capitalist concept, the path to a low carbon economy must be based in worker-controlled, democratic social ownership of key means of production and means of subsistence. There is a need for long term collective planning of wealth and production and how needs are met.
6. That collective and democratic planning is needed in order to make far reaching interventions that are on the scale that is needed and at the pace it is needed, and doing so in such a way that workers avoid bearing all the costs of the transition.
7. That as a union we should we reject market based solutions to climate change and argue that we cannot own nature, we are part of nature. NUMSA and COSATU should call on government to review the Carbon Development Mechanisms (CDMs) and other elements of carbon trade that are being championed in South Africa by global finance institutions.
8. That it is vital to develop ways that avoid "solutions" that pit workers in one part of the world in competition with workers in other parts of the world.
9. That the question of reproduction and land is central in the fight against global warming. Women's struggles are therefore central, as is the struggle of informal workers who are the most vulnerable of all workers.
10. That entering into alliances with other organisations, especially civil society and rural communities is critical in our work on climate change.
11. That a concerted self-education of our members on climate change is necessary.
12. That NUMSA will be pro-active in the development of mitigation plans, carbon budgets, sector jobs resilience plans (SJRPs) and sectoral mitigation and lower-carbon development strategies that the White Paper on Climate change calls for.
13. That COSATU should call for the formalisation of the status the National Committee on Climate Change (NCCC) which advises the Minister of Environmental Affairs on matters of climate change into an advisory council with statutory powers and responsibilities.

Building a Socially-Owned Renewable Energy Sector in SA¹³⁵

Noting that:

1. South Africa is developing its renewable energy (RE) sector through the Renewable Energy Procurement Programme which will attract investments of around R100-billion between 2012 and 2016.
2. According to a cabinet-adopted Integrated Resource Plan (IRP) 2010 which is a 20-year electricity plan for the country, about 9% of all electricity generated in the country by 2030 will be from renewable energy sources – onshore wind, concentrated solar thermal, solar photovoltaic, biomass, biogas, landfill gas and small hydro.

Further noting:

1. Our government seems to have succumbed and is handing the whole process to the private sector through Independent Power Producers (IPPs).
2. All the IPPs who receive tenders between now and 2013 will have to be operational not later than the end of 2016.
3. Energy is vital for production, national development and meeting basic needs.
4. In addition to increasing the share of renewable energy in meeting the world's need for sustainable power, heat, cooling and transportation energy solutions, an accelerated development of renewables would create new industries and millions of jobs.

Realising;

1. The development of South Africa's RE sector takes place in the midst of an international energy revolution where tight supplies and a drive for super profits are resulting in rising costs, price volatility and a search for alternative sources either in the form of unconventional oil (tar sands, bitumen and extra-heavy oil), fracking or renewables.
2. A combination of ecological, political, economic and financial factors mean that energy production and consumption is becoming central to global political, economic, and financial dynamics.
3. Workers and their communities stand not to benefit in what is another capitalist grab to enrich a few and to commodify natural resources for profitable sale in the world-market.
4. The renewable energy being produced through the Renewable Energy Procurement Programme is not meant for those who do not presently have access to electricity but is being developed for big corporations who get their supply at discount.
5. The primary goal of developing renewable energy sector is it to feed electricity into the grid and not to serve as a non-commercial means of subsistence.
6. The main beneficiaries of the Renewable Energy Procurement Programme will be large foreign energy, power and technology companies; financiers and project developers and that South Africa will continue to be a recipient of products developed in the North on the terms of the world market and global patent regimes.
7. The dual character of renewable energy where the sector has on one hand the potential to give communities greater control of their resources and satisfying their energy needs on a decentralised basis while on the other acting as a site of inequality, hierarchy, gender oppression and exploitation.
8. Capital as is always the case, views the introduction of renewables as a new site of accumulation and one of the ways to resolve the current economic-financial crisis.
9. Social-ownership of renewable energy can guarantee greater security of supply and equality of access.
10. Socially-owned renewables can provide a strong basis for energy sovereignty, as an important way of confronting, and in the long term overcoming, energy inequalities in the world-market.

¹³⁵ NC 2012

11. A socially and ecologically desirable transition to a new energy system in which renewable energy plays the dominant role is actually not possible within the constraints imposed by capitalist relations.

Therefore resolve:

1. As a union we should, in opposition to plans to build an RE sector driven by the private sector, fight for a socially-owned RE sector; a sector made up of a mix of energy parastatals, cooperatives, municipal-owned entities and other forms of community energy enterprises.
2. In discussions about building a renewable energy sector in South Africa, we should put the question of social ownership and control at the centre. The mandate of socially-owned RE enterprises should be service provision, meeting of universal needs, de-commodification of energy and an equitable dividend to communities and workers directly involved in production and consumption of energy.
3. Socialise existing state-owned energy enterprises (SOEs) such as Eskom and Central Energy Fund (CEF) through a change in their mandates from the current profit orientation to service provision. Instead of boards of directors appointed by Ministers and other politicians, we need to agitate for significant representation of energy consumers and energy producers on new and legislatively-empowered governing councils of these SoEs.
4. Enterprises that make up the socially-owned sector will have to act under a strict social mandate; where a large share of economic benefits of renewable energy production and consumption accrues to producers and owners of the actual means of renewable energy production. For this to happen there will have to be prioritisation in the grid of electricity generated by socially-owned RE entities.
5. As immediate steps to build a socially-owned renewable energy sector, NUMSA should struggle and call for the following:
 - 5.1. The bringing of sites with the greatest abundance of useable renewable energy sources such as land under public, community or collective ownership.
 - 5.2. Social ownership of utilities (generation, transmission and distribution).
 - 5.3. Bringing the fossil fuel industry such as coal and synthetic fuel under social ownership and control.
 - 5.4. The introduction of strategic and targeted local content requirement regime aimed at building a RE manufacturing base in South Africa.
 - 5.5. Creation of concrete learning situations by establishing NUMSA RE coops. This should also include experimentation with different scales of technology including both on and off-grid technology.
6. As NUMSA we must encourage other socially-owned entities to enter the RE space. Where we can, we should do likewise with municipalities; encourage and struggle with them to establish municipal-owned solar and wind parks.
7. We should use the bidding process as a focus to build a movement for socially-owned renewable energy sector. To carry out this work the union commits itself to establishing a RE-bid Watch; a network made up of Friends of NUMSA (locally and internationally) to monitor and report on the bidding process.
8. While insisting that government should set aside public investments for renewables, the union should explore:
 - 8.1. how fossil fuel revenues can be harnessed to fund renewables
 - 8.2. the possibilities of using workers' pension/provident funds as a vehicle for financing socially-owned renewables.
9. The union should embark on ongoing education on socially-owned renewable energy sector that develops a rigorous critique of existing development path in the RE sector.
10. NUMSA commits itself to organising workers in all branches of the renewables sector.

11. We must advance gender equity in the renewable energy sector through a demand to RE companies that calls on them to adhere to Employment Equity legislation and to absorb women at all levels of the occupational ladder.
12. NUMSA will build and strengthen relations with organisations and institutions in countries where there are examples either of different forms of social-ownership within the renewable energy sector, or examples of the conflicts generated by capitalist renewable energy development. In addition we are keen to have contact with unions, organisations, specialist institutions and individuals who share our perspectives of a socially-owned RE sector, wherever they may be.

Rollout of solar water heating systems¹³⁶

Noting:

1. In April 2010, the South African government officially launched the Solar Water Heating (SWH) programme with the objective of installing 1-million solar water heaters across South Africa by 2014.
2. The solar water heating rollout is one of the programmes in the 2011 ANC Local Government Manifesto
3. To date only about 220 000 solar geysers have been installed; which is a far-cry from the annual targets necessary to realise the 1-million target.
4. Financing the programme through rebates has only led to uncertainty and inability to scale-up the programme
5. Since September 2011, an Inter-ministerial Project Steering Committee (PSC) chaired by the Department of Economic Development (EDD) has been hard at work to look at strategies aimed at improving the rollout programme.

Further noting:

1. Despite the sector being driven by public funding, many of the workplaces have no union presence and there exist low levels of union organisation.
2. There is minimum take-off of solar water heating among players (industry, middle and high-income households) outside of the target of government's programme which is low-income communities.
3. Although co-operatives were spoken about as alternative enterprises that could be involved in installation and maintenance of solar water heaters, there has been little evidence of this happening.
4. Since the announcement of the solar water heating programme there has been large scale importation of solar systems from China, Germany, Greece and Israel.
5. According to the 2011 ANC Local Government Manifesto the programme is part of plans to "create work opportunities and support domestic manufacture of components in the green economy".
6. In its 2012/13 budget, government announced that an additional R4.7 billion from the electricity levy generated from non-renewable sources will be allocated to complete the installation of one million solar water geysers.
7. NUMSA organises workers in the solar water sector and that many of the companies in the sector fall under the union's scope.

