

# **Time for ANC to correct mistakes and self-inflicted blows - COSATU**

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**15 December 2017**

**COSATU wishes the ANC a successful and productive 54<sup>th</sup> National Conference**

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The Congress of South African Trade Unions wishes the ANC a successful 54<sup>th</sup> National Conference that starts tomorrow the 16<sup>th</sup> of December 2017. The federation looks forward to the outcomes of this conference and we reiterate our position in support of the ANC Deputy President to Cde Cyril Ramaphosa, as the preferred next President of the ANC. We urge all the delegates to elect Cde Ramaphosa so that the ANC can have an opportunity to restore its unity and cohesion and also build the confidence and hope amongst the masses of our people ahead of the national elections in 2019.

Whilst it is important for delegates to be allowed to lobby for their preferred candidates without fear, we also urge the delegates to be disciplined and work for the unity of the ANC. The federation is looking forward to the 54<sup>th</sup> National Conference adopting policies that will advance the interests of the working class and the poor. The delegates should remember to focus on defending the progressive policy framework adopted in Polokwane that includes amongst others the decisive use of state power to implement the Freedom charter.

We want the conference to come up with cogent ways of pursuing and advancing the five developmental priorities; that include the Creation of decent work and sustainable livelihoods, Education, Health; Crime; and Rural development, including land reform, and food production and security.

We hope this Conference will defend some of the strategic pillars as set out in the watershed 52<sup>nd</sup> Conference held in Polokwane and reaffirmed by the 53<sup>rd</sup> National Conference, which included transforming the structures of production and ownership through amongst others anti-monopoly and anti-concentration policies, aimed at creating competitive markets, broadening ownership and participation by our people, addressing monopoly pricing and other forms of rent-seeking and anti-competitive behaviour and overcoming barriers to entry that inhibit the growth of small enterprises, including strategies to increase competition by promoting the emergence of new players in both South Africa and the SADC region.

We are still calling for macroeconomic policies that support growth, job creation and poverty eradication on a sustainable basis and the creation of democratic developmental state that will implement the programme of economic transformation.

## **On Land**

We call for state ownership of all the land in this country in order for the democratic state to break the power of white capital and strengthen the capacity of the state to regulate land use and to abolish speculation. Once the state owns the land, it can then decide on a lease basis as to who should use it and for what purposes. This is the best way in which the state can secure food security and reduce land under-utilisation.

Going forward, we want to see government using its expropriation powers more aggressively and introducing a moratorium on evictions of farm workers and dwellers. Farm workers and labour tenants have not benefited from land reform, instead they face evictions reminiscent of the apartheid era. The market-based land reform policy of the State cannot benefit the poor majority of rural people.

This means that we need to amend Section 25 of the Constitution in a manner that will prohibit compensation. This is the only way to defend the principle that “Land should be the heritage of all South Africans, owned by the democratic state and shared in use, not in ownership, among those who work it”.

### **Mining Charter**

We want the Conference to resolve the issues that relate to the mismanagement of the process of introducing the Mining Charter and the shabby consultation that took place with strategic role-players. Consultation with the mining sector though should not amount to a consensus seeking exercise or co-governance, and we must accept that radical economic transformation in the economy, including in the mining sector will be reluctantly accepted and may need to be forced. The 2017 Mining Charter is one of the leading radical policy proposals since the dawn of democracy and it must be supported and defended despite its weaknesses on consultations as alleged by the Chamber of Mines.

For the first time it is proposing that workers and communities be allocated 8% shares each in mining companies. The charter will ensure a meaningful real economic transformation.

### **NDP**

The NDP in particular the economic and labour chapters must be reviewed immediately. The alliance political council must convene an inclusive committee which will ensure that these changes are effected into the NDP document. This work should commence before the 1<sup>st</sup> ANC Lekgotla in 2018. The committee will report to the Alliance Political Council (APC) within four weeks on the completion of its work leading to the alliance economic summit.

