



Numsa Media Monitor

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A daily compilation of local, national and international articles dealing with labour related issues

Numsa

Attempt to change labour law racist

Irvin Jim, Sunday Independent, 15 May 2016

It's important for Numsa to put the record straight on the Free Market Foundation's (FMF) attack on collective bargaining. Thankfully the FMF's attack was thwarted by the Pretoria High Court's decision to dismiss their application to amend the Labour Relations Act (LRA).

The FMF challenged section 32 of the LRA, which allows collective agreements reached in bargaining councils to be extended to employers in the same sector who are not party to the negotiations. The FMF wanted the wording of the act changed to say that the labour minister "may" extend agreements struck in councils, as opposed to "must", as is currently the case.

The FMF and its former chairperson under whose auspices the legal challenge was initiated - current DA-mayoral candidate for Johannesburg Herman Mashaba - as well as conservative employers from the National Employers' Association of South Africa (NEASA) joined forces in this attempt to restrict collective bargaining.

They were fittingly defeated in the Pretoria High Court.

Numsa opposed the FMF's attack on collective bargaining as a respondent. Other respondents included the Minister of Labour, Minister of Justice and Constitutional Development, 47 bargaining councils, Cosatu and the SA Clothing and Textile Workers Union.

Let's put the record straight. By taking up this challenge to collective bargaining, the FMF and the Democratic Alliance (DA), via its mayoral candidate Mashaba, launched an attack on vulnerable workers all over the country, including in Gauteng.

They would be foolish to believe that their attempts to continue the super exploitation of black workers have gone unnoticed by Gauteng's workers. These are the very same workers that Mashaba is wooing for his mayoral candidacy in Johannesburg.

A vote for Mashaba and the DA in Gauteng is a vote for the FMF, an anti-worker reactionary think tank in alliance with racist employers.

The FMF's attack on collective bargaining is based on its devotion to the neoliberal capitalist perspective and is part of a broader campaign to defend the neoliberal orientation of the ANC government. The libertarian view promotes individualism and champions the 'survival of the fittest'. This savage law of the jungle is in fact the common fate of more than 76% of South Africa's black and African working class who have no union protection. The FMS seeks to defend and entrench this status quo.

In fact, the FMF's campaign exposes a deep-seated racism rooted in the colonial mind set, which justifies subjecting black people and Africans in particular to working in sweatshop conditions at the bottom of the food chain where they are constantly denied a decent living wage – let alone any broader prospect of owning the economy.

Despite posturing otherwise, the FMF and their ilk find abundant excuses for continuing to defend the racist apartheid South African economy post 1994. The court challenge was one such constitutional resource at their disposal.

Numsa is in no doubt that the FMF seeks to completely dismantle collective bargaining. Meanwhile its offensive is focused on curtailing collective bargaining's jurisdiction over workers. Its view is that sectorial bargaining and the extension of its products to non-participants, far from advancing the protection of vulnerable workers, is an impediment to the growth of small businesses resulting in less job creation and a higher rate of unemployment.

Leon Louw, executive director of the FMF, claims that settlements we reach in improving the benefits and conditions of workers militate against companies who can't afford wage increases.

This is simply not true.

Numsa acknowledges that if any company can't afford what is agreed to in centralized collective bargaining, that company may be granted exemption as the law current allows for, but we feel strongly that the application for exemption must be accompanied by a full disclosure of the company's financial records. Louw, Mashaba and the DA reject the "disclosure" requirement, exposing the truth about them, which is that their allegiances lie with the greedy profit-maximising employers.

What the FMF really wants is for trade unions to agree upfront that new workers in the industry will be compensated at lower levels and receive fewer benefits in relation to existing workers - and that unions will only maintain and improve the conditions of the existing workforce. We reject this with the contempt it deserves because it will destroy the labour movement by sowing distrust between current and future generations of workers.

Earlier this year the SABC hosted a debate between myself and the FMF's Louw on the state of the economy, poverty and inequality following Oxfam's damning report on growing wealth concentration and economic inequality. Disagreeing with the rigorously researched findings of the Oxfam study, Louw was arrogant enough to suggest that the quality of black lives in South Africa has improved because he's seen many blacks frequenting shebeens on the occasions that he ventures into townships. Such careless analysis is not only regressive and racist; it is also dangerous given that it emanates from a man with such influence in the media.

Numsa has resolved to challenge the FMF and in so doing fight the renewed neoliberal offensive of the DA and NEASA as well as all conservatives, including the ANC, who champion the super exploitation of black labour, the basis of the South African economy and society.

Numsa is not surprised by the similarities between the ANC and the DA's economic policies. The "negotiated settlement" guarantees this. Numsa has always recognised the DA as the political axis of the ruling white monopoly capitalist class. Together with the ANC, they adopted GEAR and the NDP, both flagship neoliberal macroeconomic policy frameworks.

As things stand, the DA resists fundamental economic transformation whilst the ANC is incapable of implementing the Freedom Charter, which importantly states, "The mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole."

When the ANC had some emancipatory vision, it reinforced the core values of the Freedom Charter in its watershed 1969 Morogoro Conference. The ANC emerged a stronger force after this historic conference due to its adoption of important principles not just for political freedom, but also for economic emancipation.

Envisaging a South Africa free of racist apartheid and colonialism, the Morogoro Conference stated:

"We do not underestimate the complexities, which will face a people's government during the transformation period, nor the enormity of the problems of meeting the economic needs of the mass of the oppressed people. But one thing is certain—in our land this cannot be effectively tackled unless the basic wealth and the basic resources are at the disposal of the people as a whole and are not manipulated by sections or individuals be they White or Black."

The Morogoro Conference was clear that liberation would be meaningless without the wealth of the land being returned to the people of the land. Indeed, the statement emerging from the conference argued, "To allow the existing economic forces to retain their interests intact is to feed the root of racial supremacy..."

These principles have all but been abandoned by the ANC, who, together with representatives of white monopoly capital and imperialism presided over the crafting of a constitution that has effectively barred nationalisation without compensation. This goes against the interests of the working class.

The land question in particular, as evidenced by the recent Ntokozo Qwabe tipping saga, is one that today's young black South Africans feel greatly angered by

because they see how material deprivation acts against black advancement in our society. White South Africans still own 87% of this country's land.

At the same time, black South Africans have neoliberal policies, such as the NDP, shoved down our throats against our welfare. These policies act against black advancement whilst favouring the financially fit white population. Only the fittest thrive under this policy regime. Thus, the ANC, DA and all those who endorse the NDP support a plan that maintains a racially entrenched status quo.

To right these wrongs, Numsa calls for the nationalisation of the commanding heights of the economy to bring it under worker control and management. This is the only measure that will give black South Africans equal access to an economy that remains in white hands.

Indeed there is much work to be done to roll back the neoliberal programmes of our government and the gains it has produced for white monopoly capital.

Specific measures include nationalising the Reserve Bank; nationalising the strategic minerals sector; dealing decisively with South African companies that were allowed to list offshore, promoting local manufacturing with incentives for small companies; encouraging local procurement; and introducing a national minimum wage linked to a living wage (even the IMF prescribes increasing the minimum wage).

Finally, it would be imperative to tax the rich, whilst cutting the interest rate to bring some relief to a black population mired in debt.