Herby resolve:

1. As a union we should identify loopholes that allow cheaper imports of SWH to enter at lower duties and on that basis call for amendment to tariffs.
2. NUMSA should call on the Minister of Trade & Industry to use Section 9 of the revised regulations to the Preferential Procurement Policy Financial Act (PPPFA) to designate solar water

¹³⁶ NC 2012

heaters (SWHs) so that organs of state and public entities will only procure locally-produced solar heating systems.

3. MERSETA should embark on a development of installers and execution of a plan to train up to 10 000 qualified plumbers required to support the rollout plan by 2014.
4. As a union we should agitate for a shift in the rollout of solar water heaters from a rebate system to a contract model where government will drive the programme through large-scale contracts. This is the only way to ensure consolidation of the SWH sector in a manner that ensures certainty, job creation, quality, sustainability, after sale maintenance and guarantees.
5. Government contracts for supply and installation of SWH should be awarded using a scorecard that emphasises factors such as job creation, BBBEE, supplier development, set-asides for cooperatives, localisation and local content requirements.
6. NUMSA must make progress on the establishment of Solar Water Heater Installation Coops.

Electricity and Energy¹³⁷

Noting:

1. That newly built power stations are erected at the expense of the poor.
2. That our electricity does not provide long term security of supply.
3. That Eskom has been driving an electricity buy-back programme known as the Demand Response Aggregation Pilot Programme (DRAPP) whose aim is to reduce electricity use by big companies and intensive energy users
4. That our members have experienced lay-offs, short-time and retrenchments partly due to the buy-back programme despite assurances at the launch of DRAPP that this would not be the case
5. That Eskom executives are giving themselves big bonuses.
6. That we export quality coal to overseas countries such as India & China.
7. That some material for building power stations is being procured outside the country while we have the capability of producing it here.
8. The loan that was given to Eskom by World Bank.
9. That an inter-departmental task team under the leadership of the Deputy President of the country is hard at work to determine a 20-year electricity price trajectory or path.

Believing:

1. That the energy mix (high carbon and low carbon) will increase the capacity and reduce tariffs.
2. That the move towards market prices for electricity, while maintaining cross-subsidization of poor households by rich ones, has not yielded the anticipated result.
3. That the big bonuses earned by Eskom executives are widening the apartheid wage gap.
4. That stations are run with third grade coal; as a result boilers get damaged and the life span of power stations is shortened.
5. That workers get retrenched in South Africa and jobs are created in countries where material is sourced.

Therefore resolve:

1. That Numsa will engage with strategies that exist to save electricity with the aim of reducing pressure on the grid and ensuring a cleaner environment.
2. To discuss within the union how savings that accrue as a result of energy efficiency strategies are distributed in society and in the workplace.
3. That a worker's fund should be used to bail out Eskom from the World Bank and Bank of England with the proviso that workers have a stake in Eskom.
4. That we must return to electricity councils from the current boards that are for profit maximization.

¹³⁷ NC 2012

5. That agreements of discounts between heavy users of electricity and Eskom must be made public. These heavy electricity users must be compelled to create more jobs
6. That we must intensify the living wage campaign against rising electricity tariffs and other socio-economic matters through section 77 notices.
7. That the involvement of municipalities in increasing the tariff of electricity and the impact of these increases on poor consumers must be looked into
8. To demand the standardisation of electricity tariffs nationally.
9. That government should curb the salaries and bonuses of Eskom executives
10. That South African companies must take first priority in the sale of coal in order to secure supply for Eskom.
11. That as the labour movement we must call for a transparent way in which the long-term electricity price path is determined.
12. To mandate the union's national leadership to intervene at the highest level to ensure that strategies to balance demand and supply of electricity such as DRAPP do not adversely affect our members and the working class.

The electricity crisis and the proposed nuclear build¹³⁸

1. The government initiative to bring nuclear power will make this situation worse. It will cost the fiscus more than 1 trillion Rand. There has been no transparent process or debate with social classes on what is likely to be disastrous results of such a programme:
 - 1.1. No one in government has provided a reasonable estimate of the cost to build these stations.
 - 1.2. The result will be huge electricity price increases which will lead, amongst other things, to the shutting down of smelters. Eight thousand direct jobs will be lost in Glencore alone.
 - 1.3. Companies will continue to mine but will export ore for smelting and in effect will export jobs.
 - 1.4. If steel is not produced in SA, local downstream manufacturers will be forced to import steel, driving down their competitiveness putting them totally at the mercy of international steel merchants and smelters;
 - 1.5. Local content of most SA manufacturers at the moment is based on steel and labour content. If the steel content is removed, there is no reason to manufacture anything in South Africa.
 - 1.6. Auto companies who contribute 11% of manufacturing output would have no incentive to remain in South Africa if they cannot take advantage of APDP incentives acquired through the use of local raw materials. For example, Mercedes Benz relies on the aluminium it sources locally. If there is no BHP Billiton, there is no Mercedes Benz.
 - 1.7. Glencore, BHP Billiton, Samancor, Sasol, Arcelor Mittal SA as well as the mining industry who are all companies that use large amounts of power and also all contribute massively to employment will be crippled.
 - 1.8. This is going to be bigger than the arms deal .
 - 1.9. We reject load-shedding: it is destroying manufacturing industry; It is destroying jobs; It is preventing working class communities from benefiting from electrification
 - 1.10. We must reject privatisation of Eskom. It must be nationalised and subsidised as a strategic resource

Resolutions on Electricity Pricing and Energy Sources¹³⁹

1. Eskom as the monopoly in electricity production needs to open up to alternate energy sources to provide the so called short fall of energy.

¹³⁸ NEC July 2015 Statement

¹³⁹ NC 2016

2. Eskom needs to first accommodate the energy needs of the country prior to supplying electricity to neighbouring countries.
3. Municipality needs to be cut out as the middle man in the supply of electricity. Campaigns should be run to ensure that people can buy directly from Eskom thereby saving on the increase in costs.
4. A campaign to review the funding strategy for Municipalities from National Government should be carried out.
5. There is a need to exploring alternative sources of energy like renewable energy (solar, wind, water) and decrease reliance on coal.
6. Reaffirm resolution that speaks to “towards a socially owned renewable sector”
7. South African coal mines should be nationalised.
8. The manufacturing and servicing of solar systems and power stations must be done locally.
9. We should engage government to force it to identify land where wind turbines and all other sources of Renewable Energy could be erected. Such land should not be purchased with the current arrangements of willing buyer, willing seller, but through transfers without costs to its rightful owners, which are Africans and blacks in particular. Section 25 of the Constitution of the Republic should be amended.
10. We resolve to link our struggles around climate change with our struggle against global capitalism and find allies in that effort across the globe.

Resolutions on the Proposed Nuclear Power Programme¹⁴⁰

Numsa resolves to:

1. Mobilise and forge alliances with global lobby groups to raise awareness at a global platform.
2. Task shop stewards to educate workers in factories about the dangers of nuclear power in different plants. The UF and Youth Forum should lead mass education campaigns in our communities. We should produce pamphlets, posters and billboards in all entrances of townships and cities and other forms of media as part of information drive.
3. Aggressively embark on rolling mass action campaigns, including a s77 campaign, to denounce the building of nuclear power stations.
4. Mobilise communities and take up mass action against the state.
5. Together with the UF, MFS and New Federation take a robust campaign to oppose the extravagant spending of close to R 1 trillion to establish the nuclear power station.
6. Investigate, through the New Federation, should all initiatives fail to investigate the possibility of taking government to court to prevent them from implementing the nuclear energy programme.
7. Continue to campaign for building a socially owned renewable energy sector in South Africa.
8. Reclaim socially-owned renewable energy as this initiative has been taken away by foreign capital.
9. Encourage NIC to invest in the energy sector in order to build socially renewable energy projects.
10. Carry out, through the Research Institute, research on the impact of nuclear energy. Organisations like Green Peace and other environmental friendly organisations and researchers must be approached in order for them to give us more education on this matter.

¹⁴⁰ NC 2016

Migrant labour and hostels

Migrant Labour and Hostels¹⁴¹

Noting that:

1. The migrant labour and hostel systems are instruments of oppression and an insult to the dignity of all workers.

We therefore demand that:

1. All metal companies clearly condemn these systems now and;
2. Commit themselves to a programme of building decent and acceptable family houses for their workers near the place of work, in consultation with our union and
3. Scrap their use of hostels as soon as possible; and
4. Until then, agree to make substantial improvements to the hostel accommodation of their employees in consultation with our union.

Privatisation

Privatisation (2000)¹⁴²

Noting that:

1. The National Framework Agreement has been flagrantly undermined by government. This realisation is located within the context where government unilaterally proceeded with the restructuring/privatisation of state assets with no consideration whatsoever of the labour movement's views and/or proposals.
2. Privatisation can never be the only solution to the problems experienced by the state enterprises, given the fact that state assets are critical to the delivery of basic services.
3. Privatisation of water, electricity, health care, etc. impact negatively on the poor and women in particular who constitute 52% of the population and who are adversely disadvantaged by historical imbalances.
4. Privatisation has resulted in many job losses which invariably lead to the erosion of standards of living and worsening of poverty.

