



Numsa Media Monitor

Wednesday 31 August 2016

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

Numsa/Fawu

Fawu won't return to Cosatu fold

eNCA, 30 August 2016

JOHANNESBURG - The Food and Allied Workers Union says there is no way that they are going back to Cosatu after it cut ties with the labour federation.

Fawu has been at odds with Cosatu for a while, being one of eight unions that fought Cosatu's expulsion of Numsa and the dismissal of general secretary Zwelinzima Vavi.

Fawu general secretary Katishi Masemola said that Cosatu was the past as it doesn't have the ability to deal with current workers' problems.

"A Cosatu that has abandoned militant and campaigning struggles for workers will never gain traction with private sector based workers in this economy," Masemola said.

Fawu, which has 13,000 members countrywide, said it was going to work with Numsa and other unions to form a new "militant and campaigning" federation.

However the union admits that it will face challenges after its exit from Cosatu.

"In the short run, we are going to have some problems," said Masemola.

"We have to fend off the emergence of rival unions that are going to be engineered from within or outside of Cosatu but in the mid to long run, we are going to be a formidable force."

Despite serving divorce papers on Cosatu, Fawu insists that they will meet the governing ANC and SACP to discuss their way forward or seek a new political home.

“We are going to meet with the ANC to insist that the sentiments of the working class and policies in government must be reflected,” Masemola said.

“If they think that they cannot meet that request, we will knock at the doors of the Communist Party and ask them to independently stand for the elections as an electoral party and if the community party as unable to do so then we will have to find a political home for Fawu members.”

<http://www.enca.com/south-africa/fawu-says-they-wont-return-to-cosatu>

Union man appears in court

Daily News, 30 Aug 2016

THE National Union of Metalworkers of SA's (Numsa) provincial secretary appeared yesterday in the Durban Specialised Commercial Crime Court on fraud charges.

Hawks spokesman, Captain Simphiwe Mhlongo, confirmed Mbuso Ngubane had been released on R5 000 bail.

<http://dailynews.newspaperdirect.com/epaper/showarticle.aspx?&article=9bc88aac-f316-4dc0-bb11-37f00fa3c733&viewmode=2&page=3>

South African workers

Sasol general workers down tools over salaries

SABC, 30 August 2016

Over 2 000 Sasol's general workers in Mpumalanga have downed tools since last week demanding wage increases.

The workers are affiliated to the Association of Mineworkers and Construction Union (Amcu).

The workers are demanding to be paid R12 500 per month.

Amcu's Joseph Sibiya says the lowest paid general worker gets R5 000 a month.

Sibiya says they reached a dead lock with the company when the company offered 7, 5 % when workers were demanding R12 500.

He says: "The workers brought down the offer to R8 000 but the company still refused to meet the organization half way. So we reached a dead lock on that point. So now the workers are on strike."

They have not been paid for three months

Meanwhile 57 miners have staged an underground sit-in at Thusi Mining in Ermelo, Mpumalanga.

The miners are demanding their salaries. It is understood the mine decided to discontinue operations without informing them.

The miners have been underground for seven days now. They have not been paid for three months.

The protesters want the mining company to pay their salaries.

One miner says, "It is sad because I have kids and family to feed. I have no money for rent."

"The sad thing is that no one is paying attention when we want money that we worked for. I wish the employer could just pay us. We come from faraway places," says another miner.

The highest paid employee earns R6 500 a month and the lowest R4 500 per month.

<http://www.sabc.co.za/news/a/71fd71004e0cedd4a94dbf49e1a112b8/Sasol-general-workers-down-tools-over-salaries-20160830>

Robertson Winery workers stand firm on demands

Siyavuya Mzantsi, Cape Times, 30 August 2016

IN WHAT has been described as a David and Goliath-like battle that could affect the entire agricultural sector, low-paid workers at Robertson Winery have extended a strike over pay and a consumer boycott they started last Wednesday.

They charge that management refused to negotiate in good faith. The company says it seeks to establish its own internal shop steward committee.

The strike enters its second week on Wednesday. The strikers are demanding an R8 500 monthly salary, substantially up on their current R2 900 and R3 500, according to Commercial Stevedoring Agricultural and Allied Workers Union (CSAAWU) deputy secretary Karel Swart.

They're also demanding a joint committee to investigate the alleged violation of workers' rights.

The union represents about 250 Robertson Winery production-line workers. Yesterday, it warned it would intensify calls for a boycott of Robertson Winery products if the employer continued to defy a settlement.

"This is not a battle for these workers, but employees across the agriculture sector. The employees (in the sector) are overlooked on a daily basis and that is what we are fighting for. We have given the employer the mandate from our members and we are waiting for a response, but the employer does not want to negotiate at all," said Swart.

He said the boycott was only for the period that members were on strike and would be called off as soon as the strike was over.

"We have called for support from other organisations to exert maximum pressure on the employer. The employer has even refused to allow human rights people to go to the area and that has left us asking what are they hiding."

The company obtained a court interdict on August 25 against the alleged intimidation of non-strikers.

The workers continued with their protest outside the company yesterday. The union alleges employers were using their wealth, power and status to fight them.

“The bosses use state machinery like the police and the courts to advance a capitalist agenda.”

Robertson Winery executive officer Anton Cilliers refuted claims that they objected to recognising CSAAWU as the representative trade union.