Of course, for Numsa, the full implementation of the Freedom Charter is an important objective. We believe it is essential for South Africa to go back to the Reconstruction and Development Program (RDP) to build the capacity of the state. This would eschew the need for the corrupt tender-inspired public-private partnerships that are a hallmark of current social development and delivery programmes. For example, there is absolutely no reason why the state should not be employing workers directly, for example, to build roads and houses, and pay them a living wage.

The South African working class, both black and white, must take full responsibility for our common future, we must ensure that we build an economy and society which guarantees "from each according to his ability to each according to his need". This is the only way to forge new power relations where the majority, who are the working class, can succeed. It offers the only hope to build a genuine non-racial, non-sexist, democratic and prosperous society.

Numsa recognises that economic emancipation for the black South African working class remains the primary struggle because the forces that selfishly plunder our resources, the main beneficiaries of the status quo, will not voluntarily give up their privileged positions. This is why capitalists capture government to exploit workers and maximise their profits. It is precisely in this context that "Marikana" took place.

(As originally submitted)

<http://www.iol.co.za/news/heres-why-fmf-attacked-collective-bargaining-2021730>

Race row hits metal pay body

Nompumelelo Magwaza, Sunday Times, 15 May 2016

A behind-the-scenes plan by an employer association to oust the general secretary of the biggest bargaining council in the country has been described as an attempt to topple a black man in charge - a claim that drew an angry rebuttal this week.

A letter seen by Business Times proposes that the general secretary of the Metal and Engineering Industries Bargaining Council, Thulani Mthiyane, be suspended.

It was written by the chairman of the South African Engineers' and Founders' Association, Ross Williams, to the board of the Steel and Engineering Industries Federation of Southern Africa.

Saefa is one of 26 associations that are members of the MEIBC, along with the National Employers' Association of South Africa.

Irvin Jim, general secretary of the National Union of Metalworkers, said it was because Mthiyane was black.

Williams said Jim's allegation was offensive and untrue. "Where is their proof?" he asked.

Williams said that he also supported a suggestion by another employer association for a "certain black senior commissioner from the Commission for Conciliation, Mediation and Arbitration as a possible caretaker for the MEIBC".

He added: "So Numsa and Mthiyane have not a leg to stand on."

I have had resistance from some of the employers from day one in office

In his letter, however, Williams had suggested replacing Mthiyane with Johan Pieterse of the Constructional Engineering Association of South Africa, also a member of the MEIBC.

"He [Pieterse] knows the constitution and processes of the MEIBC better than anyone else and absolutely will not budge on the correct process being adhered to," Williams wrote.

Jim said: "Numsa obviously rejects any opportunistic agenda that aims to shift the blame to Mthiyane because he is black.

"That Mthiyane should be replaced by Pieterse is definitely a big no.

"Numsa believes that the letter Williams addressed to board members at Seifsa was mischievous and is rejected by the metal workers now and in future."

Jim suggested that an application for an increase in levies, paid by employers and employees to the bargaining council, had led to the move against Mthiyane.

"When in 2012 the issue of increasing levies was raised, the opportunistic and indeed conservative employers, together with Neasa, objected," said Jim.

Mthiyane said he was surprised by the suggestion that he should be suspended.

He said this was mainly because he was the first black general secretary of the council in the 72 years of its existence.

Mthiyane, who was elected as the council's general secretary in 2012, said: "I have had resistance from some of the employers from day one in office."

He said he did not dispute that the council needed help, but it should be done through a unified bargaining council.

- Metal industry bargaining council warns of closure

The bargaining council, which is a statutory body, has asked for an 18% increase in levies.

It has had no levy increase since 2011. The MEIBC is reportedly insolvent and unable to hold its AGM.

Employers' associations have rejected a raise in levies.

Jim said Numsa would support an increase in levies at the council's meeting on May 25.

Speaking to Business Times, Williams said there was an urgency to save the bargaining council and the suggestions in his letter to Seifsa's board had been made after consultations with some employer bodies.

The letter from Williams also proposed not extending the wage agreement to any organisations that were not part of the accord.

Williams said much of the "contestation" in the bargaining council concerned the extension of the agreement to non-parties.

He said many of the problems at the bargaining council over the past five years also centred on costs.

Last week, the High Court in Pretoria dismissed an application by the Free Market Foundation to remove an extension of the bargaining council agreements to non-parties.

At issue was the power of the minister of labour to extend the agreement.

Seifsa CEO Kaizer Nyatumba would not directly respond to the questions regarding the Williams letter.

"I can confirm that the Seifsa council met on Monday afternoon and discussed the concerning situation in which the MEIBC finds itself.

"We resolved to work with other stakeholders to support that institution if an agreement can be reached on some conditions," he said.

Nyatumba said Seifsa regarded the MEIBC as an important institution that should not be allowed to fail.

Saefa and Neasa said last week that the bargaining council should be placed under administration.

<http://www.timeslive.co.za/sundaytimes/business/2016/05/15/Race-row-hits-metal-pay-body>

SA workers

SAA wage negotiations head for mediation at CCMA

Karl Gernetzky, Business Day, 12 May 2016

WAGE talks at South African Airways (SAA) are headed towards mediation, while the airline on Thursday moved to dispel perceptions it had sufficient cash to meet high wage demands.

United Association of SA (Uasa) sector manager Willie van Eeden said on Thursday that unions were awaiting a date for talks under the auspices of the Commission for Conciliation Mediation and Arbitration (CCMA).

Wage demands remained unchanged, he said.

On Tuesday, unions in wage negotiations with SAA said they had raised their wage demands from single digits to 11%, after SAA chairwoman Dudu Myeni said on Friday that SAA was financially sound and "had money".

Finance Minister Pravin Gordhan said last week that SAA would not be granted any further government guarantees until a new board and management were appointed.

SAA needs this guarantee to sign off on its financial statements for 2014-15.

SAA on Thursday denied there was a wage deadlock during negotiations, saying Ms Myeni's comments had been limited to the extent to which the airline could continue to operate without reliance on the state.

"Comments made that SAA 'has money' did not imply that the airline has now become profitable," the statement read.

Uasa, the National Transport Movement (NTM), the South African Cabin Crew Association (SACCA) and National Union of Metal Workers Association (Numsa) had been bargaining since the beginning of April, Mr van Eeden said.

<http://www.bdlive.co.za/business/transport/2016/05/12/SAA-wage-negotiations-head-for-mediation-at-CCMA1>

Uneasy calm at RBM mine

Paddy Harper, City Press, 15 May 2016

An uneasy sense of calm has returned to Rio Tinto's Richards Bay Minerals (RBM) mine in Kwambonambi on the KwaZulu-Natal north coast, which resumed operations this week after violent community protests forced a shutdown last week.

The return to work may be short-lived, however, as the National Union of Mineworkers (NUM), which has a 70% majority among the 4 000-strong workforce, is threatening action over the company's decision to force permanent staff to take paid leave during the shutdown, and its a no work, no pay policy for contract workers.

Half of RBM's workforce is on contract and is recruited via labour brokers.

On Thursday morning, before going back to work, the NUM's members held a meeting to discuss action over the wages issue and safety at the mine, which consists of a series of opencast dune pits from which high-quality pig iron, rutile, titania slag and zircon are extracted for the Chinese, US and European paint, paper and electronics manufacturing markets.