Therefore resolve:

1. The restructuring of state assets can only be considered if the existing employment policy is defended and if social services are extended to the poor.
2. The following key assets for the provision of social services should not be privatised.
 - 2.1. land
 - 2.2. water
 - 2.3. electricity
 - 2.4. health
 - 2.5. education
 - 2.6. transport
3. If these social services are already in state hands, we should defend them and where state assets are in private hands, they should be re-nationalised.

¹⁴¹ NC 1987

¹⁴² NC 2000

4. Cosatu should meet government as a matter of urgency to stop the privatisation of state assets.
5. Where state assets are restructured, the proceeds should be allocated to a social welfare net and social delivery in particular.
6. Such proceeds should not be used to service debts.
7. The NFA should be re-negotiated and involve all stakeholders.
8. We reject any attempt by Employers to create a monopoly as a direct result of the restructuring of state assets.
9. The state should engage PPPs only as an interim measure in order to build capacity and develop skills.
10. In this context it remains the state's primary responsibility to provide water, electricity, transport, health care and education.

Privatisation (2009)¹⁴³

Noting that:

1. privatisation would forever be a problem to the working class as it would lead to the following:
 - 1.1. Job losses
 - 1.2. Non-compliance with Legislation
 - 1.3. Removing the hard won victories
 - 1.4. Threaten job security
 - 1.5. Maximization of profit and reflex the militancy of workers
 - 1.6. Polokwane Resolution in relation to the implementation of Freedom Charter.

Resolved:

1. Re-affirm Numsa 7th National Congress Resolution of nationalisation of ESKOM, SASOL, DENEL and all mines and Mittal Steel
2. Numsa must run a re-nationalisation campaign.
3. Numsa to commission a study through Cosatu to investigate the reasons why parastatals fail to deliver.
4. Numsa to embark on shop stewards training campaign around re-nationalisation.
5. Parastatals Summit should take place and new NOBs should action this resolution.
6. The government must ensure that there is no more privatization of parastatals.
7. The Alliance resolution on the moratorium on privatization and outsourcing should be supported.
8. The mandate of the parastatals should be to improve the quality of life of ordinary South Africans.
9. Must be used to fight poverty and fast track the pace of service delivery.
10. Remain under the Government control.
11. Government Departments should take mandates and be accountable.
12. There must be a moratorium on outsourcing.
13. Work together with the PIC to reverse the process of privatisation through ownership.

¹⁴³ Mini NC 2009

Noting

1. According to Numsa (1999), there has been a growing trend at an international level to privatize electricity. With pressure mounting on “government’s all over the world”, to privatize basic utilities like water and electricity, the South African government has also been pushed “to surrender some of its ownership and control” over Eskom. (Numsa, 1999: 16)
2. South Africa’s White Paper on Energy Policy (1998: 20-21) argues that *“significant shifts have occurred in energy policies internationally in the post-oil-crisis era and South Africa has the opportunity to learn from best practices from abroad ...One of the implications of this trend is that national, uneconomic energy industries are no longer being protected. Increasingly the energy sector is relying on cost-reflective or market based pricing. As a consequence of these trends, the role of the state in the energy sector is being redefined and restructured. Greater emphasis is being placed on **commercialisation, corporatisation** and, in some cases, **privatisation**. Energy markets are generally being restructured to encourage greater competition, even in the grid based electricity and natural gas industries traditionally regarded as natural monopolies”*.
3. The Deputy President Phumzile Malmbo-Ngcuka admitted that Eskom failed to attract substantial private sector investment. In an article that appeared in The Star January 25, 2008 the Deputy President is quoted as saying: *“We adopted a policy after 1999 to say we need the private sector to help us in generating our energy and bringing down the cost of electricity. (Bu) t when we called for tenders, we didn’t get much response. When Eskom called for people to compete with them, the response was not good. Now the growth has outstripped everybody”* (The Star, Friday January 25, 2008: p6)
4. The ongoing energy crisis in the country and the negative effect this has on the lives of ordinary South Africans.
5. Massive increases in electricity tariffs that have been passed on to the poor and marginalized communities of our country.
6. Continued job losses as a result of load shedding.
7. Failure on the part of the government to plan and manage our energy resources effectively and efficiently.
8. ESKOM’s appeal for loans from the World Bank’s International Finance Corporation to finance its energy project.
9. The provision of cheap electricity to transnational corporations doing business in South Africa.

Resolve:

1. Together with civil society broadly and progressive social movements, Numsa and the federation must wage a sustained campaign against governments attempt to forge ahead with privatization of our energy resources.
2. That Eskom must be discouraged from working with the World Bank and its subsidiary the International Finance Corporation as this will give the bank more leverage to impose its neo-liberal agenda on the policies of our country.
3. That energy policy cannot be left to a clique representing the Department of Public Enterprise, the Department of Mineral and Energy Affairs, Department of Trade and Industry, Department of Science and Technology and the Department of Environmental Affairs. A platform for proper stakeholder participation (similar to the Energy Policy Council) must be created and coordinated to counter the divisive strategy used by government where agreements have been made on the

¹⁴⁴ Mini NC 2009

one hand (e.g. the use of nuclear energy) as if there has been adequate consultation with representatives from civil society.

4. Numsa must also commit resources for a national trade union conference on energy matters so that the union can adopt an informed decision on international carbon-trading, global warming, nuclear energy and the use of alternate energy resources such as solar, wind and wave powered energy. The Conference must also be used to strengthen ties with progressive environmental groups, such as the South Durban Community Environmental Alliance (SDCEA), groundWork, Earthlife, etc.

Privatisation (2012)¹⁴⁵

Noting:

1. That privatisation leads to maximization of profits rather than rendering quality services to our communities.
2. That privatisation weakens the collective bargaining power of workers.

Believing:

1. That the renationalisation of former SOEs will enhance the state's capacity to create decent jobs.

Therefore resolve

1. That we need to audit what has been privatised and what the reasons for this were. This audit must be carried out at national, provincial and local levels so as to bring the information to our constituencies for better mobilisation.
2. To call for the renationalisation of previously privatised SOEs

Global Food Crisis and land reform

On the global food crisis and land reform in SA¹⁴⁶

Noting that internationally

1. Farmers worldwide have been forced to produce cash crops for TNC's and then buy their food on the world market
2. World Bank, IMF and now WTO are forcing countries to decrease investment in food production and reduce support for peasant and small farmers despite the fact that small farmers are key food producers in the world.
3. Under neo-liberal policies, state managed food reserves are considered too expensive and governments are being forced to reduce and privatize them under structural adjustment programmes.
4. Countries are forced in WTO agreements to liberalise their agricultural market and to reduce import duties.
5. The emergence of bio fuel is another cause of global food price rise.
6. Speculation is another main cause of the current global crisis. For example production will remain high but speculators will bet on expected scarcity and artificially increase the prices.
7. Transnational companies control the market i.e. they define at what prices products are bought in the original country and at what prices they are sold in the importing country

¹⁴⁵ NC 2012

¹⁴⁶ Mini NC 2009

8. Stock breeders are in crisis due to the rise in food prices, there are sharp rises in oil based fertilizer prices.
9. An increasing number of big agribusiness companies increase domestic prices, following international price hikes.

Further noting that in South Africa:

1. All the major gains in the last round of collective bargaining have been wiped out by the massive increases in the prices of bread, milk, meat, vegetables, cooking oil, sugar, petrol, paraffin and electricity.
2. We refuse to accept the simplistic explanations offered for these criminal food price increases such as that there is a global food problem! We have food in abundance.
3. That cartels and monopolies are exacerbating the situation through raising the prices of basic goods beyond the earning power of our members. (Hlanganani, Ekurhuleni)
4. That the Competition Commission has uncovered illegal actions from some companies on inflating prices of basic goods.
5. We note the short-term intervention on the crisis (Food Summit) and that expired food is sometimes provided and that prices are reduced but consumers still pay the increased prices.
6. When it comes to land reform, a glaring gap has developed between expectations and actual policy. (Wits CW)
7. Having land does not itself ensure worthwhile agricultural employment or even food security. (Wits CW)
8. The majority still receives almost no state support and has little access to the markets, training and infrastructure. (Wits CW)
9. That land redistribution in the country is moving very slowly though the government has targeted 2014. (Ekurhuleni, Hlanganani, MP)
10. The willing buyer, willing seller policy is responsible for this slow pace of the transformation and the distribution of land as well as corruption in respect of Land Bank funds. (Wits CW, MP)
11. Land is being sold to foreign nationals.
12. The majority of our land is still owned by a few individuals who happen to be whites.
13. The majority of black people is landless and feels the pinch of poverty.
14. Capital influences the escalation of prices of land and property hiding behind interest rates whilst they deliberately know that the poor won't afford and this compromises the Freedom Charter.