Cilliers said they were “openly engaged” with the trade union in negotiating terms and conditions of employment towards the improvement of living standards for all parties concerned.

“Robertson Winery has proposed an increase of 8 percent to substantive conditions of employment. For its part, CSAAWU has made a final demand for a 57 percent average wage increase.

“The company remains committed to trying to resolve this dispute despite the relative distance between the parties’ final mandate.”

No grievances had been raised about alleged harassment or intimidation of any union representative or union member at Robertson Winery, he said.

“Should there be any such grievance, the company remains fully open and prepared to refer such allegations immediately to compulsory arbitration so the facts might be fully explored. We await CSAAWU’s information in this regard.”

Robertson Winery employee Eunice France said she had been earning the same since she arrived three years ago.

“I feel frustrated about what has been happening because we actually feel like nothing is happening. The bosses are not doing anything.

“My family is mostly dependent on me because my mother is a domestic worker and only works twice a week.”

<http://www.iol.co.za/capetimes/robertson-winery-workers-stand-firm-on-demands-2062378>

Union warns of border agency strike

Karl Gernetzky, Business Day, 31 August 2016

THE largest public sector union in SA has threatened a nationwide strike should the Department of Home Affairs continue to push for the creation of a border management agency, despite the department maintaining that the working conditions of employees would be in the ambit of the public service.

The National Education Health and Allied Workers Union (Nehawu) on Tuesday hit out at the alleged failure by the department to provide a "sound rationale" for the

creation of a standalone border management agency whose officers would perform all law enforcement functions at all ports of entry in the country.

"There is absolutely no reason why the integrated and co-ordinated management of the ports of entry and enforcement of border law cannot be established within the public service," Nehawu general secretary Bereng Soke said.

The Border Management Authority Bill has been several years in the making but has prompted concerns of overlapping functions between Home Affairs, the Police Ministry and the Treasury.

Earlier in August Parliament gave the three departments until September 13 to consult with their political principals — Malusi Gigaba, Nathi Nhleko and Pravin Gordhan — following which they are expected to make final submissions on the bill.

Treasury officials submitted to Parliament that decentralisation of the function of customs and tax could put the system at risk, while the DA questioned why a new authority was required rather than the strengthening of existing ones.

Home Affairs Minister Malusi Gigaba's spokesman, Mayihlome Tshwete, said on Tuesday that engagement with organised labour had gone on for several months and would continue amid a desire for the bill to be implemented as soon as possible.

The department had sought to address most of the concerns from organised labour but could not accede to a demand that a new department be established, rather than a public entity.

That it was an agency did not imply privatisation, and the department had said it would be subject to the laws and regulations governing labour in the public sector.

The issue of the agency serving as an essential service — which would inhibit strikes — would be put to the Essential Services Commission, he said.

"We want to proceed as cautiously as possible but also as quickly as possible," he said.

<http://www.bdlive.co.za/national/2016/08/31/union-warns-of-border-agency-strike>

Cosatu threatens to cripple Joburg over Mashaba's Pikitup plans

Penelope Mashego, Business Day, 30 August 2016

THE Congress of SA Trade Unions (Cosatu) on Tuesday said it would "shut down Johannesburg" if mayor Herman Mashaba privatised the city's waste management company, Pikitup.

Mashaba, the opposition's first mayor in Johannesburg, has been in office for just over a week. He told the Sunday Times newspaper he was considering breaking up Pikitup into seven businesses, but that the jobs of the 4,500 employees at the entity would be protected.

"We are ready and willing to collapse and shutdown the city of Johannesburg, if mayor Mashaba thinks he is going to do the bidding of his friends from the Free

Market Foundation by introducing their anti-worker and anti-union policies," the union federation said in a statement.

Cosatu said the privatisation of waste management would affect the poor, who might not be able to afford the service. The plan would also lead to job losses at Pikitup, labour would be casualised, and bargaining units would collapse.

Cosatu's threat follows a similar one by the South African Municipal Workers Union (Samwu) on Monday.

Union spokesman Papikie Mohale said Samwu members would do whatever it took to defend their jobs and to oppose the plan.

He dismissed Mashaba's promise that the jobs of Pikitup workers would be protected, saying businesses were about making profit and would not to protect workers' jobs if it meant losing money.

Mashaba said during his election campaign he planned to privatise Pikitup, and has stuck to his guns since becoming mayor. But disruption by unions will make the process highly challenging.

Samwu was behind recent industrial action at Pikitup that led to refuse piling up on the streets over several weeks.

<http://www.bdlive.co.za/national/labour/2016/08/30/cosatu-threatens-to-cripple-joburg-over-mashabas-pikitup-plans>

Museum staff take a stand for a better wage

Bongani Fuzile, Dispatch, 30 August 2016

Staff at the Nelson Mandela Museum in Mthatha have gone on strike for better salaries and medical aid contributions.

Protest action started last week and the workers, who are members of the National Health and Allied Workers' Union (Nehawu), vowed to continue until their demands were met.

Nehawu shop steward at the museum, Ncediwe Ndima, said the protest was peaceful and they were not intimidating visitors.

"We are only 14 workers and all that we want is a 10% salary increase. We find it unbelievable that this same institution can't pay the increase we demand," said Ndima.

