
**SPEECH DELIVERED BY BROTHER KOFI ASAMOAH
(SECRETARY GENERAL OF TUC) AT THE 2013 NATIONAL
MAY DAY PARADE AT ESSIPONG STADIUM, SEKONDI
WEDNESDAY, MAY 1, 2013**

**SISTER CHAIR, YOUR EXCELLENCY, PRESIDENT JOHN MAHAMA,
THE CHIEF OF STAFF, HONOURABLE MINISTERS OF STATE,
NANANOM, OUR GUESTS, LEADERS OF ORGANISED LABOUR,
LADIES AND GENTLEMEN, COMRADES, MEMBERS OF THE MEDIA,**

Once again we join workers all over the world to celebrate Workers' Day of Solidarity. This year's May Day is special for a number of reasons. First, we are holding the National Parade here, in Sekondi, the birthplace of the Trades Union Congress. It is here in Sekondi, at the offices of the Railway Workers' Union, that the TUC was founded in 1945 by gallant men whose objective was to protect the interests of the working people of Ghana.

At the time, there were 14 unions with 6,030 members. It is from this humble beginning that unionism has grown to what it is today. Our presence here today in Sekondi reminds us of the visionary founding fathers of trade unionism in Ghana. We pay special tribute to these brave men who sacrificed their own comfort for the welfare of the workers throughout the post-independence period until now. They include Comrades C.W.Techie-Menson, Manfred Gaisie, Anthony Wood, I.K. Kumar, Turkson Ocran, Victor Narh, Yaro Deman, John Tettegah, J.C. Rudolf, Pobee Biney, H.P Nyamitei and many others.

Another reason why this year's May Day is special is that, for the first time in the long history of May Day celebration in Ghana, we have a woman chairing the National May Day Parade. Sister Georgina Opoku Amankwaa was elected the first woman Chairperson of the TUC at our last Congress which was held in Kumasi in August last year. She is the first woman to hold this position in the 68-year history of the TUC. On behalf the leadership of Organised Labour and all the working people of Ghana we congratulate our sister and indeed all women who have risen to leadership positions in their unions in spite of the enormous challenges they had to face.

Sister Chair, the third reason why this year's May Day is special is that it is the first time His Excellency President John Mahama is celebrating May Day with us in his capacity as the President of the Republic of Ghana. Your Excellency, you are welcome! We wish you God's guidance and wisdom to lead us away from the severe poverty that has afflicted a large number of our compatriots in spite of the abundant natural resources in our nation.

The theme for this year's May Day celebration is - ***PENSION: IT'S YOUR RIGHT AND YOUR RESPONSIBILITY.*** Our aim is to draw attention to the importance of pensions.

Sister Chair, according to the 2010 Population and Housing Census, there are 1.6 million people in Ghana who are above the age of 60. They constitute 6.5 percent of the total Ghanaian population of 25 million. Out of this just about a hundred thousand or about six percent of the senior citizens are benefiting

from SSNIT pension. A few others are on Cap 30 pension and university pension. The remaining 1.5 million do not have any form of pension. Most of them are surviving below the national poverty line of GH¢2 a day. Some have become destitute moving from office to office begging for money from their former colleagues who are still in employment. Even those who are lucky to be on monthly pension a very significant proportion of them are earning less than GH¢100 a month, which is woefully inadequate for survival.

Your Excellency, these are men and women who have toiled for this country. They spent their youthful years either as farmers, health workers, masons, carpenters, traders, miners, construction workers, drivers, plumbers, teachers, public service workers or workers in the private sector to support the growth and development of this country. These are the true heroes. It is said that the country which does not honor its heroes is not worth dying for. Our senior citizens deserve better. They should, at least, have the right to decent retirement and pension after a long period of toil and suffering. It is indeed a big shame to the nation to allow our senior citizens to be reduced to paupers. This is unacceptable, especially when viewed against the background of the enormous wealth we have in this country. There is no way we can justify a situation where our old people become destitute immediately after retirement. We have to do something about it now.

