

GHANA TRADES UNION CONGRESS

STATEMENT BY THE SECRETARY GENERAL, BROTHER KOFI ASAMOAH, AT THE 2011 GHANA TUC/GJA END-OF-YEAR INTERACTION

VENUE: GHANA INTERNATIONAL PRESS CENTER

DATE: DECEMBER 22, 2011

Once again another year is coming to an end and we have the opportunity to interact with our friends in the media. As we have been doing in the past several years, we have met here to reflect on our activities in the passing year and the year ahead of us.

First of all, let me, on behalf of the Executive Board of the Ghana TUC, take this opportunity to say *Ayekoo* to all Ghanaian workers. We salute the hardworking people of Ghana for their forbearance and heroism and for their enduring commitment to the development of Ghana and for the maintenance of peace and harmony at their workplaces across all the sectors, both formal and informal. We pay special tribute to those who have fallen in the course of duty.

We would also like to express our sincere appreciation to the men and women of the media for your steadfastness in holding high the banner of free speech and for the protection of the democratic order we have chosen for ourselves as a

nation. Your role in the political development of Ghana will forever be remembered.

Ladies and Gentlemen of the press, the labour scene has been quite turbulent this year. The implementation of the Single Spine Pay Policy was, understandably, the main source of industrial conflicts. The three week strike by Ghana Medical Association (GMA) was the highest expression of worker dissatisfaction with pay and working conditions. Some level of disaffection remains across the public sector. Many public sector workers are still deeply dissatisfied with their pay and conditions of service even after they have been migrated onto the Single Spine Salary Structure (SSSS). The SSSS, in our view, represents an important intervention by government to address the multiplicity of challenges in the public service reward system. We at the TUC have fully supported the development of the Single Spine Pay Policy (SSPP) and its implementation. We have done so with the conviction that the SSPP would, ultimately succeed in addressing the challenges facing the salary administration in the public sector.

I am happy to note that, so far, about 98 percent of all public service employees have been placed on the Single Spine Salary Structure (SSSS), according to the Fair Wages and Salaries Commission (FWSC). However, as mentioned earlier, a significant proportion of public sector workers are still very dissatisfied with the new pay structure because it has failed to enhance the level of their salaries.

We would like to emphasize the point we have been making all along that the SSPP should address the low pay in the public sector otherwise all what has been achieved so far could come to naught. As we enter a new year, which is also an election year, we would like to appeal to government to take the bull by the horn in terms of upward adjustments of salaries. Many workers in Ghana can still not meet their basic needs because of low pay in both the private and public sectors. The Base Pay and the Pay Point Relativity on the SSSS should be adjusted in such a way that the SSSS can offer meaningful salaries to all public service workers. We urge our social partners to agree to our proposal for a meaningful adjustment of the National Daily Minimum Wage and subsequently the Base Pay and Relativity on the SSSS.

We are convinced that productivity in Ghana will improve if workers are adequately compensated. We do not believe that exhortations, admonitions and appeals alone can bring out the best in a worker whose pay is insufficient for food, utility bills, school fees for his or her children, rent, transport and quality health care. It is for this reason that we are appealing to our social partners generally and government especially to revive the consultations towards a National Living Wage. Ghana is now a middle-income country and so salaries and our living standards must reflect that status. No middle-income country pays its workers less than ten US Dollars a day. If Ghana is indeed a middle-income country we should feel it in our pockets.

We are told that Ghana is among the fastest growing countries in the world. That is good. But Ghanaians should feel the high economic growth in their lives. Growth without social and economic development is meaningless.

Ladies and Gentlemen, as we noted in our recent press release, the cost of living in Ghana remains high despite the declining rate of inflation. The discussions that followed that press release in both the print and electronic media were really interesting. It is clear evidence that Ghanaians are awake and we are following the management of the economy. Even though some politicians are using all means available to them to make us believe that Ghana is doing well, Ghanaians are matured enough to know the reality on the ground. We would like to take this opportunity to remind politicians that it is their responsibility to manage the economy well. The 1992 Constitution gives power to the people of Ghana, at least through the ballot box and Ghanaians have utilized this opportunity very well. We have not hesitated to vote governments out of power if we are not satisfied with their performance. Politicians cannot afford to ignore this basic fact in Ghana's short history of democracy.