Ndima told the Daily Dispatch that they started their salary and medical aid negotiations with the museum in January this year.

She said they initially demanded an increase of 12% but they ended up asking for 7%, but the museum management allegedly failed to respond to them.

On Friday and then again yesterday, staff members carried placards outside the newly refurbished Bhunga building in Mthatha.

They also accused the museum management of “favouritism” as one of their placards reads.

According to Ndima, medical aid contribution was “another thorny” issue.

She said the contribution remained R1400 for all staff, despite increasing costs.

“We demand that they increase this money as this is not enough, things are expensive,” said Ndima.

She claimed that 11 managers earned a combined salary of R6.6-million a year while 14 general staff were earning a combined R1.9-million salary a year.

Museum spokeswoman Nokuzola Tetani said: “The museum operates on a budget approved by the national Treasury as part of the Medium Term Expenditure Framework (MTEF).”

Nehawu said they would continue protesting until their demands were met.

<http://www.dispatchlive.co.za/news/2016/08/30/museum-staff-take-stand-better-wage/>

Telkom victorious in labour court

IOL Reporter, Independent Media, 31 August 2016

Johannesburg - Telkom on Wednesday said it was vindicated by a Labour Court ruling against the Communication Workers’ Union over pending retrenchments.

The union and Telkom have been at loggerheads for some time with CWU members embarking on strike action over their demands that Telkom implement an 11 percent across-the-board increase, a three-year moratorium on retrenchments and outsourcing, and six months paid maternity leave.

In a statement, Telkom said the union had approached the court on August 1 to stop it from completing retrenchments as part of its restructuring. Telkom has been repositioning itself as a leaner company that can more easily adapt to the changing competitive environment.

In its statement, the fixed-line operator says the court handed down a “damning judgement” against the union and said the court described it as “confrontational”, “obstructionist” and noted CWU had withheld key facts from its founding affidavit.

Telkom says the court find the union had not negotiated in good faith and added, between March 8 and July 15, Telkom attempted to consult with the CWU on 15 different occasions.

The CWU is now in its fifth week of striking.

<http://www.iol.co.za/business/companies/telkom-victorious-in-labour-court-2062832>

AB InBev job cuts: SA unlikely to be affected

Siseko Njobeni, Business Report, 29 August 2016

Johannesburg - JSE-listed Anheuser-Busch (AB) InBev planned to cut about 3 percent of its enlarged workforce in the three years after its takeover of rival brewer SABMiller, AB InBev said in documents relating to the merger on Friday.

The move is unlikely to affect jobs in South Africa because of public commitments AB InBev made in order to gain the deal's approval.

In terms of the agreement entered into between the South African government and AB InBev in April, the company promised a moratorium on job losses as a result of the transaction. That agreement has since found its way into an order of the Competition Tribunal on the deal.

But AB InBev said on Friday that it might still implement changes to the reporting lines and roles and work undertaken by certain employees in South Africa. "The details of any such changes are not yet known and would be subject to appropriate consultation."

In a prospectus published on Friday, AB InBev said avoiding unnecessary costs was a core competency within its culture. The company, which prides itself on strict financial discipline, said it wanted to maintain long-term cost increases at below inflation.

The company's tight-fisted reputation has already caught the attention of the Food and Allied Workers Union (Fawu), which has members at SAB, SABMiller's South African subsidiary.

"We know that they are notorious for their cost-cutting culture. So we suspect that... their stance to maintain costs at below inflation will put pressure on wage increases," Fawu general secretary Katishi Masemola said on Friday.

Masemola said the next round of wage negotiations between Fawu and SAB would commence around April next year.

Divestitures

AB InBev, the owner of brands such as Budweiser, Corona and Stella Artois, employs about 150 000 people and SABMiller, the world's second-largest brewer has about 70 000 employees.

However, not all of these employees will be transferred to the merged entity because the two companies have had to divest some of their businesses in order to appease competition authorities to get the deal approved in various jurisdictions. These included divestitures in the US, China and South Africa.

AB InBev is the world's largest brewer by volume and one of the world's top five consumer products companies by revenue.

Meanwhile, SABMiller chairman Jan du Plessis recently asked the company's shareholders to vote in favour of the transaction at SABMiller's general meeting on September 28.

AB InBev's cash offer of £45 (about R847) a share represents a premium of about 49 percent to SABMiller's closing share price of £30.15 on September 15, the last

business day before the commencement of the offer period. Du Plessis said the cash offer was fair and reasonable.

In a letter to shareholders, Du Plessis expressed regret at the looming job losses as a result of the merger.

"The SABMiller directors note that AB InBev's integration planning is not yet complete and regret that the impact on certain employees and office locations of the SABMiller Group remains uncertain.

"However, it is clear that job losses in the combined group will be required and that AB InBev intends to implement the rationalisation, relocation or closure of a number of SABMiller's global and regional offices," he said.

AB InBev shares dropped 0.82 percent on the JSE on Friday to close at R1 790.54.

<http://www.iol.co.za/business/companies/ab-inbev-job-cuts-sa-unlikely-to-be-affected-2061874>

Sadtu calls for tough action against racism

SABC, 30 August 2016

South African Democratic Teachers Union (Sadtu) says it will write to the Human Rights Commission asking it to investigate the Pretoria Girls High School's treatment of black learners.