Believing that in South Africa:

1. People have a right to eat and be fed but the price of basic needs is unacceptably high and is affecting our country's poor (eg food, health, electricity, education etc). (Hlanganani, N Cape, Ekurhuleni).
2. The majority of our people cannot afford these basic needs of life. (N Cape)
3. Unemployment and poverty amongst the majority of our people are worsening rather than improving. (N Cape)
4. The spate of price increases will endanger the stability of our society giving rise to riots and divisions among the poor e.g. xenophobic attacks.
5. 50% of South African workers still earn less than R1000 per month.

Resolve that:

...Internationally:

1. Countries should give priority to their domestic food production in order to become less dependent on the world market. This means increased investment in peasant and farmer based food production for the domestic market.
2. Internal market prices have to be established at a reasonable level for farmers and consumers.
3. Direct sales from peasants and small farmers to consumers have to be encouraged.
4. Developed countries should be enabled to achieve food self-sufficiency.
5. In every country an intervention system has to be put in place that can stabilize prices.
6. Import controls with taxes and quotas are needed to regulate imports and avoid dumping or low price imports that undermine domestic production.

...Domestically:

We therefore call for state-led agricultural sector particularly for poor provinces with the following elements:

1. Government must champion a state-led agricultural activity as a basis for thoroughgoing industrial development.
2. A platform must be created to deal with land reform.
3. This should ensure the rapid distribution of productive land to a state-led agricultural sector.
4. Land currently used for game farming and golf estates should be expropriated and restored to productive use.
5. State programme must ensure proper support to agriculture including seed distribution, supply of implements and tractors; and access to managers and extension officers to assist the process. Assistance should also be provided to secure and access markets.
6. Former irrigation schemes must be revamped and people employed.
7. Development of new agricultural co-operatives must be encouraged and accelerate their outcomes so that members can buy food at a lower price.
8. Cheap finance for farmers must be made available but former co-operatives which now operate as private companies in the agricultural sector should not benefit.
9. Local manufacture of agricultural implements and tractors should be encouraged.
10. Alternative forms of food distribution to current food production and retail monopolies should be investigated and encouraged.
11. We need a more vigorous debate on the model for reform for this country. (Wits CW)
12. We endorse the ANC resolutions on land sequestration, on rural development, land reform and agrarian change (Wits CW, WC) and they should be implemented with immediate effect.
13. National buffer stocks managed by the state have to be built up in order to stabilize the domestic market.
14. Land restitution should be speeded up and land should be distributed equally to the landless and peasant families through genuine agrarian reform and land reform. This should include the control over and access to water, seed, credits and appropriate technology and training for small farmers from disadvantaged groups. (Sedibeng, Hlanganani, Ekurhuleni, MP)
15. People should be enabled to produce their own food and feed their communities through government support. (Sedibeng, Hlanganani, MP)
16. Any land grabbing land eviction and expansion of land allocation for the expansion of agri-business led agriculture has to be stopped.

17. That the state must as a matter of urgency establish its own chain store to supply the working class and the poor with affordable goods specially food stuff. Cosatu must make sure that this is achieved by 2011.
18. Numsa through Cosatu to champion a campaign that will call on government to regulate food prices to be within the earning power of workers and the poor. Such a campaign should include a progressive tariff on electricity and water.
19. Cosatu to research what additional foods should be zero-rated.
20. Cosatu to engage government to subsidise basic food (eg maize meal and sunflower oil) like it is doing with electricity and water.
21. Through Cosatu to mobilise civil society around consumer activism so that we consumers determine the prices rather than leaving the price to the market.
22. Price collusion should be punishable through fines and a jail term and the penalties paid by companies for price fixing must be ploughed back into communities through lowering the price of the specific item.
23. The positive recommendations from the Food Summit should be implemented.
24. Cosatu's jobs and poverty campaign should be the centrepiece of Cosatu and affiliate campaigns in the next three years. (N Cape)
25. The Property clause in the Constitution should be reversed together with other clauses inhibiting land restitution.
26. We call upon the democratic government to make land available for farming in all regions for cooperative usage for food.
27. We call upon our government to commission a research study with China and India on how they are dealing with non citizens who want to buy land or infrastructure development in their country.
28. Develop a leasing system in the country for land to foreign nationals.
29. We reject any RDP house that move out of the current land allocation of and maintain the Freedom Charter on housing ie The RDP house must have two doors not the current houses that are not better than the match box houses apartheid once built.
30. Call for the nationalisation of the land and Cosatu to call for a three day stay away to force government to implement the resolution.
31. We should demand that the whole food supply chain should be nationalised so as to take on the big companies in the food supply chain.
32. Call for government departments and metros to research how much land is available for the South African society and this must be done by 2011.

Section 77: NEC resolution and mandate for the Cosatu CEC¹⁴⁷:

Noting that:

1. The underlying reasons for the current food prices and other crises relates to the following;
2. The property clause which compromises land and agrarian reform remains intact
3. Farms are still owned and run by whites
4. There is an absence of a clear industrial strategy
5. Farmers turning their farms into game farms and tourist attractions rather than producing food to ensure food security

¹⁴⁷ NEC Nov 2008

We therefore resolve:

1. Whilst the focus and our energies must be on the 2009 elections to ensure an overwhelming ANC victory, we must however mobilize for a 1 day strike action in 2009. We must not suspend class struggle simply because of elections. The action must bring everyone on board, churches, NGO's, etc.
2. We must close the information gap that exists after workers have taken strike action. We must popularize what we have achieved so that workers can be aware what their sacrifices and action produced.
3. Regions must organize report-backs in early 2009 where we evaluate the struggles of 2008 and at what point we go on strike for the areas we are in disagreement with the state and capital with reference to the current S77 disputes. RSSC's could be a medium through which we engage with these issues.
4. On food prices and to ensure food security we must demand that government subsidizes the agricultural sector. The USA and EU has no qualms about subsidizing their farmers for the greater good of society. As we make the call for the subsidization of the agricultural sector, this must be accompanied with comprehensive transformation of the current white owned farms and the introduction of state owned farms and the establishment of cooperatives.
5. Numsa must propose to the federation that we embark on a clear campaign to remove the property clause from the national constitution.
6. We must find a way to get legal strike action in 2009 to challenge the job losses that are emerging in our sectors. Numsa must therefore develop a set of demands for job security, industry interventions to create more jobs, skills development, etc. Numsa must as a precursor convene a conference of all industry employer associations in the Numsa organized sectors to place before the conference the demand for job security, industrial strategies for the sectors and what role government must play to assist our industries.
7. Numsa must challenge Escom in respect of the electricity crisis and the effect it has on working class communities. In 1996 Numsa made a submission to parliament on electricity policy. Cabinet has adopted an energy policy on Wednesday 19 November 2008. Energy pricing policy - binds you to not subsidize and therefore we must oppose the Cabinet position in the context of our previous policy positions. We must revive the energy caucus - Numsa, NUM & Energy NGO's. As a precursor Numsa must internally workshop our position on energy policy.
8. As Numsa we should audit reforms around social security. A workshop must be organized so that we provide leadership to our members and society.

Black Economic Empowerment

Black Economic Empowerment (BEE) and Broad-Based Black Economic Empowerment (BBBEE)¹⁴⁸

On BEE:

Noting:

1. That BEE was initially intended to transform the economy and broaden ownership especially benefiting the previously disadvantaged especially the poorest of the poor.
2. That BEE has created black millionaires who have invested very little in productive capacity.
3. Conglomerates and white ownership of the industries still in the South African economy.
4. That the ANC has always identified itself as a revolutionary rather than a reformist movement and current economic reforms through BBBEE won't contribute to serious and fundamental change but will rather entrench inherited distortions.

¹⁴⁸ Mini NC 2009

5. That the black bourgeoisie benefits on the sweat of workers through BEE companies operating outsourcing and casualisation companies.

Believing:

1. That BEE has actually benefited a few elites who continue to reap the fruits of a deracialised capitalist system.
2. That banks are still the majority owners of the majority of BEE enterprises.
3. Workers have not benefited anything from the current BEE policy
4. Large chunks of the economy remains in white hands in a very few conglomerates
5. There are often contradictions between preferential procurement and BEE which more often than not results in corruption.
6. When government departments give tenders to BEE companies they do not consider whether the product is manufactured locally.
7. There is a fear of shop stewards becoming “skoppers” in that when a member owes him/her monies how is the shop steward expected to represent him/her in the best interests of the organisation (conflict of interest)

On BEE deals within the factory

Believing:

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

Resolve:

On BEE deals within the factory

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

Resolve:

1. That those who had immensely benefited from BEE should now be excluded.
2. BEE should be reviewed to address its short-comings taking into account challenges of economic transformation especially the aim of building a strong manufacturing sector and of guaranteeing members' jobs.
3. Penalty for fronting should be punished through imprisonment and forfeiture.
4. Department of Trade & Industry capacity to monitor compliance with BEE codes should be enhanced to ensure effective monitoring.
5. Numsa to demand review of the BEE point system so that it prioritises local content.
6. BBBEE should be about spreading resources to historically disadvantaged communities.
7. The kind of BEE that undermines local manufacturing through imports should be discouraged and condemned and instead state must assist historically disadvantaged to own rather than serve as representatives of banks.