It is against this background that I would like to briefly discuss employment or more appropriately, the lack of decent employment for the tens of thousands of the young men and women who graduate from our educational institutions every year. Beyond the rhetoric, we have not seen any concrete measures being taken to deal with the employment challenge in Ghana (i.e., the lack of decent

jobs for the youth in the country). We cannot get far with the low quality jobs being created in the informal sector for the youth. We will continue to witness high incidence of destitution, high incidence of child labour, armed robbery, prostitution and the rest of the social vices if we continue on this path. The employment challenge remains a huge challenge that should receive some attention beyond the rhetoric and promises during political campaigns.

We think politicians are not paying enough attention to the employment challenge. If they were, we would have seen some positive changes. Instead, we see more and more young people on our streets selling all kinds of things. In the 2012 Budget Statement, Government has promised to come out with clear employment targets. We urge all civil society organizations, youth movements, students, trade unions, religious institutions, and the media, to join us to put pressure on Government to make employment a priority issue. We believe that pressure from civil society can change the situation and the fortunes of our young compatriots and the future of our country. We should ensure that all government policies including fiscal policies, monetary policies, investment policies, industrial policies, trade policies, and procurement policies are consistent with the country's employment creation objectives (i.e., to create decent employment for Ghanaians). Making employment a priority issue also means that Government should provide resources to the Ghana Statistical

Service and other relevant institutions to provide accurate and up-to-date data on employment on a regular basis. The Ghana Statistical Service is able to provide inflation figures on a monthly basis. Why can't the Service provide employment data on a regular basis?

We maintain that it is the responsibility of government to create more jobs directly in priority sectors such as sanitation, water supply, infrastructural development, education, health and security sectors. We need more police officers, teachers, doctors, nurses, biomedical scientists, laboratory technicians and other health professionals. It is the primary responsibility of government to ensure that the people of Ghana have access to clean water, adequate sanitation, quality education, health services and adequate protection. We can generate thousands of decent jobs around these basic needs if we make employment creation a priority issue.

Now, let me shift your attention to the oil and gas sector. Our main concern, like all other Ghanaians, has to do with the question of how our natural resources can benefit the people of Ghana. Government has published the oil liftings. The oil revenue allocations have been made in accordance with the Oil Revenue Management Act. The priorities identified by the Minister of Finance for the spending of the Annual Budget Funding Amount (ABFA) have been followed.

This is a good start. We urge government and the relevant agencies to keep it up. Government should now pay more attention to our mining laws and agreements to ensure that mining adequately supports the national development efforts. We are pleased to note the increase in corporate tax and the imposition of the windfall tax on the mining companies. These are bold steps toward ensuring that the legacy of mining in the last one hundred and twenty years is reversed and that mining serves the interests of Ghana. The revenues from the additional taxes must be used for social and economic infrastructure development, especially in the mining communities. We also support the establishment of a National Re-Negotiation Team to review the fiscal regime and mining agreements. We urge government to involve the union in the re-negotiation process.

We would also like to take this opportunity to welcome the Ageing Policy which was recently launched in Accra under the auspices of the Ministry of Employment and Social Welfare with the support of the United Nations Fund for Population Activities (UNFPA). We pledge our full support for the policy. We urge government to pay more attention to ageing and social security issues. Government should provide the necessary support to the National Pensions Regulatory Authority (NPRA) to implement the new three-tier pension scheme to ensure income security for all retirees. We also call on government to ratify

the International Labour Convention 102 concerning Minimum Standards of Social Security. This will give meaning to its declared commitment to ensuring Social Protection for all. Indeed, *A Better Ghana Agenda* cannot be realized without the effective implementation of a social protection policy. The Ministry of Employment and Social Welfare needs to be adequately resourced to meet the challenges and obligations associated with its mandate towards achieving income security for the aged and social protection for the vulnerable in our society.