Gauteng MEC for Education Panyaza Lesufi visited the school Monday after receiving a petition tabling problems at the school about perceived acts of racism.

These include disapproval of natural black hair or dreadlocks and braids, and an apparent instruction not to speak in vernacular.

Sadtu General Secretary Mugwena Maluleke says the department must take strong action against the school.

"We support those children and we want to encourage our people to stand up against racism."

"They must stand up against cultural degradation of our children where their dignity is being undermined, and vandalised by those who are supposed to be guiding them, teaching them and making sure that they accept who they are. So that they then able to benefit from the education system."

<http://www.sabc.co.za/news/a/4100fd004e0d88499128b749e1a112b8/Sadtu-calls-for-tough-action-against-racism-20160830>

Cosatu is dead, says Vavi

Steven Tau, The Citizen, 31 Aug 2016

He says that not only did he know Fawu would leave, but another union is about to abandon ship soon too.

Former labour federation Cosatu general secretary Zwelinzima Vavi is unsurprised at the exit of the Food and Allied Workers' Union (Fawu) from the federation, saying Cosatu became irrelevant on the day it expelled the National Union of Metalworkers of SA (Numsa).

This was after Fawu disaffiliated itself from Cosatu on Monday.

"I am not surprised by the late move by Fawu, and I can tell you now that another union, the SA Commercial, Catering and Allied Workers' Union, will soon leave Cosatu," Vavi said.

"Other Cosatu unions have already died inside the belly of the corrupt beast. Cosatu is dead, it's over."

He said an announcement regarding a new federation would be made soon.

According to labour analyst Terry Bell, Fawu's decision was not surprising, as the union had always stood firm on its position regarding the expulsion of Numsa and Vavi. At a briefing on Monday, Fawu's deputy general secretary, Moleko Phakedi, said they would establish a new federation to ultimately contest state power.

<http://www.citizen.co.za/1270320/cosatu-is-dead-says-vavi/>

South Africa

Denel fuels row with attack on Treasury

Carol Paton & Natasha Marrian, Business Day, 31 August 2016

AS ANC secretary-general Gwede Mantashe tried to restore order and calm and bring a halt to public spats between parts of government on Tuesday, state-owned arms manufacturer Denel poured fat on the fire by launching a scathing attack on the Treasury, accusing it of grandstanding and opportunism.

Mantashe, speaking after the ANC's national working committee meeting, addressed the media on the disputes across government, ranging from the fight between the Hawks and Finance Minister Pravin Gordhan to that between Eskom and the Treasury.

He appealed to all parties to stop their public spats and said the ANC would be calling together the three ministers involved in Eskom — the Treasury, energy and public enterprises — to discuss Eskom matters. He also supported a move for President Jacob Zuma to call all the parties involved in the Gordhan dispute together to resolve the issues behind closed doors.

But no sooner had he said this than a fresh row erupted with an angry public statement from Denel accusing the Treasury of wasting public money by taking it to court to stop its joint venture with VR Laser Asia, a company owned by a close Gupta associate Salim Essa.

The Treasury has refused to give permission to the venture. But last week, Denel chief financial officer Odwa Mhlwana said that the Department of Public Enterprises had given the nod for the venture.

This was followed by a report in the Sunday Times that cited various sources saying that the Treasury was preparing court papers to stop the transaction.

"Denel views the threat by the National Treasury to bring a court action to stop the Denel Asia joint venture as political, sheer opportunism and grandstanding. Such litigation will be a violation of Chapter 3 of the Constitution and Denel will vigorously oppose it," it said.

Denel blamed the Treasury for not responding timeously to its application for the venture, with the consequence that, in the absence of objections, it was able to go ahead.

Earlier in the day, the ANC sought to contain the fallout around the Hawks investigation into Gordhan, but exposed the division in its ranks when it described the manner in which the probe is being conducted as "unnatural".

The investigation into Gordhan has divided the ANC-led alliance.

At a media briefing on Tuesday, Mantashe treaded carefully, saying no one was above the law, but the Hawks investigation was not handled correctly.

The meeting expressed its full support for Gordhan. However, Zuma and many of his closest allies on the structure are out of the country.

Mantashe also criticised the policy zig-zagging in the government, in reference to Eskom's stance on renewable energy and deviations from the National Development Plan and the nine-point plan to spur growth and tackle unemployment. The threat to the state purse and through the pursuit of Gordhan and policy uncertainty are at the centre of business and ratings agencies' concerns over the ANC-led government's handling of the economy.

Mantashe cautioned the Treasury to "resist the temptation" to believe that it cannot be touched due to the impact on the economy, "as if the economy is run by one individual".

No minister was untouchable; all could be investigated, but this had to be done following the correct procedures, he added. A failure to do this would heighten suspicion that there was a conspiracy at play and de-legitimised the investigation itself, Mantashe warned.

He questioned the Hawks tactics of sending the minister 27 questions and then asking him to present a warning statement later on. "If there is no case to answer, he must prove that in the processes, but we are saying the Hollywood-style of conducting that issue does not help society, it doesn't help the economy, it dents the economy."

This was in stark contrast to his deputy, Duarte, who told the Gupta-owned ANN7 on Monday that the minister appeared to regard himself as "above the law" in this case and should co-operate with the Hawks.

Mantashe dismissed her comments.