They threatened action if the company withheld pay for the shutdown, during which only essential staff and small maintenance crews were on site.

Residents of the Sokhulu and Mbonambi communities, where RBM's smelter and dune mine have been operating for 40 years, burnt four mine vehicles and blocked access roads with burning tyres and logs in an attempt to force the company to employ more locals.

RBM employs 400 people from the 40 000-member Mbonambi community and a further 160 from Sokhulu, which has about 9 000 residents.

The protesters, who held a march outlining their grievances on April 25, also claim the company has failed to meet its commitments for community development programmes, and they want more money for skills training and more opportunities for local businesspeople to tender for RBM contracts.

The company shut down last Saturday after police were called in to disperse protesters, sending staff on leave and bringing in maintenance crews.

"RBM took a unilateral decision to go on shutdown," said Emmanuel Zakwe, the NUM permanent shop steward at RBM.

"Our members cannot be the ones to pay for it. If their full pay is not paid at the end of the month, we will take the company head on."

The threat from the NUM puts additional pressure on a fragile agreement brokered between RBM and the two communities by KwaZulu-Natal Economic Development MEC Mike Mabuyakhulu, who met protesters, traditional leaders, local government, the police and regional business to try to get the mine reopened while a team drawn from the various interest groups reviews RBM's employment practices and social investment targets.

On Tuesday, Mabuyakhulu told residents of Mbonambi that the team would review the social investment, contracting and employment situation and report back in a month.

Mabuyakhulu stressed the importance of keeping RBM – which contributes 50% of KwaZulu-Natal's mining revenue through the 2 million tons of products it exports annually – in operation for the sake of the regional economy.

He was less well received on Wednesday in Sokhulu, where the pits are located and where the arson attacks and assaults on workers took place last week.

A group of young people walked out during his speech, sparking fears that they may not abide by the commitment their leaders gave to allow safe access for workers.

Boy Mthembu (51), a stores clerk who has been at RBM for 11 years, said he had been concerned for his safety during the protests and couldn't go to work. He said the company needed to pay more attention to the community's needs.

"People are angry. The young people need jobs, but they don't get them. The company needs to do more. My house was damaged by trucks from RBM. I complained last year, but nobody has come to see what happened," he said.

A resident involved in the Mbonambi protests, who asked not to be named, said they would "wait and see" what came from the new agreement.

The 28-year-old, who has matric and certificates in welding, has been trying to get a job with RBM for 10 years, but has not managed more than a three-month contract.

"We are tired. It's like being buried alive, sitting here and watching people from outside coming here in buses every day. For every 10 buses, only one has people from this area. If you don't have a contact with the labour broker or with RBM, you can forget it," he said.

On Thursday morning, convoys of earth-moving machines began leaving the smelter area at Mbonambi and heading past piles of burnt logs that were still in the road after the protests.

RBM spokesperson Fundi Dlamini said the decision to return to work while the task team tried to resolve community grievances had been made after their leaders had guaranteed that there would be no more attacks.

Addressing Tuesday's meeting, Mabuyakhulu told community members that a lengthy conflict would force RMB to close the mine, affecting the entire region economically.

Mabuyakhulu said that while discussions to find a long-term solution continued, the law would take its course. "If you are from the community and you are dirty, the law will deal with you. If you are from the company and you are dirty, the law will deal with you."

Department of mineral resources spokesperson Martin Madlala said the department was part of the stakeholder forums convened by Mabuyakhulu to try to resolve the crisis.

"These engagements include meeting with the different communities and the mines, with the aim of finding sustainable solutions to the current challenge," he said.

<http://city-press.news24.com/Business/uneasy-calm-at-rbm-mine-20160513>

Striking Sanral service providers to hand over demands ahead of CCMA talks

TimeLive, 12 May, 2016

South African Transport and Allied Workers' Union (Satawu) members employed by Teti Traffic will hand over a memorandum of demands at the offices of the South African National Roads Agency Limited (Sanral) on Friday.

This will come "ahead of the meeting with the employer at the Commission for Conciliation Mediation and Arbitration (CCMA)", a Satawu statement said.

Negotiations at the CCMA on May 4 "were inconclusive as the employer's negotiators claimed they did not have a mandate to act on the offer on the table".

Those aborted talks came two days after the striking workers blocked the N1 North near New Road offramp.

Teti Traffic is contracted by Sanral to clear accidents off the roads of Gauteng.

The union is demanding salary increases for a number of categories of its members.

It wants an increase from R4 325 to R6 000 for general workers, an increase from R4 680 to R9 000 for basic life support staff, R6 000 to R7 000 for traffic safety officers, R6 600 to R12 000 for traffic management staff, R13 000 to R16 000 for senior operators, and R4 325 to R13 000 for technicians.

The union is also demanding other benefits including a provident fund, medical aid and a 13th cheque.

The employer had indicated it could only afford a 7% increase.

<http://www.timeslive.co.za/local/2016/05/12/Striking-Sanral-service-providers-to-hand-over-demands-ahead-of-CCMA-talks>

Nehawu accused of conspiring to destabilise National Legislature

Xolani Koyana, EWN, 14 May 2016

CAPE TOWN - Parliament has accused the National Education Health and Allied Workers Union (Nehawu) of leading a political campaign to destabilise the National Legislature.

The union has been calling for the removal of Secretary to Parliament Gengezi Mgidlana.

Parliament bosses have not seen eye-to-eye, with some employees embarking on industrial action in the past year.

Management claims it's seen the agenda for an upcoming Nehawu meeting, which includes an item titled "campaigns to suspend secretary to Parliament".

Nehawu Parliamentary Branch Chairperson Sthembiso Tembe says claims of a conspiracy are a lie.

“Issues that we have with Mgidlana are general issues of management, maladministration and that is not a new thing. Someone can't spend R2 million to do what they call benchmarking, but is actually not benchmarking.”

The latest issue that puts Nehawu and Mgidlana against each other are reports that the secretary spent R2 million on a two-week “benchmarking exercise” to Europe for himself and senior officials.

But Parliament's presiding officers says there's nothing untoward about the spending.

<http://ewn.co.za/2016/05/14/Nehawu-accused-of-conspiracy-to-destabilise-national-legislature>

DA, Sadtu raise concerns about dire overcrowding in KZN schools

Matthew Savides, TimesLive, 12 May 2016

As the South African Democratic Teachers' Union (Sadtu) prepares to march on the KwaZulu-Natal education department to protest against packed classrooms, figures released by the Democratic Alliance (DA) on Thursday revealed that 387 of the province's schools are overcrowded.

DA MPL Mbalu Thuli said the department had confirmed that the province was plagued with overcrowding, despite comments earlier in the week by education MEC Peggy Nkonyeni that this was not a problem.

In a reply to a question tabled last month in the legislature, the education department has now confirmed that all six of the worst-affected regions were in the northern parts of the province, with most of them being predominantly rural.

uThungulu, with 159 overcrowded schools, was by far the worst affected, followed by uThukela (50), AmaJuba (42), Ilembe (33), Zululand (21) and uMzinyathi (20).

There are about 6,000 schools in the province.

Ntuli said the reply confirmed a serious problem.

“Four-hundred schools is a staggering number, and these figures are an indictment on this province's education department. Every time we visit schools we see this problem, so it is difficult to comprehend why the MEC is blind to it,” she said.