Broad-Based Black Economic Empowerment Act (53/2003): Issue of Codes of Good Practice (Gazette No. 36928)¹⁴⁹

Noting that:

1. On the 11th October 2013 (Gazette No. 36928) the Minister of Trade and Industry released the revised Codes of Good Practice to promote the objectives of the Broad Based Black Economic Empowerment Act (53/2003).
2. Notwithstanding the revised codes, the BBBEE codes released in 2007 acknowledge that some multinational corporations (MNCs) might not be in a position to comply with the ownership element provided for in the BBBEE Act through the sale of shares to black South Africans.
3. To compensate for this shortcoming the 2007 Codes provide for multinational companies to make contributions “in lieu of such sale of equity ... such contributions are referred to as Equity Equivalent (EE) contributions”.
4. Examples of EE programmes include:
 - 4.1. Enterprise Creation Programmes.
 - 4.2. Economic Development Programmes.
 - 4.3. Projects aimed at technology transfer/diffusion within the small, medium and micro-enterprise sector of the local economy.
 - 4.4. Programmes that promote economic growth and employment creation through the enhancement of technological innovation.

Believing that:

1. The question of ownership is fundamental if we want to seriously address the issues of poverty, unemployment and inequality in our country
2. Our approach is not to deracialise capital but to reclaim our natural and material resources in line with the vision as set out in the Freedom Charter

Resolve:

1. To register our protest with the DTI about the exclusion of multinationals from complying with the ownership requirements of the BBBEE codes.
2. To lobby to have the BBE codes amended to include ownership of multinationals and their subsidiaries operating in South Africa.
3. To ensure that multinationals in our sectors, including original equipment manufacturers (OEMs) in the automotive sector, are compelled to enter into collective agreements with the union on the issue of ownership and/or the redistribution of resources to combat poverty, unemployment and inequality.
4. To explore the possibilities of joint ventures, including the extension of ownership to collective structures such as employee stock ownership plans (ESOPs) and co-operatives, or the transfer by multinational corporations (MNCs) of their property assets into worker-owned trusts.
5. To embark on an extensive research programme to ensure that the equity equivalents demanded by NUMSA offer concrete benefits for the black working class.
6. The NUMSA Research and Policy Institute must investigate the practice of OEM’s in relation to patterns of ownership in countries other than South Africa and make recommendations to NUMSA for consideration including the option of a section 77 application.
7. The resolution will be taken back to Numsa structures for discussion and decision by the Central Committee.

¹⁴⁹ SNC 2013

Social Contract

Calls for a social contract¹⁵⁰

Noting:

1. the recent calls for a social contract between labour, business and capital
2. how problematic the notion of a social contract between government, labour and business will be, given that the government is firm on GEAR whilst Cosatu is opposed to that policy.
3. Even the Cosatu and the SACP have been unable to change the Government stance on GEAR and its pillars.
4. The RDP was borne out of a form of social contract between Alliance Partners. Now that it has been abandoned by the ANC Government, the idea of a shared economic vision is impossible.

Therefore resolve that:

1. Cosatu remains opposed to a social contract based on a common and shared economic vision.
2. Cosatu must continue to engage and fight (State & Capital) for socio-economic transformation, guided by the RDP and our Socialist Vision.

Violence

Violence (1989)¹⁵¹

Noting :

1. There is a continuing reign of terror against working class communities and progressive activists in Pietermaritzburg, Mpumalanga, Durban, Empangeni, Isithebe, Cape Town, etc.
2. The role that reactionary vigilante violence has played in repressing democratic organization in Alexandra, Cape Town, Brits, Venda, KwaNdebele, Ciskei and other areas.
3. The bombing and burning of union offices and the offices of other progressive organizations is continuing.
4. This vigilante violence is part of the strategy of reform and repression of the apartheid state.
5. Employer violence is widespread, especially on the mines. Security in plants and mines is usually armed and is often very aggressive to workers.
6. Unfair dismissal, sending workers back to desolate "rural homelands" to starve with their families, and harassment in the factories are also forms of violence against workers.
7. Management severely provokes workers by repression of union organization and industrial action, refusal to negotiate, payment of slave wages, dismissal of striking workers and employment of scabs, eviction of workers from hostels and houses, use of spies and use of the police, and false charges of intimidation.
8. The State and big business are using the issue of violence between workers as an excuse to increase the repression of the trade unions, while at the same ignoring State and management violence.

¹⁵⁰ NC 2000

¹⁵¹ NC 1989

We therefore resolve

1. That we should take whatever steps are possible to end the reign of terror against the working class and progressive organizations, including :
 - 1.1. Building and strengthening democratic, disciplined, united organization in working class communities as the only effective way of resisting vigilante terror.
 - 1.2. Investigating, exposing and publishing acts of violence.
 - 1.3. Assisting and protecting victims of vigilante terror, as far as is consistent with the union's resources and policies.
 - 1.4. Exposing and opposing management violence and provocation and especially offering full solidarity and assistance to our comrades of the NUM who are the oppressed workers on the mines.
2. Numsa will approach Cosatu and its affiliates to work out common positions on the problems of state violence, vigilante violence, management violence and violence between workers.

Violence in our schools and in broader society

1. We must address the violent content of TV programs which is fuelling the violence we are observing in our schools and broader society

Crime

Crime (1996)¹⁵²

1. Our country is afflicted by crime.
2. A large part of this crime was inherited from apartheid in the form of corruption of ethical values.
3. We also note that this is a product of socio economic problems of this country.

Therefore resolves:

1. To address underlying socio economic problems in our society, including the problem of public transport.
2. That while some police are doing a good job, we must root out corruption within the police system.
3. That there must be a review of the justice system including bail.
4. That Prisoners must be rehabilitated so that when they come out of prison they will be useful members of society.
5. That we commit ourselves as Cosatu to participate in all attempts directed against crime. Therefore we should be "rotos" against crime.
6. That as part of this campaign we must try and crack organised crime.
7. That a key element of community policing forums is to define their roles so that they can be effective.
8. The media should redirect its education activities to assist in fighting crime.

¹⁵² NC 1996

Crime (2009)¹⁵³

Noting:

1. That crime causes a lot of deaths, rapes, bombing of ATMS, robbing of small businesses, etc.
2. It particularly affects the poor and threatens the rendition of services in disadvantaged communities who are forced to travel long distances to access those services.
3. Government investment in policing should be accompanied by investing in dealing with the causes.
4. Communities are not sufficiently mobilised to fight crime in the communities are immobilised by fear of those criminals.

Believing:

1. That crime is primarily caused by the capitalist system which produces unemployment and poverty.
2. That sufficient community involvement will eradicate crime
3. That lack of wealth distribution engenders values of selfishness and individualism that perpetuate the crime situation

Resolving:

1. Government and trade unions should work together in reducing unemployment and together tackle the issue of drugs and human trafficking.
2. Police intake should be increased accompanied by bettering their wages and conditions of employment including training and resource them to be able to carry out their functions.
3. Numsa should cooperate with the ANC and SACP on setting up street committees that are ideologically well-trained to ensure that they are not hijacked for other purposes. The street committees should be allowed to deal with crime in their own communities including setting up volunteer programmes to ensure that young people serve their communities with pride.

Corruption

Corruption, good administration and moral regeneration¹⁵⁴

Noting:

1. Lack of effective administration paves the way to corruption and consequently low morale.
2. Growth of the union with the administrative complexities that accompany this.
3. Lack of sustainable training for both staff and worker leadership to carry out their assigned administrative roles with confidence.
4. The diabolical role played by corporate capital in corrupting our leadership.
5. The tardiness of our administrative system to detect corruption at its earliest infancy.

Believing:

1. These misconducts and short-comings cannot be left unattended.
2. The unauthorised use of workers' capital / assets is a serious misconduct.
3. That the Union should stamp out misconduct and corruption without fear or favour.

¹⁵³ Mini NC 2009

¹⁵⁴ NC 2004

Resolve:

1. Numsa to urgently give effect to parts of Cosatu's 8th Congress resolution as spelt out below:
2. To intensify our participation in the Moral Regeneration Movement.
3. Cosatu must educate members to be aware of white-collar crime and not to accept bribes. Cosatu must encourage further government legislation to stricter restrictions on companies to ensure that they do not evade policies and rules governing their activities.
4. The proud tradition of worker control in South Africa has, amongst others, involved a strong discipline and sense of accountability in the handling of workers' money. A small minority however have violated this trust. These traditions need to be entrenched and codified to ensure that no elected leader or official is able to undermine financial accountability. There should be strict enforcement of the code of conduct to prevent the squandering of financial resources. Decisive action should be taken in terms of a clear set of procedures, processes and penalties, against anyone found to be transgressing the code of conduct.

