

Trade Unions and Socio-Economic Policy in Post-Apartheid SA

Prepared by Khwezi Mabasa (FES Programme
Manager)

FES WORKSHOP 2015

Structure of the presentation

- Global and domestic political economy
- Key areas of socio-economic development in SA
- Important socio-economic policy trends in 2015
- Policy advocacy and research gaps
- Civil society policy advocacy and research strategies

Global political economy

- Economic-liberalism: over-financialization / sluggish recovery from global economic crisis
- High levels of socio-economic inequality
- Ecological crisis and the expansion of extractive economic activity
- Restructured global political economy & rise of the south?
- Social unrest and countermovements
- Growing importance of the energy political economy

Domestic political economy: SA

- High levels of racialized socio-economic inequality
- Declining legitimacy of the political left and its influence on policy
- Unproductive investment
- Minimal structural reconfiguration : economy overly dependent on Minerals Energy Complex (MEC)
- Deindustrialization
- Unequal access to basic socio-economic goods and quality services

Trade unions and the transition to neo-liberalism

- Democratic transition & paradox of liberal democracy in the 21st century
 - Economic restructuring and organizing challenges
 - Tripartite engagement and loss of worker control
 - Economic reductionism centred on wage demands
 - Poor education: labour relations and political education
 - Low union density and loss of membership (especially in private sector)
 - Business unionism and authoritarianism
- (NALEDI 2015; Buhlungu 2010; COSATU 2012)

Key policy areas of socio-economic development in SA

- NDP(2013); ANC NGC documents(2015); and Presidency Twenty Year Review (2014)
 - Employment and income inequality
 - Social Security
 - Public Employment Programme
 - Health
 - Education
 - Agrarian and land reform

Selected stats on essential policy areas

- Employment and income inequality:
 - The top 10% of the richest households in SA account for over half of the nation's income (Presidency 2014)
 - Median wage rate in SA is R3033; well below the ILO recommended minimum living level of R4500 (Stats SA 2014)
 - The share of wages in the national income has declined since 1994: 55% in 1994 to 52% in 2012 (Presidency 2014)
 - Unemployment rate:
- Social Security:
 - 11.5 million on Child Support Grant (R330)
 - 3 million Old Age Pensioners (R1410. Over 75 years R1430)
 - 1.1 million on Disability Grant (R1430)
 - 373 War Vets (R1430)
 - 93,800 Care Dependence (R1430)
 - 548,000 Foster Care (R860)
 - 16 million people by 2013/2014 .(SASSA 2015)

Selected stats on essential policy areas 2

- Public Employment Programme
 - EPWP phase one (2004-2009): 1.6 million work opportunities
 - EPWP phase two (2009-2013): 3 million work opportunities
 - EPWP phase three (2014- 2019): target = 6 million
 - Contestation on training and poverty statistics
- Health
 - SA is rated number 118 out of 187 countries on Human Development Index (2013)
 - Health outcomes are very poor when compared to other middle-income countries
 - 8.5 % of GDP is spent on health; 5 % services 16% of the population; 3.5% services 84% of the population (Presidency Twenty Year Review 2014).
 - only 10.4 % of the African population had medical insurance and 75 % of the white population was on medical aid (General Household Survey 2012)

Selected stats on essential policy areas 3

- Agrarian Reform & Food Crisis
 - Recent research reports indicate that 46% of the population is food secure.
 - 28.3% of the population is at risk of going hungry, and 26% experiences hunger on a daily basis (SAHNES 2013).
 - Half of South Africans do not have sufficient access to affordable, nutritious and safe food to meet their basic health requirements
 - These food insecure citizens reside in working class communities such as townships and rural areas
 - 1.5 million children under the age of six are stunted by chronic malnutrition

Research and policy advocacy opportunities

- Comprehensive social security policy discussions and negotiations 2015:
 - Retirement fund reform
 - Social security gap and Basic Income Grant ?
 - Learning from international experience ? Brazil or the Nordic countries
- Public Employment Programmes:
 - Labour market dynamics
 - Skills development and long-term economic participation
 - Impact on poverty, inequality and service delivery
 - Trade union response

Research and policy advocacy opportunities

- Agrarian reform & food crisis:
 - Introduction of a food act? And its effects
 - Evaluating the political economy of the food system
 - Developing civil society-led responses to the food and nutritional crisis
 - Linking land reform with food security
- Health:
 - Support civil society evaluation of NHI pilot projects
 - More research and advocacy on state-owned pharmaceutical company
 - Civil society role in reconfiguring primary health care
 - Education and public health literacy
 - National health policy advocacy

Civil society policy advocacy and research strategies

- Enhanced integration of all key areas of social development= non-reductionism
- Specific focus on: jobs, industrialisation, localization and youth development
- Campaign-driven research and policy work
- Establishing a strong political-socioeconomic- ecological nexus.
- Using the micro social policy issues to elucidate the macro developmental crisis.
- Dangers of elitism and social distance
- Evaluation of our work