Meanwhile, Sadtu's KZN secretary Nomarashiya Caluza said the union was intensifying its protest against overcrowding, with the situation in KZN comparable to the worst areas in the country.

“The problem in KwaZulu-Natal is very severe, especially in rural schools. If you look at the three worst provinces (Limpopo, the Eastern Cape and KZN), you will note they are all rural. Overcrowding is something that we see mainly in these rural schools,” said Caluza.

She said the situation made life extremely difficult for teachers and pupils.

“It means that teachers will not have enough time to attend to each individual learner. We know that the capacity and capability of our learners is not all identical, and teachers are expected to engage with each learner to help them – but this is very difficult when it’s overcrowded,” she said.

The union will march to the department’s office in Pietermaritzburg on Friday, and plans to protest at a later date outside the department’s national office in Pretoria.

<http://www.timeslive.co.za/local/2016/05/12/DA%E2%80%9A-Sadtu-raise-concerns-about-dire-overcrowding-in-KZN-schools>

‘Break Sadtu’s power’

Sipho Masondo, City Press, 15 May 2016

In damning findings, final report reveals ‘jobs-for-cash’ is endemic and claims the union is holding the education system hostage

Teachers’ union Sadtu’s membership of the tripartite alliance gives it “enormous power and influence” over the education system. So says the long-awaited final report by renowned academic and Umalusi head Professor John Volmink into the jobs-for-cash scandal.

Describing this situation as “dangerous and inappropriate”, the report has found that this is holding the education system hostage to political processes.

It also makes a slew of recommendations about how the education system can be freed from Sadtu’s grip, including a ban on principals and education officials being office bearers in political parties.

The report contains a first-time admission by Sadtu that the sale of teachers’ and principals’ jobs for cash, sex and “other favours” is “widespread and underreported”.

The report was due to be released last week, but Sadtu is putting stumbling blocks in the way of its dissemination.

City Press has obtained a finalised copy of the report, in which this admission is made by Sadtu’s unnamed “legal adviser”, as well as its general secretary, Mugwena Maluleke, and deputy general secretary Nkosana Dolopi.

The three, the report found, also admitted that “the underreporting can be attributed to the fact that the seller and the buyer of the post operate in high secrecy and, in some instances, with intimidation”.

The report contains another shock admission by Gauteng Education MEC Panyaza Lesufi that his department was under the “control” of Sadtu, and the buying and selling of teaching and office jobs in his province was “endemic”.

Volmink’s team, appointed by Basic Education Minister Angie Motshekga two years ago to investigate the scandal following a City Press exposé, was damning about Sadtu’s hold on power, saying that it was a recipe for corruption.

It condemned the practice of cadre deployment, arguing that through it, the union was able to ramify its position and influence, as well as reward chosen individuals by locating them in offices and schools to the benefit of the recipient and the advantage of the union.

“Its presence is indicative of enormous power and influence by a union that seeks to entrench itself repeatedly and inexorably,” the report found.

“As a form of undue influence or corruption, it opens doors for the use of unorthodox and illegal means to gain advantage. The buying and selling of positions is one such means.

“The logical conclusion ... is that undue influence, a polite name for corruption, appears to be endemic to greater and lesser degrees in the entire educational system, in offices, in schools, unions and everywhere else.

“Weak authorities, aggressive unions, compliant principals and teachers eager to benefit from union membership and advancement are a combination of factors that defeat the achievement of quality education by attacking the values of professionalism.”

With more than 260 000 members, Sadtu is labour federation Cosatu’s largest and most influential union.

It has been a grooming ground for ANC leaders who have gone on to become ministers, MECs and senior government officials. Many of its members are active ANC branch leaders, and the union provides foot soldiers in election campaigns.

Referring to Sadtu’s political connections, the report also found that, as a member of Cosatu and the tripartite alliance, Sadtu has achieved access through the ANC and the SA Communist Party to positions in Parliament and Cabinet.

“The commitment of a teacher union to one single political party is dangerous and inappropriate,” the report found.

“This means that those educators who join the union are bound to that party. And the fortunes of the education system become dependent on the fortunes of a political process.

“While the party is in power, the union has a kind of political sanctity. To challenge the union is to challenge the party. It is not difficult to see how that can lead to corrupt forms of influence.”

Sadtu fights report

Sadtu is fighting the release of the final report, which it says is biased and flawed.

The union threatened last week to take the department of basic education to court if it was not given a chance to make further representations to investigators.

The final report also reveals that the union’s bosses told investigators that they had been combating “different forms of malpractice since 2006”.

The report’s release has been delayed since February.

Maluleke told City Press yesterday that the union had always maintained it was aware that the practice of selling jobs for cash and sex was widespread.

“But what we want South Africans to know is that it is not done by Sadtu.

“We have never, and would never, sanction such corruption. Those who are doing it are criminals, and they are abusing the good name of our union.”

The union, he said, would make representations to Volmink’s team tomorrow.

What Lesufi told investigators

The scandal was exposed by City Press two years ago in an investigation that revealed principals’ positions were being sold for amounts exceeding R30 000.

Teachers’ posts were also being sold for livestock and cash amounts of as little as R6 000.

Lesufi told the ministerial task team that “the major union is in charge of education”.

Boy Ngobeni, the former head of the Gauteng education department, whose contract expired last year, told investigators that Sadtu was the “elephant in the room” that nobody talks about, and that the high degree of influence by unions needed to be addressed.

Shortly after City Press’ initial exposé, Lesufi appointed law firm Nchupetsang Attorneys to investigate if teaching jobs were sold in Gauteng. The company found that “the allegations of posts being sold for cash are true”.

It also found that those involved operated in rackets including school governing body members, union officials and principals.

Nchupetsang recommended disciplinary action against implicated officials, but this went nowhere because witnesses refused to sign written statements, and the process was abandoned.

Culture of fear

Volmink’s investigators encountered the same problems. The report found that a “pervasive culture of fear” and “concerns about safety” negatively influenced the cooperation of potential witnesses, many of whom were reluctant or unwilling to depose affidavits or work with investigators.

As a result, fewer than five cases could be referred to the police for further investigation and charges.

The report reveals that Gauteng is not alone. Volmink’s team found that Sadtu had captured five other provinces and was in “de facto” control.

“The task team has found that in six, and possibly more, of the nine provinces, Sadtu is in de facto charge of the management, administration and priorities of education there.

“It should not be a union’s function to be both referee and player,” the report found.

The other five provinces are: KwaZulu-Natal, North West, Limpopo, Mpumalanga and Eastern Cape.

In North West, the report found that more than 85% of senior staff in the department were deployed by Sadtu after serving as union office bearers.

“Here is an example of Sadtu functioning as a conveyor belt for educators to be rewarded with well paid government jobs in administration and elsewhere, including the Cabinet,” the report found, referring to former Sadtu general secretary Thulas Nxesi, who is the minister of public works.

“According to the [North West] head of department [Dr Itumeleng Molale], Sadtu determines well ahead of time which candidates for appointment at office and school level are preferred, and uses its influence in many ways to increase its grip on educational processes in this province.

“Molale said that every three years, when Sadtu holds its elections, those who lose their positions are redeployed to senior positions in the department, irrespective of whether they are qualified or not, or whether there is a vacancy or not.”