<http://www.bdlive.co.za/business/industrials/2016/08/31/denel-fuels-row-with-attack-on-treasury>

Cosatu condemns ministers for donning 'different hats' to criticise Gordhan

Genevieve Quintal, Business Day, 30 August 2016

THE Congress of SA Trade Unions (Cosatu) has hit out at Kebby Maphatsoe and Des van Rooyen for "publicly condemning" Finance Minister Pravin Gordhan and using "different political hats as justification".

The two are leaders of the Umkhonto we Sizwe Military Veterans Association. Van Rooyen, the minister of co-operative governance and traditional affairs, is also the MK veterans' group's treasurer, while its chairman, Maphatsoe, is deputy minister of defence.

They used a press briefing by the association on Monday to criticise Gordhan.

Van Rooyen questioned why Gordhan had not submitted himself to questioning by the Hawks in relation to the so-called "rogue unit" at the South African Revenue Service (SARS) and urged him to co-operate with the Hawks.

This was echoed by Maphatsoe, who said Gordhan was not helping the country by failing to answer the allegations against him.

Cosatu on Tuesday said this behaviour by the two leaders was "insincere and distasteful".

"These ministers have many forums available at their disposal to internally discuss this matter and raise their views inside the ANC," national spokesman Sizwe Pamla said.

"These comrades are all ANC ministers, serving one Cabinet and one organisation, and do not need press conferences to engage and reconcile their positions."

Cosatu was accusing the veterans' group leadership, who are strong supporters of President Jacob Zuma, of propagating factional battles in the ANC and eroding the party's support.

"While Cosatu remains suspicious of any vicarious adoration of one individual, and also remains opposed to any attempts to create a cult of personality around comrade Pravin Gordhan, we do not think this factional-driven trash-talking in the media by leaders of the [MK veterans' association] is necessary and helpful," Pamla said.

"Their reckless statements and actions are starting to give credence to the accusation by some that the Hawks' investigation and pursuit of comrade Pravin Gordhan is nothing but political persecution."

Cosatu, which has previously called for Treasury to be reined in, said on Monday that it was growing increasingly uncomfortable about the tension between the Hawks and Gordhan, saying the unit should charge him or desist.

The union federation on Tuesday called on the ANC and its alliance partners to stop treating disagreements as warfare, and urged it not to be "ill-disposed to dissent".

<http://www.bdlive.co.za/national/2016/08/30/cosatu-condemns-ministers-for-donning-different-hats-to-criticise-gordhan>

SACP wants to know what the controversial Sars unit uncovered

Dineo bendile, EWN, 2016

The SACP says it isn't convinced by statements that Minister Gordhan is not being targeted by the Hawks.

JOHANNESBURG – The South African Communist Party (SACP) says it wants to know what the covert unit at South African Revenue (Sars) uncovered which has led to a desperate battle between the country's leadership even at the possible expense of the country's economy.

The party says it isn't convinced by statements that Finance Minister Pravin Gordhan is not being targeted by the Hawks.

The SACP has highlighted investigations into alleged bribery and corruption in the tobacco industry as one of the serious cases uncovered by the Sars covert unit.

It says it wonders what else the unit has uncovered, which has led to the targeting of Gordhan and three former Sars employees.

The party's Solly Mapaila says officials can't be punished for uncovering lawlessness.

"South Africa must decide whether their tobacco illegal groupings should actually smile all the way to the bank or a selfless serving revolutionary should go to jail."

There is speculation that the Hawks' investigations into the covert unit were sparked by unhappy members of the tobacco industry.

<http://ewn.co.za/2016/08/29/SACP-not-convinced-by-reports-Gordhan-isnt-targeted-by-Hawks>

SACP has failed in its revolutionary duty, says CWU

Heidi Giokos, Independent Media, 29 August 2016

Johannesburg - The Communication Workers Union (CWU) has rounded on the SACP, accusing it of failing to look out for the working class.

CWU general secretary Aubrey Tshabalala told the media on Monday that the party had failed in its "revolutionary duty".

"The SACP has failed in its revolutionary duty as a vanguard of the working class, but has focused rather on being a populist and a commentary organisation guilty of not applying in depth scientific analyses regarding matters of the workers in South Africa."

The CWU said the party's silence while the union had been fighting for workers at various companies, especially at the SA Post Office was too loud.

"We missed our party where workers whom are coming from the poor background and previously disadvantaged were reduced to casual workers for the past 22 years. Their silence was too loud. We miss their voice and now we miss them at the

picketing lines today when we facing the white monopoly capital onslaught at Telkom. We miss our party," he said.

Tshabalala said the "current state that of paralyzes" in the SACP was the main reason why worker politics and Cosatu as a federation were not at their best.

Both Cosatu and the SACP have suffered internal division as a result of factional politics in the ANC. Over recent days both organisations have called for an end to divisions in the ruling party.

<http://www.iol.co.za/news/south-africa/sacp-has-failed-in-its-revolutionary-duty-says-cwu-2062186>

Pravin Gordhan should face the music, says ANC's Jessie Duarte

Govan Whittles, MNail & Guardian, 29 Aug 2016

The ANC's deputy secretary general has lambasted Finance Minister Pravin Gordhan's decision not to make a warning statement with the Directorate for Priority Crimes Unit, the Hawks, saying he is projecting himself as above the law.

