

FEDSAL

Economic Policy

Below we publish extracts from the Federation of SA Labour Unions economic policy document, presented to the NEF in October. FEDSAL represents 270 000 workers – 80% white collar and 70% white.

1 Representation

... While the affiliates of FEDSAL are primarily involved in collective bargaining on behalf of their members, FEDSAL as a federation of labour unions represents their interests in respect of wider issues. In this regard, FEDSAL acts in broader forums, assisting in the formulation of general principles and policies which will affect its constituents not only in their capacity as workers, but also in respect of their related interests as consumers, taxpayers and citizens ...

2 Winning nation

FEDSAL supports policies that will turn South Africa into a winning nation in a global context.

FEDSAL understands that labour, business and government have a common interest in constantly improving South Africa's international competitiveness. If the actions of any one of these parties make the achievement of this goal impossible, not only that party, but all three will carry the consequences. South Africa will, for example, not be able to compete

internationally if:

- business fails to manage the inputs in production processes optimally or expects rates of profits which are out of line with international norms, or if
- the government sector over-regulates or overtaxes business and labour, relative to international practices, or if
- labour expects real levels of remuneration which are out of line with those paid in comparable competing countries ...

3 The right to negotiate

FEDSAL contends that labour unions and employer organisations in every industry should have the freedom to negotiate and agree amongst themselves, whether centralised bargaining should be applied in that industry. Government should not prescribe either centralised or decentralised bargaining in all industries or in any specific industry. Once an agreement has been reached, government should merely recognise the agreement ...

FEDSAL believes that the freedom to negotiate includes labour unions' right to

strike as a last resort in negotiations. FEDSAL accepts that an exception could be made in the case of essential services, but is of the opinion that the term "essential services" should be defined clearly and narrowly in South African labour legislation.

4 Upward mobility

FEDSAL strives to maximise the upward mobility of the members of its affiliates.

Whilst acknowledging that there is a need to level the economic playing fields through affirmative action, the actual advancement of individual members should be based on merit ...

5 Training

Recognising the need for affirmative action, FEDSAL supports training of workers by government, business and the labour movement, jointly and separately, as an essential means of improving upward mobility, national efficiency and international competitiveness ...

6 Technological advancement

FEDSAL encourages training and retraining of workers to meet technological advancement and industrial restructuring that may affect their job security ...

7 Distribution of income

FEDSAL believes that sustainable economic development requires a fair distribution of income among workers, managers, owners, creditors and other stakeholders in private and public enterprises ...

Notwithstanding, FEDSAL believes that past inequality is little motivation to pay low-skilled workers more than their skills are worth, but that the problem should be addressed by providing them with a living wage and the opportunity to improve their skills. In addition, inadequate educational facilities must be brought up to standard to avoid perpetuation of the problem in future.

The labour movement is often criticised for demanding real increases in wages and salaries in excess of increases in labour

productivity. However, workers in a firm have less control over their collective productivity than the management of the firm. If the latter plan, organise, coordinate and control the activities in the firm effectively and efficiently, productivity will be high, otherwise not.

FEDSAL contends that workers should not be penalised for the inadequacies of management. Furthermore, FEDSAL contends that workers should have a greater stake in the productivity of the firm through participative management ...

8 Fairly balanced contribution to state coffers

FEDSAL contends that the contributions of workers, consumers and businesses to state coffers should be fairly balanced ...

9 Right to own private property

FEDSAL contends that the right to own private property is an important cornerstone of individual advancement and therefore supports the entrenchment of this right in the national constitution ...

FEDSAL strives to safeguard workers' built-up claims to pension and provident funds.

Firstly, FEDSAL opposes the involuntary amalgamation of funds, that is, amalgamation without the approval of at least the majority of the members of each of the funds to be amalgamated.

Secondly, FEDSAL opposes obligatory investment of the funds in low-yielding investments for so-called development purposes. This would in fact be an involuntary reduction of the agreed remuneration of the members of the funds ...

10 Entrenchment of rights

FEDSAL supports the inclusion, in the national constitution, of a bill of human rights, as well as the entrenchment of the rights of citizens to participate in political decisions on national, regional and local levels of government ... ☆