To stop the selling of principals’ posts, both Gauteng and North West have since banned school governing bodies, as well as circuit and district offices, from employing principals, making those appointments at their head offices.

In Mpumalanga, provincial education department head Mahlasedi Mhlabane told investigators that “in this province, Sadtu holds marches to have officials removed from office”.

In Limpopo, senior managers told investigators that they were aware of a list of the names of six Sadtu members whom the union demanded the department appoint to teaching and office-based positions.

All teacher unions said they knew that posts were being sold.

Recommendations

The team has now recommended sweeping changes to how teachers are appointed. These include the exclusion of school governing bodies from interview panels hiring mid-career teachers and all other senior positions.

It has also recommended that prospective principals take aptitude tests before sitting for interviews, and that highly experienced teachers should be part of the panels interviewing them.

Other recommendations include:

- . That no junior teacher be promoted to become a principal, which is currently happening;
- . That principals and office-based officials be banned from occupying leadership positions in unions and from being office bearers of political parties;
- . A ban on cadre deployment in the education department;

- . That strict conditions be set for union observers during interviews; and
- . That the teachers' professional regulation body, the SA Council of Educators, be "reconceptualised" and freed from union domination.

<http://city-press.news24.com/News/break-sadtus-power-20160514>

Indian dock-workers must be sent back to India, Cosatu says

Bekezela Phakathi, Business Day, 12 May 2016

THE Congress of South African Trade Unions (Cosatu) in the Western Cape has called for Indian workers employed in the docks of Cape Town to be "sent out of SA".

In a controversial statement that could be seen as stoking xenophobic tension, Cosatu Western Cape secretary Tony Ehrenreich said on Thursday the union was concerned that many workers "are being imported from India to do work in the docks of Cape Town".

"The welding work (is) being done by Chemitech, to build tanks in the docks. The work that the Indian welders are doing can be done by many of the South African artisans, who historically have worked for the shipping companies in the docks in Cape Town. Cosatu is calling on the government to send these workers back to India, as South Africans can do the jobs," said Mr Ehrenreich.

He said the union was not being xenophobic, "but we are defending our jobs and our livelihoods in SA".

"The Department of Home Affairs must deal with this problem as a matter of urgency. We have just seen the South African unemployment figures released confirming that South African unemployment is (increasing) and yet we are bringing in foreign workers to do our work in SA," said Mr Ehrenreich.

He said the union will march on the docks later this month and "stop the jobs from continuing until SA workers are employed."

<http://www.bdlive.co.za/national/labour/2016/05/12/indian-dock-workers-must-be-sent-back-to-india-cosatu-says>

SA's biggest class action gets go-ahead

Dewald Van Rensburg, City Press, 15 May 2016

The road to a multibillion-rand class action against South Africa's gold mining industry was cleared this week when mine workers suffering from silicosis or TB were certified as a class by a full Bench of judges in the South Gauteng High Court.

A recent unrelated settlement between Anglo American and a separate group of 4 365 mine workers saw provision for about R100 000 per claimant.

That values the class action at a minimum of R1.7 billion and a theoretical maximum of R50 billion.

According to the judgment, it is common cause that the potential claimants number -between 17 000 – which is the number of signed-up clients in this case– and 500 000, a projection based on the number of mine workers and the known rates of silicosis since 1965.

However, Richard Spoor, the human rights lawyer who has driven the case for a decade, uses 100 000 as a working estimate of the total claimants and, if this turns out to be accurate, a -payout in the event of a successful court ruling could be in the region of R10 billion.

The class action will in effect be two class -actions – one for silicosis and one for TB. While mine dust is almost the exclusive cause of -silicosis, holding mines liable for TB will be -harder because it can be contracted elsewhere.

Silicosis is an incurable, progressive lung -disease that can be caused by breathing in the silica dust released by drilling and blasting in mines.

Despite the progress, it will be at least another year before the historic silicosis class action goes to court.

According to Spoor, the summons for the class action was basically prepared already, and it would probably be filed before the end of the month, he told City Press on Friday.

It would not include a rands-and-cents claim.

The point now is to prove a claim by getting the court to declare the mines negligent.

“Then they [the mining companies] will plead. Then there will be discovery, where we and the companies disclose evidence and expert testimonies and so on,” said Spoor.

“It will probably take a year. A year from now, we should have an agreement on which question to try [in court] first. If we can’t agree, we’ll ask the court for directives.”

There were major legal questions to fight out, said Spoor. By far the most likely outcome is, however, a settlement agreement of some sort along the way. This would “make sense”, said Spoor.

The major companies targeted in the case have been having “discussions” with the mine workers’ lawyers since last year about what they call an ultimate “comprehensive solution” to all silicosis liabilities.

The court this week anticipated this and made it part of its ruling that “any settlement agreement reached by the parties shall only be of force and take effect if approved by this court”.

The judges also gave the thumbs up to the -contingency fee agreements that the mine -workers’ lawyers had submitted – giving them up to 15% of an eventual settlement.

Otherwise, the major legal battle ahead -revolves around two main issues.

One is whether “strict liability” applies, which comes down to what you need to demonstrate to prove a case against the mines.

If strict liability applies, then the mere fact that a mine did not comply with a regulation on, for instance, dust limits will suffice to prove it negligent and liable for damages.

The other crucial issue is to make parent companies liable for what their subsidiaries did.

The biggest target in the class action is Anglo American. Anglo has been the dominant power in the industry because of all the companies it has owned. Most of the companies that operated the mines no longer exist.

“The subsidiaries have all been wound up. -Only AngloGold Ashanti still exists and that is no longer a subsidiary of Anglo,” Spoor said.

After this week’s judgment, mine workers who fit the definition of the class will now automatically be part of the class action, but will have a short period of time to “opt out”.

The only real reason to do that would be if you think you can get a better settlement as an individual – a situation that could well apply to many workers in more skilled categories, who would historically mostly be white.

Even Spoor has a separate individual case -involving a young skilled mine worker at Gold Fields’ mechanised South Deep mine in progress.

The reason is that the damages for lost earnings would probably end up being higher than what the rank and file of the class action members ultimately get – if they win.

The mining companies, which include Anglo American, AngloGold Ashanti, Sibanye, African Rainbow Minerals, Gold Fields and Harmony, were studying the judgment and were pursuing an out-of-court settlement, they said in a -statement.

The court hearing for the certification took place in October last year and involved 41 counsel. The mines were ordered to pay the legal costs.

Recent research estimates that anything -between 26% and 36% of underground gold mine workers eventually get silicosis and that 10% of current mine workers over 45 already have it.

<http://city-press.news24.com/Business/sas-biggest-class-action-gets-go-ahead-20160513>

Aurora loses appeal, and...directors must pay

Susan Comrie, City Press, 15 May 2016

President Jacob Zuma is not the only Zuma who may soon have to turn to friends and family for funds after an adverse court judgment.

This week, the Supreme Court of Appeal in Bloemfontein turned down a request by the directors of Aurora Empowerment Systems for leave to appeal a judgment ruling them negligent.

Khulubuse Zuma, who is the president's nephew, and his fellow directors appealed to the country's second-highest court after the North Gauteng High Court ruled the Aurora directors and their business advisers, the Bhanas, could be held financially liable for the destruction of Pamodzi Gold's mines.