Gordhan is currently embroiled in perceived attempts to dislodge him from the national treasury and is being targeted by the Hawks for his role in setting up an apparent "rogue" spy unit within the South African Revenue Service during his tenure as commissioner.

"To date, Pravin Gordhan has never projected himself as above the law, except in this case," Duarte told the Gupta-owned ANN7 news network in an exclusive interview this week.

The ANC has remained tight-lipped about the ongoing war between Gordhan and the Hawks. The finance minister refused to report to the Hawks last week, saying he had sufficiently answered a list of 27 questions related to the investigative unit in February this year.

On Monday, ANC secretary general Gwede Mantashe told the Mail & Guardian that ANC officials would be discussing the stand-off and could not comment at this stage. But in an interview broadcast on Sunday night, Duarte takes aim at the finance minister.

Duarte told the broadcaster that Gordhan should comply with the Hawks' request, as Jacob Zuma complied with the Scorpions when he was deputy president.

"Minister Gordhan is an upstanding, upright and honest man. Before comrade Jacob Zuma was relieved of his post as deputy president of South Africa, he was called by the Scorpions to answer 32 questions in their office. He did that. Many of us are asking 'why can't Minister Gordhan simply answer the questions?' If he's innocent, that will be the outcome of that," she said.

Last week, the minister reportedly told his colleagues at a national treasury staff meeting that he is willing to die to save the country from thieves and that he would not be surprised if he were to be removed from office.

On Thursday, former SARS commissioners Ivan Pilay and Johann van Loggenberg presented themselves to the Hawks' offices. Meanwhile civil society groups and activists protested outside to object to what they perceive as a political conspiracy against Gordhan. Among them was retired constitutional court judge Johan Kriegler and veteran advocate George Bizos.

Duarte said the public support for the minister has now elevated the spat to an "international campaign against South Africa".

"What concerns many of us that support comrade Pravin in the work that he's doing is what will happen if the NPA decides to charge him. He's now got a judge, he's got advocate Bizos talking on his behalf and this has become an international campaign against South Africa."

She also questioned what would happen if the national prosecuting authority were to take action against him.

"What happens when there is a correct jurisprudence approach where he is perhaps charged? And God forbid that ever happens. But you always have to look at tomorrow," Duarte said.

<http://mg.co.za/article/2016-08-29-pravin-gordhan-should-face-the-music-says-ancs-jessie-duarte>

International

New Minimum Wage Rejected By Left Unions, Friday Strike On

Rahul Shrivastava, NDTV, 30 August 2016

NEW DELHI: Trade unions have refused to call off a huge strike on Friday despite the government agreeing to some of their demands including raising the minimum wage of a large swathe of labour.

Finance Minister Arun Jaitley this afternoon said the minimum wage for semi-skilled non-agricultural workers will be increased from Rs. 246 to Rs. 350. States can choose to improve that, but cannot offer less. However, union leaders said states like Delhi and Karnataka already offer more than that. "The announcement on daily wages means only status quo," said Tapan Sen of CITU or the Centre of Indian Trade Unions. "No major demand has been accepted, there is no question of calling off the strike," he said.

Mr Jaitley said that two years' worth of bonuses due to central employees will be released now. However, he said the government will not consider its new rules on foreign investment.

Yesterday, Prime Minister Narendra Modi called an emergency meet of Mr Jaitley, Labour Minister Bandaru Dattatreya and Power Minister Piyush Goyal to strategise about what could be offered to unions to persuade them to cancel Friday's shutdown, which is meant to close banks, government offices and factories across the country. Several state unions have said they back the strike, which means public transport could be affected.

The unions have since September last year been pushing for 12 major demands include raising the minimum wage. They are also opposed to the government's recent loosening of rules for foreign investment particularly in sectors like insurance and defence, where, they say, national security could be compromised.

The strike and accusations of not protecting workers' interests come at a time when the government is delivering major reforms to re-energise the economy, and trying to fight the perception of it aligning with the interests of big business.

The PM last week told his party leaders that they must publicise and more effectively communicate pro-poor welfare schemes.

The Bhartiya Mazdoor Sangh (BMS), a major union linked to the ruling BJP's ideological mentor, the Rashtriya Swayamsevak Sangh or RSS, has said it will skip Friday's strike, with leaders saying that the government has accepted several of its major demands.

If it had participated in the strike, Left-affiliated unions and the opposition would have been able to claim that the government's policies are unacceptable even to agencies with close ties.

<http://www.ndtv.com/india-news/government-moves-to-prevent-huge-trade-union-strike-on-friday-1452196>

Comment and opinion

Another crack in tripartite tower

Editorial, The Citizen, 31 Aug 2016

The ANC is currently limping along as a fractious and fractured entity riven by internecine feuds, finger-pointing and often outright animosity.

In the ever-evolving crises rocking the ANC, the decision by the Food and Allied Workers' Union (Fawu) to leave the country's largest trade union federation, Cosatu, constitutes yet another sign that the seemingly monolithic tripartite alliance is rapidly unravelling.

The Fawu leadership cited "government policies" and an intention to "establishing a new federation and a true working-class political home" for the 131 000 union members it will take from Cosatu to add to the more than 340 000 members of the powerful National Union of Metalworkers of SA (Numsa) divorced from the alliance's orbit when the union was expelled from the federation in November 2014.