We challenge you, Your Excellency, and your Government to make social protection of our senior citizens one of your core priorities during your term

in the highest office of the land. We believe Ghana has enough resources to take good care of all old people in Ghana.

We would like to propose a **Basic Income Grant** for all old people who are 60 years and above who are not on pension. We further propose that the Basic Income Grant should at least be equal to the inflation-adjusted nutrition-based National Poverty Line and should be increased on a regular basis in line with increases in cost of living. By so doing we can lift our fathers, mothers and grandparents out of poverty, disease, destitution and squalor. We, as Organised Labour, stand ready to work with the ministry in charge of social protection towards the eradication of poverty among our senior citizens. Let no one say that it is not achievable. Studies have shown that Ghana, like many other developing countries, can provide adequate social protection for its vulnerable citizens with less than 3 percent of its Gross Domestic Product (GDP). Mr. President, assuming we pay each of the 1.6 million old people GHC100 per month, Ghana will spend GHC160 million per month or GHC1.9 billion per annum which is just 2.6 percent of our GDP which is projected to be GHC73 billion in 2013. Mr. President, a Basic Income Grant for our senior citizens is achievable and they deserve it. We believe that what we need now is the political will and a visionary leadership. Your Excellency, we trust that you can deliver that leadership and we will support you.

Let me turn our attention from our senior citizens to the young people and all those who are still in employment, whether in the formal or informal sector

of the economy. You should remember that one day you will also retire. The only way you can have a decent living during retirement is to have decent pension. And you can have decent pension by making your pension your responsibility while you are in paid employment or self-employed. You must endeavour to save part of what you earn today, whether high or low, towards the future. Don't wait until it is too late. Join a pension scheme today for a bright future.

The new pension law, Act 766, has introduced a three-tier pension in Ghana. The first tier is the SSNIT scheme which is the basic pension for all those who are in employment. Every paid worker in Ghana must ensure that he/she is registered with SSNIT. Make it your responsibility to ensure that your employer pays your contribution to SSNIT every month. It is also our collective responsibility to ensure that SSNIT is managed efficiently and effectively so that it can be sustained. The second tier is the occupational pension scheme. Every paid worker must belong to a second tier scheme. All workers in the SSNIT scheme must, by law, belong to a mandatory second tier scheme. Again, it is our collective responsibility to ensure that these occupational, privately-managed schemes are managed well so that we can be sure of a decent lump-sum payment when we retire. We should bear in mind that SSNIT is longer going to pay lump-sum under the new pension law. Then there is the third tier scheme. You can join a third tier pension scheme as an individual or as a group. This means, in addition to the SSNIT pension, you can earn more retirement income from the second and third tier pension schemes during retirement.

I would like to use this opportunity to bring to the notice of His Excellency and his Government, something which is going on concerning the registration of second-tier occupational schemes for some public sector workers. Some public officials are using their positions to frustrate the efforts of some unions and their members including teachers and educational workers and health workers to register their second tier schemes. Unions in the education and health sectors and other sectors have made every effort to register their second tier schemes in consultation with their various managements. The National Pension Regulatory Authority (NPRO) has already registered these schemes. But our understanding is that Government is in the process of registering some schemes for all public sector workers. We do not think schemes should be imposed on workers. We are appealing to you, Your Excellency, to help us deal with this issue once and for all. It has the potential of creating further disturbances on the labour scene.

Sister Chair, we cannot discuss pensions without mentioning wages because the low level of pensions is a reflection of the low pay in Ghana. It is regrettable to note that Ghana ranks among the lowest even on the poor African Continent, in terms of pay levels. We live in a country where some top officials managing some parastatal organizations are earning over GH¢20,000 per month while some Ghanaians are earning less than GH¢150 per month. Such high and growing inequality is a recipe for chaos in the future.

The single spine pay policy was designed to reduce inequality within and across public sector institutions, to enhance public sector pay as a means toward improved productivity and to bring public sector pay administration firmly under the control of government through the Fair Wages and Salaries Commission.

We have made some gains in the last three years in terms of salary increases for public sector workers. However, we feel very sad to note that public sector pay has now become the target of incessant attacks from some politicians who attribute everything that has gone wrong in Ghana to the Single Spine Pay Policy ranging from government's inability to pay road and building contractors to the high budget deficit.