### **NHI**

We agree with the ANC report where it says: “The ANC should ensure that the implementation of the NHI remains a priority of government and must ensure that legislative framework on the NHI must be finalized by end of the current term”. In our view; the actual implementation of NHI needs the participation of the state in the pharmaceutical sector in the form of a state owned and state controlled pharmaceutical company. This is important to allow for manufacturing capacity of the state, creation of decent jobs and setting of low prices for medication. Government must stop issuing licenses for private hospitals because this will undermine the very objectives of the NHI in particular universe health coverage. For NHI to be realised there must be a change in pricing and in the tax system

### **FREE Education**

We know that government has recently realised a report on the feasibility of free higher education. The report is littered with recommendations which seeks to recycle the unsustainable and anti-developmental NFSAS loan model that puts the burden of payments of fees on the students from working class background and the poor, whilst allowing banks to continue profiting from education- which is a public good.

*COSATU remains adamant that the rich must pay for education. Government must announce the introduction of a Tax Legislation for business to contribute towards funding Free Education. We demand the introduction of redistributive tax interventions, which will include an introduction of progressive tax system and force the super rich to contribute towards funding free education. We also want the conference to demand that government must force universities to ensure curriculum transformation that responds to knowledge production that is appropriate to the demands of social and economic development of our African continent and our country.*

### **SARB**

The mandate of SARB must be changed to include employment. Section 223 on the South African Reserve Bank must be amended to provide for a triple mandate of unemployment, poverty and income inequality. SARB must be a banker for all South African and not only private commercial banks.

Private shareholders of the SARB must be removed. There must be regulations and limitations on banks on the services they can render to the public. Commercial retail banks and investment banks must be separated and this would reduce the conflict of interest and corruption in the financial sector that has led to the 2008 financial crisis and job losses.

### **State Bank**

The Postbank should be licensed, capacitated to play its role as soon as possible. This like other decisions has been pending for a long time and the conference should insist on its implementation before the end of term of office of the current government.

A state bank is needed to drive radical socio-economic transformation and without a state bank radical economic transformation will remain an elusive dream.

### **Labour Market**

We agree with report when it says that the gap between incomes of executives compared to workers remains very high. The wage gap has continued to deepen. This should be addressed as a matter of national priority, through a national incomes policy, underpinned by legislation where necessary. We want the conference to ensure the implementation of minimum wage by May 2018, discourage retrenchment and increase the retrenchment severance package to six weeks per every year of service. The conference should also push for the abolition of outsourcing particularly cleaning, security, gardening, catering services and restrict labour broking to 0 months instead of the current 3 months.

We also demand the prohibition of trading on certain public holidays in order to ensure that all South Africans respect and learn about the role of liberation heroes history and culture such as May day, Human Rights day and Youth day. All EPWP work should be made into full time permanent work and measures should be taken to ensure centralised bargaining.

### **Energy policy**

The ANC report is silent on nuclear issue. On renewable energy the report states that we need to promote economic transformation by ensuring energy security and promoting clean and renewable sources of energy supply. We reject nuclear as one of the forms of energy. Instead the state should be leading in investing in renewable energy. Eskom must increase state participation in the renewable energy production and the government must stop privatisation of Eskom through the purchase of renewable energy to private companies.

### **E: Toll**

We reject the user pay model and the e-toll debt must be written off. For those who have paid e-tolls, they must be credited and the money must be used to pay for license renewals. The government must tax the cash reserves and assets of JSE companies in particular banks in order to settle the E-toll debt. A comprehensive transport policy is needed that will include the regulation and subsidisation of the taxi industry.

We wish all the delegates well in their deliberations and we hope that they will show discipline and successfully carry their mandate of correcting the mistakes and self-inflicted blows that have only served to further to strengthen the adversaries of our revolution.

*Issued by Sizwe Pamla, National Spokesperson, COSATU, 15 December 2017*