Numsa's expulsion, for vilifying ANC policies – more especially on privatisation and the plague of poverty – was undoubtedly the first crack to appear in the tripartite tower, but others have rapidly followed.

The South African Communist Party – with the ANC and Cosatu, the major pillars in the alliance – have been openly and vocally critical about how the government under President Jacob Zuma is running the country and at one stage during the run-up to this year's local government elections, threatened to stand independently, something they have never done since the dawn of democracy in 1994.

The ANC is currently limping along as a fractious and fractured entity riven by internecine feuds, finger-pointing and often outright animosity, all of it under a noxious cloud of bitter distrust and widely perceived undercurrents of corrupt cronyism.

ANC heavyweights are either clustered closely inside the Zuma laager or left outside, like Finance Minister Pravin Gordhan to fend off attacks from within his own party and from a world closely watching from outside for further signs of the embattled economy truly imploding and being driven into the morass of junk status.

Fawu's decision to go their own way is a further manifestation of deep disquiet.

<http://www.citizen.co.za/1270242/another-crack-in-tripartite-tower/>

ANC unity deal will keep patronage faction at the table

Steven Friedman, Business Day, 31 August 2016

UNITY isn't strength if what you unite behind is what holds you back. ANC politicians might need to remember this in the months ahead.

The ANC's reaction to its election setback shows some signs that its warring factions may be interested in papering over the cracks to avoid a fight to the finish next year. For some time, the ANC has been riven by a battle between two factions — patronage politicians and their opponents. Much of what happens in politics here, including attempts to bully the finance minister by threatening him with trumped-up charges, stems from this war, which revolves around choosing the next president. This reality is often missed: what seems like ANC confusion and mixed messages is the product of a factional battle in which the patronage group controls a majority on its national executive but is opposed by half of its top six leaders.

Until recently, it seemed likely that the immediate future of the ANC would depend on which faction won, relegating the other to the margins. But since the election, some subtle signs suggest that both sides may be shying away from a winner-takes-all fight. One sign may be talk of an early elective conference. The idea was floated by the patronage faction; at first glance, this suggests that it thinks it can win power by calling a conference now. Its plan would be to replace President Jacob Zuma with another member of the faction, who would be less unpopular but would continue patronage politics. The SA Communist Party, which is in the opposing faction, thinks this is what is afoot: it denounced an early elective conference as a factional ploy and suggested a "consultative conference" at which no-one will be elected but the ANC can discuss how to win back voters. It says an elective conference would tear the ANC apart, leaving only an empty shell.

But something else might be happening. ANC secretary-general Gwede Mantashe has said an early elective conference may be a good idea if it is not marred by factionalism. Like the SACP's statement, this may be a way of continuing the war by painting the other side as factionalists. But, by not rejecting the conference, he may be signalling interest in a deal.

The patronage group may also now be using that standard tactic, the media leak, to float a compromise. Before the election, its leadership slate consisted purely of members of the faction: now it is leaking slates that combine both factions. It is also

suggesting an uncontested slate, which would only be possible if the two sides do a deal to share positions.

Why would the warring factions want a deal? The patronage group may realise that the local election results show it cannot win the 2019 general election on its own — its opponents may be open to a compromise because they are not sure they can elect the next ANC leadership. Some in the ANC also believe disunity is why it lost support, and that speaking with one voice is the way to win back voters. It may not be possible to hold a conference unless the factions find common ground.

Challenging the credentials of the other side's delegates is common in ANC battles: the higher the stakes, the more likely is it that both sides will contest the others' delegates. This is why the SACP suggested that each province be given the same number of delegates to a consultative conference to avoid endless disputes about who can vote.

But, while a fudge that shares the ANC leadership between the factions might help it deal with its internal conflicts, it is unlikely to restore voter support. Voters were not turned off by disunity in the ANC — they were repelled by patronage politics, so the only way the ANC can regain lost ground is by persuading voters who left it that it is fighting corruption and patronage. It is hard to see how this would be possible if patronage politicians are given leadership posts. Their opponents might hope to win back ANC voters despite this by sidelining them, but there is no reason why they should be better able to do this over the next five years than they were over the past decade.

A compromise would surely mean more of the same — an ANC in which the factions continue to jockey for power and in which decisions reflect this reality.

Patronage's reach would be constrained, as it is now, which is why firing finance ministers or imposing a public protector who looks after politicians rather than the people is more difficult than patronage barons hope. But it would not be eliminated, and so the head of the SABC may still tell Parliament that what he does is none of its business, and South African Airways might still ignore attempts to hold it to account.

It is precisely this that millions of voters rejected. This must surely mean that the ANC will continue to lose support until patronage politics is forced onto the back foot, not granted at least half the seats at the leadership table.

• *Prof Friedman is director of the University of Johannesburg's Centre for the Study of Democracy*

<http://www.bdlive.co.za/opinion/columnists/2016/08/31/anc-unity-deal-will-keep-patronage-faction-at-the-table>

The Business Case for the Ethics Project SA

Iraj Abedian, Daily Maverick, 30 Aug 2016

In the recent past, SA political economy has been awash with a flood of unethical cases of abuse of public office, patrimonial practices, misuse of fiscal resources, manipulation of procurement processes, and the lack of accountability by government officials across all spheres of local, provincial and national government.

The consequences are far-reaching, and there's more than enough room for intervention.