Freedom of Information is vital to the social, economic and political development of the country. We regret to observe that the Freedom of Information Bill currently before Parliament could not be passed into law during the session that has just ended. We urge government to ensure that it is passed early in the coming year.

At the recent scandal over substance purportedly tendered in evidence as cocaine in narcotics offence trial turning upon further forensic testing to be sodium bicarbonate raises serious and disturbing questions about the integrity of our criminal justice system. We however note the speed with which the authorities have reacted to this scandal by establishing investigative committees or bodies to establish the truth of this sordid affair. Ghana TUC is of the view that no stone should be left unturned to get to the bottom of this matter and that those responsible should be apprehended and made to face the full rigour of the

law. Further, it is our hope that the findings of the various investigative bodies should provide the basis for establishing processes and systems to ensure that such an assault on the integrity of our criminal justice system does not occur again.

Ghana TUC is equally concerned about the furore that has broken out over the payment of GH¢58 million to Mr. Alfred Agbesi Woyome or to Mr. Woyome and to the credit of Vamed Engineering GmbH & Co. KG. The conflicting narratives being given by personalities from different sides of the party political divide do not help the public get a dispassionate account of the facts of the case. In consonance with the principles of probity and accountability enshrined in the Constitution of the Republic, we call on the President to set up a truly independent enquiry, not a presidential commission of enquiry, to investigate this matter and submit a report thereon to the President for necessary action. In the interest of transparency and openness, the sittings of such a committee of enquiry should be held in public to ensure public confidence in the outcome of the committee's work. Public contracts are an important tool for national development and that is why any suggestion that they might be used for unjust enrichment of individuals at the expense of the public should be thoroughly investigated in the interest of the public weal and the reputation of the individuals concerned.

Since 2008 when the Great Financial Crisis struck at the heart of the US economy, the whole of the advanced market economies of the West have been in the throes of an economic crisis that the world has not witnessed since the Great Depression of 1929. Notwithstanding the optimistic predictions of economic analysts of a quick recovery from the crisis, events since have shown that the 2008 financial crash was far from momentary and sounded the beginning of a series of crises which are likely to continue for some time with dire consequences for the world economy as a whole. Currently, the financial crisis facing the European Union heralded by the debt crises of the Republic of Ireland, Greece, Portugal Spain and Italy has placed the future of the Euro in jeopardy. All these developments have serious implications for our development agenda in Ghana and the rest of Africa. These developments are already having negative effects on our economies in terms of demand from the cash-strapped economies of the West for some of our exports. In the medium to long term, these developments are bound to pose major challenges to our development effort. It is therefore a sad commentary on public discourse indeed that no serious debate or discussion is taking place among policy makers, our parties and in academia about the implications of these worldwide developments for our economic, social and political wellbeing. What are the dangers that these events pose to our development and what opportunities do they offer for the challenge of transformation and development? Ghana TUC is

of the view that it is time for the policy, political and intellectual community to begin serious debate on these developments in order to ensure that we are not caught unawares by the crises and so that we can at the same time take advantage of whatever strategic opportunities they offer for our agenda of transformation and development.

Before, I conclude let me touch on the elections in 2012. Like any other election year, we expect the political temperature to rise. However, let me remind the politicians that Ghana is bigger than their ambitions and political parties. They should, therefore, be circumspect in their utterances and actions. The TUC will remain non-partisan. But we have the right to educate our members to make the right choice for Ghana.

On behalf of the Executive Board of the Ghana TUC, I wish the working people of Ghana a Very Merry Christmas and a Prosperous 2012!

LONG LIVE GHANA TUC!

LONG LIVE GJA!

LONG LIVE GHANA!

Thank you.