Xenophobia

Xenophobia¹⁵⁵

Noting

1. South African society is struggling with poverty social inequality, violations of human rights and crimes of all sorts, particularly against the poor women, children who are vulnerable and marginalized. Many of the migrants are refugees fleeing wars and economic devastation in the continent.
2. From 2008 we witnessed xenophobic attacks largely to migrants from neighbouring countries by our brothers and sisters in South Africa. Cosatu affiliates including Numsa lost members and shopstewards who were killed during these attacks.
3. At least 62 people were killed, hundreds injured and tens and thousands uprooted. Many of these people are still stranded in makeshift camps and shelters
4. The xenophobic attacks happened in settings where scarcity and intense competition converge and are largely out of bounds for the police, poorly integrated into local governance systems and appear to have weak political structures. The attacks took at the height of food prices and food riots taking place in other parts of Africa.
5. Demands in informal settlements, townships and rural areas are generally ignored and needs misunderstood, and consequently grievances accumulate and snowball into a combustible charm of precariousness and resentment.
6. A ground swell of hostility against migrants and refugees from elsewhere in Africa and Asia has been evident since 1990 when S.A Catholic Bishop's Conference was moved to speak against xenophobia.
7. The role the media played to reinforce caricatures of African migrants as conmen and criminals and their Asian peers as gougers and exploiters.
8. The harassment extension and exploitation of refugees, migrants workers had become institutionalized, routinely rounded up and shaken down, their coerced bribes supplement the earnings of thousands of state employees.
9. Foreigners are accused of swamping scarce rental housing, jumping housing queues or illegally buying their way into occupancy.

¹⁵⁵ Mini NC 2009

10. The availability of vast numbers of skilled, legally insecure and economically desperate workers enable the employers to undermine workers rights, suppress wages generally and bypass much of the regulatory framework of the formal labour system.
11. South Africa relied on migrant labour system from Southern African for many years.

Further noting:

1. The creation of temporary camps for the displaced foreign nationals by the government provided a temporary relief, but more still needs to be done to heal our society of the negative impact caused by colonialism and apartheid in entrenching African-self hatred among locals and between them and other African citizens.
2. Crude re-integration without addressing fundamental problems, of foreign nationals into communities that displaced them does not represent the best solution (there are still problems of access to work permits and therefore work, income, housing and other basic services).

Believing:

1. If not brought to an end decisively xenophobic eruptions have a potential to divide the African working class along nationalities and weaken the working class struggle against the bourgeois in the continent and elsewhere.
2. The main causes of the xenophobic eruptions include:
 - 2.1. The capitalist system that increases and reproduces the reserve army of labour (the unemployed) and replaces locals by foreign nationals at low wages and cruel conditions of employment:
 - 2.2. competition for scares resources;
 - 2.3. poor performance and corruption in the home affairs department; and
 - 2.4. Bad border control policies which result to failure in recording who leaves and enters the country.

Resolve

1. Numsa condemns the xenophobic attacks against fellow workers from neighbouring countries and urges government to put measures to protect them.
2. Immigrant workers, whether legal or not must be protected by the formal labour system and existing bargaining agreements and authorities must ascertain those facts before deportation. Cosatu should assist foreign nationals to benefit from Skills Development Act. Department of Labour to check the skills of foreign nationals so that they can help this country develop.
3. Rebuild civil society in communities that are poor and banished onto the periphery of the system. Numsa should educate members and the broader community against Xenophobia.
4. Repair and boost the capacities of service organization to help those communities press home their concerns and demands.
5. Put the ideals of non racialism back in the spotlight of debate and share experiences of the xenophobic attacks. We should cooperate with SACP branches in building working class consciousness and we should integrate foreign nationals back into our communities eg through exchange programmes so that we can understand where they come from and move forward.
6. Border control policies, Home Affairs, Safety & Security Department and the Housing Department must overhaul and re-orientate to realize efficient and effective public service. Decisive action needs to be taken to root out corruption in these departments.
7. Government must educate civil servants and ordinary citizens on how to handle, respect and forge cordial relations with foreign nationals.

8. The re-integration of the displaced as a result of xenophobic and Afro-phobic eruptions back into communities where they were displaced must address the fundamental causes of the problem of high levels of unemployment, delivery of basic services such as water, housing & electricity, etc.
9. The Disaster Management Act should be amended in order to be explicit about the roles of different spheres of government and non-governmental organisations.

The struggle against Xenophobia¹⁵⁶

1. The CC noted with concern renewed tendencies of Xenophobia taking root in our communities - particularly after the 2010 World Cup
2. Numsa's Central Committee had an extensive discussion on the xenophobia-related violence and resolved as follows;
3. The Central Committee acknowledged that poverty, unemployment, lack of resources and inequality are at the heart of this violence.
4. It was decided that from 9 August until 27 August it will distribute pamphlets and posters 're-carding xenophobia'.
5. A concept paper will be produced and will include reflection of CC on the matter so that it is sent to regions before end of July
6. During this time Numsa will encourage its structures and workplaces to hold REC's/LSSC's/general meetings and invite foreign workers to come and say why they have come to this country. This will be a way of finding out about neighbouring countries and the problems that they are experiencing.
7. Numsa will also actively recruit foreign workers so that employers are not able to exploit them.
8. Numsa will demand and mobilise that employers who employ foreign workers illegally are dealt with by the law.

Xenophobia¹⁵⁷

1. The CC noted the rise of xenophobia and potential and actual threats to the security and lives of especially African workers from other countries in South Africa.
2. The CC also noted the Swop report which shows ambivalence amongst Numsa members over employment of foreigners. The question to members in the survey asks;
3. *Should the SA government have a policy that allows foreign workers to come and work in SA? 43.8% Disagree and 43.3% Agrees.*
4. To this end the CC agreed that much more work has to be done to deal with the phenomenon of Xenophobia within our ranks.
5. The CC condemns in the strongest terms xenophobia and its related violence and abuses of workers from other countries, irrespective of their legal status in South Africa.
6. The CC mandated the NOBs to find out from the Ministry of Home Affairs what measures they are putting in place to secure and protect the lives especially of the working class from Zimbabwe, in South Africa.
7. The Numsa NOB's must ensure that Cosatu CEC deliberate on the matter of Xenophobia because a progressive federation such as Cosatu and its members cannot be seen as reactionary when it comes to the protection and solidarity of our fellow African brothers and sisters

¹⁵⁶ CC July 2011

¹⁵⁷ CC August 2011

Xenophobia¹⁵⁸

1. The central committee condemn the current crisis of Xenophobia and resolved to convene a conference on Xenophobia.
2. The Conference On Xenophobia we should be organizing must be unravelling and surfacing issues of poverty, unemployment and inequality, dominance of imperialism and ravages of colonization, and neo-liberal agenda that is directly responsible for the current crisis of Xenophobia that has turned our people against their brothers and sisters.
3. We further agreed that the conference would have to emerge with a focus campaign challenging and fighting employers who are exploiting our brothers and sisters paying them starvation wages, fighting discrimination practices when employers do not employ locals and prefer foreign nationals so that they can exploit them paying them starvation wages.
4. CC is of the view that we must unite all Africans and fight for a living wage for all African workers regardless of their country of origin, this could mean that we must have a march targeting Sandton and all the malls and hostels demanding that they must pay a living wage, and paying workers all a benefits and conditions and comply with all a the provision of the labour relations act and basics conditions of employment.
5. The national office bearers were tasked by the central committee to fundraise for such a conference and it must be convened with speed especial in the light of the deepening crisis.
5. Condemn; have conference to assess the anger, poverty etc; fundraise for the conference; focus on employment practices of businesses in Sandton & other areas hire foreigners to exploit them; fight against the neo-liberal agendas of business & government & the colonialism on the continent; fight for living wage for all; unite the working class; attack & expose imperialism & the bourgeoisie

On Xenophobia¹⁵⁹

1. There are elements of tribalism surfacing and if we not careful we could see open conflict on the food crises given that we do not own the land and cartels fix all prices
2. We need to go beyond theory on how we define xenophobia in the proposed Summit and expose how this is but one phenomena used by Capitalism and its root cause can only be dealt with by class struggle
3. We must have practical solidarity programs so that we go beyond condemnation in the likes of Herman Mashaba
4. We must discuss this in PDF's so that the working class understands that people from Africa are our brothers and sisters as sometimes even shopstewards can hold wrong views
5. We must implement all Numsa resolutions related to Xenophobia
6. We must talk to the issue of a common African currency and a single Africa
7. Critical for Numsa to launch the workers party
8. We should ensure that all in the country live by its laws in terms of drugs and crime
9. All in Numsa should be internationalist and the Preamble in the Numsa constitution helps in this regard

¹⁵⁸ CC April 2005

¹⁵⁹ NEC February 2017

Immigration and exploitation of foreign workers and xenophobia ¹⁶⁰

Noting that:

1. Migration is a universal and continually growing phenomenon in the world of work with the current number of migrants estimated to be as many as 200 million, nearly half of whom are women.
2. Growth of migration is fuelled by the uneven and negative effects of globalisation - poverty, unemployment, glaring income disparities, under-employment, lack of democracy, bad governance, environmental degradation - as well as national disasters, conflicts and the desire of people for decent work and a decent life for themselves and their families.
3. Unscrupulous South African employers are exploiting foreign workers especially in the hospitality and agricultural sectors
4. Migration must not be the only way to escape from poverty or oppression.