Associated with public sector inefficiency, abuse and misuse of public resources is the wider issue of corruption. It may not be an exaggeration to suggest that the two interrelated phenomena of corruption and crime have been the topmost blights on the face of an otherwise successful, if not wondrous, democratic transition in South Africa. Increasingly, it is evident that the South African liberation movement's social democratic revolution is tripped up by corruption. There is a growing danger that not dealing effectively with corruption could lead to the institutionalisation of corruption, the rationalisation of corrupt practices and the taking root of a culture of greed and self-enrichment at all costs.

Much less publicised and emphasised is the role of business, both by commission and omission, in the propagation of unethical conduct. Of course generalisation and broad-brushing are incorrect and misleading. However, in the business sector the majority of executives and corporations formally subscribe to the 'codes of good corporate governance'. Their annual 'glossy' reports are decorated with "impressive evidences" of their socially responsible citizenship. Yet operationally, they do not hesitate to collude and/or abuse their market powers. Evidences of price fixing amongst pharmaceutical companies, construction companies, cement manufacturers, bread producers and steel manufacturers have been high profile cases over the past few years in South Africa. Sasol, South Africa's most celebrated petrochemical corporation, has been heavily fined, both locally and internationally in the EU, for its extensive anti-competitive practices.

The country's banking sector is also accused of malpractices and a report in this regard is yet to be made public by the Competition Commission. The cellular phone companies are likewise accused of collusion to fleece the consumers in the country. The latest case has just been made public by Competition Commission's imposition of a massive R1.5 billion penalty against ArcelorMittal SA – the country's largest steel manufacturer – on account of price fixing. Meanwhile, debates, suspicion and speculations surround the possibilities of tax evasion and illicit financial flows involving business firms, global financial institutions and a number of high net-worth individuals.

More broadly, in South Africa, as in many other countries, over the past decade, a gradual but tangible rift has emerged between the country's socio-economic 'formal (professed)' as opposed to 'informal (practised)' ethics. Duality of the values is equally prevalent in labour unions, the media sector and other social structures and organisations. Sporting personalities, businesses and organisations likewise have been proved to be infested by value inconsistencies.

There is convincing and growing evidence that the facts as well as the allegations of corruption in the society have gradually tarnished the internal and external perceptions of the country's brand, and the state operations as well as the political authority of the governments (national and sub-national). As a result, social trust in governments has been considerably undermined. Whilst the economy and the society at large suffer the consequences of widespread corruption and corporate abuse, the poor within the society bear the brunt of its impact. After all, the poor are far more dependent on the performance of the public sector and wage-price abuses

by the corporates and business enterprises. The growing gap between the rich and the poor over the past decade is, largely, due to the growing spread of corruption, and more broadly the duality of values, unethical conduct across all sectors and spheres of the economy. This applies as much to the public sector as to the business sector. For, it is the business sector that has operational control over the lion's share of the national resources. And, at the local level, it is the business sector that exercises choice over the primary distribution of income in the form of the split between wages, salaries, and profit. An ethical basis for such micro-distributional framework will go a long way to deal with maldistribution of income and its resultant social inequities.

The duality of values has been accentuated by the processes of socio-political globalisation. In general, it is much easier to create convergence of values in homogeneous societies as opposed to communities where tribal, cultural, religious and ideological differences prevail. Interestingly enough, for the classical economists the consistency of values was almost axiomatic. For example, on the socio-economic significance of honesty, Adam Smith in his *Theory of Moral Sentiments* (1759) argued that a well-functioning society was dependent on compliance with what he termed a "code of honour". The absence of a code of honour ultimately leads to inefficiency, under-performance, and corruption in one or the other form. Corruption in the society acts much like cancer in the human body – if not stopped, for sure it will spread! Most significantly, corruption erodes the moral authority of the state, the business entities and social cohesion.

SA's constitutional democracy has reached an ethical T-junction. An environment filled with a duality of values is conducive to operational inefficiency and ethical inconsistencies, as well as social distrust and instability. In the absence of an agreed ethical code of honour and practice, the poor suffer, the elite benefit materially, but their welfare remains at risk. The society's instability persists, and the environment for investment, prosperity, and development stays fragile, vulnerable to wild swings, whilst uncertainty pervades.

Whilst various legislative measures are in place to combat unethical conduct in business, and whereas entities such as Corruption-Watch, OUTA, Ethics Institute of SA and the like remain active in the field, these have proven ineffective in matching the gravity and the scale of unethical conduct in business practices. Much more is needed in both legislative and other supplementary fields.

In the light of this reality, there is an urgent business and social imperative for a meaningful dialogue on our national ethics. As Prof. Mosala, Project Leader of the Mapungubwe Institute for Strategic Reflections' (MISTRA) Ethics Project, asks: "Morally, who are we, what characterises and distinguishes us"? (Sunday Independent, 21 Aug.2016) The answer to this simple, but foundational question, cuts deep into the core of our society. The business sector, alongside all other role players within the political economy sphere, needs to recognise the severity of our political economy's systemic fault-line, partake in the dialogue, and take a position in the reconstruction of the society whose success will require systemic ethical conduct.

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<http://www.dailymaverick.co.za/opinionista/2016-08-30-the-business-case-for-the-ethics-project-sa/#.V8Wffk3lrIU>