The high court judgment, handed down by Judge Eberhard Bertelsmann in June last year, did not specify how much each director would be asked to pay, but confirmed the principle that through their negligence (in Zuma's case) and fraudulent actions (in the case of everyone else), they were liable.

In total, the liquidators want R1.7 billion in damages.

Thursday's decision by the Supreme Court of Appeal was praised by trade unions Cosatu and Solidarity, which represent the 5 300 workers who were left destitute after the collapse of the mine.

"Cosatu wants all these directors to be criminally charged. If there is justice in this country and if we are a nation of laws, the best place for these directors is in prison," said Cosatu spokesperson Sizwe Pamla.

Zuma's spokesperson, Vuyo Mkhize, said his client would not comment on the judgment until he had met with his legal team to understand the reason for the Supreme Court of Appeal's decision.

Meanwhile, City Press has established that Zuma's team tried to reach a R20 million settlement with the liquidators shortly before last year's high court ruling.

Mkhize confirmed to City Press last year that he had approached the liquidators to discuss a settlement, but declined to disclose details.

"I did have engagements with the liquidators on a confidential and privileged basis in an attempt to settle the matter ahead of the hearing," he said.

"That attempt did not come to fruition ... The only thing I can confirm is that, yes, I did make such an offer and the offer was not responded to."

Gideon du Plessis, the general secretary of Solidarity, which represents 180 of Aurora's workers, confirmed that, as a creditor, it was approached about last year's proposed settlement.

"I was not happy with it ... That would likely be the only money from the directors because the other directors would not contribute either because of poverty or their own disregard.

"I felt it was not sufficient to cover the amounts owing to the workers; it was a drop in the ocean," Du Plessis said.

The Insolvency Act allows for a maximum preferent claim of R28 000 from each of the 5 300 employees, which could amount to as much as R148.4 million.

Although the workers are preferential creditors, the liquidators' fees must first be deducted.

In addition to this, Du Plessis says the liquidators wanted to include a clause in the settlement that if, at any stage, it was found that Zuma's assets exceeded the R20 million that he was offering, the settlement would be revoked.

When approached on Thursday, Mkhize initially denied that there had been any attempt to settle Zuma's potential liability.

When asked about his previous statements on the issue, he said that any talk of a settlement had only been made before the North Gauteng High Court judgment and "that ship had sailed" after that ruling.

"He feels hard done by, by that judgment – his only option is to appeal that judgment. Unless he is presented with reasons that persuade him that the judgment is fair, just and proper," Mkhize said.

John Walker, the lawyer for the liquidators, said he could not comment on the settlement discussions, but said that following Thursday's ruling by the Supreme Court of Appeal, they would seek to sequester Zuma, his co-directors, including Zondwa Mandela, and the Bhanas.

"We will be launching applications for the sequestration of all the respondents in the next few weeks," Walker said.

<http://city-press.news24.com/Business/aurora-loses-appeal-anddirectors-must-pay-20160515>

Cosatu thrilled by Aurora ruling

Zintle Mahlati, Independent Media, 12 May 2016

Johannesburg - Cosatu has labelled the Supreme Court of Appeal's decision to dismiss an appeal application by Aurora Empowerment System directors as a "huge victory" for the company's workers.

The federation said in statement that 5 300 mine workers lost their livelihoods as a result of the looting and economic vandalism by the Aurora directors.

The directors, Khulubuse Zuma, Zodwa Mandela, Thulani Ngubani, Solly Bhana and Fazel Bhana were found liable in their personal capacity for looting of the Pamodzi mining assets worth R1.7 billion by the North Gauteng High Court.

Cosatu demanded that they make payments soon and has called for them to be criminally charged.

"If there is justice in this country, and if we are a nation of laws, the best place for these directors is prison," said Sizwe Pamla, Cosatu spokesperson.

The organisation has lambasted the mining sector as being run by "looters profiteers and vandals" who need to be held liable for effects felt by workers in the industry.

“The mining sector can not be left to its devices especially now that we have seen how they wrecked our economy with mine closures and retrenchments,” said Pamla.

<http://www.iol.co.za/business/companies/cosatu-thrilled-by-aurora-ruling-2021054>

South Africa

Crush your e-tolls tags say ANCYL

Ngwako Modjadji, The Citizen, 12 May 2016

‘Slavery and apartheid was bad enough, now our people are bullied into paying for the overpriced highway upgrades.’

The ANC Youth League (ANCYL) in Gauteng wants road users to boycott the controversial e-tolling system in the province.

The league said it will not keep quiet on this “blatant daylight robbery”.

“Slavery and apartheid was bad enough, now our people are bullied into paying for the overpriced highway upgrades by construction companies who once again colluded on its construction,” ANCYL provincial chairperson Matome Chiloane said last night.

“We advise the minister of transport to direct her arrogance towards the companies that colluded and demand them to pay back the money, before forcing and threatening road users.”

Chiloane slammed the South African National Roads Agency (Sanral) e-toll fees SMS.

“We call on Sanral to stop harassing road users with calls and SMSes for payment,” Chiloane said.

“They must focus their energies on fighting the companies that colluded and ensure they pay back the money before harassing road users for their hard earned money.”

Chiloane called on motorists to boycott e-tolls and not pay until the “thieves” pay back the money.

“The youth league will mobilise society and calls on its members and everyone to crush their tags.”

The cost of the 185km project increased by 222% from R6.4 billion in 2006 within two years. This had almost doubled to R11.8 billion. And by 2011, the figure was R17.9 billion; excluding the additional costs of the gantries and buildings set up to monitor the system, which took the amount to R20.6 billion, excluding interest, the youth league said.

E-tolling was implemented on Gauteng highways on December 3 2013 despite several court challenges to halt the project.

<http://citizen.co.za/1112253/ancyl-calls-for-e-tolls-boycot/>

Zuma willing to step down, ANC sources say

News24, 13 May 2016

Johannesburg – President Jacob Zuma is willing to step down in order to recover the ANC's "integrity", a newspaper on Friday reported senior party sources as saying.

The top ANC members told the Mail & Guardian that they had been secretly working on an "exit strategy" for Zuma, who has been under fire in recent months over scandals involving the Guptas, the Constitutional Court's Nkandla ruling and a high court judgment over his corruption charges that were dropped by the NPA.

The M&G's report comes just under a month after the Sunday Times reported that ANC head honchos were working on a plan to remove Zuma.

ANC leaders had told the Sunday Times at the party's manifesto launch in Port Elizabeth that those behind the plan needed to "buy time and only act after the elections". They said they were giving Zuma a "long rope to hang himself".

The M&G reported that a report will be presented to the ANC's National Executive Committee two weeks from now with recommendations for Zuma and the party going forward.

But an NEC member, speaking to the Friday weekly on condition of anonymity, said they have to work carefully so as not to "destroy the ANC".

In the weeks after the ConCourt's Nkandla ruling, many former leading ANC members and struggle stalwarts urged Zuma to step down as president, News24 reported.

Among them are former deputy ANC secretary general Cheryl Carolus, former intelligence minister Ronnie Kasrils, former justice Zac Yacoob, ex Cosatu general secretary Zwelinzima Vavi, former ANC Youth League member Ronald Lamola, and others who have come together as members of the People's Consultative Assembly for Democracy.

Struggle stalwart Ahmed Kathrada and former finance minister Trevor Manuel also said they want Zuma gone.