Believing that;

1. Migrant workers have a positive role to play in the economy and the building of a diverse and vibrant trade union movement and insist that this be recognised and reflected in their treatment.
2. Migrant workers, regardless of their status, must enjoy equal treatment under labour legislation and full respect of their fundamental rights at work.
3. As workers and the working class we must fight together to defeat inequalities and underdevelopment in all our society
4. There must be a distinction with criminal activity.

Therefore resolve that:

1. NUMSA must condemn the widespread abuse and exploitation of migrant workers by employers and by agents and intermediaries and the failure to act adequately to protect them.
2. Embark on a campaign to educate our members and society on the causes of migration and what we can all together do to ensure peaceful co-existence
3. Migrant workers, particularly those with irregular status, are not only more often unemployed than local workers, they are more often employed in precarious, temporary jobs, undeclared by employers, with lower wages and less social protection and often in the informal economy and NUMSA must expose employers who exploit desperate migrant workers to maximise profits
4. NUMSA must extend solidarity, social justice, equal treatment and gender equality to all migrant workers, regardless of their legal situation, in order to secure non-discrimination and equal treatment with workers who are nationals of the host country.
5. The government must do all in its powers to secure the country's borders to ensure that only deserving people are granted political asylum and refugee status which should be to prioritise among economic and political migrants and we believe that the government should put strict measures and monitor the situation. The influx control should not only focus on the inflow of our fellow Africans but also international immigrants
6. The government must tighten security to ensure that criminals escaping the laws of their countries do not take advantage of the situation and hide among honest migrants and asylum seekers.

¹⁶⁰ NC 2012

7. We should have the necessary policies in place to protect foreign nationals working in our country for the purposes of skills transfer. Foreign workers with special skills must be accepted to practice in the country as we need their skills for the development of our country and region
8. We must ensure that foreign workers in our country have the correct papers and We must ensure that foreign workers are not exploited by employers; and as a Unions we must make sure that the venues (hotels) that we use are not exploiting the Foreign Nationals that they employ
9. A Non-Racism conference should be hosted by government which should include Trade Unions, business and NGOs.

Co-determination

On Stakeholder society¹⁶¹:

Numsa believes that:

1. Co-determination in the private sector together with participation on the Board of Directors is politically dangerous.
2. it will make our interest/agenda the same as that of the bosses
3. it will force us to succumb to market forces that operate the individual enterprise
4. it will force us to manage the crisis of capitalists and make us participate in retrenchments and downsizing of our members.
5. As a counter to co-determination, labour should pursue a policy of extended collective bargaining. What this means is that as unions, we should fight for extending our role into areas that up to now have been considered as management prerogative viz:
 - 5.1. investment
 - 5.2. planning
 - 5.3. acquiring machinery and technology etc.
6. Platforms to pursue this policy of extended collective bargaining:
 - 6.1. plant level
 - 6.2. normal collective bargaining institutions
 - 6.3. representations to the Board of Directors and shareholders' general meeting.
7. To achieve the above, legislation on corporate governance is needed. This legislation must compel companies to disclose to unions plans to go to Board of Directors and shareholders annual general meeting. (see also policy on Corporate Governance)
8. In line with the above, unions must not trigger workplace forums. Instead we must use traditional union structures. (see also policy on Workplace Forums)

Deregulation

Deregulation¹⁶²

Noting:

1. The crisis of accumulation in South Africa has forced capitalists to try to cut their costs as the only way of accumulating capital;
2. This has led to an attack on the working class more intense than ever before;

¹⁶¹ NC 1996

¹⁶² NC 1989

3. This takes many forms; deregulation, privatisation, demands for management flexibility, use of temporary labour, reduction in job security, rationalization, cooptation, forced increases in productivity, retrenchment, overtime working, shift working, direct repression through vigilantes and security legislation, the LRA, etc.
4. Unions have forced an increase in real wages over the past few years, and have won improved job security.
5. Capitalists, with the aid of government, are now trying to reduce real wages in industry by deregulating small businesses, businesses in rural areas and many firms which simply claim that they can't afford to pay wages at rates set by Industrial Councils. Many large and small capitalists, including Barlow Rand and the AAC are moving their plants to the bantustans to get away from unions and to be able to pay slave wages.
6. Supporters of deregulation and wage exemptions claim that these things increase job opportunities and employment. There are no studies of the SA situation which show this to be true. Studies carried out by Numsa with the assistance of figures from the NICISEMI show the opposite to be true:
 - 6.1. that there is no increase in employment even in most of the areas where there is most deregulation and exemption;
 - 6.2. that small deregulated businesses can't compete with large capitalist enterprises except in basic operations like gate and fence manufacture and burglar bars, where there are already many small employers who are not deregulated;
 - 6.3. and that the job loss from rationalization by big business and the swallowing of small firms by the monopoly corporations far exceeds any job gains from deregulation.
7. Deregulation is therefore only a way of forcing down real wages and stealing from workers the rights to job security, decent working conditions and health and safety that they have won through struggle.
8. Many companies are sub-contracting work to deregulated businesses to break union organization, to destroy job security and to cut labour costs. Barlow Rand, in particular, has made a deliberate policy of this.
9. Companies, such as Barlow Rand and SA Phillips, are trying to sell parts of their operation to the workers. In this way they hope to co-opt workers and obtain the gains for them of sub-contracting. These operations become small businesses which are tied to the big companies for survival.

We therefore resolve that:

1. Numsa will strongly oppose any deregulation of small businesses or their exclusion from industrial council agreements;
2. Numsa will strongly oppose attempts being made by the Department of Manpower to destroy national bargaining and industrial council agreements which are an obstacle to the policy of deregulation;
3. Numsa will oppose any exemptions from industrial council wages and conditions of employment for firms in rural areas, unless the workers in those firms freely and democratically, without any pressure being placed on them, support the request for exemption.
4. Numsa accepts that the only way to stop deregulation is to organize these businesses, and this congress instructs the secretariat to develop ways of doing this.
5. Numsa condemns the practice of sub-contracting and Numsa members will fight it with all their energy.

6. Numsa condemns the efforts of companies to co-opt, fool and divide workers through sale of parts of their businesses to workers and will carry out education among our members to clarify to members the aims of this management policy.

Chinese involvement in Economy

Chinese Campaign in South Africa¹⁶³

1. The N/Tvl Region complained about the Chinese, Taiwan and Japanese companies invading South Africa. Most of these East Asian companies are having agreements with governments to pay low wages and flout labour standards. The region insisted that the union should launch a campaign against East Asian companies that are flouting the South African labour laws and undermining Collective Bargaining Agreements.
2. Most of the Chinese companies in particular claim to be having exceptional exemptions to pay low wages, demand long working hours and give no tea breaks or lunch breaks. The situation is more frustrating because the government is signing bilateral agreements with these companies for exemption. Most of the Chinese companies have infiltrated the former TBVC states to get access to cheap labour.

Resolved:

1. To improve membership representation and mobilise workers across the sectors against the East Asian.
2. The information officer writes a press release to expose the companies that are flouting labour laws and collective bargaining agreements.
3. Report such companies to the relevant governments departments for action to be taken.
4. Oppose Ministers who sign bilateral agreements that sacrifice certain labour standards and rights.
5. Inform Cosatu to support the campaign.

Chinese investment in South Africa¹⁶⁴

1. The CC noted that Chinese companies are building companies (such as the cement factory in Mpumalanga and in the Free State) without procuring local material and labour.

The CC resolved that:

1. We must gather the necessary information with a view to engage the relevant departments.
2. We must be prepared to publicly demonstrate our objection to our country being exploited without decent employment and procuring local goods and services

¹⁶³ NEC 30 May - 1 June 2001

¹⁶⁴ CC Dec 2010

World Cup

2010 World Cup ¹⁶⁵

Noting:

1. That the FIFA World Cup will be staged in our country in 2010.
2. That the staging of the event has economic spin offs for the country as we are expected to build and reconstruct stadiums and roads.

Resolve:

1. That all the products for the event should be produced locally.
2. To encourage our members to start saving for the matches, Cosatu should negotiate with financial institutions to give effect to the savings.
3. Cosatu should participate within tripartite institutions and or local government where decisions to build stadiums and other developmental projects, so that they can even be useful after the tournament.
4. Processes of tendering should be transparent.
5. Cosatu should negotiate through NEDLAC, that workers during the month of the event should be released such that they are able to attend or watch the games.
6. Cosatu should ensure that local communities should not be left with any debt after the tournament.
7. All games should be broadcast live through all channels of the SABC .