While one segment of the public service (i.e., those employed in public institutions specified under article 190 of the 1992 Constitution) are being blamed for the budget deficit those specified under Article 71, including Members of Parliament, the Judiciary, and the Executive Branch of Government have been paid hefty sums of money in the name of ex gratia award and salary arrears, dating back to 2009. This is not fair.

No one can justify the situation where a group of people receives hundreds of thousands of cedis as compensation for only four years of public service as parliamentarians or working in the executive branch of government while others receive peanuts after more than 30 or 40 years of public service as

civil servants, teachers, nurses or police officers. We must, together, tackle this injustice frontally.

Your Excellency, we have a proposal. Our proposal is that all public office holders specified under both articles 71 and 190 of the 1992 Constitution must be placed on the same salary structure. This may sound radical and may even require a change in the Constitution. But that is the only way forward. Mr. President, we trust that our proposal will receive your utmost attention. We believe that public sector pay can improve further if we reduce corruption and introduce fairness in public sector pay administration. We also believe that the most effective way to improve pensions is to improve wages. Again, we would like to assure His Excellency, President Mahama, that all Organized Labour groups, gathered here, are ready to work with your Government towards a fairer pay and improved productivity in the public service.

We are part of the preparation towards the national forum on labour. Our expectation is that, through the forum, we can form a strong social partnership along with private sector employers based on mutual respect and mutual trust so that, together, we can improve the implementation of the Single Spine Pay Policy and find a lasting solution to the turbulence on the labour scene and to improve productivity in both the private and public segments of the economy. We should also use this forum to find a lasting solution to the high rate of joblessness among the youth. We also expect the forum to discuss and agree on how to measure productivity and how to

galvanize all workers in both the private and public sectors to increase productivity.

Sister Chair, before I conclude, I would like to revisit the number one challenge facing our country today - poverty. Official data show that Ghana has made progress since 1990 in terms of poverty reduction. But we still have a situation where over 7 million Ghanaians are living in severe poverty. A recent report based on Multiple Indicator Cluster Survey (MICS) conducted in 2011, released by the Ghana statistical service shows that we have do a lot more to conquer poverty, particularly in our rural communities. For instance, 82 out of every one thousand children born in Ghana die before their fifth birthday; more than one out of every ten Ghanaian children are underweight due mainly to poor nutrition; and more than one out of every five Ghanaian children are stunted. Ghana has done well in child immunization and primary school enrolment but we have a lot more to do a lot for our children and their parents, particularly in the areas of nutrition, water and sanitation, and housing.

My fellow workers, we have every reason to celebrate this day. We have contributed our quota to the growth of the economy. We hope that our Government and private sector employers will recognize our contribution and reward us accordingly instead of blaming us for everything that goes wrong in the country.

Finally, let me thank His Excellency and the Government of Ghana for their support for the May Day celebrations across the country. I would also like to thank the Regional Minister, the Deputy Minister, the Regional Coordinating Director and his hard working staff at the Western Regional Coordinating Council for their support and their cooperation. We thank the Regional Director of the National Sports Council for hosting the National Parade. Our sincere gratitude is also reserved for the members of the National and Local May Day Planning Committees under the chairmanship of Brother Abu Kuntulo, the General Secretary of Health Services Workers' Union, for the excellent work. We thank all employers who have, in diverse ways, supported their employees to celebrate this May Day across the ten regions of our nation.

On behalf of the leadership and members of Organised Labour comprising the TUC and its 18 affiliated National Unions and nine Associate Members, the Ghana Federation of Labour (GFL) and its affiliates, Ghana National Association of Teachers (GNAT), National Association of Graduate Teachers (NAGRAT), Civil and Local Government Staff Association of Ghana (CLOGSAG), Ghana Registered Nurses Association (GRNA), and Industrial and Commercial Workers' Union (ICU) we say Ayikoo to all the working people of Ghana. May the Good Lord Bless Us All.

Long Live Organised Labour!

Long Live The Republic Of Ghana!

Thank you.