Many ANC grassroots members have also been vocal about their desire for the president to leave office.

Members from several ANC branches in the Free State last month joined a small group of anti-Zuma marchers in Bloemfontein.

"In 2007, when other ANC comrades said Zuma must be the president, my region never supported him, and now we have been proven right," one marcher and a regional working committee member, Thokozile Mokoenyana, told News24.

<http://www.news24.com/SouthAfrica/Politics/zuma-willing-to-step-down-anc-sources-say-20160513>

ANC in KwaZulu-Natal cancels manifesto event after deaths of leaders

Bongani Mthethwa, Business Day, 12 May 2016

THE deaths of two senior leaders has prompted the African National Congress (ANC) in KwaZulu-Natal to cancel its provincial election manifesto event, which was scheduled to take place in Newcastle on Sunday.

Provincial secretary Super Zuma said the party had cancelled its weekend programme to pay its respects to KwaZulu-Natal parliamentary chief whip Senzo Mkhize, and ANC Youth League deputy chairperson in the eMalahleni region Wandile Ngubeni.

Mkhize died last Friday after a long illness while Ngubeni was shot dead last Sunday. No arrests have been made in connection with the killing.

"We know they would have loved to see us continue with our programme, but as a caring people's movement guided by principles of ubuntu, as outlined in our constitution and Freedom Charter, we have seen it fit to call off all our weekend programmes," said Mr Zuma.

Mkhize, whose memorial service will be held at the Durban City Hall on Thursday afternoon, will be buried in Inanda on Saturday, while Ngubeni, whose memorial service is also taking place on Thursday at Majuba TVET College, will be buried on Sunday.

<http://www.bdlive.co.za/national/politics/2016/05/12/ANC-in-KwaZulu-Natal-cancels-manifesto-event-after-deaths-of-leaders>

New data worsen SA's economic outlook

Justin Brown, City Press, 15 May 2016

Despite an unchanged rating from Moody's, the risk of a credit rating downgrade looms large

After the hope provided by the move by Moody's Investors Service to keep South Africa's credit rating unchanged, local economic news this week was depressing and, in some cases, quite jolting.

At a government conference this week, Finance Minister Pravin Gordhan said Moody's decision was a "very impressive achievement for Team South Africa".

However, the risk of a credit rating downgrade looms large again, with analysts from Standard & Poor's set to visit the country this week.

Last week started with a shock when the Stats SA Quarterly Labour Force Survey showed that the country had lost 355 000 jobs in the first quarter of the year.

This meant that the number of unemployed increased to 26.7% – equal to 5.7 million people.

In a statement on behalf of 53 independent unions, National Union of Metalworkers of SA spokesperson Patrick Craven said: “This is not a passing crisis but a deepening calamity ... That crisis is getting worse by the day.”

Cosatu spokesperson Sizwe Pamla said: “The latest alarming and disheartening unemployment figures, which show that there has been a massive rise in the unemployment rate in the country, demand immediate action from all social partners to avert a looming catastrophe.”

A bit of hope came out of a late-night meeting this week at the Union Buildings between President Jacob Zuma and much of his Cabinet, top businesspeople and representatives of the country’s major unions.

This meeting was a follow-on from earlier meetings that have drawn together the state, business and labour to try to avoid a credit downgrade, and to attempt to boost economic growth and create jobs.

In affirming the sovereign credit rating, Moody’s noted that South Africa was approaching a turning point after years of weak growth, said President Zuma.

“This is confirmation that our collaborative approach has been successful,” he said.

President Zuma also announced a few new initiatives, including a joint private and public sector fund for small business support that will be set up with roughly 50-50 contributions by both parties.

“The focus is to provide venture capital-style funding and mentoring to the target groups, especially black entrepreneurs,” he explained.

Discovery CEO Adrian Gore said the private sector had raised R1 billion towards a joint private and state fund.

Deputy President Cyril Ramaphosa said the aim was to grow the fund to R10 billion.

“The fund will provide high-potential entrepreneurs and enterprises with access to a robust ecosystem of accredited funders, best-of-breed of mentors, professional services firms and guaranteed debtor-financing mechanisms,” a document distributed after the Union Buildings meeting showed.

Another initiative would be to accelerate the launch of coal and gas independent power producers (IPPs), Zuma said.

Preferred bidders for the first 900-megawatt tranche of coal IPP would be announced in July and the project information memorandum for the gas IPP would be issued by June, the meeting document showed.

“We are exploring appropriate mechanisms of strengthening our state-owned enterprises so that we reduce the risk they pose to the fiscus so that they can play a stronger role in driving development,” Zuma said.

“The credit ratings work stream will identify potential areas of reforms and interventions to avert further credit ratings downgrades,” he said.

Business Unity SA president Jabu Mabuza said the report of 355 000 job losses increased the urgency to reduce “unacceptable” unemployment.

Mabuza said government, business and labour would impress on Standard & Poor’s and Fitch how serious they were about the country as a collective.

It emerged this week that South Africa had slid further down the ranks among the largest economies in Africa.

In early 2014, Nigeria rebased its gross domestic product, resulting in that country becoming the continent’s largest economy, shifting South Africa to second place.

In 2015, the significant depreciation of the rand relative to the Egyptian pound and, to a lesser extent, South Africa’s slow rate of growth, resulted in the size of Egypt’s economy surpassing the local economy.

“Were it not for the rand’s slump, South Africa would not have surrendered its second place during 2015,” said Christie Viljoen, a KPMG financial risk manager.

Business Monitor International had made some exchange rate assumptions and its data pointed to South Africa being unable to retake the continent’s second-place position any time soon, Viljoen said.

“[South Africa’s] fall from first and now second place among the continent’s giants is of great concern, especially as this development is largely attributed to weakness in the rand that, in turn, has largely been as a result of domestic issues,” Viljoen said.

In another blow, Stats SA this week announced that local mining production fell by 18% in the year to March, while manufacturing, another key sector, contracted by 2.2% in the year to February.

<http://city-press.news24.com/Business/new-data-worsen-sas-economic-outlook-20160515>

SA’s food system in dire straits

Vishwas Satgar, City Press, 15 May 2016

The SA Food Sovereignty Campaign this week led a bread march against hunger through the streets of -Johannesburg.

In a highly unequal society, studies on the survival strategies of poor households reveal how bread and a brew of sugar and water is what keeps many people alive.

At the same time, bread is a big money-spinner for bread producers and retailers. Bread profiteering was rife in 2007 and 2010 among -producers.

Premier Foods, Pioneer Foods, Tiger Brands and Foodcorp were found guilty of manipulating wheat and maize milling operations by the Competition Commission, and were rebuked in the Constitutional Court for their abhorrent conduct.

This was also in the context of globalised food system price shocks from 2006 to 2008 and from 2010 to 2011, which made it a complex issue.

Today, South Africa's globalised food system is going through its third price shock in less than a decade. All measurements of food prices are showing a dramatic increase in inflation, with year-on-year price increases of staple foods. The increase for January 2015 to January this year was 14.6%.

The biggest increases have been in mealie meal, samp, cooking oil and potatoes, all of which are staples for the poorest people in the country.

However, bread prices have also been increasing.

A loaf of brown bread (700g) increased by 5.73% and a loaf of white increased by 5.34%.