Aftermath of the 2010 World Cup in South Africa: ¹⁶⁶

1. The Secretariat report suggested that the Numsa CC must adopt a call that the precedent of raising 36 billion Rands to build the current infrastructure for the World Cup must be repeated by our own ANC government with a particular focus to raise the very same resources to dent:
 - 1.1. Levels of inequality,
 - 1.2. Levels of poverty
 - 1.3. State-led unemployment reduction programme
 - 1.4. Extension of healthcare facilities
 - 1.5. Improving education access and quality
 - 1.6. Housing improvement
 - 1.7. Extension of a comprehensive social security
2. All these are not impossible unless the battle for a new macro economic policy - that must undermine GEAR - is won by the working class-this means a monetary policy that departs from inflation targeting, and a fiscal policy that is employment-oriented. It will also only be achieved if an Industrial policy, in the form of IPAP2, is supported.
3. The Central Committee agreed with the Secretariat report and in addition made the following points to be taken forward;
 - 3.1. As there is talk of a second recession, we must advance Numsa's resolutions that we must engage in a process of taking over companies in distress and set them up as cooperatives.
 - 3.2. Youth sporting academies should be set up across the country with emphasis on rural areas.

¹⁶⁵ NC 2004

¹⁶⁶ CC July 2010

- 3.3. In preparation for the forthcoming alliance summit, head office should convene the economic task team to develop a new-growth path framework as Numsa's contribution to Cosatu that must go into alliance summit.
- 3.4. Tenders have created a class of the few which comes out of the working class. Where the state has the capacity in relation to public roads they must do it.
4. Therefore in the new growth path we must fight to ensure the minimization of contract work and emphasise the role of cooperatives as a better form of economic empowerment and economic solidarity.

DED Training Layoff Scheme

Training layoff scheme:¹⁶⁷

1. Tanya van Meelis, from the Department of Economic Development made a presentation to the Central Committee on the Government's Training Layoff Scheme & Companies/Sectors in distress. The full slide presentation is to be found on the Numsa X drive.

The CC resolved that:

1. Regions should communicate to Cde Tanya their need for presentations in their respective regions so that more shopstewards are exposed to this particular scheme;
2. Numsa should canvass the national leadership task team to extent the scheme to retrenched workers as well.
3. Numsa must lobby and work towards a national training entity that would ensure that the initiatives of training for retrenched workers is located in all provinces.
4. That entity must monitor, evaluate and moderate training so that there is a qualitative outcome for skills training of workers and not just any kind of training. We must ensure a more accountable way of monitoring what kind of training is happening in regions.

Buy Local¹⁶⁸

Noting:

1. That South African companies and factories, especially in the textile sector, are not protected in terms of tariffs; hence goods from China are flooding our markets and they are very cheap goods that have caused job losses in South Africa.
2. The row that was caused by the acquisition of the athletics kit by ASA from China instead of supporting our local suppliers.

Believing:

1. That the current influx of Chinese and other countries' cheap products is slowly but surely killing our economy.
2. That as long as our economic policy allows for open tariffs we will forever fight a losing battle.

Therefore resolve:

1. That COSATU must take a stand in insisting that all affiliates must buy 100% South African content. In addition, the federation must develop monitoring mechanisms for implementation of this policy in accordance with commitments made in the Local Procurement Accord.
2. That in accordance with the Local Procurement Accord, the private sector should aspire to reach and surpass the target of at least 75% local production.

¹⁶⁷ CC July 2010

¹⁶⁸ NC 2012

3. To educate our members on the contents of the Local Procurement Accord so that they are able to engage their employers and make them procure locally.
4. That government should investigate measures to incentivise companies that procure a minimum percentage of their products locally.
5. That we would like to see all levels of government lead by example.
6. To engage the government to ensure that its trade policies are in support of the buy local campaign.

The state of capitalism, nationalisation, recession, the land question and BRICS¹⁶⁹

1. The capitalist system has reached a stage of a ceiling which finds expression in imperialism with a world order closer to another war and therefore international solidarity is much needed.
2. The current behavior of Donald Trump and the rightwing in Europe is dictatorial and requires ongoing exposure and campaigns
3. The technical recession is a distorted analysis because the working class has always suffered recession under capitalism
4. The nationalization of banks remains relevant and must be campaigned for
5. We must accept that the ANC has no clear plan on the land question and they are appeasing the EFF with their rhetoric and actions in parliament
6. Numsa must consistently put forward its own perspectives on the land question with respect to expropriation of land without compensation
7. Big corporates are destroying land so that when the time comes to hand it over, it will not be productive and they will have an opportunity to buy it back. The Numsa research department must conduct studies on the land that is in the hands of foreigners and South Africans
8. BRICS is nothing but a tool to conquer Africa – China has become a dominant force but it does not boost our economy – laws are being flouted and poverty wages are paid by Chinese firms and therefore we must have a far more critical approach to BRICS and the role of the Chinese in investments in Africa.

Other Socio-Economic Demands¹⁷⁰

1. Corruption and collusion must be classified as serious offences in law.
2. Develop mechanisms to reprioritise skills development in the workplace. SETA's have become so bureaucratised with less delivery on the shop floor. Legislation must take into consideration the workforces' training needs as identified by organised labour.
3. Organised labour to have a dedicated person to monitor implementation of skills across the board as per the 2013 resolution.
4. Immediately demand through the UF that government food price regulating boards be reintroduced for basic food stuff.
5. Demand that Gathering Act be repealed.
6. Preservation of provident funds: NUMSA should not wait until the matter comes back on the table. We also need to take a campaign against government until we win these demands.

¹⁶⁹ CC Sept 2018

¹⁷⁰ NC 2016

Socio-economic Forums

Forums

Participation in Forums (1992)¹⁷¹

1. The NEC endorsed the proposal that Cosatu participate in these forums. Moved N. Tvl, seconded W. Tvl.

NEDLAC

NEDLAC (1996)¹⁷²

1. NEDLAC is a classic institution of social democracy where consensus around management of the economy in general and the labour market in particular are debated between capital, the state and organised labour. It has an obvious potential to encourage corporatist behaviour and the bureaucratisation of unions.
2. Organised Labour's role in NEDLAC and the organisation's performance should be reviewed by Cosatu in order to improve our input. Greater efforts should be made to ensure that all levels of the federation and its affiliates understand NEDLAC and our involvement.

Cosatu therefore resolves that:

1. Cosatu should convene a workshop of senior leadership to assess the performance of Nedlac and ensure that the process involves the regional and local leadership and to develop a long term vision of the role of Nedlac and a strategy for realising this vision.
2. Any agreement reached at Nedlac should not be altered by Parliament.

On NEDLAC (2000)¹⁷³

Noting:

1. That NEDLAC was borne out of our desire to participate in socio-economic make-up of our society.
2. That historically during the dark days of apartheid, the majority of South Africans did not have a say in Government.
3. That in the early 1990s we saw National Economic Forum, where for the first time labour participated in policy-making on socio-economic issues.
4. That this was followed with negotiated political transition from white minority Government to the people's Government.
5. That in 1994, NEDLAC was institutionalised and legislated, and has played a key role in transforming our laws, e.g. LRA, BCEA and many more.

Further noting:

1. That big business knows the ANC Government more than ever before,
2. That with GEAR as government economic policy, they are assured that their interest will be preserved,

¹⁷¹ NEC October 1992

¹⁷² NC 1996

¹⁷³ NC 2000

3. The employers' body does not take NEDLAC seriously, that is, they do not attend in the way in which they should.

Therefore resolve:

1. Cosatu to put its demand (guided by RDP and socialist vision) at NEDLAC and ensure that mobilisation and campaigns are behind our demands.
2. In this way strengthen Nedlac through mass action and ensure that our delegates improve mandating and report-backs.
3. To bring on board the broader community and other progressive formations behind our demands.
4. Numsa NOB and ROB to form a commission on socio-economic and labour markets that will be co-ordinated at the Local and Regional Level. This will be used to build leadership capacity and the flow of reports will reach workers.
5. In order to build capacity to engage at Nedlac level, we must develop a research department at Cosatu Head Office.

Millenium Labour Council

Millennium Labour Council & the Presidential Trade Union Group ¹⁷⁴

Noting:

1. the recent establishment of two structures in which Cosatu participates:
 - 1.1. The bipartite Millenium Labour Council
 - 1.2. The Presidential Trade Union Group established by President Mbeki.

Further noting;

1. Both these structures are established at a time when the gap is widening between government and capital on one side and labour on the other on economic policies.
2. That the initiative of the Millennium Labour Council between big business and labour will further compromise the role of NEDLAC, perhaps not on paper but in practice.

Therefore resolve that:

1. Numsa rejects the establishment of the Millennium Labour Council and the Presidential Trade Union Group.

¹⁷⁴ NC 2000

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