

# Fedusa

## A congress with a difference?

*Fedusa – the second largest trade union federation – recently held its second national congress. The **Labour Bulletin** was there ... along with President Thabo Mbeki and two cabinet ministers.*

**W**alking into Fedusa's second national congress felt vastly different from attending its first in 1999. The first surprise was seeing President Thabo Mbeki along with Labour Minister Membathisis Mdladlana and Finance Minister Trevor Manuel in attendance. Once one got over this, it was interesting to see how the composition of the delegates has changed. Fedusa is increasingly beginning to represent a broader category of workers. The federation has a strange mix of unions: from traditionally white unions to those more multi-racial and almost exclusively black unions. This diversity was far more evident at the congress than in previous years.

Whilst Fedusa members clambered to get a photograph with Manuel, one could see that the federation is hard at work seeking a higher degree of legitimacy both from within government and from amongst its fellow trade unionists in other federations such as Cosatu. The presence of such a high-level delegation from government certainly raised a few eyebrows. Comments ranged from: 'When was the last time such a delegation attended a Cosatu congress?' to 'Is this an attempt to get back at Cosatu?' and 'Is government trying to enter into new alliances?'

Fedusa general secretary Chez Milani rejects the notion of a 'winds of



*Then and now ... the changing face of Fedusa*



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change'. But rather explains that the attendance of Mbeki along with Mdladlana and Manuel is really an indication that Fedusa is beginning to add value to broad policy debates. 'The realisation is sinking in that Fedusa can make a difference within the current industrial relations climate. Government is beginning to see the value,' Milani says.

Since taking over the reins in 1997, Milani has attempted (despite some opposition in his ranks) to build-up the federation's intellectual capacity so that it can begin to engage in key policy debates. There are some more conservative elements in his ranks that have not always seen the benefits of the federation and its potential to impact on developments.

Having begun to put Fedusa 'on the map', Milani sees the federation as continuing to make more strategic interventions in the future and 'bring some sanity to the debate'.

If the federation is to make more 'strategic interventions' it will have to begin to increase its resource base. Alternatively, it could form alliances with research organisations and/or economists so that they can engage on broader policies affecting the labour market, such as the dti's proposed new manufacturing strategy.

As the federation's stature grows, it will be called upon to participate in an increasing number of activities and initiatives. This could put a strain on its

very small head-office staff. Milani runs a small tight organisation so as to limit overheads. He is not in favour of an expensive top-heavy structure. The federation has, in the past, been overlooked for participation in a number of initiatives such as the bipartite Millennium Labour Council (MLC). This structure was set up by a group of leading businessmen and senior Cosatu officials towards the end of 1999 and beginning of 2000. Fedusa was invited to participate in the structure last year.

The second national congress was held to review work done over the last three years (since the first congress in 1999) and to discuss various policy positions in relation to state asset restructuring, corporate governance, labour-based employment and the future of pension funds.

#### **Resolutions adopted**

##### *State asset restructuring*

The federation plans to build capacity within unions to engage more effectively on this issue. Fedusa indicated that the United Kingdom based DFID, which has assisted the Department of Public Enterprises with restructuring, had approached the federation to be engaged as a partner towards building capacity and research within labour. DFID has set aside £7.5m for funding this initiative, together with other stakeholders. Fedusa will make use of this partnership to engage in impact studies in order to determine how abandoned services and projects can be used to regenerate income in

poverty stricken regions and encourage job creation.

##### *Labour-based employment*

Fedusa believes that in excess of 400 000 jobs can be created through labour-based employment. Fedusa has called on government to ensure that tenders (for infrastructure development) are awarded to companies making use of labour-based methods, as opposed to machinery intensive methods – where costs and quality compare favourably. Business must also prioritise job creation and encourage the use of labour-based methods, where feasible.

##### *Management morality/corporate governance*

The role of labour with regards to the moral regeneration of society was highlighted during discussions on the resolution regarding management morality. Fedusa will campaign for ethical and moral conduct of employers and will expose employers who behave in an unacceptable manner. (One of Fedusa's affiliates was involved in blowing the whistle on Spoornet CEO Zandile Jakavula.)

##### *Pension fund administration*

The federation wants to kick start pension fund trustee training (in line with Manuel's call) as well as to commission research to determine the viability for pension funds to invest in social infrastructure. LB

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