The big food retailers are trying to make this price increase acceptable by setting these prices below food inflation increases (food inflation for March was at 9.5%, higher than headline inflation of 6.5%) and are hiding behind the weak exchange rate for imported wheat to justify bread price increases.

In this context, Grain SA has blown the whistle and is arguing that imported wheat is cheaper and therefore bread prices should actually be declining.

To understand the extent of the profiteering, more information is needed.

People's power through disciplined and nonviolent action is crucial to secure an investigation by the Public Protector and the Human Rights Commission of bread profiteering, which is denying many citizens their right to food.

This investigation is one of the main demands of the bread march against hunger, alongside a call for bread prices and food prices – especially staple foods – to fall.

Such a demand is not unreasonable, given the massive profit made by food retailers in South Africa.

Most show annual profit of more than R1 billion. One owner – Christo Wiese of Shoprite – is the third-wealthiest person in South Africa and is worth about R25 billion.

Wealth from food corporations is increasingly concentrated, while most workers in the food system are outsourced and badly paid. The bread march against hunger will also call for an end to outsourcing and for decent work for food industry workers.

Food price increases cannot be uncoupled from the drought ravaging South Africa.

Within the first few months of this year, food inflation undermined the ameliorative effect of social grants, and is not only making malnutrition a problem (one in five children in the country are experiencing malnutrition, according to the Global Nutrition Report), but adding to learning disabilities among children.

Moreover, drought is exposing the deeper problems of a corporate-controlled food system and a state that is incapable of responding adequately.

In South Africa, according to government estimates, about 14.1 million people went to bed hungry before the drought and about 46% of the population was food insecure, revealing a major paradox of our globalised food system.

With food prices increasing and the state response coming up short, the number of hungry people has certainly -increased.

The state is not tracking and measuring this.

Most political parties have not taken the drought -seriously, except the DA, which wants a national disaster declared, mainly to protect the interests of commercial farmers.

The severity of a drought largely depends on preparedness and the institutional readiness of a society to respond.

A drought becomes a disaster because of the capabilities a society has to deal with it. South Africa's response to the climate crisis is being tested in this drought.

The drought, which is part of a meteorological pattern that will -certainly recur, is revealing how the government is completely -unprepared to use the Disaster Management Act.

In his state of the nation address this year, President Jacob Zuma was silent on the global climate crisis, and devoid of any seriousness about the drought and its effects.

In a country in which most of our water resources are already -allocated, mainly to globalised farming, and with increasing water -pollution by mining corporations, water management should be a -national priority, and the drought should be declared a national crisis to ensure we build greater resilience and sustainability.

South Africa's food system was failing the country before the drought. As we enter a world of climate crisis, the insanity of killing ourselves through using fossil fuels is even more apparent.

Satgar is an associate professor of international relations at Wits and a member of the National Coordinating Committee of the SA Food Sovereignty Campaign.

<http://city-press.news24.com/Business/sas-food-system-in-dire-straits-20160513>

International

Latin America's left under threat

Shannon Ebrahim , The Star, 13 May 2016

It would be tragic if the governments of Venezuela, Bolivia and Ecuador were to fall, for they are equalising societies, writes Shannon Ebrahim.

This week's visit by the deputy president of Venezuela Aristobulo Isturiz was greeted with the sounds of "Amandla!" from South Africa's leftist movements, while the feathers of others were duly ruffled.

Isturiz pulled no punches when he claimed the leftist parties in Latin America and even in Africa were under threat from “imperialist powers”.

What is clear from the challenges faced by leftist governments in Latin America is that their project of “power to the people” is definitely being sabotaged by outside forces seeking to bolster conservative parties that will uphold the Washington consensus.

Argentina saw an end to 12 years of leftist leadership in November with the loss of Christina Fernandez de Kircher to Mauricio Macri.

Reversing what became known as “the pink tide of leftist administrations” that had swept Latin America, Macri has promised to realign Argentina’s foreign policy away from Venezuela and towards the US.

The moderate government of Dilma Roussef in Brazil is being shaken, and destabilised from within, and the governments of Venezuela, Ecuador, and Bolivia – which embrace what they call 21st century socialism – are also being targeted. These three countries together with Cuba form the core of the political and trade alliance known as ALBA.

What remains to be seen is whether the remaining left-wing governments will be able to withstand the pressure being exerted on them at a time when oil prices have plummeted and many are heavily dependent on oil exports. Oil has gone from \$100 (R1 500) a barrel to \$20 a barrel.

In addition to their economies constricting due to low oil prices, natural disasters have also caused severe social suffering.

Ecuador endured a devastating earthquake, and the severe drought in Venezuela has drastically reduced the levels of key dams that supply hydroelectric power to the nation, resulting in critical electricity shortages.

The energy crisis in Venezuela is so bad that civil servants have been told to come in to work only on a Monday and Tuesday in order to save electricity, and Friday has been declared a holiday, with even schools closed.

The Venezuelan government is doing its best to deal with the crisis by keeping food prices down, introducing a minimum wage, and continuing to pay pensions, even when countries in Europe have cut their pension payouts. It has a good track record on social services and has managed to reduce poverty from 64 to 19 percent, making it the least unequal country in the region.

It is therefore understandable why Venezuelan President Nicholas Maduro, Hugo Chavez’s hand-picked successor, still has significant support among the poor, even though his party lost dismally in December’s parliamentary elections, where the opposition won two thirds of the seats.

Maduro’s term only ends in 2019, and Venezuela’s opposition alliance is now using a multi-pronged strategy to dislodge him from power, declaring a six-month time frame to get him out of office.

They are using street protests, referendums, and pushing for amendments to the constitution.

The government claims this strategy is being financed by the Americans in order to destabilise the country and make it ungovernable.

The conservative opposition in Venezuela, as in Ecuador and Bolivia, relies largely on the private media, the Catholic Church and the US to help mobilise support against the leftist governments.

In all three countries, the opposition has been deemed “disloyal” in that they have been bent on accusing the governments in power of authoritarianism, have refused to support any government initiatives, and have actively sought to delegitimise them.

Left-wing governments in Latin America, however, have never been more united than they were over the past decade. Converging into a 12-member bloc called the Union of South American Nations (UNASUR), these countries have displayed their solidarity on a number of occasions.

They blocked attempts to topple Bolivia’s first indigenous President Evo Morales in 2008, and Ecuador’s President Rafael Correa in 2010.

Following the US-backed coup in Honduras in 2009, UNASUR blocked that country’s admission to the Organisation of American States (OAS). A large majority of delegates at an emergency OAS meeting last year also expressed concern about US President Barack Obama’s March 9 executive order last year declaring Venezuela a threat.

It would be tragic if the progressive governments of Bolivia, Ecuador and Venezuela were to fall, as they have inspired hope by incorporating previously marginalised people such as the indigenous, those of Afro-descent, peasants, women and workers into decision-making. Under these regimes, even informal sector workers get the same benefits as those in the formal economy.

While it is true that these societies have seen heightened social conflict and polarisation, they have successfully managed a careful balancing act of equalising their societies while maintaining strategic alliances with the business sector.

Key to their strategy has been introducing moderate reforms slowly over time to deepen social change, rather than pursuing fast radicalisation.

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<http://www.iol.co.za/the-star/latin-americas-left-under-threat-2021596>
